

City Council Meeting

March 16, 2021

S1 – Discuss Moratorium for Processing New Short Term Vacation Rental Applications



Background

- **November 2019** - STVR Ad Hoc Committee formed - tasked to review STVR Program, regulations, permitting process, compliance and enforcement, outreach and marketing; advisory recommendations to Council.
- **February 2020** – Council appointed 15 members to serve on Ad Hoc Committee
- **August 2020** – Executive Order No. 10 – moratorium on processing STVR applications to best protect public health and welfare following orders and directives from State and County related to Covid-19 pandemic; Moratorium until April 6, 2021, unless extended.
- **December 2020** – Ad Hoc Committee final recommendations presented to Council

Background

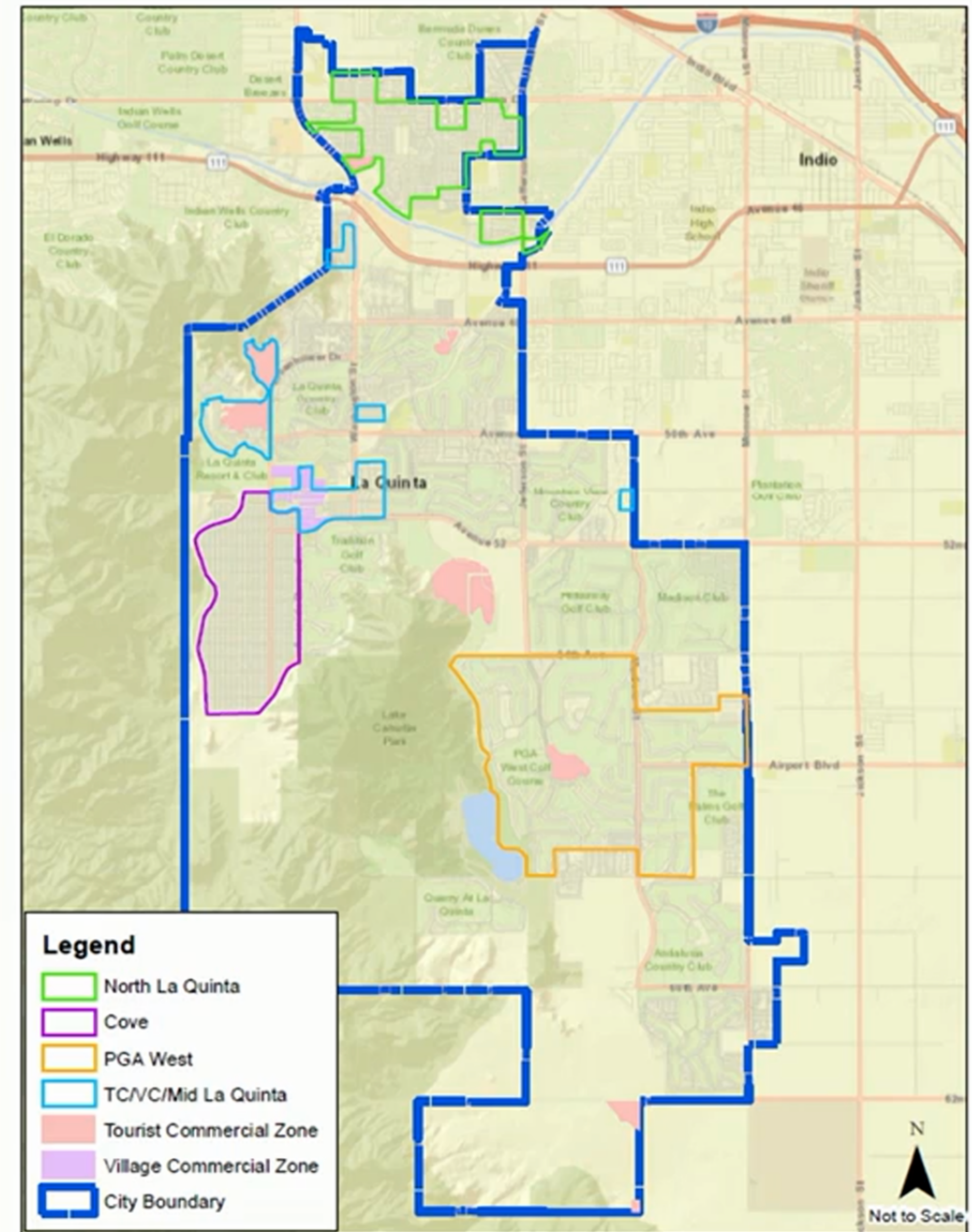
- **January/February 2021** – Council reviewed Ad Hoc Committee recommendations, other recommendations, data/statistics on STVR, Code actions, public testimony
- **January 15, 2021 (effective date) - Code Update**
 - Hosting platforms required to verify property listings have active STVR permit prior to booking
 - Renewal applications submitted as early as 60 days before permit expiration
 - Local contact person 24/7; respond within 30minutes
 - Bedroom additions/conversions verified and approved by City
 - Inaccurate advertisement (# of bedrooms) subject to fine
 - HOA letter to verify STVR allowed
 - Ownership change notification; STVR permit non-transferable
 - City Manager final decision on any appeals
 - Increase STVR violation fines

Background

- **March 2021** - Noise Monitoring Devices Pilot Program, currently underway
- **April 15, 2021 (effective date) - Code Update**
 - Four permit types: 1) Homeshare, 2) Primary Residence, 3) General STVR Second Home/Investment, and 4) Estate Home
 - Clarification on adequate on-site parking based on overnight occupants allowed
 - Contract between owner and renter acknowledging regulations
 - Two-strikes policy
- **Consideration of a permanent moratorium on processing new applications for STVRs due to the proliferation of STVRs in residential areas of the City.**

Four distinct residential areas in the City where STVRs are concentrated:

- 1) North La Quinta (north of Hwy 111)
- 2) The Cove
- 3) PGA West
- 4) TC and VC zones; mid La Quinta



Number and Density of STVR Areas

Areas	# of Units	# of Permitted STVR	Density Permitted STVR	STVR Second/ Investment Properties	Density STVR Second/ Investment Properties
1) North La Quinta	2,578	136	5.3%	97	3.8%
2) The Cove	4,994	282	5.6%	212	4.2%
3) PGA West	3,332	422	12.7%	382	11.5%
4) TC and VC zones	442	215	48.6%	212	48%
Citywide	25,665	1,284*	5.0%	1,109	4.3%

*As of February 19, 2021

Number of Code Actions and Citations by Areas

Areas	Code Actions (Notices/Citations/Suspensions)	Code Citations
1) North La Quinta	161 (30%)	84 (32%)
2) The Cove	132 (24%)	73 (28%)
3) PGA West	183 (34%)	82 (31%)
4) All other areas of LQ	64 (12%)	22 (9%)
Citywide	540	261

Some considerations on establishing a moratorium on processing new STVR permits:

- Suspend all types of STVR permits: homeshare, primary residence, and general STVR second home/investment?
- Only suspend general STVR second home/investment type, but allow homeshare and primary residence type permits to be processed?
- Exempt TC/VC zones?
- Exempt new developments in TC/VC zones and other new residential developments with development agreements that include tourist/resort and STVR uses?