



County of Monterey

Item No.5

Zoning Administrator

Legistar File Number: ZA 26-060

June 11, 2026

Introduced: 5/29/2026

Current Status: Agenda Ready

Version: 1

Matter Type: Zoning Administrator

PLN240358 - CLAY DOUGLAS A. & HEATHER R. TRS

Public hearing to consider action on an after-the-fact Commercial Vacation Rental to allow the use of a single-family dwelling for transient lodging for a period of 30 calendar days or fewer to clear Code Enforcement violation 26CE00194.

Project Location: 2924 Congress Road, Pebble Beach, CA 93953

Proposed CEQA action: Find the project Categorical Exempt pursuant to CEQA Guidelines section 15301, and there are no exceptions pursuant to Section 15300.2.

RECOMMENDATIONS

It is recommended that the Zoning Administrator adopt a resolution to:

- a. Find the project qualifies for a Class 1 Categorical Exemption from CEQA Guidelines Section 15301, and that none of the exceptions from Section 15300.2 apply to the project; and
- b. Approve an after-the-fact Use Permit for a Commercial Vacation Rental to allow the use of a single-family dwelling for transient lodging for a period of 30 calendar days or fewer to clear Code Enforcement violation 26CE00194.

The attached draft resolution includes findings and evidence for consideration (**Exhibit A**).

Staff recommends approval subject to 6 conditions of approval.

PROJECT INFORMATION

Agent: Josh Ohanian

Property Owner: Douglas A. and Heather R. Clay Trust

APN: 007-541-008-000

Parcel Size: 0.21 AC

Zoning: Medium Density Residential with a maximum gross density of 4 units/acre with Building Site District 6, Design Control, and Recreational Equipment Storage in Seaward Zone Overlays or "MDR/B-6-D-RES"

Plan Area: Greater Monterey Peninsula Area Plan

Flagged and Staked: N/A

Project Planner: Kyle Benalcazar, Assistant Planner

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SUMMARY/DISCUSSION

The project site is located at 2924 Congress Road, a privately maintained road, in the Greater Monterey Peninsula Area of the unincorporated area of the County of Monterey. The Applicant, Josh Ohanian, submitted an application seeking to use the existing single-family dwelling

located in a residentially zoned neighborhood as a Commercial Vacation Rental. The site is developed with an existing single-family dwelling and attached garage. The proposed commercial vacation rental is within the existing 1,821 square foot single-family dwelling with an attached garage, and consists of three bedrooms, two and half bathrooms, a living room, a dining room, a kitchen, and a patio. The applicant is proposing that the residence be occupied by a maximum of seven people overnight, 10 people during the daytime hours at the property at a time, and a maximum of three contractors on site at any time consisting of the cleaning crew. The property will retain its domestic water connections to California American Water Company, a public water provider, through the Monterey Peninsula Water Management District, and Pebble Beach Community Services District will continue to provide sewer service. The property will retain its solid waste services to GreenWaste Recovery, LLC., a waste management company. Within the immediate neighborhood, excluding this application, there is one incomplete application for a Homestay and one applied application for a Commercial Vacation Rental, with an approved discretionary permit. If approved, the granting of this Use Permit would allow the establishment of the 29th permitted vacation rental in the Greater Monterey Peninsula Area Land Use Plan out of 155 Use Permits permitted pursuant to Title 21 Section 21.64.290.F.3.f.

DISCUSSION:

Based on staff's review of the planning application materials, the property complies with all rules and regulations pertaining to zoning uses and other applicable the 2010 County of Monterey General Plan (General Plan), Greater Monterey Peninsula Area Plan (GMPAP), Monterey County Code Title 7 Chapter 7.120 (Title 7), Monterey County Code Title 16 Chapter 16.80 (Title 16), and the Monterey County Inland Zoning Ordinance (Title 21).

Land Use

The parcel is zoned Medium Density Residential with a Building Site District-6, Design Control overlay, and Parking and Use of Major Recreational Equipment Storage District overlay or "MDR/B-6-D-RES". Title 21 Section 21.12.050.Y allows for the Commercial Vacation Rental use subject to the granting of a Use Permit. Title 21 Section 21.64.290.F establishes the regulations for a property operating as a Commercial Vacation Rental on such property for transient lodging for a period of 30 calendar days or fewer.

The parcel is located on Congress Road with a Design District overlay in the Greater Monterey Peninsula Area Plan. However, the project does not propose any physical changes that would have any potential to impact scenic/visual resources. No construction, exterior alterations to structures, land alteration, or vegetation (or tree) removal are proposed.

The property complies with Title 21, Section 21.64.290.F.5 in that it has been demonstrated that the response time for County emergency services for fire and emergency medical services is adequate pursuant to the requirements of the 2010 County of Monterey General Plan Safety Element PS-1.1 and Table PS-1. The subject property is considered within an urban center, considered a full array of public services as defined by the General Plan, and therefore is subject to an emergency response time between 5-8 minutes. The subject property is within a 4-minute drive from Pebble Beach Fire Station 22, which provides fire response services, and a 6-minute drive from the Community Hospital of Monterey Peninsula, which provides 24-hour emergency medical services. The Vacation Rental Operation License requires that guests be provided with

the contact information on the response time for emergency medical and fire services as a part of the informational notice posted within six feet of the front door and within a visible location outside of the structure (Condition No. 5).

Parking requirements outlined in Title 21 Sections 21.64.290.F.6 and 21.58.040 requires that a Single-Family Detached residential dwelling unit have two spaces/unit. The application includes adequate parking spaces (4 guest parking spaces), which exceeds the minimum requirements by 2.

The subject property complies with the limitation on the number of Commercial Vacation Rentals per legal lot requirements of Title 21 Section 21.64.290.F.7, which allows one Commercial Vacation Rental per legal lot of record. The subject property will be the only Commercial Vacation Rental on the legal lot of record. The owner of the subject property complies with the ownership requirements of Title 21 Section 21.64.290.F.10, wherein the owner of the subject property is allowed to have an ownership interest in one Commercial Vacation Rental within unincorporated Monterey County. The owners of the property do not have an ownership interest in other already operating Commercial Vacation Rentals in unincorporated Monterey County, and this would be their first and only Commercial Vacation Rental in unincorporated Monterey County.

As detailed in the draft resolution (**Exhibit A**), the Applicant/Owner has provided evidence of compliance with the applicable requirements. The designated Property Manager for the Commercial Vacation Rental, Josh Ohanian of Sanctuary Vacation Rentals, resides at NW Corner of Mission & 8th, Carmel-by-the-Sea, CA 93921, approximately 5 miles (12 minutes) from the subject property. Mr. Ohanian's contact information will be provided to the guests of the property, and Mr. Ohanian will be available 24/7 to respond to guest or neighborhood questions or concerns, and has the ability to arrive within 30 minutes. Mr. Ohanian's contact information will be provided to guests as a part of the informational notice posted within six feet of the front door as required pursuant to Title 7 Section 7.120.040.L and within a visible location outside of the structure.

The property has a maximum occupancy of seven overnight guests, 10 daytime guests, and three contractors. The proposed occupancy does not exceed the limits set forth in the California Uniform Housing Code and the requirements enumerated in Title 7 Section 7.120.070.C, which limit the maximum overnight occupancy to two persons per bedroom plus one and not counting infants (zero to twelve months), with a not to exceed total maximum overnight occupancy of 15 overnight guests, regardless of the number of bedrooms in the property. Title 7 Section 7.120.070.C also limits the maximum daytime occupancy of occupants and visitors to not exceed a count of 1.5 times the maximum overnight occupancy and shall not exceed a total count of 15 persons per unit, no matter how many bedrooms.

To ensure the proposed use will not affect the residential character of the neighborhood, the following two conditions have been incorporated. Condition No. 3 has been incorporated to ensure that the property will not be rented for the purposes of holding a corporate or private event venue and Condition No. 4 to ensure that the property will remain in compliance with the regulations for Vacation Rentals in Title 7 Chapter 7.120, Title 21 Section 21.64.290 and the Conditions of Approval. Additionally, the proposed Commercial Vacation Rental is subject to

Monterey County's Noise Ordinance (Chapter 10.60), which prohibits loud or unreasonable noise between the hours of 9:00PM and 7:00AM. In accordance with Title 21 Section 21.74.060, if the property is found to be in violation of the approved operations plan or conditions of approval attached to this Use Permit, the permit may be revoked for non-compliance.

Private Road Access

The property is within the Pebble Beach area and is currently managed by the Pebble Beach Company, which is the legally established governing structure for the private roads used to access the subject parcel. Pebble Beach Company is authorized to make determinations regarding the use, maintenance, and related matters regarding the private road. Pursuant to Title 21 section 21.64.290.F.4, the subject property must comply with Title 16 Chapter 16.80, which regulates private roads in Monterey County. The private road accessing the property is subject to a private road agreement and a private road maintenance agreement, which is recorded as a deed restriction for the subject property. The deed restriction for the subject property was recorded as Deed Number 1551 (Reel 727, Page 72 of Official Records).

The deed contains language related to the "Use of Roads and Bridle Paths" and related to "Covenants and Conditions" (CCs). Under the "Use of Roads and Bridle Paths," the deed states that the *"Grantee, subject to the provisions hereof, is hereby granted license for the use, by himself, his family, servants, tenants and guests occupying or visiting said premises, of all roads and bridle paths now or hereafter owned by Grantor in Del Monte Forest, and to free access to Del Monte Forest; in consideration of which the owner of said premises shall be obligated to pay Grantor the sum of One Hundred Dollars (\$100.00) on each January 1st hereafter, the payment of which sum is and shall be secured by a lien and charge on said premises. Grantor, however, reserves the right to change, abandon or close any of said roads and paths, provided that (so far as within the control of Grantor) there shall always be left open a road by means of which and/or of connecting roads access may be had to said premises from the nearest public highway"*. The plain language of this deed gives the property owner access to their property as long as they pay \$100 each January 1st. The other language is identified under the CCs as the first deed restriction states that *"No trade, business or profession of any description shall be conducted on said premises. Said premises shall not be used for any purpose whatever except solely and exclusively for the purpose of construction and maintenance of not more than one private single family residence..."*. Therefore, the project is classified as a Tier 4 category pursuant to Title 16 Chapter 16.80, which means this deed restriction language constitutes a private road agreement and maintenance.

The Pebble Beach Company received notification of the proposed project on May 26, 2026. The Pebble Beach Company submitted a letter to the County stating that they have a blanket objection to the use of residential property in Pebble Beach as commercial vacation rentals. This letter further stated that Pebble Beach Company believes that *"...the plain meaning of the CC&R language bans short-term vacation rentals in the Del Monte Forest [Pebble Beach Company managed portion of the Greater Monterey Peninsula]."* (**Exhibit D**)

The applicant is aware of the objections and restrictions outlined within the CC&R's and believes they have the right to continue the use of the property for the proposed application of a Commercial Vacation Rental.

The County of Monterey's regulations for private roads, pursuant to Title 16 section 16.80.060.A, state that if the Appropriate Authority finds, based on substantial evidence in the record, that a substantive dispute exists regarding the use of a private road for a project, the Appropriate Authority "may approve the project but shall require as a condition of project approval that the applicant provide the County with proof of access demonstrating that the dispute has been satisfactorily resolved". Therefore, staff recommends that Condition of Approval No. 6 to ensure that the substantial dispute regarding the plain language of the private road agreement is resolved prior to the applicant commencing the use of their property as a commercial vacation rental. This Condition requires that the applicant provides the County of Monterey Housing and Community Development (HCD) staff with adequate documentation that the private road dispute has been satisfactorily resolved and the use of the property as a commercial vacation rental is allowed and does not violate the plain language of any deed restrictions and/or private road agreement.

Violations

The Commercial Vacation Rental Ordinance for the inland area of the County of Monterey became effective on October 14, 2024. On November 22, 2024, the Applicant applied for a Use Permit for a Commercial Vacation Rental Operation to allow the use of a single-family dwelling for transient lodging for a period of 30 calendar days or fewer. The applicant failed to diligently pursue compliance with Commercial Vacation Rental permitting. Staff notified the Applicant on November 13, 2025 and January 14, 2026 that operations that are not being diligently pursued and are still in operation may be subject to code enforcement fines. On March 23, 2026, an administrative citation from HCD-Code Compliance was issued pursuant to an inspection conducted on March 23, 2026 which identified continued use of the unpermitted short-term rental. On March 31, 2026, the Applicant paid the remaining permit fees to continue the permitting process and to abate Code Enforcement Violation No. 26CE00194, subject to any remaining enforcement fines, to bring their property into compliance with the Monterey County Code. With the approval of this permit, the violations would be fully abated and would bring the property into compliance subject to any remaining enforcement fines. No additional complaints have been received.

CEQA:

The project qualifies as a categorical exemption from environmental review pursuant to CEQA Guidelines section 15301. This exemption applies to the operation of existing private structures, involving negligible or no expansion of an existing use. The Applicant/Owner proposes to use a residential single-family dwelling for transient lodging where the term of occupancy, possession, or tenancy of the property by the person entitled to such occupancy, possession, or tenancy for a period of 30 consecutive calendar days or fewer. This project does not propose or authorize any additional exterior development and/or expansion of the existing structure currently on the project site.

The subject property will be limited to one rental contract at any given time. All facilities, as planned and approved, have been confirmed by County agencies to be adequate for this use. Therefore, the proposed use is consistent with the CEQA Guidelines Section 15301. None of the exceptions under CEQA Guidelines Section 15300.2 apply to this project. Additionally, there will be no significant effect on the environment due to unusual circumstances. Further,

there is no evidence that “the cumulative impact of successive projects of the same type in the same place, over time is significant.”

The County prepared a Final Environmental Impact Report (FEIR) for the Vacation Rental Ordinances project, which was certified by the Board of Supervisors on August 27, 2024 (SCH# 2022080643). The FEIR analyzed the project for environmental impacts and did not identify any significant impacts of Commercial Vacation Rentals up to the Commercial Vacation Rental cap set for each County of Monterey Planning Area. This Commercial Vacation Rental does not exceed the cap on Commercial Vacation Rentals in the Greater Monterey Peninsula Land Use Plan. It would be the 29th Commercial Vacation Rental in the Greater Monterey Peninsula Land Use Plan. The FEIR did address public comments that vacation rentals have the potential for negative side effects including nuisance issues such as traffic, parking and noise. However, no significant environmental effects were identified. County regulations have been developed and are in effect to ensure that vacation rentals remain compatible with existing residential uses. Cumulative impacts of the regulations taken together with other past, present, and probable future projects were analyzed and no significant effects were identified. There is no evidence suggesting that approving this project would result in significant environmental impacts.

OTHER AGENCY INVOLVEMENT

None

Prepared by: Kyle Benalcazar, Assistant Planner

Reviewed and Approved by: Jacquelyn M. Nickerson, Principal Planner

The following attachments are on file with HCD:

Exhibit A - Draft Resolution including:

- Recommended Conditions of Approval
- Operations Plan
- Site and Floor Plan

Exhibit B - Aerial Image and Surrounding Neighborhood

Exhibit C - Vicinity Map

Exhibit D - Home Inspection Checklist

Exhibit E - Public Comment

cc: Front Counter Copy; Kyle Benalcazar, Assistant Planner; Jacquelyn M. Nickerson, Principal Planner; Douglas A. and Heather R. Clay, Property Owners; Josh Ohanian, Agent; Interested Party List: The Open Monterey Project; LandWatch (Executive Director); Lozeau Drury LLP; Christina McGinnis, Keep Big Sur Wild; Planning File PLN240358.