

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Planning and Building	(2) MEETING DATE 2/7/2012	(3) CONTACT/PHONE John Busselle, Senior Planner/805-781-5154	
(4) SUBJECT Hearing to consider amendments to Coastal Zone Land Use Ordinance Section 23.08.165, Residential Vacation Rentals, regarding definition, location, tenancy, noise, notice, existing residential vacation rentals, Transient Occupancy Tax, violations and complaints.			
(5) RECOMMENDED ACTION That the Board of Supervisors:  <ol style="list-style-type: none"> <li>1. Hold the public hearing on the amendments recommended for approval by the Planning Commission as set forth in the attached Exhibits and staff reports.</li> <li>2. Take final action on the amendments heard today by adopting and instructing the Chairperson to sign the attached ordinance.</li> </ol>			
(6) FUNDING SOURCE(S) Department budget	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Presentation (Time Est. _____) <input checked="" type="checkbox"/> Hearing (Time Est. _120 min___) <input type="checkbox"/> Board Business			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input checked="" type="checkbox"/> Ordinances <input type="checkbox"/> N/A		(12) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(13) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(14) W-9 <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	
(15) LOCATION MAP  N/A	(16) BUSINESS IMPACT STATEMENT?  Yes	(17) AGENDA ITEM HISTORY  <input checked="" type="checkbox"/> N/A Date _____	
(18) ADMINISTRATIVE OFFICE REVIEW			
(19) SUPERVISOR DISTRICT(S) District 2 - District 3 - District 4 -			

# County of San Luis Obispo



TO: Board of Supervisors

FROM: Planning and Building / John Busselle, Senior Planner

VIA: Planning and Building / Kami Griffin, Assistant Director

DATE: 2/7/2012

SUBJECT: Hearing to consider amendments to Coastal Zone Land Use Ordinance Section 23.08.165, Residential Vacation Rentals, regarding definition, location, tenancy, noise, notice, existing residential vacation rentals, Transient Occupancy Tax, violations and complaints.

## **RECOMMENDATION**

That the Board of Supervisors:

1. Hold the public hearing on the amendments recommended for approval by the Planning Commission as set forth in the attached Exhibits and staff reports.
2. Take final action on the amendments heard today by adopting and instructing the Chairperson to sign the attached ordinance.

## **DISCUSSION**

At today's meeting, your Board will hold a public hearing on the following amendment recommended for approval by the Planning Commission and take final action through adoption of an ordinance.

The Planning Commission is transmitting the record of their meetings of April 14, July 14, August 25 and September 22, 2011 to your Board for the attached proposed amendment to the Coastal Zone Land Use Ordinance as follows:

Hearing to consider amendments to Coastal Zone Land Use Ordinance Section 23.08.165 (Residential Vacation Rentals) regarding definition, location, tenancy, noise, notice, existing residential vacation rentals, Transient Occupancy Tax, violations and complaints.

**County File Number: LRP2009-00005**

Assessor Parcel Number: Various

Supervisorial District: 2, 3 & 4

Date Authorized: July 21, 2009

## **Background**

In 2003, the Coastal Commission certified the adoption of the Residential Vacation Rental Ordinance as Coastal Zone Land Use Ordinance Section 23.08.165. On March 3, 2009, planning staff presented the Board of Supervisors with a five year review of the Residential Vacation Rental Ordinance. The objective was to take a look at the overall situation with residential vacation rentals and to see how the ordinance was working. On July 21 2009, based on the discussion from the five year review, staff presented the following issue areas relative to residential vacation rentals: operational standards, notification, expiration

of a license, minimum transient occupancy tax to be paid, transfer to new owner, multiple rentals in a 7 day period, location standard, noise, parking, overcrowding, enforcement and inclusion of additional communities. After hearing from many stakeholders, the Board of Supervisors directed staff to process the amendment and pursue further discussions with the Advisory Councils and stakeholders involved.

Staff subsequently issued a public review draft of proposed changes to the ordinance based on the discussion at the authorization hearing. This was presented to advisory councils in Cambria, Cayucos and Avila Beach. After extensive discussion with the Councils, and several meetings, staff issued the public hearing draft of the proposed changes incorporating many comments from the advisory councils. The public hearing draft was considered by the Planning Commission on April 14, 2011, and is included in your packet along with Planning Commission staff reports from July 14, 2011, August 25, 2011 and the final report on September 22, 2011.

#### Planning Commission Recommendation

The Commission recommended several changes to the existing ordinance. These are described in the letter from the Planning Commission Secretary along with the Planning Commission recommended Ordinance, both attached as Exhibit A. Some of the more significant changes are as follows:

**Other Communities:** The Commission added both Los Osos and Avila Beach to the communities where the ordinance will now apply. Only Cambria and Cayucos are currently subject to the standards of the Residential Vacation Rental Ordinance (Section 23.08.165.)

**Location:** The Commission made significant modifications to Section 23.08.165c (location). The current standard is a 200 linear foot separation between vacation rentals in the same the same block. This applies to both Cambria and Cayucos. In the recommended ordinance there is now both a radius measurement and linear measurement. As an example, in Cambria and Cayucos there is a 150 foot radius along with a 200 foot linear measurement on the same side of the street and a 200 foot linear measurement across the street. Cayucos and Avila Beach are similar except with smaller distances.

**Tenancy:** The current standard is one individual tenancy every seven days. This means that if one person rents the unit on Friday, it cannot be rented to a different person until the following Friday. This results in 4 tenancies per month, but it is not flexible. The Commission modified this section to allow four tenancies per calendar month without separation. This means that there could be as many as four different persons renting the same week if the demand was there.

**Noise:** Residential Vacation Rentals are subject to the County's noise ordinance which requires measurement of decibels to determine if a violation is occurring. The Commission modified the noise standard to include a disturbing the peace approach. The new language would make noise that is audible from 50 feet away a potential violation.

**Local Contact Person/Notice:** The Commission modified this section regarding content, distribution and posting of the required notice. The notice must now include the standards for noise, parking and maximum number of person allowed in the unit. It must be sent to all property owners within 200 feet and posted in the unit, included in the vacation rental contract and provided to County staff.

**Complaints:** This is a new section added by the Commission which provides more detail about how to file complaints and the responsibilities of the complaining party and the County.

**Violations:** The Commission modified this section to provide additional detail about what constitutes a violation and the potential penalties. They also added a provision to allow signed affidavits from members of the community as support for documenting a violation.

### Post Planning Commission Actions

At the December 2011 meeting of the Los Community Advisory Council, the Council decided that they did not want Los Osos to be one of the communities regulated by the proposed ordinance. If Los Osos is not included, each request for a residential vacation rental would need to be approved through a Minor Use Permit (MUP). This would mean no change since a MUP is now required for residential vacation rentals in Los Osos.

### **OTHER AGENCY INVOLVEMENT/IMPACT**

The amendments were referred to all applicable responsible agencies and were reviewed and recommended for approval by the Planning Commission. County Counsel has reviewed the Ordinance as to form and content.

### **BUSINESS IMPACT STATEMENT**

Approving this request may result in direct and indirect impacts to the businesses located in these communities. There are direct positive impacts to the property management businesses and indirect positive impacts to the stores and restaurants in the community. The ordinance, as proposed, would make Residential Vacation Rental easier to get and less expensive in the communities of Los Osos (if included in this ordinance) and Avila Beach by allowing for Zoning Clearance approval in place of a Minor Use Permit. It would also allow for more vacations rentals on the ocean front in Cayucos, which is a desirable area for vacationers. The amendment may impact the Uniquely San Luis Obispo cluster identified in the San Luis Obispo County Clusters of Opportunity Economic Strategy (November 2010) by providing opportunities for increased tourism.

### **FINANCIAL CONSIDERATIONS**

The proposed Ordinance is covered by the Planning and Building Department budget as a County initiated amendment.

### **RESULTS**

Approval of the request will allow staff to forward the amendment to the California Coastal Commission for their review and approval.

### **ATTACHMENTS**

Attachment A- Planning Commission letter and Recommended Ordinance (September 22, 2011)

Attachment B - Planning Commission Minutes

April 14, 2011

July 14, 2011

August 25, 2011

September 22, 2011

Attachment C - Planning Commission Staff Reports

April 14, 2011

July 14, 2011

August 25, 2011

September 22, 2011

Attachment D - Correspondence received at the Planning Commission meetings

April 14, 2011

July 14, 2011

August 25, 2011

September 22, 2011

Post Planning Commission Correspondence

Attachment E - Recommended Ordinance for Final Adoption