

Attachment A

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**Monterey County Board of Supervisors
Referral Submittal Form**

Referral No. 2023.05
Assignment Date: 02/28/2023
(Completed by CAO's Office)

SUBMITTAL - Completed by referring Board office and returned to CAO no later than 10:00AM on Wednesday prior to Board meeting:

Date: 2/21/23	Submitted By: Supervisor Mary L. Adams	District #: 5
Referral Title: Vacation Rentals – Interim Ordinance Until New Rules and Regulations are Adopted		
Referral Purpose: To consider an interim ordinance to enact a stay or moratorium on issuance of Administrative Permits for transient use of residential property for remuneration (Inland) under Monterey County Code Section 21.64.280 until new vacation rental regulations are adopted.		
Brief Referral Description (attach additional sheet as required):		
After many years of effort, Monterey County has yet to update its ordinances related to vacation rentals. In 2016, Referral 2016.02 was made to prioritize completion of the short-term rental ordinance. There continues to be an outstanding, overdue need for better regulation of vacation rentals in the unincorporated area. In a May 2021 presentation, County staff identified over 600 vacation rentals in the unincorporated area, but fewer than 25 are operating under the benefit of a land use permit. The majority of these unpermitted vacation rental operations are within District 5. As noted in the February 14, 2023 Board Referral Matrix, Referral 2016.02 was “modified on August 24, 2021 (as part of Board's annual evaluation of referrals) requesting that HCD provide a proposal to address implementation of enforcement at this time, as well as anticipated funding sources for those costs. On October 5, 2021, the Board directed HCD to develop a pilot program to enforce STRs in District 5. On December 8, 2021, staff provided a presentation to the Board on its proposed proactive enforcement and was directed to proceed by returning in January/February 2022 for Board action on staff resources, funding, and a draft ordinance increasing fines for unauthorized STRs. The Budget Committee considered staff resources on January 26, 2022 and subsequently, on March 1, 2022, the Board approved three new staff positions including two Code Compliance Inspector II positions and an Office Assistant position.” The referral status also indicates that preparation of an EIR for the new ordinances is underway. The EIR review and public hearing process by the Planning Commission and Board of Supervisors to consider adoption of new vacation rental ordinances is anticipated to occur by the end of this year. Monterey County Zoning Code Section 21.64.280 - Administrative permits for transient use of residential property for remuneration - was originally adopted in 1997 and last amended in 2009, long prior to the explosive growth of the short-term rental industry that has occurred over the last ten to fifteen years. As has been known since at least 2016, it is inadequate for regulation of vacation rentals in current times. As the only existing regulation of vacation rentals in the inland area, most notably in Carmel Valley, it is lacking in clarity and is insufficient to address adverse impacts to neighborhood and residents, as evidenced by numerous complaints throughout the years. It is also difficult to enforce. Over the last year Housing and Community Development has received an influx of applications for under Monterey County Code Section 21.64.280. These applications have been posted on HCD's website here: https://www.co.monterey.ca.us/home/showpublisheddocument/117893/638115330316002369 This referral is to request that staff bring forward an interim ordinance pursuant to Government Code Section 65858 for consideration by the Board of Supervisors to place a stay or moratorium on the issuance of administrative permits in the inland areas of Monterey County under Section 21.64.280, until such time as new regulations for vacation rentals have been adopted. During the effective period of the interim ordinance, code compliance efforts related to unauthorized STRs in the inland area would be focused on unauthorized STRs not paying TOT or that have other health and safety violations (e.g., building code violations).		
Classification - Implication		Mode of Response

☐ Ministerial / Minor X Land Use Policy ☐ Social Policy ☐ Budget Policy ☐ Other: _____	Memo ☐ Board Report ☐ Presentation Requested Response Timeline ☐ 2 weeks ☐ 1 month X 6 weeks ☐ Status reports until completed ☐ Other: _____ ☐ Specific Date: _____
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ASSIGNMENT – Provided by CAO at Board Meeting. Copied to Board Offices and Department Head(s) Completed by CAO’s Office:

Department(s): Housing & Community Development	Referral Lead: Erik Lundquist	Board Date: 02/28/2023
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REASSIGNMENT – Provided by CAO. Copied to Board Offices and Department Head(s). Completed by CAO’s Office:

Department(s):	Referral Lead:	Date:
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ANALYSIS - Completed by Department and copied to Board Offices and CAO:

Department analysis of resources required/impact on existing department priorities to complete referral:	
Analysis Completed By: _____ Date: _____	Department’s Recommended Response Timeline ☐ By requested date ☐ 2 weeks ☐ 1 month ☐ 6 weeks ☐ 6 months ☐ 1 year ☐ Other/Specific Date: _____

REFERRAL RESPONSE/COMPLETION - Provided by Department to Board Offices and CAO:

Referral Response Date:	Board Item No.:	Referrals List Deletion:
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Note: Please cc Claudia Escalante and Karina Bokanovich on all CAO correspondence relating to referrals.