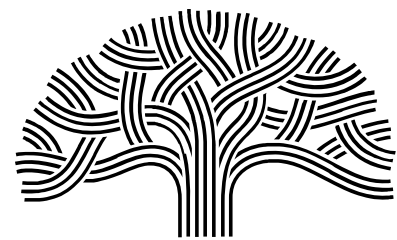


Overview of Draft Short-Term Residential Rental (STRR) Vendor Contract

Planning and Building Department
December 12, 2023



CITY OF
OAKLAND



What are Short -Term Residential Rentals (STRRs)?

STRRs are the rental of all or a portion of a Dwelling Unit for periods of **less than thirty (30) consecutive days**, for which the STRR Guest compensates the Host. A STRR is an accessory activity to a Permanent Residential Activity.



Background

- **2023-2031 Housing Element Action 3.2.7: Proactive Short-Term Rental Enforcement**
 - The City will **pursue additional data collection tools** that will allow the City to access information showing addresses of units on short-term rental platforms.
 - The City will **engage in proactive enforcement** against property owners who are operating short-term rentals in ADUs and in other dwelling units.
- **State law** does not allow STRRs in ADUs
- **State HCD received complaints** about not proactively enforcing illegal use of STRRs in ADUs

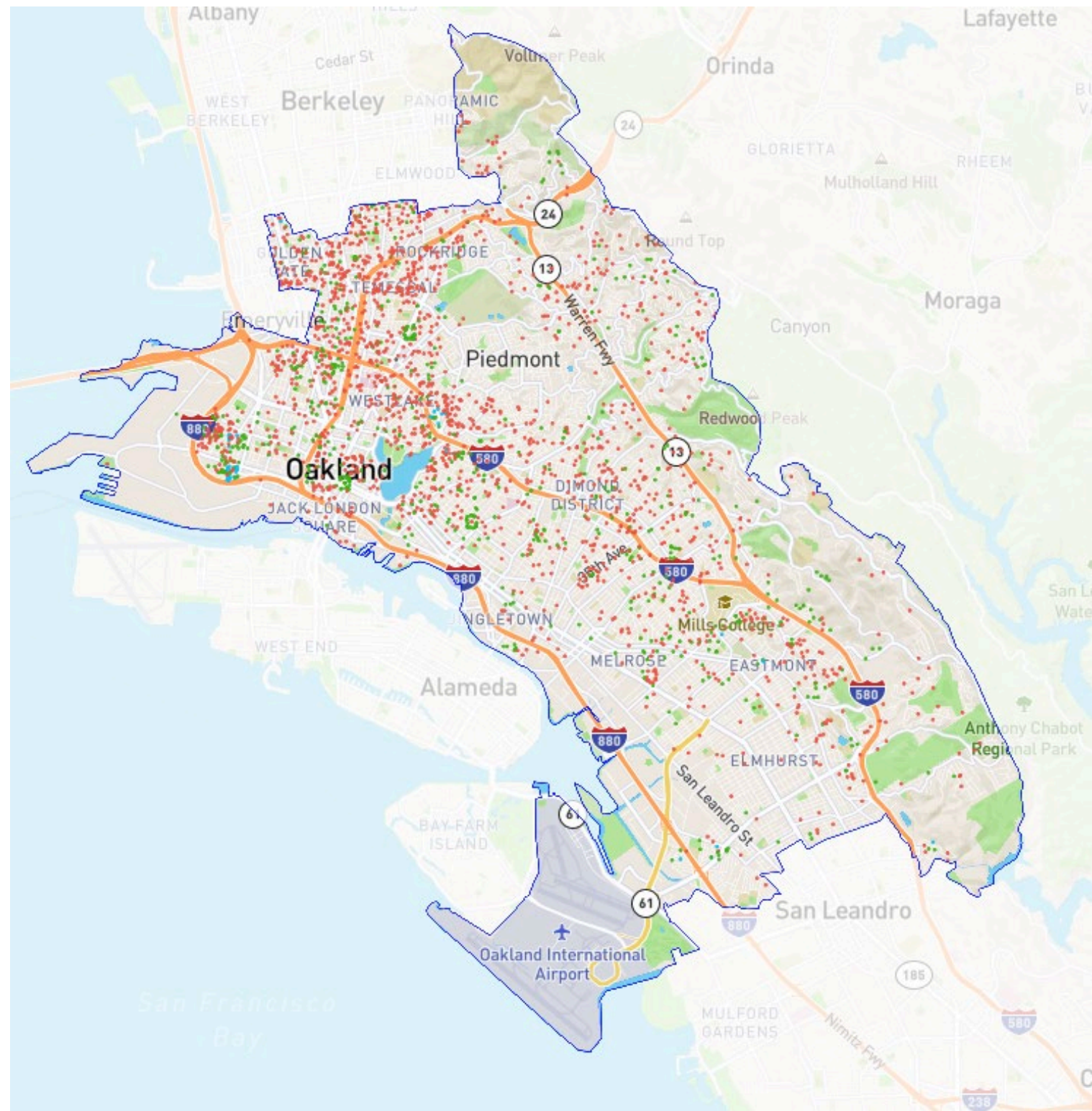


Background

- In **July 2016**, Oakland City Council (Res. 86298 C.M.S.) directed staff to obtain stakeholder input and bring policy options to Council to regulate STRRs and host platforms. City Council directed that any future STRR regulation must:
 - Distinguish STRRs as separate from commercial hotels, hostels, and other forms of transient habitation activities
 - Ensure the collection of the Transient Occupancy Tax (TOT) of STRRs
 - Contain a monitoring and enforcement system
 - Prevent loss of long-term residential housing by limiting STRRs to **primary residences**
 - Address issues that may be caused by STRRs, such as **noise, parking, traffic, and security concerns**, which deteriorate resident quality of life



Background



- Concern: investor speculation and competition in the rental and homeownership market
- Large number of dwellings being rented on a short-term basis:
 - **2,649 active** Airbnb listings in Oakland (2023)* of which:
 - **72.1%** entire home rentals
 - **48.8%** of hosts have multiple STRR listings

*Source: Insideairbnb.com, 2023, which only tracks Airbnb listings.

Vendor Qualifications

The Vendor must provide a **STRR software solution** and have expertise:

- Writing STRR code amendments for other CA jurisdictions
- Implementing STRR program in other CA jurisdictions
- Conducting economic analysis of STRR market
- Determining STRR license fees
- Identifying non-compliant STRRs
- Providing 24/7 STRR hotline services
- Integrating STRR software with Accela



Vendor Selection

Granicus was selected for the following reasons:

- **Extensive STRR program service experience**
 - Partnered with 500+ cities and counties (98 in CA) including Piedmont, Berkeley, and San Leandro
- **Experience reviewing STRR regulations in CA**
 - Including LA County, Santa Cruz County, Fremont, and Santa Rosa
- **Experience integrating STRR software with Accela**
 - Granicus is an Accela partner and can integrate STRR registration data from Accela with software solution
- **First vendor to market a STRR software solution**
 - One of the few firms that maintains access to STRR data since 2015



Overview of Phased Approach

Phase 1 (post-City Council approval of STRR vendor contract; estimated timeline: January-Spring/Summer 2024)

1. Project start-up and kick-off
2. Review and assistance revising draft STRR regulations
3. Write STRR Baseline Conditions Report
4. Perform economic analysis and propose adequate license fees
5. Perform routine STRR activity monitoring
6. Integrate vendor STRR management software with City systems
7. Provide ongoing support, training and maintenance to Staff



Overview of Phased Approach

Phase 2 (estimated start: Summer 2024)

1. Continue performing routine STRR activity monitoring
2. Issue enforcement and penalty notifications
3. Provide a system for receiving and reviewing STRR applications
4. Launch and implement 24/7 hotline services
5. Launch digital dashboard tool and train staff
6. Provide input and advice on City's existing method for collecting Transient Occupancy Tax (TOT)
7. Continue providing ongoing support, training and maintenance to Staff



Next Steps

1. Bring STRR vendor contract to City Council for approval - **December 19, 2023**
2. STRR Phase 1 implementation – **January 2024**
3. Release public review draft STRR code amendments – **Early 2024**
4. STRR public workshop – **Early 2024**
5. Bring STRR code amendments to public hearings (ZUC and PC) – **Early 2024**
6. Bring STRR code amendments to City Council for approval – **Spring – Summer 2024**
7. STRR Phase 2 implementation – **Summer 2024**



LEARN MORE

To learn more about **Short-Term Rental Regulations**, visit the website below:

<https://www.oaklandca.gov/topics/short-term-residential-rental-regulations>