



## Staff Report

**TO:** City Council  
**FROM:** Carole Kendrick, Interim Community Development Director  
Darron Usher, Principal Management Analyst  
**DATE** March 4, 2025  
**SUBJECT:** PLAN 2025-0182 Short-Term Rentals in the City of Beaumont

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**Description** Discuss the option of adopting an ordinance for regulating short term rental properties within the City of Beaumont.

### **Background and Analysis:**

Short-term rentals (STRs), defined as residential properties rented for fewer than 30 days, have grown in popularity nationwide through platforms like Airbnb and VRBO. In 2023, the Beaumont City Council discussed STR regulations but did not take formal action to adopt an ordinance.

At the state level, the California Legislature has attempted to regulate STRs, most notably through SB 584, which sought to establish a uniform statewide tax framework. However, the bill failed to advance in the Assembly, leaving STR regulation and taxation to local governments. This allows cities like Beaumont to develop policies that align with community priorities.

While STRs can boost tourism and provide homeowners with supplemental income, they also present challenges, such as impacts on housing availability, neighborhood cohesion, and enforcement of noise, parking, and occupancy rules. Additionally, without proper oversight, STRs may operate without contributing transient occupancy taxes (TOT), which are typically required for similar hospitality services.

Currently, Beaumont has no ordinance explicitly allowing or prohibiting STRs. If the City Council chooses to permit them, staff will incorporate an ordinance into the ongoing Zoning Code Update within Chapter 17 of the Beaumont Municipal Code.

As part of the Zoning Code Update, STRs will be addressed in the permitted land uses table, identifying the appropriate path for approval and regulations if the Council directs staff to initiate an ordinance addressing development standards for STRs. The

administrative draft of the Zoning Code will be discussed at a City Council workshop on March 13, 2025.

A registration process would have to be established to provide STR enforcement within the City. This could be done with software or the use of a consultant.

**Fiscal Impact:**

The fiscal impact of allowing short-term rentals (STRs) in Beaumont will depend on factors such as the number of active rentals, transient occupancy tax (TOT) rates, and enforcement measures.

Staff research indicates that over 40 STRs are currently listed in the City. With an average booking rate of 197 nights per year and a nightly rate of \$65–\$70, the City could generate approximately \$55,000 annually in additional TOT revenue at the current tax rate of 10%. If any additional taxes or fees are imposed on STRs, a measure may need to be taken to the ballot in November 2026.

Operating an STR program would cost an estimated \$15,000–\$35,000 per year, depending on whether the City manages enforcement internally using software or contracts with a consultant. Additionally, establishing an ordinance would likely lead to a significant increase in code enforcement cases and citations.

The cost of preparing this staff report is estimated to be \$300.

**Recommended Action:**

Provide staff with directions on short-term rentals in the City of Beaumont.