

MEMORANDUM

Date: December 9, 2010

To: Erik Schapiro

From: Steve Guiney 

Re: Proposed Vacation Rental Ordinance

On November 29, 2010, the Planning Commission held a public hearing on this item and gave direction to staff on what items to include in a draft ordinance and to return with an ordinance on February 23, 2011. A copy of the minutes from the Planning Commission meeting that includes details of the Planning Commission's direction is attached.

Once the Planning Commission approves a draft ordinance, we will take that recommended draft and the draft recommended by the Housing Advisory Commission to the Board of Supervisors for consideration. The Board could approve either the Housing Advisory Commission recommended ordinance or the Planning Commission recommended ordinance or the Board could direct staff to draft an additional version of the ordinance. Any hearing and action by the Board likely would not occur before late March 2011.

Any Board-adopted ordinance would then be submitted to the Coastal Commission for certification. Because the Coastal Commission generally has up to a year to act on ordinance amendment submittals, when Coastal Commission review and action would occur is unknown.

Action Minutes
Volume 2010, Number 15

Santa Cruz County Planning Commission
Special Meeting
November 29, 2010
9 AM
701 Ocean Street, Room 500
Santa Cruz, CA 95060

1. Roll Call. Commissioners present were Perlin, Aramburu, Chair Dann, Gonzalez, and Britton.
2. Planning Director's Report. None
3. County Counsel's Report. None
4. Additions and Corrections to the Agenda. Additions to staff report for Item 9.
5. Report on upcoming meeting dates. Report given.
6. Oral Communications. None.
7. Declaration of Ex Parte Communications.
8. Approved Minutes
Motion/Second: Aramburu/Perlin
AYES: Perlin, Aramburu, Dann, Gonzalez, and Britton
NOES: None
ABSTAIN: None
ABSENT: None
9. Continued until February 23, 2010 with directions to staff. At that meeting, the Commission will consider a revised draft vacation rental ordinance consistent with the following Commission direction (the following points summarize the Planning Commission's recommended components of the ordinance, with the most recent direction incorporated):
 1. Vacation rental units are allowed in residential zoning districts. A vacation rental is a single-family dwelling unit, duplex or triplex (including condominium and townhouse units but not including apartments, or manufactured or mobile homes in a mobile home park); which is rented for the purpose of overnight lodging for a period of not more than 30 days.
 2. A dwelling unit is NOT a vacation rental unit if it is rented for a less-than-thirty day period only one time per year, or if it is part of a house exchange for which there is no rental payment.
 3. All vacation rentals are required to obtain a Transient Occupancy Registration Certificate and meet the associated regulations and standards of Section 4.24 of the County Code.
 4. A Vacation Rental Permit and Transient Occupancy Tax registration is required for each vacation rental unit. All Vacation Rental Permits to have a 5-year life which will "run with the land" for that period; applications to renew permits each 5 years are required.

5. For the purpose of defining a “new vacation rental” as distinguished from an “existing vacation rental”, an existing vacation rental is one for which there is evidence that it was being used as a vacation rental before the date of initiation of the ordinance by the Board of Supervisors, which is June 22, 2010.
6. It is recognized that Pajaro Dunes has existing Planned Unit Development zoning that allows for vacation rentals and incorporates provisions governing such uses, and therefore Pajaro Dunes is not subject to the ordinance.
7. Existing vacation rentals will be grandfathered in and granted permits with no public notice or public hearings, with permits to be requested by the property owner from the County within 90 days after final adoption of the ordinance by the Coastal Commission. These initial permits will have a 5 year life that will “run with the land” for that period.
8. For new vacation rentals and for renewals of vacation rentals, the permit process will be the same for every area, consisting of a requirement for a discretionary administrative permit approved by staff (the Planning Director or designee), with notices provided to properties within 300 feet of the proposed vacation rental at least 10 days prior to staff taking action, and with members of the public in addition to the property owner having the right of appeal to a public hearing. The Planning Director would determine whether the public hearing would occur at the Zoning Administrator or Planning Commission level. The Planning Director would also have the authority to decide not to take action at the staff level, and to schedule a public hearing.
9. In the Live Oak Designated Area only, which includes the Yacht Harbor and Pleasure Point neighborhoods roughly bounded by Eaton Street, Schwan Lagoon, East Cliff Drive, Portola Drive, 41st Avenue, and the Monterey Bay, restrictions on the number of vacation rentals would be established, such that no more than 15% of the eligible housing units in the Area could be used as vacation rentals, and no more than 20% of the units on any one block, but at least one unit per block, would be allowed as vacation rentals. New vacation rentals in the Live Oak Designated Area would be subject to this restriction.
10. For all areas, for all existing and new vacation rentals, a maximum occupancy limit of 2 persons per bedroom, plus 2 additional persons, with children under age 12 not included, is established.
11. For all areas, for all existing and new vacation rentals, gatherings of persons at the unit shall be limited to twice the above occupancy limit level.
12. For all existing and new vacation rentals, the application process will require the property owner to submit a site plan, floor plan, and sample rental agreement. These will be used to establish the number of bedrooms, occupancy limit, and number of on-site parking spaces that are recognized by the County. The rental agreement proposed to be used by the vacation rental owner will reflect the occupancy limits, and also include rules and expectations of the tenant with respect to noise, garbage, on- and off-site parking, and any other relevant requirements and behavioral expectations.
13. The Commission directed staff to explore how vehicular parking would be addressed in the ordinance, to avoid unintended consequences and administrative difficulties, but to establish expectations for the renter. The Commission generally agreed that allowing for 2 vehicles to park on-street is reasonable, but that County enforcement of such may be problematic given public streets and the vehicle code. *[Consistent with this direction, staff intends to incorporate into the ordinance that parking expectations would be*

incorporated into the private agreement between owner and renter, such that the agreement would establish the expectation between the owner and renter that vehicles brought to the site for overnight lodging would not exceed the number of existing on-site parking spaces (whatever that may be), plus two additional that would park on-street].

14. For all existing and new vacation rentals, there would be a requirement for on-site signage that contains contact information for a local contact person who lives within 30 miles of the unit; the signage is subject to a maximum size but not to a minimum size requirement, such that a window decal or other small but readable signage from the exterior of the unit would be allowed, and it does not need to be readable from the street. Such contact information to be posted in the vacation rental unit and also provided to owners and occupants within 300 feet of the unit, to County Planning and the County Sheriff's Departments, and to the local fire agency and any local sheriff substation.
15. For all existing and new vacation rentals, applicable rules regarding noise, illegal behavior and disturbances, occupancy limitations, garbage management and other relevant matters shall be posted within the unit.
16. For all existing and new vacation rentals, dispute resolution and permit revocation procedures would be established. The threshold for considering possible revocation would be that two or more documented significant violations occur within any 12-month period. Documentation could include but not be limited to copies of citations, written warnings or other documentation filed by law enforcement; copies of Homeowner's Association warnings, reprimands or other Association actions; or other documents which substantiate allegations of significant violations.

Motion/Second: Aramburu/Britton

AYES: Perlin, Aramburu, Dann, Gonzalez, and Britton

NOES: None

ABSTAIN: None

ABSENT: None