

**MEMORANDUM**

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Date: May 31,2006  
To: Housing Advisory Commission  
From: Carolyn Watanabe, Housing Project Manager  
Re: Election of Chair and Vice-Chair for 2006

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The HAC By-laws stipulate that the terms of office for Chairperson and Vice-Chairperson shall begin on April 1<sup>st</sup> each year. Candidates have in the past been chosen in order of District. This past year Chairperson Sheri Damon and Vice-Chairperson Andy Schiffrin represented District 2 and District 3. For 2006 the Chairperson traditionally would be chosen from District 3 and the Vice-Chair from District 4.

District 2 Commissioners: Andy Schiffrin (current Vice-Chair)  
District 3 Commissioners: Carl Sprague

Commissioners shall elect a Chair and Vice-Chair for 2006.



# County of Santa Cruz

## HOUSING ADVISORY COMMISSION

701 OCEAN STREET. 4<sup>TH</sup> FLOOR, SANTA CRUZ, CA 95060

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May 31, 2006

TO: HOUSING ADVISORY COMMISSION

FROM: Carolyn Watanabe, Housing Program Manager

Subject: Discussion on Vacation Rentals

At the last HAC meeting, Commissioners requested information from County Counsel and the Treasurer/Tax Collector's Office relating to vacation rentals. Some of the questions regarding zoning were directed to Glenda Hill, the Principal Planner for the Policy Section of the Planning Department. Ms. Hill has been asked to attend a meeting to discuss this issue.

The information requested at the May 4, 2006 meeting was:

1. Are vacation rentals legally allowed by zoning ?
2. Is there relocation assistance for previous tenants ?
3. Is there evidence of complaints against temporary rentals and are there incidents of prosecution of temporary rentals as non-conforming uses ?
4. HAC Memo wording to County Counsel: The HAC has reviewed the issue of short term rentals, such as vacation rentals in residential areas. It has been relayed to the HAC that Capitola determined that short term (less than 30 days) rentals such as vacation rentals were not conforming uses in a residential area. The Housing Advisory Commission would like County Counsel's opinion on the conformance of vacation rentals to the residential use."

Per a conversation with Rahn Garcia, Chief Assistant County Counsel, also was posed the following questions:

- Vacation rentals are not regulated. Under the Visitor Accommodation zoning designation, bed and breakfasts and small scale accommodations are allowed, but are considered commercial uses.

- Transient Occupancy Tax (TOT) can be collected for ‘Yourist homes or houses’ with less than 30-day occupancy; however, the reporting of such units is voluntary. Since the County cannot collect a business license, there is not way to monitor who is renting.

The questions Commissioners asked of the Treasurerflax Collector’s Office were:

1. If Transient Occupancy Tax is collected, what would be the significance of the tax as a part of total County revenue?
2. Can (should) the County charge a transaction fee for vacation rental businesses?

Per Michelle Garcia in the Treasurerflax Collector’s office,

- The amount of TOT collected in 2004-05 was \$3.81 million (includes hotels and motels). That represents **10%** of the gross rents of the properties reporting.
- There are about 105 TOT vacation rentals in the County.
- It is not know what percentage this is **of** the County’s revenue.

Action: None