



Board Report

File #: PC 17-031, Version: 1

REF100042/REF130043 - SHORT-TERM RENTAL ORDINANCES

- a. Consider separating the process for developing inland and coastal Short-Term Rental ordinances;
- b. Conduct a public hearing to obtain input on preliminary draft regulations of Short-Term Rentals for overnight accommodations in residential areas in the unincorporated area of Monterey County; and
- c. Provide direction to staff relative to the draft regulations and process.

(Countywide, coastal and non-coastal)

Proposed CEQA Action: CEQA review to be conducted based on regulations developed.

RECOMMENDATION

It is recommended that the Planning Commission:

- a. Consider separating the process for developing inland and coastal Short-Term Rental ordinances;
- b. Conduct a public hearing to obtain input on preliminary draft regulations of Short-Term Rentals for overnight accommodations in residential areas in the unincorporated area of Monterey County; and
- c. Provide direction to staff relative to the draft regulations and process.

SUMMARY

On July 13, 2016, following multiple community meetings, the Planning Commission held a public workshop to discuss regulating STRs in Monterey County where staff solicited direction from the Planning Commission regarding the primary issue of *if/where STR should be allowed*. A second public workshop was held on November 9, 2016, following multiple meetings of an ad hoc committee formed by District 5, where staff solicited direction from the Planning Commission regarding key STR characteristics and if/how to tie these characteristics to relevant thresholds for regulation. The Planning Commission directed staff to meet with each of the Land Use Advisory Committees and return to the Commission in February 2017 to present a preliminary draft ordinance.

County staff issued a notice for a public hearing at the Planning Commission on March 29, 2017 to consider preliminary draft regulations on short-term rentals (STR) for overnight accommodations in residential areas in the unincorporated area of Monterey County. The Planning Commission meeting was cancelled. Due to conditions in Big Sur preventing accessibility to participate in this hearing, it was recommended that the Commission continue the STR hearing to a date uncertain until such time that there was a reasonable avenue for participation (access, teleconference, etc).

On April 4, 2017 staff distributed a memo with preliminary draft regulations for public review that generally:

- create three types of STR with additional sub-classes, and then assigns a review process based on site conditions (owner occupancy, water, wastewater, access).
- lay out regulations for a number of key regulatory elements addressing the primary issues of concern

These regulations are in a format for what could become a draft ordinance. Staff seeks Planning Commission direction on additional elements:

- limitations to the number or type of STR permits issued (density limits);
- enforcement and revocation; and
- standard STR rules.

At the April 12, 2017 Planning Commission members of the public requested that the Planning Commission bring this item forward. The Commission requested that staff put the short-term rental preliminary regulations on a Commission agenda in May. Subsequently, staff received communications from the public requesting that the Big Sur Planning Area be expressly excluded from the draft ordinance due the restricted access along Highway 1 south of the Pfeiffer Canyon Bridge. Currently community members residing south of Pfeiffer Canyon have intermittent road access to Salinas using Nacimiento-Fergusson Road or driving south highway one around. At the April 26, 2017 Planning Commission meeting, staff provided an update on options, and there seemed to be the general consensus that the coastal ordinance would be separated from the inland and considered the Fall of 2017 when the Pfeiffer Canyon Bridge is expected to be completed by CalTrans. However, there was no official action taken.

Until a new ordinance is adopted, applications for STRs in the Coastal Zone (e.g. Big Sur) would continue to be processed under current coastal regulations, that is, whether the proposed application is a use similar in character and intensity to other uses listed in the particular zoning district.

Staff requests Planning Commission policy direction on the preliminary draft short-term rental ordinance. Direction from this hearing will establish the next steps for staff to develop final draft STR ordinances for the Planning Commission to consider. Once final draft ordinances are developed, staff will prepare an initial study to evaluate the environmental effects of the proposed regulations and continue to move forward through the public hearing process accordingly.

STR and events are separate issues, so the STR regulations specifically exclude events. Ordinances for events will be developed after staff has completed ordinances for STR.

DISCUSSION

Detailed discussion is provided in **Exhibit A**.

OTHER AGENCY INVOLVEMENT

The following agencies and departments have been consulted in the preparation of the preliminary draft ordinance and this report included: Resource Management Agency; County Counsel; Environmental Health Bureau; Monterey Regional Fire; and the Treasurer-Tax Collector.

Prepared by: Melanie Beretti, Special Programs Manager (831) 755-5285

Reviewed by: Jacqueline R. Onciano, RMA Chief of Planning

Approved by: Carl P. Holm, AICP, RMA Director

The following attachments are on file with the RMA:

Exhibit A - April 4, 2017 Memo re Short-Term Rental Preliminary Draft Ordinance

Exhibit B - Correspondence

Exhibit C - LUAC minutes

cc: Front Counter Copy; Planning Commission; Environmental Health Bureau; Water Resources Agency; California Coastal Commission; RMA-Code Compliance; Economic Development; Cynthia Hasson, County Counsel; Treasure/Tax Collector; Jacqueline R. Onciano, RMA Services Manager; Dan Dobrilovic, RMA Building Official, Dorothy Priolo, Monterey Regional Fire Deputy Fire Marshal; Monterey County Sheriff's Office; District 5, Supervisor Potter; STR Public Distribution List; Planning File REF100042 - Inland/REF130043 - Coastal

