



# COUNTY OF SANTA CRUZ

## PLANNING DEPARTMENT

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KATHLEEN MOLLOY PREVISICH, PLANNING DIRECTOR

February 3, 2011

Planning Commission  
701 Ocean Street  
Santa Cruz CA 95060

**Agenda Date:** February 23, 2011  
**Item #:** 9  
**Time:** After 9 AM

**SUBJECT: Vacation Rental Draft Proposed Ordinance**

Dear Commissioners:

### Introduction

On November 29 of 2010, your Commission heard testimony from the public and engaged in extensive discussion on the subject of a proposed ordinance to regulate vacation rentals in the unincorporated area. The Planning Commission continued the public hearing to this February 23, 2011 date, with direction to Planning staff to return with a recommended ordinance that incorporates the direction of the Commission with regard to its content. Staff was also directed to prepare certain information desired by the Commission and in response to public comments received.

### Process

The process of developing a proposed ordinance regulating vacation rentals began in June of 2010, when the Board of Supervisors directed staff to prepare a draft ordinance. The Board provided general direction regarding the desired features of such an ordinance (see copy of Supervisor Leopold's letter, Exhibit H), and directed that public workshops occur prior to formal public hearings by the Planning Commission and Board of Supervisors. Planning staff prepared a proposed draft ordinance based on the Board's direction, which served as a preliminary draft ordinance presented for review and comment by the public at a public workshop. In that the adopted Housing Element contains a policy to develop such an ordinance, it was decided that the Housing Advisory Commission (HAC), which is advisory to the Board on housing matters, would host the public workshop. Ultimately the HAC met three times, and determined to prepare a version of an ordinance that it would recommend for Board consideration. That ordinance was quite different from the ordinance parameters that had been outlined in the June 2010 Board letter. It will be available for consideration by the Board when the Board holds its public hearing on the vacation rental ordinance.

Under State law and County Code, the Planning Commission has statutory responsibility to prepare and forward recommendations to the Board of Supervisors regarding any proposed new or amended zoning ordinance. Based on the public comments received on staff's preliminary draft ordinance at the public workshops hosted by the HAC, staff prepared a staff-recommended proposed draft ordinance, which was largely consistent with the general direction of the Board from June 2010, but which was refined to reflect certain public and HAC comments and suggestions.

All of the background material and staff-recommended proposed draft ordinance was first considered by the Planning Commission at public hearing held on November 10, 2010. That public hearing was continued to November 29, 2010, when an initial version of an ordinance based on Planning Commission direction was presented. Additional public testimony and Commission discussion occurred, and the public hearing was again continued to this meeting of February 23, 2011, with final direction to staff regarding the content of a proposed ordinance that the Planning Commission would intend to forward to the Board of Supervisors with a recommendation for adoption. The ordinance before the Commission on this date (Exhibit A) reflects this Commission direction.

In the interim between November 29, 2011 and present, staff prepared an Initial Study and proposed Negative Declaration on the final draft Vacation Rental Ordinance reflecting the Planning Commission's direction. By the end of the public comment period on the proposed negative declaration, staff had received one letter commenting on the proposed negative declaration (see Exhibit D for that letter and staff's responses to the comments).

### **Issues Considered by the Commission**

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 (LODA) 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 LODA 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. 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 could 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.

Please refer to Exhibit A, the draft ordinance based on the above items, for the ordinance language. Please refer to Exhibit F for a table of the ordinance provisions.

### **Location and Concentration**

Based on discussion by and direction from your Commission at the November 29<sup>th</sup> hearing, and to provide clarity for future staff and members of the public, staff is recommending that the ordinance specifically state that Pajaro Dunes is not subject to the ordinance. The Pajaro Dunes development was proposed for the purpose of accommodating both shorter term vacation rental stays as well as permanent housing, and the PUD ordinance and historic use of Pajaro Dunes units reflect that intention. This intention and history of use is also supported by the fact that Pajaro Dunes has its own security force, and its own management rules about vacation rentals.

Previously, staff informed your Commission that, excepting one anomalous area (East Cliff between 20<sup>th</sup> and 21<sup>st</sup> Avenues), the highest concentration of currently identified vacation rentals in the LODA was 23 percent on 12 Avenue, between Prospect and the beach. Staff has since looked at a number of other areas in the LODA that appeared to have relatively high concentrations of vacation rentals. The result of staff's effort to identify existing known vacation rentals, based on available sources of information, is shown in the following table.

<b>Location</b>	<b>Percent vacation rentals</b>	<b>Notes</b>
6 <sup>th</sup> Avenue between Bonnie and Alpine	33	4 out of 12 parcels; frontage about 245 feet
12 <sup>th</sup> Avenue between Prospect and the beach	23	9 out of 39 parcels; frontage about 790 feet
East Cliff between 7 <sup>th</sup> and 8 <sup>th</sup> Avenues	40	2 out of 5 parcels; frontage about 180 feet
East Cliff between 20 <sup>th</sup> and 21 <sup>st</sup> Avenues	80	4 out of 5 parcels; frontage about 200 feet

21 <sup>st</sup> Avenue between Portola and East Cliff	33	3 out of 9 parcels; frontage about 420 feet
25 <sup>th</sup> Avenue between Fresno and Warren	26	5 out of 19 parcels; frontage about 450 feet

### **Application Process**

The basic application process will vary depending on the location of the property. For existing vacation rentals we anticipate a fee of approximately \$250.00. This represents about two hours of staff time, and is commensurate with similar services, such as parking certification for replacement mobile homes in mobile home parks.

The cost for new vacation rentals, due to the possibility of a public hearing, could be higher and we anticipate that these applications would be processed "at cost" subject to a deposit toward a total cost of approximately \$2000.00 if a public hearing were required. Any funds not used would be returned to the applicant and additional staff time would be billed to the applicant. Most discretionary use permits are processed in this manner.

New vacation rentals in the Designated Area of Live Oak would not be processed until 90 days after an ordinance is certified by the Coastal Commission and existing concentrations are established. Outside of the Designated Area, there would not be a waiting period for new vacation rental applications.

One factor that could be given additional consideration by the Planning Commission is the "grandfather date" for consideration of "existing vacation rentals". The current draft ordinance provides for the June 22, 2010 date that the Board initiated development of an ordinance. Optional dates would be either the date that the Board adopts the ordinance for forwarding to the Coastal Commission as a Local Coastal Program Implementing ordinance, or the date that the Coastal Commission approves the ordinance.

### **Permit Renewal**

Based on your Commission's discussion, the draft ordinance requires renewal of vacation rental permits five years after issuance, regardless of location of the vacation rental. This makes sense in the LODA if the rationale is to potentially open up the vacation rental market to those not currently having a vacation rental who might want to enter the market, but who cannot because the maximum percentages on their block and/or overall have been met. However, outside of the LODA where there would not be any limit on the percentages of vacation rentals allowed, the rationale for requiring renewal every five years, or at all, is less strong. If the rationale is to "check-up" on how the owners of these vacation rentals are doing in controlling the behavior of their guests, that will surface through complaints to the Supervisor in whose district the vacation rental is located and/or calls to the Sheriff's Office or Planning Department. Based on this, staff is recommending that the draft ordinance be modified to remove the permit renewal requirement for vacation rentals outside of the LODA.

### **Law Enforcement Issues**

According to the Sheriff's Office, during 2009 and 2010, 28 complaint calls were received relating to 17 addresses that have been identified as vacation rentals based on information

from the Tax Collector's Office. There were three responses to four of the addresses and a citation was issued at one of the addresses.

### **Environmental Review**

Staff has circulated the Initial Study and proposed Negative Declaration for public review, as required under the California Environmental Quality Act (CEQA). The public review and comment period ended on January 19, 2011. As of the end of the comment period, staff received one comment letter (see Exhibit D for that letter and staff's responses to the comments).

### **Conclusion and Recommendation**

Vacation rentals are an important part of the economy of the County. Many vacation rental owners depend on income from the rentals. A percentage of vacation rentals do generate complaints from neighbors about noise, parking, and other issues. In high concentrations, vacation rentals can alter the feeling and fabric of residential streets and neighborhoods. Based on the direction given by your Commission, staff has developed an ordinance that we believe is consistent with Commission direction and which addresses the issues raised by your Commission on November 10 and 29, 2010.

Therefore, it is RECOMMENDED that your Commission take the following actions:

1. Re-open the public hearing and take public testimony on this item.
2. Adopt the attached resolution (Exhibit A) recommending that the Board of Supervisors adopt the Negative Declaration and adopt the proposed vacation rental ordinance (Attachment 1 to Exhibit A), with the following changes:
  - a. Insert into the ordinance language specifying that the ordinance does not apply to Pajaro Dunes, and
  - b. Modify the ordinance so that vacation rental permits issued outside of the LODA are not required to be renewed.
  - c. Make a final recommendation regarding the "grandfather date" for "existing vacation rentals".

Sincerely,



Kathleen M. Previsich  
Planning Director

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| Exhibits | <ol style="list-style-type: none"><li>A. Resolution with strike-through copy of ordinance</li><li>B. Clean copy of ordinance</li><li>C. California Environmental Quality Act Notice of Determination</li><li>D. Comment letter on proposed Negative Declaration and responses</li><li>E. Live Oak Designated Area map</li><li>F. Table of proposed ordinance provisions</li><li>G. Correspondence received after Planning Commission meeting of November 29, 2010</li><li>H. Letter of Supervisor Leopold, dated June 15, 2010</li></ol> |
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I. Material from November 29, 2010, Planning Commission meeting

BEFORE THE PLANNING COMMISSION  
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA

RESOLUTION NO. \_\_\_\_\_

On the motion of Commissioner  
duly seconded by Commissioner  
the following is adopted:

PLANNING COMMISSION RESOLUTION RECOMMENDING ADDITION OF VACATION  
RENTALS AS A USE TO THE RESIDENTIAL USE CHARTS (SECTION 13.10.222(b)),  
ADDITION OF NEW SECTION 13.10.694, AND AMENDMENT OF EXISTING SECTION  
13.10.700-V OF THE SANTA CRUZ COUNTY CODE TO ESTABLISH REGULATIONS  
FOR VACATION RENTALS

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WHEREAS, since at least 2004, the County's Housing Element has contained language directing the Planning Department and the Board of Supervisors to explore options and develop policies for regulating vacation rentals; and

WHEREAS, the County's current Housing Element was adopted by the Board of Supervisors on January 12, 2010, and certified by the state Housing and Community Development Department on May 5, 2010; and

WHEREAS, current Housing Element Goal 4 is to preserve and improve existing housing units and expand affordability within the existing housing stock; and

WHEREAS, Program 4.13 of the current Housing Element is one of the programs intended to implement Goal 4; and

WHEREAS, Program 4.13 states that the County is to "Develop Policies for regulating the conversion of existing housing units to vacation rentals in order to limit the impact of such conversions on the stock of housing and on the integrity of single-family neighborhoods"; and

WHEREAS, on June 22, 2010, the Board of Supervisors directed the Planning Department to draft an ordinance for the regulation of vacation rentals; and

WHEREAS, the Planning Commission held duly noticed public hearings on November 10, 2010, November 29, 2010, and February 23, 2011, and has considered the proposed amendments, and all testimony and evidence received at the public hearing; and

WHEREAS, the Planning Commission finds that the proposed amendments to the Santa Cruz County Code will be consistent with the policies of the General Plan and Local Coastal Program and other provisions of the County Code; and

WHEREAS, Chapter 13.10 of the County Code is an implementing ordinance of the Local Coastal Program (LCP) and the proposed new vacation rental use added to Section

13.10.322(b), the proposed addition of new Section 13.10.694, and the proposed amendment to Section 13.10.700-V constitute amendments to the Local Coastal Program; and

WHEREAS, the application of the proposed amendments within the coastal zone is statutorily exempt from CEQA review; and

WHEREAS, the proposed amendments are consistent with the California Coastal Act. and

WHEREAS, an Initial Study on the proposed ordinance, prepared pursuant to the California Environmental Quality Act, was circulated for public review and comment from December 21, 2010 through January 19, 2011, and

WHEREAS, the Environmental Coordinator has made a preliminary determination that the proposed ordinance will not have a significant impact on the environment and has issued a Negative Declaration for the proposed ordinance.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission recommends the Board of Supervisors approve the Negative Declaration (Exhibit C), the proposed new vacation rental use added to Section 13.10.322(b), the proposed addition of new Section 13.10.694, and the proposed amendment to Section 13.10.700-V, as shown in Attachment 1 to Exhibit A of this resolution, be approved by the Board of Supervisors and submitted to the California Coastal Commission as part of the next Local Coastal Program Round.

PASSED AND ADOPTED by the Planning Commission of the County of Santa Cruz, State of California, this \_\_\_\_\_ day of \_\_\_\_\_, 2011 by the following vote:

AYES: COMMISSIONERS  
NOES: COMMISSIONERS  
ABSENT: COMMISSIONERS  
ABSTAIN: COMMISSIONERS

\_\_\_\_\_  
Chairperson

ATTEST:

\_\_\_\_\_  
Cathy Graves, Secretary

APPROVED AS TO FORM:

  
\_\_\_\_\_  
COUNTY COUNSEL

ORDINANCE NO. \_\_\_\_\_

**ORDINANCE ADDING VACATION RENTALS AS A USE TO SECTION 13.10.322(b),  
ADDING NEW SECTION 13.10.694, AND ADDING A DEFINITION TO SECTION  
13.10.700-V OF THE SANTA CRUZ COUNTY CODE RELATING TO THE REGULATION  
OF VACATION RENTALS**

The Board of Supervisors of the County of Santa Cruz ordains as follows:

**SECTION I**

Section (b) of Section 13.10.322 of the Santa Cruz County Code is hereby amended to add the use "Vacation rental" to the Visitor accommodations category of the residential use chart after the use "Bed and breakfast inns (subject to Section 13.10.691)", to read as follows:

USE	RA	RR	R-1	RB	RM
Vacation rentals (subject to Section 13.10.694)	<u>2P</u>	<u>2P</u>	<u>2P</u>	<u>2P</u>	<u>2P</u>

**SECTION II**

The Santa Cruz County Code is hereby amended by adding Section 13.10.694 to read as follows:

13.10.694 Vacation Rentals.

(a) The purpose of this section is to establish regulations applicable to dwellings on residentially zoned parcels that are rented as vacation rentals for periods of not more than thirty days at a time. These regulations are in addition to all other provisions of this Title.

(b) Vacation rentals are allowed only in residential zone districts.

(c) For the purposes of this section, the following terms have the stated meanings.

(1) Existing vacation rental means a dwelling unit that was used as a vacation rental prior to June 22, 2010.

(2) New vacation rental means a dwelling unit that was not used as a vacation rental prior to June 22, 2010.

(3) The "Live Oak Designated Area" means the Yacht Harbor Special Community (as described in the General Plan – Local Coastal Program and depicted on the General Plan – Local Coastal Program map) and that portion of Live Oak that lies east and south of East Cliff Drive and Portola Drive from the intersection of 9<sup>th</sup> Avenue and East Cliff Drive to the intersection of Portola Drive and 41<sup>st</sup> Avenue, as depicted in Figure DA1.

(4) "Block" means the properties abutting both sides of a street extending from one intersecting street to another or to the terminus of the street.

(d) Permit requirements. A vacation rental permit and Transient Occupancy Tax registration are required for each residential vacation rental. Each vacation rental permit shall expire five years from the date of issuance unless an application for renewal has been submitted and is deemed complete prior to the expiration date. No application for renewal of a vacation rental permit shall be accepted more than 180 days before the expiration date. The Planning Director may approve extensions of permit expiration dates or application submittal dates based on demonstrated hardship to the applicant or for other good cause.

(1) Existing vacation rental. An initial permit shall be obtained. The applicant shall demonstrate that a dwelling unit was being used as a vacation rental prior to June 22, 2010. No public hearing shall be required and no notice of an application for a permit for an existing vacation rental shall be given. For an existing vacation rental to be considered a legal use the applicant shall provide the following to the Planning Department within 90 days after the certification of this ordinance by the California Coastal Commission:

(A) Completed application form

(B) Plans drawn to scale including the following:

(i). Plot plan showing location of all property lines, location of all existing buildings, and location of dimensioned on-site parking spaces

(ii). Floor plan showing all rooms with each room labeled as to room type

(C) Non-refundable application fee as established by the Board of Supervisors, but no greater than necessary to defray the cost incurred by the County in administering the provisions of this Chapter

(D) Copy of a rental/lease agreement, which shall include, but not necessarily be limited to, the following: number of guests allowed (2/bedroom + 2, children under 12 not counted; maximum number of people at an event not to exceed twice the number of guests allowed); number of vehicles allowed (not to exceed the number of existing on-site parking spaces, plus two additional on-street); noise, illegal behavior and disturbances, trash management (e.g., trash to be kept in covered containers only), etc.

(E) Proof that a dwelling unit was being used as a vacation rental prior to June 22, 2010. Such proof may consist of, among other things, the following items:

(i) Documentation that the owner paid County of Santa Cruz Transient Occupancy Tax for the use of the vacation rental; or

(ii) Documentation that the owner allowed transient guests to occupy the subject property in exchange for compensation and the applicant

furnishes reliable information, including but not limited to, records of occupancy and tax documents, guest reservation lists, and receipts, showing payment and dates of stay.

(F) Retroactive payment of Transient Occupancy Tax. For those applicants who provide adequate documentation that a dwelling unit was used as a vacation rental prior to June 22, 2010, but where the owner has not registered and paid Transient Occupancy Tax, proof of retroactive payment of the Transient Occupancy Tax amount due to the County to the extent allowed by law for the time during which a dwelling unit was being used as a vacation rental shall be submitted.

(G) Number of people allowed. The maximum number of guests allowed in an existing individual residential vacation rental shall not exceed two people per bedroom plus two additional people, except for celebrations and gatherings not exceeding 12 hours in duration, during which time the total number of people allowed is twice the allowed number of guests. Children under 12 are not counted toward the maximums.

(2) New vacation rental. Except as provided in County Code Section 18.10.124(b), no public hearing shall be required and action on these applications shall be by the Planning Director or designee, with notice of the proposed action provided not less than 10 calendar days before issuance of the permit, pursuant to County Code Section 18.10.222(c) and (d). Appeals of the proposed action on the application may be made by the applicant or any member of the public. Pursuant to County Code Section 18.10.124(b), the Planning Director may refer the application to the Zoning Administrator or Planning Commission for a public hearing.

(A) When a public hearing is required, notice of such a public hearing shall be provided not less than 10 calendar days before the public hearing, pursuant to County Code Section 18.10.223.

(B) In the Live Oak Designated Area, no new vacation rental shall be approved if parcels with existing vacation rentals on the same block total 20 percent or more of the total residential parcels on that block, excluding those parcels in the Mobile Home Park Combining Zone District. In addition, no more than 15 percent of all of the residential parcels in the Live Oak Designated Area, excluding those parcels in the Mobile Home Park Combining Zone District, may contain vacation rentals. Notwithstanding these maximums, each block in the Live Oak Designated Area that has residential parcels, excluding those parcels in the Mobile Home Park Combining Zone District, may have at least one vacation rental.

(C) Applicants for a permit for a new vacation rental shall provide the following to the Planning Department:

(i) Completed application form.

(ii) Non-refundable application fee as established by the Board of Supervisors, but no greater than necessary to defray the cost incurred by the County in administering the provisions of this Chapter, except that if the application requires a public hearing due to referral of the application to the Zoning Administrator or Planning Commission, then the application will be converted to an "at cost" application and the applicant will be billed for staff time associated with processing the application.

(iii) Plans drawn to scale including the following:

I. Plot plan showing location of all property lines, location of all existing buildings, and location and dimensions of on-site parking spaces

II. Floor plan showing all rooms with each room labeled as to room type

(iv) Copy of a rental/lease agreement, which shall include, but not necessarily be limited to, the following: number of guests allowed (2/bedroom + 2, children under 12 not counted; maximum number of people at an event not to exceed twice the number of guests allowed); number of vehicles allowed (not to exceed the number of existing on-site parking spaces, plus two additional on-street); noise, illegal behavior and disturbances, trash management (e.g., trash to be kept in covered containers only), etc.

(v) Copy of a County of Santa Cruz Transient Occupancy Registration Certificate for the purpose of the operation of a vacation rental.

(D) Number of people allowed. The maximum number of guests allowed in a new residential vacation rental shall not exceed two people per bedroom plus two additional people, except for celebrations and gatherings not exceeding 12 hours in duration, during which time the total number of people allowed is twice the allowed number of guests. Children under 12 are not counted toward the maximums.

(3) Renewal of vacation rental permits. An application to renew a vacation rental permit shall be made no sooner than 180 days before expiration of the permit existing permit. Determination of the completeness of the application shall stay the expiration of the existing permit until final action is taken on the renewal application. Except as provided in County Code Section 18.10.124(b), no public hearing shall be required and action on permit renewal applications shall be by the Planning Director or designee, with notice of the proposed action provided not less than 10 calendar days before issuance or denial of the permit, pursuant to County Code Section 18.10.222(c) and (d). Appeals of the proposed action on the renewal application may be made by the applicant or any member of the public.

(A) If a public hearing is required, the Planning Director shall schedule the public hearing before either the Zoning Administrator or the Planning Commission, at the Planning Director's discretion. Notice of such a public

hearing shall be provided not less than 10 calendar days before the public hearing, pursuant to County Code Section 18.10.223.

(B) Applicants for renewal of a vacation rental permit shall provide the following to the Planning Department:

(i) Completed application form

(ii) Non-refundable application fee as established by the Board of Supervisors, but no greater than necessary to defray the cost incurred by the County in administering the provisions of this Chapter, except that if the application requires a public hearing due to referral of the application to the Zoning Administrator or Planning Commission, then the application will be converted to an "at cost" application and the applicant will be billed for staff time associated with processing the application.

(iii) For those properties located in the Live Oak Designated Area, proof of payment of Transient Occupancy Tax for the use of the dwelling as a vacation rental and a summary of the dates the unit was used as a vacation rental between the time of issuance of the existing permit and the date of application for the renewal. Lack of a significant level of rental activity may result in denial of a renewal application.

(e) Local contact person. All vacation rentals shall designate a contact person within a 30-mile radius of the vacation rental. The contact person shall be available 24 hours a day to respond to tenant and neighborhood questions or concerns. A property owner who lives within a 30-mile radius of the vacation rental may designate himself or herself as the local contact person.

The name, address and telephone number(s) of the local contact person shall be submitted to the Planning Department, the local Sheriff Substation, the main county Sheriff's Office, the local fire agency, and supplied to the property owners of all properties located within a 300 foot radius of the boundaries of the parcel on which the vacation rental is located. The name, address and telephone number(s) of the local contact person shall be permanently posted in the rental unit in a prominent location(s). Any change in the local contact person's address or telephone number shall be promptly furnished to the agencies and neighboring property owners as specified in this subsection.

(f) Signs. All vacation rentals shall have a sign identifying the structure as a permitted vacation rental and listing a 24-hour local contact responsible for responding to complaints and providing general information, which shall be placed in a front or other window facing a public street or may be affixed to the exterior of the front of the structure facing a public street. The sign may be of any shape, but may not exceed 216 square inches. There is no minimum sign size so long as the information on the sign is legible.

(g) Posting of rules. Vacation rental rules shall be posted inside the vacation rental in a location readily visible to all guests. The rules shall include, but not necessarily be limited to, the following: number of guests allowed (2/bedroom + 2, children under 12

not counted; maximum number of people at an event not to exceed twice the number of guests allowed), number of vehicles allowed (not to exceed the number of existing on-site parking spaces, plus two additional on-street), noise, illegal behavior and disturbances, trash management (e.g., trash to be kept in covered containers only), etc.

(h) Noise. All residential vacation rentals shall comply with the standards of Chapter 8.30 of the County Code (Noise) and a copy of that chapter shall be posted inside the vacation rental in a location readily visible to all guests. No use of equipment requiring more than standard household electrical current at 110 or 220 volts or activities that produce noise, dust, odor or vibration detrimental to occupants of adjoining dwellings is allowed.

(i) Transient Occupancy Tax. Each residential vacation rental owner shall meet the regulations and standards set forth in Chapter 4.24 of the County Code, including any required payment of transient occupancy tax for each residential vacation rental unit.

(j) Dispute resolution. By accepting a vacation rental permit, vacation rental owners agree to engage in dispute resolution and act in good faith to resolve disputes with neighbors arising from the use of a dwelling as a vacation rental. Unless an alternative dispute resolution entity is agreed to by all parties involved, dispute resolution shall be conducted through the Conflict Resolution Center of Santa Cruz County.

(k) Violation. It is unlawful for any person to use or allow the use of property in violation of the provisions of this section. The penalties for violation of this section are set forth in Chapter 19.01 of this Title (Enforcement). If more than two documented, significant violations occur within any 12-month period a permit may be reviewed for possible amendment or revocation. Documented, significant violations include, but are not limited to, copies of citations, written warnings, or other documentation filed by law enforcement; and copies of Homeowner Association warnings, reprimands, or other Association actions.

(l) It is unlawful to make a false report to the Sheriff's Office regarding activities associated with vacation rentals.

### SECTION III

Section 13.10.700-V of the Santa Cruz County Code is hereby amended by adding a definition for "Vacation rental" following the definition of "VA" to read as follows:

Vacation Rental. A single-family dwelling unit, duplex, or triplex (including condominium and townhouse units, but not including apartments or manufactured homes in a mobile home park), rented for the purpose of overnight lodging for a period of not more than thirty (30) days other than (a) ongoing month-to-month tenancy granted to the same renter for the same unit, (b) one less-than-thirty day period per year, or (c) a house exchange for which there is no payment. Habitable accessory structures, non-habitable accessory structures, second units constructed under the provisions of County Code Section 13.10.681, and legally restricted affordable housing units shall not be used as vacation rentals.

#### SECTION IV

This ordinance shall take effect on the 31<sup>st</sup> day after the date of Final Passage, or upon certification by the California Coastal Commission, whichever date is later.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz this \_\_\_\_\_ day of \_\_\_\_\_, 2011, by the following vote:

AYES: SUPERVISORS  
NOES: SUPERVISORS  
ABSENT: SUPERVISORS  
ABSTAIN: SUPERVISORS

\_\_\_\_\_  
CHAIRPERSON, BOARD OF SUPERVISORS

ATTEST: \_\_\_\_\_

Clerk of the Board

APPROVED AS TO FORM:

  
\_\_\_\_\_  
County Counsel

Copies to: Planning  
County Counsel  
Coastal Commission

ORDINANCE NO. \_\_\_\_\_

**ORDINANCE ADDING VACATION RENTALS AS A USE TO SECTION 13.10.322(b),  
ADDING NEW SECTION 13.10.694, AND ADDING A DEFINITION TO SECTION  
13.10.700-V OF THE SANTA CRUZ COUNTY CODE RELATING TO THE REGULATION  
OF VACATION RENTALS**

The Board of Supervisors of the County of Santa Cruz ordains as follows:

**SECTION I**

Section (b) of Section 13.10.322 of the Santa Cruz County Code is hereby amended to add the use "Vacation rental" to the Visitor accommodations category of the residential use chart after the use "Bed and breakfast inns (subject to Section 13.10.691)", to read as follows:

USE	RA	RR	R-1	RB	RM
Vacation rentals (subject to Section 13.10.694)	2P	2P	2P	2P	2P

**SECTION II**

The Santa Cruz County Code is hereby amended by adding Section 13.10.694 to read as follows:

**13.10.694 Vacation Rentals.**

(a) The purpose of this section is to establish regulations applicable to dwellings on residentially zoned parcels that are rented as vacation rentals for periods of not more than thirty days at a time. These regulations are in addition to all other provisions of this Title.

(b) Vacation rentals are allowed only in residential zone districts.

(c) For the purposes of this section, the following terms have the stated meanings.

(1) Existing vacation rental means a dwelling unit that was used as a vacation rental prior to June 22, 2010.

(2) New vacation rental means a dwelling unit that was not used as a vacation rental prior to June 22, 2010.

(3) The "Live Oak Designated Area" means the Yacht Harbor Special Community (as described in the General Plan – Local Coastal Program and depicted on the General Plan – Local Coastal Program map) and that portion of Live Oak that lies east and south of East Cliff Drive and Portola Drive from the intersection of 9<sup>th</sup> Avenue and East Cliff Drive to the intersection of Portola Drive and 41<sup>st</sup> Avenue, as depicted in Figure DA1.

(4) "Block" means the properties abutting both sides of a street extending from one intersecting street to another or to the terminus of the street.

(d) Permit requirements. A vacation rental permit and Transient Occupancy Tax registration are required for each residential vacation rental. Each vacation rental permit shall expire five years from the date of issuance unless an application for renewal has been submitted and is deemed complete prior to the expiration date. No application for renewal of a vacation rental permit shall be accepted more than 180 days before the expiration date. The Planning Director may approve extensions of permit expiration dates or application submittal dates based on demonstrated hardship to the applicant or for other good cause.

(1) Existing vacation rental. An initial permit shall be obtained. The applicant shall demonstrate that a dwelling unit was being used as a vacation rental prior to June 22, 2010. No public hearing shall be required and no notice of an application for a permit for an existing vacation rental shall be given. For an existing vacation rental to be considered a legal use the applicant shall provide the following to the Planning Department within 90 days after the certification of this ordinance by the California Coastal Commission:

(A) Completed application form

(B) Plans drawn to scale including the following:

(i). Plot plan showing location of all property lines, location of all existing buildings, and location of dimensioned on-site parking spaces

(ii). Floor plan showing all rooms with each room labeled as to room type

(C) Non-refundable application fee as established by the Board of Supervisors, but no greater than necessary to defray the cost incurred by the County in administering the provisions of this Chapter

(D) Copy of a rental/lease agreement, which shall include, but not necessarily be limited to, the following: number of guests allowed (2/bedroom + 2, children under 12 not counted; maximum number of people at an event not to exceed twice the number of guests allowed); number of vehicles allowed (not to exceed the number of existing on-site parking spaces, plus two additional on-street); noise, illegal behavior and disturbances, trash management (e.g., trash to be kept in covered containers only), etc.

(E) Proof that a dwelling unit was being used as a vacation rental prior to June 22, 2010. Such proof may consist of, among other things, the following items:

(i) Documentation that the owner paid County of Santa Cruz Transient Occupancy Tax for the use of the vacation rental; or

(ii) Documentation that the owner allowed transient guests to occupy the subject property in exchange for compensation and the applicant

furnishes reliable information, including but not limited to, records of occupancy and tax documents, guest reservation lists, and receipts, showing payment and dates of stay.

(F) Retroactive payment of Transient Occupancy Tax. For those applicants who provide adequate documentation that a dwelling unit was used as a vacation rental prior to June 22, 2010, but where the owner has not registered and paid Transient Occupancy Tax, proof of retroactive payment of the Transient Occupancy Tax amount due to the County to the extent allowed by law for the time during which a dwelling unit was being used as a vacation rental shall be submitted.

(G) Number of people allowed. The maximum number of guests allowed in an existing individual residential vacation rental shall not exceed two people per bedroom plus two additional people, except for celebrations and gatherings not exceeding 12 hours in duration, during which time the total number of people allowed is twice the allowed number of guests. Children under 12 are not counted toward the maximums.

(2) New vacation rental. Except as provided in County Code Section 18.10.124(b), no public hearing shall be required and action on these applications shall be by the Planning Director or designee, with notice of the proposed action provided not less than 10 calendar days before issuance of the permit, pursuant to County Code Section 18.10.222(c) and (d). Appeals of the proposed action on the application may be made by the applicant or any member of the public. Pursuant to County Code Section 18.10.124(b), the Planning Director may refer the application to the Zoning Administrator or Planning Commission for a public hearing.

(A) When a public hearing is required, notice of such a public hearing shall be provided not less than 10 calendar days before the public hearing, pursuant to County Code Section 18.10.223.

(B) In the Live Oak Designated Area, no new vacation rental shall be approved if parcels with existing vacation rentals on the same block total 20 percent or more of the total residential parcels on that block, excluding those parcels in the Mobile Home Park Combining Zone District. In addition, no more than 15 percent of all of the residential parcels in the Live Oak Designated Area, excluding those parcels in the Mobile Home Park Combining Zone District, may contain vacation rentals. Notwithstanding these maximums, each block in the Live Oak Designated Area that has residential parcels, excluding those parcels in the Mobile Home Park Combining Zone District, may have at least one vacation rental.

(C) Applicants for a permit for a new vacation rental shall provide the following to the Planning Department:

(i) Completed application form.

(ii) Non-refundable application fee as established by the Board of Supervisors, but no greater than necessary to defray the cost incurred by the County in administering the provisions of this Chapter, except that if the application requires a public hearing due to referral of the application to the Zoning Administrator or Planning Commission, then the application will be converted to an "at cost" application and the applicant will be billed for staff time associated with processing the application.

(iii) Plans drawn to scale including the following:

I. Plot plan showing location of all property lines, location of all existing buildings, and location and dimensions of on-site parking spaces

II. Floor plan showing all rooms with each room labeled as to room type

(iv) Copy of a rental/lease agreement, which shall include, but not necessarily be limited to, the following: number of guests allowed (2/bedroom + 2, children under 12 not counted; maximum number of people at an event not to exceed twice the number of guests allowed); number of vehicles allowed (not to exceed the number of existing on-site parking spaces, plus two additional on-street); noise, illegal behavior and disturbances, trash management (e.g., trash to be kept in covered containers only), etc.

(v) Copy of a County of Santa Cruz Transient Occupancy Registration Certificate for the purpose of the operation of a vacation rental.

(D) Number of people allowed. The maximum number of guests allowed in a new residential vacation rental shall not exceed two people per bedroom plus two additional people, except for celebrations and gatherings not exceeding 12 hours in duration, during which time the total number of people allowed is twice the allowed number of guests. Children under 12 are not counted toward the maximums.

(3) Renewal of vacation rental permits. An application to renew a vacation rental permit shall be made no sooner than 180 days before expiration of the permit existing permit. Determination of the completeness of the application shall stay the expiration of the existing permit until final action is taken on the renewal application. Except as provided in County Code Section 18.10.124(b), no public hearing shall be required and action on permit renewal applications shall be by the Planning Director or designee, with notice of the proposed action provided not less than 10 calendar days before issuance or denial of the permit, pursuant to County Code Section 18.10.222(c) and (d). Appeals of the proposed action on the renewal application may be made by the applicant or any member of the public.

(A) If a public hearing is required, the Planning Director shall schedule the public hearing before either the Zoning Administrator or the Planning Commission, at the Planning Director's discretion. Notice of such a public

hearing shall be provided not less than 10 calendar days before the public hearing, pursuant to County Code Section 18.10.223.

(B) Applicants for renewal of a vacation rental permit shall provide the following to the Planning Department:

(i) Completed application form

(ii) Non-refundable application fee as established by the Board of Supervisors, but no greater than necessary to defray the cost incurred by the County in administering the provisions of this Chapter, except that if the application requires a public hearing due to referral of the application to the Zoning Administrator or Planning Commission, then the application will be converted to an "at cost" application and the applicant will be billed for staff time associated with processing the application.

(iii) For those properties located in the Live Oak Designated Area, proof of payment of Transient Occupancy Tax for the use of the dwelling as a vacation rental and a summary of the dates the unit was used as a vacation rental between the time of issuance of the existing permit and the date of application for the renewal. Lack of a significant level of rental activity may result in denial of a renewal application.

(e) Local contact person. All vacation rentals shall designate a contact person within a 30-mile radius of the vacation rental. The contact person shall be available 24 hours a day to respond to tenant and neighborhood questions or concerns. A property owner who lives within a 30-mile radius of the vacation rental may designate himself or herself as the local contact person.

The name, address and telephone number(s) of the local contact person shall be submitted to the Planning Department, the local Sheriff Substation, the main county Sheriff's Office, the local fire agency, and supplied to the property owners of all properties located within a 300 foot radius of the boundaries of the parcel on which the vacation rental is located. The name, address and telephone number(s) of the local contact person shall be permanently posted in the rental unit in a prominent location(s). Any change in the local contact person's address or telephone number shall be promptly furnished to the agencies and neighboring property owners as specified in this subsection.

(f) Signs. All vacation rentals shall have a sign identifying the structure as a permitted vacation rental and listing a 24-hour local contact responsible for responding to complaints and providing general information, which shall be placed in a front or other window facing a public street or may be affixed to the exterior of the front of the structure facing a public street. The sign may be of any shape, but may not exceed 216 square inches. There is no minimum sign size so long as the information on the sign is legible.

(g) Posting of rules. Vacation rental rules shall be posted inside the vacation rental in a location readily visible to all guests. The rules shall include, but not necessarily be limited to, the following: number of guests allowed (2/bedroom + 2, children under 12

not counted; maximum number of people at an event not to exceed twice the number of guests allowed), number of vehicles allowed (not to exceed the number of existing on-site parking spaces, plus two additional on-street), noise, illegal behavior and disturbances, trash management (e.g., trash to be kept in covered containers only), etc.

(h) Noise. All residential vacation rentals shall comply with the standards of Chapter 8.30 of the County Code (Noise) and a copy of that chapter shall be posted inside the vacation rental in a location readily visible to all guests. No use of equipment requiring more than standard household electrical current at 110 or 220 volts or activities that produce noise, dust, odor or vibration detrimental to occupants of adjoining dwellings is allowed.

(i) Transient Occupancy Tax. Each residential vacation rental owner shall meet the regulations and standards set forth in Chapter 4.24 of the County Code, including any required payment of transient occupancy tax for each residential vacation rental unit.

(j) Dispute resolution. By accepting a vacation rental permit, vacation rental owners agree to engage in dispute resolution and act in good faith to resolve disputes with neighbors arising from the use of a dwelling as a vacation rental. Unless an alternative dispute resolution entity is agreed to by all parties involved, dispute resolution shall be conducted through the Conflict Resolution Center of Santa Cruz County.

(k) Violation. It is unlawful for any person to use or allow the use of property in violation of the provisions of this section. The penalties for violation of this section are set forth in Chapter 19.01 of this Title (Enforcement). If more than two documented, significant violations occur within any 12-month period a permit may be reviewed for possible amendment or revocation. Documented, significant violations include, but are not limited to, copies of citations, written warnings, or other documentation filed by law enforcement; and copies of Homeowner Association warnings, reprimands, or other Association actions.

(l) It is unlawful to make a false report to the Sheriff's Office regarding activities associated with vacation rentals.

### SECTION III

Section 13.10.700-V of the Santa Cruz County Code is hereby amended by adding a definition for "Vacation rental" following the definition of "VA" to read as follows:

**Vacation Rental.** A single-family dwelling unit, duplex, or triplex (including condominium and townhouse units, but not including apartments or manufactured homes in a mobile home park), rented for the purpose of overnight lodging for a period of not more than thirty (30) days other than (a) ongoing month-to-month tenancy granted to the same renter for the same unit, (b) one less-than-thirty day period per year, or (c) a house exchange for which there is no payment. Habitable accessory structures, non-habitable accessory structures, second units constructed under the provisions of County Code Section 13.10.681, and legally restricted affordable housing units shall not be used as vacation rentals.

#### SECTION IV

This ordinance shall take effect on the 31<sup>st</sup> day after the date of Final Passage, or upon certification by the California Coastal Commission, whichever date is later.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz this \_\_\_\_\_ day of \_\_\_\_\_, 2011, by the following vote:

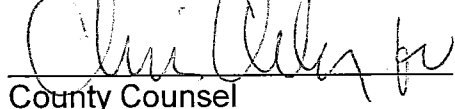
AYES: SUPERVISORS  
NOES: SUPERVISORS  
ABSENT: SUPERVISORS  
ABSTAIN: SUPERVISORS

\_\_\_\_\_  
CHAIRPERSON, BOARD OF SUPERVISORS

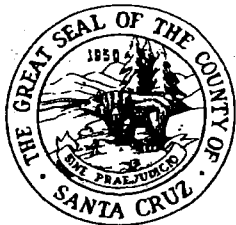
ATTEST: \_\_\_\_\_

Clerk of the Board

APPROVED AS TO FORM:

  
\_\_\_\_\_  
County Counsel

Copies to: Planning  
County Counsel  
Coastal Commission



# COUNTY OF SANTA CRUZ

## PLANNING DEPARTMENT

701 OCEAN STREET, 4<sup>TH</sup> FLOOR, SANTA CRUZ, CA 95060  
(831) 454-2580 FAX: (831) 454-2131 TDD: (831) 454-2123  
KATHLEEN MOLLOY PREVISICH, PLANNING DIRECTOR

Dear Project Applicant:

The enclosed document is your copy of the Negative Declaration issued by the Environmental Coordinator for your project. Any conditions attached to the Negative Declaration will be incorporated into any Development Permit approved for your project. The primary purpose of this letter, however, is to notify you about a state law, Section 711.4(c)(3) of the Fish and Game Code, which requires the County Clerk of the Board of Supervisors to collect a Negative Declaration filing fee for the California Department of Fish and Game. The fee, which supports the work of that state agency, is forwarded to the California Department of Fish and Game by the Clerk.

Effective January 1, 2011, the law requires project applicants to pay a fee of \$2,044.00 at the time the Environmental Notice of Determination is filed with the Clerk of the Board of Supervisors (directly after your project is approved). If the Department of Fish and Game has determined that your project will have "no effect" on wildlife resources and you have received a "letter of no effect" from the Department of Fish and Game, the Clerk will accept that letter in lieu of the \$2,044.00 fee. However, in all cases a \$50.00 County document-filing fee is still required.

To apply to the Department of Fish and Game for a "letter of no effect" you may contact them directly at the Yountville office at (707) 944-5500. According to the State law, permits and projects are not vested, final or operative, until the appropriate fee is paid. In addition, the Clerk of the Board is required to report the posting of ALL Environmental Notices of Determination to the California Department of Fish & Game and to notify them that the required fee has been paid.

**It is the applicant's responsibility to pay the fee to the Clerk of the Board, who then forwards the fee to the State, or to present your "letter of no effect" to the Clerk. Your filing fee should be paid AFTER PROJECT APPROVAL at the Clerk of the Board of Supervisors in Room 500 of the County Governmental Center, 701 Ocean Street, Santa Cruz, CA 95060. Checks should be made payable to the County of Santa Cruz. PAYMENT PRIOR TO PROJECT APPROVAL CANNOT BE ACCEPTED BY THE CLERK OF THE BOARD. IN ADDITION, IF YOU ARE PAYING ONLY THE LOCAL FILING FEE OF \$50.00, PAYMENT CAN ONLY BE ACCEPTED WHEN ACCOMPANIED BY A "LETTER OF NO EFFECT" FROM THE DEPARTMENT OF FISH AND GAME.**

If you have any questions about the payment of this required fee, please contact the Clerk of the Board at (831) 454-2323.

Sincerely yours

MATT JOHNSTON  
Environmental Coordinator





# COUNTY OF SANTA CRUZ

## PLANNING DEPARTMENT

701 OCEAN STREET, 4<sup>TH</sup> FLOOR, SANTA CRUZ, CA 95060  
(831) 454-2580 FAX: (831) 454-2131 TDD: (831) 454-2123  
KATHLEEN MOLLOY PREVISICH, PLANNING DIRECTOR

### NOTICE OF ENVIRONMENTAL REVIEW PERIOD

#### SANTA CRUZ COUNTY

APPLICANT: County of Santa Cruz

APPLICATION NO.: Vacation Rental Section of County Code

PARCEL NUMBER (APN): County Wide

The Environmental Coordinator has reviewed the Initial Study for your application and made the following preliminary determination:

XX Negative Declaration  
(Your project will not have a significant impact on the environment.)

       Mitigations will be attached to the Negative Declaration.

XX No mitigations will be attached.

       Environmental Impact Report  
(Your project may have a significant effect on the environment. An EIR must be prepared to address the potential impacts.)

As part of the environmental review process required by the California Environmental Quality Act (CEQA), this is your opportunity to respond to the preliminary determination before it is finalized. Please contact Matt Johnston, Environmental Coordinator at (831) 454-3201, if you wish to comment on the preliminary determination. Written comments will be received until 5:00 p.m. on the last day of the review period.

Review Period Ends: January 19, 2011

Staff Planner: Steve Guiney

Phone: (831) 454-3182

Date: December 17, 2010



# County of Santa Cruz

## PLANNING DEPARTMENT

701 OCEAN STREET, 4<sup>TH</sup> FLOOR, SANTA CRUZ, CA 95060  
(831) 454-2580 FAX: (831) 454-2131 TDD: (831) 454-2123

KATHLEEN MOLLOY PREVISICH, PLANNING DIRECTOR

www.sccoplanning.com

## CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) ENVIRONMENTAL REVIEW INITIAL STUDY

Date: December 17, 2010

Application Number: N/A

Staff Planner: Steve Guiney

### I. OVERVIEW AND ENVIRONMENTAL DETERMINATION

APPLICANT: County of Santa Cruz

APN(s): N/A

OWNER: N/A

SUPERVISORAL DISTRICT: All

**PROJECT LOCATION:** The proposed ordinance (see Attachment 1) would apply to all residentially zoned parcels located within the unincorporated portion of Santa Cruz County.

**SUMMARY PROJECT DESCRIPTION:** The proposed project would add Section 13.10.694 to the County Code to regulate vacation rentals, which are currently not regulated. The proposed vacation rental ordinance would: 1) apply countywide; 2) require a permitting/registration process; 3) require payment of Transient Occupancy Tax (TOT); 4) require signage identifying a structure as a vacation rental and a local contact responsible for responding to complaints; 5) require a dispute resolution process; and 6) subject the property owner to the enforcement provisions found in County Code Chapter 19. In the "Live Oak Designated Area" only, limits on the total number of vacation units in the area and on any block would be established.

**ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:** All of the following potential environmental impacts are evaluated in this Initial Study. Categories that are marked have been analyzed in greater detail based on project specific information.

- |   |   |
|---|---|
| <input type="checkbox"/> Geology/Soils                        | <input type="checkbox"/> Noise                            |
| <input type="checkbox"/> Hydrology/Water Supply/Water Quality | <input type="checkbox"/> Air Quality                      |
| <input type="checkbox"/> Biological Resources                 | <input type="checkbox"/> Greenhouse Gas Emissions         |
| <input type="checkbox"/> Agriculture and Forestry Resources   | <input type="checkbox"/> Public Services                  |
| <input type="checkbox"/> Mineral Resources                    | <input type="checkbox"/> Recreation                       |
| <input type="checkbox"/> Visual Resources & Aesthetics        | <input type="checkbox"/> Utilities & Service Systems      |
| <input type="checkbox"/> Cultural Resources                   | <input checked="" type="checkbox"/> Land Use and Planning |
| <input type="checkbox"/> Hazards & Hazardous Materials        | <input type="checkbox"/> Population and Housing           |

☐ Transportation/Traffic

☐ Mandatory Findings of Significance

**DISCRETIONARY APPROVAL(S) BEING CONSIDERED:**

☐ General Plan Amendment

☐ Coastal Development Permit

☐ Land Division

☐ Grading Permit

☐ Rezoning

☐ Riparian Exception

☐ Development Permit

☒ Other: Amend Zoning Ordinance

**NON-LOCAL APPROVALS**

Other agencies that must issue permits or authorizations: California Coastal Commission

**DETERMINATION:** (To be completed by the lead agency)

On the basis of this initial evaluation:

- ☒ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- ☐ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- ☐ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- ☐ I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- ☐ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.



Matthew Johnston  
Environmental Coordinator

12/20/2010

Date

## II. BACKGROUND INFORMATION

### EXISTING SITE CONDITIONS

Parcel Size: Various

Existing Land Use: Residential

Vegetation: Varied

Slope in area affected by project: ☒ 0 - 30% ☒ 31 - 100%

Nearby Watercourse: Various

Distance To: Varied

### ENVIRONMENTAL RESOURCES AND CONSTRAINTS

Water Supply Watershed: Mapped

Groundwater Recharge: Mapped

Timber or Mineral: Mapped

Agricultural Resource: Mapped

Biologically Sensitive Habitat: Mapped

Fire Hazard: Mapped

Floodplain: Mapped

Erosion: Mapped

Landslide: Mapped

Liquefaction: Mapped

Fault Zone: Mapped

Scenic Corridor: Mapped

Historic: Numerous

Archaeology: Mapped

Noise Constraint: Mapped

Electric Power Lines: No Issues

Solar Access: Varied

Solar Orientation: Varied

Hazardous Materials: Potential

Other: N/A

### SERVICES

Fire Protection: All

School District: All

Sewage Disposal: Sewer and Septic

Drainage District: All

Project Access: N/A

Water Supply: Water Districts, Private Wells

### PLANNING POLICIES

Zone District: All residential zone districts

General Plan: All residential designations

Urban Services Line: ☒ Inside

Coastal Zone: ☒ Inside

Special Designation: N/A

☒ Outside

☒ Outside

### ENVIRONMENTAL SETTING AND SURROUNDING LAND USES:

The proposed vacation rental ordinance would apply to all residential zone districts in the unincorporated portion of the county and therefore to all of the various environments of the county. Surrounding land uses would be all of the land uses found in the unincorporated portion of the county, but mostly would be residential land uses.

### PROJECT BACKGROUND:

This proposal is to add sections to the County Code regulating vacation rentals in all residential zone districts in the unincorporated portion of the County. Vacation rentals in residential areas are currently not regulated in County Code.

General Plan Housing Element Program 4.13 directs the Planning Department and the Board of Supervisors to "[d]evelop Policies for regulating the conversion of existing housing units to vacation rentals in order to limit the impact of such conversions on the

stock of housing and on the integrity of single-family neighborhoods.” In June of 2010, the Board of Supervisors directed the Planning Department to draft an ordinance regulating vacation rentals.

#### DETAILED PROJECT DESCRIPTION:

The proposed vacation rental ordinance would apply countywide, would require a permitting/registration process, would required payment of TOT, would require signage identifying a structure as a vacation rental and a local contact responsible for responding to complaints, would require a dispute resolution process, and would subject the property owner to the enforcement provisions found in County Code Chapter 19. The following language would be incorporated into the County Code if adopted.

#### SECTION I

Section (b) of Section 13.10.322 of the Santa Cruz County Code is hereby amended to add the use “Vacation Rental” to the Visitor accommodations category of the residential use chart after the use “Bed and breakfast inns (subject to Section 13.10.691)”, to read as follows:

USE	RA	RR	R-1	RB	RM
Vacation rentals (subject to Section 13.10.694)	2P	2P	2P	2P	2P

Notes:

- RA – single-family residential and agricultural (rural)
- RR – single-family residential (rural)
- R-1 – single-family residential (urban, rural)
- RB – single-family residential (oceanfront, urban)
- RM – multiple-family residential (urban) including appurtenant accessory uses and structures
- 2 – Approval Level II (administrative, plans required)
- P – Principal permitted use (see Section 13.10.312(a))

#### SECTION II

The Santa Cruz County Code is hereby amended by adding Section 13.10.694 to read as follows:

##### 13.10.694 Vacation Rentals.

(a) The purpose of this section is to establish regulations applicable to dwellings on residentially zoned parcels that are rented as vacation rentals for periods of not more than thirty days at a time. These regulations are in addition to all other provisions of this Title.

(b) Vacation rentals are allowed only in residential zone districts.

(c) For the purposes of this section, the following terms have the stated meanings.

(1) Existing vacation rental means a dwelling unit that was used as a vacation rental prior to June 22, 2010.

(2) New vacation rental means a dwelling unit that was not used as a vacation rental prior to June 22, 2010.

(3) The Live Oak Designated Area means the Yacht Harbor Special Community as described in the General Plan – Local Coastal Program and depicted on the General Plan – Local Coastal Program map and that portion of Live Oak that lies east and south of East Cliff Drive and Portola Drive from the

intersection of 9th Avenue and East Cliff Drive to the intersection of Portola Drive and 41st Avenue, as depicted in Attachment 2.

(4) Block means the properties abutting both sides of a street and extending from one intersecting street to another or to the terminus of the street.

(d) Permit requirements. A vacation rental permit and Transient Occupancy Tax registration are required for each residential vacation rental. Each vacation rental permit shall expire five years from the date of issuance unless an application for renewal has been submitted and is deemed complete prior to the expiration date. No application for renewal of a vacation rental permit shall be accepted more than 180 days before the expiration date. The Planning Director may approve extensions of permit expiration dates or application submittal dates based on demonstrated hardship to the applicant or for other good cause.

(1) Existing vacation rentals. An initial permit shall be obtained. The applicant shall demonstrate that a dwelling unit was being used as a vacation rental prior to June 22, 2010. No public hearing shall be required and no notice of an application for a permit for an existing vacation rental shall be given. For an existing vacation rental to be considered a legal use, the applicant shall provide the following to the Planning Department within 90 days after the certification of this ordinance by the California Coastal Commission:

(A) Completed application form

(B) Plans drawn to scale including the following:

- (i) Plot plan showing location of all property lines, location of all existing buildings, and location of dimensioned on-site parking spaces
- (ii) Floor plan showing all rooms with each room labeled as to room type

(C) Non-refundable application fee as established by the Board of Supervisors, but no greater than necessary to defray the cost incurred by the County in administering the provisions of this Chapter

(D) Copy of a rental/lease agreement, which shall include, but not necessarily be limited to the following: number of guests allowed (2/bedroom + 2, children under 12 not counted; maximum number of people at an event not to exceed twice the number of guests allowed); number of vehicles allowed (not to exceed the number of existing on-site parking spaces, plus two additional on-street); noise, illegal behavior and disturbances, trash management (e.g., trash to be kept in covered containers only), etc.

(E) Proof that a dwelling unit was being used as a vacation rental prior to June 22, 2010. Such proof may consist of, among other things, the following items:

- (i) Documentation that the owner paid County of Santa Cruz Transient Occupancy Tax for the use of the vacation rental; or
- (ii) Documentation that the owner allowed transient guests to occupy the subject property in exchange for compensation and the applicant furnishes reliable information, including but not limited to, records of

occupancy and tax documents, guest reservation lists, and receipts, showing payment totals and dates of stay.

(F) Retroactive payment of Transient Occupancy Tax. For those applicants who provide adequate documentation that a dwelling unit was used as a vacation rental prior to June 22, 2010, but where the owner has not registered and paid Transient Occupancy Tax, proof of retroactive payment of the Transient Occupancy Tax amount due to the County to the extent allowed by law for the time during which a dwelling unit was being used as a vacation rental shall be submitted.

(G) Number of people allowed. The maximum number of guests allowed in an existing individual residential vacation rental shall not exceed two people per bedroom plus two additional people, except for celebrations and gatherings not exceeding 12 hours in duration, during which time the total number of people allowed is twice the allowed number of guests. Children under 12 are not counted toward the maximums.

(2) New vacation rental. Except as provided in County Code Section 18.10.124(b), no public hearing shall be required and action on these applications shall be by the Planning Director or designee, with notice of the proposed action provided not less than 10 calendar days before issuance of the permit, pursuant to County Code Section 18.10.222(c) and (d). Appeals of the proposed action on the application may be made by the applicant or any member of the public. Pursuant to County Code Section 18.10.124(b), the Planning Director may refer the application to the Zoning Administrator or Planning Commission for a public hearing.

(A) When a public hearing is required, notice of such a public hearing shall be provided not less than 10 calendar days before the public hearing, pursuant to County Code Section 18.10.223.

(B) In the Live Oak Designated Area, no new vacation rental shall be approved if parcels with existing vacation rentals on the same block total 20 percent or more of the total residential parcels on that block. In addition, no more than 15 percent of all of the residential parcels in the Live Oak Designated Area, excluding those in the Mobile Home Combining District may contain vacation rentals. Notwithstanding these maximums, each block in the Live Oak Designated Area may have at least one vacation rental.

(C) Applicants for a permit for a new vacation rental shall provide the following to the Planning Department:

(i) Completed application form

(ii) Non-refundable application fee as established by the Board of Supervisors, but no greater than necessary to defray the cost incurred by the County in administering the provisions of this Chapter, except that if the application requires a public hearing due to referral of application to the Zoning Administrator or Planning Commission, then the application will be converted to an "at cost" application and the applicant will be billed for staff time associated with processing the application.

(iii) Plans drawn to scale including the following:

I. Plot plans showing location of all property lines, location of all existing buildings, and location and dimensions of on-site parking spaces

II. Floor plan showing all rooms with each room labeled as to room type

(iv) Copy of a rental/lease agreement, which shall include, but not necessarily limited to the following: number of guests allowed (2/bedroom + 2, children under 12 not counted; maximum number of people at an event not to exceed twice the number of guests allowed); number of vehicles allowed (not to exceed the number of existing on-site parking spaces, plus two additional on-street); noise, illegal behavior and disturbances, trash management (e.g., trash to be kept in covered containers only), etc.

(v) Copy of a County of Santa Cruz Transient Occupancy Registration Certificate for the purpose of the operation of a vacation rental.

(D) Number of people allowed. The maximum number of tenants allowed in a new residential vacation rental shall not exceed two people per bedroom plus two additional people, except for celebrations and large gatherings not exceeding 12 hours in duration, during which time the total number of people allowed is twice the allowed number of guests. Children under 12 are not counted toward the maximums.

(3) Renewal of vacation rental permits. An application to renew a vacation rental permit shall be made no sooner than 180 days before expiration of the permit existing permit. Determination of the completeness of the application shall stay the expiration of the existing permit until final action is taken on the renewal application. Except as provided in County Code Section 18.10.124(b), no public hearing shall be required and action on permit renewal applications shall be by the Planning Director or designee, with notice of the proposed action provided not less than 10 calendar days before issuance or denial of the permit, pursuant to County Code Section 18.10.222(c) and (d). Appeals of the proposed action on the renewal application may be made by the applicant or any member of the public.

(A) If a public hearing is required, the Planning Director shall schedule the public hearing before either the Zoning Administrator or the Planning Commission, at the Planning Director's discretion. Notice of such a public hearing shall be provided not less than 10 calendar days before the public hearing, pursuant to County Code Section 18.10.223.

(B) Applicants for renewal of a vacation rental permit shall provide the following to the Planning Department:

(i) Completed application form

(ii) Non-refundable application fee as established by the Board of Supervisors, but no greater than necessary to defray the cost incurred by the County in administering the provisions of this Chapter, except that if

the application requires a public hearing due to referral of the application to the Zoning Administrator or Planning Commission, then the application will be converted to an "at cost" application and the applicant will be billed for staff time associated with processing the application.

(iii) For those properties located in the Live Oak Designated Area, proof of payment of Transient Occupancy Tax for the use of the dwelling as a vacation rental and a summary of the dates the unit was used as a vacation rental between the time of issuance of the existing permit and the date of application for the renewal. Lack of a significant level of rental activity may result in denial of a renewal application.

(e) Local contact person. All vacation rentals shall designate a contact person within a 30-mile radius of the vacation rental. The contact person shall be available 24 hours a day to respond to tenant and neighborhood questions or concerns. A property owner who lives within a 30-mile radius of the vacation rental may designate himself or herself as the local contact person.

The name, address and telephone number(s) of the local contact person shall be submitted to the Planning Department, the local Sheriff Substation, the main county Sheriff's Office, the local fire agency, and supplied to the property owners of all properties located within a 300 foot radius of the boundaries of the parcel on which the vacation rental is located. The name, address and telephone number(s) of the local contact person shall be permanently posted in the rental unit in a prominent location(s). Any change in the local contact person's address or telephone number shall be promptly furnished to the agencies and neighboring property owners as specified in this subsection.

(f) Signs. All vacation rentals shall have a sign identifying the structure as a permitted vacation rental and listing a 24-hour local contact responsible for responding to complaints and providing general information, which shall be placed in a front or other window facing a public street or may be affixed to the exterior of the front of the structure facing a public street. The sign may be of any shape, but may not exceed 216 square inches. There is no minimum sign size so long as the information on the sign is legible.

(g) Posting of rules. Vacation rental rules shall be posted inside the vacation rental in a location readily visible to all guests. The rules shall include, but not necessarily be limited to, the following: number of guests allowed (2/bedroom + 2, children under 12 not counted; maximum number of people at an event not to exceed twice the number of guests allowed); number of vehicles allowed (not to exceed the number of existing on-site parking spaces, plus two additional on-street); noise, illegal behavior and disturbances, trash management (e.g., trash to be kept in covered containers only), etc.

(h) Noise. All residential vacation rentals shall comply with the standards of Chapter 8.30 of the County Code (Noise) and a copy of that chapter shall be posted inside the vacation rental in a location readily visible to all guests. No use of equipment requiring more than standard household electrical current at 110 or 220 volts or activities that produce noise, dust, odor or vibration detrimental to occupants of adjoining dwellings is allowed.

(i) Transient Occupancy Tax. Each residential vacation rental owner shall meet the regulations and standards set forth in Chapter 4.24 of the County Code, including any required payment of transient occupancy tax for each residential vacation rental unit.

(j) Dispute resolution. By accepting a vacation rental permit, vacation rental owners agree to engage in dispute resolution and act in good faith to resolve disputes with neighbors arising from the use of a dwelling as a vacation rental. Unless an alternative dispute resolution entity is agreed to by all parties involved, dispute resolution shall be conducted through the Conflict Resolution Center of Santa Cruz County.

(k) Violation. It is unlawful for any person to use or allow the use of property in violation of the provisions of this section. The penalties for violation of this section are set forth in Chapter 19.01 of this Title (Enforcement). If more than two documented, significant violations occur within any 12-month period a permit may be reviewed for possible amendment or revocation. Documented, significant violations include, but are not limited to, copies of citations, written warnings, or other documentation filed by law enforcement; and copies of Homeowner Association warnings, reprimands, or other Association actions.

(l) It is unlawful to make a false report to the Sheriff's Office regarding activities associated with vacation rentals.

### SECTION III

Section 13.10.700-V of the Santa Cruz County Code is hereby amended by adding a definition for "Vacation rental" following the definition of "VA" to read as follows:

Vacation Rental. A single-family dwelling unit, duplex, or triplex (including condominium and townhouse units, but not including apartments or manufactured homes in a mobile home park), rented for the purpose of overnight lodging for a period of not more than thirty (30) days other than (a) ongoing month-to-month tenancy granted to the same renter for the same unit, (b) one less-than-thirty day period per year, or (c) a house exchange for which there is no payment. Habitable accessory structures, non-habitable accessory structures, second units constructed under the provisions of County Code Section 13.10.681, and legally restricted affordable housing units shall not be used as vacation rentals.

### SECTION IV

This ordinance shall take effect on the 31st day after the date of Final Passage, or upon certification by the California Coastal Commission, whichever date is later.

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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### III. ENVIRONMENTAL REVIEW CHECKLIST

#### A. GEOLOGY AND SOILS

Would the project:

1. Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:
  - A. Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.
  - B. Strong seismic ground shaking?
  - C. Seismic-related ground failure, including liquefaction?
  - D. Landslides?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Discussion (A through D):**

State

#### Alquist-Priolo Earthquake Fault Zoning Act

Each fault located within Santa Cruz County is capable of generating moderate to severe ground shaking from a major earthquake. Consequently, large earthquakes can be expected in the future. The October 17, 1989 Loma Prieta earthquake (magnitude 7.1) was the second largest earthquake in central California history.

The proposed ordinance would apply to all residential zone districts in the county, some of which are located within the limits of the State Alquist-Priolo Special Studies Zone (County of Santa Cruz, 2001). The Alquist-Priolo Earthquake Fault Zoning Act was passed in 1972 to mitigate the hazard of surface faulting to structures for human occupancy. The Alquist-Priolo Earthquake Fault Zoning Act's main purpose is to prevent the construction of buildings used for human occupancy on the surface trace of active faults. The Act only addresses the hazard of surface fault rupture and is not directed toward other earthquake hazards. The law requires the State Geologist to establish regulatory zones (known as Earthquake Fault Zones) around the surface

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traces of active faults and to issue appropriate maps. The maps are distributed to all affected cities, counties, and state agencies for their use in planning and controlling new or renewed construction. Local agencies must regulate most development projects within the zones. Projects include all land divisions and most structures for human occupancy. Single-family wood-frame and steel-frame dwellings up to two stories that are not part of a development of four units or more are exempt.

#### International Building Code/Uniform Building Code

The Uniform Building Code (UBC) was first enacted by the International Conference of Building Officials (ICBO) on October 18-21, 1927. Revised editions of this code are published approximately every 3 years until 1997, which was the final year of the code. The UBC (1997) includes provisions associated with engineering design and building requirements. The UBC was replaced in 2000 by the new International Building Code (IBC) published by the International Code Council (ICC). The ICC was a merger of three predecessor organizations, which published three different building codes.

#### California Building Standards Code

The California Building Code (CBC) is another name for the body of regulations known as the California Code of Regulations (CCR), Title 24, Part 2, which is a portion of the California Building Standards Code and establishes minimum requirements for a buildings structural strength and stability to safeguard the public health, safety and general welfare. Title 24 is assigned to the California Building Standards Commission, which, by law, is responsible for coordinating all building standards. Under state law, all building standards must be centralized in Title 24 or they are not enforceable. Published by the International Conference of Building Officials, the UBC is a widely adopted model building code in the United States. The California Building Code incorporates by reference the 2006 International Building Code with necessary California amendments.

#### Local

#### County of Santa Cruz General Plan and Local Coastal Program

The County of Santa Cruz General Plan and Local Coastal Program (LCP) was adopted by the Board of Supervisors in May of 1994 and certified by the California Coastal Commission in December of 1994. The following policies are applicable to geology and soils.

Policy 6.1.4: Site Investigation Regarding Liquefaction Hazard (LCP). Require site-specific investigation by a certified engineering geologist and/or civil engineer of all development proposals of more than four residential units in areas designated as having a high or very high liquefaction potential. Proposals of four units and under and non-residential projects shall be reviewed for liquefaction hazard through environmental review and/or geologic hazards assessment, and when a significant potential hazard exists a site-specific investigation shall be required.

Policy 6.3.4: Erosion Control Plan Approval Required for Development (LCP). Require approval of an erosion control plan for all development, as specified in the Erosion

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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Control Ordinance. Vegetation removal shall be minimized and limited to that amount indicated on the approved development plans, but shall be consistent with fire safety requirements.

Policy 6.3.5: Installation of Erosion Control Measures. Require the installation of erosion control measures consistent with the Erosion Control Ordinance, by October 15, or the advent of significant rain, or project completion, whichever occurs first. Prior to October 15, require adequate erosion control to be provided to prevent erosion from early storms. For development activities, require protection of exposed soil from erosion between October 15 and April 15 and require vegetation and stabilization of disturbed areas prior to completion of the project. For agricultural activities, require that adequate measures are taken to prevent excessive sediment from leaving the property.

Policy 6.3.7: Reuse of Topsoil and Native Vegetation Upon Grading Completion. Require topsoil to be stockpiled and reapplied upon completion of grading to promote regrowth of vegetation; native vegetation should be used in replanting disturbed areas to enhance long-term stability.

Policy 6.3.8: On-Site Sediment Containment (LCP). Require containment of all sediment on the site during construction and require drainage improvements for the completed development that will provide runoff control, including onsite retention or detention where downstream drainage facilities have limited capacity. Runoff control systems or Best Management Practices shall be adequate to prevent any significant increase in site runoff over pre-existing volumes and velocities and to maximize on-site collection of non-point source pollutants.

Policy 6.3.9: Site Design to Minimize Grading (LCP). Require site design in all areas to minimize grading activities and reduce vegetation removal based on the following guidelines:

- (a) Structures should be clustered;
- (b) Access roads and driveways shall not cross slopes greater than 30 percent; cuts and fills should not exceed 10 feet, unless they are wholly underneath the footprint and adequately retained;
- (c) Foundation designs should minimize excavation or fill;
- (d) Building and access envelopes should be designated on the basis of site inspection to avoid particularly erodable areas;
- (e) Require all fill and sidecast material to be recompacted to engineered standards, reseeded, and mulched and/or burlap covered.

The proposed Vacation Rental Ordinance would be consistent with the goals, policies and standards established within the elements of the General Plan that are intended to protect the safety of the community; and therefore, the adoption and enforcement of Section 13.10.694 of the County Code would not result in significant geological impacts. Furthermore, all future vacation rental housing development and rehabilitation would be required to be consistent with existing state and local building

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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codes, which are designed to ensure that new construction would not expose people to significant geological impacts. However, because the proposal would not authorize or facilitate new development no impact from adoption or enforcement of the proposed ordinance would occur.

- |   |                          |                          |                          |                                     |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 2. Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction, or collapse? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** Liquefaction tends to occur in loose, saturated fine-grained sands, coarse silts or clays with low plasticity. The liquefaction process typically occurs at depths less than 50 feet below the ground surface, although liquefaction can occur at deeper intervals, given the right conditions. The most susceptible zone occurs at depths shallower than 30 feet below the ground surface. In order for liquefaction to occur there must be the proper soil type, soil saturation, and cyclic accelerations of sufficient magnitude to progressively increase the water pressures within the soil mass. Non-cohesive soil shear strength is developed by the point-to-point contact of the soil grains. As the water pressures increase in the void spaces surrounding the soil grains, the soil particles become supported more by the water than the point-to-point contact. When the water pressures increase sufficiently, the soil grains begin to lose contact with each other resulting in the loss of shear strength and continuous deformation of the soil where the soil begins to liquefy.

Liquefaction can lead to several types of ground failure, depending on slope conditions and the geological and hydrological settings, of which the four most common types of ground failure are: 1) lateral spreads, 2) flow failures, 3) ground oscillation and 4) loss of bearing strength. Much of Santa Cruz County is subject to damage from soil instability as a result of on- or off-site landslide, lateral spreading, subsidence, or liquefaction.

The County of Santa Cruz General Plan and Local Coastal Program (LCP) was adopted by the Board of Supervisors in May of 1994 and certified by the California Coastal Commission in December of 1994. The following policies are applicable to slope stability and liquefaction: Policy 6.1.1, Geologic Review for Development in Designated Fault Zones; Policy 6.1.2, Geologic Reports for Development in Alquist-Priolo Zones; Policy 6.1.3, Engineering Geology Report for Public Facilities in Fault Zones; Policy 6.1.4, Site Investigation Regarding Liquefaction Hazard; Policy 6.1.5, Location of Development Away from Potentially Hazardous Areas; Policy 6.1.9, Recordation of Geologic Hazards; Policy 6.1.10, Density Recommendations for Proposed Development; Policy 6.1.11, Setbacks from Faults; Policy 6.1.12, Minimum Parcel Size in Fault Zones; Policy 6.2.1, Geologic Hazards Assessments for Development on and Near Slopes; Policy 6.2.2, Engineering Geology Report; 6.2.3, Conditions for Development and Grading Permits; Policy 6.2.4, Mitigation of Geologic Hazards and Density Considerations; Policy 6.2.5, Slope Considerations for Land

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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Division Calculations; Policy 6.2.6, Location of Structures and Drainage Considerations in Unstable Areas; Policy 6.2.7; Location of Septic Leach Fields; and Policy 6.2.9, Recordation of Geologic Hazards.

The proposed ordinance would continue to allow vacation rentals in all residential zone districts in the County. Vacation rentals currently are not regulated, except for the requirement to pay TOT. The proposed ordinance would not authorize or facilitate any development of vacation rentals within the county. However, any new residential development that may occur within the County would be designed and constructed to meet the most current safety standards for landslides, lateral spreading, subsidence, liquefaction, or collapse that are included in the California Building Code (2007) and/or standards established by the County of Santa Cruz. No impact would occur from the adoption and enforcement of the proposed ordinance.

3. Develop land with a slope exceeding 30%? ☐ ☐ ☐ ☒

**Discussion:** There are many slopes that exceed 30% within the County. The County of Santa Cruz General Plan and Local Coastal Program (LCP) was adopted by the Board of Supervisors in May of 1994 and certified by the California Coastal Commission in December of 1994. The following policies are applicable to slopes exceeding 30 percent: Policy 6.2.1, Geologic Hazards Assessments for Development on and Near Slopes; Policy 6.2.2, Engineering Geology Report; 6.2.3, Conditions for Development and Grading Permits; Policy 6.2.4, Mitigation of Geologic Hazards and Density Considerations; Policy 6.2.5, Slope Considerations for Land Division Calculations; Policy 6.2.6, Location of Structures and Drainage Considerations in Unstable Areas; Policy 6.2.7; Location of Septic Leach Fields; Policy 6.2.9, Recordation of Geologic Hazards; and Policy 6.3.1, Slope Restrictions.

The proposed ordinance would not authorize or facilitate any new development. Any newly constructed dwelling used as a vacation rental would be required to meet all requirements of the General Plan, County Code (Section 16.10), and California Building Code relating to development on slopes exceeding 30%. Most new vacation rentals would be in existing dwellings. No impact is anticipated from the adoption and enforcement of the proposed ordinance.

4. Result in substantial soil erosion or the loss of topsoil? ☐ ☐ ☐ ☒

**Discussion:** Much of Santa Cruz County is subject to soil erosion during construction. However, standard erosion controls are a required condition of projects with erosion potential. The County of Santa Cruz General Plan and Local Coastal Program (LCP) was adopted by the Board of Supervisors in May of 1994 and certified by the California Coastal Commission in December of 1994. The following policies are applicable to soil erosion and loss of topsoil: Policy 6.3.1, Slope Restrictions; Policy 6.3.2, Grading Projects to Address Mitigation Measures; Policy 6.3.3, Abatement of Grading and Drainage Problems; Policy 6.3.4, Erosion Control Plan Approval Required for

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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Development; Policy 6.3.5, Installation of Erosion Control Measures; Policy 6.3.6, Earthmoving in Least Disturbed or Water Supply Watersheds; Policy 6.3.7, Reuse of Topsoil and Native Vegetation Upon Grading Completion; Policy 6.3.8, On-site Sediment Containment; Policy 6.3.9, Site Design to Minimize Grading; Policy 6.3.10, Land Clearing Permit; and Policy 6.3.11, Sensitive Habitat Considerations for Land Clearing Permits.

The proposed ordinance would not authorize or facilitate any new development. Any newly constructed dwelling used as a vacation rental would be subject to all requirements of the General Plan, County Code (Section 16.22), and California Building Code relating to erosion control and, as required, would have an approved Erosion Control Plan, which would specify detailed erosion and sedimentation control measures. No impact is anticipated from the adoption and enforcement of the proposed ordinance.

- |   |                          |                          |                          |                                     |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 5. Be located on expansive soil, as defined in Section 1802.3.2 of the California Building Code (2007), creating substantial risks to life or property? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** Expansive soils have the potential for shrinking and swelling with changes in moisture content, which can cause damage to overlying structures. The amount and type of clay in the soil influences the changes. The problems resulting from expansive soils can be controlled by proper engineering and construction practices. The presence or absence of expansive soils is therefore not considered a critical factor in overall land planning.

The proposed ordinance would not authorize or facilitate any new development. Any newly constructed dwelling used as a vacation rental would be subject to all requirements of the General Plan, County Code (Section 16.10), and California Building Code relating to soil safety issues. No impact is anticipated from the adoption and enforcement of the proposed ordinance.

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|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 6. Place sewage disposal systems in areas dependent upon soils incapable of adequately supporting the use of septic tanks, leach fields, or alternative waste water disposal systems where sewers are not available? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The County of Santa Cruz General Plan and Local Coastal Program (LCP) was adopted by the Board of Supervisors in May of 1994 and certified by the California Coastal Commission in December of 1994. The following policies are applicable to sewage disposal systems: Policy 6.2.7, Location of Septic Leach Fields; Policy 6.2.12, Setbacks from Coastal Bluffs; and Policy 6.4.9, Septic Systems, Leach Fields, and Fill Placement. As no development or septic systems are proposed as a

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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part of this project, anticipated future development cannot be predicted. Any new dwelling constructed to operate as a vacation rental would be required to meet the requirements of and receive approval from the County Environmental Health Services regarding septic. No impact is anticipated from the adoption and enforcement of the proposed ordinance.

7. Result in coastal cliff erosion? ☐ ☐ ☐ ☒

**Discussion:** The proposal would not authorize or facilitate any new development. Any newly constructed dwelling on or near a coastal cliff would be subject to all requirements of the General Plan and County Code (Section 16.10) regarding slope stability and erosion control. Any future development would be required to comply with coastal protection policies including those prohibiting erosion to coastal cliffs and bluffs. The following General Plan policies are applicable to coastal cliff erosion. Policy 6.2.10: Site Development to Minimize Hazards; Policy 6.2.11: Geologic hazards Assessment in Coastal Hazard Areas; Policy 6.2.12: Setbacks from Coastal Bluffs; Policy 6.2.13: Exception for Foundation; Policy 6.2.14: Additions to Existing Structures; Policy 6.2.15: New Development on Existing Lots of Record; Policy 6.2.16: Structural Shoreline Protection Measures; Policy 6.12.17: Prohibit New Building Sites in Coastal Hazard Areas; Policy 6.2.18: Public Services in Coastal Hazard Areas; Policy 6.2.19: Drainage and Landscape Plans; Policy 6.2.20: Reconstruction of Damaged Structures on Coastal Bluffs; and Policy 6.2.21: Reconstruction of Damaged Structures due to Storm Wave Inundation. Therefore, no impact is anticipated from the adoption and enforcement of the proposed ordinance.

## B. HYDROLOGY, WATER SUPPLY, AND WATER QUALITY

Would the project:

1. Place development within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map? ☐ ☐ ☐ ☒

**Discussion:** The proposed Vacation Rental Ordinance (Section 13.10.694) does not propose development or proposals that would enable an assessment of potential site specific flooding impacts that may result with future housing development proposals. However, case-by-case reviews of future housing projects would be carried out to ensure the safety of these projects, and to ensure that future projects are consistent with all General Plan goals, objectives, and policies. The following General Plan policies are applicable to development within the 100-year flood hazard area: Policy 6.4.1, Geologic Hazards Assessment Required in Flood Hazard Areas; Policy 6.4.2, Development Proposals Protected from Flood Hazard; Policy 6.4.3, Development on or Adjacent to Coastal Bluffs and Beaches; Policy 6.4.5, New Parcels in 100-year Floodplains; Policy 6.4.6, Density Calculations; Policy 6.4.8, New Construction to be Outside Flood Hazard Areas; Policy 6.4.9, Septic Systems, Leach Fields, and Fill

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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Placement; and Policy 6.4.10, Flood Control Structures. No impact is anticipated.

2. Place within a 100-year flood hazard area structures which would impede or redirect flood flows? ☐ ☐ ☐ ☒

**Discussion:** The proposed Vacation Rental Ordinance (Section 13.10.694) does not propose development or proposals that would enable an assessment of potential site specific flooding impacts that may result with future housing development proposals. However, case-by-case reviews of future housing projects would be carried out to ensure the safety of these projects, and to ensure that future projects are consistent with all General Plan goals, objectives, and policies. The following General Plan policies are applicable to development within the 100-year flood hazard area: Policy 6.4.1, Geologic Hazards Assessment Required in Flood Hazard Areas; Policy 6.4.2, Development Proposals Protected from Flood Hazard; Policy 6.4.3, Development on or Adjacent to Coastal Bluffs and Beaches; Policy 6.4.5, New Parcels in 100-year Floodplains; Policy 6.4.6, Density Calculations; Policy 6.4.8, New Construction to be Outside Flood Hazard Areas; Policy 6.4.9, Septic Systems, Leach Fields, and Fill Placement; and Policy 6.4.10, Flood Control Structures. No significant impact is anticipated.

3. Be inundated by a seiche, tsunami, or mudflow? ☐ ☐ ☐ ☒

**Discussion:** A tsunami is a sea wave generated by a submarine earthquake, landslide or volcanic action. While the possibility of a major tsunami from either of the latter two events is considered to be extremely remote for Santa Cruz County, a tsunami caused by a submarine earthquake is considered possible. Submarine earthquakes are common around the edges of the Pacific Ocean, as well as other areas. Therefore, all of the Pacific coastal areas are subject to this potential hazard to a greater or lesser degree. In addition, areas of the County with steep slopes and immediately down slope areas could be subject to mudflow hazards.

The proposed Vacation Rental Ordinance (Section 13.10.694) does not propose development or proposals that would enable an assessment of potential site specific impacts that may result with future housing development proposals. However, case-by-case reviews of future housing projects would be carried out to ensure the safety of these projects, and to ensure that future projects are consistent with all General Plan goals, objectives, and policies. General Plan Policy 6.4.3 is applicable to protection from storm swell, wave action and tsunami impacts. In addition, any newly constructed dwelling used as a vacation rental would be subject to all County Code (Section 16.10) requirements regarding location relative to these hazards. Policy Adherence to such requirements would ensure that potential impacts associated with this issue are less-than-significant.

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
4. Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Discussion:** The proposal would not authorize or facilitate any development. As no development is proposed as part of this project, the anticipated impacts to groundwater supply or groundwater recharge would not be significant. Any future discretionary development proposal would be analyzed to determine whether that particular development would have any impact on groundwater supply or groundwater recharge. The following General Plan policies are applicable to water supply: Policy 5.8.1, Primary Groundwater Recharge Area Designation, Policy 5.8.2, Land Division and Density Requirements in Primary Groundwater Recharge Areas; Policy 5.8.3, Uses in Primary Groundwater Recharge Areas; Policy 5.8.4, Drainage Design in Primary Groundwater Recharge Areas; Policy 7.18.1, Linking Growth to Water Supplies; Policy 7.18.2, Written Commitments Confirming Water Service Required for Permits; 7.18.3, Impacts of New Development on Water Purveyors, Policy 7.18.5, Groundwater Management; Policy 7.18.6, Water Conservation Requirements; and Policy 7.18.7, Water Reuse. Therefore, the impacts associated with the proposed ordinance would not be significant.

5. Substantially degrade a public or private water supply? (Including the contribution of urban contaminants, nutrient enrichments, or other agricultural chemicals or seawater intrusion).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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**Discussion:** As no development is proposed as part of this project, the anticipated impacts to water supply would not be significant. Any future development would be required to address drainage issues specifically pertaining to that parcel. General Plan Policy 7.18.4, Improvement of Water Systems is applicable to the protection of public and private water supplies. In addition, if a newly constructed dwelling were used as a vacation rental, the dwelling would be subject to the requirements of the Department of Public Works relative to runoff or the well and pumping requirement of County Environmental Health Services. Therefore, the impacts associated with the proposed ordinance would not be significant.

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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6. Degrade septic system functioning?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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**Discussion:** The proposal would not authorize or facilitate any development. If a newly constructed dwelling were used as a vacation rental, the dwelling would be subject to the requirements of County Environmental Health Services regarding septic system functioning. Each future discretionary development proposal would necessitate independent review of environmental impacts. No adverse impacts are anticipated.

7. Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding, on- or off-site?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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**Discussion:** The proposed project would not affect any watercourses or alter any existing drainage patterns. Any new development would be required to address drainage issues specifically pertaining to that parcel. If a newly constructed dwelling were used as a vacation rental, the dwelling would be subject to the requirements of the Department of Public regarding drainage and flooding. The following General Plan policies are applicable to alteration of drainage patterns: Policy 6.4.5, New Parcels in 100-year Floodplains; Policy 6.4.7, New Construction to be Outside Flood Hazard Areas; Policy 6.4.8, Elevation of Residential Structures; Policy 6.4.9, Septic Systems, Leach Fields, and Fill Placement; and Policy 6.4.10, Flood Control Structures. Each development proposal would necessitate independent review of environmental impacts. No adverse impacts are anticipated.

8. Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems, or provide substantial additional sources of polluted runoff?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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**Discussion:** The proposal would not authorize or facilitate any development. No change to runoff or drainage patterns would result from the approval of the proposed ordinance. Any future development would be required to address drainage issues specifically pertaining to that parcel. The following General Plan policies are applicable to drainage: Policy 7.23.1, New Development; 7.23.2, Minimizing Impervious Surfaces; Policy 7.23.3, On-site Storm Water Detention; Policy 7.23.4, Downstream Impact Assessments; and 7.23.5, Control Surface Runoff. Each development proposal would necessitate independent review of environmental impacts. If a newly constructed dwelling were used as a vacation rental, the dwelling would be subject to the requirements of the Department of Public Works regarding drainage and runoff. No adverse impacts are anticipated.

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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9. Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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**Discussion:** The proposal would not authorize or facilitate any development. However, the proposed ordinance would specifically allow vacation rentals in all residential zone districts in the County. Vacation rentals are not currently regulated, except for the requirement to pay TOT. Some residential parcels could be subject to flooding hazards from dam or levee failure. The vast majority of vacation rentals are located in the immediate coastal area of the County from Live Oak to and including Pajaro Dunes. Few, if any of these would be subject to flooding from a dam failure. Some, mostly in Pajaro Dunes, could be subject to flooding from levee failure. However, the proposed ordinance would not increase the number of existing structures currently subject to an increased risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam. Any new dwellings would have met all required flood hazard requirements of County Code (Section 16.10). No adverse impacts are anticipated.

10. Otherwise substantially degrade water quality?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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**Discussion:** Under Section 402 of the Clean Water Act, the Regional Water Quality Control Board (RWQCB) issues National Pollution Discharge Elimination System (NPDES) permits to regulate waste discharges to "waters of the U.S." Waters of the U.S. include rivers, lakes, and their tributary waters. Waste discharges include discharges of storm water and construction project discharges. A construction project resulting in the disturbance of one (1) or more acres requires a NPDES ground construction permit. Construction project proponents are required to prepare a Storm Water Pollution Prevention Plan (SWPPP).

The proposal would not authorize or facilitate any development. Any future development that requires a discretionary approval would be subject to the County's environmental review process; and therefore, future residential development would be evaluated on an individual basis for conformance with water quality standards or waste discharge requirements. Implementation of Best Management Practices (BMPs) as specified by the NPDES permit and the approval of a SWPPP would ensure that any potential impacts associated with this issue are not significant.

### C. BIOLOGICAL RESOURCES

Would the project:

1. Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game, or U.S. Fish and Wildlife Service?

**Discussion:** The proposal would not authorize or facilitate any development and would not result in any adverse impacts to biological resources. Any future dwelling proposed to be constructed, whether for use as a vacation rental or not, would be subject to all requirements of County General Plan and County Code (Section 16.32), California Department of Fish and Game (CDFG), and U.S. Fish and Wildlife Service (USFWS) regarding any species identified as a candidate, sensitive, or special status species. The County of Santa Cruz General Plan has been developed with resource protection policies. The following General Plan policies are applicable to sensitive species and their habitats: Policy 5.1.1, Sensitive Habitat Designation; Policy 5.1.2, Definition of Sensitive Habitat; Policy 5.1.3, Environmentally Sensitive Habitats; Policy 5.1.4, Sensitive habitat Protection Ordinance; Policy 5.1.5, Land Division and Density Requirements in Sensitive Habitats; Policy 5.1.6, Development within Sensitive habitats; Policy 5.1.7, Site Design and Use Regulations; Policy 5.1.8, Chemicals within Sensitive Habitats; Policy 5.1.9, Biotic Assessments; Policy 5.1.10, Species Protection; Policy 5.1.11, Wildlife Resources Beyond Sensitive Habitats; Policy 5.1.12, Habitat Restoration with Development Approval; Policy 5.1.14, Removal of Invasive Plant Species; and Policy 5.1.15, Priorities for Restoration Funding.

No adverse impacts to sensitive species or their habitat would occur because the proposal would not authorize or facilitate any development.

- |    |   |                          |                          |                          |                                     |
|----|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 2. | Have a substantial adverse effect on any riparian habitat or sensitive natural community identified in local or regional plans, policies, regulations (e.g., wetland, native grassland, special forests, intertidal zone, etc.) or by the California Department of Fish and Game or U.S. Fish and Wildlife Service? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|----|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The proposal would not authorize or facilitate any development. Any dwelling proposed to be constructed, whether for use as a vacation rental or not, would be subject to all requirements of County Code (Sections 16.30 and 16.32), Fish and Game, and USFWS regarding any riparian habitat or sensitive natural community (also see discussion under C-1 above). No adverse impacts are anticipated.

- |    |  |                          |                          |                          |                                     |
|----|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 3. | Interfere substantially with the movement of any native resident or migratory fish or wildlife species, or with established native resident or | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|----|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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migratory wildlife corridors, or impede the use of native or migratory wildlife nursery sites?

**Discussion:** The proposal would not authorize or facilitate any development. Any dwelling proposed to be constructed, whether for use as a vacation rental or not, would be subject to all requirements of County General Plan and County Code (Sections 16.30 and 16.32), CDFG, and USFWS regarding wildlife movement and habitat (also see discussion under C-1 above). No adverse impacts are anticipated.

4. Produce nighttime lighting that would substantially illuminate wildlife habitats? ☐ ☐ ☐ ☒

**Discussion:** The proposal would not authorize or facilitate any development. Any dwelling proposed to be constructed, whether for use as a vacation rental or not, would be subject to all requirements of County Code (Sections 13.11 and 16.30), Fish and Game, and USFWS regarding nighttime lighting and wildlife habitats (also see discussion under C-1 above). No adverse impacts are anticipated.

5. Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means? ☐ ☐ ☐ ☒

**Discussion:** The proposal would not authorize or facilitate any development. Any dwelling proposed to be constructed, whether for use as a vacation rental or not, would be subject to all requirements of County General Plan and County Code (Section 16.30), CDFG, USFWS, and the U.S. Army Corps of Engineers regarding wetland impacts (also see discussion under C-1 above). No adverse impacts are anticipated.

6. Conflict with any local policies or ordinances protecting biological resources (such as the Sensitive Habitat Ordinance, Riparian and Wetland Protection Ordinance, and the Significant Tree Protection Ordinance)? ☐ ☐ ☐ ☒

**Discussion:** The proposal would not authorize or facilitate any development. The proposed project would not conflict with any local policies or ordinances. Any dwelling proposed to be constructed, whether for use as a vacation rental or not, would be subject to all requirements of the General Plan and County Code (Section 16.30)

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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regarding protection of biological resources. The County of Santa Cruz General Plan has been developed with resource protection policies and objectives. The following General Plan objectives are applicable to sensitive species and their habitats: Objective 5.1, Biological Diversity; Objective 5.2, Riparian Corridors and Wetlands; Objective 5.3, Aquatic and Marine Habitats; and Objective 5.4, Monterey Bay and Coastal Water Quality and their associated Policies.

7. Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan? ☐ ☐ ☐ ☒

**Discussion:** The proposal would not authorize or facilitate any development. Any dwelling proposed to be constructed, whether for use as a vacation rental or not, would be subject to all requirements of any adopted Habitat Conservation Plan Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan. Therefore, no impact would occur.

#### D. AGRICULTURE AND FOREST RESOURCES

In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment Project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board (CARB). Would the project:

1. Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use? ☐ ☐ ☐ ☒

**Discussion:** The proposal would not authorize or facilitate any development. The proposal applies to residentially zoned properties only. Any dwelling proposed to be constructed, whether for use as a vacation rental or not, would be subject to all requirements of the General Plan and County Code (Section 16.50) regarding protection of agricultural resources. The following General Plan policies are applicable to agricultural resources: Policy 5.13.20, Conversion of Commercial Agricultural lands; Policy 5.13.21, Determining Agricultural Viability; Policy 5.13.22, Conversion to Non-agricultural Uses Near Urban Areas; Policy 5.13.23, Agricultural Buffers Required;

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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Policy 5.13.24, Agricultural Buffer Findings Required for Reduced Setbacks; Policy 5.13.25, Agricultural Policy Advisory Commission Review; Policy 5.13.26, Windbreaks; Policy 5.13.27, Siting to Minimize Conflicts; Policy 5.13.28, Residential Uses on Commercial Agricultural Land; Policy 5.13.31, Agricultural Notification Recordation for Land Divisions; Policy 5.13.32, Agricultural Statement of Acknowledgement; Policy 5.13.33, Density on Parcels Adjacent to Commercial Agricultural Lands; and Policy 5.14.12, Non-commercial Agricultural Land Division and Density Requirements. Adherence to such requirements would ensure that potential impacts associated with this issue would be not significant. No impact would occur from project implementation.

- |    |   |                          |                          |                          |                                     |
|----|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 2. | Conflict with existing zoning for agricultural use, or a Williamson Act contract? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|----|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The proposal applies in residential zone districts only. Therefore, the project would not conflict with existing zoning for agricultural use, or a Williamson Act Contract. No impact is anticipated.

- |    |   |                          |                          |                          |                                     |
|----|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 3. | Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code Section 12220(g)), timberland (as defined by Public Resources Code Section 4526), or timberland zoned Timberland Production (as defined by Government Code Section 51104(g))? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|----|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The proposal would not authorize or facilitate any development. Therefore, the project would not conflict with existing zoning for forest land or timber land use. The proposal applies to residentially zoned properties only. Any dwelling proposed to be constructed, whether for use as a vacation rental or not, would be subject to all requirements of the General Plan and County Code (Section 16.52) regarding protection of forest land and timberland resources. The following General Plan policies are applicable to Timber Resources: Policy 5.12.2, Uses within Timber Production Zones; Policy 5.12.4, Land Divisions and Density Requirements for Timber Production Zoned Lands; Policy 5.12.5, General Conditions for All Development Proposals on Timber Production Zoned Lands; Policy 5.12.6, Conditions for Clustered Development Proposals on Timber Production Zoned Lands; Policy 5.12.7, Location of Development on Timber Production Lands; and Policy 5.12.8, Timber Resource Land Not Zoned Timber Production. Adherence to such requirements would ensure that potential impacts associated with this issue are not significant. No impact would occur from project implementation.

- |  | Potentially<br>Significant<br>Impact | Less than<br>Significant<br>with<br>Mitigation<br>Incorporated | Less than<br>Significant<br>Impact | No Impact                           |
|--|--------------------------------------|--|------------------------------------|-------------------------------------|
| 4. Result in the loss of forest land or conversion of forest land to non-forest use? | <input type="checkbox"/>             | <input type="checkbox"/>                                       | <input type="checkbox"/>           | <input checked="" type="checkbox"/> |

**Discussion:** The proposal applies in residential zone districts only. Therefore, the project will not result in the loss of forest land or conversion of forest land to non-forest land. Therefore, no impacts are anticipated from the adoption and enforcement of the proposed ordinance. In addition, please see the discussion under D-3 above.

- |  |                          |                          |                          |                                     |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 5. Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** Some residentially-zoned parcels that currently are or might be used for vacation rentals could be surrounded by or close to lands designated as Prime Farmland, Unique Farmland, Farmland of Statewide Importance or Farmland of Local Importance as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency. However, the proposal would not authorize any development and it applies in residential zone districts only. Therefore, no Prime Farmland, Unique Farmland, Farmland of Statewide, or Farmland of Local Importance would be converted to a non-agricultural use. Some residentially zoned parcels that currently are or might be used for vacation rentals could be surrounded by or close to lands designated forest land, and forest land could occur nearby. However, the proposal would not authorize any development and it applies in residential zone districts only. Therefore, the project will not result in the loss of forest land or conversion of forest land to non-forest land. Therefore, there would be no impact.

## E. MINERAL RESOURCES

Would the project:

- |  |                          |                          |                          |                                     |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 1. Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The proposal would not authorize or facilitate any development and it applies in residential zones only. Any dwelling proposed to be constructed, whether for use as a vacation rental or not, would be subject to all requirements of the General Plan and County Code (Section 16.54) regarding. The following General Plan policies are applicable to mineral extraction land use conflicts: Policy 5.16.2, Uses in Mineral Resource Areas; Policy 5.16.3, Review of Incompatible Uses; Policy 5.16.4, Minimizing Conflicts Between New Development and Mineral Resource Areas; and Policy 5.16.5, Land Division and Density Requirements on Mineral Resource Land. Existing vacation rental properties are already developed. Any proposed new dwelling, whether for use

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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as a vacation rental or not, would not be constructed on a parcel that contains a known mineral resource such that the resource could not be extracted. Residentially zoned parcels do not contain any known mineral resources that would be of value to the region and the residents of the state. Therefore, no impact is anticipated from project implementation.

- |   |                          |                          |                          |                                     |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 2. Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The proposal would not authorize or facilitate any development and applies in residential zone districts only, which are not Extractive Use Zones (M-3) nor do they have a Land Use Designation with a Quarry Designation Overlay (Q) (County of Santa Cruz 1994). Therefore, no potentially significant loss of availability of a known mineral resource of locally important mineral resource recovery (extraction) site delineated on a local general plan, specific plan or other land use plan would occur as a result of this project.

## F. VISUAL RESOURCES AND AESTHETICS

Would the project:

- |  |                          |                          |                          |                                     |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 1. Have an adverse effect on a scenic vista? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The proposal would not authorize or facilitate any development. Any proposed new dwelling would be subject to the scenic resource policies of the General Plan. The following General Plan policies are applicable to scenic resources: Policy 5.10.2, Development within Visual Resource Areas; Policy 5.10.3, Protection of Public Vistas; Policy 5.10.4, Preserving Natural Buffers; Policy 5.10.5, Preserving Agricultural Vistas; Policy 5.10.6, Preserving Ocean Vistas; Policy 5.10.7, Open Beaches and bluffs; Policy 5.10.8, Significant Tree Removal Ordinance; Policy 5.10.9, Restoration of Scenic Areas; Policy 5.10.11, Development Visible from Rural Scenic Roads; Policy 5.10.12, Development Visible from Urban Scenic Roads; Policy 5.10.13, Landscaping Requirements; Policy 5.10.14, Protecting Views in the North Coast and Bonny Doon; Policy 5.10.16, Designation of Coastal Special Scenic Areas; and Policy 5.10.17, Swanton Road Coastal Special Scenic Area. The project would not directly impact any public scenic resources, as designated in the County's General Plan (1994), or obstruct any public views of these visual resources. Therefore, adoption and enforcement of the proposed ordinance would not result in significant impacts.

- |  |                          |                          |                          |                                     |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 2. Substantially damage scenic resources, within a designated scenic corridor or public view shed area including, but not limited to, trees, rock outcroppings, and historic buildings | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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within a state scenic highway?

**Discussion:** The proposal would not authorize or facilitate any development. Any proposed new dwelling would be subject to the scenic resource policies of the General Plan (Please refer to the discussion under F-1 above). The project would not directly impact any public scenic resources, as designated in the County's General Plan (1994), or obstruct any public views of these visual resources. Therefore, no impact is anticipated.

- |  |                          |                          |                          |                                     |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 3. Substantially degrade the existing visual character or quality of the site and its surroundings, including substantial change in topography or ground surface relief features, and/or development on a ridgeline? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** Although the proposal would not authorize or facilitate any development, the proposed ordinance would require the posting of legible signage identifying the property as a vacation rental. The sign would be required to provide contact information and be no larger than 216 square inches (approximately 10" x 22") in size. Any proposed new dwelling would be subject to the scenic resource policies of the General Plan (Please refer to the discussion under F-1 above). The project would not degrade the existing visual character or quality of any site or its surroundings, as designated in the County's General Plan (1994). Given the small size of the required signage, no adverse impacts are anticipated.

- |   |                          |                          |                          |                                     |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 4. Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The proposal would not authorize or facilitate any development. Any proposed new dwelling would be subject to Section 13.11 of the County Code. Section 13.11.074(d)(1) states, "All site, building, security and landscape lighting shall be directed onto the site and away from adjacent properties. Light sources shall not be visible from adjacent properties. Light sources can be shielded by landscaping, structure, fixture design or other physical means. Building and security lighting shall be integrated into the building design." Therefore, no impact is anticipated.

## G. CULTURAL RESOURCES

Would the project:

- |   |                          |                          |                          |                                     |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 1. Cause a substantial adverse change in the significance of a historical resource as defined in CEQA Guidelines Section 15064.5? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** Cultural resources are places, structures, or objects that are important

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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for scientific, historic, and/or religious reasons to cultures, communities, groups, or individuals. Cultural resources include historic and prehistoric archaeological sites, architectural remains, engineering structures, and artifacts that provide evidence of past human activity. They also include places, resources, or items of importance in the traditions of societies and religions.

The proposal would not authorize or facilitate any development. Environmental review of any future discretionary residential development(s) would permit an analysis of how such development may potentially conflict with known archaeological and/or historic resources. The possibility also exists that future discretionary development would discover or uncover previously unknown archaeological resources. Any new development involving a historical resource as defined in CEQA Guidelines Section 15064.5 would be subject to the historic resources protection provisions of the General Plan and County Code (Section 16.42). Therefore, a case-by-case environmental review of future discretionary housing projects and programs would ensure consistency with state, federal, and all General Plan goals, objectives, and policies. The following General Plan policies are applicable to historic resources: Policy 5.20.3, Development Activities; Policy 5.20.4, Historic Resources Commission Review; Policy 5.20.5, Encourage Protection of Historic Structures; Policy 5.20.6, Maintain Designation as a Certified Local Government; Policy 5.19.1, Evaluation of Native American Cultural Sites; Policy 5.19.2, Site Surveys; Policy 5.19.3, Development Around Archaeological Resources; Policy 5.19.4, Archaeological Evaluations; and Policy 5.19.5, Native American Cultural Sites. Adherence to applicable County, state, and federal standards and guidelines related to the protection/preservation of cultural resources, as well as the requirements mandated during the environmental review of individual projects would ensure that potential impacts related to cultural resources are less-than-significant. However, no impact to historical resources would occur from the adoption and enforcement of the proposed ordinance.

2. Cause a substantial adverse change in the significance of an archaeological resource pursuant to CEQA Guidelines Section 15064.5? ☐ ☐ ☐ ☒

**Discussion:** See discussion under G-1 above. No impact is anticipated from the adoption and enforcement of the proposed ordinance.

3. Disturb any human remains, including those interred outside of formal cemeteries? ☐ ☐ ☐ ☒

**Discussion:** The proposal would not authorize or facilitate any development. Any proposed new dwelling, whether for use as a vacation rental or not, would be subject to Section 16.40.040 of the Santa Cruz County Code regarding discovery of human remains. No impact is anticipated from the adoption and enforcement of the proposed

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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ordinance.

- |   |                          |                          |                          |                                     |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 4. Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The proposal would not authorize or facilitate any development. Any proposed new dwelling, whether for use as a vacation rental or not, would be subject to all regulations of the Santa Cruz County Code (Section 16.44) regarding protection of paleontological resources and unique geological features. The following General Plan policies are applicable to paleontological resources: Policy 5.9.1, Protection and Designation of Significant Resources, and Policy 5.9.2, Protecting Significant Resources Through Easements and Land Dedication. Each future discretionary development proposal would necessitate independent review of environmental impacts. Therefore, no impact would occur from the adoption and enforcement of the proposed ordinance.

#### H. HAZARDS AND HAZARDOUS MATERIALS

Would the project:

- |   |                          |                          |                          |                                     |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 1. Create a significant hazard to the public or the environment as a result of the routine transport, use or disposal of hazardous materials? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The potential release of hazardous materials along roadways is an on-going condition that is regulated by federal, state, and local regulations. This condition would exist with or without the proposed project.

The adoption and enforcement of the proposed Vacation Rental ordinance would not authorize or facilitate any development nor would it facilitate the transport, use, or disposal of hazardous materials. Therefore, proposal would not result in any significant hazards, such as exposure to potential health hazards or creation of a health hazard. Any proposed new dwelling, whether for use as a vacation rental or not, would be subject to all regulations of the Santa Cruz County General Plan. General Plan policy 6.7.10, Distance from Residences, is applicable to hazardous materials. Furthermore, to ensure that development of housing on specific sites would not result in potentially significant hazards or expose people to potential health hazards, future discretionary projects would be reviewed for consistency with state, federal, and local requirements and guidelines. Adherence to such requirements would ensure that potential impacts associated with this issue are less-than-significant. However, no impact is anticipated from the adoption and enforcement of the proposed ordinance.

- |   | Potentially<br>Significant<br>Impact | Less than<br>Significant<br>with<br>Mitigation<br>Incorporated | Less than<br>Significant<br>Impact | No Impact                           |
|---|--------------------------------------|--|------------------------------------|-------------------------------------|
| 2. Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment? | <input type="checkbox"/>             | <input type="checkbox"/>                                       | <input type="checkbox"/>           | <input checked="" type="checkbox"/> |

**Discussion:** The proposal would not authorize or facilitate any development nor do vacation rentals involve hazardous materials. Therefore, proposal would not create a significant hazard to the public or the environment. Any proposed new dwelling, whether for use as a vacation rental or not, would be subject to all regulations of the Santa Cruz County General Plan. General Plan Policy 6.6.1, Hazardous Materials Ordinance, is applicable to hazardous materials sites. Adherence to applicable County, state, and/or federal regulations would ensure that potential hazards to the public are less-than-significant. However, no impact is anticipated from the adoption and enforcement of the proposed ordinance.

- |   |                          |                          |                          |                                     |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 3. Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** While some vacation rentals may be within one-quarter mile of an existing or proposed school, the proposal would not authorize or facilitate any development nor do vacation rentals involve hazardous materials. Therefore, no impact is anticipated from the adoption and enforcement of the proposed ordinance.

- |  |                          |                          |                          |                                     |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 4. Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The adoption and enforcement of the proposed Vacation Rental ordinance would not authorize or facilitate any development. Although there is potential for some existing vacation rentals to be located on a site that is included on the list of hazardous material sites compiled pursuant to Government Code Section 65962.5, the proposed ordinance governs operation of vacation rentals, not environmental conditions. The proposal would not cause a vacation rental to be located on the list of hazardous sites. Any proposed new dwelling, whether for use as a vacation rental or not, would be subject to all regulations of the Santa Cruz County General Plan. Review of potential impacts related to this issue would be conducted during the environmental review of specific residential developments requiring discretionary review. General Plan Policy 6.6.1, Hazardous Materials Ordinance, is

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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applicable to hazardous materials sites. Adherence to applicable County, state, and/or federal regulations would ensure that potential hazards to the public are less-than-significant. However, no impact is anticipated from the adoption and enforcement of the proposed ordinance.

5. For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area? ☐ ☐ ☐ ☒

**Discussion:** One municipal airport is located in Santa Cruz county within the City of Watsonville at the south end of the county. Future discretionary development proposals would undergo analysis to determine whether a residential development site would create a safety hazard for persons residing in new residential development. Review of potential impacts related to this issue would be conducted during the environmental review of specific residential developments. The following General Plan policies are applicable to airport safety: Policy 3.18.1, Prevention of Airspace Obstructions; Policy 3.18.2, Creation of New Parcels in the Runway Protection Zone Area; Policy 3.18.3, Land Use Limitation in Runway Protection (Clear or A) Zones; Policy 3.18.4, Land Use Limitation in Airport Approach (B) Zones; and Policy 3.18.5, Deed Recordation Acknowledging Airport Hazard. Adherence to applicable County, state, and/or federal regulations would ensure that potential hazards associated with this issue are less-than-significant. The proposal would not authorize or facilitate any development, nor are there currently any land use or location regulations for vacation rentals. Therefore, no impact would occur from the adoption and enforcement of the proposed ordinance.

6. For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area? ☐ ☐ ☐ ☒

**Discussion:** Please see discussion under H-5 above. No impact is anticipated from the adoption and enforcement of the proposed ordinance.

7. Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan? ☐ ☐ ☐ ☒

**Discussion:** The proposal would not authorize or facilitate any development. Vacation rentals per se do not impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan. No impact from the

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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adoption and enforcement of the ordinance would occur.

- |  |                          |                          |                          |                                     |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 8. Expose people to electro-magnetic fields associated with electrical transmission lines? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** Adoption and enforcement of the Vacation Rental ordinance would not result in exposure of people to electro-magnetic fields associated with electrical transmission lines. All future residential development must be consistent with the goals, policies, and standards established within the General Plan that are intended to protect the safety of the community (e.g., Public Safety and Noise). Furthermore, to ensure that development of housing on specific sites would not result in potentially significant hazards or expose people to potential health hazards, future discretionary projects would be reviewed for consistency with state, federal, and local requirements and guidelines. The following General Plan policies are applicable to electro-magnetic fields: Policy 6.8.1, Prudent Avoidance; Policy 6.8.2, Measuring Ambient Magnetic Fields; and Policy 6.8.3, Development Mitigation Measures. Adherence to such requirements would ensure that potential impacts associated with this issue are less-than-significant. The proposal would not authorize or facilitate any development, nor are there currently any land use or location regulations for vacation rentals. Therefore, no impact would occur from the adoption and enforcement of the proposed ordinance.

- |  |                          |                          |                          |                                     |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 9. Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The vast majority of vacation rentals are located in urban areas not generally subject to wild land fires. Any new dwelling, whether intended for use as a vacation rental or not, would be subject to all requirements of the responsible fire agency. All future residential development must be consistent with the goals, policies, and standards established within the General Plan that are intended to protect the safety of the community. Furthermore, future discretionary projects would be reviewed for consistency with state, federal, and local requirements and guidelines. The following General Plan policies are applicable to wildland fire safety: Policy 6.5.1, Access Standards; Policy 6.5.2, Exceptions to Access Road Standards; Policy 6.5.3, Conditions for Project Approval; Policy 6.5.4, Fire Protection Standards for Land Division Outside the Urban Services Line; Policy 6.5.5, Standards for New Dead End Roads; Policy 6.5.6, Maintenance for Private Roads; Policy 6.5.7, Certification of Adequate Fire Protection Prior to Permit Approval; Policy 6.5.9, Consistency with Adopted Codes Required for New Development; Policy 6.5.10, Land Divisions Access Requirements; and Policy 6.5.11, Fire Protection Standard for Land Divisions Inside the Urban Services Line. The proposal would not authorize or facilitate any development, nor are there currently any land use or location regulations for vacation

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rentals. Therefore, no impact would occur from the adoption and enforcement of the proposed ordinance.

## I. TRANSPORTATION/TRAFFIC

Would the project:

- |   |                          |                          |                          |                                     |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 1. Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The proposal would not authorize or facilitate any development. There would be no impact from existing vacation rentals because no additional traffic would be generated beyond that which already exists. All future discretionary residential development would be reviewed to ensure consistency with all regional and local transportation plans and policies, the County of Santa Cruz General Plan, and all applicable County ordinances. The following General Plan policies are applicable to traffic generation: Policy 3.12.1, Level of Service Policy; Policy 3.12.2, Level of Service Calculation Methods; Policy 3.12.3, Transportation Impact Fees as Mitigation Measures; and Policy 3.12.4, Reduced Traffic Generation. In addition, all discretionary proposals to develop new residential units are subject to a project-specific environmental analysis.

As stated in the proposed ordinance, "In the Live Oak Designated Area, no new vacation rental shall be approved if parcels with existing vacation rentals on the same block total 20 percent or more of the total residential parcels on that block. In addition, no more than 15 percent of all of the residential parcels in the Live Oak Designated Area, excluding those units in the Mobile Home Combining District may contain vacation rentals. Notwithstanding these maximums, each block in the Live Oak Designated Area may have at least one vacation rental." Currently, there are no limits on the number of vacation rentals that can occur in the Live Oak community. The proposed ordinance would limit the number of vacation rentals by capping them at no more than 15 percent of all parcels.

The existing average daily trips for key street segments within the Live Oak community are shown in Table 1. As a comparison, the traffic volume for 41<sup>st</sup> Avenue north of Clares Street is 43,957 average daily trips. This is one of the busiest street segments in the County. Although not nearly as busy, the key street segments in Live Oak currently generate a substantial amount of average daily trips. Trip generation from

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approximately 265 existing vacation rentals located in the Live Oak community currently contributes to these high traffic volumes. A slight increase or decrease in the number of existing vacation rentals would not significantly impact roadway segments within the county. Therefore, the effect on street segments and intersections from the adoption and enforcement of the proposed ordinance would not be significant.

Table 1 Existing Average Daily Traffic Volumes for Key Street Segments in Live Oak				
Street	Direction	Cross Street	Average Daily Trips	Date Collected
7 <sup>th</sup> Avenue	South of	Eaton Street	13,184	April 2008
7 <sup>th</sup> Avenue	North of	Eaton Street	19,941	November 2005
17 <sup>th</sup> Avenue	North of	Portola Drive	7,796	May 2008
East Cliff Drive	West of	17 <sup>th</sup> Avenue	15,418	January 2009
East Cliff Drive	East of	18 <sup>th</sup> Avenue	9,232	February 2006
Portola Drive	East of	17 <sup>th</sup> Avenue	15,160	July 2007
Portola Drive	West of	37 <sup>th</sup> Avenue	16,852	June 2005

Source: Santa Cruz County Regional Transportation Commission, 2007.

2. Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks? ☐ ☐ ☐ ☒

**Discussion:** The proposal would not result in a change in air traffic patterns, including an increase in traffic levels or a change in location, resulting in a substantial safety risk. Therefore, no impact would result from adoption and enforcement of the proposed ordinance.

3. Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)? ☐ ☐ ☐ ☒

**Discussion:** The proposal would not authorize or facilitate any development and has no relationship to transportation design features or uses incompatible with transportation features. No impact would occur from adoption or enforcement of the proposed ordinance.

4. Result in inadequate emergency access? ☐ ☐ ☐ ☒

**Discussion:** The proposal would not authorize or facilitate any development. Adoption and enforcement of the proposed ordinance would not affect emergency access. No impact would occur.

5. Cause an increase in parking demand ☐ ☐ ☐ ☒

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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which cannot be accommodated by  
 existing parking facilities?

**Discussion:** The proposal would not authorize or facilitate any development. However, any future discretionary development project would be evaluated to determine adequacy of parking on an individual basis. The following General Plan policies are applicable to parking demand: Policy 3.3.1, Reduced Parking Requirements; Policy 3.3.2, Shared Parking; Policy 3.3.3, Park & Ride Lots; Policy 3.3.4, Joint Use; Policy 3.3.5, Neighborhood Parking Spillover; and Policy 3.3.6, Americans with Disabilities Act. The proposed ordinance requires that the number of vehicles allowed per vacation rental not exceed the number of existing on-site parking spaces, plus two additional on-street parking spaces. Currently, no regulation exists specifically for vacation rentals. Therefore, no limit on allowed parking currently exists. Therefore, adoption and enforcement of the proposed ordinance would not increase the demand for parking. No impact is anticipated.

6. Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?

☐ ☐ ☐ ☒

**Discussion:** The proposal would not authorize or facilitate any development. However, any future discretionary development project would be evaluated to identify any potential conflicts with adopted policies, plans, or programs regarding public transit, bicycle, and pedestrian facilities. The following General Plan policies are applicable to transit, bicycle and pedestrian modes of transportation: Policy 3.6.1, Transit-Friendly Design; Policy 3.6.2, Recreational Transit Facilities; Policy 3.6.3, Recreational Transit Service; Policy 3.8.3, Modal Interaction; Policy 3.10.4, Pedestrian Traffic; and Policy 3.10.5, Access. No impact is anticipated from adoption and enforcement of the proposed ordinance.

7. Exceed, either individually (the project alone) or cumulatively (the project combined with other development), a level of service standard established by the County General Plan for designated intersections, roads or highways?

☐ ☐ ☐ ☒

**Discussion:** The proposal would not authorize or facilitate any development. See response I-1 above. The proposed project would not individually or cumulatively impact the level of service standard established by the County General Plan for designated intersections, roads or highways. Therefore, no impact would occur from ordinance adoption and enforcement.

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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## J. NOISE

Would the project result in:

- |  |                          |                          |                          |                                     |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 1. A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The proposal would not authorize or facilitate any development. All existing and any proposed vacation rentals or other development is required by the General Plan to limit outdoor noise levels to 60 dB L<sub>dn</sub> (day/night average noise level), and indoor noise levels to 45 dB L<sub>dn</sub>. New development of residential land that cannot be made to conform to this standard would not be permitted.

The development of new residential uses would typically increase traffic volumes in the vicinity of new development. Because traffic noise is a primary contributor to the local noise environment, any increase in traffic resulting from the development of new residential uses would be expected to proportionally increase local noise levels. The following General Plan policies are applicable to noise generation: Policy 6.9.1, Land Use Compatibility Guidelines; Policy 6.9.2, Acoustical Studies; Policy 6.9.3, Noise Sensitive Land Uses; Policy 6.9.5, Residential Development; and Policy 6.9.7, Construction Noise. However, because the proposal would not authorize or facilitate development, no impact from would occur.

All vacation rentals would continue to be subject to the enforcement provisions of County Code Chapter 19, which could include revocation of the permit for violations of the County Code, including violations of the noise regulations. Therefore, no impact would occur from adoption and enforcement of the proposed ordinance.

- |   |                          |                          |                          |                                     |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 2. Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The proposal would not authorize or facilitate any development. Vacation rental use does not involve groundborne vibration or noise. No impact would occur from the adoption and enforcement of the proposed ordinance.

- |   |                          |                          |                          |                                     |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 3. Exposure of persons to or generation of noise levels in excess of standards established in the General Plan or noise ordinance, or applicable standards of other agencies? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The proposal would not authorize or facilitate any development. Therefore, no impact would occur from the adoption and enforcement of the proposed ordinance. See J-1, above.

4. A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Discussion:** The proposal would not authorize or facilitate any development. Therefore, no impact would occur from the adoption and enforcement of the proposed ordinance. See J-1, above.

5. For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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**Discussion:** The proposal would not authorize or facilitate any development, nor are there currently any land use or location regulations for vacation rentals. The following General Plan policies are applicable to airport noise generation: Policy 6.11.3, Mitigation for Interior Noise, and Policy 6.11.2, Restricting Residential Development, which limits single-family residential development to no more than one dwelling on an existing lot of record where the existing or future aircraft noise exceeds 65 dB L<sub>dn</sub>. However, because the proposal would not authorize or facilitate development, no impact from would occur from the adoption and enforcement of the proposed ordinance. See J-1, above.

6. For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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**Discussion:** The proposal would not authorize or facilitate any development, nor are there currently any land use or location regulations for vacation rentals. Because the proposal would not authorize or facilitate development, no impact from would occur from the adoption and enforcement of the proposed ordinance. See J-5, above.

## K. AIR QUALITY

Where available, the significance criteria established by the Monterey Bay Unified Air Pollution Control District (MBUAPCD) may be relied upon to make the following determinations. Would the project:

1. Violate any air quality standard or contribute substantially to an existing or projected air quality violation?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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**Discussion:** The North Central Coast Air Basin (hereinafter "Basin"), which is just

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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south of the San Francisco Bay Area Air Basin, covers an area of 5,159 square miles and consists of the counties of Santa Cruz, San Benito, and Monterey. Marine breezes from Monterey Bay dominate the climate of this portion of the Basin. Westerly winds predominate in all seasons, but are strongest and most persistent during the spring and summer months.

The extent and severity of the air pollution problems in the Basin are a function of the area's natural physical characteristics (weather and topography), as well as human created influences (development patterns and lifestyle). Factors such as wind, sunlight, temperature, humidity, rainfall and topography all affect the accumulation and/or dispersion of pollutants throughout the Basin area.

In general, the air pollution potential of the coastal areas is relatively low due to persistent winds. The Basin is, however, subject to temperature inversions that restrict vertical mixing of pollutants and the warmer inland valleys of the Basin have a high pollution potential.

Since 1970, air quality has been regulated at the federal level under the Clean Air Act (CAA). The CAA authorized the U.S. Environmental Protection Agency (EPA) to set National Ambient Air Quality Standards (NAAQS) for air pollutants of nationwide concern. The EPA has established standards for six criteria air pollutants. These pollutants include ozone (O<sub>3</sub>), carbon monoxide (CO), nitrogen oxide (NO<sub>2</sub>), sulfur dioxide (SO<sub>2</sub>), suspended particulate matter (PM<sub>10</sub>), and lead (Pb). PM<sub>2.5</sub> particulate matter has recently been added to this listing. Primary standards for air pollutants were established to protect public health, while secondary standards were established to protect the public welfare by preventing impairment of visibility and damage to vegetation and property.

Local ambient air quality is monitored by the MBUAPCD and CARB; refer to Table 2: Local Ambient Air Quality Levels. CARB monitors ambient air quality at approximately 250 air-monitoring stations across the state. Air quality monitoring stations usually measure pollutant concentrations ten feet above ground level; therefore, air quality is often referred to in terms of ground-level concentrations. Monitoring stations within the Santa Cruz County include the Santa Cruz-Soquel monitoring station located at 2544 Soquel Avenue in the City of Santa Cruz, Watsonville Airport monitoring station located at 444 Airport Boulevard in the City of Watsonville, and the Davenport monitoring station located at Marine View and Center Avenue in the community of Davenport. The Watsonville Airport monitoring station monitors coarse PM<sub>10</sub> and O<sub>3</sub>. The Davenport monitoring station is the only station in the North Central Coast Air Basin that monitors SO<sub>2</sub> and is included in Table 4: Local Ambient Air Quality Levels.

Designations are made by pollutant according to the following categories:

Attainment – Air quality in the area meets the standard.

Non-attainment Transitional – Air quality is approaching the standard (state only).

Non-attainment – Air quality in the area fails to meet the applicable standard.

Unclassified – Insufficient data to designate area, or designations have yet to be made.

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Table 2 Attainment Status for the North Central Coast Air Basin – January 2009		
Pollutant	State Standards	National Standards
Ozone (O <sub>3</sub> )	Non-attainment <sup>1</sup>	Attainment <sup>2</sup>
Inhalable Particulates (PM <sub>10</sub> )	Non-attainment	Attainment
Fine Particulates (PM <sub>2.5</sub> )	Attainment	Unclassified/Attainment <sup>3</sup>
Carbon Monoxide (CO)	Monterey Co. – Attainment San Benito Co. – Unclassified Santa Cruz Co. – Unclassified	Attainment
Nitrogen Dioxide (NO <sub>2</sub> )	Attainment	Attainment
Sulfur Dioxide (SO <sub>2</sub> )	Attainment	Attainment
Lead	Attainment	Unclassified/Attainment <sup>4</sup>
<b>Notes:</b> 1) Effective July 26, 2007, the ARB designated the NCCAB a non-attainment area for the state ozone standard, which was revised in 2006 to include an 8-hour standard of 0.070 ppm. 2) On March 12, 2008, EPA adopted a new 8-hour ozone standard of 0.075 ppm, while temporarily retaining the existing 8-hour standard of 0.08 ppm. EPA is expected to issue new designations by July 2011. 3) In 2006, the Federal 24-hour standard for PM <sub>2.5</sub> was revised from 65 to 35 µg/m <sup>3</sup> . Although final designations have yet to be made, it is expected that the NCCAB will remain designated unclassified/attainment. 4) On October 15, 2008 EPA substantially strengthened the national ambient air quality standard for lead by lowering the level of the primary standard from 1.5 µg/m <sup>3</sup> to 0.15 µg/m <sup>3</sup> . Initial recommendations for designations are to be made by October 2009 with final designations by January 2012.		

Source: MBUAPCD 2009.

Non-attainment designations are of most concern because they indicate that unhealthy levels of the pollutant exist in the area, which typically triggers a need to develop a plan to achieve the applicable standard (MBUAPCD 2009).

The Basin is considered in attainment or unclassified for most of the criteria pollutants for state and federal considerations except for O<sub>3</sub> and PM<sub>10</sub>. Under federal regulations the Basin is designated an unclassified/attainment area for PM<sub>2.5</sub> standards.

Designations in relation to the state standards are made by CARB, while designations in relation to the national standards are made by EPA. State designations are reviewed annually while the national designations are reviewed when either the standards change, or when an area requests that they be re-designated due to changes in the area's air quality. Designations are made by individual air basin and in some cases, designations are made at the county level.

The proposal would not authorize or facilitate any development. Therefore, no impact would occur from the adoption and enforcement of the proposed ordinance. However, any future discretionary development proposal would necessitate independent review of environmental impacts, and would be required to be consistent with General Plan Objectives and the following Policies: Policy 5.18.1, New Development; Policy 5.18.6, Plan for Transit Use; Policy 5.18.7, Alternatives to the Automobile; Policy 5.18.8, Encouraging Landscaping; and Policy 5.18.9, Greenhouse Gas Reduction.

2. Conflict with or obstruct implementation of the applicable air quality plan?

☐ ☐ ☐ ☒

**Discussion:** The project would not conflict with or obstruct implementation of the

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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regional air quality plan. Therefore, no impacts would occur from adoption and enforcement of the proposed ordinance. See K-1 above.

- |   |                          |                          |                          |                                     |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 3. Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The project would not result in a cumulative considerable net increase of any criteria pollutant. Therefore, no impacts would occur from adoption and enforcement of the proposed ordinance. See K-1 above.

- |  |                          |                          |                          |                                     |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 4. Expose sensitive receptors to substantial pollutant concentrations? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The proposal would not expose sensitive receptors to substantial pollutant concentrations. No impact is anticipated from adoption and enforcement of the proposed ordinance. See K-1 above.

- |   |                          |                          |                          |                                     |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 5. Create objectionable odors affecting a substantial number of people? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The proposal would not create objectionable odors. No impact is anticipated from adoption and enforcement of the proposed ordinance. See K-1, above.

#### L. GREENHOUSE GAS EMISSIONS

Would the project:

- |   |                          |                          |                          |                                     |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 1. Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The proposal would not authorize or facilitate any development. Therefore, no additional greenhouse gas emissions would be generated by adoption and enforcement of the proposed ordinance. No impact would occur.

- |  |                          |                          |                          |                                     |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 2. Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The proposal would not authorize or facilitate any development. No impacts would occur.

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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## M. PUBLIC SERVICES

Would the project:

1. Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times, or other performance objectives for any of the public services:

- |   |                          |                          |                          |                                     |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| a. Fire protection?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b. Police protection?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c. Schools?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d. Parks or other recreational activities?                      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e. Other public facilities; including the maintenance of roads? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

**Discussion (a through e):** The proposal would not authorize or facilitate any development. However, a new ordinance is expected to assist the Sheriff's Office in the enforcement of the noise ordinance. Based on conversations with the Sheriff's Office (Sergeant Fish, personal communication, October 27, 2010), the requirement for posting of a local contact, exterior identification of a property as a vacation rental, and the ability to track complaints will be beneficial to law enforcement. No impact would occur to fire protection, schools, parks or recreational activities or other public facilities. Therefore, no impact is anticipated from the adoption and enforcement of the proposed ordinance.

## N. RECREATION

Would the project:

- |   |                          |                          |                          |                                     |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 1. Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

deterioration of the facility would occur  
or be accelerated?

**Discussion:** The proposal would not authorize or facilitate any development. No increase in use would occur to existing recreational facilities. Therefore, no impact would occur from the adoption and enforcement of the proposed ordinance.

2. Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?

☐ ☐ ☐ ☒

**Discussion:** The proposal would not authorize or facilitate any development. No impact would occur to existing recreational facilities and new facilities would not be required. Therefore, no impact would occur from the adoption and enforcement of the proposed ordinance.

## O. UTILITIES AND SERVICE SYSTEMS

Would the project:

1. Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?

☐ ☐ ☐ ☒

**Discussion:** The proposal would not authorize or facilitate any development. The proposal would not result in the construction of new storm water drainage facilities or the expansion of existing facilities. Therefore, no impact would occur from the adoption and enforcement of the proposed ordinance.

2. Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?

☐ ☐ ☐ ☒

**Discussion:** The proposal would not authorize or facilitate any development. The proposal would not result in the construction of new water or wastewater treatment facilities or expansion of existing facilities. Therefore, no impact would occur from the adoption and enforcement of the proposed ordinance.

3. Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?

☐ ☐ ☐ ☒

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

**Discussion:** The proposal would not authorize or facilitate any development. The proposal would not exceed result in the exceedance of the wastewater treatment requirements of the RWQCB. Therefore, no impact would occur from the adoption and enforcement of the proposed ordinance.

4. Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed? ☐ ☐ ☐ ☒

**Discussion:** The proposal would not authorize or facilitate any development. The proposal would not water supplies. Therefore, no impact would occur from the adoption and enforcement of the proposed ordinance.

5. Result in determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments? ☐ ☐ ☐ ☒

**Discussion:** The proposal would not authorize or facilitate any development. The proposal would not impact wastewater treatment capacity. Therefore, no impact would occur from the adoption and enforcement of the proposed ordinance.

6. Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs? ☐ ☐ ☐ ☒

**Discussion:** The proposal would not authorize or facilitate any development. The proposal would not impact landfill capacity. Therefore, no impact would occur from the adoption and enforcement of the proposed ordinance.

7. Comply with federal, state, and local statutes and regulations related to solid waste? ☐ ☐ ☐ ☒

**Discussion:** The proposal would not authorize or facilitate any development. Therefore, no impact would occur from the adoption and enforcement of the proposed ordinance. See O-6 above.

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
--------------------------------------	--	------------------------------------	-----------

## P. LAND USE AND PLANNING

Would the project:

- |   |                          |                          |                          |                                     |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 1. Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The proposal would not authorize or facilitate any development. The proposal would not conflict with any regulations or General Plan policies adopted for the purpose of avoiding or mitigating an environmental effect. Therefore, no impacts are anticipated from the adoption and enforcement of the proposed ordinance.

- |   |                          |                          |                          |                                     |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 2. Conflict with any applicable habitat conservation plan or natural community conservation plan? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The proposal would not authorize or facilitate any development. The proposal would not conflict with any applicable habitat conservation plan for the purpose of avoiding or mitigating an environmental effect. Therefore, no impacts are anticipated from the adoption and enforcement of the proposed ordinance.

- |  |                          |                          |                          |                                     |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 3. Physically divide an established community? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The proposal would not authorize or facilitate any development. The project would not include any element that would physically divide an established community. Therefore, no impacts are anticipated from the adoption and enforcement of the proposed ordinance.

## Q. POPULATION AND HOUSING

Would the project:

- |   |                          |                          |                          |                                     |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| 1. Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

**Discussion:** The proposal would not authorize or facilitate any development. Therefore, the proposed ordinance would not induce population growth either directly or indirectly. No impact would occur.

2. Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?

Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Discussion:** The proposal would not authorize or facilitate any development or use that would displace a substantial numbers of existing housing. Therefore, no impact would occur.

3. Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
--------------------------	--------------------------	--------------------------	-------------------------------------

**Discussion:** The proposal would not authorize or facilitate any development nor would it displace a substantial number of people necessitating construction of replacement housing elsewhere. Therefore, no impact would occur.

## R. MANDATORY FINDINGS OF SIGNIFICANCE

- |   | Potentially<br>Significant<br>Impact | Less than<br>Significant<br>with<br>Mitigation | Less than<br>Significant<br>Impact | No<br>Impact                        |
|---|--------------------------------------|--|------------------------------------|-------------------------------------|
| 1. Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory? | <input type="checkbox"/>             | <input type="checkbox"/>                       | <input type="checkbox"/>           | <input checked="" type="checkbox"/> |

**Discussion:** The proposal would not authorize or facilitate any development. The potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory were considered in the response to each question in Section III of this Initial Study and no impacts were identified. Therefore, this project has been determined not to meet this Mandatory Finding of Significance.

- |  | Potentially<br>Significant<br>Impact | Less than<br>Significant<br>with<br>Mitigation | Less than<br>Significant<br>Impact | No<br>Impact                        |
|--|--------------------------------------|--|------------------------------------|-------------------------------------|
| 2. Does the project have impacts that are individually limited, but cumulatively considerable? ("cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)? | <input type="checkbox"/>             | <input type="checkbox"/>                       | <input type="checkbox"/>           | <input checked="" type="checkbox"/> |

**Discussion:** The proposal would not authorize or facilitate any development. No individually limited, but cumulative considerable impacts have been identified. Therefore, this project has been determined not to meet this Mandatory Finding of Significance.

- |   | Potentially<br>Significant<br>Impact | Less than<br>Significant<br>with<br>Mitigation | Less than<br>Significant<br>Impact | No<br>Impact                        |
|---|--------------------------------------|--|------------------------------------|-------------------------------------|
| 3. Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly? | <input type="checkbox"/>             | <input type="checkbox"/>                       | <input type="checkbox"/>           | <input checked="" type="checkbox"/> |

**Discussion:** The proposal would not authorize or facilitate any development. In the evaluation of environmental impacts in this Initial Study, the potential for adverse direct or indirect impacts to human beings were considered in the response to specific questions in Section III. Aesthetics, Air Quality, Geology and Soils, Hazards and Hazardous Materials, Hydrology and Water Quality, Noise, Population and Housing, and Transportation and Traffic. As a result of this evaluation, no potentially significant effects to human beings were identified. Therefore, this project has been determined not to meet this Mandatory Finding of Significance.

#### IV. TECHNICAL REVIEW CHECKLIST

	<u>REQUIRED</u>	<u>DATE COMPLETED</u>
Agricultural Policy Advisory Commission (APAC) Review	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	_____
Archaeological Review	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	_____
Biotic Report/Assessment	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	_____
Geologic Hazards Assessment (GHA)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	_____
Geologic Report	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	_____
Geotechnical (Soils) Report	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	_____
Riparian Pre-Site	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	_____
Septic Lot Check	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	_____
Other:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	_____

## **V. REFERENCES USED IN THE COMPLETION OF THIS ENVIRONMENTAL REVIEW INITIAL STUDY**

California Building Code, 2007

California Code of Regulations, Title 24, Part 2, Volume 2 of 2, California Building Standards Commission.

California Department of Conservation, 1997

California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation

County of Santa Cruz 1994.

*1994 General Plan and Local Coastal Program for the County of Santa Cruz, California.* Adopted by the Board of Supervisors on May 24, 1994, and certified by the California Coastal Commission on December 15, 1994.

County of Santa Cruz , 2001

County of Santa Cruz GIS Mapping, California Division of Mines and Geology, 2001

MBUAPCD 2009.

North Central Coast Air Basin Area Designations and Attainment Status – January 2009. Prepared by the Monterey Bay Unified Air Pollution Control District.

[http://www.mbuapcd.org/mbuapcd/pdf/Attainment Status January 2009.doc](http://www.mbuapcd.org/mbuapcd/pdf/Attainment%20Status%20January%202009.doc).

Santa Cruz County Regional Transportation Commission, 2007.

2006 Transportation Monitoring Report, Approved August 2, 2007 with revised traffic counts on July 14, 2009.

## **VI. ATTACHMENTS**

1. Proposed Vacation Rental Ordinance.
2. Live Oak Designated Area Map

**Insert Attachment 1.**



ATTACHMENT 2 - LIVE OAK DESIGNATED AREA MAP

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D r a f t  
ORDINANCE NO. \_\_\_\_\_

**ORDINANCE ADDING VACATION RENTALS AS A USE TO SECTION 13.10.322(b),  
ADDING NEW SECTION 13.10.694, AND ADDING A DEFINITION TO SECTION  
13.10.700-V OF THE SANTA CRUZ COUNTY CODE RELATING TO THE REGULATION  
OF VACATION RENTALS**

The Board of Supervisors of the County of Santa Cruz ordains as follows:

**SECTION I**

Section (b) of Section 13.10.322 of the Santa Cruz County Code is hereby amended to add the use "Vacation rental" to the Visitor accommodations category of the residential use chart after the use "Bed and breakfast inns (subject to Section 13.10.691)", to read as follows:

USE	RA	RR	R-1	RB	RM
Vacation rentals (subject to Section 13.10.694)	<u>2P</u>	<u>2P</u>	<u>2P</u>	<u>2P</u>	<u>2P</u>

**SECTION II**

The Santa Cruz County Code is hereby amended by adding Section 13.10.694 to read as follows:

13.10.694 Vacation Rentals.

(a) The purpose of this section is to establish regulations applicable to dwellings on residentially zoned parcels that are rented as vacation rentals for periods of not more than thirty days at a time. These regulations are in addition to all other provisions of this Title.

(b) Vacation rentals are allowed only in residential zone districts.

(c) For the purposes of this section, the following terms have the stated meanings.

(1) Existing vacation rental means a dwelling unit that was used as a vacation rental prior to June 22, 2010.

(2) New vacation rental means a dwelling unit that was not used as a vacation rental prior to June 22, 2010.

(3) The "Live Oak Designated Area" means the Yacht Harbor Special Community (as described in the General Plan – Local Coastal Program and depicted on the General Plan – Local Coastal Program map) and that portion of Live Oak that lies east and south of East Cliff Drive and Portola Drive from the intersection of 9<sup>th</sup> Avenue and East Cliff Drive to the intersection of Portola Drive and 41<sup>st</sup> Avenue, as depicted in Figure DA1.

D r a f t

(4) "Block" means the properties abutting both sides of a street extending from one intersecting street to another or to the terminus of the street.

(d) Permit requirements. A vacation rental permit and Transient Occupancy Tax registration are required for each residential vacation rental. Each vacation rental permit shall expire five years from the date of issuance unless an application for renewal has been submitted and is deemed complete prior to the expiration date. No application for renewal of a vacation rental permit shall be accepted more than 180 days before the expiration date. The Planning Director may approve extensions of permit expiration dates or application submittal dates based on demonstrated hardship to the applicant or for other good cause.

(1) Existing vacation rental. An initial permit shall be obtained. The applicant shall demonstrate that a dwelling unit was being used as a vacation rental prior to June 22, 2010. No public hearing shall be required and no notice of an application for a permit for an existing vacation rental shall be given. For an existing vacation rental to be considered a legal use the applicant shall provide the following to the Planning Department within 90 days after the certification of this ordinance by the California Coastal Commission:

(A) Completed application form

(B) Plans drawn to scale including the following:

(i). Plot plan showing location of all property lines, location of all existing buildings, and location of dimensioned on-site parking spaces

(ii). Floor plan showing all rooms with each room labeled as to room type

(C) Non-refundable application fee as established by the Board of Supervisors, but no greater than necessary to defray the cost incurred by the County in administering the provisions of this Chapter

(D) Copy of a rental/lease agreement, which shall include, but not necessarily be limited to, the following: number of guests allowed (2/bedroom + 2, children under 12 not counted; maximum number of people at an event not to exceed twice the number of guests allowed); number of vehicles allowed (not to exceed the number of existing on-site parking spaces, plus two additional on-street); noise, illegal behavior and disturbances, trash management (e.g., trash to be kept in covered containers only), etc.

(E) Proof that a dwelling unit was being used as a vacation rental prior to June 22, 2010. Such proof may consist of, among other things, the following items:

(i) Documentation that the owner paid County of Santa Cruz Transient Occupancy Tax for the use of the vacation rental; or

(ii) Documentation that the owner allowed transient guests to occupy the subject property in exchange for compensation and the applicant

**D r a f t**

(ii) Non-refundable application fee as established by the Board of Supervisors, but no greater than necessary to defray the cost incurred by the County in administering the provisions of this Chapter, except that if the application requires a public hearing due to referral of the application to the Zoning Administrator or Planning Commission, then the application will be converted to an "at cost" application and the applicant will be billed for staff time associated with processing the application.

(iii) Plans drawn to scale including the following:

I. Plot plan showing location of all property lines, location of all existing buildings, and location and dimensions of on-site parking spaces

II. Floor plan showing all rooms with each room labeled as to room type

(iv) Copy of a rental/lease agreement, which shall include, but not necessarily be limited to, the following: number of guests allowed (2/bedroom + 2, children under 12 not counted; maximum number of people at an event not to exceed twice the number of guests allowed); number of vehicles allowed (not to exceed the number of existing on-site parking spaces, plus two additional on-street); noise, illegal behavior and disturbances, trash management (e.g., trash to be kept in covered containers only), etc.

(v) Copy of a County of Santa Cruz Transient Occupancy Registration Certificate for the purpose of the operation of a vacation rental.

(D) Number of people allowed. The maximum number of guests allowed in a new residential vacation rental shall not exceed two people per bedroom plus two additional people, except for celebrations and gatherings not exceeding 12 hours in duration, during which time the total number of people allowed is twice the allowed number of guests. Children under 12 are not counted toward the maximums.

(3) Renewal of vacation rental permits. An application to renew a vacation rental permit shall be made no sooner than 180 days before expiration of the permit existing permit. Determination of the completeness of the application shall stay the expiration of the existing permit until final action is taken on the renewal application. Except as provided in County Code Section 18.10.124(b), no public hearing shall be required and action on permit renewal applications shall be by the Planning Director or designee, with notice of the proposed action provided not less than 10 calendar days before issuance or denial of the permit, pursuant to County Code Section 18.10.222(c) and (d). Appeals of the proposed action on the renewal application may be made by the applicant or any member of the public.

(A) If a public hearing is required, the Planning Director shall schedule the public hearing before either the Zoning Administrator or the Planning

**D r a f t**

Commission, at the Planning Director's discretion. Notice of such a public hearing shall be provided not less than 10 calendar days before the public hearing, pursuant to County Code Section 18.10.223.

(B) Applicants for renewal of a vacation rental permit shall provide the following to the Planning Department:

(i) Completed application form

(ii) Non-refundable application fee as established by the Board of Supervisors, but no greater than necessary to defray the cost incurred by the County in administering the provisions of this Chapter, except that if the application requires a public hearing due to referral of the application to the Zoning Administrator or Planning Commission, then the application will be converted to an "at cost" application and the applicant will be billed for staff time associated with processing the application.

(iii) For those properties located in the Live Oak Designated Area, proof of payment of Transient Occupancy Tax for the use of the dwelling as a vacation rental and a summary of the dates the unit was used as a vacation rental between the time of issuance of the existing permit and the date of application for the renewal. Lack of a significant level of rental activity may result in denial of a renewal application.

(e) Local contact person. All vacation rentals shall designate a contact person within a 30-mile radius of the vacation rental. The contact person shall be available 24 hours a day to respond to tenant and neighborhood questions or concerns. A property owner who lives within a 30-mile radius of the vacation rental may designate himself or herself as the local contact person.

The name, address and telephone number(s) of the local contact person shall be submitted to the Planning Department, the local Sheriff Substation, the main county Sheriff's Office, the local fire agency, and supplied to the property owners of all properties located within a 300 foot radius of the boundaries of the parcel on which the vacation rental is located. The name, address and telephone number(s) of the local contact person shall be permanently posted in the rental unit in a prominent location(s). Any change in the local contact person's address or telephone number shall be promptly furnished to the agencies and neighboring property owners as specified in this subsection.

(f) Signs. All vacation rentals shall have a sign identifying the structure as a permitted vacation rental and listing a 24-hour local contact responsible for responding to complaints and providing general information, which shall be placed in a front or other window facing a public street or may be affixed to the exterior of the front of the structure facing a public street. The sign may be of any shape, but may not exceed 216 square inches. There is no minimum sign size so long as the information on the sign is legible.

(g) Posting of rules. Vacation rental rules shall be posted inside the vacation rental in a location readily visible to all guests. The rules shall include, but not necessarily be

**D r a f t**

limited to, the following: number of guests allowed (2/bedroom + 2, children under 12 not counted; maximum number of people at an event not to exceed twice the number of guests allowed), number of vehicles allowed (not to exceed the number of existing on-site parking spaces, plus two additional on-street), noise, illegal behavior and disturbances, trash management (e.g., trash to be kept in covered containers only), etc.

(h) Noise. All residential vacation rentals shall comply with the standards of Chapter 8.30 of the County Code (Noise) and a copy of that chapter shall be posted inside the vacation rental in a location readily visible to all guests. No use of equipment requiring more than standard household electrical current at 110 or 220 volts or activities that produce noise, dust, odor or vibration detrimental to occupants of adjoining dwellings is allowed.

(i) Transient Occupancy Tax. Each residential vacation rental owner shall meet the regulations and standards set forth in Chapter 4.24 of the County Code, including any required payment of transient occupancy tax for each residential vacation rental unit.

(j) Dispute resolution. By accepting a vacation rental permit, vacation rental owners agree to engage in dispute resolution and act in good faith to resolve disputes with neighbors arising from the use of a dwelling as a vacation rental. Unless an alternative dispute resolution entity is agreed to by all parties involved, dispute resolution shall be conducted through the Conflict Resolution Center of Santa Cruz County.

(k) Violation. It is unlawful for any person to use or allow the use of property in violation of the provisions of this section. The penalties for violation of this section are set forth in Chapter 19.01 of this Title (Enforcement). If more than two documented, significant violations occur within any 12-month period a permit may be reviewed for possible amendment or revocation. Documented, significant violations include, but are not limited to, copies of citations, written warnings, or other documentation filed by law enforcement; and copies of Homeowner Association warnings, reprimands, or other Association actions.

(l) It is unlawful to make a false report to the Sheriff's Office regarding activities associated with vacation rentals.

**SECTION III**

Section 13.10.700-V of the Santa Cruz County Code is hereby amended by adding a definition for "Vacation rental" following the definition of "VA" to read as follows:

Vacation Rental. A single-family dwelling unit, duplex, or triplex (including condominium and townhouse units, but not including apartments or manufactured homes in a mobile home park), rented for the purpose of overnight lodging for a period of not more than thirty (30) days other than (a) ongoing month-to-month tenancy granted to the same renter for the same unit, (b) one less-than-thirty day period per year, or (c) a house exchange for which there is no payment. Habitable accessory structures, non-habitable accessory structures, second units constructed under the provisions of County Code Section 13.10.681, and legally restricted affordable housing units shall not be used as vacation rentals.

**SECTION IV**

**D r a f t**

This ordinance shall take effect on the 31<sup>st</sup> day after the date of Final Passage, or upon certification by the California Coastal Commission, whichever date is later.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz this \_\_\_\_\_ day of \_\_\_\_\_, 2011, by the following vote:

AYES: SUPERVISORS  
NOES: SUPERVISORS  
ABSENT: SUPERVISORS  
ABSTAIN: SUPERVISORS

\_\_\_\_\_  
CHAIRPERSON, BOARD OF SUPERVISORS

ATTEST: \_\_\_\_\_  
Clerk of the Board

APPROVED AS TO FORM:

\_\_\_\_\_  
County Counsel

Copies to: Planning  
County Counsel  
Coastal Commission

**D r a f t**

furnishes reliable information, including but not limited to, records of occupancy and tax documents, guest reservation lists, and receipts, showing payment and dates of stay.

(F) Retroactive payment of Transient Occupancy Tax. For those applicants who provide adequate documentation that a dwelling unit was used as a vacation rental prior to June 22, 2010, but where the owner has not registered and paid Transient Occupancy Tax, proof of retroactive payment of the Transient Occupancy Tax amount due to the County to the extent allowed by law for the time during which a dwelling unit was being used as a vacation rental shall be submitted.

(G) Number of people allowed. The maximum number of guests allowed in an existing individual residential vacation rental shall not exceed two people per bedroom plus two additional people, except for celebrations and gatherings not exceeding 12 hours in duration, during which time the total number of people allowed is twice the allowed number of guests. Children under 12 are not counted toward the maximums.

(2) New vacation rental. Except as provided in County Code Section 18.10.124(b), no public hearing shall be required and action on these applications shall be by the Planning Director or designee, with notice of the proposed action provided not less than 10 calendar days before issuance of the permit, pursuant to County Code Section 18.10.222(c) and (d). Appeals of the proposed action on the application may be made by the applicant or any member of the public. Pursuant to County Code Section 18.10.124(b), the Planning Director may refer the application to the Zoning Administrator or Planning Commission for a public hearing.

(A) When a public hearing is required, notice of such a public hearing shall be provided not less than 10 calendar days before the public hearing, pursuant to County Code Section 18.10.223.

(B) In the Live Oak Designated Area, no new vacation rental shall be approved if parcels with existing vacation rentals on the same block total 20 percent or more of the total residential parcels on that block, excluding those parcels in the Mobile Home Park Combining Zone District. In addition, no more than 15 percent of all of the residential parcels in the Live Oak Designated Area, excluding those parcels in the Mobile Home Park Combining Zone District, may contain vacation rentals. Notwithstanding these maximums, each block in the Live Oak Designated Area that has residential parcels, excluding those parcels in the Mobile Home Park Combining Zone District, may have at least one vacation rental.

(C) Applicants for a permit for a new vacation rental shall provide the following to the Planning Department:

(i) Completed application form



**SOMACH SIMMONS & DUNN**  
A PROFESSIONAL CORPORATION  
ATTORNEYS AT LAW  
500 CAPITOL MALL, SUITE 1000, SACRAMENTO, CA 95814  
OFFICE: 916-446-7979 FAX: 916-446-8199  
SOMACHLAW.COM

January 19, 2011

Via Facsimile and U.S. Mail

Ms. Kathleen Previsich  
County of Santa Cruz Planning Department  
701 Ocean Street, 4th Floor  
Santa Cruz, CA 95060

Dear Ms. Previsich:

As you know, Somach, Simmons & Dunn represents Good Neighbors of Santa Cruz County, an unincorporated association, and Anthony Abene, Holly Keiser, and Matthew Schwartz, and our clients have asked us to analyze and comment upon the revised Negative Declaration for the revised vacation rental ordinance the County now proposes. We are pleased to note that you corrected some of the errors that rendered the previously prepared CEQA documents defective. However, our review of the revised Negative Declaration and ordinance reveals that the documents still include numerous violations of CEQA and other laws. A brief summary of the violations we have identified is set forth below, and more detail on these topics is included in our prior letter to you dated November 29, 2010, which we hereby incorporate by reference. The fatal flaws in the current set of documents include the following items:

- The document circulated for public review fails to provide the Notice of Intent to Adopt a Negative Declaration. *See* State CEQA Guidelines, 14 C.C.R. § 15072(a). The Notice of Intent to Adopt a Negative Declaration must include, at a minimum, the following mandatory components: (1) a brief description of the project and its location, (2) the starting and ending dates for the review period during which the lead agency will receive comments, (3) the date, time and place of any public meetings or hearings on the proposed project, if known at the time the Notice is issued, (4) the address where copies of the Negative Declaration and all documents it refers to are available for public review, (5) information regarding whether any portion of the project site is located on specified lists of hazardous waste facilities, hazardous waste property, or hazardous waste disposal sites, and (6) any other information required by statute or regulation. State CEQA Guidelines, 14 C.C.R. § 15072(f). The County's "Notice of Environmental Review Period" does not contain all of the information required by CEQA. Thus, the County has failed to satisfy CEQA's public notice requirements.
- The Initial Study failed to analyze the whole of the project. Under CEQA, the "project" is defined as the "whole of action" including its direct and reasonably foreseeable indirect

effects. Pub. Res. Code § 21065; State CEQA Guidelines, 14 C.C.R. § 15378. The environmental documents must analyze not only the adoption of the ordinance itself but also the reasonably foreseeable activities, such as development of hotels or relocation of summer tourists, that will result from its adoption. *See, e.g., McQueen*, 202 Cal. App. 3d 1136 (district violated CEQA when it described its project as acquisition of surplus federal lands for public open space without analyzing the clean-up activities that would be needed to abate toxics on acquired lands prior to public use). Here, the County has violated CEQA by truncating the project description. It is reasonably foreseeable that regulating and restricting the amount of vacation rental homes will cause a shortage of housing for vacationers, which will necessarily result in the development of other tourist accommodations or the relocation of the vacationers. In fact, my clients and many others have already submitted evidence to the County demonstrating that these effects have transpired in other communities that have adopted vacation rental regulatory schemes such as the County now proposes. However, the County has ignored this evidence, and the Negative Declaration repeatedly – and erroneously – states that the ordinance will not authorize or facilitate new development. By ignoring the evidence of the reasonably foreseeable impacts that the adoption of the ordinance will cause, the County has failed to comply with its duty to analyze whether adoption of the ordinance will create *or culminate in* any physical impacts to the environment. The County's artificially limited environmental review is necessarily void.

- The entire Negative Declaration also falters because the County has failed to accurately identify the baseline conditions. As we previously noted, to decide whether a given project's environmental effects are likely to be significant, the agency must use some measure of the state of the environment absent the project; this measure is generally referred to in CEQA parlance as the "baseline" for the environmental analysis. *Communities for a Better Environment v. South Coast Air Quality Management Dist.*, 48 Cal. 4th 310, 316 (2010). Absent exceptional circumstances, the baseline must be the "existing physical conditions in the affected area," that is, the "real conditions on the ground." *Id.*; *see also Environmental Planning & Information Council v. County of El Dorado*, 131 Cal. App. 3d 350, 354 (1982); *Save Our Peninsula Committee v. Monterey County Bd. of Supervisors*, 87 Cal. App. 4th 99, 121 (6th Dist. 2001). The initial study supporting a negative declaration "must focus on impacts to the existing environment, not hypothetical situations." *Communities for a Better Environment*, 48 Cal. 4th at 322; *County of Amador v. El Dorado County Water Agency*, 76 Cal. App. 4th 931, 955 (1999). "An approach using hypothetical allowable conditions as the baseline results in 'illusory' comparisons that 'can only mislead the public as to the reality of the impacts and subvert full consideration of the actual environmental impacts,' a result at direct odds with CEQA's intent." *Communities for a Better Environment*, 48 Cal. 4th at 322, *citing Environmental Planning & Information Council v. County of El Dorado*, 131 Cal. App. 3d at 358. Applying this standard in the *Communities for a Better Environment* case decided earlier this year, the Supreme Court found that the district's negative declaration

violated CEQA because its baseline was based on hypothetical conditions rather than established, existing conditions.

In response to our previous comments about the inaccuracies and misleading statements in the County's description of the baseline conditions, the County has simply removed some of the offending statements. The Negative Declaration therefore lacks an accurate identification of the baseline conditions for vacation rentals. Furthermore, the administrative record for the proposed vacation rental ordinance still contains the statements acknowledging, as the November 29 staff report candidly did on page 1, that "it is unknown" how many vacation rentals existed in the County in 1990, and "the source(s) of data [used to generate the County's estimate] is not fully documented." Likewise, the November 29 staff report also admitted, at page 2, "there is a lack of information on data sources and collection methods" regarding the March 2002 estimates and "an accurate total [of vacation rentals] will not be available until a registration system for vacation rentals is in place." There is no evidence that, in the few weeks since we submitted our prior letter, the County has collected any data that would allow it to identify the existing physical conditions to which the proposed ordinance would apply. Consequently, there is still no evidence to support staff's supposition that a cap of 25% "would not change existing conditions" in the Live Oak area, nor is there any evidence to support the speculation that traffic impacts resulting from the ordinance will be minimal. Likewise, there is no evidence to support the unfounded statement that most vacation rentals are surrounded by residential land uses. In fact, many vacation rentals are adjacent to public facilities or parks or recreation land uses, such as the beach or harbor; this is part of what makes those properties appealing as vacation rentals. Also, the Negative Declaration incorrectly states that vacation rentals are currently unregulated. This statement inaccurately misrepresents the existing conditions: vacation rentals are currently regulated under the County's Transit Occupancy Tax scheme, and they are also subject to existing noise ordinances. Additionally, vacation rentals in the Live Oak area are already subject to existing parking restrictions due to the County's imposition of a special parking district in that area.

Because it lacks an accurate assessment of baseline conditions, the Negative Declaration cannot reach accurate conclusions about the potential environmental impacts of the proposed ordinance, and the CEQA document is *per se* defective.

- The revised Negative Declaration still fails to analyze numerous potentially significant environmental impacts that would result from the adoption of the ordinance. (Frankly, we are surprised by the County's issuance of a revised Negative Declaration, given all the evidence of potentially significant impacts that has already been submitted to the County over the past few months.) The environmental impacts that the County should analyze in an EIR include, but are not limited to, the following:

- Land Use – As noted repeatedly in our earlier letter, the ordinance will conflict with County, Coastal Commission, state and federal policies regarding public access to the beach, harbor, state parks and beaches such as Twin Lakes, and the Monterey Bay National Marine Sanctuary.
  - For example, County Municipal Code section 15.01.010(b) specifies that one of the purposes of the County's Park Dedication and Public Access requirements is "to provide for public access and use of the coastal beach and bluff areas." These policies were adopted to mitigate environmental impacts (recreation, aesthetics, etc.) associated with land use decisions that increased private ownership of beach properties and restricted beach access. *See, e.g.*, County Municipal Code §§ 15.01.020, 15.01.060(b) (requiring dedication of beach access easements as a condition of permits for certain development sites), 15.01.090(d) ("Dedication of an easement for public access shall be required if adverse environmental impacts and use conflicts can be mitigated....").
  - Both the Coastal Act and the County's Local Coastal Program (LCP), as approved by the Coastal Commission, require the protection, maximization, and enhancement of public access and recreational opportunities, consistent with public safety and the protection of natural resources. The Negative Declaration states that there are about existing 265 vacation rentals in the Live Oak area, though the source of this statement is unknown. If the County had prepared an accurate assessment of baseline conditions, staff would have realized that hotel rooms in that area number only about 65-70. In other words, there are nearly 4 times as many vacation rentals available for travelers than there are hotel room accommodations, but the ordinance proposes its most severe restrictions on vacation rentals in this area. It is not only foreseeable but highly likely that these regulations will restrict public access and recreational opportunities.
  - The LCP also contains specific measures to protect public access to these important resources. For example, Section 7.7.20 of the LCP requires that the County "encourage visitor beach access and visitor serving facilities in the Live Oak area to concentrate between the Yacht Harbor and 17th Avenue." The ordinance will restrict visitor-serving facilities as outlined above.
  - Similarly, one of the primary purposes of the Monterey Bay National Marine Sanctuary is to provide "public use of this national treasure." *See* <http://montereybay.noaa.gov/intro/welcome.html> (site last visited November 27, 2010).

- As we have already noted, the Live Oak area was developed as a beach resort community more than 100 years ago, and the neighborhood was originally developed as a community of second homes for families who wished to visit the area and enjoy its natural beauty and resources. The area provides the primary points of public access to the harbor and Twin Lakes State Beach, and it also provides public access to the beach and the Monterey Bay National Marine Sanctuary. The vacation rental ordinance has the purpose, intent and effect of limiting the amount of visitors who can rent homes in the County, particularly in this community, for short terms. The result of this ordinance will be to curtail the number of accommodations and, hence, the number of people who would otherwise come to this community. Obviously, this will interfere with public use and enjoyment of these important resources. By definition, serve visitors by providing them with local accommodations. This means that vacation rentals qualify as "visitor serving facilities" under Section 7.7.20 of the LCP, yet – in direct violation of the LCP – the ordinance seeks to restrict and limit these facilities, particularly in Live Oak. (It is still true, as staff noted in the November 29 staff report that "the most stringent regulation will occur" in Live Oak.) Furthermore, the ordinance would require owners of *existing* vacation rentals to submit an application that requires two plans of the property, drawn to scale. Estimates we have obtained for the costs of producing these plans range up to \$10,000. At such an exorbitant cost, it is reasonably foreseeable that some owners will not submit the application and will stop renting their properties, thereby removing these accommodations from the existing stock of visitor serving facilities. By limiting the use of vacation rental homes by the public and indirectly removing some homes from the vacation rental market, the ordinance has the foreseeable result of limiting public access to the beach, harbor, Twin Lakes State Beach, and the Monterey Bay National Marine Sanctuary.
- Adoption of the ordinance also conflicts with Goal 4 of the County's Housing Element, which directs the County to preserve and improve existing housing units and expand affordability within the existing housing stock.<sup>1</sup> The ordinance states that, in Live Oak, vacation rentals on some

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<sup>1</sup> Like the preceding documents, the Negative Declaration misstates the text of Program 4.13, which is one of the programs intended to implement Goal 4 of the Housing Element. The Negative Declaration inaccurately claims that the General Plan "directs" the County is to "Develop Policies for regulation the conversion of existing housing units to vacation rentals. . . ." but Program 4.13 actually states that the County will "explore options for regulating . . . ." Again, we reiterate that the actual language of Program 4.13 implies that further study is needed

streets may be restricted to one (1) home. Obviously, this will drive the cost of that one permitted vacation rental much higher and make it much less likely to be affordable. Additionally, the high costs of complying with the ordinance coupled with the loss of rental income will make people less willing to purchase second homes in Santa Cruz County: the restrictions affect the marketability of these units. In fact, the November 29 staff report, on pages 5 - 6, acknowledges that the ordinance will affect the demand for and marketability of homes in the Live Oak area: the publication of the overlay district for the Designated Area (i.e., Live Oak) "would serve to provide notice that a property in that area is subject to the maximum percentages of vacation rentals in the area and on the block and that due diligence is required to determine if the potential new owner is precluded from pursuing a vacation rental permit." The reduced marketability in turn leads to the foreseeable impacts of reducing demand for housing in areas subject to the ordinance and making investors less willing to invest in developing housing in those areas. All of these results are inconsistent with General Plan policy to preserve and improve existing housing units and expand affordability within the existing housing stock.

- Public Recreation – As noted above in the discussion of Land Use, the ordinance will interfere with public recreation by limiting public access to the beach, harbor, state parks and beaches such as Twin Lakes, and the Monterey Bay National Marine Sanctuary. Also, as noted below in the discussion of Transportation/Traffic, the ordinance will increase demand on parking lots near the beach, including parking lots associated with state and local parks and beaches. Previously, we submitted evidence from the Coastal Commission regarding the extremely limited parking space in the Live Oak area, particularly during peak use periods. It is reasonably foreseeable that the increased demand for parking facilities in the parks will result in both their substantial physical deterioration and the need for construction of additional facilities, yet the Negative Declaration ignores this fact.
- Population and Housing – As amply demonstrated by all the evidence that has been submitted to you over the past few months, the ordinance will displace a substantial amount of existing vacation rental housing and substantial numbers of vacation renters, necessitating the construction of replacement housing elsewhere. The ordinance has the foreseeable effect of removing vacation rental housing stock from the market. For example, as indicated above, existing vacation rentals

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before any action is taken, which is more consistent with staff's candid prior admissions that the County lacks accurate baseline information about the current status of vacation rentals in the County.

will likely be removed from the market because the owners will choose to avoid incurring the high costs associated with the application process the ordinance imposes. Given that there are limited accommodations available in the region, as amply demonstrated by the evidence already submitted to you, the foreseeable results of the removal of this supply without any adjustment in the demand for visitor accommodations are: (1) a short-term shortage, and (2) substantial housing population growth in areas *not* subject to the ordinance, such as the City of Santa Cruz, as the market adjusts to the changed conditions. Thus, the County's ordinance will redirect housing impacts to locations outside the unincorporated areas that are subject to the regulation. By displacing vacationers, the ordinance would also contribute significantly to the cumulative regional housing shortage, as identified by the Monterey Bay Association of Governments. Given that the County is already severely behind on its obligations to provide sufficient housing stock to meet its Regional Housing Needs Allocation, the adoption of the Vacation Rental Ordinance would further exacerbate the County's housing problems.<sup>2</sup> These cumulative impacts must be addressed in an EIR.

- Urban Decay and Blight – As noted above, the ordinance will directly cause homeowners to lose rental income and to incur the expense of complying with a costly permit application process. These direct economic impacts of the ordinance will cause reasonably foreseeable physical impacts to the environment, namely urban decay and blight, which must be evaluated in the County's CEQA analysis. *Bakersfield Citizens for Local Control v. City of Bakersfield*, 124 Cal. App. 4th 1184, 1205 (2004); State CEQA Guidelines, 14 C.C.R. § 15064(e) (when the economic or social effects of a project cause a physical change, this change is to be regarded as a significant effect in the same manner as any other physical change resulting from the project). As staff acknowledged in the November 29 report to the Planning Commission, at page 6, "vacation rentals are an important part of the economy of the County" and "many vacation rental owners depend on the income from the rentals." The record is replete with evidence submitted by our clients and others establishing these facts. However, the Negative Declaration makes no attempt to analyze the reasonably foreseeable impacts of the loss of this income that the ordinance will impose, and these losses will affect both the homeowners and the County itself. It is reasonably foreseeable that the additional expenses and loss of income the County will impose on homeowners through the ordinance coupled with existing mortgages and other expenses would cause some homeowners to be unable to continue to

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<sup>2</sup> Indeed, as we previously noted, the record of proceedings to date strongly implies that the Housing Advisory Commission recommended a far less stringent version of the ordinance than the County initially proposed because the Housing Advisory Commission was concerned about the ordinance's potentially significant impacts on local housing stock.

afford to maintain their homes in good repair: in fact, some homeowners have told the County as much during these proceedings. This will lead to urban decay and blighted conditions – ironically, in the very neighborhoods that the County argues it is trying to protect. To the extent these conditions occur on houses that qualify as historic structures, the County's actions will cause significant adverse impacts to local cultural resources. The ordinance will also reduce the sources of income to the County itself, resulting in less funding for neighborhood improvements and further contributing to blighted and decayed conditions. The Negative Declaration does not even identify these potential impacts, much less analyze or quantify them.

- Aesthetics – The ordinance requires signs to be displayed on all vacation rental homes, including those homes that can be seen from the beach. Citing nothing, the Negative Declaration inaccurately claims that these changes to the physical environment will have no impact on aesthetics. However, as we previously noted, both the County and the Coastal Commission have already recognized valuable scenic resources and views in the areas the County now seeks to regulate. *See, e.g.,* Appeal Staff Report W12a, attached, at page 1 (County acknowledges importance of public views along East Cliff Drive; Coastal Commission identifies the area of Live Oak adjacent to Twin Lakes State Beach as "an important public viewshed.") The LCP requires that visual intrusions into these important viewsheds be minimized, but the ordinance requires signs, which will be visible within public viewsheds on beach vacation rentals. These signs will substantially degrade the existing visual character or quality of the sites where they are required and their surrounding neighborhoods. The signs will also interfere with, and substantially damage, identified scenic vistas and scenic resources: viewers expect to encounter beach housing in their line of sight, but they do not expect to encounter 24" x 10" signs on multiple residences. Extensive signage is usually reserved for commercial areas, not areas with a residential/community character. The Negative Declaration inaccurately claims that no scenic vistas or public views will be affected by the impacts of the ordinance, and it utterly fails to analyze these direct effects. Additionally, as we noted previously, it is not clear whether the County will require the signs to be lit, so it cannot be determined whether they will create a new source of substantial light or glare.
- Public Services and Utilities – As staff has previously admitted, they have no idea how many vacation rentals ultimately may be subject to the new ordinance. At the same time, though, the ordinance requires an extensive registration and tracking system for vacation rentals. It also expands the role of the Sheriff's office in enforcing the ordinance. These expanded tasks and duties may require the County to hire new employee(s). The Negative Declaration assumes otherwise, but this assumption contradicts the evidence in the record. Absent any evidence of how much workload will be generated by the new regulatory scheme,

the County's conclusion that the ordinance will have no impact on public services is unsupportable.

- Transportation/Traffic – The ordinance will have significant impacts on traffic. By limiting the amount of vacation rentals available in certain areas, particularly the beach areas, the ordinance will displace vacation renters to other areas, as discussed above. However, vacationers will still want to visit the beach, the harbor, the State Parks, and other local amenities, just as they do now. Since these people will not be able to stay close to these amenities, they will necessarily have to drive to get to them. The ordinance will therefore result in more day trips and more traffic on local, state and federal roadways into the beach areas. The Negative Declaration dismisses this fact as insignificant, but there is no basis to support the Negative Declaration's conclusion. For example, the Negative Declaration claims that there are 265 vacation rentals in the Live Oak area, but it does not cite any source for this figure, and less than two months ago, staff admitted the County does not know how many vacation rentals currently exist. (See, generally, above, Baseline.) The County has not undertaken any studies of vacation rentals in the intervening weeks. Thus, the 265 figure does not appear to be based on any actual facts. Compounding this error, the Negative Declaration then attempts to compare trips generated by vacation rentals to existing trips on certain roadways, but the *newest* data it relies upon are two years old, and some of the traffic counts are 5 years old. Also, the traffic analysis does not identify any threshold by which to judge the significance of the increased traffic. The Negative Declaration also does not include any discussion of existing levels of service at impacted intersections, particularly during peak vacation rental months (which are, not coincidentally, the peak population periods for Santa Cruz County). Absent this data, it is impossible to determine whether the increased traffic that the Negative Declaration admits will be generated by the ordinance will result in direct, indirect, or cumulative impacts to local traffic. As we previously noted, the increased traffic will impact many streets and highways that are already severely congested (and appear to be operating at level of service F) during summer vacation travel, such as State Highways 17 and 1 and from Bay Area to Santa Cruz County.
- Transportation/Traffic – Parking - The ordinance will also result in inadequate parking capacity, particularly at the beach areas during the high-demand summer period. The vacationers who have been displaced to other areas by imposition of the ordinance will have to drive to the beach, as discussed above. The beach areas already have inadequate parking capacity to handle the summer demand; the ordinance will only serve to make the existing problem far worse.
- Greenhouse Gases / Air Quality – The Negative Declaration makes no effort to analyze or quantify the greenhouse gas emissions and air quality impacts

associated with the predictable increase in traffic that the Negative Declaration admits (*see, e.g.*, pp. 33-34) will occur.

- Noise – Although the Negative Declaration acknowledges that the ordinance will cause increased traffic in certain areas, it makes no effort to quantify or analyze the noise impacts associated with the change in traffic patterns.
- Mandatory Findings of Significance - Cumulative Impacts on Housing Stock, Traffic, Human Impact, Short-Term versus Long-Term Environmental Goals – If there is substantial evidence that a project will result in one of the categories included in the mandatory findings of significance, the lead agency must prepare an EIR. State CEQA Guidelines, 14 C.C.R. § 15065. Even as revised, the vacation rental ordinance still triggers at least two of the four criteria for mandatory findings of significance. First, as indicated above, the ordinance has the potential to have impacts that are cumulatively considerable, particularly in the areas of housing, traffic, land use, recreation, and air quality. Second, the ordinance has environmental effects that will cause substantial adverse effects on human beings by exacerbating the existing regional housing shortage and degrading the quality of life by causing further traffic congestion. Third, Negative Declaration is *per se* defective as it utterly fails to include any analysis related to the project's potential to achieve short-term environmental goals to the disadvantage of long-term environmental goals, as required by Section 15065 of the State CEQA Guidelines.
- Given the substantial evidence of potentially significant environmental impacts, including evidence supporting the mandatory findings of significance, the County cannot adopt the ordinance without preparing and certifying a valid EIR. Where, as here, the record contains ample evidence there that the project has the potential to have a significant effect on the environment, CEQA does not permit the lead agency to rely on a negative declaration.
- Also, it is unclear whether the County failed to provide the required notice of the proposed adoption of the Negative Declaration to transportation planning agencies and public agencies that have transportation facilities within their jurisdictions that could be affected by the project. As shown above, the ordinance will cause reasonably foreseeable increases in traffic, particularly during peak summer congestion periods when people are most likely to want to visit the beach, and the traffic increases will not be limited to County roads. The traffic increases will affect major local arterials and freeways and highways as vacationers who were unable to find local accommodations seek routes to the beach. Because the ordinance constitutes a project of statewide, regional, or areawide significance, the County was required to provide notice to transportation planning agencies and public agencies that have transportation facilities within their jurisdictions that could be affected by the ordinance. State CEQA Guidelines, 14 C.C.R. § 15072(e).

If the County failed to give the transportation planning agencies notice of the Negative Declaration, this CEQA process has been faulty.

In addition to the CEQA violations outlined above, the proposed ordinance also suffers from other fatal legal defects, including the following:

- The retroactive application of the ordinance is illegal. We are not aware of any authority that would allow the ordinance's retroactive application back to July 2010.
- The ordinance is so vague and ambiguous regarding penalties that its enforcement is unconstitutional. The ordinance fails to clearly define what conduct violates it, and it fails to identify the progressive steps that will be taken for violations. Some aspects of the ordinance, such as limiting vacation renters to two parking spaces on the public streets, are likely to be entirely unenforceable. The ordinance also suggests that the County will revoke permits without affording homeowners Due Process of law: for example, the ordinance suggests that statements of a violation from a Homeowners' Association (an out of court informal proceeding) would be used as evidence in favor of a permit revocation proceeding. In short, the ordinance fails to contain any safeguards to ensure that the County does not curtail homeowners' lawful use of their properties based on petty neighborhood disputes.
- The proposed ordinance violates mandatory provisions of the County's own General Plan, as set forth above in the discussion of Goal 4 of the Housing Element.
- The fees proposed under the ordinance are unspecified and may be in violation of Proposition 26. The County has not provided any nexus study to support the imposition of specified fees, and it cannot impose them without evidence of the costs they are intended to defray.
- The ordinance likely effects a taking of property without compensation in that it requires existing vacation rental owners to apply for a costly permit to continue an existing use, thereby denying those who cannot afford the permit fees all economically viable use of their properties that they are currently capturing.

It should also be noted, once again, that numerous members and representatives of Good Neighbors have raised other significant issues during these administrative proceedings, and none of these has yet been adequately addressed. Good Neighbors continues to seek the County's responses to all of the questions posed and comments made by the group's members and representatives. The County's process has not facilitated good communications, in that the County released the revised Negative Declaration and revised ordinance on December 17, shortly before it closed its offices. For fully half of the 30-day public review period, the County offices were closed and no staff members were available to speak with members of the public

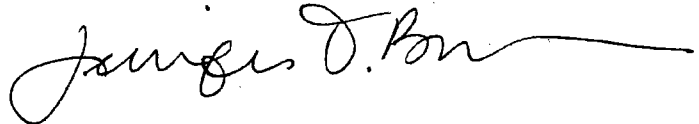
Ms. Kathleen Previsich  
January 19, 2011  
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about the proposed project. Given these circumstances, Good Neighbors once again reserves its rights to raise other legal issues regarding the ordinance as the group becomes aware of them.

For all the reasons set forth above, the Planning Commission cannot take action on the proposed ordinance (a Local Coastal Program amendment) without violating CEQA and other laws. Again, we reiterate our request that the County prepare an EIR to evaluate the environmental impacts of its proposed ordinance, as required by CEQA.

Thank you for your thoughtful consideration of these comments. We hope you will act promptly to address these concerns so that our clients will not be forced to take further action to protect their legal rights. Should you have any questions or require any additional information, please feel free to contact me at (916) 446-7979.

Sincerely,

A handwritten signature in black ink, appearing to read "Jennifer T. Buckman", with a long horizontal flourish extending to the right.

Jennifer T. Buckman, Esq.

JTB

cc: Matt Johnston, Environmental Coordinator (*Via Facsimile Only*)

**Responses to January 19, 2011, letter from Jennifer Buckman commenting on Initial Study and Proposed Negative Declaration regarding adoption of an ordinance regulating vacation rentals**

- The document circulated for public review fails to provide the Notice of Intent to Adopt a Negative Declaration. See State CEQA Guidelines, 14 C.C.R. § 15072(a). The Notice of Intent to Adopt a Negative Declaration must include, at a minimum, the following mandatory components: (1) a brief description of the project and its location, (2) the starting and ending dates for the review period during which the lead agency will receive comments, (3) the date, time and place of any public meetings or hearings on the proposed project, if known at the time the Notice is issued, (4) the address where copies of the Negative Declaration and all documents it refers to are available for public review, (5) information regarding whether any portion of the project site is located on specified lists of hazardous waste facilities, hazardous waste property, or hazardous waste disposal sites, and (6) any other information required by statute or regulation. State CEQA Guidelines, 14 C.C.R. § 15072(f). The County's "Notice of Environmental Review Period" does not contain all of the information required by CEQA. Thus, the County has failed to satisfy CEQA's public notice requirements.

1. **The Notice of Intent (NOI) to Adopt a Negative Declaration was posted at the office of the Clerk of the Board of Supervisors for the entire comment period and was published in the Santa Cruz Sentinel and the Watsonville Register Pajaronian on December 21, 2010. The NOI contained a brief description of the project, the starting and ending dates for the review period, and the address where copies of the Negative Declaration and referenced documents were available for review. The Governor's Office of Planning and Research received the negative declaration materials, took standard action to prepare and distribute its notice to the appropriate agencies, and did not notify the County of any deficiencies in the submitted material (see Attachment 1).**

**The published notice for the February 23, 2011, Planning Commission public hearing includes language stating that the Negative Declaration will be considered at that hearing.**

**No information regarding whether any portion of the project site is located on specified lists of hazardous waste facilities, property, or disposal sites was included in the NOI. Unlike an environmental document for a development on a specific site the proposed ordinance relates to approximately 52,000 residentially zoned parcels; therefore, this requirement is not applicable.**

- The Initial Study failed to analyze the whole of the project. Under CEQA, the "project" is defined as the "whole of action" including its direct and reasonably foreseeable indirect

effects. Pub. Res. Code § 21065; State CEQA Guidelines, 14 C.C.R. § 15378. The environmental documents must analyze not only the adoption of the ordinance itself but also the reasonably foreseeable activities, such as development of hotels or relocation of summer tourists, that will result from its adoption. *See, e.g., McQueen*, 202 Cal. App. 3d 1136 (district violated CEQA when it described its project as acquisition of surplus federal lands for public open space without analyzing the clean-up activities that would be needed to abate toxics on acquired lands prior to public use). Here, the County has violated CEQA by truncating the project description. It is reasonably foreseeable that regulating and restricting the amount of vacation rental homes will cause a shortage of housing for vacationers, which will necessarily result in the development of other tourist accommodations or the relocation of the vacationers. In fact, my clients and many others have already submitted evidence to the County demonstrating that these effects have transpired in other communities that have adopted vacation rental regulatory schemes such as the County now proposes. However, the County has ignored this evidence, and the Negative Declaration repeatedly – and erroneously – states that the ordinance will not authorize or facilitate new development. By ignoring the evidence of the reasonably foreseeable impacts that the adoption of the ordinance will cause, the County has failed to comply with its duty to analyze whether adoption of the ordinance will create or *culminate* in any physical impacts to the environment. The County's artificially limited environmental review is necessarily void.

2. The primary purpose of the proposed regulation is to require vacation rentals to obtain a County permit so that the County can identify them and so that vacation rentals pay the required transient occupancy tax. Existing vacation rentals are grandfathered. The only area in which new vacation rentals would be potentially restricted is the Live Oak Designated Area (LODA) where the County is considering imposing a cap on vacation rentals. The LODA is located entirely within the Coastal Zone. In order for the ordinance to become effective within the Coastal Zone, including the LODA, the ordinance must obtain certification by the California Coastal Commission because within the Coastal Zone the ordinance constitutes a local coastal program amendment. CEQA provides that amendments to a local coastal program are statutorily exempt from CEQA compliance at the local level; primary CEQA compliance rests with the Coastal Commission. The commenter appears to assume that many additional vacation rentals are established each year and that the proposed limit on percentage of vacation rentals in the LODA would result in a shortage of vacation accommodations. The best and only available data to the County shows that from 2002 the number of vacation rentals County-wide has increased from approximately 448 – 504 to approximately 570 today, an increase of between 13 and 27 percent over the past 8 years, or 1.6 to 3.4 percent per year. There are about 266 known vacation rentals in the LODA out of approximately 2206 residential parcels, so the vacation rentals make up about 12 percent of the residential parcels in the LODA. The Planning Commission's direction at the November 29, 2010 hearing was that vacation rentals be limited to no more than 15 percent of the residential parcels in the LODA. If the rate of increase in vacation rentals occurs in the LODA as it is estimated to have occurred County-wide from 2002 to 2010, the 15 percent maximum will be reached in one to two years. That would not necessarily lead to new development elsewhere as the LODA area has unique attributes not easily replicated elsewhere. Counsel's arguments regarding the potential increase in development of vacation rentals elsewhere due to the imposition of a cap in Live Oak are speculative. Other residential property owners outside of the LODA would have the ability to rent their houses as permitted vacation rentals to the same extent as they did prior to enactment of the

ordinance; thus meeting future vacation rental demand without facilitating new development.

- The entire Negative Declaration also falters because the County has failed to accurately identify the baseline conditions. As we previously noted, to decide whether a given project's environmental effects are likely to be significant, the agency must use some measure of the state of the environment absent the project; this measure is generally referred to in CEQA parlance as the "baseline" for the environmental analysis. *Communities for a Better Environment v. South Coast Air Quality Management Dist.*, 48 Cal. 4th 310, 316 (2010). Absent exceptional circumstances, the baseline must be the "existing physical conditions in the affected area," that is, the "real conditions on the ground." *Id.*; see also *Environmental Planning & Information Council v. County of El Dorado*, 131 Cal. App. 3d 350, 354 (1982); *Save Our Peninsula Committee v. Monterey County Bd. of Supervisors*, 87 Cal. App. 4th 99, 121 (6th Dist. 2001). The initial study supporting a negative declaration "must focus on impacts to the existing environment, not hypothetical situations." *Communities for a Better Environment*, 48 Cal. 4th at 322; *County of Amador v. El Dorado County Water Agency*, 76 Cal. App. 4th 931, 955 (1999). "An approach using hypothetical allowable conditions as the baseline results in 'illusory' comparisons that 'can only mislead the public as to the reality of the impacts and subvert full consideration of the actual environmental impacts,' a result at direct odds with CEQA's intent." *Communities for a Better Environment*, 48 Cal. 4th at 322, citing *Environmental Planning & Information Council v. County of El Dorado*, 131 Cal. App. 3d at 358. Applying this standard in the *Communities for a Better Environment* case decided earlier this year, the Supreme Court found that the district's negative declaration violated CEQA because its baseline was based on hypothetical conditions rather than established, existing conditions.

3. The Initial Study baseline conditions are the established, existing conditions based upon all available data available to the County at this time, not hypothetical conditions. This is all that CEQA requires.

In response to our previous comments about the inaccuracies and misleading statements in the County's description of the baseline conditions, the County has simply removed some of the offending statements. The Negative Declaration therefore lacks an accurate identification of the baseline conditions for vacation rentals. Furthermore, the administrative record for the proposed vacation rental ordinance still contains the statements acknowledging, as the November 29 staff report candidly did on page 1, that "it is unknown" how many vacation rentals existed in the County in 1990, and "the source(s) of data [used to generate the County's estimate] is not fully documented." Likewise, the November 29 staff report also admitted, at page 2, "there is a lack of information on data sources and collection methods" regarding the March 2002 estimates and "an accurate total [of vacation rentals] will not be available until a registration system for vacation rentals is in place." There is no evidence that, in the few weeks since we submitted our prior letter, the County has collected any data that would allow it to identify the existing physical conditions to which the proposed ordinance would apply. Consequently, there is still no evidence to support staff's supposition that a cap of 25% "would not change existing conditions" in the Live Oak area, nor is there any evidence to support the speculation that traffic impacts resulting from the ordinance will be minimal. Likewise, there is no evidence to support the unfounded statement that most vacation rentals are surrounded by residential land uses. In fact, many vacation rentals are adjacent to public facilities or parks or recreation land uses, such as the beach or harbor, this is part of what makes those properties appealing as vacation rentals. Also, the Negative Declaration incorrectly states that vacation rentals are currently unregulated. This statement inaccurately misrepresents the existing conditions: vacation rentals are currently regulated under the County's Transit Occupancy Tax scheme, and they are also subject to existing noise ordinances. Additionally, vacation rentals in the Live Oak area are already subject to existing parking restrictions due to the County's imposition of a special parking district in that area.

Because it lacks an accurate assessment of baseline conditions, the Negative Declaration cannot reach accurate conclusions about the potential environmental impacts of the proposed ordinance, and the CEQA document is *per se* defective.

4. While the commenter previously complained that the County was not using real world data to establish baseline conditions, here the commenter seems to be suggesting that the County not use the available data. The available data is what it is; CEQA only requires the County to use all available data which it has done here. There has never been an accurate count of the number of vacation rentals in part because there has been no comprehensive registration or permitting system for vacation rentals. Generally, the highest percentage occurrence of vacation rentals in the LODA area within a specific area of 12<sup>th</sup> Avenue is 23 percent. The proposed ordinance would grandfather existing vacation rentals, even if the percentage of existing vacation rentals exceeded any percentage cap on any given block or overall. So, a percentage limitation would not change existing conditions due to grandfathering. The Initial Study presents evidence to support the conclusion that, indeed, traffic impacts from the proposed ordinance would not be significant. Based on information from the Tax Collector's office, the County's GIS section mapped the known vacation rentals and even a cursory look at the maps clearly shows that most of those vacation rentals are, indeed, surrounded by residential land uses. Of course there are some that adjoin other land uses; however, the fact remains that most of the vacation rentals in the LODA are surrounded by residential land uses. Vacation rentals are unregulated in the sense that there are no land use regulations regarding them: there is no permitting system for them or any regulations dealing with numbers of renters, parking, etc. The Live Oak Parking Program allows residents to purchase multiple parking stickers that can and are used by vacation rental renters and anyone else, so the commenter's statement is not accurate.

- The revised Negative Declaration still fails to analyze numerous potentially significant environmental impacts that would result from the adoption of the ordinance. (Frankly, we are surprised by the County's issuance of a revised Negative Declaration, given all the evidence of potentially significant impacts that has already been submitted to the County over the past few months.) The environmental impacts that the County should analyze in an EIR include, but are not limited to, the following:
  - o Land Use – As noted repeatedly in our earlier letter, the ordinance will conflict with County, Coastal Commission, state and federal policies regarding public access to the beach, harbor, state parks and beaches such as Twin Lakes, and the Monterey Bay National Marine Sanctuary.
    - For example, County Municipal Code section 15.01.010(b) specifies that one of the purposes of the County's Park Dedication and Public Access requirements is "to provide for public access and use of the coastal beach and bluff areas." These policies were adopted to mitigate environmental impacts (recreation, aesthetics, etc.) associated with land use decisions that increased private ownership of beach properties and restricted beach access. *See, e.g.,* County Municipal Code §§ 15.01.020, 15.01.060(b) (requiring dedication of beach access easements as a condition of permits for certain development sites), 15.01.090(d) ("Dedication of an easement for public access shall be required if adverse environmental impacts and use conflicts can be mitigated....").

**5. With respect to environmental impacts relating to consistency with policies relating to beaches, parks, and the Sanctuary, the commentator does not state any particular physical impacts of concern. Furthermore, as explained in Response 2 above, the application of the ordinance within the Coastal Zone is statutorily exempt from CEQA review. The commenter does not state how the proposed ordinance will conflict with the cited section of County Code. Because the proposed ordinance does not authorize any physical development but recognizes and grandfathers existing vacation rentals, the cited section would not apply. Even if the proposed ordinance did authorize development, such development would be subject to all applicable requirements of County Code, including the cited section, if applicable.**

- Both the Coastal Act and the County's Local Coastal Program (LCP), as approved by the Coastal Commission, require the protection, maximization, and enhancement of public access and recreational opportunities, consistent with public safety and the protection of natural resources. The Negative Declaration states that there are about existing 265 vacation rentals in the Live Oak area, though the source of this statement is unknown. If the County had prepared an accurate assessment of baseline conditions, staff would have realized that hotel rooms in that area number only about 65-70. In other words, there are nearly 4 times as many vacation rentals available for travelers than there are hotel room accommodations, but the ordinance proposes its most severe restrictions on vacation rentals in this area. It is not only foreseeable but highly likely that these regulations will restrict public access and recreational opportunities.

**6. The number of existing vacation rentals in the Live Oak area is based on the only information available to the County obtained from the Tax Collector's TOT records, which was then mapped and the number of those mapped parcels was then counted.**

See also response 2 relating to application of the ordinance within the Coastal Zone.

The proposed ordinance would not lessen the protection of public access and recreational opportunities. Neither the Coastal Act nor the LCP require the maximization and enhancement of public access and recreational opportunities at the expense of existing residential neighborhoods nor without some nexus to some proposed development, of which there is none proposed nor authorized by the proposed ordinance. The County is required to balance all applicable Coastal policies.

- The LCP also contains specific measures to protect public access to these important resources. For example, Section 7.7.20 of the LCP requires that the County "encourage visitor beach access and visitor serving facilities in the Live Oak area to concentrate between the Yacht Harbor and 17th Avenue." The ordinance will restrict visitor-serving facilities as outlined above.

7. See response 6.

- Similarly, one of the primary purposes of the Monterey Bay National Marine Sanctuary is to provide "public use of this national treasure." See <http://montereybay.noaa.gov/intro/welcome.html> (site last visited November 27, 2010).

8. See above. The Monterey Bay National Marine Sanctuary does not regulate land use outside of the sanctuary. There is no evidence that regulation of vacation rental will limit use of the Sanctuary.

- As we have already noted, the Live Oak area was developed as a beach resort community more than 100 years ago, and the neighborhood was originally developed as a community of second homes for families who wished to visit the area and enjoy its natural beauty and resources. The area provides the primary points of public access to the harbor and Twin Lakes State Beach, and it also provides public access to the beach and the Monterey Bay National Marine Sanctuary. The vacation rental ordinance has the purpose, intent and effect of limiting the amount of visitors who can rent homes in the County, particularly in this community, for short terms. The result of this ordinance will be to curtail the number of accommodations and, hence, the number of people who would otherwise come to this community. Obviously, this will interfere with public use and enjoyment of these important resources. By definition, serve visitors by providing them with local accommodations. This means that vacation rentals qualify as "visitor serving facilities" under Section 7.7.20 of the LCP, yet – in direct violation of the LCP – the ordinance seeks to restrict and limit these facilities, particularly in Live Oak. (It is still true, as staff noted in the November 29 staff report that "the most stringent regulation will occur" in Live Oak.) Furthermore, the ordinance would require owners of *existing* vacation rentals to submit an application that requires two plans of the property, drawn to scale. Estimates we have obtained for the costs of producing these plans range up to \$10,000. At such an exorbitant cost, it is reasonably foreseeable that some owners will not submit the application and will stop renting their properties, thereby removing these accommodations from the existing stock of visitor serving facilities. By limiting the use of vacation rental homes by the public and indirectly removing some homes from the vacation rental market, the ordinance has the foreseeable result of limiting public access to the beach, harbor, Twin Lakes State Beach, and the Monterey Bay National Marine Sanctuary.

9. The proposed ordinance would restrict the percentage of vacation rentals in the LODA only; there would be no restriction on the number or percentage anywhere else in the unincorporated portion of the County and existing vacation rentals would be grandfathered. The County's LCP does not envision or encourage or mandate that all residentially zoned parcels in Live Oak be all or even mostly visitor serving. The proposed ordinance requires a site plan showing parking and a floor plan showing bedrooms, both drawn to scale. There is no requirement that the plans be drawn by someone who would charge \$10,000.00. Anyone, including the owner, could draw the plans so long as they were to scale.

- Adoption of the ordinance also conflicts with Goal 4 of the County's Housing Element, which directs the County to preserve and improve existing housing units and expand affordability within the existing housing stock.<sup>1</sup> The ordinance states that, in Live Oak, vacation rentals on some streets may be restricted to one (1) home. Obviously, this will drive the cost of that one permitted vacation rental much higher and make it much less likely to be affordable. Additionally, the high costs of complying with the ordinance coupled with the loss of rental income will make people less willing to purchase second homes in Santa Cruz County; the restrictions affect the marketability of these units. In fact, the November 29 staff report, on pages 5 - 6, acknowledges that the ordinance will affect the demand for and marketability of homes in the Live Oak area: the publication of the overlay district for the Designated Area (i.e., Live Oak) "would serve to provide notice that a property in that area is subject to the maximum percentages of vacation rentals in the area and on the block and that due diligence is required to determine if the potential new owner is precluded from pursuing a vacation rental permit." The reduced marketability in turn leads to the foreseeable impacts of reducing demand for housing in areas subject to the ordinance and making investors less willing to invest in developing housing in those areas. All of these results are inconsistent with General Plan policy to preserve and improve existing housing units and expand affordability within the existing housing stock.

<sup>1</sup> Like the preceding documents, the Negative Declaration misstates the text of Program 4.13, which is one of the programs intended to implement Goal 4 of the Housing Element. The Negative Declaration inaccurately claims that the General Plan "directs" the County is to "Develop Policies for regulation the conversion of existing housing units to vacation rentals. . . ." but Program 4.13 actually states that the County will "explore options for regulating . . . ." Again, we reiterate that the actual language of Program 4.13 implies that further study is needed

before any action is taken, which is more consistent with staff's candid prior admissions that the County lacks accurate baseline information about the current status of vacation rentals in the County.

**10. The draft ordinance does not state that vacation rentals on some streets may be restricted to one (1) home. What it does say is that at least one vacation rental would be allowed on each block, even if that one meant that the total percentage allowed was exceeded. Again, existing vacation rentals within the LODA are grandfathered. Elsewhere in the County there is no limit to the number of vacation rentals.**

The Negative Declaration does not misstate the text of Program 4.13. The stated text is from the latest version of the Housing Element, which was adopted by the Board of Supervisors on January 12, 2010 and certified by the state department of Housing and Community Development (HCD) on May 5, 2010. The language the commenter cites is from an earlier version of the Housing Element, before its certification by HCD. The ordinance is consistent with numerous General Plan, and LCP policies, including but not limited to the goal of protecting the integrity of residential neighborhoods.

- Public Recreation – As noted above in the discussion of Land Use, the ordinance will interfere with public recreation by limiting public access to the beach, harbor, state parks and beaches such as Twin Lakes, and the Monterey Bay National Marine Sanctuary. Also, as noted below in the discussion of Transportation/Traffic, the ordinance will increase demand on parking lots near the beach, including parking lots associated with state and local parks and beaches. Previously, we submitted evidence from the Coastal Commission regarding the extremely limited parking space in the Live Oak area, particularly during peak use periods. It is reasonably foreseeable that the increased demand for parking facilities in the parks will result in both their substantial physical deterioration and the need for construction of additional facilities, yet the Negative Declaration ignores this fact.

**11. The impacts alleged by the commentator are unsubstantiated and speculative. The commenter assumes that the number of existing vacation rentals will be reduced by the proposed ordinance. The ordinance does not contain any provision to reduce the number of vacation rentals existing as of the date of the Board of Supervisors' direction to create an ordinance. Furthermore, with the exception of the LODA area, the ordinance does not impose any limit on the number of vacation rentals.**

- Population and Housing – As amply demonstrated by all the evidence that has been submitted to you over the past few months, the ordinance will displace a substantial amount of existing vacation rental housing and substantial numbers of vacation renters, necessitating the construction of replacement housing elsewhere. The ordinance has the foreseeable effect of removing vacation rental housing stock from the market. For example, as indicated above, existing vacation rentals will likely be removed from the market because the owners will choose to avoid incurring the high costs associated with the application process the ordinance imposes. Given that there are limited accommodations available in the region, as amply demonstrated by the evidence already submitted to you, the foreseeable results of the removal of this supply without any adjustment in the demand for visitor accommodations are: (1) a short-term shortage, and (2) substantial housing population growth in areas *not* subject to the ordinance, such as the City of Santa Cruz, as the market adjusts to the changed conditions. Thus, the County's ordinance will redirect housing impacts to locations outside the unincorporated areas that are subject to the regulation. By displacing vacationers, the ordinance would also contribute significantly to the cumulative regional housing shortage, as identified by the Monterey Bay Association of Governments. Given that the County is already severely behind on its obligations to provide sufficient housing stock to meet its Regional Housing Needs Allocation, the adoption of the Vacation Rental Ordinance would further exacerbate the County's housing problems.<sup>2</sup> These cumulative impacts must be addressed in an EIR.

<sup>2</sup> Indeed, as we previously noted, the record of proceedings to date strongly implies that the Housing Advisory Commission recommended a far less stringent version of the ordinance than the County initially proposed because the Housing Advisory Commission was concerned about the ordinance's potentially significant impacts on local housing stock.

**12. See responses above..**

**The commenter's statements about shifts in development patterns are unsubstantiated and speculative. There is no evidence that the ordinance will impact residential development patterns. The proposed ordinance would have no impact on the supply of housing for residents of the area and certainly would not shift housing for residents to the City of Santa Cruz or anywhere else. The proposed ordinance deals only with vacation rentals, not long term rentals or owner-occupied housing and would not affect provision of the County's Regional Housing Needs Allocation, which is driven by the market. The proposed ordinance**

would not impose high application costs such that an owner would likely remove a vacation rental from the market. Such speculation is conjecture. It is estimated that the basic permit fee would be approximately \$250.00. It could range as high as \$2,000.00 if a public hearing were involved.

- o Urban Decay and Blight – As noted above, the ordinance will directly cause homeowners to lose rental income and to incur the expense of complying with a costly permit application process. These direct economic impacts of the ordinance will cause reasonably foreseeable physical impacts to the environment, namely urban decay and blight, which must be evaluated in the County's CEQA analysis. *Bakersfield Citizens for Local Control v. City of Bakersfield*, 124 Cal. App. 4th 1184, 1205 (2004); State CEQA Guidelines, 14 C.C.R. § 15064(e) (when the economic or social effects of a project cause a physical change, this change is to be regarded as a significant effect in the same manner as any other physical change resulting from the project). As staff acknowledged in the November 29 report to the Planning Commission, at page 6, "vacation rentals are an important part of the economy of the County" and "many vacation rental owners depend on the income from the rentals." The record is replete with evidence submitted by our clients and others establishing these facts. However, the Negative Declaration makes no attempt to analyze the reasonably foreseeable impacts of the loss of this income that the ordinance will impose, and these losses will affect both the homeowners and the County itself. It is reasonably foreseeable that the additional expenses and loss of income the County will impose on homeowners through the ordinance coupled with existing mortgages and other expenses would cause some homeowners to be unable to continue to

afford to maintain their homes in good repair: in fact, some homeowners have told the County as much during these proceedings. This will lead to urban decay and blighted conditions – ironically, in the very neighborhoods that the County argues it is trying to protect. To the extent these conditions occur on houses that qualify as historic structures, the County's actions will cause significant adverse impacts to local cultural resources. The ordinance will also reduce the sources of income to the County itself, resulting in less funding for neighborhood improvements and further contributing to blighted and decayed conditions. The Negative Declaration does not even identify these potential impacts, much less analyze or quantify them.

13. See response 12. The commenter fails to substantiate how the proposed ordinance will impose a loss of income. Further, it is unlikely that any expenses associated with a permitting system would be of such magnitude as to cause a vacation rental owner to discontinue that use or would result in a loss of income to the County. On the contrary, the fees charged for the permits would serve to offset expenses incurred by the County in administering the ordinance.

- **Aesthetics** – The ordinance requires signs to be displayed on all vacation rental homes, including those homes that can be seen from the beach. Citing nothing, the Negative Declaration inaccurately claims that these changes to the physical environment will have no impact on aesthetics. However, as we previously noted, both the County and the Coastal Commission have already recognized valuable scenic resources and views in the areas the County now seeks to regulate. See, e.g., Appeal Staff Report W12a, attached, at page 1 (County acknowledges importance of public views along East Cliff Drive; Coastal Commission identifies the area of Live Oak adjacent to Twin Lakes State Beach as "an important public viewshed.") The LCP requires that visual intrusions into these important viewsheds be minimized, but the ordinance requires signs, which will be visible within public viewsheds on beach vacation rentals. These signs will substantially degrade the existing visual character or quality of the sites where they are required and their surrounding neighborhoods. The signs will also interfere with, and substantially damage, identified scenic vistas and scenic resources: viewers expect to encounter beach housing in their line of sight, but they do not expect to encounter 24" x 10" signs on multiple residences. Extensive signage is usually reserved for commercial areas, not areas with a residential/community character. The Negative Declaration inaccurately claims that no scenic vistas or public views will be affected by the impacts of the ordinance, and it utterly fails to analyze these direct effects. Additionally, as we noted previously, it is not clear whether the County will require the signs to be lit, so it cannot be determined whether they will create a new source of substantial light or glare.

**14. The commenter fails to recognize that the proposed ordinance does not require a vacation rental to have a sign of a particular size. It does set a maximum sign size of 214 square inches, which is typical of vacation rental signs used by property management companies. Under the proposed ordinance, a sign could be of any size up to 214 square inches, the only qualifier being that the sign must be readable. Signs of that size or smaller on 20 percent of the houses in the LODA would not cause any degradation of any scenic views. Additionally, none of the Live Oak area lies in a mapped LCP scenic area. Many of the houses adjacent to Twin Lakes State Beach are partially or totally hidden by landscaping and the size of the viewshed is such that the generally small size of the signs and the small percentage of parcels that would have them would not be significant. The proposed ordinance does not require lighting of signs and such lighting is generally prohibited by the Zoning Ordinance. Again, the County does not have primary CEQA compliance responsibility within the Coastal zone.**

- **Public Services and Utilities** – As staff has previously admitted, they have no idea how many vacation rentals ultimately may be subject to the new ordinance. At the same time, though, the ordinance requires an extensive registration and tracking system for vacation rentals. It also expands the role of the Sheriff's office in enforcing the ordinance. These expanded tasks and duties may require the County to hire new employee(s). The Negative Declaration assumes otherwise, but this assumption contradicts the evidence in the record. Absent any evidence of how much workload will be generated by the new regulatory scheme, the County's conclusion that the ordinance will have no impact on public services is unsupportable.

**15. The proposed ordinance does not require an "extensive" registration and tracking system for vacation rentals. It would require each vacation rental owner to obtain a permit for each vacation rental. The owner's name and contact information would be shared with the Sheriff's Office to enable better tracking of law enforcement responses. That would not expand the role of the Sheriff's Office in enforcement, it would merely make it easier to track calls about disturbances at vacation rentals. The commenter does not explain how "this assumption contradicts the evidence in the record."**

- **Transportation/Traffic** – The ordinance will have significant impacts on traffic. By limiting the amount of vacation rentals available in certain areas, particularly the beach areas, the ordinance will displace vacation renters to other areas, as discussed above. However, vacationers will still want to visit the beach, the harbor, the State Parks, and other local amenities, just as they do now. Since these people will not be able to stay close to these amenities, they will necessarily have to drive to get to them. The ordinance will therefore result in more day trips and more traffic on local, state and federal roadways into the beach areas. The Negative Declaration dismisses this fact as insignificant, but there is no basis to support the Negative Declaration's conclusion. For example, the Negative Declaration claims that there are 265 vacation rentals in the Live Oak area, but it does not cite any source for this figure, and less than two months ago, staff admitted the County does not know how many vacation rentals currently exist. (See, generally, above, Baseline.) The County has not undertaken any studies of vacation rentals in the intervening weeks. Thus, the 265 figure does not appear to be based on any actual facts. Compounding this error, the Negative Declaration then attempts to compare trips generated by vacation rentals to existing trips on certain roadways, but the newest data it relies upon are two years old, and some of the traffic counts are 5 years old. Also, the traffic analysis does not identify any threshold by which to judge the significance of the increased traffic. The Negative Declaration also does not include any discussion of existing levels of service at impacted intersections, particularly during peak vacation rental months (which are, not coincidentally, the peak population periods for Santa Cruz County). Absent this data, it is impossible to determine whether the increased traffic that the Negative Declaration admits will be generated by the ordinance will result in direct, indirect, or cumulative impacts to local traffic. As we previously noted, the increased traffic will impact many streets and highways that are already severely congested (and appear to be operating at level of service F) during summer vacation travel, such as State Highways 17 and 1 and from Bay Area to Santa Cruz County.

**16. See responses 2 and 6. What the County does not know is if there are additional vacation rentals that do not currently pay TOT. Therefore the 265 figure is based on the best available information. The comment that the proposed ordinance will adversely affect traffic on Highway 17 and Highway 1 is speculative and provides no substantial evidence of a fair argument that a significant impact would occur as a result of project approval and implementation.**

- **Transportation/Traffic – Parking** - The ordinance will also result in inadequate parking capacity, particularly at the beach areas during the high-demand summer period. The vacationers who have been displaced to other areas by imposition of the ordinance will have to drive to the beach, as discussed above. The beach areas already have inadequate parking capacity to handle the summer demand; the ordinance will only serve to make the existing problem far worse.

**17. No displacement of vacationers would occur under the proposed ordinance. All existing vacation rentals within the LODA would remain (see response 4). Currently, it is unknown how many cars are associated with vacation rentals and the number is essentially unregulated. The proposed ordinance would limit the number of cars associated with vacation rentals and would therefore not result in inadequate parking capacity.**

- Greenhouse Gases / Air Quality – The Negative Declaration makes no effort to analyze or quantify the greenhouse gas emissions and air quality impacts associated with the predictable increase in traffic that the Negative Declaration admits (*see, e.g.,* pp. 33-34) will occur.

**18. The Negative Declaration does not admit that there will be a predictable increase in traffic. Rather, the Initial Study, on page 33 states that “no additional traffic would be generated beyond that which already exists.”**

- Noise – Although the Negative Declaration acknowledges that the ordinance will cause increased traffic in certain areas, it makes no effort to quantify or analyze the noise impacts associated with the change in traffic patterns.

**19. See response 18.**

- Mandatory Findings of Significance – Cumulative Impacts on Housing Stock, Traffic, Human Impact, Short-Term versus Long-Term Environmental Goals – If there is substantial evidence that a project will result in one of the categories included in the mandatory findings of significance, the lead agency must prepare an EIR. State CEQA Guidelines, 14 C.C.R. § 15065. Even as revised, the vacation rental ordinance still triggers at least two of the four criteria for mandatory findings of significance. First, as indicated above, the ordinance has the potential to have impacts that are cumulatively considerable, particularly in the areas of housing, traffic, land use, recreation, and air quality. Second, the ordinance has environmental effects that will cause substantial adverse effects on human beings by exacerbating the existing regional housing shortage and degrading the quality of life by causing further traffic congestion. Third, Negative Declaration is *per se* defective as it utterly fails to include any analysis related to the project's potential to achieve short-term environmental goals to the disadvantage of long-term environmental goals, as required by Section 15065 of the State CEQA Guidelines.

**20. See responses 11, 12, 16, 17, 18, and 29.**

- Given the substantial evidence of potentially significant environmental impacts, including evidence supporting the mandatory findings of significance, the County cannot adopt the ordinance without preparing and certifying a valid EIR. Where, as here, the record contains ample evidence there that the project has the potential to have a significant effect on the environment, CEQA does not permit the lead agency to rely on a negative declaration.

**21. See response 29.**

- Also, it is unclear whether the County failed to provide the required notice of the proposed adoption of the Negative Declaration to transportation planning agencies and public agencies that have transportation facilities within their jurisdictions that could be affected by the project. As shown above, the ordinance will cause reasonably foreseeable increases in traffic, particularly during peak summer congestion periods when people are most likely to want to visit the beach, and the traffic increases will not be limited to County roads. The traffic increases will affect major local arterials and freeways and highways as vacationers who were unable to find local accommodations seek routes to the beach. Because the ordinance constitutes a project of statewide, regional, or areawide significance, the County was required to provide notice to transportation planning agencies and public agencies that have transportation facilities within their jurisdictions that could be affected by the ordinance. State CEQA Guidelines, 14 C.C.R. § 15072(e).

If the County failed to give the transportation planning agencies notice of the Negative Declaration, this CEQA process has been faulty.

**22. According to the State Clearinghouse, the document was submitted to Caltrans District 5, which provided no comments. As stated in CEQA Section 15072, "A lead agency shall provide a notice of intent to adopt a negative declaration to the public, responsible agencies, trustee agencies, and the County clerk of each county within which the proposed project is located, sufficiently prior to adoption by the lead agency of the negative declaration or mitigated negative declaration to allow the public and agencies the review period provided under Section 15105." The public was notified via the Santa Cruz Sentinel, the Pajaronian, and the Clerk of the Board's office; and although the package was distributed to the State Clearinghouse, there are no responsible and/or trustee agencies for the proposed project. The County has consulted with the Coastal Commission about this ordinance.**

In addition to the CEQA violations outlined above, the proposed ordinance also suffers from other fatal legal defects, including the following:

- The retroactive application of the ordinance is illegal. We are not aware of any authority that would allow the ordinance's retroactive application back to July 2010.

**23. The proposed ordinance would require that for a vacation rental to be considered existing, the owner would have to substantiate the use of the unit as a vacation rental prior to the Board of Supervisors action on June 22, 2010, directing the development of the proposed ordinance. Such a requirement is not illegal and is not uncommon. Local governments through their police power can make an ordinance effective to a time before its adoption. Here, the County's purpose is to recognize pre-existing vacation rentals but not encourage a large number of new vacation rentals intended to not come within the statutory scheme and thereby defeating the purpose of the statutory scheme.**

- The ordinance is so vague and ambiguous regarding penalties that its enforcement is unconstitutional. The ordinance fails to clearly define what conduct violates it, and it fails to identify the progressive steps that will be taken for violations. Some aspects of the ordinance, such as limiting vacation renters to two parking spaces on the public streets, are likely to be entirely unenforceable. The ordinance also suggests that the County will revoke permits without affording homeowners Due Process of law: for example, the ordinance suggests that statements of a violation from a Homeowners' Association (an out of court informal proceeding) would be used as evidence in favor of a permit revocation proceeding. In short, the ordinance fails to contain any safeguards to ensure that the County does not curtail homeowners' lawful use of their properties based on petty neighborhood disputes.

**24. The ordinance clearly states the items to which conformance is required in order to not violate the ordinance. The ordinance mentions Homeowner Association warnings as one example of what could be used as evidence to be weighed to establish a violation of the ordinance. The ordinance references County Code Chapter 19.01, the Enforcement chapter of County Code, which specifies or references other sections of County Code that govern how the County handles violations, including protection of due process including the provision of notice and hearing.**

- The proposed ordinance violates mandatory provisions of the County's own General Plan, as set forth above in the discussion of Goal 4 of the Housing Element.

**25. See responses 10, 11, and 12. The ordinance furthers many provisions of the General Plan, including the Housing Element. The County is required weigh competing elements of the General Plan.**

- The fees proposed under the ordinance are unspecified and may be in violation of Proposition 26. The County has not provided any nexus study to support the imposition of specified fees, and it cannot impose them without evidence of the costs they are intended to defray.

**26. Estimates of the anticipated fees were provided in the staff report to the Planning Commission. The ordinance itself does not include the actual fee amounts, which would be adopted and published in the County's fee schedule consistent with applicable law.**

- The ordinance likely effects a taking of property without compensation in that it requires existing vacation rental owners to apply for a costly permit to continue an existing use, thereby denying those who cannot afford the permit fees all economically viable use of their properties that they are currently capturing.

**27. It is not uncommon or illegal for a local government to enact an ordinance that requires obtaining a permit for a previously unregulated land use. The propose ordinance would not deny owners all economically viable use of their properties as the owners could obtain a permit and continue the vacation rental activity, could cease the vacation rental activity, could rent the property to a resident, use the property for personal use, or sell the property, all of which are economically viable uses.**

It should also be noted, once again, that numerous members and representatives of Good Neighbors have raised other significant issues during these administrative proceedings, and none of these has yet been adequately addressed. Good Neighbors continues to seek the County's responses to all of the questions posed and comments made by the group's members and representatives. The County's process has not facilitated good communications, in that the County released the revised Negative Declaration and revised ordinance on December 17, shortly before it closed its offices. For fully half of the 30-day public review period, the County offices were closed and no staff members were available to speak with members of the public about the proposed project. Given these circumstances, Good Neighbors once again reserves its rights to raise other legal issues regarding the ordinance as the group becomes aware of them.

**28. The commenter implies that members of the public have had insufficient time to comment on the proposed ordinance. Beginning in September of 2010, there have been five public meetings on a proposed ordinance regarding vacation rentals. The County's Housing**

Advisory Commission held three public workshops and, so far, the Planning Commission has held two public hearings. Those hearings have all been well attended by members of the public. Given the date of the last Planning Commission hearing on November 29, 2010, and the hearing to which consideration of the proposed ordinance was continued, February 23, 2011, and the deadlines for preparing material for that meeting, the release of the revised Negative Declaration and revised ordinance was appropriate. Furthermore, additional hearings will be held on this item in front of the Board of Supervisors. Anyone interested in commenting on or having questions about the Negative Declaration or ordinance could have spoken with staff until noon on December 23, 2010, or after 8:00 a.m. on January 3, 2011. During the time of the comment period, staff has not received any communications from any member of the public or a representative of members of the public, except this one comment.

For all the reasons set forth above, the Planning Commission cannot take action on the proposed ordinance (a Local Coastal Program amendment) without violating CEQA and other laws. Again, we reiterate our request that the County prepare an EIR to evaluate the environmental impacts of its proposed ordinance, as required by CEQA.

Thank you for your thoughtful consideration of these comments. We hope you will act promptly to address these concerns so that our clients will not be forced to take further action to protect their legal rights. Should you have any questions or require any additional information, please feel free to contact me at (916) 446-7979.

29. The County is not required to prepare an EIR on the proposed ordinance. Neither was the County required to prepare an Initial Study and Negative Declaration with regard to the application of the ordinance within the Coastal Zone, including the entire LODA. Because the application of the proposed ordinance within the Coastal Zone constitutes an LCP amendment, it must receive certification from the Coastal Commission before it would become effective, and environmental review within the Coastal Zone, including the LODA, is shifted from the County to the Coastal Commission (Pub. Rec. Code Section 21089.9, CEQA Guidelines Section 15265).



JERRY BROWN  
GOVERNOR

STATE OF CALIFORNIA  
GOVERNOR'S OFFICE of PLANNING AND RESEARCH  
STATE CLEARINGHOUSE AND PLANNING UNIT



January 20, 2011

Matthew Johnston  
Santa Cruz County  
701 Ocean Street, 4th floor  
Santa Cruz, CA 95060

Subject: Vacation Rental Ordinance  
SCH#: 2010102055

Dear Matthew Johnston:

The State Clearinghouse submitted the above named Negative Declaration to selected state agencies for review. The review period closed on January 19, 2011, and no state agencies submitted comments by that date. This letter acknowledges that you have complied with the State Clearinghouse review requirements for draft environmental documents, pursuant to the California Environmental Quality Act.

Please call the State Clearinghouse at (916) 445-0613 if you have any questions regarding the environmental review process. If you have a question about the above-named project, please refer to the ten-digit State Clearinghouse number when contacting this office.

Sincerely,

Scott Morgan  
Director, State Clearinghouse

ATTACHMENT



to

EXHIBIT D

**Document Details Report  
State Clearinghouse Data Base**

**SCH#** 2010102055  
**Project Title** Vacation Rental Ordinance  
**Lead Agency** Santa Cruz County

---

**Type** Neg Negative Declaration

**Description** The proposed project would add Section 13.10.694 to the County Code to regulate vacation rentals, which are currently not regulated. The proposed vacation rental ordinance would:  
1) apply countywide; 2) require a permitting/registration process; 3) require payment of Transient Occupancy Tax (TOT); 4) require signage identifying a structure as a vacation rental and a local contact responsible for responding to complaints; 5) require a dispute resolution process; and 6) subject the property owner to the enforcement provisions found in County Code Chapter 19. The proposed Ordinance would apply to all residentially zoned parcels located within the unincorporated portion of Santa Cruz County. In the "Live Oak Designated Area" only, limits on the total number of vacation units in the area and on any block would be established.

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**Lead Agency Contact**

**Name** Matthew Johnston  
**Agency** Santa Cruz County  
**Phone** 831-454-3201  
**email**  
**Address** 701 Ocean Street, 4th floor  
**City** Santa Cruz  
**Fax**  
**State** CA **Zip** 95060

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**Project Location**

**County** Santa Cruz  
**City**  
**Region**  
**Lat / Long**  
**Cross Streets**  
**Parcel No.**  

Township	Range	Section	Base
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**Proximity to:**

**Highways** Hwy 1, 17  
**Airports**  
**Railways**  
**Waterways**  
**Schools**  
**Land Use** The new Vacation Rental Ordinance applies to residential districts only.

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**Project Issues** Landuse

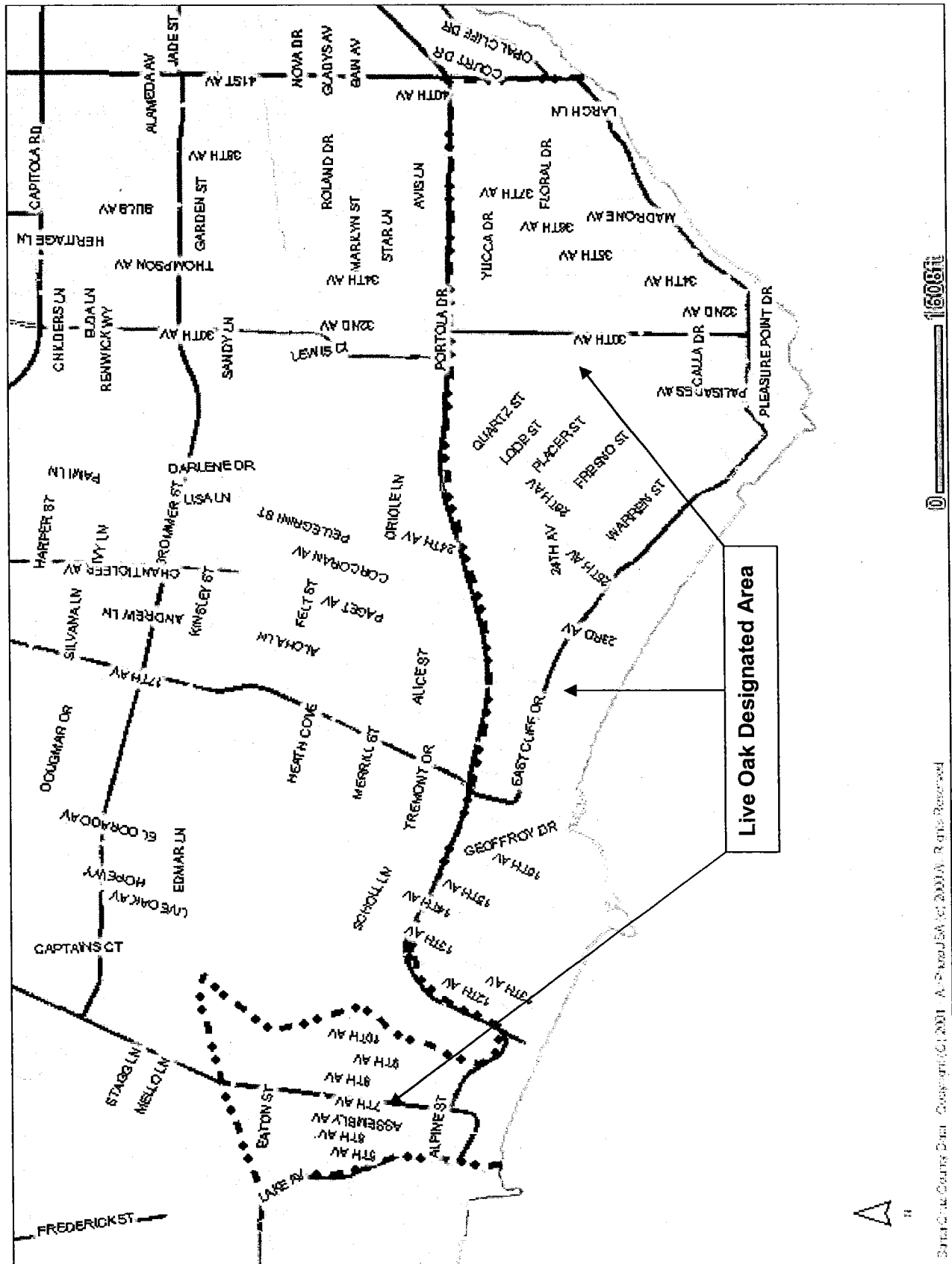
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**Reviewing Agencies** Resources Agency; California Coastal Commission; Department of Fish and Game, Region 3; Office of Historic Preservation; Department of Parks and Recreation; Department of Water Resources; California Highway Patrol; Caltrans, District 5; Department of Housing and Community Development; Regional Water Quality Control Board, Region 3; Native American Heritage Commission

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**Date Received** 12/21/2010 **Start of Review** 12/21/2010 **End of Review** 01/19/2011

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ATTACHMENT 2 - LIVE OAK DESIGNATED AREA MAP

A		B	C	D	E
<b>PLANNING COMMISSION</b> Draft Proposed Vacation Rental Ordinance Summary					
		Existing VRs		New VRs	
		General	Designated area of Live Oak	General	Designated area of Live Oak
1	Permit Requirements				
2	Administrative permit	X	X	X	X
3	Time limit for obtaining permit.	90 days after Coastal Commission certifies ordinance	90 days after Coastal Commission certifies ordinance		
4	Public notice for initial application			X	X
5	Public Hearing for initial application				
6	Renewal timing	Every 5 years	Every 5 years	Every 5 years	Every 5 years
7	Public notice for renewal application	X	X	X	X
8	Public Hearing for renewal application	If Ping Dir determines is necessary or if appealed	If Ping Dir determines is necessary or if appealed	If Ping Dir determines is necessary or if appealed	If Ping Dir determines is necessary or if appealed
9	Location/Concentration regulation				
10	Number of guests allowed	2/bedroom + 2. Children < 12 years not counted. Gatherings may have up to twice that amount.	2/bedroom + 2. Children < 12 years not counted. Gatherings may have up to twice that amount.	2/bedroom + 2. Children < 12 years not counted. Gatherings may have up to twice that amount.	2/bedroom + 2. Children < 12 years not counted. Gatherings may have up to twice that amount.
11	Signs	X	X	X	X
12	Maximum number of vehicles	Not to exceed number of existing on-site parking spaces, plus two additional on-street.	Not to exceed number of existing on-site parking spaces, plus two additional on-street.	Not to exceed number of existing on-site parking spaces, plus two additional on-street.	Not to exceed number of existing on-site parking spaces, plus two additional on-street.
13	Local contact person	Within 30 miles of rental	Within 30 miles of rental	Within 30 miles of rental	Within 30 miles of rental
14	Allowed in single-family dwelling?	X	X	X	X
15	Allowed in duplex?	X	X	X	X
16	Allowed in triplex?	X	X	X	X
17	Allowed in condominium?	X	X	X	X
18	Allowed in townhouse?	X	X	X	X
19	Allowed in apartments?				
20	Dispute resolution	X	X	X	X
21	Violation provisions	X	X	X	X

## Steven Guiney

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**From:** Matt Johnston  
**Sent:** Tuesday, January 04, 2011 1:33 PM  
**To:** Steven Guiney  
**Subject:** FW: Proposed Vacation Rental Ordinance

Received today – not a CEQA comment, but should be included in the staff report...

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**From:** James Vaudagna [mailto:jvaudagna@comcast.net]  
**Sent:** Tuesday, January 04, 2011 12:52 PM  
**To:** Matt Johnston  
**Subject:** Proposed Vacation Rental Ordinance

Dear Matthew:

I am the owner of 276 Beach Drive. I have rented my home in Aptos since the early 1970's without any serious problems. While our area is exempt from the new ordinance I am confident it is only a matter of time before the ordinance is extended to my area. I don't believe this type of regulatory oversight is required. You just need to enforce the law if an occupant is creating problems in a neighborhood. This goes for vacation renters, long term renters, permanent occupants and guests of permanent occupants. There is no need to single out vacation renters. Anyone is capable of creating problems in a neighborhood. I realize this ordinance is going to pass regardless of the overwhelming public input not to do it but I just wanted to be on record opposing the ordinance. I believe the main goal is to ensure everyone is paying the TOT but the last thing we need in this economy are more taxes and regulatory burdens. The county is clearly going in the wrong direction.

Jim Vaudagna  
276 Beach Drive  
408-998-1488

## Steven Guiney

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**From:** Steven Guiney  
**Sent:** Friday, January 07, 2011 1:23 PM  
**To:** 'Brendan Finn'  
**Subject:** RE: Vacation Rental CEQA Initial Study

Brendan,

Our intent is that the example you gave would be permitted under the proposed ordinance.

Steve

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**From:** Brendan Finn [mailto:brendanmfinn@gmail.com]  
**Sent:** Thursday, January 06, 2011 2:42 PM  
**To:** Steven Guiney  
**Subject:** Vacation Rental CEQA Initial Study

Hi Steve,

I note this is now presented for the review and I have a question since I am not able to ascertain the answer from reading the document:

The definition of a Vacation Rental as proposed in the draft Section III is where I direct my question. I refer to what I term a hybrid rental which consists of the same long term tenant during the winter months September to June and a vacation rental scenario as defined in the proposed ordinance during the summer months.

Is this type of example as noted above permitted under this proposed ordinance?

I look forward to receiving clarity on this question.

Regards,

Brendan M. Finn

## Steven Guiney

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**From:** Matt Johnston  
**Sent:** Friday, January 14, 2011 10:21 AM  
**To:** Steven Guiney  
**Subject:** FW: citizen comment on proposed vacation rental ordinance

Don't think I forwarded this one on to you...

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**From:** Betty Sakai [mailto:e.bsakai@ix.netcom.com]  
**Sent:** Tuesday, January 04, 2011 9:01 AM  
**To:** Matt Johnston  
**Subject:** citizen comment on proposed vacation rental ordinance

The U.S. Constitution preserves the right to property which this proposed vacation rental ordinance infringes upon. Two Supervisors and the Planning Department are trying to create mini-businesses, controls and regulations, out of an owner's right to occasionally rent or use their home for whatever length of stay they so choose. The fact is, every type of rental income is defined as business income. And very few problems exist with rentals – all rentals-- that proper enforcement of codes and ordinances would not cure.

The real reasons for the current effort is (A) to create a secure source of income to fund the government, and (B) to redistribute wealth defined as ownership of property. Those in government who own property themselves and have good intentions should read the U.S. Constitution. Those who enjoy reading should read Atlas Shrugged (1957) by Ian Rand who described looters as those who confiscate other's earning by force, including government officials whose demands are backed by the implicit threat of force, and those who are proponents of high taxation, big labor, government ownership, regulation, and redistribution. Constitutionally, citizens who save and risk to own property have every right to live in their home or rent it if and when and for what length of time they alone decide without government interference or controls. Owners and renters are obligated to abide by the fair and universal occupancy, parking, and noise control codes and ordinances that those working in government are obligated to provide for the peace and protection of all citizens equally -- and that is all.

I pray the decision makers vote to preserve individual rights.  
Respectfully submitted,  
Betty Sakai

Cc: [www.co.santa-cruz.ca.us/bds/ctysupvs.htm](http://www.co.santa-cruz.ca.us/bds/ctysupvs.htm)

EXHIBIT G

## Steven Guiney

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**From:** Matt Johnston  
**Sent:** Tuesday, January 18, 2011 8:53 AM  
**To:** Steven Guiney  
**Subject:** FW: Proposed Vacation Rental Ordinance

For the Record...

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**From:** Deb Hoyt [mailto:deb@hoytandhufford.com]  
**Sent:** Monday, January 17, 2011 11:55 AM  
**To:** Matt Johnston  
**Cc:** president@coastalpropertyowners.org  
**Subject:** RE: Proposed Vacation Rental Ordinance

Matthew Johnston, Environmental Coordinator, and/or To Whom It May Concern:

We are strongly OPPOSED to the proposed restrictions to local Vacation Owner's property rights, especially in this current economic climate. We live in Live Oak, in an area that contains many vacation rentals and we also own two beach properties that we have rented out weekly in the past. We have always found the neighboring rental property tenants considerate and cooperative to any requests we made to be quiet after 10 pm, as the current law requires.

Although we are not presently renting our properties on a short term basis, in the past we made sure the neighbors knew how to reach us if our tenants were noisy or disruptive to their quiet enjoyment. Only once or twice in 15 years did our neighbors find it necessary to call us to complain about a noisy party!

We believe this ordinance is going to penalize and impact everyone who has purchased rental property near the beach when in reality, there are likely a small percentage of noise or parking violators. Has there been a statistical survey done as to exactly how many properties in the vacation rental area have actually violated existing laws, or is there merely a "supposition" or "guesstimate" that a problem really exists that cannot be corrected by enforcement of existing laws?

We think that continuing education of all property managers and individual vacation property owners would eliminate violations of current laws, rather than necessitate the creation of a new ordinance, which will require additional costs to operate.

Please submit this letter to the PC or Board of Directors considering the Proposed Ordinance, or feel free to have it read aloud at the next hearing. Unfortunately, we are unable to attend the January 21st hearing on this matter.

Sincerely,

**Deborah Hoyt & Clint Hufford**

Brokers / Realtors/ Coastal Property Owners  
DRE# 00666318 & #01378091

(831) 465-7717 Direct  
(831) 465-9270 Fax  
(831) 566-2090 Cell  
655 Capitola Rd. Suite 201

Santa Cruz, CA 95062  
[deb@hoytandhufford.com](mailto:deb@hoytandhufford.com)  
[www.hoytandhufford.com](http://www.hoytandhufford.com)



**HOYT & HUFFORD**  
real estate

**EXHIBIT G**

## Steven Guiney

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**From:** Matt Johnston  
**Sent:** Wednesday, January 19, 2011 11:29 AM  
**To:** Todd Sexauer; Steven Guiney  
**Subject:** FW: Vacation Rental Ordinance hearing 9:00 a.m. Wednesday, February 23, 2011

Comments on Vacation Rentals

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**From:** Bruce Keith [mailto:brucekeith@aol.com]  
**Sent:** Wednesday, January 19, 2011 11:23 AM  
**To:** Matt Johnston; gfgilli@yahoo.com; castletower@sbcglobal.net; pgthree@cox.net; ckeith@bak.rr.com; Neal Coonerty; John Leopold; Ellen Pirie; Greg Caput; Mark Stone  
**Subject:** Vacation Rental Ordinance hearing 9:00 a.m. Wednesday, February 23, 2011

Dear Sirs:

We understand the necessity of the proposed Vacation Rental Ordinance and have only one concern.

**Properties should be 'Grand-Fathered' in as of the date the Ordinance is approved, not June 22, 2010.**

My wives family has owned the residence at 350 Lake Ave at the Yacht Harbor since World War II, our grand children are the 5th generation to sleep under its snug warm roof.

We have a family guest book documenting over 40 years of happy memories, This residence has always been used by our family as a vacation home, about 10 years ago, when the responsibility for the property passed on to my generation, we started charging \$10 per day to cover tax, insurance and utilities.

In 2009, before we learned that their was going to be a Vacation Rental Ordinance, the family decided to renovate the house for our own enjoyment. To afford this work it was decided we would start renting the house during the summer to cover the mortgage, We hosted our first guest in October 2010 and paid our Transient Occupancy Tax (TOT). We also had a few guests in November & December and paid our TOT.

**With the proposed ordinance, How do we document our house as a Vacation Rental that existed prior to June 22, 2010, when we used it within the family & friends, money changed hands and there has been no official rental agreement ? No one has ever used the house as a principal address.**

Our home looks out to the Harbor, within Live Oak, there are no homes across the street from us on the Harbor side of Lake Ave. Because of the uniqueness of our location on our block 100% of the homes that front Lake Ave are Vacation Rentals, That said with the Proposed Ordinance it appears as we could never use it as a Vacation Rental. **THIS WILL HAVE VERY NEGATIVE IMPACT ON OUR FAMILIES.**

If you have any questions, please feel free to call or e-mail. Thanks.

Bruce Keith

661-322-2061 work  
661-330-2529 cell  
661-321-3312 fax

NOTICE: This message may contain information that is privileged and/or confidential and is intended for the sole use of the intended recipient. If you are not the intended recipient or a person responsible for delivering it thereto, you may not disclose, use, disseminate, distribute, copy or take any action in reliance upon this message or any attachments thereto in any way. If you receive this message in error, please return it by forwarding the message and any attachments to the sender. Bruce Keith, Architect or The Plan Store is not responsible for any errors, omissions, corruption or virus in the the contents of this message or any attachments thereto. This E-Mail is covered by Electronic Communications Privacy Act, 18 U.S.C. ss 2510-2521 and is legally privileged.

**EXHIBIT G**

## Steven Guiney

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**From:** Matt Johnston  
**Sent:** Friday, January 21, 2011 8:40 AM  
**To:** Todd Sexauer; Steven Guiney  
**Subject:** FW: Proposed Vacation Rental Ordinance Comments

More vacation comments...

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**From:** Beth Weber-Guarino [mailto:beth@upsidepartners.com]  
**Sent:** Thursday, January 20, 2011 11:29 PM  
**To:** Matt Johnston  
**Subject:** Proposed Vacation Rental Ordinance Comments

To Matthew Johnston,

Thank you for considering comments to this proposed ordinance. I'm opposed to the complex proposal on the table that has no quantifiable data behind the need for such regulations. And the impact to local businesses and tourism has not been studied.

Our 2nd home in Santa Cruz, owned by 3 families, is also rented as a vacation rental at times. We also invite extended family and friends to enjoy the home. If our home is labeled a vacation rental, I think large gatherings of non paying guests could be harassed if someone walking by feels like there are too many people at the house. I still don't understand why existing the existing noise ordinance isn't enforced if noise is the main issue. I attended the various HAC meetings and listened to the comments for both pro and con. It feels like this is being driven by a NIMBY attitude that reminds me of the civil rights movement when people just didn't want to live next door to blacks. People like to stay in vacation homes- even President Obama.

If any ordinance should be adopted at this point in time, it should be the simplified version proposed by the HAC.

Thank you again for listening.

Beth Weber-Guarino  
408-888-1646

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**From:** Steven Guiney  
**Sent:** Friday, December 03, 2010 9:24 AM  
**To:**  
**Subject:** FW: Vacation Rental Ordinance issue - feedback to 11/29/10 meeting

-----Original Message-----

**From:** Carol Nakamoto [mailto:carol\_nakamoto@hotmail.com]  
**Sent:** Thursday, December 02, 2010 10:48 PM  
**To:** Steven Guiney  
**Cc:** Carol Nakamoto  
**Subject:** Vacation Rental Ordinance issue - feedback to 11/29/10 meeting

Care of Steve Guiney...please provide this to each Commissioner. Thank you.

Planning Commissioners,

I attended the Nov 29 Planning Commission meeting, as well as Nov 10. While I understand the "complexity" of the issue, and your attempt to "satisfy" opposing factions, what I was disturbed to see was the political process in full view, that did not appear to try to fit the solution to the problem. Way too much administration without supporting data. You are all wrestling with a thorny issue and I appreciate the time and effort going into this.

IF there are a very few homes that create a problem for their neighbors, why not start with a simpler solution that doesn't penalize (and overly charge) well-intentioned and well-managed vacation rentals. Where it seems to be heading, with all the rules, notices, and fees, is that it seems very punitive to the majority.

**I recommend going back and reconsidering the phased approach:** start with identifying all the VRs with a ministerial permit (3-5 yr limit), then determine where the VRs are, what the percentage mix is, require some written communication with neighbors about who to call if a problem occurs, gain cooperation from the Sheriff's Dept to record complaints, THEN, after a few years, if there continues to be a problem, revisit the issue with better data and possibly require a more stringent permitting process for problem areas.

I think starting out as detailed and tiered as you seem to be proposing will be a nightmare to administer, wrought with mistakes, and creating a VERY frustrated group of VR owners, most who are just trying to be good citizens, but who will not be shy about voicing their VOTE at the next election. That's not intended as a scare tactic, just reality.

What also shocked me is that we are dealing with only 12% of homes known to be VRs, but one of the commissioners is already proposing 15%-20% as what "feels good" to him, without knowing at all what the real 12% is. What if it's 19.5%, or 14.5%. Would pegging it at 15% be under the actual right out the gate? What a nightmare.

I appreciate the dialogue and opportunity to watch the process in person, but I also am very nervous that some "decisions" are trying to be reached without proper data. A bit scary.

Respectfully submitted,  
A responsible VR owner who has a respected property manager,  
Carol Nakamoto  
916 Dolores Street  
Santa Cruz  
(live in Los Altos)

*Carol Nakamoto*  
*Retired and loving it!*

---

**From:** Cathy Graves  
**Sent:** Tuesday, February 08, 2011 12:11 PM  
**To:**  
**Subject:** FW: Seacliff Improvement Association Vacation Rental Survey

For 2/23 PC agenda materials.

---

**From:** Kathy Previsich  
**Sent:** Tuesday, February 08, 2011 11:52 AM  
**To:** Steven Guiney; Wanda Williams; Paia Levine; Cathy Graves  
**Subject:** Fwd: Seacliff Improvement Association Vacation Rental Survey

Sent from my iPhone

Begin forwarded message:

**From:** Rebecca <[rebecca@transparentseas.com](mailto:rebecca@transparentseas.com)>  
**Date:** February 8, 2011 11:49:42 AM PST  
**To:** Kathy Previsich <[PLN001@co.santa-cruz.ca.us](mailto:PLN001@co.santa-cruz.ca.us)>  
**Cc:** Greg Caput <[BDS041@co.santa-cruz.ca.us](mailto:BDS041@co.santa-cruz.ca.us)>, Ellen Pirie <[BDS020@co.santa-cruz.ca.us](mailto:BDS020@co.santa-cruz.ca.us)>, Mark Stone <[BDS050@co.santa-cruz.ca.us](mailto:BDS050@co.santa-cruz.ca.us)>, John Leopold <[John.Leopold@co.santa-cruz.ca.us](mailto:John.Leopold@co.santa-cruz.ca.us)>, Neal Coonerty <[BDS031@co.santa-cruz.ca.us](mailto:BDS031@co.santa-cruz.ca.us)>, Phil Wowak <[SHF001@co.santa-cruz.ca.us](mailto:SHF001@co.santa-cruz.ca.us)>  
**Subject:** Seacliff Improvement Association Vacation Rental Survey

February 8, 2011

Kathleen Previsich  
Planning Director  
Santa Cruz County  
701 Ocean Street  
Santa Cruz, CA 95060

Dear Director Previsich:

In light of the increased attention surrounding vacation rentals, the Seacliff Improvement Association recently asked our 300+ members how vacation rentals affect our community. Although the association is not taking a position on any potential new county ordinances, we are sharing information from the survey we conducted because we do see a need to further address this issue.

Relevant Survey Highlights:

- Over 30% of our members took the survey and 60% of respondents took extra time to provide comments about their experiences and opinions which shows there is a lot of interest in the issue
- 62% of those who responded live on streets with vacation rentals
- 9% of respondents own vacation homes and do not want more regulation

- 83% of those who took the survey have previously contacted vacation renters regarding noise, parties, parking, trespassing and/or garbage problems

- 61% of respondents have concerns about purchasing a home next to a vacation rental

Residents of Seacliff know that we live in a vacation destination and expect some who rent vacation homes to enjoy themselves beyond the limits of the law. Because some vacation rental problems can be the same as regular rental problems, it is important to educate owners, renters and neighbors about existing laws and regulations to give everyone the tools for promoting a common understanding of managing rental properties.

We hope the county provides an appropriate response to this issue and the association is happy to host a community meeting to assist the county in providing information to the public. We also invite you to provide us with information to include in our newsletter to help our members use the appropriate channels for resolving vacation rental issues.

Sincerely,

Rebecca Downing  
President, Seacliff Improvement Association

Cc: Supervisors Ellen Pirie, Greg Caput, Neal Coonerty, John Leopold, Mark Stone, Sheriff Phil Wowak

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**From:** Steven Guiney  
**Sent:** Monday, February 14, 2011 2:07 PM  
**To:**  
**Subject:** Late correspondence for vacation rentals FW: I oppose the destruction and outlawing of vacation rentals in Santa Cruz

---

**From:** Joan Rodgers [mailto:joanrodgers225@hotmail.com]  
**Sent:** Monday, February 14, 2011 1:41 PM  
**To:** Steven Guiney  
**Cc:** keep-santa-cruz-fun@googlegroups.com  
**Subject:** I oppose the destruction and outlawing of vacation rentals in Santa Cruz

Dear Board of Supervisors,

I am writing to oppose the regulation and destruction of vacation rentals in Santa Cruz.

In today's economic climate, we don't need to go out of our way to deter or offend tourists that want to come to Santa Cruz to spend money. Santa Cruz has always been a tourist destination; there is no reason to try to change this now. Additionally, the Live Oak area for over 100 years has been an area of tourism, beach access, 2nd homes, vacation homes and home rentals.

Where is the documentation of this problem? My understanding from talking with others in my neighborhood, reading the articles in the Sentinel and Good Times and attending several of the public hearings is that one supervisor is trying to push this for the benefit of several of his friends. He has even carved out areas that are exempt from this draconian law to benefit "special" areas - without any justification that explains why some areas are exempt while others are not.

At one of the public hearings, a speaker asked the planning department representative for the details of the complaints against vacation homes. They had no information about complaints. Supervisor Leopold says to trust him, that there are complaints. If so, let's see them. If there were any valid complaints against vacation homes, then the Sheriff's office would have this information and would have shared it with the planning department, and then with us. Since they haven't, we can only conclude there is no specific information pointing the finger at vacation home renters.

Is the Board of Supervisors really trying to tell us that tourists that come to Santa Cruz with their families for a couple of days or a couple of weeks - spending money at a large and diverse number of local businesses - is somehow more troublesome to a neighborhood than a house of UCSC students jammed in at 2-3 per room?

In the words of a Saturday Night Live sketch....."REALLY?"

Really Santa Cruz BOS? A three generation family staying near the beach, with grandma/grandpa, parents and two babies is going to keep the neighbors up like college kids partying as they get back from spring break?

Really Santa Cruz BOS? A couple from Livermore enjoying a romantic weekend in a mountain cottage is more dangerous than college kids drinking at their house and driving back to campus after their party?

Really Santa Cruz BOS? A ladies weekend at a beach house to celebrate life (before one of them dies from cancer) presents more of a safety issue than gang-bangers loitering at midnight and using/selling drugs at the end of 26th?

Really Santa Cruz BOS? A family from out of state visiting the beach for the first times in their lives is going to leave behind more trash than the typical day tourist? Or more trash from the careless local for that matter? (btw, the day tourists typically don't use our grocery stores, restaurants or other shops, unlike the vacation home renters who spend a great deal of money in our local economy).

I could go on but hopefully you get the idea.

This proposal to destroy vacation home rentals in Santa Cruz is a horrible idea and I trust you will vote it down. It will harm the people that own vacation rentals and it will harm the people that live near vacation rentals. Don't believe me? Ask any vacation rental owner who they'll rent to once you take away their right to rent to short-term/vacation renters. They will keep the house empty for their use or they will rent to UCSC students. Empty homes lead to more crime and property destruction. UCSC students mean more noise, cars and garbage.

It will hurt restaurants. Tourists eat out far more often than locals and taking away a large number of potential clients will cause numerous restaurants, especially the small neighborhood restaurants that you support to go out of business.

It will hurt other stores, grocery stores, clothing stores, electronic stores (you've never run out of batteries or needed to replace a camera on a trip?).

As vacation rental owners struggle to pay the bills due to your prohibition on them covering their costs, more houses will go to the bank, which will result in more short sales or foreclosures. This will drive property values down which will further cause trouble for other homeowners in the neighborhood trying to save or sell their houses.

The desire to keep neighborhoods quite and clean is a great goal and we should work towards this. But we also need to remember: the road to hell is paved with good intentions. Vacation rental owners/managers screen their clients and rarely have problems. When there are problems, there are already numerous rules and laws to deal with these problems. We don't need to create another layer that will drive away tourists and hurt our town.

Board of Supervisors – please DO NOT approve this destructive proposal that will destroy an industry that has been providing for Santa Cruz for over 100 years.

Thank you,  
Joan Rodgers  
Santa Cruz

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**From:** Terry Dorsey  
**Sent:** Tuesday, February 15, 2011 7:55 AM  
**To:** 'Tom Jenson'  
**Cc:**  
**Subject:** RE: I oppose Leopold's Law - comments about the HAC meeting

Hi Tom,

The meeting you mentioned as coming up next week is actually a meeting of the Planning Commission as opposed to the Board of Supervisors. The comments you sent to our office previously were added to the Board of Supervisors agenda at that time and then carried forward again by the Clerk of the Board when the Board of Supervisors had this matter on the December 14 agenda to reschedule further action until after the Planning Commission concludes their final recommendation.

If you had previously also shared your comments with Planning staff, I would you expect that they will carry forward in those materials as well. However, you should check with staff to the Planning Commission (Lani Garcia at 454-3132) to make those. Those materials are not in my possession and the full agenda packet for the Commission is not yet available on the web.

Terry

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**From:** Tom Jenson [mailto:tomjenson853@hotmail.com]  
**Sent:** Monday, February 14, 2011 6:37 PM  
**To:** Terry Dorsey  
**Subject:** RE: I oppose Leopold's Law - comments about the HAC meeting

Terry,

Thanks for passing along the comments in my previous email to the Board. With the new meeting coming up next week, will the Board have all of these letters/comments? Or, do I need to resend all the information? As you might suspect, I still oppose this proposal.

Thank you,  
Tom

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**From:** bds005@co.santa-cruz.ca.us  
**To:** tomjenson853@hotmail.com  
**Date:** Tue, 9 Nov 2010 10:10:22 -0800  
**Subject:** RE: I oppose Leopold's Law - comments about the HAC meeting

Thank you. I will provides copies of all of these to the Clerk of the Board for inclusion in the record.

Terry Dorsey

-----Original Message-----

**From:** Tom Jenson [mailto:tomjenson853@hotmail.com]  
**Sent:** Tuesday, November 09, 2010 9:59 AM  
**To:** Terry Dorsey  
**Subject:** FW: I oppose Leopold's Law - comments about the HAC meeting

Terry,

I am forwarding this mail to you (and three others following) to make sure these comments are entered into the public record for the upcoming meetings regarding the vacation rental ordinance. I had sent these letters to the addresses below, but then was told that mailing the Supervisors doesn't necessarily put the comments into the public record. I then tried using the links from the online agendas but that system didn't seem to work.

Apologies if these are duplicates and you already have these letters in the public record.

Thank you,  
Tom

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From: tomjenson853@hotmail.com  
To: pln520@co.santa-cruz.ca.us; pln950@co.santa-cruz.ca.us; john.leopold@co.santa-cruz.ca.us;  
ellen.pirie@co.santa-cruz.ca.us; bds031@co.santa-cruz.ca.us; tony.campos@co.santa-cruz.ca.us;  
mark.stone@co.santa-cruz.ca.us  
Subject: I oppose Leopold's Law - comments about the HAC meeting  
Date: Tue, 2 Nov 2010 20:49:01 -0700

Dear HAC, Planning department and Board of Supervisors members,

I oppose the proposal to regulate/eliminate vacation rentals that Supervisor Leopold has put forward. There are already many laws on the books to deal with the behavior that he alleges (without any evidence) is causing trouble in these neighborhoods. Neighborhoods that have been home to vacation rentals for over 100 years by the way.

I also oppose his rejection of the Housing Committee's decision. After several meetings of the HAC, where they listed to hundreds of people comment about the proposed law, the HAC rejected it almost entirely. What did Supervisor Leopold then do? He ignored the recommendations of the HAC and instructed the Planning department to implement his original plans.

To put it bluntly....this is BS!

You have a Housing Committee for a reason.

Now that I've said my piece, I also want to make sure that many other people do as well. Below is an article from the Santa Cruz Sentinel about the HAC meetings and their decision. Following that article are 63 comments about the action that the HAC took. My estimation is that well over 90% of the comments are against Leopold's Law (which is a similar ratio of speakers at the HAC meetings).

I am writing to enter these comments into the public record.

Thank you for your time and consideration.

Tom Jenson  
Santa Cruz

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**From:** Steven Guiney  
**Sent:** Tuesday, February 15, 2011 10:04 AM  
**To:**  
**Subject:** Correspondence FW: oppose the destruction and outlawing of vacation rentals in Santa Cruz

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**From:** Candy Rogers [mailto:crogers@svinet.com]  
**Sent:** Tuesday, February 15, 2011 9:51 AM  
**To:** Steven Guiney  
**Subject:** oppose the destruction and outlawing of vacation rentals in Santa Cruz

Board of Supervisors  
County of Santa Cruz  
701 Ocean Street  
Santa Cruz, CA 95060

Re: Proposed Live Oak Vacation Rental Ordinance

Dear Ladies and Gentlemen:

We are the owners of the single family residence located at 170 24<sup>th</sup> Avenue, Santa Cruz, California. We are firmly against any unreasonable attempt to restrict our right to use and enjoy our house. The proposed rental ordinance ("Rental Ordinance") discussed and outlined in Mr. John Leopold's letter to you dated June 15, 2010, if adopted, would constitute an unreasonable restriction on our right to use and enjoy our house.

By way of background, our family has owned the house for over 25 years now. Over the years, we have used the house, at various periods of time, as a vacation rental home, as long-term rental and as a primary residence.

We understand and appreciate the role the Board of Supervisors has in ensuring the safety and welfare of the Santa Cruz County. Thanks to your stewardship, Santa Cruz is and continues to be a desirable place to live and visit. Unfortunately, as discussed below, there is no doubt that the adoption of the Rental Ordinance, at least as proposed by Mr. Leopold, will hurt Santa Cruz County.

Probably the most damaging component of the Rental Ordinance to Santa Cruz County is the requirement that all vacation rental homes in the Live Oak area be prohibited from renting to individuals for any period of time less than seven (7) days. This requirement essentially will cost us our house. We freely admit that we would love to only rent our vacation rental home to people for periods of time a week or longer. If we could we would do it. The fact is, however, that there are few people, and, now with the current state of the economy, fewer and fewer people, that (i) have the flexibility in their work schedule and (ii) have the financial means to be able to stay in a vacation rental home for a week or more at a time. Without the flexibility to accept short term renters, we will not be able to cover the expenses associated with our vacation rental home and will be forced to sell. Further, we believe (and Mr. Leopold fails to discuss this in his letter) that the majority of other vacation rental home owners will also not be able to afford their houses.

Mr. Leopold's letter states that the Rental Ordinance will cure undesirable conduct without making the necessary connection that such conduct is associated solely or mostly with vacation home rentals. An owner who occupies a home in the Live Oak area can have a loud party just as easily as a renter of a vacation rental home. People who are visiting the beach for the day impact street parking just as much if not more than vacation home renters. Vacation rental homes are well maintained and well cared for. They have to be in order to attract any business. Unlike with owner occupied houses, you will never find a vacation rental home with waist high weeds growing in the front yard, with paint flaking off the exterior walls or broken or damaged windows and fences. An owner occupied house that exhibits any of the above

mentioned qualities is much more damaging to the "preservation of neighborhood integrity" than the occasional bachelor party at a vacation rental home.

Additionally, Mr. Leopold does not discuss any of the negative consequences to adopting the Rental Ordinance. The elimination of vacation rental homes will create patches and pockets of vacant or hardly used houses scattered throughout the Live Oak area. The Rental Ordinance will cause a decrease in rental income. The decrease in rental income is going to force more and more vacation rental home owners to sell their homes. Surely, some homes will be purchased by people who work and live in Santa Cruz. But, a great number of homes will be bought by people living out of the area as second homes. These second homes will only be visited sporadically on weekends and warm summer days. The rest of the time they will remain dark, vacant and empty.

Vacation rental homes are an existing thriving segment of Santa Cruz County's economy. Vacation rental homes attract the highest quality tourists, who come more often, stay longer, and spend more money in Santa Cruz County restaurants, retail shops, and rental shops than the average overnight or daily visiting tourists. Vacation rental home owners employ gardeners, caretakers, house cleaners, and maintenance and repair technicians. When the vacation rental homes disappear, all of the aforementioned businesses will suffer and many, like the vacation rental homes, will disappear. It is important to note that few of the hotels and motels that are either (i) vaguely discussed in Mr. Leopold's letter or (ii) planned to be built in the Santa Cruz area in the coming years are or will be located near the vacation rental homes currently operating in the Live Oak area. If the Rental Ordinance drives the vacation home renters to these out of area hotels and motels, as Mr. Leopold suggests, there will be fewer and fewer vacationers left to frequent the Live Oak area and its surrounding restaurants, retail shops, and rental shops.

To be clear, we maintain our vacation rental home, we are careful who we rent to, we have a property manager, we pay our share of the Transient Occupancy Tax, we care what our neighbors think and we care about the neighborhood in which our house is located. We too are concerned about noise, parking, and the long and short term integrity the Live Oak area. But Rental Ordinance does not address any of these concerns.

We thank you for taking the time to review this letter and would appreciate the ability to participate in any future discussions regarding the Rental Ordinance.

Regards,

Candace Rogers  
William A. Rogers



# County of Santa Cruz

0593

## BOARD OF SUPERVISORS

701 OCEAN STREET, SUITE 500, SANTA CRUZ, CA 95060-4069  
(831) 454-2200 FAX: (831) 454-3262 TDD: (831) 454-2123

**JOHN LEOPOLD**  
FIRST DISTRICT

**ELLEN PIRIE**  
SECOND DISTRICT

**NEAL COONERTY**  
THIRD DISTRICT

**TONY CAMPOS**  
FOURTH DISTRICT

**MARK W. STONE**  
FIFTH DISTRICT

AGENDA: 6/22/10

June 15, 2010

BOARD OF SUPERVISORS  
County of Santa Cruz  
701 Ocean Street  
Santa Cruz, CA 95060

RE: VACATION RENTALS

Dear Members of the Board:

Home to some of the most beautiful coastline in our county, the coastal neighborhoods in Live Oak are treasured by local residents and tourists alike. With new infrastructure investment over the years, the neighborhoods have become increasingly popular for the purchase of vacation homes. As these homes have proliferated, the summer rentals of the past have evolved into a year-round business.

With advances in technology, vacation homes can now be marketed to larger audiences for varying periods of time. This evolution has caused growing problems for residential neighborhoods in coastal communities. Increased numbers of vacation homes/rentals have stirred discussion about the preservation of neighborhood integrity, decreases in rental housing for local residents, public safety, and increased rents. The more universal complaints about vacation rentals include loud, late-night parties, traffic, and garbage. A comment heard in coastal communities is that vacation rentals are in essence a commercial business in a residential neighborhood.

There is an approval process related to hotels or motels. A hotel or motel must be located in a commercial zone, and almost all hotels and motels are subject to various local taxes. Bed and breakfast operations are subject to permit requirements and limits. Currently, vacation rentals in the unincorporated area have no restrictions or limits. There are no operational permits required, which makes vacation rentals in residential neighborhoods an unregulated, growing industry. Many vacation rentals available for daily, weekend or weekly rentals are direct competitors to the regulated visitor accommodation industry.

**BOARD OF SUPERVISORS**

June 15, 2010

Page 2

Attempts to mediate the competing interests of the opponents and proponents of vacation rentals have not been successful in many communities, including our own. This prompts the need for local government to implement regulations. Our Board has previously recognized the need for regulation in this area as indicated in our recently adopted Housing Element.<sup>1</sup>

Due to the changes described above, I propose that the Board establish a set of regulations to protect the integrity of our neighborhoods, reduce calls to the Sheriff's office for assistance, and level the playing field with other lodging establishments that contribute to our tax base.

**Zoning Regulations**

When vacation rentals are permitted in residential neighborhoods, they commonly include the following components:

- A definition of the classification of the vacation home/transient occupancy use type
- Occupancy limitations
- Time limitations
- Parking requirements and limitations
- Management of impact mitigations, e.g. putting garbage cans out of sight, etc.
- Identification of zoning districts where vacation rentals would be allowed
- Approval process and public notification
- Permit, signage, business licensing, and tax collection considerations
- Availability of an in-town property manager or representative to mitigate neighborhood impact
- Penalties for police calls and other disturbance issues
- Limits on the number of vacation rentals in a specific residential neighborhood

**Scope of Vacation Rental Ordinances in California**

The following communities have been identified as having some ordinance in effect regulating vacation rentals. This list is not exhaustive but is provided to demonstrate the number of communities that have addressed the issue of regulating vacation rentals in residential neighborhoods. Others such as Dana Point and Pismo Beach are now holding hearings on vacation rental regulations.

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<sup>1</sup> Program 4.13: Explore options for regulating the conversion of existing housing units to vacation rentals in order to limit the impact of such conversions on the stock of housing and on the integrity of single family neighborhoods. County of Santa Cruz Housing Element

**BOARD OF SUPERVISORS**

June 15, 2010

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*Cities:* Big Bear Lake, Calistoga, Capitola, Carmel, Coronado, Encinitas, Imperial Beach, Monterey, Napa, Newport Beach, Morro Bay, Palm Springs, Paso Robles, Solana Beach, Sonoma, South Lake Tahoe, and Ventura.

*Counties:* El Dorado, Mendocino, Monterey, Napa, San Luis Obispo, Siskiyou, and Sonoma.

The attached table shows the range of regulatory methods used by communities in California.

**Vacation Rental Ordinances in the Monterey Bay Area**

The following information summarizes the regulations in effect in the Monterey Bay Area.

**Santa Cruz County**

*City of Capitola* - Capitola allows vacation rentals in the village area of the community but requires registration of the units, a business license, and other regulations. The permit for the vacation rental must be renewed on an annual basis. Vacation rentals are not allowed outside the village area.

**Monterey County**

*City of Carmel* - The City of Carmel bans all short-term rentals in residentially zoned areas which are under 30 days in duration.

*City of Monterey* - The City of Monterey has banned all short-term rentals in residentially zoned areas. Short-term rentals in residentially zoned areas as of 1991 were grandfathered for five years or upon resale of the property.

*Monterey County* - Unincorporated area, including Carmel Valley, Pebble Beach, the Big Sur area, and others. These regulations were adopted in 1997. Vacation rentals in the unincorporated areas cannot be for less than seven days, require an administrative permit, require a property manager if the owner does not live within five miles of the rental, prohibit on site advertising, and contain a penalty clause.

**Proposed Features of a Vacation Rental Ordinance for Live Oak Parking District**

The neighborhoods experiencing the largest impact from the growing presence of vacation rentals are along the coastal areas of Live Oak, which have the most immediate access to summer beaches and other attractions. This area corresponds to the Live Oak Summer Parking District, the area between Capitola and Santa Cruz, and is comprised of the largest portion of beach access streets. Many neighborhoods in

## BOARD OF SUPERVISORS

June 15, 2010

Page 4

this area have large concentrations of vacation rentals, with more homes being converted to this usage each year. This proposed area for vacation rental regulation includes at least four motels within easy walking distance to the neighboring beaches.

As proposed, the Live Oak Vacation Rental Ordinance would combine features found in the ordinances of other Monterey Bay communities, with adaptation of these regulations to the Live Oak Parking District. For instance, the proposed ordinance would not ban such uses outright, as is the case in the Cities of Monterey and Carmel. Rather, it would allow the continuation of certain pre-existing vacation rentals but require new regulation in terms of operation for approved existing vacation rentals and put limits on the expansion of new vacation rentals in impacted neighborhoods.

**Proposed Live Oak Vacation Rental Ordinance Components**

These new regulation components are meant to apply to any existing vacation rentals.

*Geographic Boundary:* The Live Oak Vacation Rental Overlay District shall be co-terminus with the boundaries of the Live Oak Beach Parking District (see attached).

*Permit Requirement:* An administrative use permit would be required for operation of a vacation rental, with annual renewals subject to neighborhood notification. An administrative use permit can be revoked or denied based on an analysis of neighborhood complaints that have been filed with the Sheriff's office.

*Length of Stay Limitation:* All vacation rentals in the Live Oak area would be prohibited from renting for less than seven days. (Review of coastal regulations and practices in coastal communities that have recently passed vacation rental ordinances may result in modification of this requirement.) Rentals for a period of over 30 days are exempt from the requirements.

*Usage Limitation:* No vacation rentals can be used for business purposes such as business retreats, sales events, non-owner participant wedding receptions, or other high intensity purposes.

*Occupancy:* All vacation rentals would be prohibited from renting to groups with over two persons per bedroom, up to a maximum of ten persons regardless of additional room availability.

*Signage:* Signage is prohibited, except the permit certificate visible from the exterior.

*Management:* Owners must designate a person located within a 15 mile radius of the rental unit as a local contact person. This contact person shall be available 24 hours a day to respond to tenant and neighborhood questions or concerns and to otherwise be

BOARD OF SUPERVISORS  
June 15, 2010  
Page 5

responsible for assuring that the rental unit complies with the requirements of the administrative permit

*Geographic Concentration:* Vacation rentals will be grandfathered that were in operation in 2007 (the top of the last housing market). All others are subject to a three year phase out after adoption of the new regulations. Evidence of operation includes submittal of Federal or State tax information indicating past use of the residence in 2007 as a vacation rental, including payment of appropriate transient occupancy tax (TOT). The approved grandfathered vacation rentals will be subject to the new regulations in terms of operation, e.g. length of stay, occupancy limits, permit, parking, etc. No new vacation rentals will be permitted in the overlay district.

*Parking:* Applications for vacation rentals must provide evidence of adequate off-street parking for the proposed occupancy of the unit. A maximum of five cars is permitted regardless of additional space availability.

*Penalty Clause:* A specific penalty clause will be applied to vacation rentals relating to calls to the Sheriff's Office concerning noise or other documented complaints about garbage and property maintenance and will outline the grounds for a permit to be revoked or denied.

*Transient Occupancy Tax:* Owners shall document rental receipts and pay the County Transient Occupancy Tax on gross rental receipts.

### Recommendations

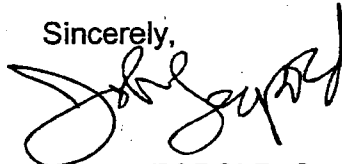
With the increasing number of vacation homes in the Live Oak coastal neighborhoods and our previously expressed desire to enact some kind of regulation, I recommend that the Board take the following actions:

1. Direct the Planning Department, in concert with County Counsel, to draft an ordinance that includes regulation as described above on the following components, at a minimum:
  - Geographic Boundaries
  - Permit Requirements
  - Length of Stay Limitations
  - Usage Limitations
  - Occupancy
  - Signage
  - Management
  - Geographic Concentration
  - Parking
  - Penalty Clause
  - Transient Occupancy Tax

EXHIBIT H

2. Direct the Planning Department to review the proposed ordinance with the Planning Commission and the Housing Advisory Commission.
3. Direct the Planning Department to confer with the local Coastal Commission office to review coastal regulations on vacation rentals that have most recently been certified.
4. Direct the Planning Department to report on existing vacation rental stock as well as existing visitor-serving units otherwise (e.g., hotels, motels, inns, bed and breakfasts, etc.) and land designated for visitor-serving uses to better understand the visitor-serving baseline and context.
5. Direct the Planning Department to return to the Board with a recommended ordinance on or before November 16, 2010.

Sincerely,



JOHN LEOPOLD, Supervisor  
First District

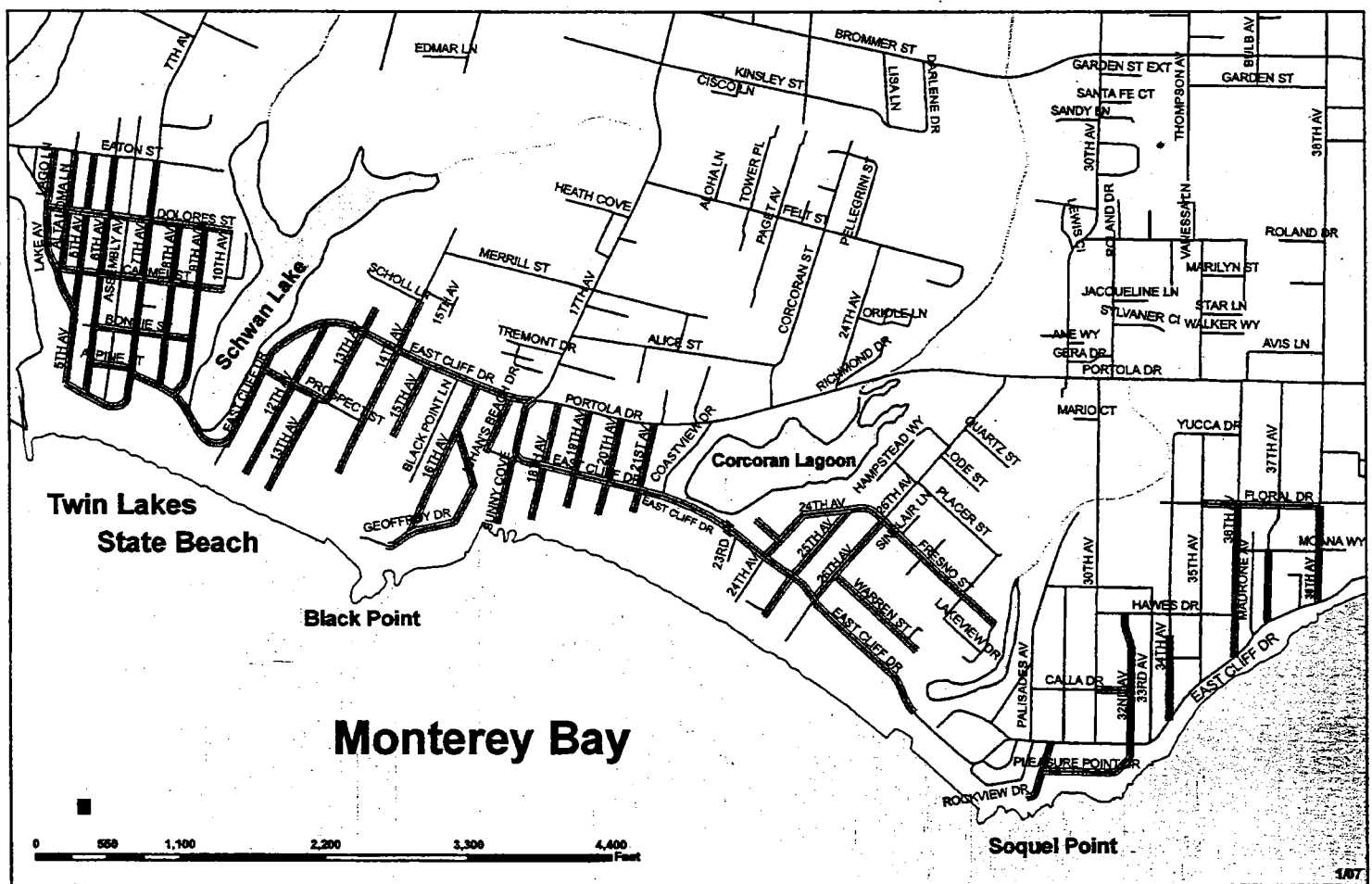
JL:ted  
Attachments

cc: Planning Department  
County Counsel  
Conference and Visitors Council

5054A1

Attachment 9 Live Oak Summer Parking Map

# LIVE OAK PARKING PERMIT STREETS

[www.dpw.co.santa-cruz.ca.us/liveoak.htm](http://www.dpw.co.santa-cruz.ca.us/liveoak.htm)


# Exhibit I

## Material from November 29, 2010, Planning Commission Hearing: Staff Report plus Exhibits A, E, F, and J

All of the staff reports from the previous meetings,  
including exhibits not included here, are available on-line, as follows:

Housing Advisory Commission (HAC) meeting of 09/21/2010

<http://sccounty01.co.santa-cruz.ca.us/planning/plnmeetings/PLNSupMaterial/Housing/agendas/2010/20100921/007.pdf>

HAC meeting of 10/06/2010

<http://sccounty01.co.santa-cruz.ca.us/planning/plnmeetings/PLNSupMaterial/Housing/agendas/2010/20101006/005.pdf>

HAC meeting of 11/03/2010

<http://sccounty01.co.santa-cruz.ca.us/planning/plnmeetings/PLNSupMaterial/Housing/agendas/2010/20101103/006.pdf>

Planning Commission (PC) meeting of 11/10/2010

<http://sccounty01.co.santa-cruz.ca.us/planning/plnmeetings/PLNSupMaterial/PC/agendas/2010/20101110/009.pdf>

PC meeting of 11/29/2010

<http://sccounty01.co.santa-cruz.ca.us/planning/plnmeetings/PLNSupMaterial/PC/agendas/2010/20101129/009.pdf>



# COUNTY OF SANTA CRUZ

## PLANNING DEPARTMENT

701 OCEAN STREET, 4<sup>TH</sup> FLOOR, SANTA CRUZ, CA 95060  
(831) 454-2580 FAX: (831) 454-2131 TDD: (831) 454-2123  
KATHLEEN MOLLOY PREVISICH, PLANNING DIRECTOR

November 22, 2010

**Agenda Date: November 29, 2010**

Planning Commission  
701 Ocean Street  
Santa Cruz CA 95060

**SUBJECT: Vacation Rental Draft Proposed Ordinance**

Dear Commissioners:

### Introduction

On November 10, your Commission heard testimony from the public on the subject of a proposed ordinance to regulate vacation rentals. You continued the item to today's agenda with direction to Planning staff to return with responses to several issues and with a single recommended ordinance that incorporates the discussion and concerns of your Commission.

### Process

In June of this year, the Board of Supervisors directed staff to prepare a draft ordinance regulating vacation rentals (see copy of Supervisor Leopold's letter, Exhibit I). Staff drafted an ordinance and brought it to the Housing Advisory Commission (HAC) for review. Based on the HAC's review, staff drafted another ordinance that the HAC recommended to the Board. On November 10, staff presented your Commission with three alternative versions of a vacation rental ordinance: the one recommended by the HAC; one drafted by staff based on staff's understanding of the Board's direction last June; and a staff-developed alternative to the HAC recommended ordinance giving the County more ability to regulate vacation rentals.

The ordinance before your Commission today, along with a resolution recommending it to the Board, is attached as Exhibit A. Once your Commission acts on a draft ordinance, that version will be forwarded to the Board of Supervisors for their consideration. The version recommended by the HAC will also be forwarded to the Board for their consideration.

### Number of vacation rentals

In order to determine whether or not the number of vacation rentals has increased in the recent past, your Commission directed staff to research the number of vacation rentals that existed in the year 2000. Previous Planning Department research into the number of vacation rentals occurred in 1990 and again in 2002. According to a review of vacation rentals done in June, 1990, there were then a total of 189 vacation rentals, distributed as follows: 46 in Live Oak, 72 in Aptos, 7 in La Selva, 55 in Rio del Mar, and 9 in Seascapes. It appears that only those areas were surveyed. It is unknown how many more vacation rentals there were at the time in other areas. In addition, the source(s) of the data is not fully documented. For these reasons, the total of 189 vacation rentals must be considered a minimum.

A letter to the Board of Supervisors from their March 19, 2002, meeting states "staff identified 448 – 504 vacation rentals in the unincorporated area of the County." Once again, there is a lack of information on data sources and collection methods. Currently, staff has identified about 570 vacation rentals in the unincorporated area of the County. This is also known to be a minimum, as it does not capture vacation rentals that do not pay Transient Occupancy Tax (TOT).

Assuming that the 189 vacation rentals identified in 1990 were the total in the unincorporated area, there has been an increase of about 381 vacation rentals or 200 percent since 1990. Using the 2002 figure, the increase in vacation rentals in the last eight years ranges from 66 to 122, which is an increase between 13 and 27 percent. Whichever time period is being considered, the margin of error in each of these reported totals should be factored into the analysis. An accurate total will not be available until a registration system for vacation rentals is in place.

#### **Issues Considered by the Commission**

After discussing various issues, your Commission directed staff to return with an ordinance that has three tiers (or different combinations) of regulation: Special Consideration Areas, where the regulations include only a ministerial permit plus other straightforward requirements such as signs and a local contact person; the area of the Harbor neighborhood and Live Oak between East Cliff and Portola Drives and the Pacific Ocean, where the most stringent rules would apply; and the remainder of the unincorporated portion of the County, where lesser requirements would apply than in the designated portion of Live Oak and where there would be no limit on the number or percentage of vacation rentals. An analysis of the specific issues follows.

#### **Location and Concentration**

Your Commission discussed the issue of limiting the concentration of vacation rentals, particularly in Live Oak. Your Commission directed staff to explore the concept of a maximum number of vacation rentals overall in the Live Oak area, expressed as a percentage of all residential lots, coupled with a maximum percentage of vacation rentals on any given block. It was suggested that the maximums apply in the above-described portion of Live Oak.

For the purpose of analyzing concentration in Live Oak, staff recommends looking at the geographic area bounded by East Cliff Drive and Portola Drive on the north, 41<sup>st</sup> Avenue on the east, and the Yacht Harbor on the west as one unit. This unit is referred to as the "Designated Area" of Live Oak. The Designated Area is slightly larger than the area of the Live Oak Parking Program, as it "fills" gaps in the interior of the parking program area. Regarding the northern boundary, only four of the known vacation rentals in Live Oak lie north of East Cliff Drive and Portola Drive. Regarding the east boundary, in the Opal Cliffs area, from 41<sup>st</sup> Avenue to the City of Capitola, there are eight known vacation rentals out of about 150 residential parcels (about 5.3 percent vacation rental concentration).

Currently, there are about 266 known vacation rentals in the Designated Area, out of about 2206 residential parcels, which equates to a 12 percent vacation rental concentration overall. The highest concentration of vacation rentals on any one block occurs along 12<sup>th</sup> Avenue from Prospect Street south to the beach, a distance of about 800 feet. In that area there are 39 parcels and 9 known vacation rentals, or 23 percent known vacation rentals<sup>1</sup>.

<sup>1</sup> Along the north side of East Cliff Drive between 20<sup>th</sup> and 21<sup>st</sup> Avenues there is one block that is 80 percent (four parcels out of five) vacation rentals. This high percentage is an anomaly due to a total block length of only 200 feet.

Staff is recommending the maximum percentage for any given block be 25 percent. This is very near the estimated existing 23% as found along 12<sup>th</sup> Avenue. Also, the result is similar to that if a 200-foot separation was used. Based on frontages of 40 or 50 feet, at a 200-foot minimum separation there would be about one vacation rental for every four to five parcels, or 20 to 25 percent. In at least one jurisdiction, San Luis Obispo County, a minimum 200-foot separation was given credence by the Coastal Commission. Also, intuitively, one in four could be below the point where major impact on neighborhood integrity of a given street would be expected, as the neighborhood identity would remain primarily residential.

In the Designated Area as a whole, to allow for the fact that some blocks have existing vacation rentals exceeding 20 percent, and the fact that more vacation rentals may be permitted by grandfathering than we account for in our current statistics, the maximum percentage is recommended to be 20 percent. The specific percentage is a policy decision; there is no one percentage that is correct. The draft ordinance uses a figure of 20 percent to take into consideration what the Coastal Commission has accepted, and that currently it is estimated that from 12-13% of the units in the Designated Area are vacation rentals. The 20% figure would allow for new vacation rentals. However, your Commission may wish to set a different maximum percentage for the Designated Area; a 15% cap could be an alternative.

A second unique grouping is the Special Consideration Areas. As discussed at the November 10<sup>th</sup> Planning Commission meeting, the Special Consideration Areas include Pot Belly Beach Road, Las Olas Drive, that portion of Rio del Mar Flats zoned RM-2.5 and RM-3, Beach Drive, Via Gaviota, Trestle Beach, Place de Mer, Sand Dollar Beach, Canon del Sol, Sunset Beach, and Pajaro Dunes; as depicted in Exhibit E. Special Consideration Areas are unusual in that topography, setting or distance make them separate and distinct from the residential neighborhoods closest to them, and because of this the vacation rentals have less potential to affect neighbors than vacation rentals in locations that are more integrated within their neighborhoods. Homes on Pot Belly Beach Road, Las Olas Drive, and Beach Drive, for example, are below the tall coastal bluffs and topographically separate from surrounding homes. The Pajaro Dunes development is separate because of its relative isolation, long distance from other homes and the fact that it was developed with a single development permit, as were Place de Mer and Sand Dollar Beach, for example. Special Consideration Areas tend to "face" outward and be oriented toward the beach, rather than into or toward a surrounding neighborhood. No maximums are proposed for these areas for the reasons discussed above.

### Permitting

Based on your Commission's direction to have different areas be subject to different levels of regulation, the draft ordinance sets out four scenarios of regulations and permits, as follows:

1. Existing and new vacation rentals in Special Consideration Areas. Each vacation rental in Special Consideration Areas would be required to obtain a ministerial permit. No notice of the application would be required; there would be no public hearing, no requirements or restrictions on parking or number of renters.
2. Existing vacation rentals everywhere in the unincorporated portion of the County (these are the "grandfather" provisions). Each existing vacation rental would be required to obtain a discretionary use permit with mailed notice to neighbors, but no public hearing and no requirements or restrictions on parking or number of renters.

Existing vacation rentals in these areas would have 90 days after the ordinance is certified by the Coastal Commission to apply for a permit. Ninety days is suggested as long enough to provide a fair opportunity for property owners to exercise their grandfathered status and short enough to not overly extend that status or prevent new applications in the Live Oak area from being processed. A program to publicize the 90-day window would be undertaken, as well.

3. New vacation rentals in the Designated Area of Live Oak. Each new vacation rental in the Designated Area of Live Oak would require a discretionary use permit with mailed notice to the neighbors and a public hearing by the Zoning Administrator. The occupancy would be restricted to two renters per bedroom plus two additional renters, with children under 12 not counted. Visitors would be allowed to park up to two vehicles on the street. These applications would be subject to the maximum percentage allowed per block and to the maximum percentage overall in the Designated Area. Because existing vacation rental owners would have up to 90 days to apply for a permit, no new vacation rental permits would be processed for at least 90 days after certification of the ordinance by the Coastal Commission. Until then, staff would not know how many vacation rentals there are on each block.
4. New vacation rentals outside of Special Consideration Areas and the Designated Area of Live Oak. Each new vacation rental outside of Special Consideration Areas and the Designated Area would require a discretionary use permit with notice to neighbors and a public hearing by the Zoning Administrator, would be restricted to two renters per bedroom plus two additional renters (children under 12 not counted), and visitors would be allowed to park up to two vehicles on the street.

Other standard regulations, such as external signs, posting of regulations, and designation of a local contact apply in each of the four scenarios.

All permits would run with the land. This is typically how land use permits are treated and there typically is no required renewal or review of the permit. One drawback is that this could prevent new opportunities for property owners to enter the vacation rental market in the Designated Area of Live Oak where the maximum percentage of vacation rentals is limited. The General Plan – Local Coastal Program and County Code have provisions for non-conforming commercial uses that state that if a use is abandoned for a certain period of time, the legal non-confirming status is lost and the use must meet current standards if it is re-activated. Your Commission may want to establish a similar sort of requirement such that a property issued a vacation rental permit would have to show ongoing use as a vacation rental, perhaps for three out of the previous five years, or risk losing the permit. This would ensure that vacation rental permits that are not being utilized could be made available to other property owners. If your Commission wishes to proceed with such a requirement, you can so advise the Board and staff will develop appropriate language for the Board hearing.

### **Application Process**

The basic application process will vary depending on the location of the property. For existing vacation rentals and new ones in a Special Consideration Area, we anticipate a fee of approximately \$250.00. This represents about two hours of staff time, commensurate with similar services, such as parking certification for replacement mobile homes in mobile home parks.

The cost for new vacation rentals, due to the requirement for a public hearing, would be higher and we anticipate that these applications would be processed "at cost" subject to a

deposit toward a total cost of approximately \$2500.00. Any funds not used would be returned to the applicant and additional staff time would be billed to the applicant. Most discretionary use permits are processed in this manner.

New vacation rentals in the Designated Area of Live Oak would not be processed until 90 days after an ordinance is certified by the Coastal Commission and existing concentrations are established. Outside of the Designated Area, there would not be a waiting period for new vacation rental applications.

### **Law Enforcement Issues**

The Sheriff's Office is charged with enforcing the law, including the County's noise ordinance, in the unincorporated area. Currently, the Sheriff's Office does not specifically track deputies' responses to complaints received from neighbors about vacation rental renters' noise, etc. Staff has supplied the Sheriff's Office with a list of the known vacation rental addresses to match the addresses to records of responses to complaints; the result of that matching is not yet available. Ultimately, as part of a vacation rental regulatory system, we plan to work with the Sheriff's Office and the Tax Collector to establish a useful registration and tracking system to, among other things, enable better enforcement of regulations where there are problem rentals.

According to the Sheriff's Office, when deputies respond to a complaint at a vacation rental, a warning about obeying the law, rather than a citation, is the typical result. Often, the dispatch call is not specific as to identifying that the problem is at a vacation rental and once on scene, the deputy may not be aware that the residence is a vacation rental. Citations can be and are issued when the deputy believes it is appropriate. The citation is written to the renters, not the property owner. The Sheriff's Office can bill for costs of responding if there is a second response in 12 hours. The billed rate is \$76.94 per hour per deputy.

Any regulatory system can be abused by a disgruntled neighbor. For example, someone could call the Sheriff's Office or the Planning Department with multiple complaints that are not valid. Although that activity could be subject to court action, it is difficult and time consuming to enforce. Recognizing that no regulatory system is free from such potential abuse and yet agencies must respond to valid complaints, there must be substantial evidence that a vacation rental is a public or private nuisance as defined in California Civil Code Sections 3479, 3480, and 3481, or substantial evidence that the particular vacation rental is in repeated violation of County Code before a review of the permit for possible revocation would occur.

### **Requested Clarifications**

Your Commission requested clarification of the issue of parcels with greater than one single-family dwelling. Any single family dwelling may be used as a vacation rental, as long as there are no more than three dwellings on one parcel and the dwelling is not a manufactured home in a mobile home park. In addition, to clarify the issue of "hybrid" rentals, there is nothing in the ordinance that would prevent a property owner from renting to a mix of transient, vacation, and longer-term renters. A nine month long term rental may alternate with summer vacation rental.

### **Notice to buyers**

If the proposed concentration limits are approved by your Commission, we plan to follow-up with a zoning district overlay for parcels in the Designated Area of Live Oak. The overlay would serve to provide notice that a property in that area is subject to the maximum percentages of vacation

rentals in the area and on the block and overall and that due diligence is required to determine if the potential new owner is precluded from pursuing a vacation rental permit.

### Environmental Review

Staff has circulated the Initial Study and proposed Negative Declaration for public review, as required under the California Environmental Quality Act (CEQA). The public review and comment period ends on November 28. At your Commission's meeting on November 29<sup>th</sup>, we will report on any comments received on the Initial Study.

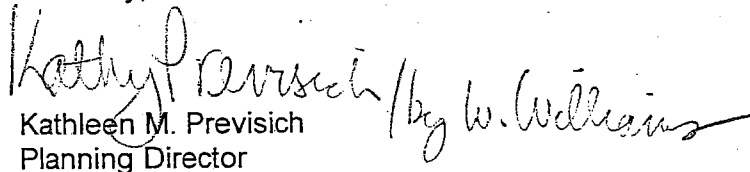
### Conclusion and Recommendation

Vacation rentals are an important part of the economy of the County. Many vacation rental owners depend on the income from the rentals. A percentage of vacation rentals do generate complaints from neighbors about noise, parking, and other issues. In high concentrations, vacation rentals can alter the feeling and fabric of residential streets and neighborhoods. Based on the direction given by your Commission, staff has developed an ordinance that we believe is consistent with and addresses the issues raised by your Commission on November 10, 2010.

Therefore, it is RECOMMENDED that your Commission take the following actions:

1. Re-open the public hearing and take public testimony on this item.
2. Adopt the attached resolution (Exhibit A) recommending that the Board of Supervisors certify the environmental determination and adopt the proposed ordinance (Attachment 1 to Exhibit A) to add Section 13.10.326 to the County Code and to add a definition to Section 13.10.700-V of the County Code.

Sincerely,

  
Kathleen M. Previsich  
Planning Director

- |          |  |
|----------|--|
| Exhibits | A. Resolution with strike-through copy of ordinance                                |
|          | B. Clean copy of ordinance   |
|          | C. California Environmental Quality Act Notice of Determination                    |
|          | D. Live Oak Designated Area map  |
|          | E. Special Consideration Area maps   |
|          | F. Comparison of other jurisdictions vacation rental regulations                   |
|          | G. Housing Advisory Commission agendas, minutes and correspondence                 |
|          | H. Correspondence received after Planning Commission meeting of November 10, 2010. |
|          | I. Letter of Supervisor Leopold, dated June 15, 2010                               |
|          | J. Vacation rentals and residential parcels  |

BEFORE THE PLANNING COMMISSION  
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA

RESOLUTION NO. \_\_\_\_\_

On the motion of Commissioner  
duly seconded by Commissioner  
the following is adopted:

PLANNING COMMISSION RESOLUTION RECOMMENDING ADDITION OF SECTION  
13.10.326 AND AMENDMENT OF EXISTING SECTION 13.10.700-V OF THE SANTA  
CRUZ COUNTY CODE ESTABLISHING REGULATIONS FOR VACATION RENTALS

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WHEREAS, since at least 2004, the County's Housing Element has contained language directing the Planning Department and the Board of Supervisors to explore options and develop policies for regulating vacation rentals; and

WHEREAS, the County's current Housing Element was adopted by the Board of Supervisors on January 12, 2010, and certified by the state Housing and Community Development Department on May 5, 2010; and

WHEREAS, current Housing Element Goal 4 is to preserve and improve existing housing units and expand affordability within the existing housing stock; and

WHEREAS, Program 4.13 of the current Housing Element is one of the programs intended to implement Goal 4; and

WHEREAS, Program 4.13 states that the County is to "Develop Policies for regulating the conversion of existing housing units to vacation rentals in order to limit the impact of such conversions on the stock of housing and on the integrity of single-family neighborhoods"; and

WHEREAS, on June 22, 2010, the Board of Supervisors directed the Planning Department to draft an ordinance for the regulation of vacation rentals; and

WHEREAS, the Planning Commission held duly noticed public hearings on November 10, 2010, and on November 29, 2010, and has considered the proposed amendments, and all testimony and evidence received at the public hearing; and

WHEREAS, the Planning Commission finds that the proposed amendments to the Santa Cruz County Code will be consistent with the policies of the General Plan and Local Coastal Program and other provisions of the County Code; and

WHEREAS, on November 29, 2010, the Environmental Coordinator preliminarily determined that the proposed vacation rental regulations would not have a significant impact on the environment; and

WHEREAS, Chapter 13.10 of the County Code is an implementing ordinance of the Local Coastal Program (LCP) and the proposed new Section 13.10.326 and the proposed amendment to Section 13.10.700-V constitute amendments to the Local Coastal Program; and

WHEREAS, the proposed amendments are consistent with the California Coastal Act.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission recommends the proposed new Section 13.10.326 and the proposed amendment to County Code Section 13.10.700-V, as shown in Attachment 1 to Exhibit A of this resolution, and the CEQA Notice of Determination be approved by the Board of Supervisors and submitted to the California Coastal Commission as part of the next Local Coastal Program Round.

PASSED AND ADOPTED by the Planning Commission of the County of Santa Cruz, State of California, this \_\_\_\_\_ day of \_\_\_\_\_, 2010 by the following vote:

AYES: COMMISSIONERS  
NOES: COMMISSIONERS  
ABSENT: COMMISSIONERS  
ABSTAIN: COMMISSIONERS

\_\_\_\_\_  
Rachel Dann, Chairperson

ATTEST:

\_\_\_\_\_  
Cathy Graves, Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
COUNTY COUNSEL

ORDINANCE ADDING SECTION 13.10.326 AND ADDING A DEFINITION TO SECTION 13.10.700-V OF THE SANTA CRUZ COUNTY CODE RELATING TO THE REGULATION OF VACATION RENTALS

The Board of Supervisors of the County of Santa Cruz ordains as follows:

SECTION I

The Santa Cruz County Code is hereby amended by adding Section 13.10.326 to read as follows:

13.10.326 Vacation Rentals.

(a) The purpose of this section is to establish regulations applicable to structures on residentially zoned parcels that are rented as vacation rentals for periods of less than thirty days at a time. These regulations are in addition to all other provisions of this Title.

(b) For the purposes of this section, the following terms have the following stated meanings.

(1) A new vacation rental is a vacation rental that was not in operation before the adoption of this ordinance by the Board of Supervisors.

(2) An existing vacation rental is a vacation rental that was in operation before the adoption of this ordinance by the Board of Supervisors.

(3) The Live Oak Designated Area means the Yacht Harbor Special Community as described in the General Plan – Local Coastal Program and depicted on the General Plan – Local Coastal Program map and that portion of Live Oak that lies south and east of East Cliff Drive and Portola Drive from the intersection of 9<sup>th</sup> Avenue and East Cliff Drive to the intersection of Portola Drive and 41<sup>st</sup> Avenue, as depicted in Figure DA1.

(4) Special Consideration Areas means Pot Belly Beach Road, Las Olas Drive, that portion of Rio del Mar Flats zoned RM-2.5 and RM-3, Beach Drive, Via Gaviota, Trestle Beach, Place de Mer, Sand Dollar Beach, Canon del Sol, Sunset Beach, and Pajaro Dunes, as depicted in Figures SCA 1 - 11.

(5) Block means the properties abutting both sides of a street and extending from one intersecting street to another or to a bluff, watercourse, or other physical or human made barrier to the continuity of development, or to a municipal boundary.

(c) Permit requirements. A permit and Transient Occupancy Tax registration are required for each residential vacation rental. To be considered a legal use, all vacation rentals existing before the approval of this ordinance by the Board of Supervisors shall apply for a permit within 90 days after the certification of this ordinance by the California Coastal Commission.

(1) Existing and new vacation rentals in Special Consideration Areas. No notice or public hearing shall be required. An application shall be processed by the Planning Director or his or her designee. These permits are not subject to appeal.

A permit shall be issued after the applicant provides the following to the Planning Department:

- (A) Completed application form
  - (B) Non-refundable application fee as established by the Board of Supervisors, but no greater than necessary to defer the cost incurred by the County in administering the provisions of this Chapter
  - (C) Copy of a blank rental/lease agreement, which shall include rules about noise, illegal behavior and disturbances, and trash management (e.g., trash to be stored in covered containers only).
  - (D) Proof of registration to pay County of Santa Cruz Transient Occupancy Tax on the operation of the vacation rental
- (2) Existing vacation rentals not in a Special Consideration Area. A permit shall be obtained and the owner shall demonstrate that a dwelling unit was being used as a vacation rental before the adoption of this ordinance by the Board of Supervisors and was in compliance with all State and County land use and planning laws. Notice of the application and action shall be provided pursuant to County Code Section 18.10.222. No public hearing shall be required and a decision on the application shall be rendered by the Planning Director or his or her designee. Appeals of these permits shall be pursuant to County Code Section 18.10.320.

Applicants shall provide the following to the Planning Department:

- (A) Completed application form
- (B) Non-refundable application fee as established by the Board of Supervisors, but no greater than necessary to defer the cost incurred by the County in administering the provisions of this Chapter
- (C) Copy of a blank rental/lease agreement, which shall include rules about noise, illegal behavior and disturbances, number of renters, and trash management (e.g., trash to be stored in covered containers only).
- (D) Proof that a dwelling unit was being used as a vacation rental before adoption of this ordinance by the Board of Supervisors. Such proof may consist of, among other things, the following items:
  - (i) The owner paid County of Santa Cruz Transient Occupancy Tax on the operation of the vacation rental; or
  - (ii) The owner had transient guests occupy the subject property in exchange for compensation and the applicant furnishes reliable information, including but not limited to, records of occupancy and tax documents, reservation lists, and receipts, showing payment and dates of stay.

- (E) For those who provide adequate documentation, but have not registered and paid Transient Occupancy Tax, proof of retroactive payment of the

Transient Occupancy Tax amount due to the County for the time during which a dwelling unit was being used as a vacation rental, up to a maximum of the three prior years, shall be submitted.

(3) New vacation rentals not in a Special Consideration Area. Action on these applications shall be by the Zoning Administrator at a noticed public hearing. Notice shall be pursuant to County Code Section 18.10.223. Appeals of the decision of the Zoning Administrator shall be pursuant to County Code Section 18.10.330.

(A) In the Live Oak Designated Area, no new vacation rental shall be approved if parcels with existing vacation rentals on the same block total 25 percent or more of the total residential parcels on that block. In addition, no more than 20 percent of all of the parcels in the Live Oak Designated Area may contain vacation rentals.

(B) Applicants for a permit for a new vacation rental not in a Special Consideration Area shall provide the following to the Planning Department:

(i) Completed application form

(ii) Non-refundable application deposit as established by the Board of Supervisors. Applications for a permit for a new vacation rental not in a Special Consideration Area shall be charged on an at-cost basis.

(iii) Plans drawn to scale including the following:

I. Plot plan showing property lines, all existing buildings, and dimensioned parking spaces

II. Floor plan showing all rooms with each room labeled as to room type

(iv) Copy of a blank rental/lease agreement, which shall include rules about noise, illegal behavior and disturbances, number of renters, and trash management (e.g., trash to be stored in covered containers only).

(v) Copy of a County of Santa Cruz Transient Occupancy Registration Certificate for the purpose of the operation of a vacation rental.

(C) Number of people allowed. The maximum number of tenants allowed in a new individual residential vacation rental not in a Special Consideration Area shall not exceed two people per bedroom plus two additional people, except for celebrations and large gatherings not exceeding 12 hours in duration, during which time the total number of people allowed is twice the allowed number of renters. Children under 12 are not counted toward the maximums.

(D) On-site parking required. Parking associated with a new residential vacation rental not in a Special Consideration Area shall be entirely onsite, in the garage, driveway or other on-site parking area, except that up to two additional vehicles associated with the vacation rental may be parked on the street. New vacation rentals not in a Special Consideration Area shall provide the minimum on-site parking required at the time the structure was permitted.

(d) Local contact person. All vacation rentals shall designate a contact person within a 20-mile radius of the particular vacation rental. The contact person shall be available 24 hours a day to respond to tenant and neighborhood questions or concerns. Where a property owner lives within a 20-mile radius of the vacation rental, the property owner may designate himself or herself as the local contact person.

The name, address and telephone number(s) of the local contact person shall be submitted to the Planning Department, the local Sheriff Substation, the main county Sheriff's Office, the local fire agency, and supplied to the property owners within a 300 foot radius. The name, address and telephone number(s) of the local contact person shall be permanently posted in the rental unit in a prominent location(s). Any change in the local contact person's address or telephone number shall be promptly furnished to the agencies and neighboring property owners as specified in this subsection.

(e) Signs. All vacation rentals shall have a sign identifying the structure as a permitted vacation rental and listing a 24-hour local contact responsible for responding to complaints and providing general information, which shall be placed in a front or other window facing a public street or may be affixed to the exterior of the front of the structure facing a public street. If the structure is more than 20 feet back from the street, the sign shall be affixed to a fence or post or other support within 20 feet of the front property line. The sign may be of any shape, but may not exceed 216 square inches. The view of the sign from the public street shall be unobstructed and the sign shall be maintained with legible information.

(f) Posting of rules. Rules about noise, illegal behavior and disturbances, number of renters (where applicable), and trash management (e.g., trash to be stored in covered containers only) shall be listed in the Rental Agreement and shall be posted inside the vacation rental in an open and conspicuous place readily visible to all renters and guests.

(g) Noise. All residential vacation rentals shall comply with the standards of Chapter 8.30 of the County Code (Noise) and a copy of that chapter shall be posted in an open and conspicuous place in the unit and shall be readily visible to all tenants and guests. No vacation rental is to involve on-site use of equipment requiring more than standard household electrical current at 110 or 220 volts or activities that produce noise, dust, odor or vibration detrimental to occupants of adjoining dwellings.

(h) Transient Occupancy Tax. Each residential vacation rental unit shall meet the regulations and standards set forth in Chapter 4.24 of the County Code, including any required payment of transient occupancy tax for each residential vacation rental unit.

(i) Dispute resolution. By accepting a vacation rental permit, all vacation rental owners agree to engage in dispute resolution and act in good faith to resolve disputes with neighbors arising from the use of a dwelling as a vacation rental. Unless an alternative dispute resolution entity is agreed to by all parties involved, dispute resolution shall be conducted through the Conflict Resolution Center of Santa Cruz County.

(j) Violation. It is unlawful for any person to use or allow the use of property in violation of the provisions of this section. The penalties for violation of this section are set forth in Chapter 19.01 of this Title 52 (Enforcement). If more than two documented,

significant violations occur within any 12-month period a permit may be reviewed for possible amendment or revocation. Documented, significant violations include, but are not limited to: copies of citations, written warnings, or other documentation filed by law enforcement; or copies of Homeowner Association warnings, reprimands, or other Association actions.

(l) It is unlawful to make a false report to the Sheriff's Office regarding activities associated with vacation rentals.

## SECTION II

Section 13.10.700-V of the Santa Cruz County Code is hereby amended by adding a definition for "Vacation rental" following the definition of "VA" to read as follows:

Vacation Rental. A single-family dwelling unit, duplex, or triplex (including condominium and townhouse units, but not including apartments or manufactured homes in a mobile home park), rented for the purpose of overnight lodging for a period of not more than thirty (30) days other than (a) ongoing month-to-month tenancy granted to the same renter for the same unit, (b) one less-than-thirty day period per year, or (c) a house exchange for which there is no rental payment. Habitable accessory structures, non-habitable accessory structures, second units constructed under the provisions of County Code Section 13.10.681, and legally restricted affordable housing units shall not be used as vacation rentals.

## SECTION III

This ordinance shall take effect on the 31<sup>st</sup> day after the date of Final Passage, or upon certification by the California Coastal Commission, whichever date is later.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz this \_\_\_\_\_ day of \_\_\_\_\_, 2010, by the following vote:

AYES: SUPERVISORS  
NOES: SUPERVISORS  
ABSENT: SUPERVISORS  
ABSTAIN: SUPERVISORS

\_\_\_\_\_  
CHAIRPERSON, BOARD OF SUPERVISORS

ATTEST: \_\_\_\_\_  
Clerk of the Board

APPROVED AS TO FORM:

\_\_\_\_\_  
County Counsel

Copies to: Planning  
County Counsel  
Coastal Commission

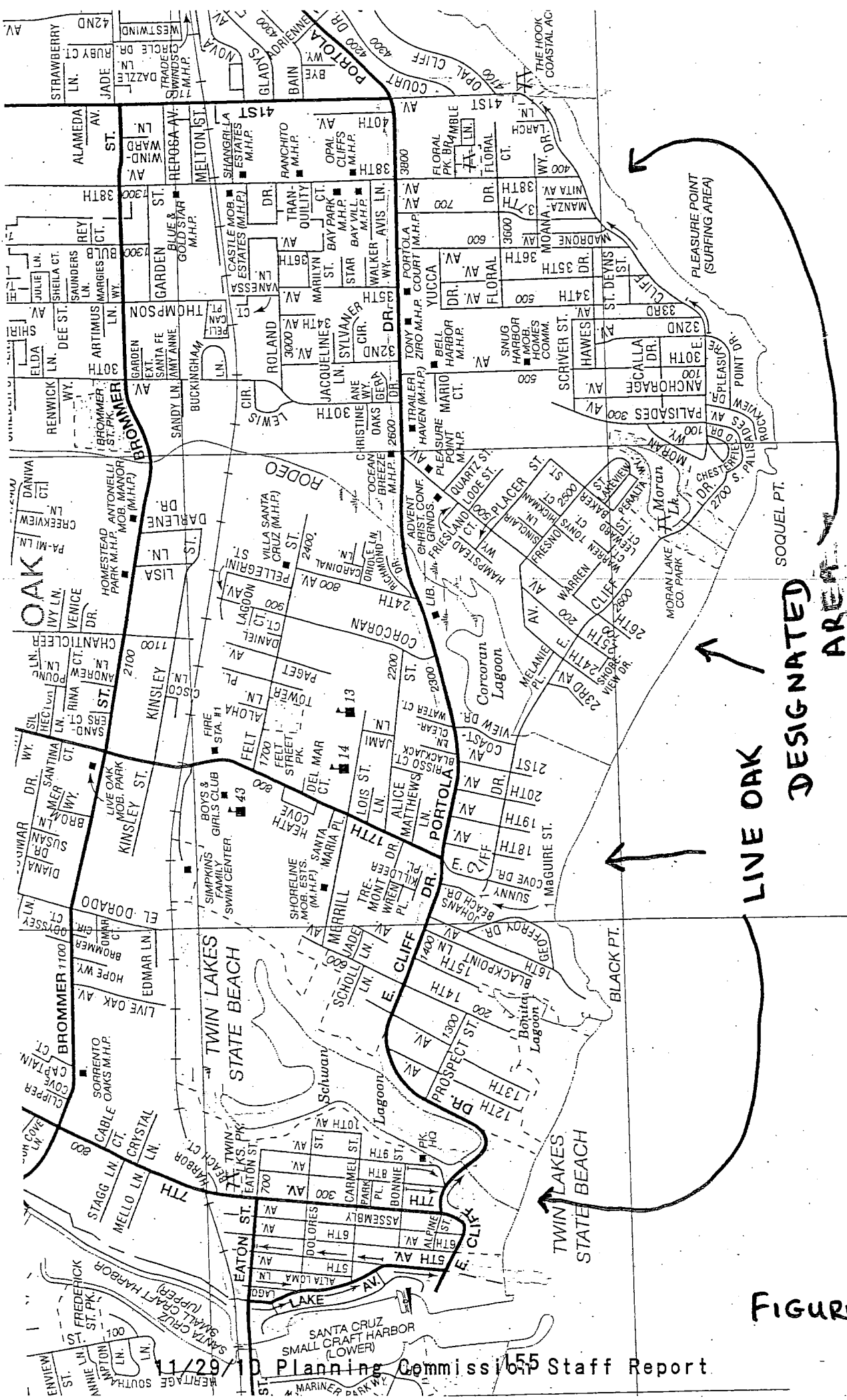
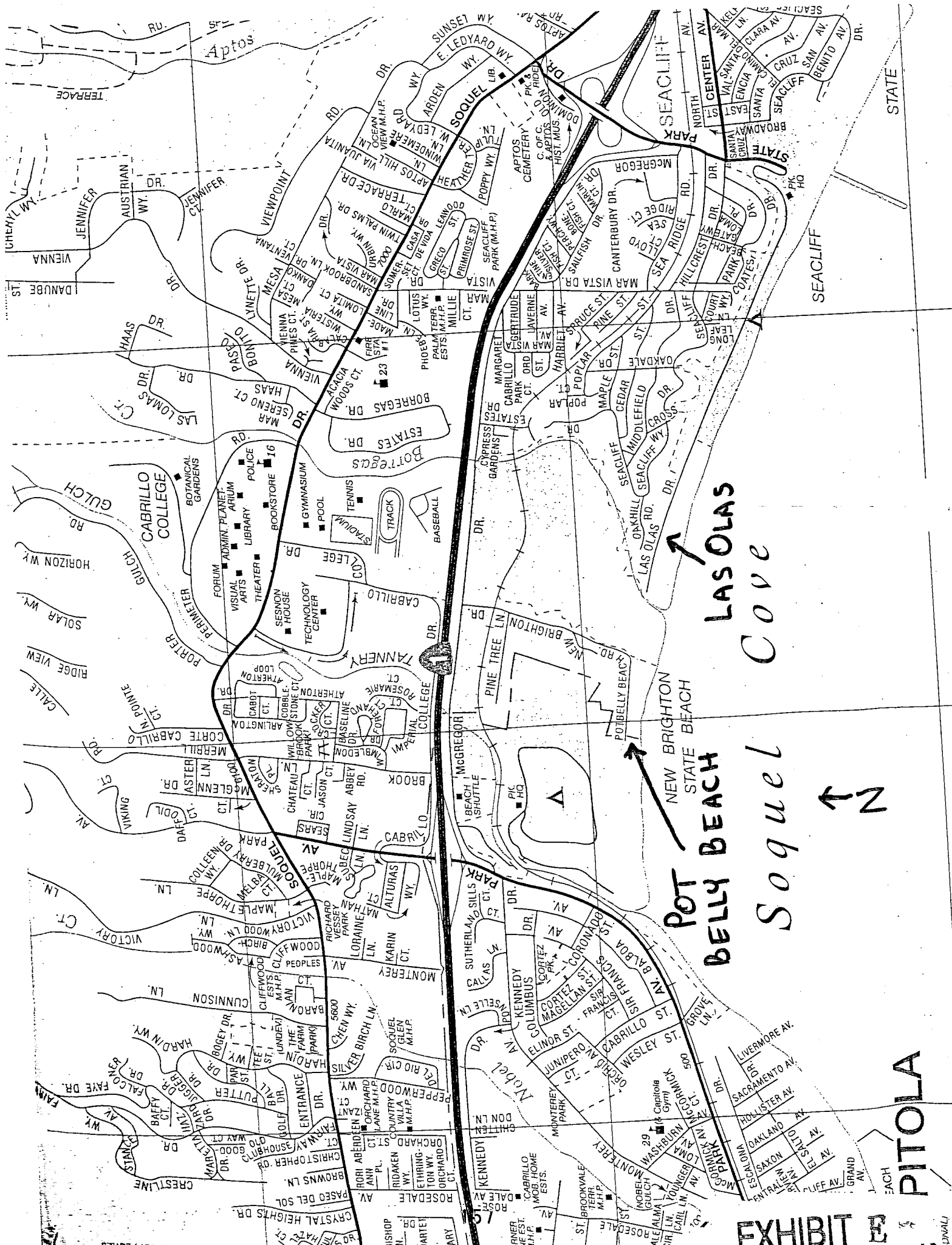


FIGURE DA1

# **Exhibit E**

## **Special Consideration Area maps**



LAS OLAS  
Cove

POT  
BELLY BEACH

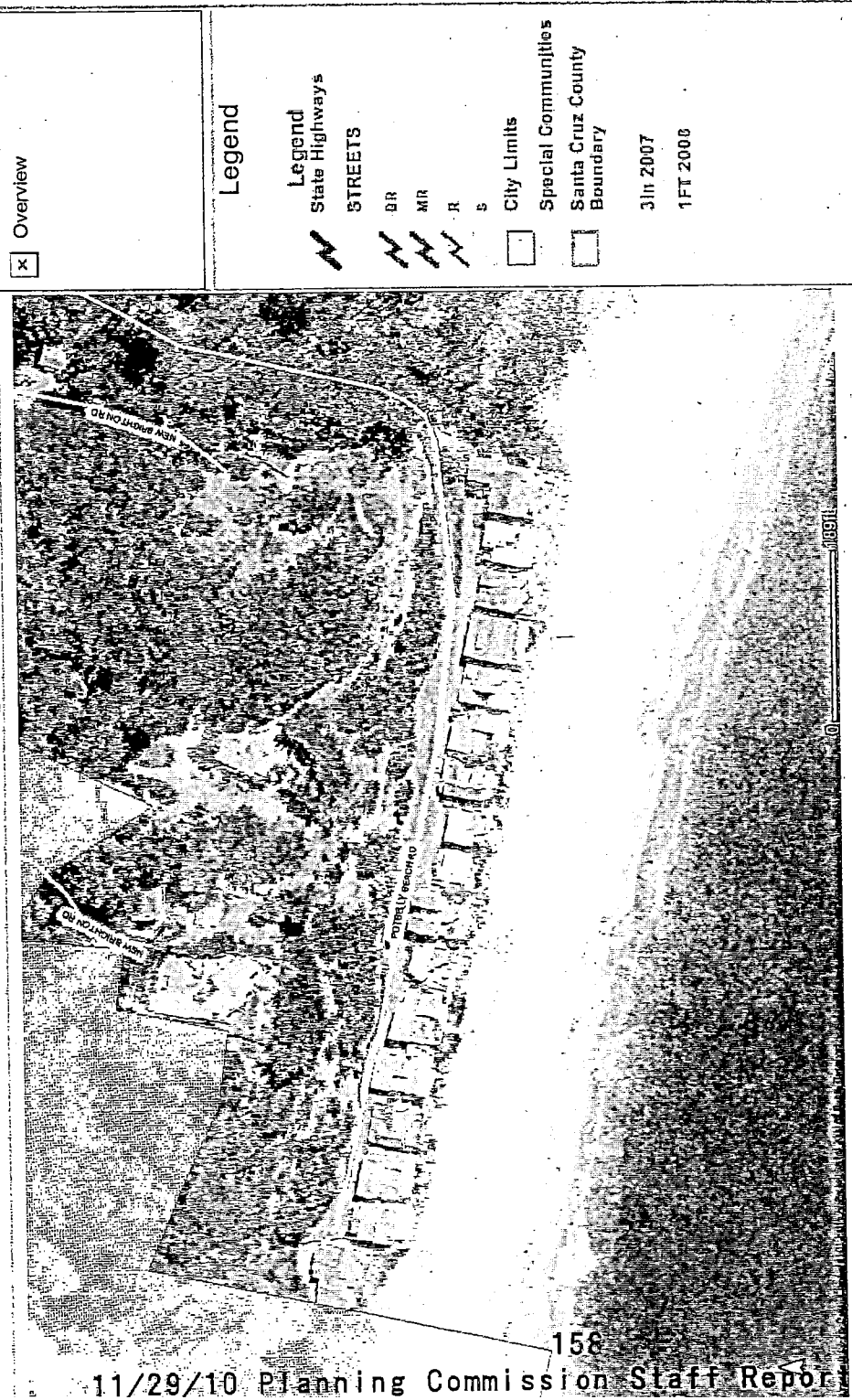
Soquel



EXHIBIT E

PITOLA

# Pot Belly Beach



# Las Olas



EXHIBIT E

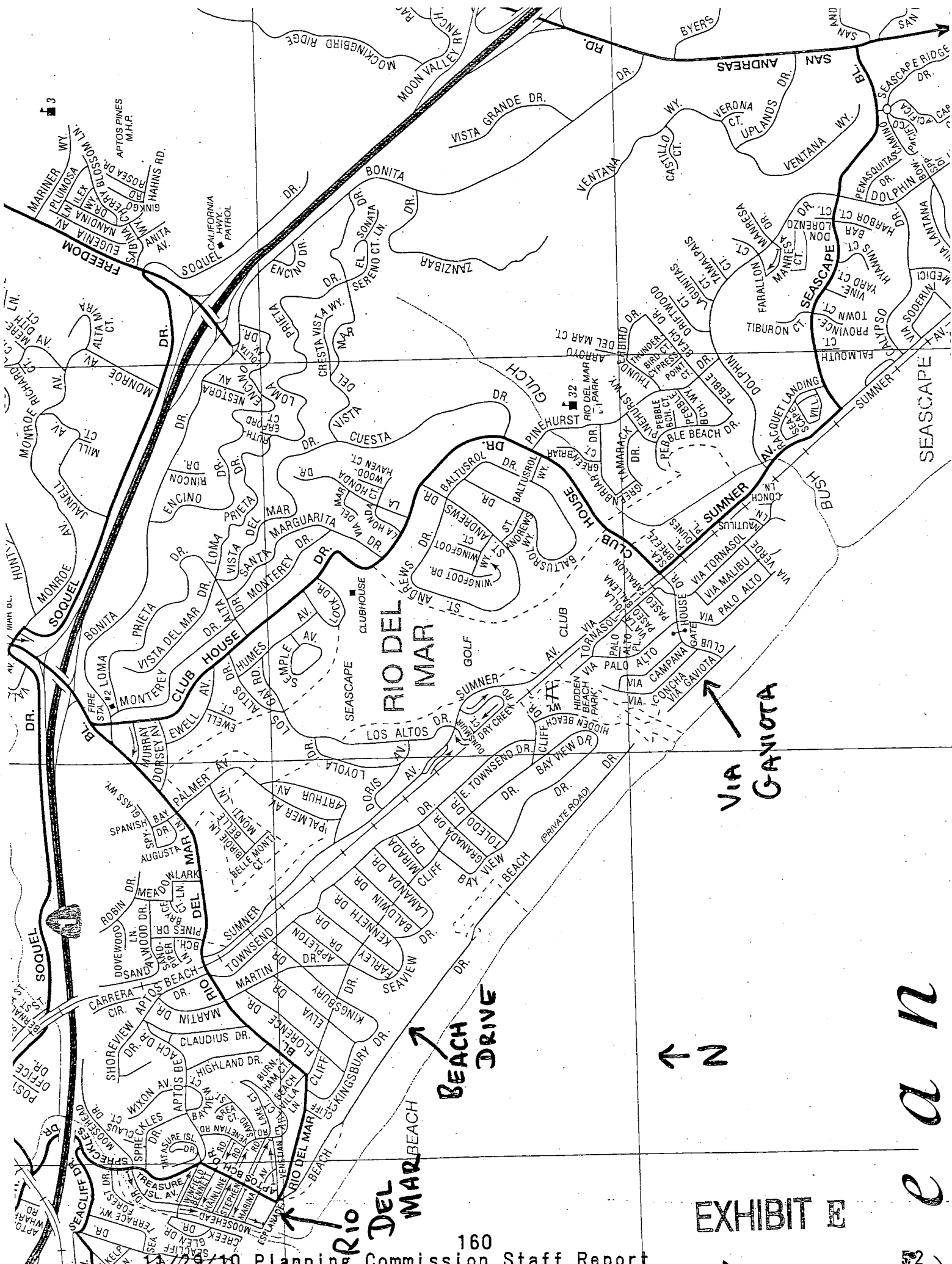
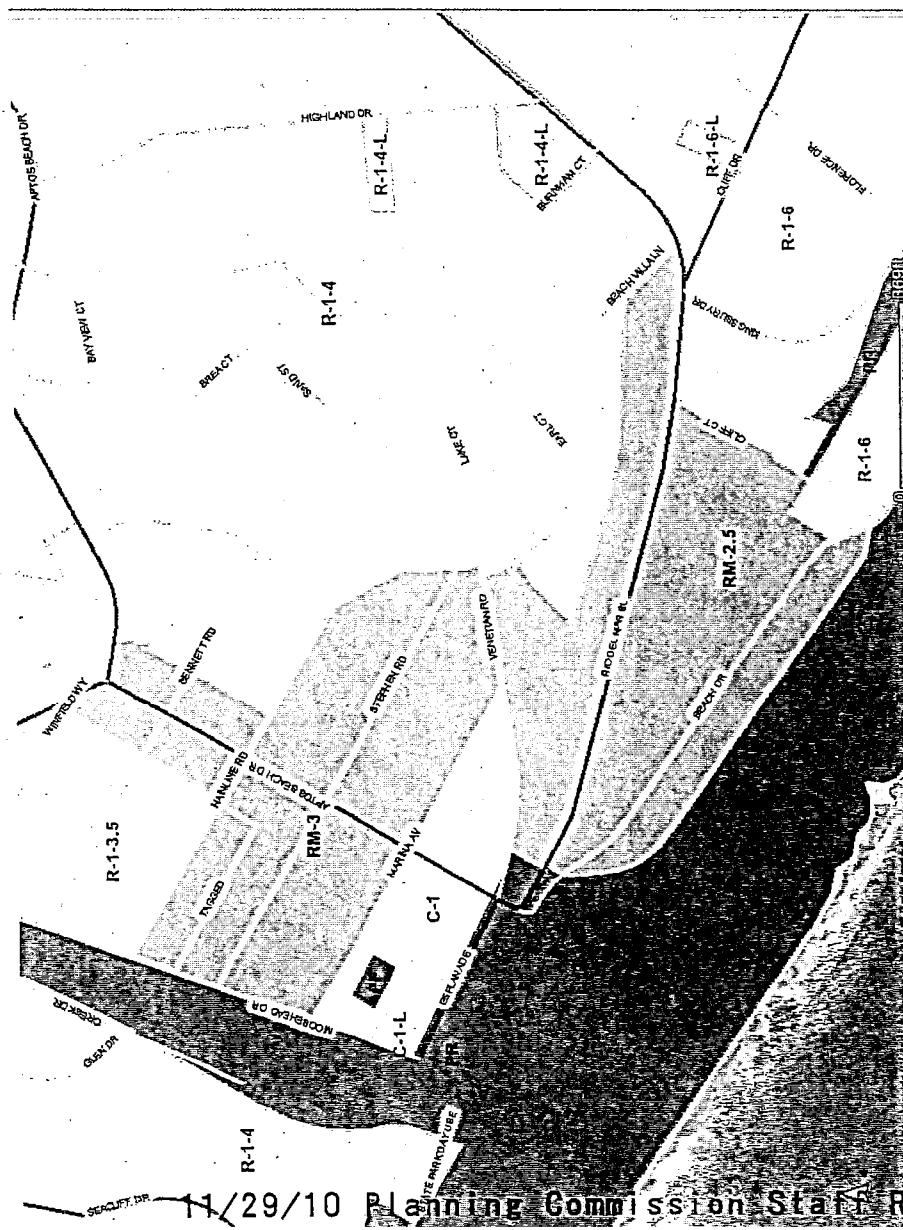


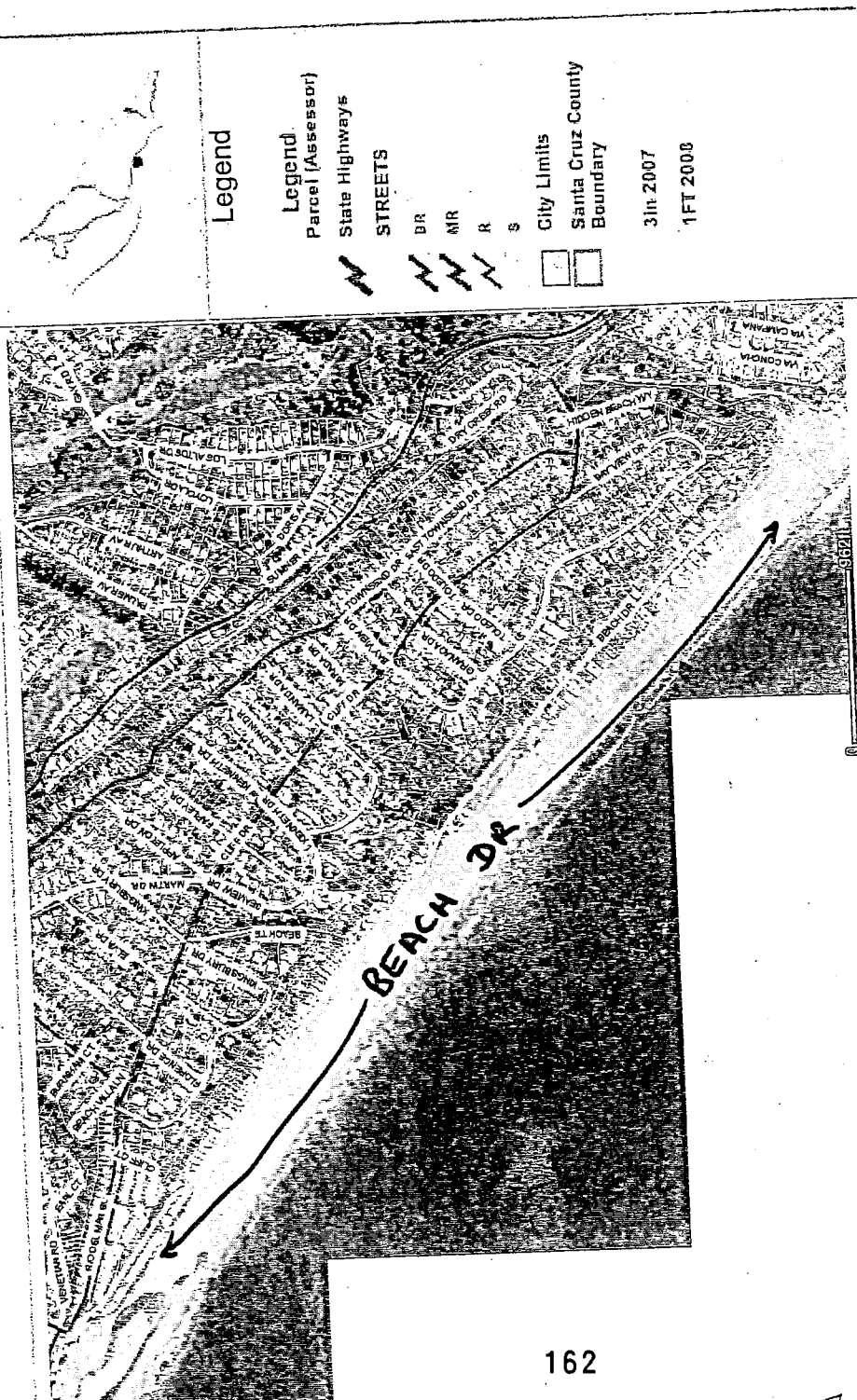
EXHIBIT E



RIO DEL MAR FLATS  
RM-2.5 + RM-3 ZONING

Output

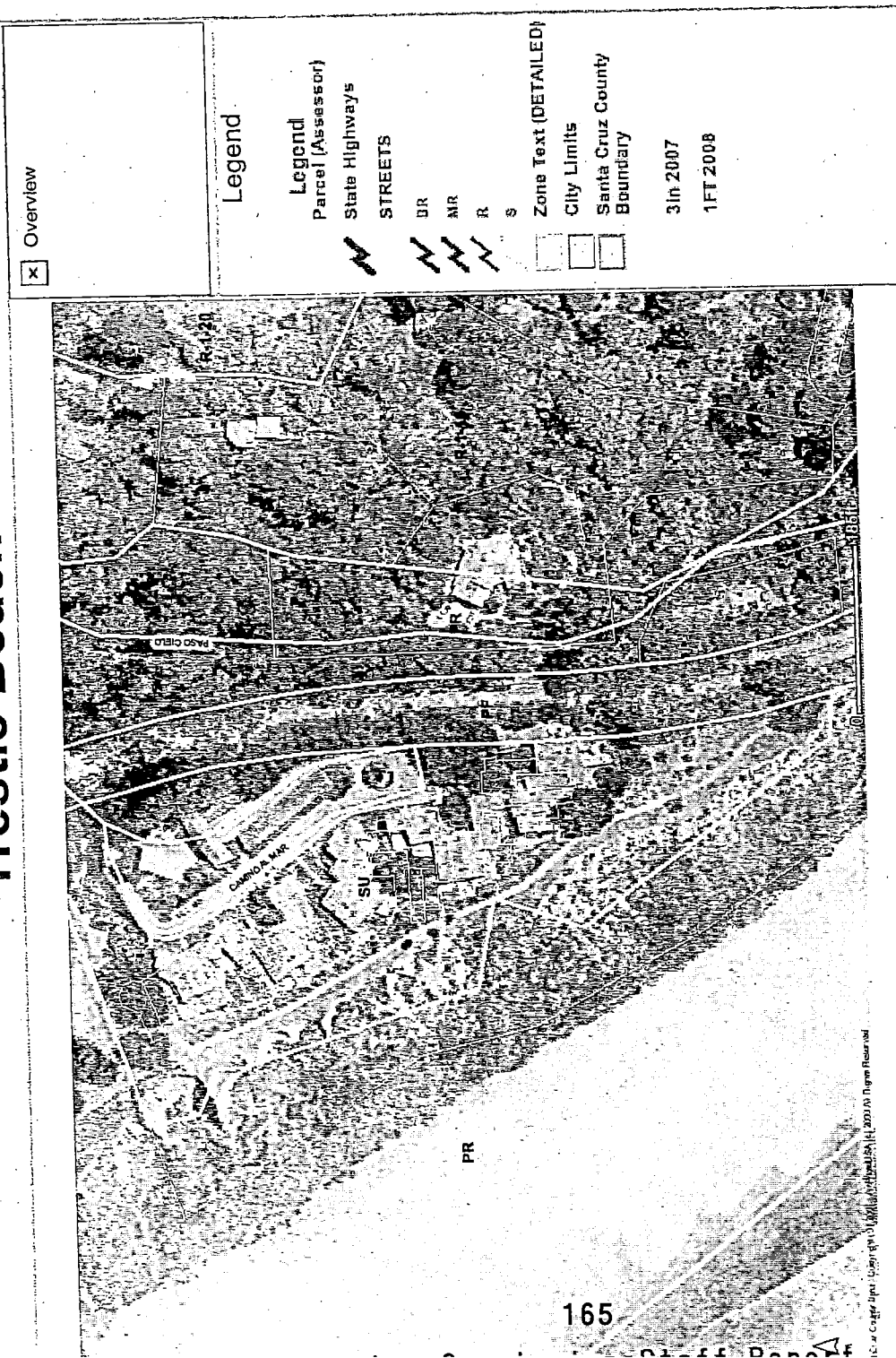
# Beach Drive



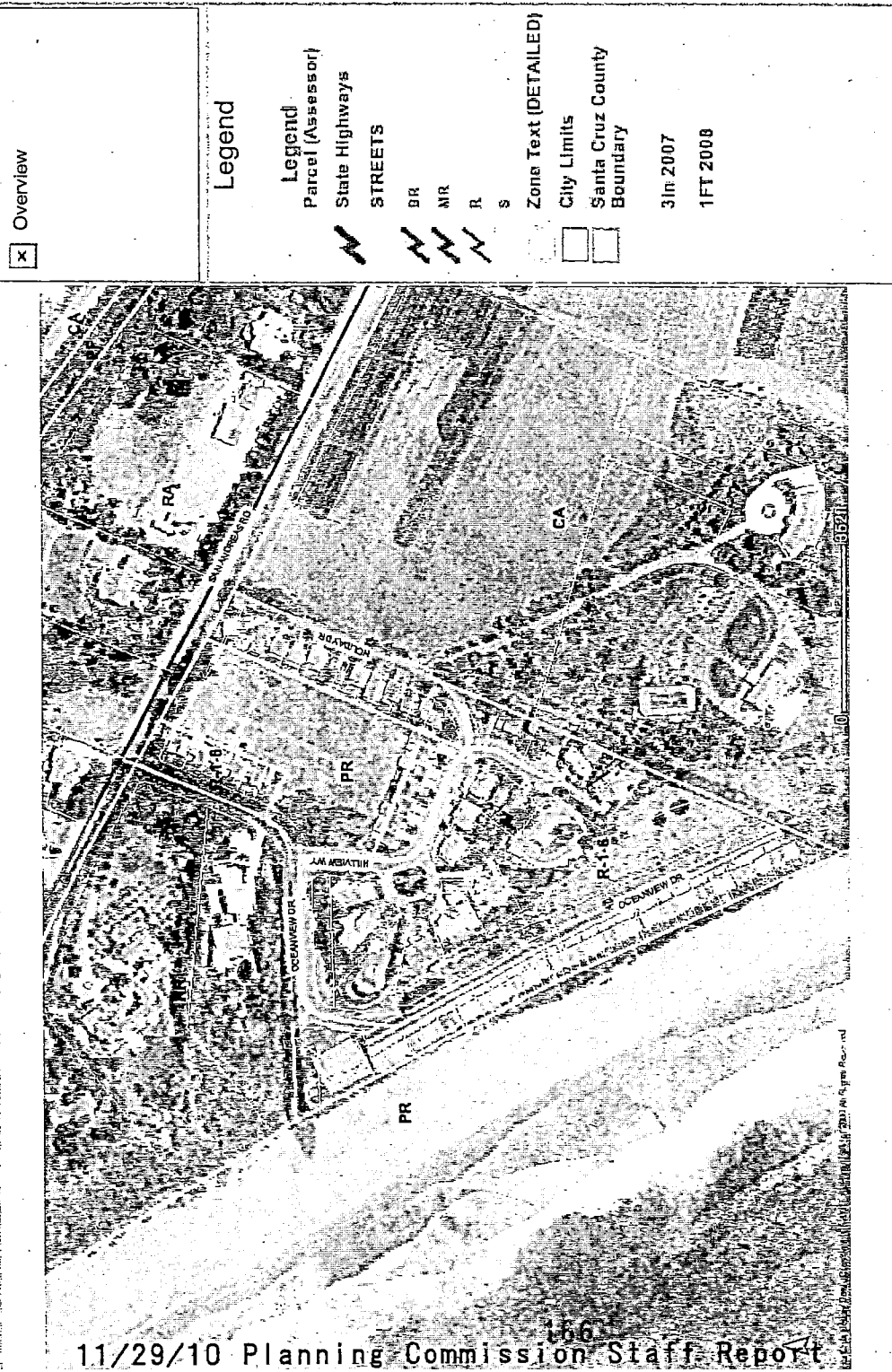




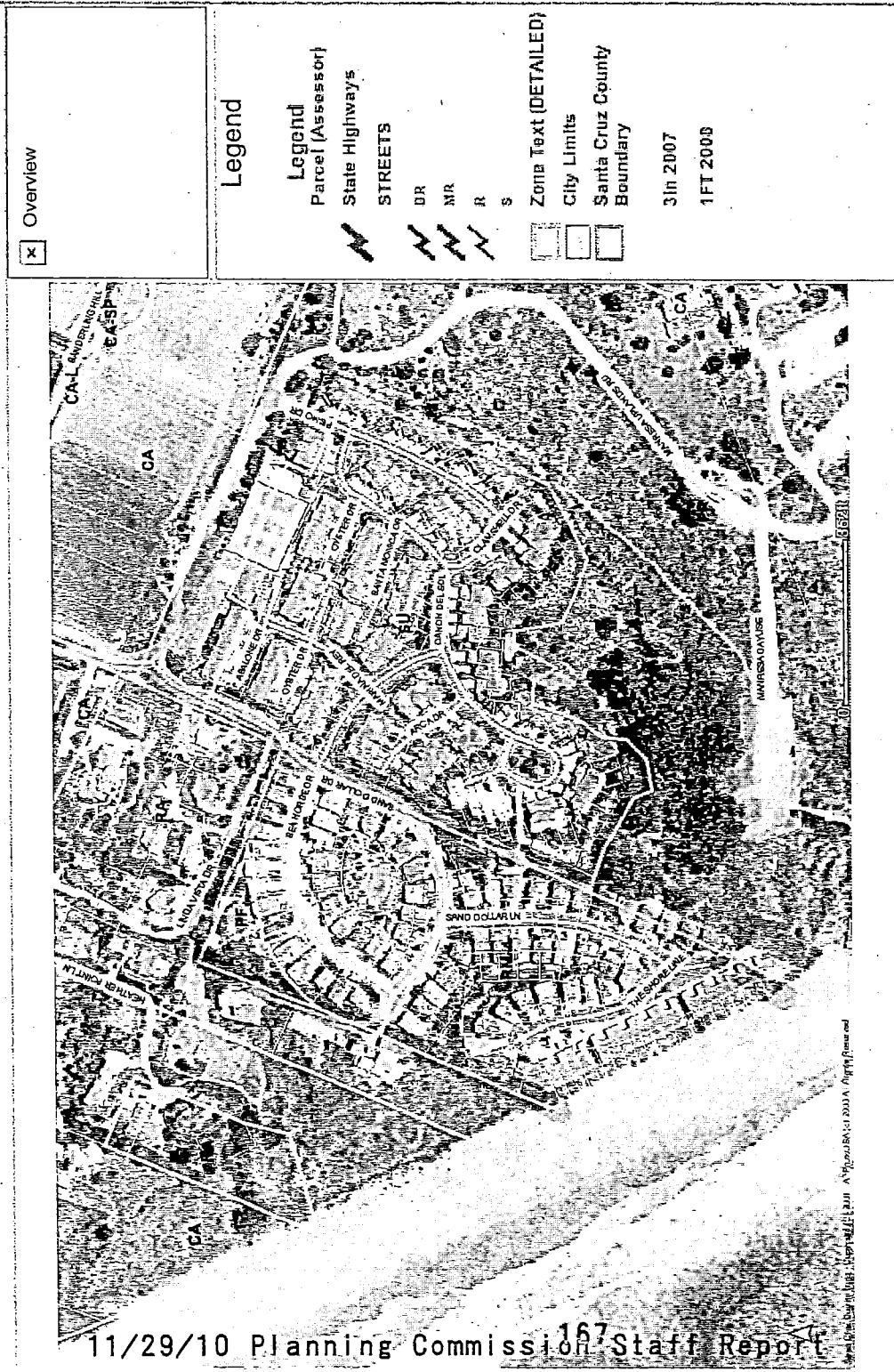
# Trestle Beach

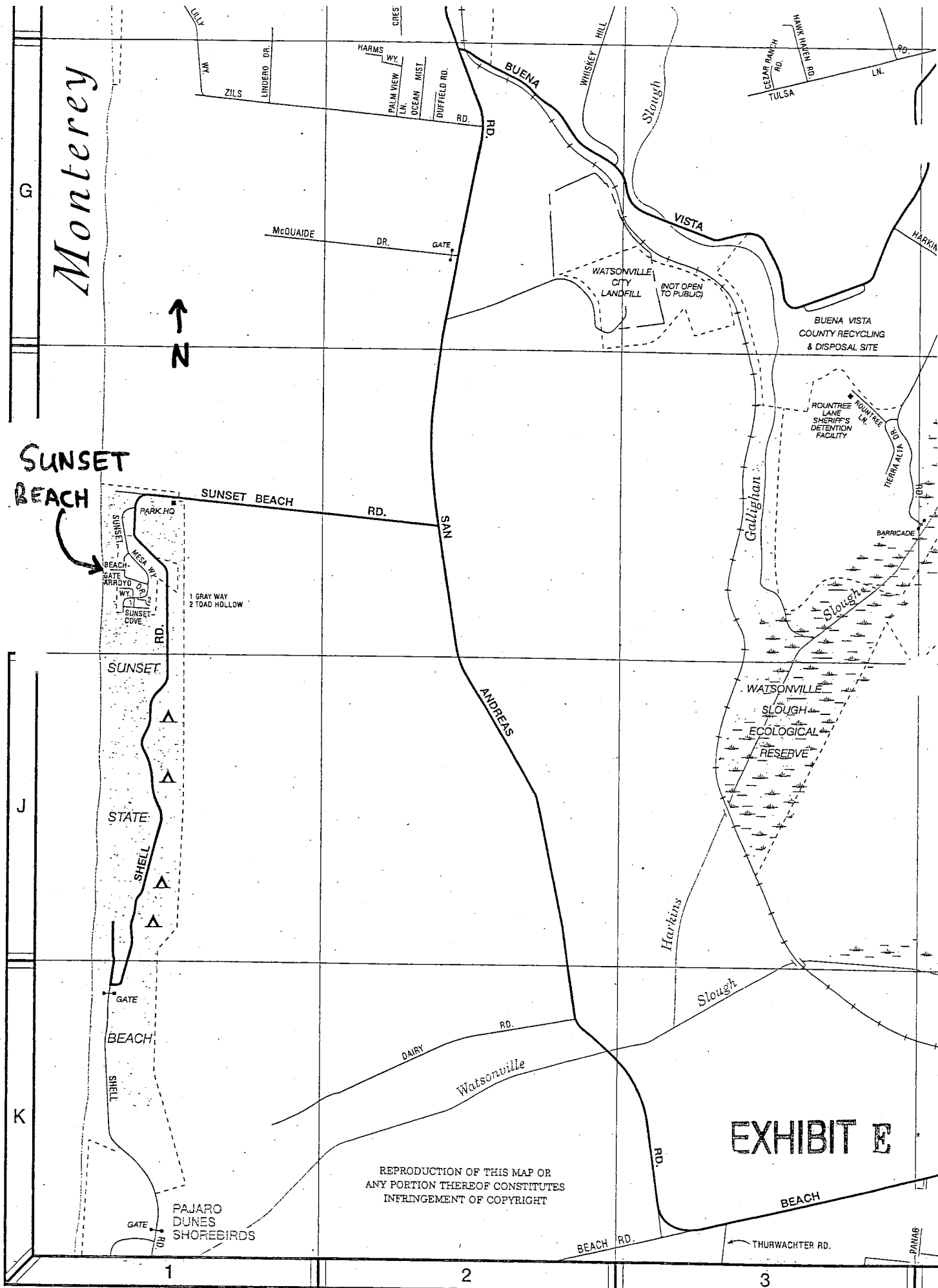


# Place de Mer



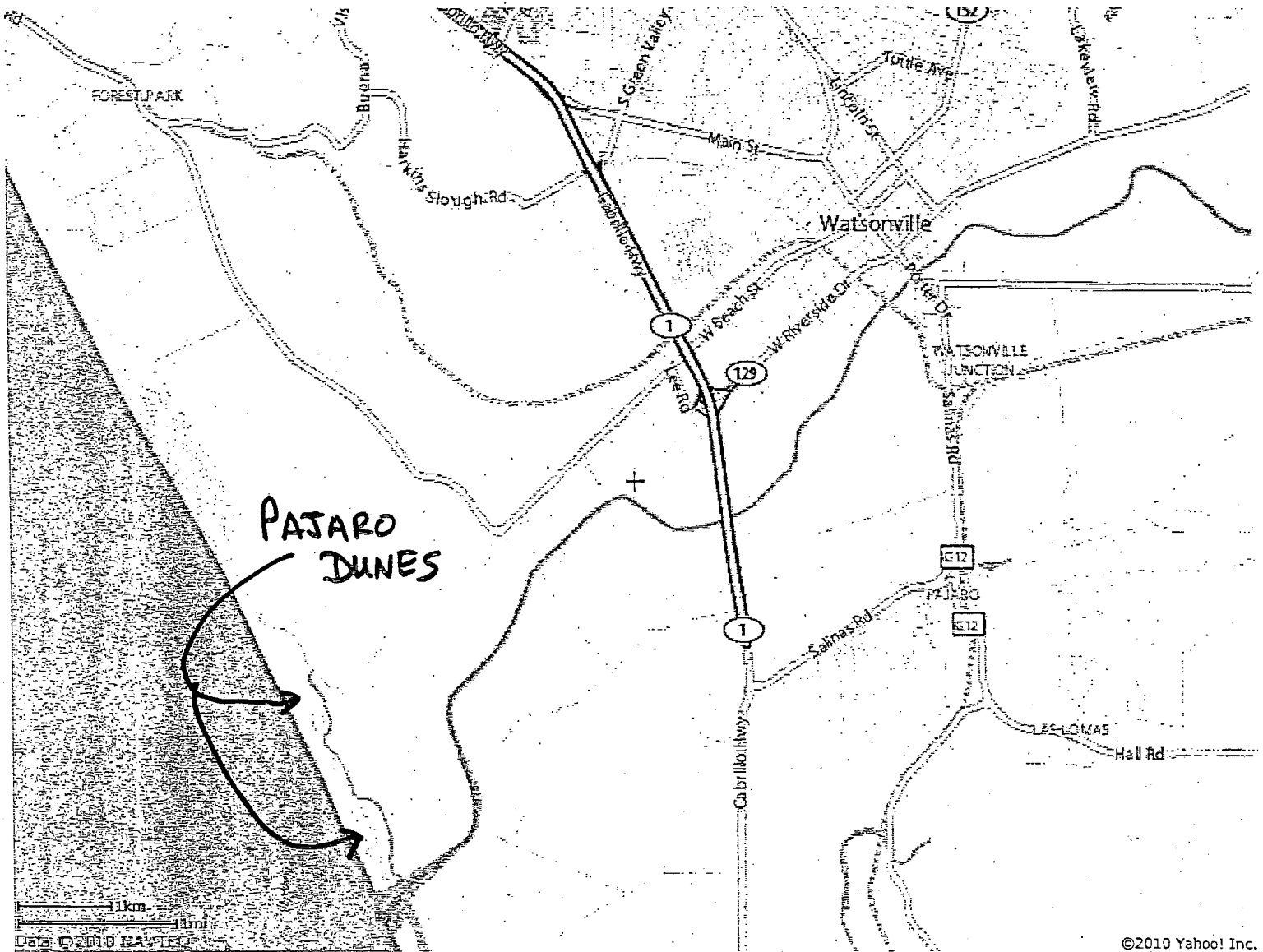
# Sand Dollar Beach & Canon del Sol



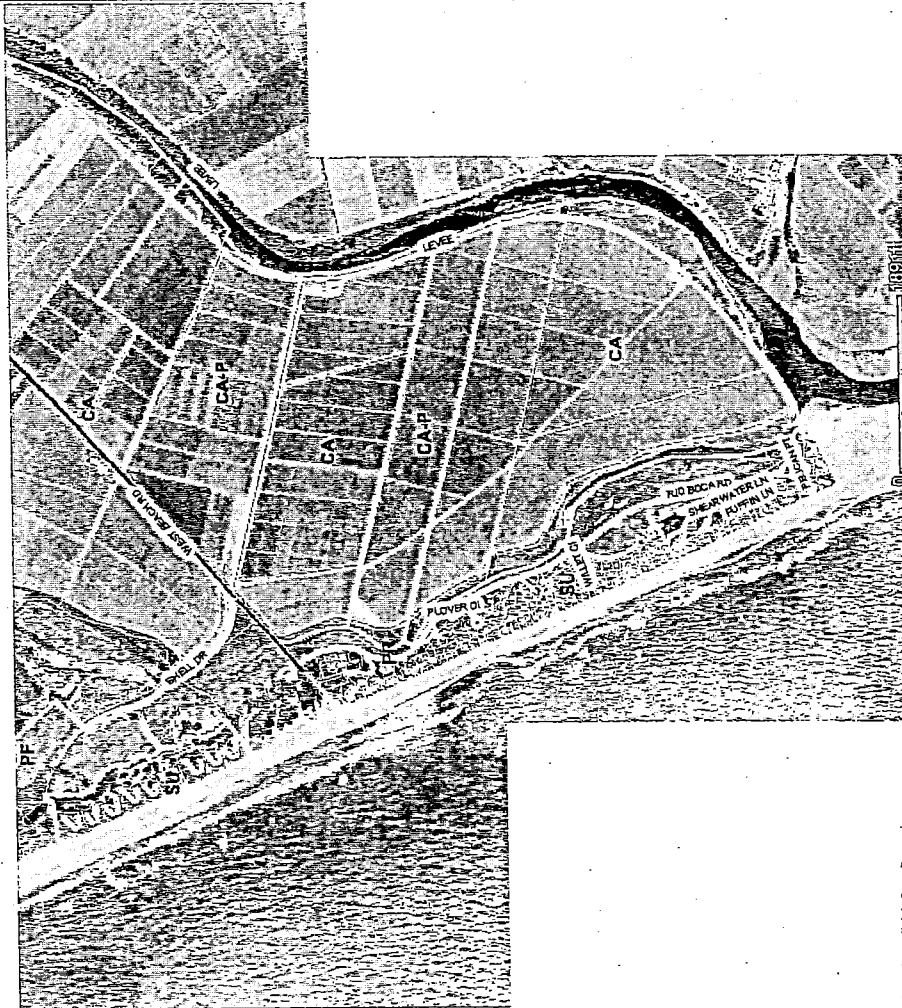


# Sunset Beach





# Pajaro Dunes



## Legend

Legend  
Parcel (Assessor)

State Highways

STREETS

BR

MR

R

S

Zone Text (DETAILED)

City Limits

Santa Cruz County

Boundary

3In 2007

1FT 2008



# **Exhibit F**

## **Comparison of other jurisdictions' vacation rental regulations**

### Comparison & Summary of Other Jurisdictions' Vacation Rental Regulations

Requirement Permits	City of Capitola	City of Carmel	City of Encinitas	City of Lake Tahoe	City of Solana Beach	County of San Luis Obispo	County of Sonoma	City of Durango Colorado	City of Big Bear Lake
Ministerial Permit	NO	Not allowed	YES	YES	YES	YES	YES (Zoning Permit)	NO	YES
Administrative Use Permit	NO Conditional Use Permit Required	In residential zone	NO	NO	NO	NO	YES (Use Permit if underlying standards are exceeded)	NO Discretionary Permit Required	NO
Time limit for Obtaining Permit	NO		NO	NO	NO	120 days after 2003 Ordinance	NO	NO	YES 180 days after 1999 Ordinance
Public Notice for Initial Application	YES		NO	NO	NO	NO	NO	YES	NO
Public Notice for Renewal	YES		NO (runs with the land)	NO	NO (runs with the land)	NO (runs with the land)	NO (runs with the land)	YES	NO (runs with the land)
Renewal Timing	YES ANNUAL Conditional Use Permit		YES ANNUAL Business License	YES ANNUAL Permit Fee	YES ANNUAL Business License	YES ANNUAL Business License	NO	YES ANNUAL	YES ANNUAL Business License
Public Hearing	YES Planning Commission		NO	NO	NO	NO	NO	YES Planning Commission	NO
Minimum Separation between Vacation Rentals	NO		NO	NO	NO	YES 200 feet	NO	YES 500 feet	NO
Recent Septic Pumping Report if On-site Sewage Disposal	NO		NO	NO	NO	NO but must demonstrate that water service is available/ adequate	NO Per-room fee may be applied, and limits on system design load	NO	NO

Requirement Permits	City of Capitola	City of Carmel	City of Encinitas	City of South Lake Tahoe	City of Solana Beach	County of San Luis Obispo	County of Sonoma	City of Durango Colorado	City of Big Bear Lake
Tenancy Restriction	NO But can be imposed by Planning Commission		YES 30 DAYS MAX	YES 1 to 30 DAYS MAX	YES More than 7 days but 30 DAYS MAX	YES 1 individual tenancy w/in 7 days	30 DAYS MAX	YES 1 individual tenancy w/in 7 days	YES 30 DAYS MAX.
74 Restriction on Number of People Allowed	NO Determined by Planning Commission		YES 2 per bedroom plus one additional person	YES 2 per bedroom, plus four additional per residence	NO	YES 2 per bedroom plus 2 additional	YES 2 per bedroom plus one additional person (maximum 12 for unit)	YES 2 per bedroom plus 2 additional	YES 1 per 200 sq. ft. MAX 16 per home
Signs	YES		YES	YES Identification Sign	YES Identification Sign Only	NO	NO	YES 2 square feet	YES 2 sq. ft. identification sign
Advertising Restriction	YES One sign per unit		YES Same as Home Occupation	NO (silent on this)	YES	NO	NO (flyers, handouts allowed)	YES Treated same as for Home Occupation	NO
Parking Required to be On-site	YES		YES 1 space per bedroom	YES	NO (Code silent on this)	YES	YES 1 space per bedroom	YES 1 space per bedroom	YES 1 space per bedroom
Local Contact Person	NO		NO	YES	NO	YES	YES	YES	NO
Allowed in Single-family Dwelling?	YES Transient Rental Use Overlay (TRO) District		YES	YES	YES	YES	YES (single family or guest house)	YES	YES
Allowed in Duplex?	YES (TRO District)		YES	NO	YES	YES	NO	YES	YES
Allowed in Trip	YES (TRO District)		NO	NO	YES	YES	NO	NO	YES

Requirement Permits	City of Capitola	City of Carmel	City of Encinitas	City of South Lake Tahoe	City of Solana Beach	County of San Luis Obispo	County of Sonoma	City of Durango Colorado	City of Big Bear Lake
Allowed in Condominium?	YES (TRO District)		NO	NO	YES	YES	NO	YES	YES
Allowed in Townhouse?	YES (TRO District)		NO	NO	YES	YES	NO	YES	YES
Dispute Resolution	NO		NO	NO	NO	NO	NO	NO	NO
Violation Provisions	Revocation of Business License		YES Revocation of Business License	YES Warning notice for 1 <sup>st</sup> violation in 12 mo. \$250 for 2 <sup>nd</sup> violation in 12 mo. \$500 for 3 <sup>rd</sup> violation in 12 mo. \$1000 for 4 <sup>th</sup> violation in 12 mo. Revocation for 5 <sup>th</sup> violation in 12 mo.	YES \$500 1 <sup>st</sup> violation in 12 mo. \$1000 for 2 <sup>nd</sup> violation in 12 mo. Revocation for 3 <sup>rd</sup> violation in 12 mo.	YES Revocation of Business License	YES Revocation of Zoning Permit, Supervisors may impose annual fee to pay for enforcement costs	YES penalties, suspension, revocation	YES Revocation of Business License

EXHIBIT F

## Vacation Rentals and Residential Parcels

Area	Approximate number of known vacation rentals	Approximate number of residential parcels *	Approximate percentage of residential parcels that are vacation rentals
County wide	570	52,393	1.1
Live Oak (Harbor area and east and south of East Cliff Drive and Portola Drive to 41 <sup>st</sup> Avenue)	266	2206	12
Seacliff through Pajaro Dunes	201	3933	5
Subset 1 (Harbor)	43	462	9
Subset 2 (12 <sup>th</sup> to 16 <sup>th</sup> Ave)	39	273	14
Subset 3 (Rio del Mar flats)	29	421	7
Subset 4 (Beach Drive N)	57	197	29
Subset 5 (Beach Drive S, private street)	21	60	35
Subset 6 (Place de Mer)	14	58	24
Subset 7 (Sand Dollar)	7	55	13
Subset 8 (Sunset)	?	82	?
Subset 9 (Pajaro Dunes N)	70	321	25
Subset 10 (Pajaro Dunes S)	89	292	32

\* Residential properties are those that have a residential zoning (R) and a residential land use designation or are zoned Special Use (SU) and have a residential land use designation.