



CITY OF PACIFIC GROVE
300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Terri C. Schaeffer, Housing Program Coordinator/Code Compliance Officer

MEETING DATE: October 7, 2015

SUBJECT: Short Term Vacation Rentals (STVR) Staffing and fees for Code Compliance

CEQA: Does Not Constitute A "Project" Per California Environmental Quality Act (CEQA) Guidelines

RECOMMENDATION

Receive report and provide direction.

DISCUSSION

The City Council has discussed and received public comment regarding Short Term Vacation Rentals (STVR) governed by Pacific Grove Municipal Code (PGMC or Code) Chapter 7.40, Transient Use License. In an effort to enforce the current Code more effectively and to propose revisions to the Chapter 7.40, staff recommends the following provisions below.

Unlicensed STVR's

The City will contract with California Municipal Consultants, LLC (CMC) to provide data on unlicensed STVR's. Once the contract is effective, it will take 30 days to identify the unlicensed STVR's in Pacific Grove. Screening these initial violations once will not be sufficient, thus parcel address and booking information will be supplied to the City every two months. Once the unlicensed rentals are identified City staff will rely on existing processes to address unlicensed rentals. Enforcement of these initial violations will be labor-intensive. Care will be taken in noticing and documenting the violations, as it is anticipated many will retain legal representation in defense, due to the high stakes of the penalties imposed and the risk of loss of license.

Staff expects an immediate surge in caseload once the unlicensed rentals are identified. The process to get compliance may take months until a case is resolved. The goal will be to collect unpaid transient occupancy tax due and owing, application fees, license fees, as well as, assessing effective penalties to deter the activity.

The eventual remediation of the unlicensed rentals will increase the number of license applications.

Licensed STVR's

In the past year there was an increase in number of license applications. There was also an improvement in the application review process. Greater care was given to screening applications and inspections were added if questions about the property required on-site verification. Short-term rental licensing and monitoring has created administrative and enforcement burdens on several City Departments. There was also ongoing response to complaints. The day-to-day attention of a more comprehensive STVR Program will place new demands on existing staff. The STVR Program will require the Community and Economic Development Department to hire additional staff to enforce the current and any new provisions if the City wants to effectively manage this new and improved Program

The City has a foundation in place to use online tools for reporting complaints and for public access to information about properties that are licensed. This has been launched at no new expense. (Demonstration of online capabilities will be shown.) The processes for noticing violations and developing administrative enforcement cases are also in place. However, there are inadequate staff resources to implement all of the processes efficiently and consistently. In order to increase enforcement of unlicensed rentals and continue consistent compliance measures for licensed rentals, additional staff is requested at this time.

Following up on complaints and violations is extremely time consuming and expensive. The Code allows for penalties to be imposed by a Hearing Officer once an administrative enforcement effort is challenged. If illegal activity is investigated and there is settlement offered, it may be negotiated prior to an administrative hearing. Administrative penalties are assessed by the Hearing Officer and Administrative fees for any investigative activity can be collected at that time. The response to complaints, any inspections, meetings, and communications to resolve a violation all result in added staff time to resolve the violation. One violation can take up to 10 hours of staff time from the initial complaint to administrative hearing case preparation. This does not include all the phone calls and emails involved in trying to achieve voluntary compliance.

Department Staffing Needs

1. A Full time Code Compliance Officer assigned to STVR Program;
2. A Full time Administrative Technician assigned to Code Compliance Program to support program functions; and
3. A Part time Code Compliance Officer assigned to conduct field work and to respond to after hour complaints.

Recommended STVR Fee Adjustments

In order to cover the costs of enforcement and compliance measures, the following fee adjustments are recommended.

- Beginning July 1, 2015, an Application Fee is \$155 charged per each new Transient Use License application review (which may include a site inspection) this should increase

every fiscal year. This is the cost recovery of the time involved for the review of the application and the potential site inspection.

- The current Transient Use License Fee is \$200 per year (it has not increased since its inception in 2010). Staff recommends an increase in the License Fee for any new applicants to be up to \$1,000 per License per property. This should apply to renewal licenses as well. The license fee should increase each fiscal year by 10%. Based on the revenue earned from the transient occupancy tax, this is one way to begin to recover the costs of implementing the STVR Program. Council may want to consider a reduced License Fee of \$300 for owners who will rent their properties less than 90 days a year or only are seeking to rent a single room in their home.
- Staff recommends a Security Deposit, posted by the licensed owner of \$500, to be held in a separate account, to cover costs of enforcement if complaints are made against a property. Deposit to be refunded upon owner request once license expires.

Staff will return at a later date with a duly noticed Resolution for changes and revisions to the Master Fee Schedule as recommended by Council.

FISCAL IMPACT

Anticipated General Fund increases in amounts to cover additional staff depending on the total number of Licenses granted.

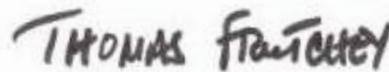
ATTACHMENTS

1. Job description Code Compliance Officer
2. Job description Administrative Technician

RESPECTFULLY SUBMITTED:



Terri C. Schaeffer
Housing Program Coordinator
Code Compliance Officer



Thomas Frutchey
City Manager



City of Pacific Grove
Established Date: 12/18/2013

CODE COMPLIANCE OFFICER

SUMMARY: Under general supervision, enforces the City Municipal Code and statutes for the Community Development Department (CDD); conducts inspections and investigations on complaints, notifies and cites offenders, maintains case files, compiles evidence for hearings, and resolves complaints.

ESSENTIAL FUNCTIONS: -- *As defined under the Americans with Disabilities Act, essential functions may include any of the following representative duties, knowledge, and skills. This is not a comprehensive listing of all functions and duties performed by incumbents of this class; employees may be assigned duties which are not listed below; reasonable accommodations will be made as required. The job description does not constitute an employment agreement and is subject to change at any time by the employer. Essential duties and responsibilities may include, but are not limited to, the following:*

- Interprets, explains and enforces City codes, regulations, and code enforcement rules to property owners and residents; performs duties within scope of authority, and according to City policies.
- Responds to complaints from residents; investigates citizen complaints of violations in the City; compares facts to code requirements; contacts individuals to discuss violations and procedures for resolving compliance issues; interviews complainants, witnesses, and violators; develops case files with clear and specific details of complaint investigation actions and communications.
- Schedules and performs field site inspections in the City to identify violations of land use, housing, zoning, building, nuisance, and other municipal codes and statutes.
- Patrols City to check for code violations; monitors construction sites and other high-risk areas to enforce the City's building and safety codes, and verify proper permits.
- Performs field inspections and investigations; documents and photographs details of site inspections, and categorizes violations according to class; issues notices, citations, and work orders, and updates case file.
- Communicates with other City departments as needed; assists the public in the preparation of permit applications, and provides technical information on City ordinances.
- Maintains and updates inspection records and case files; tracks and schedules inspection and investigation activities; compiles data and prepares summary reports; prepares and presents case work at administrative hearings.
- Conducts outreach programs and public meetings to promote property maintenance and code compliance programs.
- Assists the public with inquiries, problems, and questions on municipal code, zoning, and land use issues.
- Supports the relationship between the City of Pacific Grove and the general public by demonstrating courteous and cooperative behavior when interacting with citizens, visitors, and City staff; maintains confidentiality of work-related issues and City information; performs other duties as required or assigned.

MINIMUM QUALIFICATIONS:

Education, Training and Experience Guidelines:

High School Diploma or GED equivalent; AND two years construction or government customer service experience; OR an equivalent combination of education, training, and experience.

Knowledge of:

- City policies and procedures.
- Federal, state and City health, safety, and land use codes and ordinances.

- Code compliance investigation practices, procedures, methods, and techniques
- Methods and techniques for evidence gathering, documentation, and preservation.
- Principles of record keeping, records management, and file maintenance.
- Geography, roads, and landmarks of City and surrounding areas.
- Public relations and customer service methods and techniques

Skill in:

- Interpreting and applying statutes, rules, ordinances, codes and regulations.
- Conducting investigations, maintaining accurate records, and preparing reports.
- Dealing tactfully and courteously with the public, and handling stressful situations and angry people.
- Obtaining information from people who may be reluctant to cooperate.
- Following and enforcing safety standards.
- Preparing technical reports and recommendations
- Reviewing, updating and maintaining files, reports and case file documentation.
- Operating a personal computer utilizing a variety of standard and specialized software.
- Establishing and maintaining effective relationships with co-workers
- Communicating effectively verbally and in writing.

LICENSE AND CERTIFICATION REQUIREMENTS:

A valid California State Driver's License is required.

PHYSICAL DEMANDS AND WORKING ENVIRONMENT:

Work is performed in a standard office environment and in the field.



City of Pacific Grove
Established Date: 12/18/2013

ADMINISTRATIVE TECHNICIAN

SUMMARY: Under basic supervision, performs a variety of administrative, analytical duties of moderate scope and complexity, to include specialized office support functions to assist management with technical and administrative duties; performs special program and project activities, updates records and computer database, and interface with the public, providing information regarding the functions, policies, and processes.

ESSENTIAL FUNCTIONS: -- *As defined under the Americans with Disabilities Act, essential functions may include any of the following representative duties, knowledge, and skills. This is not a comprehensive listing of all functions and duties performed by incumbents of this class; employees may be assigned duties which are not listed below; reasonable accommodations will be made as required. The job description does not constitute an employment agreement and is subject to change at any time by the employer. Essential duties and responsibilities may include, but are not limited to, the following:*

- Performs experienced analytical, technical, and administrative duties, including special projects, coordinating special programs and activities, managing calendars, data analysis, record keeping, records research, and processing documents; performs duties in accordance with City policy and procedures, and within scope of authority; duties may vary according to job assignment and work skills.
- Provides information, instructions, and assistance to the public and others having business with the City; assists customers with requests, applications, government forms, and other documents; answers questions and resolves issues within scope of authority and training.
- Coordinates department workflow; applies specific knowledge of department policies and procedures in order to organize and coordinate work; exercises initiative and independent judgment in performing administrative duties; applies judgment to resolving problems, analyzing data, and making decisions; tracks department issues, and ensures the effective communication of operational information.
- Uses knowledge of City policies and procedures to assist with special projects, special events, technical assignments, and office support functions.
- Uses training and experience in area of assignment to review and process files, applications, technical documents.
- Collects statistical data and compiles data for reports; receives and sends information to and from other agencies; maintains records and files, including confidential and code compliance files.
- Research and update files; applications and forms; locates information for clients, staff, and others as authorized.
- Prepares correspondence; compiles and distributes information packets, and other communications.
- Performs bookkeeping and accounting functions, prepares written and oral reports, and processes ministerial permits.
- Handles routine programs; coordinates and resolves IT record errors, and assist with the management of the City's computer, phone and cellular operations, within assigned Departments.
- Supports the relationship between the City of Pacific Grove and the general public by demonstrating courteous and cooperative behavior when interacting with citizens, visitors, and City staff; maintains confidentiality of work-related issues and City information; performs other duties as required or assigned.

MINIMUM QUALIFICATIONS:

Education, Training and Experience Guidelines:

Bachelor's Degree in Business, Urban Planning, or Public Administration; AND three years of government administrative support experience; OR an equivalent combination of education, training, and experience.

Knowledge of:

- City policies and procedures.
- Policies, rules and regulations covering specific areas of assignment.
- City administration policies, including accounting, budgeting, payroll, and personnel rules.
- Operations, services, and activities performed by assigned department.
- Methods and techniques of researching and compiling data for reports and presentations.
- Customer service principles, protocols and methods.
- Principles of record keeping, records retention, records management, and file maintenance.
- Business computers and standard software applications.
- Basic knowledge of other Departments' or Divisions' protocols and policies

Skill in:

- Working independently, maintaining composure and confidentiality, and working effectively in a high-pressure environment with changing priorities.
- Understanding, and applying relevant rules, ordinances, codes, regulations, policies, procedures, administrative orders, and other governing regulations.
- Interpreting and explaining policies and procedures of assigned department.
- Using initiative and independent judgment within established procedural guidelines.
- Researching and compiling data for reports and technical documents.
- Dealing tactfully and courteously with the public.
- Following verbal and written instructions and procedures.
- Establishing and maintaining cooperative working relationships with co-workers.
- Communicating effectively verbally and in writing.

LICENSE AND CERTIFICATION REQUIREMENTS:

A valid California State Driver's License may be required.

PHYSICAL DEMANDS AND WORKING ENVIRONMENT:

Work is performed in a standard office environment. Able to lift 25 lbs at a time, and be able to stand for periods at a time. Some field work may be required.