

To the honorable members of the Monterey County Planning Commission,

Ana Ambriz, Jose Mendez, Don Rochester, Cosme Padilla, Melissa Duflock, Paul Getzelman, Amy Roberts, Luther Hert, Martha Diehl and Keith Vandever,

First and most important I wanted to take the opportunity to thank you for all of your time and efforts in helping us create and pass a fair and reasonable short term rental ordinance for Monterey County.

I am writing on behalf of the Monterey County Vacation Rental Alliance <http://www.MCVRA.org> to share with you the Pacific Grove Short Term Rental Ordinance known as the Pacific Grove Municipal Code Chapter 7.40. The link to the website page is below. I have also attached the 27 page document for your review. The electronic link can also be found on the website

<http://www.cityofpacificgrove.org/living/community-economic-development/short-term-rental-program>

I strongly urge yourself to familiarize yourself with the ordinance and note its simplicity compared to the current Monterey County preliminary draft ordinance.


The biggest difference is that the license is an affordable \$1000 over the counter application with a 10 day – 2 week approval process.

The city of Pacific Grove has been working closely with both sides to address all concerns and have come up with a fair and reasonable ordinance. Both sides have had to give up some of their needs/ desires in order to have an Ordinance that can be effectively enforced and works for everyone. The city, under the direction of Mark Brodeur, has done a remarkable job for a very challenging situation. He addressed you in November 2016 and offered his support of and consultation. There is a Pacific Grove group similar to the Big Sur and Highlands groups, whose stance is no short term rentals in their back yards, which he has had to work with to satisfy their position and concerns, as well.

MCVRA has been waiting almost 4 years to get this ordinance in place. We believe that many of the problems that have been addressed are due to not having an ordinance that is in place that is fair and reasonable and provides accountability.

It is our hope that we will be able to do something similar to the Pacific Grove ordinance and not reinvent the wheel and spend a lot of time discussing a draft ordinance such as the one that has been presented to you that has components that are doomed to fail. Let us work together to create a well-balanced ordinance that is fair and workable for all.

Sincerely,


Annee Martin, founding member of the MCVRA

Founder/President Sanctuary Vacation Rentals
Vacation Rental Specialist

HEARING SUBMITTAL	
PROJECT NO./AGENDA	REF 100042/REF 130043
DATE RECEIVED:	6/28/17 #4
SUBMITTED BY/VIA:	Rubio @ Hearing
DISTRIBUTION TO/DATE:	PC 6/28/17
DATE OF HEARING:	6/28/17

Chapter 7.40 TRANSIENT USE LICENSE

Sections:

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- 7.40.010 Definitions.**
- 7.40.020 Allowed use.**
- 7.40.025 License caps and density limits.**
- 7.40.030 Limits on transient use.**
- 7.40.040 Transient use license.**
- 7.40.050 Display of transient use license.**
- 7.40.060 Separate properties.**
- 7.40.070 Contents of license.**
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7.40.180 License denial or revocation.

7.40.190 Appeal of revocation or suspension.

7.40.200 Penalties.

7.40.210 Liens.

7.40.005 Statement of purpose.

The purpose of this chapter is to establish a permitting process, together with appropriate standards that regulate short-term rental of single-family and multifamily dwellings in residential districts, to minimize negative secondary effects of short-term rental use on surrounding residential neighborhoods; and to preserve the character of neighborhoods in which any such use occurs. This chapter addresses traffic, noise and density; ensures health, safety and welfare of neighborhoods as well as of renters and guests patronizing short-term rentals; and imposes limits on the number of licenses issued to ensure long-term availability of the affordable housing stock. This chapter also sets regulations to ensure enforcement of these standards, and collection and payment of fees and transient occupancy taxes.

This chapter shall not provide any property owner with the right or privilege to violate any private conditions, covenants or restrictions applicable to the owner's property that may prohibit the use of such owner's residential property for short-term rental purposes as defined in this chapter.

The city council finds adoption of a comprehensive code to regulate issuance of and conditions attached to short-term rental licenses is necessary to protect the public health, safety and welfare. The purposes of this chapter are to provide a licensing system and to impose operational requirements in order to minimize the potential adverse impacts of transient uses on residential neighborhoods.

The city council finds the regulation of short-term rental uses, including its nontransferability provisions, to be a valid exercise of the city's police power in furtherance of the legitimate governmental interests documented in this chapter. [Ord. 16-007 § 3, 2016].

7.40.010 Definitions.

The terms "owner," "owner representative," "person," "remuneration," "residential property," "responsible tenant," "transient," "transient use," "transient use of residential property," and

"transient use site" as used in this chapter shall be given the same definition as those terms in PGMC 23.64.350.

"STR Type A" is a term that shall mean a short-term rental unit licensed for transient use of residential property for remuneration (a) where the property owner does not reside at the site, or (b) where the property owner resides at the site, and where the property is available for short-term guests for more than 90 days in a single license year.

"STR Type B" is a term that shall mean a short-term rental unit licensed for transient use of residential property for remuneration where the property owner resides at the site, and where the property is available for short-term guests for no more than 90 days in a single license year (365 days). [Ord. 16-007 § 3, 2016; Ord. 10-001 § 3, 2010].

7.40.020 Allowed use.

- (a) Transient use of residential property for remuneration is allowed pursuant to Chapter 23.64 PGMC or this chapter; provided, that a separate transient use license has first been granted and validly maintained for each transient use site.
- (b) Each transient use license must meet all the requirements of this chapter. Transient use licenses are issued for a term. If no expiration date is shown, each shall expire on March 31st. A transient use license may be extended or renewed for a subsequent year if there have not been more than two verified (by city official) complaints received. Transient use licenses issued and current as of May 6, 2016, shall expire on March 31, 2017.
- (c) For the purposes of this chapter, the city recognizes and sets discrete requirements for each of two different classes of transient use licenses. These are "STR Type A" and "STR Type B."
- (d) Each contract or tenancy that allows transient use shall identify the name, address, phone and e-mail contact information of at least one responsible tenant who has been informed of, and has agreed to abide by, occupancy, parking and other limits that apply to that transient use. The owner or owner representative shall make a record of the motor vehicle license number of each motor vehicle used by an occupant of the transient use site, and shall upon request provide that information to the city manager or his delegated agent.
- (e) For each initial transient use license application, and each annual license renewal, the applicant and each property owner shall submit an inspection report to the city that provides and verifies information, in the form and manner required by the chief building official, to

ensure the property is safe and habitable for its intended use, including verification of adequate egress from sleeping quarters and common areas, installation of accessible fire extinguishers, and a carbon monoxide alarm on each level, and that the property exists in accord with appropriate land use and building permits.

(f) The city shall cause notice of the application or any license renewal, and of any hearing on the application or renewal to be posted and mailed to notify neighbors within 300 feet of the transient use licensed site. The notice shall include a statement of the maximum number of guests permitted to stay in the short-term rental unit. [Ord. 16-007 § 3, 2016; Ord. 10-001 § 3, 2010].

7.40.025 License caps and density limits.

(a) License Cap. The maximum number of STR Type A licenses allowed within the residential districts of the city shall be 250. If applications exceeding this number are received, the city manager shall place the excess number on a STR license waiting list and process those in order of receipt as licenses become available. The maximum number of Type B transient use licenses are not limited by this chapter.

(b) Density Limit. A STR Type A license shall not be issued if granting that STR Type A license would cause the STR Type A density limit to be exceeded for that residential zoning; provided, however, no STR density limit shall apply to Ocean View Boulevard and Mermaid Avenue.

The following density limits shall apply:

(1) One STR Type A license per parcel. This limit shall apply to any duplex. It shall not apply to a property governed by the duly adopted bylaws of a city-approved homeowners' association (HOA), or to properties held as tenants in common. The limit shall not apply to commercially zoned properties.

(2) STR Type A licenses shall be further limited based on existing residential zoning district. Type A licenses shall be limited in all of the R-1 and R-2 districts to a total of 104 licenses. R-3 and R-4 districts are limited to a total of 146 licenses.

(3) A second or subsequent STR Type A license shall be approved only if the total number of such licenses does not exceed 15 percent per block on which it is located.

(4) In the case where the number of STR Type A licenses currently exceed the 15 percent per block density measure, the existing licenses on that particular block shall be limited to renting a total of 150 nights per year.

(5) Commencing on March 31, 2018, all STR Type A licenses issued in the R-1-B-4 district shall require a use permit due to the sensitive habitat located in the vicinity. [Ord. 16-007 § 3, 2016].

7.40.030 Limits on transient use.

Transient use of residential property for remuneration allowed by Chapter 23.64 PGMC or this chapter shall be subject to each and every limitation in this section:

(a) Each contract or tenancy that enables transient use shall be in writing, and identify thereon the name, address, phone and e-mail contact information of (1) the owner, (2) the owner representative, and (3) at least one responsible tenant occupying the transient use site who shall be responsible for all limits required by this chapter;

(b) Each contract or tenancy that allows transient use shall identify the name, address, phone and e-mail contact information of at least one responsible tenant who has been informed by the owner or owner representative of the occupancy, parking and other limits that apply to transient use by this chapter and shall be informed of residential parking and noise limits, including but not limited to PGMC 11.96.010, the city codes that regulates unlawful noises;

(c) The transient use site (1) shall be used and maintained in a manner consistent with the character of the neighborhood, (2) shall not impair the desirability of investment or occupation of the surrounding neighborhood, and (3) shall not have displayed thereon any sign that indicates the property is used or available for transient or short-term rental purposes;

(d) Owner and owner representative shall each use their best efforts, and respond in a reasonable and timely manner, to ensure that every occupant of the transient use site does not create or contribute to unreasonable use of the property, cause unreasonable noise or disturbance, engage in disorderly or unlawful conduct, or overcrowd the site;

(e) The owner or owner representative shall be on-call full time to manage the property and shall be able to be physically present at the transient use site within 30 minutes of request during any time the property is occupied for transient use. Within 24 hours of the time an

initial call is attempted, the owner or owner representative shall use his or her best efforts to prevent the recurrence of such conduct by the occupants and take corrective action to address any violation. Failure to respond timely to two or more complaints regarding tenant violations is grounds for penalties as set forth in this chapter;

(f) The maximum number of occupants aged 18 or older authorized to stay overnight at any transient use site shall be limited to two persons per bedroom, plus one additional person per site;

(g) Each designated on-site parking space at a transient use site shall be made available for use by overnight occupants of that site and any on-site driveway must be available for the use of the renters of the site;

(h) The maximum size event or large group gathering allowed at the transient use site shall not exceed one and one-half times the maximum number of occupants (aged 18 or older) authorized to stay overnight at that site, as shown on the STR license, and in no event shall a gathering exceed 20 persons;

(i) Amplified sound that is audible beyond the property boundaries of the short-term rental dwelling is prohibited; and

(j) Auctions, commercial functions, and other similar events are prohibited at the short-term rental property. [Ord. 16-007 § 3, 2016; Ord. 10-001 § 3, 2010].

7.40.040 Transient use license.

It is unlawful for any person to transact and carry on any business relating to or supporting the transient use of residential property in the city without first having procured a transient use license from the city to do so, and paying the license fee and any other fees associated with approval of an application of a license, and also without complying with any and all applicable provisions of this chapter. A transient use license, however, shall not be required for any lawfully established bed and breakfast inn, motel, hotel, or timeshare development. [Ord. 16-007 § 3, 2016; Ord. 10-001 § 3, 2010].

7.40.050 Display of transient use license.

The owner or owner representative shall cause a copy of the transient use license to be displayed in a prominent location within the interior of the transient use site, and shall provide a copy to each responsible tenant. Each Internet or online ad, sign, circular, card, telephone book, or newspaper advertisement that indicates or represents a transient use

site is available for transient or short-term rental purposes shall prominently display thereon the transient use license number assigned to that site by the city of Pacific Grove. [Ord. 16-007 § 3, 2016; Ord. 10-001 § 3, 2010].

7.40.060 Separate properties.

A single transient use license shall be issued for each and every residential dwelling unit for transient use under identical ownership at a single site. In all other circumstances, a separate license shall be required for each transient use. A transient use license shall authorize the licensee to transact and carry on transient use of residential property only at the location and in the manner and subject to the limits designated in such license. [Ord. 16-007 § 3, 2016; Ord. 10-001 § 3, 2010].

7.40.070 Contents of license.

Every person required to have a license under the provisions of this chapter shall make application to the city and tender payment of the prescribed application and license fee. Thereafter, in accord with the provisions of this chapter, the city shall issue to such person a license which shall contain the following information:

- (a) The name and contact information of the owner to whom the license is issued, and the name and contact information for the owner representative;
- (b) The transient use site licensed and whether the license is a "STR Type A" or a "STR Type B";
- (c) The date of the expiration of such license;
- (d) The maximum number of occupants aged 18 or older who are authorized to stay overnight at that transient use site in accordance with the number of bedrooms on site;
- (e) The maximum number of motor vehicles allowed for use by overnight occupants at that transient use site based on the available on-site parking as shown on the application site plan;
- (f) Such other administrative information as may be necessary for the enforcement of the provisions of this chapter. [Ord. 16-007 § 3, 2016; Ord. 10-001 § 3, 2010].

7.40.080 Application – First license.

Each short-term rental license shall be in the name of the owner of the real property upon which the short-term rental use is to be permitted. A tenant of the property shall have written

permission by the owner of the property. When a person first makes an application for a license pursuant to this chapter, such person shall furnish to the city a sworn statement, upon a form provided by the city, setting forth the following information:

(a) The address of the transient use site to which the license shall apply, and all places of residence of the owner(s) of same;

(1) In the event an application is made for issuance of a license to a person doing business under a fictitious name, the application shall set forth the names and places of residence of those owning the business;

(2) In the event an application is made for the issuance of a license to a corporation or a partnership, the application shall set forth the names and places of residence of the principal officers and all partners thereof;

(b) Each application shall set forth such information as may be therein required by the city collector and deemed necessary to estimate the annual transient occupancy tax to be charged for that property. The property owner shall maintain a transient use license at all times, and shall agree to collect and remit transient occupancy taxes on all gross receipts pertaining to the property;

(c) Each application shall identify the name, address, phone and e-mail contact information of the owner and the owner representative;

(d) Each application shall include a site plan, which labels each room in the structures on the property, including the number of bedrooms and the number of off-street parking spaces;

(e) A certification affidavit signed by the owner affirming that smoke detectors are installed in all sleeping quarters and common areas and that fire extinguishers are accessible and a carbon monoxide alarm is installed on each level, to protect the health and safety of the occupants of the transient use site and the applicant shall provide access and information to the fire inspector as needed to ensure health and safety for occupants of the transient use site; and

(f) Such further information which the city may require to enable proper administration of the license.

The applicant shall remit all required annual fees in accord with the master fee schedule set by council resolution. The applicant shall agree to renew and/or amend the license in accord with the requirements of this chapter as it may be amended from time to time and if there is a change in any material fact stated in the application. [Ord. 16-007 § 3, 2016; Ord. 10-001 § 3, 2010].

7.40.090 Renewal license.

(a) In all cases, the applicant for the renewal of a license shall submit to the city on or before March 1st each year an application for renewal containing a sworn statement upon a form to be provided by the city, setting forth such information concerning the applicant's transient occupancy activity during the preceding calendar year as may be required by the collector to enable him or her to verify the amount of the transient occupancy tax paid by said applicant pursuant to the provisions of this chapter. Evidence that a site has not been used for transient use during the preceding 12 months shall cause nonrenewal of a STR Type A license.

(b) The property owner shall remit the annual license fee, as set by resolution, at the same time as the renewal application. The property owner shall submit an annual affidavit affirming that smoke detectors are installed and maintained in all sleeping quarters and common areas, that fire extinguishers are accessible, and a carbon monoxide alarm is installed on each level. The property owner shall provide access and information to the inspector to ensure health and safety for occupants of the transient use site, including verification of adequate egress from sleeping quarters and common areas, and installation of accessible fire extinguishers, and a carbon monoxide alarm on each level. [Ord. 16-007 § 3, 2016; Ord. 10-001 § 3, 2010].

7.40.100 Change to license information.

A request to amend any information provided on the license issued pursuant to this chapter shall be made within 14 days of any change of owner, a change of the owner representative, a change in any material fact upon which the license was issued, or if any other person acquires an ownership interest in the transient use site. [Ord. 16-007 § 3, 2016; Ord. 10-001 § 3, 2010].

7.40.110 Evidence of transient occupancy of residential property.

When any owner, owner representative or other person makes use of Internet services, signs, circulars, cards, telephone books, or newspapers, and/or advertises, holds out, or represents that he or she allows transient occupancy of residential property in the city, and

such person fails to provide a sworn statement to the city that he or she does not allow transient occupancy of residential property in the city after being requested to do so by the city, then such information shall be considered prima facie evidence that he or she is conducting a business in the city of allowing transient occupancy of residential property. Until proper evidence to the contrary is presented to the city, the city shall be entitled to presume that residential property is subject to the license required by this chapter, and/or that the transient use of residential property has occurred at the transient use site. [Ord. 16-007 § 3, 2016; Ord. 10-001 § 3, 2010].

7.40.120 Statements and records.

No statement shall be conclusive as to the matters set forth therein, nor shall the filing of such statement keep the city from collecting by appropriate action taxes and/or fees that are due and payable hereunder. In the event that the city deems it necessary, he or she may require that a licensee or applicant for a license submit verification of financial information necessary to calculate the transient occupancy tax due, or at the option of the licensee or applicant, may authorize the city to examine records or business transactions to compute the transient occupancy tax that is owed. [Ord. 16-007 § 3, 2016; Ord. 10-001 § 3, 2010].

7.40.130 Failure to file statement or corrected statement.

If any person fails to file any required statement within the time prescribed, or if after demand therefor made by the city he or she fails to file a corrected statement, or if any person subject to the tax imposed by this chapter fails to apply for a license, the city may determine the amount of tax due from such person by means of such information as he or she may be able to obtain and shall give written notice thereof to such person. Delinquent payment shall be subject to penalties calculated in the same manner as set forth in PGMC 7.04.200. [Ord. 16-007 § 3, 2016; Ord. 10-001 § 3, 2010].

7.40.140 Payment of transient occupancy tax.

The owner or owner representative shall remit the transient occupancy tax as set forth in Chapter 6.09 PGMC. [Ord. 16-007 § 3, 2016; Ord. 10-001 § 3, 2010].

7.40.150 Appeal of tax.

Any person aggrieved by any decision of the city with respect to the amount of the transient occupancy tax or fees associated thereto may appeal to the administrative enforcement hearing officer panel by filing a notice of appeal with the city clerk within 15 days after receipt of written notice from the city. The hearing officer assigned by the panel shall thereupon fix a time and place for hearing such appeal. The city clerk shall give notice to

such person of the time and place of hearing by serving it personally or by depositing in the United States Post Office at Pacific Grove, California, postage prepaid, addressed to such person at his or her last known address. The hearing officer shall have authority to determine all questions raised by such appeal; provided, however, that no such determination shall conflict with any substantive provision of this chapter. [Ord. 16-007 § 3, 2016; Ord. 10-001 § 3, 2010].

7.40.160 Additional power of city.

In addition to all other power conferred upon the city, he or she shall have the power, for good cause shown:

(a) To extend the time for filing any required sworn statement or application for a period not exceeding 30 days, and in such case to waive any penalty that would otherwise have accrued; and

(b) Whenever any fee, tax or penalty pursuant to this chapter is due and payable but has not been satisfied in full within 90 days and/or has not been successfully challenged by a timely writ of mandate, such amounts shall constitute a lien against the real property, and be subject to the processes set forth in PGMC 1.19.270 through 1.19.290, inclusive. [Ord. 16-007 § 3, 2016; Ord. 10-001 § 3, 2010].

7.40.170 License nontransferable – Changed location.

No license issued pursuant to this chapter shall be transferable to any other person or location. [Ord. 16-007 § 3, 2016; Ord. 10-001 § 3, 2010].

7.40.180 License denial or revocation.

Any application for a license may be denied, and any license issued pursuant to this chapter may be revoked, unless substantial evidence shall be presented as to why the application should not be denied, or the license should not be revoked for any reasons, including but not limited to:

(a) A false material statement or misrepresentation has been made in, or in support of, the application;

(b) A change occurs in any material fact upon which the license was issued that has not been reported to the city as a change to the required license content within 14 days;

- (c) The transient use site, or any other location owned by the owner or applicant, has been the site of a violation of any provision of law, or otherwise fails to meet sanitation or health standards of the neighborhood, within the two years immediately preceding;
- (d) The owner or applicant has violated any provision of the municipal code or any provision of the Health and Safety Code, within the two years immediately preceding;
- (e) The owner, owner representative or applicant has been convicted of any crime involving moral turpitude;
- (f) The owner, owner representative or applicant has failed to timely respond to two or more complaints regarding limits on transient use as required by PGMC 7.40.030 within the two years immediately preceding;
- (g) The site does not meet the definition of dwelling unit as per PGMC 23.64.350(a)(5);
- (h) The owner, applicant, guest or any occupant of a STR site allows or facilitates a party, event or large group gathering at that site that exceeds one and one-half times the maximum number of occupants (aged 18 or older) authorized to stay overnight at that transient use site, as shown on the STR license;
- (i) The owner, applicant, guest or any occupant of a STR site regularly engages in disorderly conduct, violates provisions of this code or any state law pertaining to noise, disorderly conduct, or uses illegal drugs. [Ord. 16-007 § 3, 2016; Ord. 10-001 § 3, 2010].

7.40.190 Appeal of revocation or suspension.

Any person who has been denied a license or to whom notice of revocation or suspension of a license has been mailed may appeal to the administrative enforcement hearing panel under Chapter 1.19 PGMC, pursuant to a request for hearing under PGMC 1.19.090. Notice of the proceeding shall conform to PGMC 1.12.010, and the hearing shall conform to the process set at PGMC 1.19.090 and following and PGMC 1.19.180. The hearing officer shall have authority to determine all questions raised by such appeal; provided, however, that no such determination shall conflict with any substantive provision of this chapter. Any applicant or license holder whose license shall have been denied or revoked shall be ineligible for a two-year period from applying for a new license. No person whose license has been revoked shall continue to engage in or carry on the activity for which the license was granted, unless and until such license has been reinstated or reissued. The decision of

the hearing officer shall be final. Notice of the decision, and the opportunity for judicial review, shall conform to PGMC 1.20.010. [Ord. 16-007 § 3, 2016; Ord. 10-001 § 3, 2010].

7.40.200 Penalties.

Penalties as set forth in Chapter 1.16 PGMC, or the administrative process set forth in Chapter 1.19 PGMC, may be imposed for failure to comply with the provisions of Chapter 23.64 PGMC or this chapter, with respect to:

- (a) Any owner, owner representative, or person who transacts or carries on any activity relating to or supporting the transient use of residential property in the city without first having procured and complied with a transient use license from the city so to do and paying all applicable license fees shall be subject to administrative penalties as set forth in Chapter 1.19 PGMC, including administrative penalties imposed by a hearing officer for violation of any provision of this chapter in an amount not to exceed a maximum of \$2,500 per day for each continuing violation, exclusive of administrative costs, interest and restitution for compliance reinspections, for any related series of violations, and/or forfeiture of all rents received during the period transient use was allowed without a transient use license, whichever amount is greater; or
- (b) Any owner, owner representative, or person who carries on any activity that advertises to the surrounding neighborhood that the site has been licensed to allow, or is used for, transient occupancy, and who has failed to timely remedy this violation in response to two or more complaints, shall be subject to administrative penalties; or
- (c) Any owner, owner representative, responsible tenant or person who allows a transient use site to be used or maintained in a manner detrimental to the peace, public health, safety or general welfare of persons or property of the neighborhood or the public, and fails to timely remedy this violation in response to two or more complaints; or
- (d) Any owner, owner representative, responsible tenant or person who allows impermissible or inappropriate behavior at the transient use site or action that exceed the limits on transient use set by PGMC 7.40.030 following two or more complaints; or
- (e) Limits upon administrative penalties in PGMC 1.19.200 shall not apply to any violation of this chapter. [Ord. 16-007 § 3, 2016; Ord. 10-001 § 3, 2010].

7.40.210 Liens.

Whenever the amount of any penalty, forfeiture, and/or administrative cost imposed by a hearing officer pursuant to this chapter or to Chapter 1.19 PGMC has not been satisfied in full within 90 days and/or has not been successfully challenged by a timely writ of mandate, this obligation shall constitute a lien against the real property on which the violation occurred, and be subject to the processes set forth in PGMC 1.19.270 through 1.19.290, inclusive. [Ord. 16-007 § 3, 2016; Ord. 10-001 § 3, 2010].



Carmel Valley Association
Position on Short-Term Rentals (STRs)
June 28, 2017

HEARING SUBMITTAL	
PROJECT NO./AGENDA NO.	4, 13042/10042
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SUBMITTED BY/VIA:	public hearing
DISTRIBUTION TO/DATE:	pl @hempk
DATE OF HEARING:	6/28/17

CVA's mission is to preserve the Valley's natural resources and rural character. We are concerned with the intensification of tourism in Carmel Valley, partly as an adjunct of the Monterey Peninsula and partly as a new wine-oriented destination. With 385 unregulated Carmel Valley short-term rentals listed on VRBO alone, CVA recognizes the need to create a balanced ordinance that is clear, reasonable, simple and enforceable, so that owners will obtain a license, follow the rules and pay the TOT. Otherwise, unregulated STRs will continue, which is disruptive and stressful for neighbors and aggravates relations with the County.

The Carmel Valley Association recognizes that short-term rentals have the potential to have negative impacts in residential areas, especially when unlimited, concentrated and unregulated. Control of STRs is necessary to ensure that they will be compatible with surrounding residential uses and will not harm or change the residential character of existing neighborhoods. Additionally, we are very concerned about ensuring that STRs do not further increase traffic on our over-burdened roads and intersections.

CVA believes that Carmel Valley should have an ordinance reflecting its unique conditions and consistent with and be included in the Carmel Valley Master Plan.

A review of local and non-local ordinances in other jurisdictions indicates that the following elements are critical to effectively control potential negative impacts of STR's:

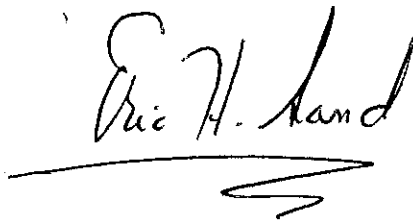
- Short-term rentals must be permitted and regulated.
- Rental properties must comply with zoning and building codes.
- Occupancy must be limited,
- Nuisances must be controlled,
- Rentals must be subject to the County's Transient Occupancy Tax.
- Owners or property managers must be available and responsive.
- Rules must be enforced.

In addition to addressing the above issues, CVA recommends the following:

1. The replacement of all visitor serving units with the short term rental cap. No more hotel rooms added at the mouth of the Carmel Valley nor in the area defined in the Carmel Valley Master Plan.
2. Determine that units that have been established as affordable housing or likely to qualify as affordable housing not be eligible for a short term rental permit.
3. Consider applying a portion of the tax revenue from STR rentals to subsidize affordable housing.
4. Limit the number of licenses to no more than 200 total units in the Carmel Valley. This number may be adjusted up or down based on periodic evaluations.
5. Base the density of STR rentals on the impact on traffic on Carmel Valley Road with lower density near the Village and Mid Valley and higher density near the Mouth of the Valley. The lower density should limit STR rentals to not more than 1 property per group of 10 contiguous properties based on APN; the higher density shall limit short-term rentals to not more than 1 property per group of 8 contiguous properties based on APN.
6. Limit the maximum occupancy of an STR rental unit to two persons per bedroom. Require that gatherings, including guests, not exceed a total of two times the maximum occupancy, and may be further limited based on parking availability. Further, STR's may not be rented in parts to two or more previously unrelated parties at the same time.
7. Limit eligibility for an STR license only to units able to provide designated off-street parking for guests while also accommodating off street parking for the STR's other occupants. Consider limiting STR's on private or hazardous roads or where access has the potential to disturb neighbors or hinder emergency access. Require notice to and approval by neighbors for STR applicants on a private road or shared driveway.
8. Require that STR structures comply with all County codes.

9. Provide for expeditious processing of complaints, with appropriate penalties, including revoking STR permits when owners violate the regulations.
10. Use the application fees and tax revenue generated by STR's to defray all costs to manage and enforce the STR ordinance. If possible, reinvest in STR neighborhoods a portion of revenue generated by STR's in those neighborhoods.
11. Prepare an annual audit report by the County Auditor-Controller on transient occupancy tax revenue.
12. Collect basic data on the location of permitted vacation rentals by area, number and type of complaints, and actual violations. Provide an annual report on the growth and issues associated with vacation rentals based on data annually collected.
13. To discourage commercialization of residential properties, require the owner to reside at the property for a minimum of 60 days per year.

These recommendations are submitted to the
Monterey County Planning Commission on June 28, 2017, by
Eric H. Sand, Land Use Chairman
Short Term Rental Subcommittee
Carmel Valley Association

A handwritten signature in black ink, reading "Eric H. Sand". The signature is written in a cursive style with a long horizontal line extending from the bottom of the name.