



FactSheet

Short-Term Rentals

- **What:** Anaheim's updated policy on short-term rentals, or STRs, operating in the city
- **Adopted:** initial vote on June 5, 2019, with a second vote set for June 18, 2019
- **Change:** reverses August 2016 ban and phase-out of STRs, allowing majority of permitted STRs to continue operating in Anaheim
- **Why:** ends drawn-out process between city and STR owners over hardship applications, recouping of investment costs
- **STRs in Anaheim:** 277, as of June 2019
 - **Single-family homes:** 198
 - **Condominiums:** 79
- **Key provisions:**
 - Allows 235 permitted STRs to continue operating in Anaheim
 - STRs must comply with good neighbor rules or risk losing permits
 - STRs in communities where homeowner associations have banned them are required to close by December 2022
 - Permitted STRs closing under homeowner association bans could seek to relocate elsewhere in the city
 - 42 STRs that opted to shut down by August 2019 will still be required to do so, leaving 235 permitted STRs in Anaheim
 - Permitted STRs that keep operating will continue to pay city transient occupancy tax
- **STR rules:**
 - STR owners and operators must have a local contact who can respond around the clock, within 45 minutes, to reported violations and complaints
 - STR owners and operators must supply contact information to neighbors
 - Guests renting an STR in Anaheim must be 21 or older
 - Guests must adhere to quiet time from 10 p.m. to 9 a.m.

277

Short-term rentals
permitted in Anaheim

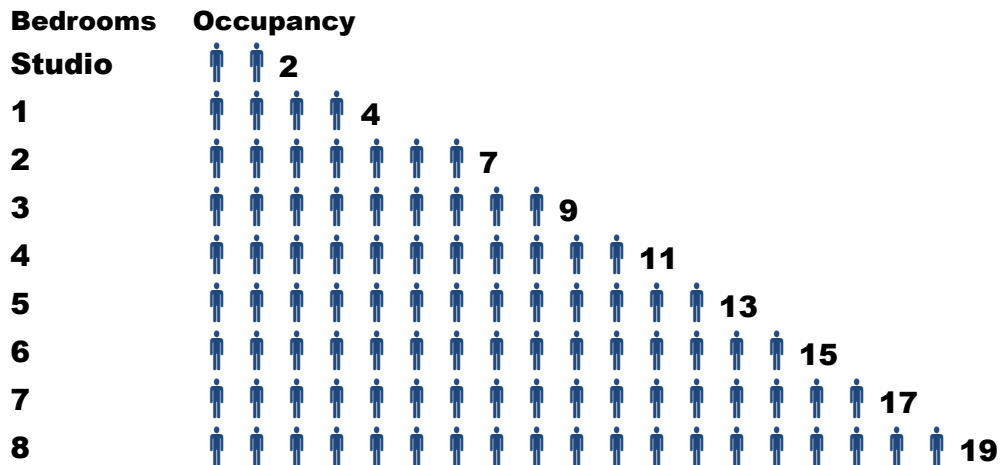
June 2019



FactSheet

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- **Occupancy:** The number of short-term rental guests is limited by the number of rooms at a property



- **Violation citations:** can be issued to owners, operators and guests without warning
- **Violations types:** major and minor
 - Two major violations within 12 months are grounds to revoke a permit
 - 10 minor violations within 12 months are grounds to revoke a permit
 - Owners, operators and renters all subject to fines



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- **Fines:**

Owner/ Operator	First offense	Second offense <i>within 12 months</i>	Third offense <i>within 12 months</i>
Minor	\$200	\$400	\$1,000
Major	\$1,000	\$1,500	\$2,500

Guest	Each offense
Minor	\$200
Major	\$500

- **Tax:** Short-term rentals pay Anaheim's transient occupancy tax, equal to 15 percent of their gross rental revenue
- **Annual STR transient-occupancy tax:** \$4 million, out of Anaheim's nearly \$163 million in yearly transient-occupancy tax revenue

Code Enforcement Numbers

Code Violations
977

Cases Opened
882

Citations Issued
285

**Cease and
Desist Letters**
180

Utilities shut off
16

Revoked Permits
1

August 2016 through May 2019



FactSheet

STR Policy Timeline

- **February 2013:** City Council requests a review to address STR policies for residents and owners
- **December 2013:** A City Council workshop is held on a program framework to ensure compatibility between neighborhoods and STRs, with input from residents and the Anaheim Rental Alliance
- **May 13, 2014:** City Council adopts first STR ordinance requiring owners to register, obtain a permit
- **Aug. 4, 2015:** The City Council hears resident comments on STRs
- **Sept. 15, 2015:** The City Council adopts a 45-day moratorium on new STR permits
- **Feb. 23, 2016:** The City Council holds a workshop to hear recommendations to address immediate and long-term concerns about STRs and receive input from the community and owners
- **June 29, 2016:** The City Council holds a special meeting and votes 5-0 to impose tighter regulations and votes 3-2 to ban and phase out STRs over 18 months
- **July 12, 2016:** The City Council by second reading formally adopts:
 - Tighter regulations on existing STRs and a ban on new ones
 - An 18-month phase out period for existing STRs
- **July 13 to Aug. 12, 2016:** Public invited to submit comments on a home sharing pilot program
- **Aug. 11, 2016:** New ordinances take effect banning new STRs and imposing 18-month phase-out of existing ones



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STR Policy Timeline

- **Nov. 1, 2016:** City Council hears a conceptual review of a home sharing pilot program with potential policy consideration at a later date
- **Nov. 9, 2016:** Hardship applications available
- **Jan. 10, 2017:**
 - Adoption of 45-day extension for filing of hardship applications to allow applicants more time to meet city documentation requirements
 - Clarification of Code Enforcement property access rules; replaced immediate, unannounced investigatory access with requirement that owners or representatives respond within 45 minutes of a Code Enforcement inquiry
- **April 25, 2017:** City Council votes 4-3 to settle owners litigation and adopt hardship changes and minor regulatory updates
- **June 2017:** Hardship applications due
- **September 2017:** Extended hardship application deadline
- **Feb. 11, 2018:** Last day to legally operate an STR in Anaheim unless a hardship extension is granted
- **June 5, 2019:** Council update of STR policy, allowing 235 STRs to continue operating