



Monterey County

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Planning Commission

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Provide a status on the development of draft regulations for events within the Monterey County.

Date: March 22, 2016
To: Planning Commission
From: Mike Novo, AICP, Director of Planning
Melanie Beretti, Special Programs Manager
Subject: Status of Developing Event Regulations

The Planning Commission requested staff provide a status on the development of draft regulations for events which staff has divided into two tasks:

- 1) *Short Term Rental Ordinances* (REF100042 and REF130043). Short term rental (STR) refers to renting private property for less than 30 days, excluding events.
- 2) *Events Ordinances* (REF150053 and REF150054). There are two distinct types of events, minor (e.g. weddings) and major/special (e.g. AT&T Pro-Am, Car Week).

Background:

In recent years Monterey County has experienced an increase in the number of residential properties being used for short-term rental for overnight accommodations as well as hosting events such as weddings. In response to this trend, Monterey County has begun work to update the zoning ordinances and draft new ordinances to regulate short-term rentals and events. While events are sometimes related to short-term rentals for overnight accommodations, these issues are being addressed through different regulations.

Rental of a home for more than 30 days has been interpreted as a permitted use. Renting a home for less than 30 days (e.g., vacation home) requires a certain type of permit (short term rental, or bed & breakfast) in designated zoning districts and designated areas of the county. Renting property for an event (e.g., wedding, corporate retreat) requires a different type of permit (assemblage of people). The County does not regulate personal gatherings (e.g., family party).

Generally, events have been implicitly considered part of the operation of the permit for a resort, hotel, and/or golf course. In some cases, permits have explicitly permitted larger events such as AT&T Pro-Am, US Open, Concours d'Elegance (Pebble Beach), weddings and other large gatherings (various Use Permits) and races (Laguna Seca). Events held at wineries and vineyards in the Agricultural and Winery Corridor are addressed in the Agricultural and Winery Corridor Plan and will be considered at a separate time.

The County is actively enforcing health and safety regulations related to events (e.g., structures, access, safety, food, etc.). Freda Escobar is the County's lead staff to coordinate permits for

events in the unincorporated areas. To facilitate permitting, applications for new or highly impactful events are being processed through the Development Review Committee (DRC), a staff committee that meets with applicants to provide an early assessment of project issues.

Policy Questions (Events)

There are a number of policy questions relating to events that have been raised and will need to be addressed through the development and consideration of an events ordinance by the Board of Supervisors. Examples of these questions are:

- How will the regulations define an event, or different types of events?
- Will any major/special events be grandfathered in? If not, how will permits for these historic events be considered?

Policy Questions (STRs)

There are also a number of policy questions which have been raised regarding STRs which will need to be addressed through the development and consideration of a Short Term Rentals ordinance by the Board of Supervisors. Examples of these questions are:

- Will STRs be allowed in all Planning Areas?
- Are STRs a commercial or residential use?
- What type of permit and application process should be used?
- How could STRs affect the available housing stock?

Timing of Ordinance Development

The priority is to first address STRs in residential areas to establish what is not allowed, and then move forward to address events. Staff attended multiple community meetings leading to the District 5 Supervisor establishing a Short-Term Rental Workgroup (STR Workgroup) in Spring 2015. This group consists of 16 participants gathering to discuss STRs and provide input to County staff for ordinance development. This workgroup has met on eight occasions between March 2015 and February 2016, and County staff facilitated the meetings. The next step toward developing an ordinance to regulate short-term rental of property will be for staff to compile its findings into a recommendation report brought forward at a public workshop.

Melanie Beretti is the RMA lead for the short-term rental ordinance and events ordinance development, with planning support from Craig Spencer. Melanie's priorities were recently shifted from STRs in order to advance the environmental documents for the Carmel River/Lagoon projects due to pending timelines within a Memorandum of Agreement with regulatory agencies. The Lagoon Administrative Draft EIR is under-review and the circulation of the Draft EIR is anticipated in April/May. The Carmel River floodplain project (CRFREE) environmental documents are close behind that schedule. In addition, Craig's top priority is developing the Medical Marijuana Ordinance prior to expiration of an interim ordinance. The tentative schedule is to have that ordinance adopted by June 2016.

In light of project timelines discussed above, staff anticipates being able to focus its attention on the STR ordinance in summer 2016. A tentative timeline is for the Board of Supervisors to adopt STR regulations by spring 2017. Once the STR ordinance is advanced, staff will shift its attention to conducting public outreach to develop the regulations for events.