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Addendum Pursuant to the California Environmental Quality Act

ARTICLE 11 Section 15164

Prepared by the County of Monterey Housing and Community Development Department
February 5, 2026

Amended Vacation Rental Ordinances

File Nos. REF250042 (Coastal) and REF250043 (Inland)

Ordinances amending Monterey County Code Title 7 (Business Taxes, Licenses, and Regulations) Section 7.02.060 and Chapter 7.120, amending Title 20 (Coastal Zoning Ordinance) definition and zoning use sections and Section 20.64.290, and amending Title 21 (Non-Coastal Zoning Ordinance) definition and zoning use sections and Section 21.64.290 to regulate vacation rentals in unincorporated Monterey County.

1. Introduction

In accordance with Section 15164 of the California Environmental Quality Act (CEQA) Guidelines, codified in Sections 15000 *et seq.* of Title 14 of the California Code of Regulations, a lead agency shall prepare an addendum to a previously certified environmental impact report (EIR) if some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred. Under Section 15162(a), where an EIR has been certified for a project, no subsequent EIR shall be prepared for the project unless the lead agency determines, on the basis of substantial evidence in light of the whole record, that there are substantial changes in the project or circumstances or substantially important new information that will cause the project to have significant new impacts or substantially increase previously identified significant impacts.

Specifically, the CEQA Guidelines state:

- The lead agency or responsible agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred (Section 15164 (a)).
- An addendum need not be circulated for public review but can be included in or attached to the final EIR or adopted negative declaration (Section 15164 (c)).
- The decision-making body shall consider the addendum with the final EIR or adopted negative declaration prior to making a decision on the project (Section 15164 (d)).
- A brief explanation of the decision not to prepare a subsequent EIR pursuant to Section 15162 should be included in an addendum to an EIR, the lead agency's findings on the project, or elsewhere in the record. The explanation must be supported by substantial evidence (Section 15164 (e)).

According to Section 15164 of the CEQA Guidelines, an addendum to a previously certified EIR is the appropriate environmental document in instances when “some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of subsequent EIR have occurred.” Here, this Addendum has been prepared in accordance with relevant provisions of CEQA (California Public Resources Code §21000, *et seq.*) and the CEQA Guidelines to make minor changes to the regulations analyzed in the Monterey County Vacation Rental Ordinance Project Final Environmental Impact Report (EIR), certified August 27, 2024, by Board of Supervisors Resolution No. 24-355 (SCH # 2022080643). None of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred.

2. Scope and Purpose of this Addendum

Approved Vacation Rental Ordinances:

In 2024 and 2025, the County of Monterey (County) adopted regulations for vacation rentals (also known as short-term or transient rentals for 30 days or less) within the unincorporated areas of Monterey County. The project amended Title 7, Title 20, and Title 21 of the Monterey County Code (MCC) for the purpose of establishing regulations under which vacation rentals may be allowed. These regulations also provide an amortization of investment for existing vacation rental operations to enable those operations to continue operations for a limited time, provided the vacation rental activity was established prior to the operative or effective date of the respective ordinances and that the operator is pursuing all necessary County permits, licenses, and entitlements. The regulations do not permit or allow any specific development or construction. The regulations provide definitions for terms not already defined, limit the establishment of vacation rentals to existing and established single-family dwellings, clarify which zoning districts vacation rentals would be allowed, what type of permit(s) and licenses are required, and provide specific regulations and operation requirements for vacation rentals. They also include regulations for hosting platforms, application and renewal process, fees, grounds for revocation, process for hearing by a hearing officer, service requirements, and enforcement provisions.

The regulations establish three types of vacation rentals. Homestays, which require that the owner¹ to occupy at least one bedroom within the vacation rental while it is rented and that it be the owner's¹ primary residence. Two types of non-hosted vacation rental types are established, where the owner or primary resident does not occupy the vacation rental while it is being rented. Limited vacation rentals allow for the vacation rental to be rented not more than three times per 12-month period. Commercial vacation rentals allow for unlimited non-hosted rentals per 12-month period. All vacation rentals must register to pay Transient Occupancy Tax, obtain an annual business license, and a vacation rental operation license. Commercial vacation rentals require a discretionary permit, are limited to no more than a total permitted cap of 4 percent of the total residential single family dwelling units in each land use planning area in the County, and are prohibited in the following areas: Big Sur Coast Land Use Plan; Low density residential zoning districts (LDR) of the Carmel Area Land Use Plan; and residential zoning districts in the Carmel Valley Master Plan, and the Moss Land Community Plan.

Proposed Amended Ordinances: The proposed Amended Vacation Rental Ordinances would modify the County's approved vacation rental ordinances to:

¹ Memorandum Regarding Vacation Rental Regulations-Limited Suspension of Specific Terms dated December 12, 2025 accessible at <https://www.countyofmonterey.gov/home/showpublisheddocument/143728/639038902350270000>.

- Prohibit vacation rentals in all residential zoning districts, except as may be accessory to an agricultural use and a vetted commercial agricultural operation.
 - Carmel Valley - Would allow vacation rentals in rural density residential zoning district.
- Delete homestay, limited vacation rental, and commercial vacation rental types, and distinguish between vacation rentals that are hosted and/or non-hosted.
 - Big Sur – Would allow only hosted vacation rentals.
- Allow vacation rentals without discretionary permits in commercial, visitor serving zones and as an accessory use to a commercial agricultural operation.

The amended ordinances would also include minor edits and revisions to certain provisions including: clarifying definitions; adding agricultural definitions and evidence requirement for commercial agriculture; adding amortization of investment and phase out provisions for vacation rentals permitting or pending decision under the current vacation rental regulations; establishing occupancy limits based on building, health and safety laws; prohibiting events unless approved with a separate entitlement. The amended ordinances further modify regulations and add enforcement provisions for hosting platforms to include: requirements to disclose URL and License numbers for listings; clarify timing for when License numbers must be included with a listing; civil penalties of up to \$1,000 per day per violation; and ability for County to serve administrative subpoenas.

Discretionary permits for vacation rentals will no longer be required; However, a vacation rental operation license (pursuant to Title 7 of the County Code), business license, and transient occupancy tax certificate will still be needed. The total maximum number of allowable vacation rentals remains capped at not more than four percent of total residential (single family) dwelling units per planning area. Hosted vacation rentals will continue to be allowed without caps.

Addendum Purpose: The purpose of this addendum is to identify minor modifications and clarifications to the County's vacation rental regulations through the proposed amended ordinances. Staff's analysis of the Monterey County Vacation Rental Ordinance Project Certified EIR indicated that implementation of the vacation rental regulations would result in no impacts or less than significant impacts to resources (see Analysis below). The result of this analysis informed the final form of the current vacation rental regulations.

3. Subsequent Environmental Impact Report Analysis

None of the conditions described in Section 15162 of the CEQA Guidelines calling for the preparation of a Subsequent EIR have occurred:

Section 15162(a)(1) Analysis

No substantial changes are proposed to the project scope analyzed under the EIR through the proposed amended ordinances that would require major revisions to the EIR due to the involvement of new significant environmental effects.

The Initial Study (Appendix A to EIR) prepared by the County to address potential impacts of the Monterey County Vacation Rental Ordinances Project (current regulations) determined that implementation of the current regulations would have no impact for the following resources identified: Aesthetics; Biological Resources; Cultural Resources; Geology and Soils; Hydrology and Water Quality;

Hazards and Hazardous Materials; Mineral Resources; Public Services; and Recreation. The EIR analyzed and found that implementation of the current regulations would have less than significant impact for the following resources identified: Agricultural Resources; Air Quality; Energy; Greenhouse Gas Emissions and Climate change; Land Use and Planning; Noise; Population and Housing; Transportation; Tribal Cultural Resources; Utilities and Service Systems (water supply); and Wildfire. The EIR also considered Social and Economic factors, including preparation of a socioeconomic conditions analysis. CEQA does not require consideration of social and economic effects, however this was an area of controversy so the County elected to include it.

Implementation of the current vacation rental regulations does not authorize or facilitate any new development, as vacation rental use only applies to existing dwelling units; the same is true for the proposed amended ordinances. The proposed amended ordinances do not increase the total number of permissible vacation rental operations in unincorporated Monterey County, but rather they further restrict where vacation rentals are permissible by prohibiting them in residential zoning districts. By restricting vacation rentals to operating only in commercial zoning districts, visitor serving zoning districts, and zoning districts in which agriculture is an allowed use while also retaining the maximum cap on permissible vacation rentals, it enables vacation rental uses in areas with similar and compatible uses, thereby better addressing many of the social and economic factors associated with vacation rentals impacts to long-term housing in residential neighborhoods. By eliminating the discretionary permit requirement and allowing vacation rentals with ministerial approvals, the proposed amended ordinances provide a streamlined permitting process for vacation rentals in visitor serving and commercial zones and accessory to an agricultural use. Therefore, the scope of work analyzed under the EIR remains stable and the proposed project scope requires no major revisions to the EIR or that would involve new significant environmental impacts.

No Impact:

The EIR found no impacts to Aesthetics; Biological Resources; Cultural Resources; Geology and Soils; Hydrology and Water Quality; Hazards and Hazardous Materials; Mineral Resources; Public Services; and Recreation. The primary reasons given for the no impact finding was that the ordinances did not authorize any new construction or development. Under the revised project description, the same circumstances apply. No new development is proposed or authorized. No changes in the impacts have been identified as a result of the proposed changes.

Agricultural resources:

The Final EIR states (pg 4.3-4) "*The proposed regulations would allow for existing dwelling units and structures on Williamson Act parcels to be permitted as vacation rentals. Currently, vacation rentals are not listed as an allowable use by the County on Williamson Act land; however, use as vacation rentals would not alter the designations of land under Williamson Act contract or change any existing uses of the land. By providing an additional source of income, vacation rentals could support the economic viability of agriculture. Therefore, the project would not conflict with Williamson Act contracts.*"

The amended regulations will continue to allow the use of existing structures on agricultural lands with the intent of providing additional sources of income to support the agricultural economy.

There is no change in impacts on agriculture as a result of this ordinance.

Air Quality:

EIR (pg 4.4-16) "... the project would not involve development of any kind. Therefore, no construction

activity and associated emissions would occur. Operationally, it is assumed that most vacation rentals would function as households and that permanent residential vehicular trips would be replaced by trips by guests staying at the properties. In addition, it is assumed that permanent residential utility and energy consumption would be replaced by utility and energy consumption by guests staying at the properties. Although there are no default land uses for Air Quality Ascent Environmental Monterey County 4.4-16 Vacation Rental Ordinances Project Draft EIR vacation rentals in standard air quality models, the utility consumption associated with a hotel land use (the land use that most closely resembles a vacation rental) is similar to that associated with residential units on a per-unit basis (when comparing a single residential dwelling unit to a single hotel room). Thus, assuming that the activity of guests staying at rental properties would replace the activity of residential households, there would be no increase in overall emissions in the project area. Because implementing the project would not result in an increase in population or long-term emissions beyond what has been planned for in the 2016 AQMP, indirect emissions associated with the project are deemed to be consistent with the AQMP. The project would not directly conflict with any control measures identified in the AQMP and would not conflict with or otherwise obstruct implementation of the AQMP. Moreover, implementing the project would not result in new emissions that exceed MBARD numerical thresholds. Therefore, this impact would be less than significant.”

The amended regulations will continue to allow the use of existing structures in a manner consistent with the residential use or similar to a hotel use. All assumptions made in the original EIR remain and there is no change in impacts on air quality as a result of this ordinance.

Energy:

EIR (pg 4.5-10) “As discussed above, the project would not involve development of any kind. Therefore, no construction activity and associated fuel consumption would occur. Operationally, it is assumed that most vacation rentals would function as households and that permanent residential vehicular trips would be replaced by trips by guests staying at the properties. In addition, it is assumed that permanent residential utility and energy consumption would be replaced by utility and energy consumption by guests staying at the properties. Thus, assuming that the activity of guests staying at rental properties would replace the activity of residential households, there would be no increase in overall fuel consumption in the project area.”

The amended regulations will continue to allow the use of existing structures. All assumptions made in the original EIR remain and there is no change in impacts on energy as a result of this ordinance.

Greenhouse Gas Emissions:

EIR (pg 4.6-12) “At the state level, the 2022 Scoping Plan includes various recommendations that local governments can implement to align their planning and development review processes with the state’s climate goals. As noted, the project does not propose nor would it result in new land use development. There would be no population growth and no growth in permanent emission sources. Thus, the project would not conflict with the 2022 Scoping Plan. Implementing the project would not generate GHG emissions, either directly or indirectly, that may have a significant impact on the environment, and the project would not conflict with an applicable plan, policy, or regulation adopted for the purpose of reducing the emissions of GHGs. This impact would be less than significant.”

The amended regulations will continue to allow the use of existing structures. All assumptions made in the original EIR remain and there is no change in impacts on greenhouse gas emissions and climate change as a result of this ordinance.

Land Use and Planning:

EIR (pg 4.7-10) “*Vacation rentals would be limited to single-family residences in zoning districts where single-family dwellings and/or multiple-family dwellings are allowed uses. Limited vacation rentals are considered similar in character, density, and intensity to existing residential land uses because the limited frequency would not substantially alter the traditional residential nature of the use and would therefore not require a discretionary permit. However, commercial vacation rentals have the potential to be similar to recreational/visitor-serving uses, which could potentially result in a conflict with the residential land use. Limited vacation rentals and commercial vacation rentals would allow a maximum occupancy limit that could cause conflict with residential use regulations. Limited and commercial vacation rentals with an overnight occupancy would be limited to two persons per bedroom and could not exceed a total count of 10 persons per unit, regardless of the number of bedrooms in a unit. Daytime occupancy of limited and commercial vacation rentals would be limited to 1.5 times the maximum overnight occupancy and would not exceed 15 persons per unit, regardless of the number of bedrooms in a unit. Allowing three to four times the average number of people per household in Monterey County would likely create a sense of increased density and a commercial use of a residence in a neighborhood otherwise dedicated to typical long-term neighbors.*”

The amended regulations will have fewer impacts than described in the EIR because the amended regulations will prohibit vacation rentals in residential neighborhoods. The proposed regulations will remove the limitations on “Daytime occupancy limits” and instead prohibit the use of vacation rentals for event space. Additionally, subsequent discretionary review will be removed. With these changes, it is possible that occupants of a vacation rental can gather others during the day. Because vacation rentals will not be allowed in residential neighborhoods the concerns and impacts around day-time occupancies will be less intense. Commercial and visitor serving areas already have more densities of people during the day and this won’t be exacerbated by allowing residential units on those properties to be used as vacation rentals. Agricultural operations similarly have employees and equipment and often occur on large lots in the unincorporated areas. Restricting vacation rentals in residential neighborhoods reduces the type of conflicts and concerns that occur surrounding gatherings of people. Additionally, the change from day-time occupancies to event restrictions addresses can be more easily enforced by the County.

EIR (pg 4.7-11) “*Limits on the number of permitted vacation rentals within the Coastal Zone may be inconsistent with the Coastal Act requirement to prioritize the use of private lands for visitor-serving commercial recreational facilities rather than private resident uses (PRC Section 302222). However, as mentioned above, permits would require vacation rentals to abide by current rules and regulations pertaining to residential zoning uses and would not adversely affect the health, safety, and welfare of the community. In addition, the proposed regulations would not impede or limit coastal access...It is estimated that approximately half the homes that are currently used as vacation rentals are homes that are currently used seasonally by the owner. If this trend continues under the ordinance, it can be assumed that conversion of a home to a commercial vacation rental would result in the displacement of current occupants from the home. The proposed regulations would limit commercial vacation rentals through a 6 percent cap, which would restrict the level of displacement that would occur within the*

County as a result of vacation rentals. The proposed regulations would not limit the number of people that have access to the coastal zone but there could be a shift from long-term residents to short-term visitors in some instances. Therefore, implementation of the proposed regulations would be consistent with coastal access policies related to the LCP, and would not create a conflict with any plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect. This impact would be less than significant.”

As recognized in the EIR, restrictions on vacation rentals may conflict with Coastal Act provisions that encourage use of private lands for commercial and visitor serving uses that increase access to the coast. Under the proposed ordinance, lands zoned for commercial and visitor serving use will allow vacation rentals without a discretionary review and vacation rentals will be restricted in residential zones. Caps on the number of hosted vacation rentals allowed in each area will not change. It is likely that the changes in the regulations will reduce the number of vacation rentals because the majority of vacation rentals occur in residential structures which are often found in residential zoning districts; however, in some cases, new opportunities may exist. For instance, commercial vacation rentals are not permitted in the Carmel Valley area. The new regulations will allow vacation rentals on properties with agricultural uses opening some potential for rentals in the area. Access to the coast will not be physically impacted and opportunities for visitors to stay near the coast will continue to be provided in Monterey County in commercial and visitor serving areas, and accessory to agricultural uses.

Reductions in residential areas will reduce conflicts and impacts to residential neighborhoods and conversion of long-term housing in the coastal zone. The amended regulations will allow for unlimited hosted vacation rentals and no longer limits hosted rentals to one contract per seven days, as homestays are limited in the approved regulations. Additionally, on agricultural lands, ministerial approvals provide opportunity for vacation rentals to promote and provide opportunity for economic sustainability of agriculture in the region, better supporting Coastal Act priorities to protect coastal-dependent agriculture..

Noise:

EIR (pg 4.8-2) “*The project would not authorize or facilitate any new development. Therefore, implementing the project would not result in the introduction of any new stationary noise sources typically associated with new development (e.g., HVAC equipment) that could potentially generate a substantial increase in operational noise.*”

The amended regulations will continue to allow the use of existing structures and not authorize or facilitate any new development. All assumptions made in the EIR remain and there is no change in impacts on greenhouse gas emissions and climate change as a result of this ordinance.

EIR (pg 4.8-2) “*On-site noise-generating activity associated with implementation of the project is expected to be associated with noise sources typical of family and friend gatherings, such as raised voices and amplified music... However, these types of noise (raised voices and amplified music) could also be generated by occupants of any residential unit... Much of the noise concerns are attributable to human behavior... The County of Monterey’s Noise Ordinance establishes enforceable standards related to noise, provided in Chapter 10.60 of the County’s Code which all vacation rentals would be subject to... Furthermore, enforcement action may be taken if the County’s Noise Ordinance is violated... With all*

this in mind, it is not anticipated that implementing the project would frequently result in noise in excess of the noise thresholds identified in Chapter 10.60 and proposed Chapter 7.120, Title 20, and Title 21 of the County's County Code. This is not to suggest that violations would never occur, but the disincentives to allow violations are strong and would be expected to eliminate most or all multiple violations. Under CEQA, a significant impact is defined as an "adverse and substantial effect." Occasional violations of a noise ordinance would be considered adverse but would not be expected to be substantial—in this case, frequent. Given the intent of the ordinance to strongly penalize noise violations and the relatively low occurrence of reported violations under current conditions, repeated offenses are not expected. For these reasons, the project would not be expected to generate a substantial increase in non-transportation operational noise, and the impact would be less than significant."

The amended regulations will continue to allow vacation rentals in commercial and visitor serving areas. Commercial and visitor serving zones often have higher ambient noise levels than residential areas and are less sensitive to noise sources. Vacation rentals will also continue to be allowed in agricultural areas where agricultural operations similarly have employees and equipment and often occur on large lots in the unincorporated areas. Restricting vacation rentals from residential neighborhoods reduces the type of conflicts and concerns related to noise complaints at vacation rentals, and therefore the amended regulations would have fewer impacts than described in the EIR.

EIR (pg 4.8-12) "As detailed in the "Environmental Setting" section, above, it is widely accepted that people can begin to detect sound level increases of 3 dB in typical noisy environments, which corresponds to a doubling of sound energy and, in this instance, a doubling of traffic volume. However, as discussed in Section 4.10, "Transportation," average trip rates would likely decrease for residences that are converted from single-family residences to vacation rentals. As discussed above, the exact locations of individual future vacation rentals in the unincorporated Monterey County are not known at this time; thus, the roadways on which project-generated trips would travel cannot be known. However, the intent of the proposed regulations is to allow a maximum of 6 percent of vacation rentals in any planning area, which would ensure that vacation rentals are not concentrated in one area in the unincorporated Monterey County. Therefore, even if implementation of the project did result in an increase in the number of vehicular trips in the County, the increase would be slight, and any new trips would be dispersed throughout the roadway network of the unincorporated Monterey County. Because the doubling of a noise source is required to result in an increase of 3 dB, which is perceived as barely noticeable by humans (Egan 2007), any slight increase in vehicle trips would result in far less than a doubling of traffic volume on area roadways and thus would not result in a perceptible increase in noise. Therefore, implementation of the project would not generate a substantial increase in traffic noise. This impact would be less than significant."

The amended regulations will continue to allow the use of existing structures and a maximum capped number of vacation rentals in any planning area. All assumptions made in the original EIR remain and there is no change in impacts on noise as a result of this ordinance.

Population and Housing:

EIR (pg 4.9-4) "Based on DOF projections from the past 3 years, it is assumed that in the near term, the population throughout the County would be steady or continue to decrease. Longer-term projections, however, indicate an increase in the County's population of more than 40,000 residents by 2040. The

proposed regulations are for vacation rentals—specifically, limited vacation rentals and commercial vacation rentals—which are temporary lodging. Because the lodging affected by the proposed regulations would be temporary, the population using the rentals would not affect the overall population of the County.”

The amended regulations will continue to allow the use of existing structures for temporary lodging. All assumptions made in the EIR remain and there is no change in impacts on population and housing as a result of this ordinance.

EIR pg 4.9-4) “Employment opportunities are associated with maintenance and services for vacation rentals, including property managers, house cleaners, gardeners and other tourist-oriented workers (employees at restaurants, local attractions, retail, etc.) Section 7.120.040 of the proposed amendment to Title 7 of the MCC states that property managers would be required for the vacation rentals. Property managers would not be required to reside on the property of the vacation rentals unless the limited or commercial vacation rentals are located in a Coastal Agricultural Preserve, Agricultural Conservation, Farmland, Rural Grazing, or Permanent Grazing zones. Pursuant to the ordinance, property managers of Monterey County vacation rentals would be required to arrive at the site within 30 minutes to respond to complaints. Typically, a property manager is responsible for several properties so the employment opportunities, relative to the County’s population, would be limited. It is also difficult to predict the total employment demand from other service sectors; Monterey County employs over 40,000 people in the accommodations, retail, and arts and entertainment sectors, around 20 percent of total county employment (Monterey County Workforce Development Board 2023). While some employment growth could be associated with additional vacation rentals, given the relatively high cost of housing (rent currently averages \$1,900, 14 percent higher than the State median) and modest wages associated with this employment, and an already well-established tourist industry, it is not expected that additional employment associated with growth in vacation rentals would result in substantial unplanned population growth. Based on the discussion above, implementing the proposed regulations would not induce a substantial population increase or housing demand. This impact would be less than significant.”

The amended regulations will not increase employment opportunities or have the potential to displace people from housing leading to housing impacts beyond those considered in the EIR. Caps will not change and some opportunity for vacation rental use will continue to be provided. The cost of housing in Monterey County continues to be relatively high and wages modest associated with this employment. All assumptions made in the EIR remain and there is no change in impacts on population and housing substantial unplanned growth as a result of this ordinance.

EIR (pg4.9-7) “Implementing the project would not result in any development, nor would it result in the removal or destruction of existing housing units. The County is currently and is expected to continue to approve new housing development. While the conversion of homes that are currently occupied could result in some displacement of people, who need to seek housing elsewhere, this displacement would occur over time. If recent trends are an indication, new housing development within the County might occur at a quicker rate than the loss of homes to vacation rentals. In addition, demand for vacation rentals are primarily in coastal areas, where housing is already expensive. In the areas where housing is more affordable there is less demand for vacation rentals. As such, as a result of the 6 percent cap, ongoing housing development within the County, and that the project would not result in any removal or destruction of housing units, implementing the project would not be expected to displace substantial

numbers of residents or homes. Therefore, this impact would be less than significant.”

The amended regulations will continue to allow the use of existing structures and a maximum capped number of vacation rentals in any planning area. All assumptions made in the EIR remain and there is no change in impacts on population and housing displacement as a result of this ordinance.

Transportation:

EIR (pg 4.10-9, 4.10-10) “...single-family homes generate close to three times the number of daily trips as compared to vacation rentals. In addition, the ITE Trip Generation Manual does not differentiate between a recreational home used as a second home by its owner and one rented on a seasonal basis. Thus, it is assumed that existing residential homes used primarily as a second home for owners would not generate a substantial increase in the average number of daily trips if they were converted to vacation rental properties. However, vacation rental properties could be owner occupied, which assumes that owners would continue to live in the unit while renting out a portion of it to visitors. This scenario would have a trip generation pattern different from that of the dedicated vacation rental units analyzed above...Because the exact locations of individual future vacation rentals in the unincorporated County are not known, the travel patterns and trip lengths associated with implementation of the project cannot be known or forecasted at this time. Therefore, any estimate of average trip length for trips associated with vacation rentals in unincorporated Monterey County would be too speculative. Thus, although daily trip generation associated with vacation rentals would likely be less intensive than that of the single-family detached housing it would replace, the uncertainty related to trip lengths associated with vacation rentals makes accurately quantifying the change in total VMT associated with implementation of the project too speculative.”

The amended regulations will continue to allow the use of existing structures and a maximum capped number of vacation rentals in any planning area, however, the location of individual vacation rentals, travel patterns and trip lengths remain unknowable. All assumptions made in the EIR remain and there is no change in the no significance conclusion for transportation as a result of this ordinance.

Tribal Cultural Resources:

EIR (pg 4.11-8) “...no tribal cultural resources, as defined by PRC Section 21074, were identified. The proposed regulations would not authorize or facilitate any new development. The ordinance applies only to existing dwelling units. Regulations for vacation rentals limit the use of these developed properties to legally established residences. Such use does not include the need to further disturb the land or affect resources. No grading or excavation would be proposed as part of the project, and no such activities would be reasonably foreseeable consequences of activities authorized by the project. Because the project would not include ground-disturbing activities, it could not disturb or destroy tribal cultural resources; therefore, there would be no impact.”

The amended regulations will continue to allow the use of existing structures and no grading or excavation would be proposed nor foreseeable as part of the project. All assumptions made in the EIR remain and there is no change in impacts to tribal cultural resources as a result of this ordinance.

Utilities and Service Systems (water supply):

EIR (pg 4.12-7, 4.12-8) “*Water use by people occupying a residence as a vacation rental would be expected to follow typical residential water use and would be related primarily to use of showers and toilets, cooking and cleaning, as well as water used to maintain landscaping. Because the ordinances applies to vacation rentals, it is highly likely that all landscaping—which can have great variance in water consumption--would be irrigated automatically; maintenance by the renters would be impractical. Water used in homes can vary... Vacation rentals would not be used full time. There is no basis by which an accurate occupancy rate for vacation rentals can be determined. Based on the lack of available data, it is reasonable to conclude that water use under the vacation rental ordinances would likely be similar if the proposed regulations were not in place, and less than if the residence was occupied full time, that is, occupancy by an owner or full-time renter. There is no evidence to suggest that, on an annualized basis, water use under the ordinances would be greater than existing conditions. Therefore, even though water resources in the County continue to face a variety of challenges, the project would not be expected to have any effect on these resources compared to current conditions. Therefore, this impact would be less than significant.*”

The amended regulations will continue to allow the use of existing structures for short-term, temporary lodging. All assumptions made in the EIR remain and there is no change in impacts to water resources as a result of this ordinance.

Wildfire:

EIR (pg 4.13-13) “*The use of an existing residential dwelling unit as a vacation rental would not interfere with the County’s existing adopted emergency response and evacuation plans, including the Monterey County EOP and the EOP Evacuation and Transportation Annex. The use of these units as temporary vacation rentals would not introduce a substantial number of new residents or result in a permanent increase in population in the County; therefore, it would not introduce a population that could impede emergency response or evacuation during a wildfire. While some may argue that people using vacation rentals may not be familiar with designated evacuation routes, this fact holds true for the vast number of people visiting Monterey County, a large tourist destination. It can also be reasonably argued that existing residents are not familiar with which routes are designated evacuation routes; this simply is not common knowledge even if written in planning documents. It is more reasonable to suggest that the large majority of residents do not read governmental planning documents. In addition, the proposed regulations would limit the number of vacation rentals in areas of the County that have limited emergency access, which would reduce the number of evacuees associated with vacation rentals in areas that may be more susceptible to wildfire or other natural hazards. The proposed regulations also require vacation rentals to comply with the State Minimum Fire Safe Regulations from CCR Title 14 and with local emergency safety regulations, which were established to protect public safety... implementation of the proposed regulations would not represent a change in existing conditions as they relate to emergency response and evacuation, and it would not impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan. Therefore, this impact would be less than significant.*”

The amended regulations will continue to allow the use of existing structures and require compliance with State Minimum Fire Safe Regulations. All assumptions made in the EIR remain and there is no change in impacts to wildfire or impairment of an emergency response or

evacuation plan as a result of this ordinance.

EIR (pg 4.13-14) "*The proposed regulations would affect only the use of existing dwelling units. No new development would be authorized or be reasonably foreseeable. Because existing dwelling units would likely otherwise be used in a similar fashion (by people residing in them), the use of these units as temporary vacation rentals would not introduce new residents or a new use that could reasonably be foreseen to increase fire risk in the County. There is no evidence to show that people who rent a residence have different behaviors from other residents that would result in increased wildfire risk. Also, the proposed regulations would not incentivize or increase the use of vacation rental properties; but they would place a cap and other restrictions on their use. The proposed regulations would also prohibit commercial rentals in Big Sur, which is one of the areas of the County with increased fire risk; therefore, it would reduce (from existing conditions) the number of properties available for rent in this area. In addition, the project would not involve the construction of new roadways or transportation facilities that could introduce people or vehicles to previously undeveloped and potentially fire-prone areas.*"

The amended regulations will continue to allow the use of existing structures and require compliance with State Minimum Fire Safe Regulations. All assumptions made in the EIR remain and there is no change in impacts to wildfire risks or pollutant exposures as a result of this ordinance.

EIR (pg 4.13-14) "*In addition, the proposed regulations would limit the number of vacation rentals in areas of the County that have limited emergency access. They also would require vacation rentals to comply with the State Minimum Fire Safe Regulations from CCR Title 14 and with local emergency safety regulations, which were established to protect public safety. Consistent with existing state and local requirements, including PRC Section 4291 for dwelling units in an SRA and applicable sections of Chapter 18 of the Monterey County Code for dwelling units in an LRA, the property owners of vacation rentals would be required to maintain defensible spaces around their homes to reduce the amount of flammable vegetation and fuel for wildfires. Therefore, although wildfire risk poses a hazard to Monterey County, which has experienced several large wildfires in recent years, implementation of the proposed regulations would not exacerbate the risk of wildfire, nor would it expose people or structures to significant post-wildfire hazards. This impact would be less than significant.*"

The amended regulations will continue to allow the use of existing structures, limit the number of vacation rentals in areas with limited emergency access, and require compliance with State Minimum Fire Safe Regulations. Discretionary permits are no longer required, however, the areas where vacation rentals may be ministerially approved that are outside commercial or visitor serving areas, are in agricultural zones or likely with active agricultural operations. Active agricultural operations are required to have a property manager reside at the property while being rented. In Big Sur, hosted vacation rentals (similar to homestays in the approved regulations) continue to be allowed with a ministerial approval. All assumptions made in the EIR remain and there is no change in impacts to wildfire risks or post-wildfire hazards as a result of this ordinance.

Section 15162(a)(2) Analysis:

No substantial changes have occurred with respect to the circumstances under which the proposed amended ordinances are being taken that would require major revisions to the EIR due to the involvement of new significant environmental impacts.

The EIR for the approved regulations was certified in August 2024, approximately 18 months prior to the date of this Addendum. Since the EIR was certified there have been no substantial changes to the underlying regulatory and environmental conditions for the resources impacted including: *Population and Housing; and social and economic factors (not required to be considered for CEQA)*. The Final EIR establishes the total number of dwelling units in unincorporated Monterey County was 34,626 as of 2022, with an average housing growth of 200 additional new housing units annually over the past decade. The EIR further establishes a baseline of 825 advertised vacation rentals operating in unincorporated Monterey County as of 2023 and an allowable maximum number of permissible commercial vacation rentals based on four percent calculation of the total dwelling units available for a total not to exceed 1,345 distributed across each planning area; Allowing for modest growth of vacation rentals per the approved regulations. See Attachment 1 – Final EIR Table 2-1 Allowable Commercial Vacation Rentals for Each Planning Area.

State law continues to streamline and remove discretionary review for certain types of housing development, and the County is in the process of updating its Housing Element to its General Plan to accommodate and facilities more housing, particularly affordable housing. In spite of these efforts, it is reasonable to assume that this growth trend remains constant and there has been no substantial change in circumstances that would substantially change the residential unit baseline evaluated in the EIR. Additionally, the adopted regulations have been in effect since October 2024 (inland) and October 2025 (coastal), and correspondingly proposed amended ordinances continue to allow the use of existing structures only and maintains a four percent maximum cap on the number of vacation rentals (hosted and/or non-hosted) by planning area. Enforcement of the adopted regulations has been increasing throughout 2025 and continues, which may have resulted in some unpermitted prior operating (quantified as advertising rentals in the EIR) ceasing operation, however, the number of vacation rental operating/advertising on a year to year basis is variable and any change in the number would not be substantial compared to the numbers evaluated in the EIR. Even with modest housing growth, the proposed regulations continue to only allow vacation rentals in existing dwelling units and maintains the four percent cap on vacation rentals by planning areas based on the count from the Final EIR. See Attachment 2 – Table of Allowable Vacation Rentals in Proposed Regulations (Limited Zones) Compared to Approved Regulations. Therefore, no substantial change in circumstances have occurred that would require major revisions to the EIR due to new significant environmental impacts; in fact, an increase in housing units while maintaining a constant numeric cap on the number of vacation rentals allowed would modestly reduce impacts to housing and population as a result of the proposed amended ordinances.

Since the EIR was certified, there have been no substantial changes to the underlying regulatory and environmental conditions for the resources impacted including: *Air Quality; Energy; Greenhouse Gas Emissions and Climate Change; Noise; and Transportation*. As described in the subsection above, the underlying conditions considered in the EIR regarding housing and population as well as the number and distribution of vacation rentals proposed to be allowed in unincorporated Monterey County has not substantially changed. Therefore, the underlying circumstances, conditions and assumptions analyzed in the EIR associated with air quality, energy, greenhouse gas emissions, climate change, noise and transportation remain substantially unchanged.

Since the EIR was certified, there have been no substantial changes to the underlying regulatory and

environmental conditions for the resources impacted including: Agricultural Resources; Tribal Cultural Resources; and Utilities and Service Systems (water supply). Agricultural lands and resources, tribal cultural resources, and water supply in Monterey County are relatively fixed and finite resources and the presence and trends of these resources in unincorporated Monterey County remain constant and there is no evidence of changed circumstances nor new information warranting further environmental review.

Since the EIR was certified, there have been no substantial changes to the underlying regulatory and environmental conditions for the resources impacted including: *Land Use and Planning*. Since the EIR was certified, the state has adopted regulations to further construction of housing for long-term use, and the County adopted ordinances in the Coastal Zone regulating accessory dwelling units and junior accessory dwelling units, prohibiting vacation (short-term) rental of these units. The proposed vacation rental ordinances are consistent with these policies and regulations. No significant changes in land use plans, policies or regulations have occurred that would create inconsistencies with implementation of the proposed amended ordinances. Implementing the proposed amended ordinances would not impact any resources identified. Therefore there is no evidence of changed circumstances nor new information warranting further environmental review.

Since the EIR was certified, there have been no substantial changes to the underlying regulatory and environmental conditions for the resources impacted including: *Wildfire*. CalFire updated the Fire Hazard Safety Zone maps for State Responsibility Areas (SRAs) and Local Responsibility Areas (LRAs). The new maps adjust areas that are designated as being moderate, high and very-high fire hazard, including adding moderate and high hazard designations in LRAs. On August 19, 2025, the County adopted FHSZ maps as recommended by the State Fire Marshall. The updated FHSZ maps do not substantially change the underlying wildfire hazards in the county, and the California Building code sets various building codes and defensible space requirements, to ensure new development matches the hazards of that area. No significant changes in wildfire hazards, risk, or emergency/evacuation planning that would require revision to the EIR with implementation of the proposed amended ordinances. Implementing the proposed amended ordinances would not impact any resources identified. Therefore, there is no evidence of changed circumstances nor new information warranting further environmental review.

Section 15162(a)(3) Analysis

No new information of substantial importance, which was not known or could not have been known at the time the EIR was certified, has become available warranting further environmental review.

The EIR for the approved regulations was certified in August 2024. In the past approximately 18 months since the EIR was certified, the County has not been made aware of and no public correspondence has been received, making any new information of substantial importance available.

4. Conclusion

Staff has reviewed the Monterey County Vacation Rental Ordinance Project EIR and the proposed Amended Vacation Rental Ordinances for consistency with the environmental considerations contained within. The County has considered the proposed amendments (REF250042/REF250043) and determined the scope does not alter the conclusions of the certified EIR for the Monterey County Vacation Rental Ordinance Project. Therefore, based on review of the proposed amended ordinances and EIR, no other

potentially significant issues were identified for the proposed ordinances and implementation of the proposed amended vacation rental ordinances do not change the overall potential impacts as they remain no impact or less than significant impact. The proposed amended ordinances do not alter the analysis or conclusions reached by the previous environmental document.

Attachments:

Attachment 1 – Final EIR Table 2-1 Allowable Commercial Vacation Rentals in Each Planning Area

Attachment 2 – Table of Allowable Vacation Rentals in Proposed Regulations (Limited Zones)

Compared to Approved Regulations

Attachment 3 – Certified Monterey County Vacation Rental Ordinances EIR

ATTACHMENT 1

Final EIR Table 2-1 Allowable Commercial Vacation Rentals in Each Planning Area

Table 2-1 Allowable Commercial Vacation Rentals for Each Planning Area

Planning Area	Number of Residential Dwelling Units Identified by Assessor's Office	Number of Residential Dwelling Units Allowed for Commercial Vacation Rentals (4% per Planning Area)	Number of Current Advertised Vacation Rental Dwelling Units ¹	Number of Additional Allowable Residential Units Available for Commercial Vacation Rentals
Cachagua	512	20	43	-23 ⁴
Carmel ²	2,948	117	218	-101 ⁴
Carmel Valley ⁶	5,033	201	163	38
Central Salinas Valley	1,642	66	6	59
Big Sur Coast	925	0 ³	37	-37 ³
Del Monte Forest	1,432	57	83	-26 ³
Fort Ord	1,007	40	4	36
Greater Monterey Peninsula	3,879	155	114	41
Greater Salinas	2,001	80	11	69
Moss Landing	61	2	11	-9 ⁴
North County – Inland	5,653	226	21	205/
North County – Coastal	3,916	157	52	105
South County	1,296	52	14	38
Toro	4,321	173	48	125
TOTAL	34,626⁵	1,345	825	520

Source: Data Provided by County of Monterey, 2022 and EPS, 2023 (Appendix C of this EIR)

Notes:

- ¹ The number of existing vacation rentals is based on advertised data per data received from AirDNA (Appendix C of this EIR). Most vacation rentals are currently not permitted and would be required to obtain a permit upon adoption of the ordinances. In addition, these data do not distinguish whether the operation qualifies as a commercial or limited vacation rental. However, it is assumed that most if not all are used more than three times per year, which would qualify them as commercial vacation rentals.
- ² Per the draft regulations, the overall number of commercial vacation units allowable within the overall Carmel planning area remains set by the 4 percent cap for commercial vacation rentals, but none of the units can be located in the low-density residential zoning district.
- ³ For purposes of this analysis, the Big Sur Coast includes two privately owned residential units located in the Coast Non-Coastal area, which are on the border between Big Sur Coast and the Coastal Non-Coastal areas. However, in accordance with the draft regulations, commercial vacation rentals are not allowed in the Big Sur Coast area. Therefore, the existing rentals would no longer be allowed as commercial vacation rentals, and there would likely be a reduction in the number of rentals in this area (decrease by 37 units). However, limited vacation rentals are allowed.
- ⁴ All existing unpermitted vacation rentals would be required to obtain a permit from the County, and permits would be issued on a first-come, first-serve basis. To stay within the allowable number of units for commercial vacation rentals in each planning area, the County would approve up to only 4 percent of the total units as of the residential dwelling unit count data as provided by the County as of 2022. This means there would be an overall reduction (from current levels) in commercial vacation units rentals permitted in certain planning areas. This affects the Cachagua area, Carmel area, Del Monte Forest, and Moss Landing area.
- ⁵ It should be noted that the total number of 46,830 housing units in the Socioeconomic Analysis prepared by EPS (Appendix C of this EIR) is higher than the 34,626 units identified in this table. The total units reported in the EPS analysis is an overcount. Because census track data does not necessarily align with the corporate boundaries of cities, the total units in the County are overreported by approximately 25 percent compared to assessor parcel data. However, 34,626 units is the total number of units within the unincorporated planning areas, which is the

area subject to the proposed ordinances. Therefore, this number is used to determine the available units for rent under the commercial vacation ordinance cap.

- ⁶ Per the draft regulations, the overall number of commercial vacation units allowable within the overall Carmel Valley Master Plan Area remains set by the 4 percent cap for commercial vacation rentals, but none of the units can be located in the rural density residential, low-density residential, medium density residential, or high-density residential zoning district.

ATTACHMENT 2

Table of Allowable Vacation Rentals Proposed Regulations (Limited Zones) Compared to Approved Regulations

Allowable Vacation Rentals Proposed Regulations (Limited Zones) Compared to Approved Regulations

Planning Area	Number of Total Single Family Dwelling (SFD) Units ¹	Number of SFD Units Allowed for Vacation Rentals (4% per Planning Area)	Number of SFD Units Available for Vacation Rentals ³ PROPOSED	Difference Between Allowed and Available SFDs for Vacation Rentals PROPOSED
Cachagua	512	20	320	300
Carmel	2,948	117	42	-75
Carmel Valley	5,033	201	196	-5
Central Salinas Valley	1,642	66	612	546
Big Sur Coast (Hosted only-not capped) ⁴	925	0	644	644
Del Monte Forest	1,432	57	24	-33
Fort Ord	1,007	40	0	-40
Greater Monterey Peninsula	3,879	155	709	554
Greater Salinas	2,001	80	176	96
Moss Landing	61	2	4	2
North County – Inland	5,653	226	2,381	2,155
North County – Coastal	3,916	157	1,148	991
South County	1,296	52	628	576
Toro	4,321	173	624	451
TOTAL	34,626	1,345	7,508	6,162

¹ Source: Final EIR Table 2-1 provided by County of Monterey Assessor's data 2022

² In approved regulations the cap applies to commercial vacation rentals; homestays and limited vacation rentals are unlimited. In proposed amended ordinances the cap applies to all vacation rentals, except in Big Sur which only allows hosted vacation rentals to which no cap applies.

³ Source: Final EIR Table 2-1 provided by County of Monterey Assessor's data 2022, filtered to exclude high density, medium density, and low density residential zones. Note, in rural density residential zones, the number of eligible agricultural operations is not known and therefore County includes all SFDs in the count, providing likely a high estimate of available SFDs for vacation rental.

⁴ Big Sur Coast area only allows hosted vacation rentals and therefore the proposed regulations do not impose a cap in Big Sur.

ATTACHMENT 3

Monterey County Vacation Rental Ordinances Project

Final Environmental Impact Report is available at:

<https://www.countyofmonterey.gov/home/showpublisheddocument/144386>

Draft Environmental Impact Report is available at:

<https://www.countyofmonterey.gov/home/showpublisheddocument/144380>