

## Ruling could affect suit over short-term rentals

### PACIFIC GROVE

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**PACIFIC GROVE >>** A federal appellate court ruling last week could have implications for a lawsuit brought against the city of Pacific Grove over its denial of short-term rental licenses.

A three-judge panel of the Ninth Circuit Court of Appeals in San Francisco handed down a decision Oct. 3 dismissing a lawsuit brought against the city of Santa Monica by the owner of a short-term rental who rented out her house through Airbnb.

Decisions made by the Ninth Circuit can be cited in lower court cases.

That suit challenged the Santa Monica ordinance banning renting out houses for 30 days or less on the grounds that it violated a section of the commerce clause of the U.S. Constitution. That clause prohibits states from discriminating against interstate commerce. The homeowner, Arlene Rosenblatt, alleged the ban disrupted bookings that originate outside of California.

Both Pacific Grove and Santa Monica have said the ban is needed to protect critical housing stock for people in need of long-term rentals. Vacation rentals typically provide more income for the landlord than long-term rentals.

The court ruled that Rosenblatt failed to show any undue burden on out-of-state renters that were different from ordinances governing California residents, and therefore does not directly regulate interstate commerce, according to a 27-page written summary of the court's decision.

The ruling comes just weeks ahead of a hearing in Monterey County Superior Court involving four Pacific Grove short-term rental providers who have sued the city over its ban on short-term rentals. Susan and William Hobbs and Irma and Donald Shirkey allege the city's use of a lottery system to phase out short-term rentals violated their Constitutional right of due process.

Last year voters in Pacific Grove passed Measure M that bans the practice of homeowners renting out their houses for less than 30 days outside of the state-regulated Coastal Zone and the area designated as the commercial zone.

Attorneys for the city and backers of Measure M all say the strategy by the attorneys for the Hobbs and Shirkeys is to hurry up and lose in superior court so they can appeal to the same ap-

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