



Final Adoption Vacation Rental Regulations in Coastal Zone (REF130043)

**Board of Supervisors
Agenda Item No. 26
September 23, 2025**

Action

Public hearing to consider adopting an ordinance that amends numerous definition and zoning use sections of Monterey County Coard (MCC) Title 20 (Coastal Zoning Ordinance) and adds Section 20.64.290 to the MCC to regulate the vacation (short-term) rental of residential property.

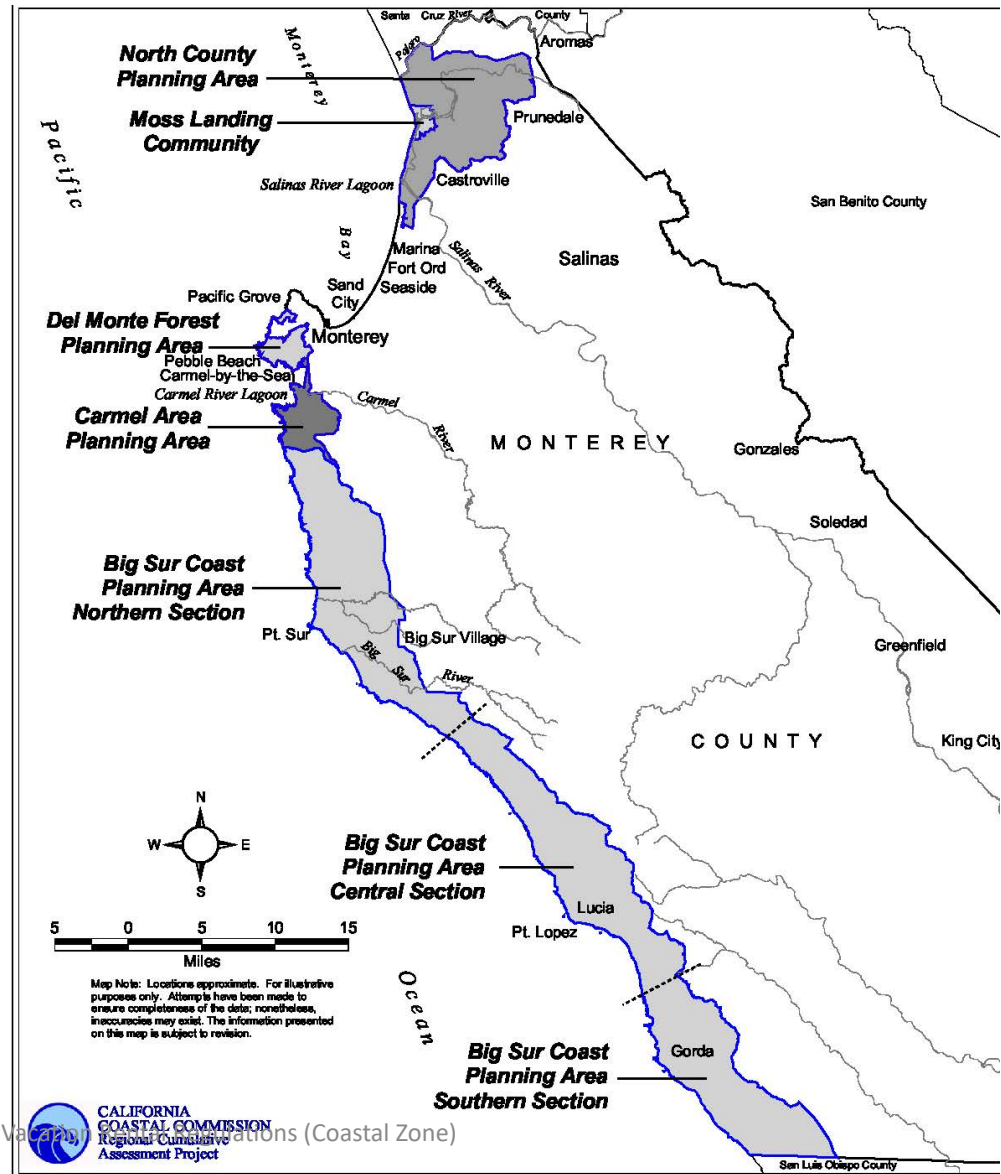


Background

- Board passed and adopted regulations for Vacation Rentals on August 27 and September 10, 2024.
- Inland Area regulations in effect and phase out period for unpermitted operations ended April 14, 2025.
- Coastal Zone regulations certified by California Coastal Commission (CCC), as submitted by County, on August 13, 2025 (LCP-3-MCO-240039-1).
 - Annual Report to CCC for 2-3 years



Coastal Zone – Land Use Planning Areas



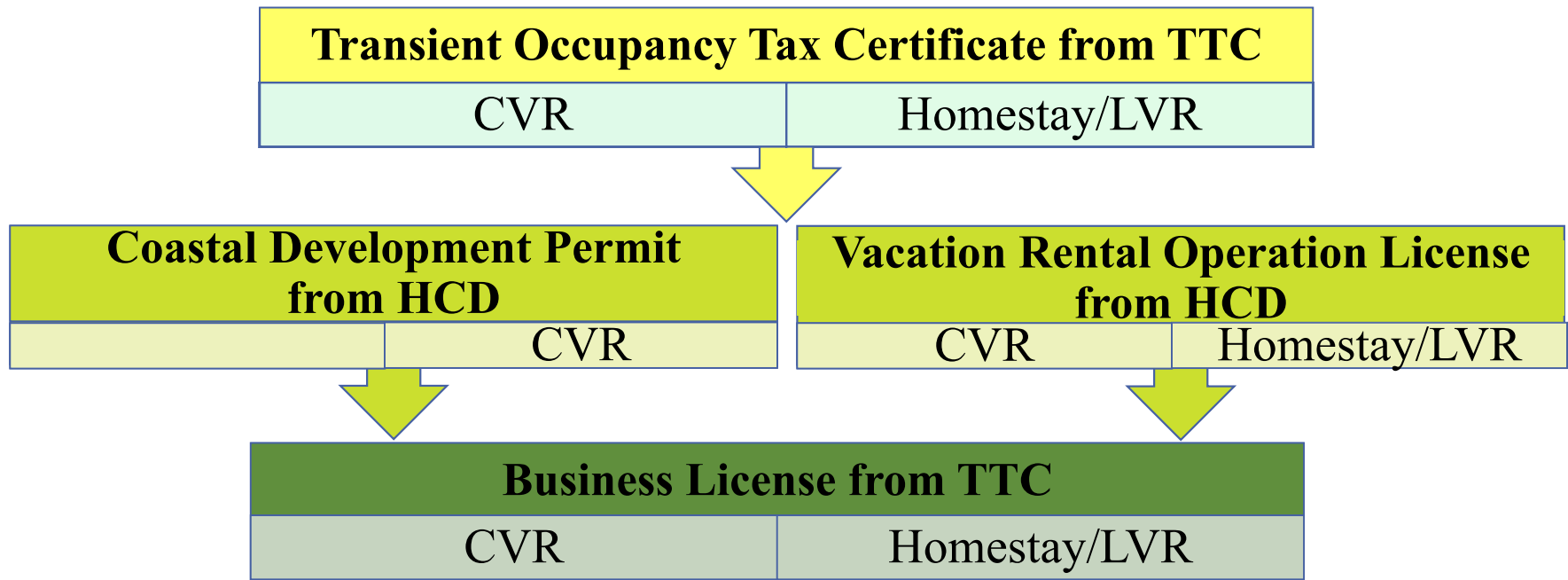
REF130043 - Vacant Regional Cumulative Assessments (Coastal Zone)

Vacation Rental Categories

- **Homestay** – Owner occupies at least 1 bedroom within rental while it is being rented; Is owner's primary residence.
 - Ministerial; No Caps; One rental contract per 7 days
- **Limited Vacation Rental (LVR)** – Rented no more than 3 times per 12-month period.
 - Ministerial; No Caps; One Rental contract per 7 days
- **Commercial Vacation Rental (CVR)** – Rented >3 times per 12-month period.
 - Discretionary; Location restrictions; Caps; No contract limits.



Vacation Rental Permit & License Process



*NOTE: Vacation Rental Operation Licenses and the associated Coastal Development Permits are not required to meet the Permit Streamlining Act.

Commercial Vacation Rentals (CVRs) (Sections 20.64.290.F)

- Coastal Development Permit (CDP) (coastal)
 - Hearing at the Zoning Administrator
 - 7-year term, 7-year extension with each renewal
 - Cap by Planning Area (4% of total single-family residential dwelling units)
- CVRs Prohibited
 - Big Sur Coast Land Use Plan
 - Carmel Area Land Use Plan – Low Density Residential (Carmel Highlands)
 - Moss Landing Community Plan – Low Density Residential, Medium Density Residential



<u>Commercial Vacation Rentals</u> PLANNING AREA	2022 ADVERTISE	ALLOWED	CHANGE
Cachagua	43	20	-23
Carmel Valley	163	201	38
Central Salinas Valley	6	66	60
Fort Ord	4	40	36
Greater Monterey Peninsula	114	155	41
Greater Salinas	11	80	69
North County - Inland	21	226	205
South County	14	52	38
Toro	48	173	125
Big Sur Coast LUP (CZ)	37	0	-37
Carmel LUP (CZ)	218	118	-100
Del Monte Forest LUP (CZ)	83	57	-26
North County–Coastal LUP (CZ)	52	157	105
--Moss Landing	11	2	-9
TOTAL	825	1,347	522

- Overall increase in total CVRs allowed versus advertising
- Opportunity to Shift
 - From high concentration areas to lower concentration areas, both in coastal zone and from coastal to inland areas
 - From CVRs to Homestays and LVRs
- Notable
 - Carmel Valley – Non-residential zones
 - Del Monte Forest – Roads Use Conflict (Inland & Coastal)
 - Carmel & Moss Landing - >50% decrease

Implementation To Date (Inland)

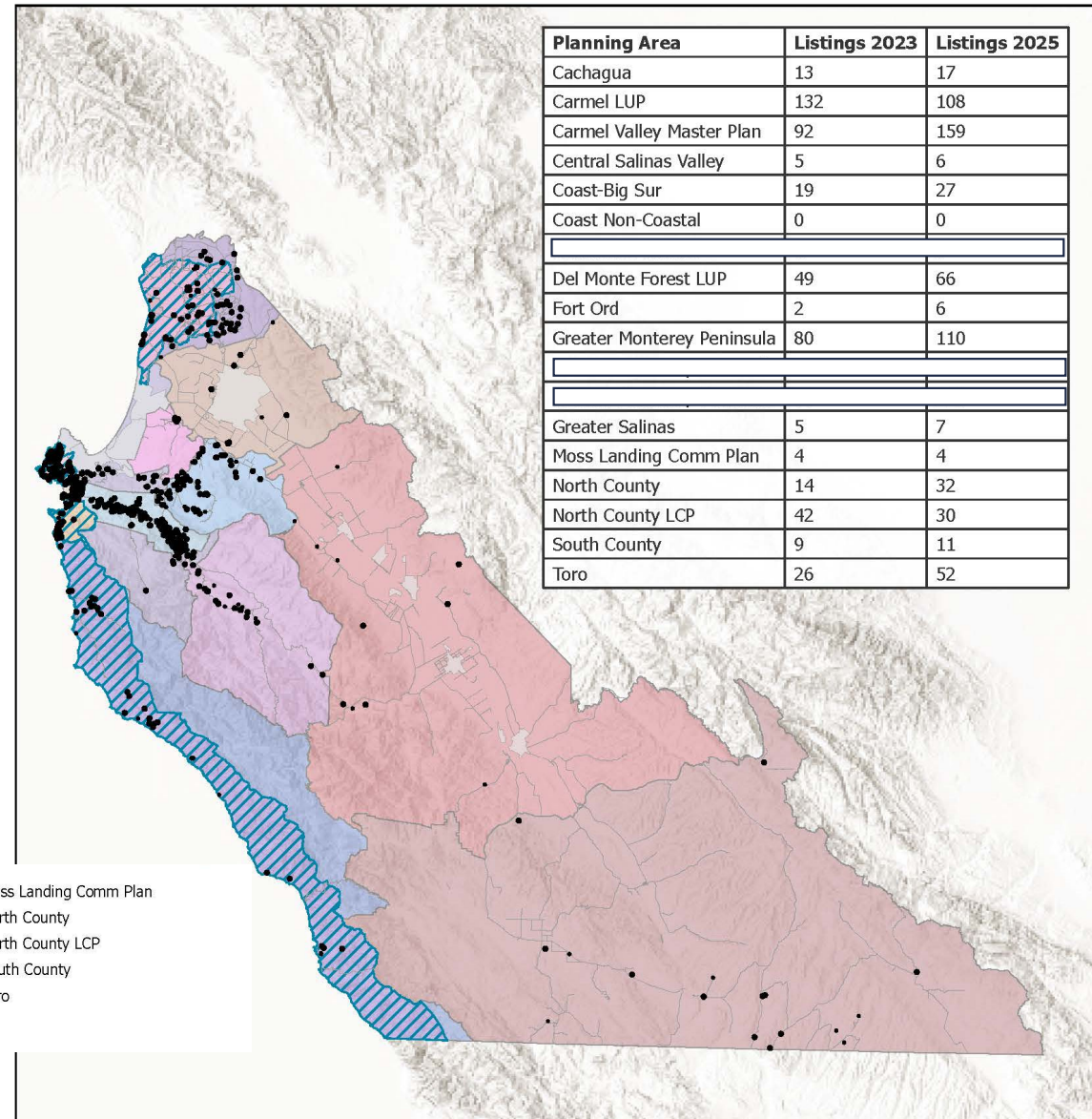
- Permit Center → Vacation Rental webpage for information
- Accela automated application submittal

Type	Denied Void Withdrawn	Pending Incomplete	Approved	Prior Approved
Homestay	3	28	20	N/A
Limited Vacation Rental	1	14	8	N/A
Commercial Vacation Rental	5	43	2	34*

**Operations that were permitted per the prior regulations will expire within not more than 7 years (by October 14, 2031) and must come into compliance.*



Verified Vacation Rentals 2023 & 2025



- Listing Location
 - County Road
 - ▨ Coastal Zone
 - City Boundary
- Planning Area**
- Cachagua
 - Carmel LUP
 - Carmel Valley Master Plan
 - Central Salinas Valley
 - Coast Non-Coastal
 - Coast-Big Sur
 - Del Monte Forest LUP
 - Fort Ord
 - Greater Monterey Peninsula
 - Greater Salinas
 - Moss Landing Comm Plan
 - North County
 - North County LCP
 - South County
 - Toro

County of Monterey Transient Occupancy Tax Collections

FISCAL YEAR	1 st QUARTER	2 nd QUARTER	3 rd QUARTER	4 th QUARTER	TOTAL
2024-25	\$13,571,398	\$9,330,028	\$6,740,491	\$10,494,866	\$40,136,783
2023-24	\$12,950,327	\$8,780,486	\$6,902,602	\$9,955,921	\$38,589,336
2022-23	\$12,472,899	\$9,150,156	\$6,135,031	\$10,306,665	\$38,064,751
2021-22	\$12,142,554	\$9,364,556	\$7,347,306	\$11,402,498	\$40,256,914
2020-21	\$5,713,854	\$5,280,989	\$3,384,065	\$9,198,699	\$23,577,607

Hotel/Motel versus Vacation Rental

<<89% v. 11%

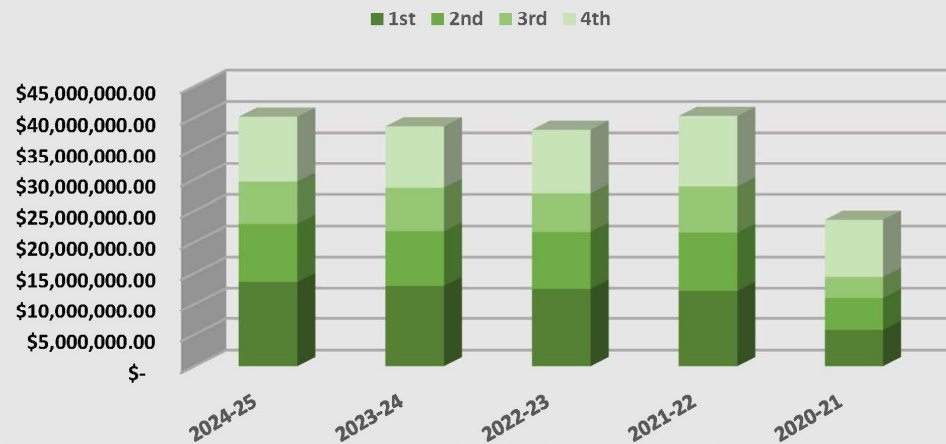
<<89% v. 11%

<<90% v. 10%

<<89% v. 11%

Data as of August 12, 2025

Collections by Quarter



To protect confidentiality, collections are reported as aggregate data. Each quarter identifies timely collections received as of the noted publication dates for the reporting period and does not include penalties or interest received on delinquent payments. Prior reporting periods are not updated to reflect payments received after the publication date for that reporting period.

BEF130043 - Vacation Rental Regulations (Coastal Zone)

Next Steps & Timeline

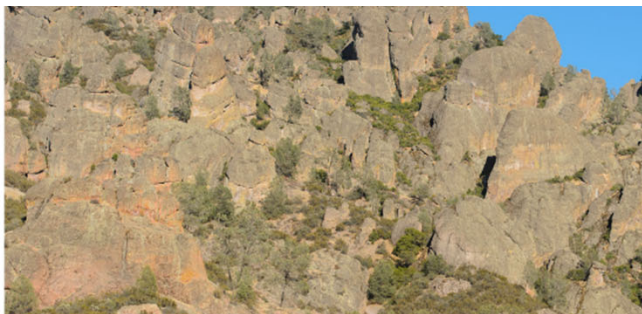
- Coastal Zone Regulations, if adopted today:
 - Ordinance Effective - October 24, 2025
 - Unpermitted Operation Compliance – December 24, 2025
- Implementation Status Updates
 - Board Implementation Update - February 2026
 - Annual CCC/Board Reporting – Fall 2026 & 2027



Recommendation

- a) Find the amendment to Title 20 of MCC consistent with the certified Final Environmental Impact Report (FEIR) (SCH#2022080643)
- b) Acknowledge receipt of the California Coastal Commission resolution approving Monterey County Local Coastal Program Amendment Number LCP-3-MCO-24-0039-1 (Vacation Rentals)
- c) Adopt an ordinance that amends numerous definition and zoning district use sections of Title 20 (Coastal Zoning Ordinance) and adds Section 20.64.290 to the MCC to regulate the short-term vacation rental of residential property.





Thank you
