



**COUNTY OF SAN LUIS OBISPO
DEPARTMENT OF PLANNING AND BUILDING
STAFF REPORT**

Tentative Notice of Action

Promoting the wise use of land
Helping build great communities

MEETING DATE August 19, 2016 LOCAL EFFECTIVE DATE September 2, 2016 APPROX. FINAL EFFECTIVE DATE September 23, 2016	CONTACT/PHONE Airlin M. Singewald, Senior Planner (805) 781-5198 asingewald@co.slo.ca.us	APPLICANT Fu-Chuan (Chatham Lane, LLC)	FILE NO. DRC2015-00130
SUBJECT A request by FU-CHUAN (CHATHAM LANE, LLC) for a Minor Use Permit / Coastal Development Permit (DRC2015-00130) to allow an existing 2,423 square-foot, 3-bedroom single family residence to be used as a residential vacation rental. The Minor Use Permit is requesting to modify the location standard for vacation rentals per Coastal Zone Land Use Ordinance Section 23.08.165(C)(1). The requested waiver would allow the proposed vacation rental to be located immediately adjacent to an existing vacation rental and within 50 feet of two other vacation rentals, which is closer than the location requirement allows for. The proposed project will result in no site disturbance on a 3,050 square-foot parcel. The proposed project is within the Residential Single Family land use category and is located at 201 Chatham Lane, on the northeast corner of the Chatham Lane and Moonstone Beach Drive intersection, within the community of Cambria. The site is in the North Coast planning area.			
RECOMMENDED ACTION Deny Minor Use Permit / Coastal Development Permit DRC2015-00130 based on the findings listed in Exhibit A.			
ENVIRONMENTAL DETERMINATION This project is found to be statutorily exempt from the California Environmental Quality Act under the provisions of Public Resources Code section 21080(b)(5), which provides that CEQA does not apply to projects which a public agency rejects or disapproves.			
LAND USE CATEGORY: Residential Single Family	COMBINING DESIGNATION Archeologically Sensitive Area, Coastal Appealable Zone, Geologic Study Area, Local Coastal Plan	ASSESSOR PARCEL NUMBER 022-014-039	SUPERVISOR DISTRICT 2
PLANNING AREA STANDARDS: None applicable <i>Does the project meet applicable Planning Area Standards?: N/A</i>			
LAND USE ORDINANCE STANDARDS: Section 23.08.165 – Residential Vacation Rentals <i>Does the project conform to the Land Use Ordinance Standards?: No – see discussion</i>			
FINAL ACTION This tentative decision will become the final action on the project, unless the tentative decision is changed as a result of information obtained at the administrative hearing or is appealed to the County Board of Supervisors pursuant Section 23.01.042 of the Coastal Zone Land Use Ordinance; effective on the 10th working day after the receipt of the final action by the California Coastal Commission. The tentative decision will be transferred to the Coastal Commission following the required 14-calendar day local appeal period after the administrative hearing. The applicant is encouraged to call the Central Coast District Office of the Coastal Commission in Santa Cruz at (831) 427-4863 to verify the date of final action. The County will not issue any construction permits prior to the end of the Coastal Commission process.			

ADDITIONAL INFORMATION MAY BE OBTAINED BY CONTACTING THE DEPARTMENT OF PLANNING & BUILDING AT: COUNTY GOVERNMENT CENTER γ SAN LUIS OBISPO γ CALIFORNIA 93408 γ (805) 781-5600 γ FAX: (805) 781-1242	
EXISTING USES: Single family residence	
SURROUNDING LAND USE CATEGORIES AND USES: <i>North:</i> Residential Single Family / residences <i>East:</i> Residential Single Family / vacant lot, residences <i>South:</i> Residential Single Family / residences <i>West:</i> Recreation / Moonstone Beach	
OTHER AGENCY / ADVISORY GROUP INVOLVEMENT: The project was referred to: Public Works, Cambria Community Services District (Water/Sewer), North Coast Advisory Council, Cambria Fire, and California Coastal Commission	
TOPOGRAPHY: Nearly level	VEGETATION: Ornamental landscaping
PROPOSED SERVICES: Water supply: Cambria Community Services District Sewage Disposal: Cambria Community Services District Fire Protection: Cambria Fire	ACCEPTANCE DATE: July 1, 2016

DISCUSSION

PROPOSED PROJECT

The proposed project is a request to use an existing residence at 201 Chatham Lane, on the northeast corner of the Chatham Lane and Moonstone Beach Drive intersection, in Cambria as a residential vacation rental. The applicant is requesting minor use permit approval to modify the ordinance requirement that no residential vacation rental shall be located within: 1) 200 feet of an existing residential vacation rental on the same or opposite side of the street; or 2) within a 150-foot radius around the proposed vacation rental. The subject parcel is located immediately adjacent to an existing vacation rental on the parcel to the north (5940 Moonstone Beach Drive) and within 50 feet of two other vacation rentals (220 Kendall Lane and 202 Chatham Lane). It would also be located within 200 feet of a fourth vacation rental located on the same side of Moonstone Beach Drive.

LAND USE ORDINANCE STANDARDS

Section 23.08.165 – Residential Vacation Rentals

The proposed project is a request to use an existing residence as a residential vacation rental. Section 23.08.165 allows for residential vacation rentals in Cambria, Cayucos and Avila Beach subject to a set of rules to ensure compatibility with surrounding residences. These rules include operational standards to address issues such as noise, traffic, and overflow parking, as well as a location standard, which requires a minimum separation distance between vacation rentals. The purpose for the location standard is to avoid concentrations of vacation rentals and associated neighborhood impacts in the same area. The ordinance allows for vacation rentals with zoning clearance (“over the counter”) approval provided that they comply with the location standard and all other ordinance provisions. The location standard can be modified through Minor Use Permit approval.

Location Standard

In Cambria, no residential vacation rental shall be located within: 1) 200 feet of an existing residential vacation rental on the same or opposite side of the street; or 2) within a 150-foot radius around the proposed vacation rental. The proposed vacation rental does not comply with this standard because it would be located within a 150-foot radius of three existing vacation rentals. Specifically, it would be located immediately adjacent to an existing vacation rental on the parcel to the north (5940 Moonstone Beach Drive) and within 50 feet of two other vacation rentals (220 Kendall Lane and 202 Chatham Lane). It would also be located within 200 feet of a fourth vacation rental located on the same side of Moonstone Beach Drive. See Figure 1, below.

As shown in Figure 1, the concentration of vacation rentals in this neighborhood already exceeds the limit set by the ordinance, with a number of existing vacation rentals located closer than 200 feet from each other. This is because, when the vacation rental ordinance was adopted in 2003, it exempted existing legally established vacation rentals from the location standard. Community members have expressed concerns that the existing concentration of vacation rentals is already impacting the residential character of Cambria's neighborhoods, and that any waivers or modifications made to the ordinance would further diminish the quality of life enjoyed by permanent residents living in Cambria.

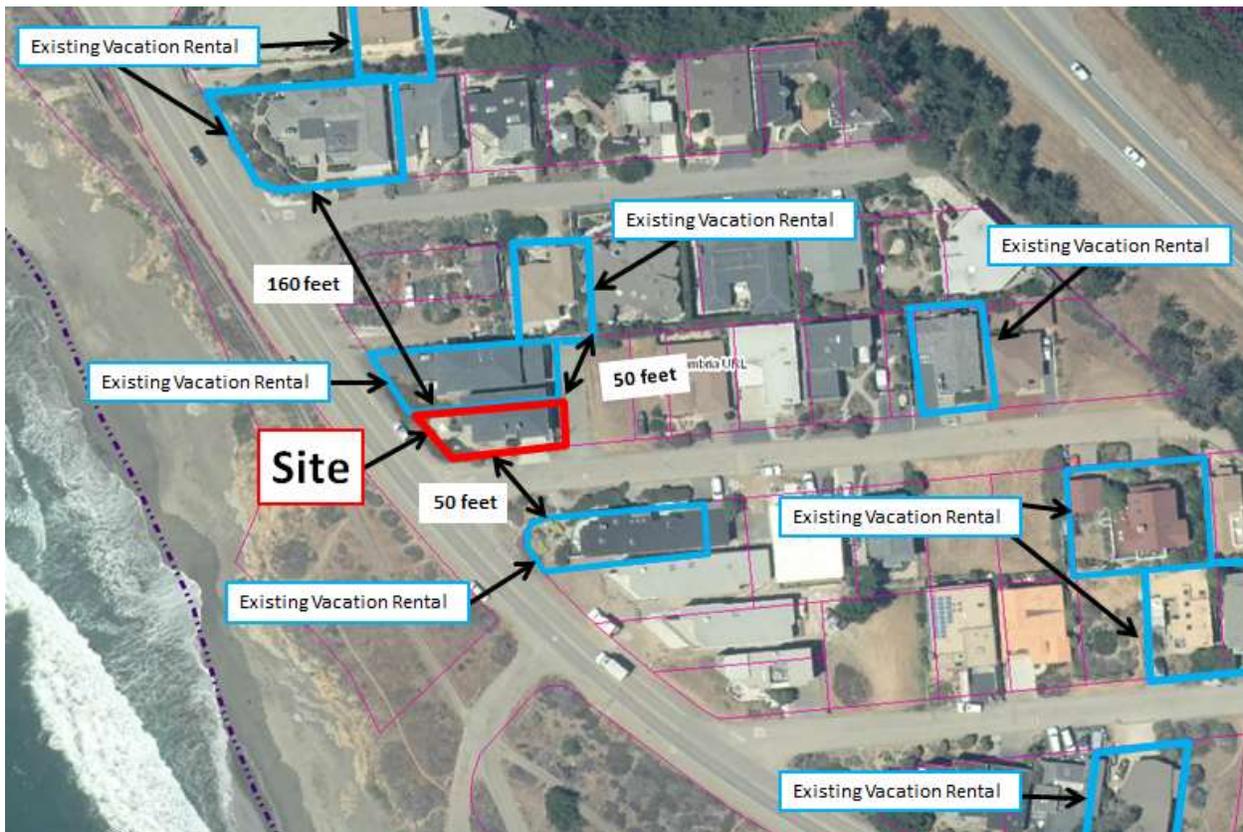


Figure 1: Proximity to Existing Vacation Rentals

The purpose of the location standard is to protect residential neighborhoods by limiting the concentration of vacation rentals. This is clear from the purpose statement of the ordinance which states "...vacation rentals have the potential to be incompatible with surrounding residential uses, especially when several are concentrated in the same area..." However, the ordinance does not specify what criteria should be considered in reviewing a minor use permit to modify the location standard. In the absence of specific criteria, staff evaluated the project

based on the standard minor use permit findings in Section 23.02.034, placing particular emphasis on the following findings:

1. The establishment and subsequent operation or conduct of the use will not, because of the circumstances and conditions applied in the particular case, be detrimental to the health, safety or welfare of the general public or persons residing or working in the neighborhood of the use, or be detrimental or injurious to property or improvements in the vicinity of the use; and
2. The proposed project or use will not be inconsistent with the character of the immediate neighborhood or contrary to its orderly development.

Staff has determined that these findings cannot be made because the proposed project would result in a higher concentration of vacation rentals than the ordinance allows for, and because there are no unique circumstances that set the project site apart from any other oceanfront property in Cambria or that render the minimum separation requirement unnecessary.

Past requests for distance waivers on Moonstone Beach Drive have argued that a higher concentration of vacation rentals should be permitted because this particular neighborhood transitions directly from residential to visitor-serving uses, with the largest concentration of motels in Cambria (about 20) located along Moonstone Beach Drive just north of the project site. However, it could also be argued that the existing hotels and vacation rentals on Moonstone Beach are already infringing on the residential character of the neighborhood and any increase in the concentration of vacation rentals will further impact permanent residents.

Past applications have also asserted that an oceanfront location should be justification for a distance waiver because there's an expectation of more tourists along the beach and because tenants would presumably spend more time on the beach than at the vacation rental. However, accepting this logic would open the door to other waivers for beachfront homes which, when considered cumulatively, could transform oceanfront neighborhoods to primarily commercial lodging areas. As described above, this has already started to happen since the existing concentration of vacation rentals in this neighborhood exceeds the density provisions of the ordinance due to "grandfathered" vacation rentals. Additionally, while tenants of oceanfront vacation rentals might spend more time on the beach, they would occupy the vacation rental during evening hours when neighbors are more sensitive to noise and disturbances.

At past North Coast Advisory Council meetings, Cambria residents have described some of the deleterious effects that vacation rentals have on neighborhoods. Concerns included noise, parking overflow, and regular turnover of visitors who are not familiar with the residential neighborhoods where they are lodging. The advisory council also felt that this property wasn't different than any other oceanfront home on Moonstone Beach Drive and was concerned about setting a precedent of waiving the distance standard for any other oceanfront property in Cambria.

Residential Vacation Rental Operational Standards

In addition to the location standard, the vacation rental ordinance establishes a number of operational standards that are intended to minimize the impacts of vacation rentals on nearby homes and to ensure that they are operated in a manner that is generally consistent with the expectations for a residential neighborhood. These standards include: 1) a requirement to designate a local property manager with contact information given to neighbors within 200 feet, 2) a limitation on the number of occupants allowed (2 people per bedroom plus another 2

people), 3) on-site parking required, 4) noise limitations, 5) tenancy limited to four times per month, 6) traffic shall be consistent with the number of trips generated by a typical home, 7) the exterior appearance shall not be modified and no advertising onsite, 8) payment of transient occupancy tax required, and 9) code enforcement and permit revocation procedures for non-compliant vacation rentals.

If the hearing officer decides to approve the proposed project, staff recommends that these standards be added as conditions of approval.

COMMUNITY ADVISORY GROUP COMMENTS:

The North Coast Advisory Council, on June 15, 2016, voted to recommend denial of the project.

AGENCY REVIEW:

Public Works – No comment received.

Cambria Community Services District – No comments received.

California Coastal Commission – No comments received.

LEGAL LOT STATUS:

The lot was legally created by recorded map at a time when that was a legal method of creating lots.

Staff report prepared by Airlin M. Singewald and reviewed by Karen Nall.