



April 14, 2026

Councilmember Oscar Gutierrez, Chair  
Councilmember Mike Jordan  
Councilmember Kristen Sneddon  
PO Box 1990  
Santa Barbara, CA 93102

RE: Short-term Rental Ordinances

Dear Chair Gutierrez and Councilmembers,

The Santa Barbara Association of REALTORS® (SBAOR) represents more than 1,200 REALTORS® across the South Coast who live and work in the communities they serve. Our members help families and businesses navigate housing and real estate decisions, and we work closely with local governments and community partners to advance practical, community-focused housing solutions. We share the City's goal of ensuring Santa Barbara remains a place where people can live, work, and thrive.

Thank you for the opportunity to provide comments on the draft Short-Term Rental (STR) Ordinance. We appreciate the considerable work undertaken by staff and the Planning Commission to translate prior Council direction into proposed regulatory language. Because STR policy intersects with housing, tourism, coastal access, neighborhood compatibility, and municipal finance, careful calibration of the regulatory framework will be essential to ensure the ordinance achieves its intended objectives without creating unintended consequences. The following comments are offered to help strengthen the ordinance from a planning, implementation, and policy perspective.

As the Committee reviews the April 14<sup>th</sup> draft, it is important to frame the discussion in the context of the Planning Commission's direction. The Planning Commission advanced the ordinance on a 4–2 vote but did so with a number of outstanding concerns and specific requests for additional analysis and refinement, reflecting that the proposal remains a work in progress. Those requests included parking flexibility, Transient Occupancy Tax (TOT) impacts, enforcement details, platform accountability, regular reporting, evaluation of alternative regulatory approaches, and a clearer understanding of permitted versus operational STR activity. The current draft makes progress in several areas, particularly with respect to licensing structure, platform compliance, and baseline enforcement tools. However, several of the Commission's key requests remain only partially addressed or are not reflected in the operative ordinance language.

At the outset, it is important to evaluate **whether reliance on zoning as the primary regulatory tool is the most effective approach**. The draft ordinance continues to function as a zoning-based framework, prohibiting STRs in most residential zones and limiting them to defined areas. While this provides geographic clarity, it does not fully respond to the Commission's request to analyze alternative regulatory tools such as caps, density limits, or lottery-based systems. A managed licensing framework, such as the lottery system used in the City of Carpinteria, could provide a more flexible and controlled approach, allowing the City to limit the total number of STRs while maintaining oversight and enforcement.

The Committee should also revisit **parking requirements**, as the Planning Commission specifically requested consideration of waivers or flexibility. The current draft instead establishes rigid parking standards and eliminates common exceptions. For many existing properties, particularly older homes and those in more urbanized areas,



strict on-site parking requirements may be difficult or impossible to meet. Incorporating a limited waiver or administrative flexibility process would better align the ordinance with the Commission's direction and improve practical implementation.

The ordinance also raises important considerations regarding **enforcement and the potential for STR activity to move outside the regulatory framework**. While the draft strengthens enforcement tools and platform compliance, the overall structure remains highly restrictive, combining zoning limitations, ownership restrictions, parking thresholds, and operational requirements. The Committee should evaluate whether the cumulative effect of these provisions may reduce participation in the legal market to the point that enforcement becomes more difficult, particularly if demand for visitor accommodations remains strong.

Another area that warrants careful review is **the one-license-per-person and one-license-per-lot framework**. While intended to prevent concentration of STR ownership, this approach extends beyond regulating land use impacts and into ownership structures. When layered onto other restrictions, it may further limit participation without clear evidence that it will materially improve housing outcomes or neighborhood conditions.

It is also important to address **the absence of a formal annual reporting requirement**, which was specifically requested by the Planning Commission. Given the scope of this policy change, the ordinance should include a structured reporting process to track licensing activity, enforcement and compliance, STR-related TOT revenues, and housing impacts. Without this, the City will lack a consistent mechanism to evaluate whether the ordinance is achieving its intended objectives or to make data-driven adjustments over time.

Closely related to this issue is **the need for a clear and transparent analysis of fiscal impacts**. STRs currently generate a meaningful source of revenue for the City's General Fund. Based on recent City reporting, STR-related TOT revenue has ranged between approximately \$2.7 million and \$2.9 million annually, representing roughly 10 to 12 percent of total TOT collections. If the proposed ordinance significantly reduces STR activity, it is important to understand the projected impact on this revenue stream. The Committee should request a clear analysis of anticipated revenue changes and whether alternative sources would be needed to offset any reduction.

Additionally, the current definition of **homeshare operations remains overly restrictive**. Requiring the host to be physically present during all rental periods does not account for common circumstances such as temporary work assignments, family obligations, or short-term travel. A principal residence standard, rather than a strict presence requirement, would better reflect how homes are actually used while still preventing full-time absentee STR operations.

Finally, it is important to recognize that **short-term rentals serve a distinct role within Santa Barbara's visitor accommodation system**. STRs often provide lodging options for families, multi-generational groups, and longer stays that are not easily accommodated by traditional hotel rooms. As the City evaluates this ordinance, it is important to consider whether the remaining lodging supply will continue to provide this range of accommodations, particularly in the Coastal Zone where visitor-serving uses are a key policy consideration.

Short-term rentals intersect with housing policy, coastal access, tourism, and municipal finance. Careful calibration of the regulatory framework will be essential to balance these considerations while maintaining clarity, enforceability, and fairness. Thank you for your consideration and we look forward to continuing working with the City on this important policy.

Sincerely,

A handwritten signature in black ink that reads "Jennifer Berger". The signature is written in a cursive, flowing style.

Jennifer Berger, 2026 President