Exhibit A

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EXHIBIT A PROJECT DISCUSSION PLN180390 (Rodgers)

DISCUSSION:

Bed and breakfast facilities are defined as an establishment providing overnight accommodations and a morning meal by people who provide rental rooms in their homes (Section 20.06.110) and bed and breakfast facilities are listed as a use allowed subject to a Coastal Development Permit in each case in the Low Density Residential Zoning District (Monterey County Code 20.14.050). Bed and Breakfast facilities are subject to specific standards contained in Section 20.64.100 of the Monterey County Code.

Consistent with Policy 4.4.3.D of the Carmel Land Use Plan, the proposed bed and breakfast facility would provide visitor serving accommodations on an already developed parcel in proximity to recreation opportunities at Point Lobos State Park. The applicant has submitted a business management plan (**Exhibit C**) that outlines property operations and guest contract terms consistent with Section 20.64.100 of the Monterey County Code (MCC).

In April 2018, the property received a code enforcement citation for operating a short-term rental without the proper approvals and permits, and for failure to obtain the required business license. The property owner has since paid the code enforcement fines and submitted a notice to quit operation of the short-term rental; therefore, the code enforcement case closed in May 2018. In August 2018, the applicant submitted a planning application for consideration and approval for a bed and breakfast. At the June 12, 2019 Planning Commission hearing, online advertisements for rental of the home were presented. Staff has verified that the online advertisements offer the home of rent for periods of more than 30 days. Short-term rentals are defined as rental for less than a 30-day period.

The County is currently considering regulations for vacation rentals or short-term rentals. An important distinction between short-term rentals and bed and breakfasts is outlined in Section 20.64.100.C.1: *"The property owners shall occupy and manage the bed and breakfast facility."* In addition, within the Coastal Zone, bed and breakfast facilities are currently a use allowed with a Coastal Development Permit, whereas, regulations have not been codified for short-term rentals.

Section 20.64.100 of the Monterey County Code provides regulations, standards and circumstances under which bed and breakfast facilities may be established. Regulations include:

1. The property owner shall occupy and manage the bed and breakfast facility, not affiliate with hotels or motels operating in the County.

Site plans and business management plan reflect a bedroom reserved for the property owner on the first floor (**Exhibit C**). The property owner has indicated that they will occupy and manage the bed and breakfast.

2. No more than 10 guest rooms may be allowed in one facility.

There are five bedrooms in the existing dwelling. Four bedrooms would be converted to guestrooms and one bedroom would be reserved for the property owner.

3. No long-term rental of rooms shall be permitted.

The maximum stay for each guest would not exceed 29 days in a 30-day period and no more than 60 days in a one year period.

4. The facility shall provide parking on site at the rate of one space per guestroom plus two spaces for the owners.

At least six parking spaces are provided onsite.

5. Each bed and breakfast facility may have a maximum of one sign not exceeding 4 square feet in area, attached to the residence and not internally illuminated.

Although not included in their application, the property owners are allowed a four-foot sign attached to the residence not internally illuminated subject to an Administrative Design Approval.

6. Such facilities shall be subject to the occupancy tax.

The owner will be required to pay transient occupancy tax and will be required to obtain food facility permits from the County Health Department.

7. Any cooking facility must comply with State and County codes.

As enforced through the Environmental Health Department.

In addition to plans describing how the bed and breakfast will comply with the applicable regulations, the Planning Commission is required to make six findings in order to grant a Coastal Development Permit for a bed and breakfast facility. Required findings are provided in the attached Resolution (**Exhibit A**).

JUNE 12, 2019 PLANNING COMMISSION HEARING:

On June 12, 2019, the Planning Commission considered the proposal for a bed and breakfast facility. During the hearing, the Planning Commission requested clarification on trip generation rates. At the time, staff suggested that bed and breakfast facilities were similar to a single-family dwelling for the purposes of trip generation rates. After further review, staff has clarified that a bed and breakfast is not similar to a single-family dwelling, rather, it is similar to a hotel/motel use. Using the Institute of Traffic Engineers (ITE) trip generation manual, a single-family dwelling would generate ten trips per day, while a hotel/motel would generate nine trips per room; 36 trips per day for the 4 room bed and breakfast. Therefore, this proposed bed and breakfast would generate a 26 additional trips per day more than the existing single family dwelling. In this area, the additional 26 trips would not result in a significant change in traffic operations including levels of service on nearby roads and it would not warrant the need for new traffic improvements to accommodate the trips. Cumulative increases in traffic would be addressed though payment of traffic impact fees which will help finance traffic improvements in the area.

The Planning Commission also directed staff to gather collision data along Highway 1 in the vicinity near the proposed bed and breakfast. Collision data from CalTrans has been collected and analyzed. There have been four collisions in a mile radius from the project site since 2014. The four accidents are not concentrated at any one intersection and do not, in the opinion of staff, suggest that collisions are the result of unsafe traffic conditions that can be corrected with road improvements.

Environmental Health

At the June Planning Commission hearing, the issue of septic capacity was raised. Monterey County's Environmental Health Bureau conducted a performance evaluation of the site on December 27, 2018 and found the dispersal system to be in acceptable condition, but required septic tank repairs. The repairs were completed on January 8, 2019, and Environmental Health deemed project review complete without conditions. Environmental Health also indicated the septic capacity for this residence would be 8.6 occupants. Staff has revisited the septic limitations at the site and has clarified that adequate capacity exists to serve the proposed change in use. Septic capacity was originally sized based on a five bedroom single family dwelling use which assumed full-time occupancy of each bedroom in the house. While the bed and breakfast facility could increase the total occupancy of the home by two people, the septic system could support this increase for temporary periods of time when the facility is at full capacity. Some vacancy rates are reasonable to project and with regular maintenance of the septic system at the site, Environmental Health Bureau staff believe that the system is adequate to support the proposed use.

With these clarifications, staff again recommends approval of the project finding that the proposal meets the requirements of both the Carmel Land Use Plan and the Coastal Implementation Plan including the Zoning requirements in Title 20 of the Monterey County Code.

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