



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

PLANNING COMMISSION

Promoting the wise use of land

MEETING DATE October 22, 2020		CONTACT/PHONE Young Choi ychoi@co.slo.ca.us (805) 788-2086		APPLICANT HDFT Investments, LLC		FILE NO. DRC2020-00081	
SUBJECT Hearing to consider a request by HDFT Investments LLC to amend approved condition of approval 1.g of recorded Tract 3091 (SUB2015-00026). Tract 3091 provided for the resubdivision of two existing parcels into seven parcels and the development of eight residential units. Condition 1.g limits any use as a vacation rental to the studio unit only within the recorded tract/development. The proposed amendment would remove that condition and allow any unit to be utilized as a vacation rental, subject to Land Use Ordinance 23.08.165 (Residential Vacation Rentals). The project is located on the southwest corner of First and San Antonia Streets, within the community of Avila Beach, in the San Luis Bay Coastal planning area.							
RECOMMENDED ACTION Deny Minor Use Permit DRC2018-00041 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 Multi-Family		COMBINING DESIGNATION Archaeologically Sensitive, Local Coastal Plan Area, Coastal Appealable Zone		ASSESSOR PARCEL NUMBER 076-222-005; -006		SUPERVISOR DISTRICT(S) 3	
PLANNING AREA STANDARDS: Avila Beach Specific Plan							
COASTAL ZONE LAND USE ORDINANCE STANDARDS: Section 23.02.038 – Changes to Approved Project							
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 outlined above.							
EXISTING USES: Residential Multi-Family (in development)							
SURROUNDING LAND USE CATEGORIES AND USES: <i>North:</i> Residential Multi Family / Vacant <i>South:</i> Residential Multi Family / Residences <i>East:</i> Residential Multi Family / Residences <i>West:</i> Residential Multi Family / Residences							

OTHER AGENCY / ADVISORY GROUP INVOLVEMENT: The project was referred to: Building Division, Public Works, Avila Valley Advisory Council, and California Coastal Commission	
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	
TOPOGRAPHY: Site is moderately sloping	VEGETATION: None
PROPOSED SERVICES: Water supply: Community system Sewage Disposal: Community sewage disposal system Fire Protection: Avila Beach Fire	ACCEPTANCE DATE: September 22, 2020

PROJECT DESCRIPTION

The applicant, HDFT Investments, LLC is requesting an amendment to the conditions of approval for Tract Map 3091/SUB2015-00026 pertaining to limiting vacation rental only to the studio unit.

BACKGROUND

Tract 3091 was approved by the Planning Commission on August 25, 2016. The map recorded on July 23, 2018 (Book 37, Page 78-80 of Maps).

On August 25, 2016, the Planning Commission heard and approved a request by HDFT Investments for a Vesting Tentative Tract Map and Development Plan/Coastal Development Permit to demolish three existing residences, a detached garage and accessory building; subdivide two existing parcels totaling approximately 12,000 sq. ft. into seven lots ranging in size from 1,245 sq. ft. to 2,895 sq. ft. and construct eight residential units in four buildings ranging in size from 360 sq. ft. (studio) to 1,235 sq. ft.

During the public comment, a vacation rental issue was raised. During the Commission deliberation, Commissioner Topping brought up an issue on Vacation Rental in Avila Beach, including concern of parking, and neighborhood compatibility. Commissioner Meyer then proposed a condition (Condition #1.g) that only allowed Vacation Rental to be allowed/permitted for the one studio unit.

The proposed project, with Condition 1.g, was approved by the Planning Commission unanimously, with Commissioner Irving being absent on the August 25, 2016 Planning Commission meeting.

ORDINANCE COMPLIANCE

Changes to Approved Project

Section 23.02.038 of the Coastal Zone Land Use Ordinance allows changes to approved Development Plan subject a new Development Plan, if a change (removal of the condition) relates to a project feature that was specifically addressed in conditions of approval of Development Plan.

Staff Comments: Staff has determined that a Development Plan (DRC2020-00081) is necessary to change the conditions of approval that was specifically addressed (vacation rental) in conditions of approval.

Modification of Recorded Parcel and Tract Maps

Section 21.06.060 of the Real Property Division Ordinance allows modification of recorded final maps if the following findings can be made:

- (1) That there are changes in circumstances which make any or all of the conditions of such a map no longer appropriate or necessary; and
- (2) That the modifications do not impose any additional burden on the present fee owner of the property; and
- (3) That the modifications do not alter any right, title, or interest in the property reflected on the recorded map; and
- (4) That the map as modified conforms to the provisions of Government Code section 66474.

Staff Comments: No changes are being made to the conditions relating to the Real Property Division Ordinance (Title 21). Proposed amendment does not impact subdivision conditions as approved. This request is to consider amendment to the approved use of the site.

STAFF COMMENTS

Staff does not recommend approval of the proposed modification of the Conditions of Approval to allow Residential Vacation Rentals in Tract 3091, because the condition limiting vacation rental use to one studio unit was in response to the public comment that were raised during the Planning Commission meeting August 25, 2016. The community members, including Avila Valley Advisory Council members have expressed concerns that the existing concentration of vacation rentals already impacts the residential character of Avila Beach neighborhoods, and that approval of the ordinance modification request would further diminish the residential character of the town enjoyed by both visitors and permanent residents living in Avila Beach.

As shown in the graphics, the concentration of vacation rentals in this neighborhood already exceeds the limit set by the ordinance, with three (3) existing vacation rentals located closer than 50 feet from each other, within Residential Multi-Family land use category.

After public comments, Commissioner Meyer and Commissioner Topping were concerned about the potential for oversaturation of vacation rentals in a residential neighborhood. Allowing the vacation rental could potentially transform the character of coastal neighborhoods from residential areas to primarily visitor-serving areas, undermining the intent of the ordinance to preserve residential neighborhoods. In addition, the proposed land use is within Residential Multi-Family, that are zoned for residential uses.

Should your commission support this request to vacation rentals in Tract 3091, the Coastal Zone Vacation Rental Ordinance (CZLUO 23.08.165) establishes rules to ensure that vacation rentals in Avila Beach are operated in a manner that is compatible with neighboring homes. This includes a location standard which limits the concentration of vacation rentals in residential neighborhoods. This standard can be waived through the Minor Use Permit process, when applicants are able to show that their property has unique characteristics which help to mitigate concerns (e.g. noise, parking, and traffic) associated with a concentration of vacation rentals in residential neighborhoods. All units within Tract 3091 would be subject to a Minor Use Permit, as there are existing vacation rentals in the vicinity (within 50 feet) of the project site.

RESULTS

Denying the proposed amendment would result in upholding the originally approved Conditions of Approval, specifically retaining Condition #1.g, that limits the vacation rental unit to the studio unit only. This action would be consistent with original findings, encouraging a safe, healthy and livable community.

Should the Commission approve the modification of the Condition of Approval, all units within Tract 3091 would be subject to Coastal Zone Vacation Rental Ordinance (CZLUO 23.08.165). A

Minor Use Permit would be required for individual units to apply for Residential Vacation Rental since there are existing residential vacation rental within 50 feet of the project site.

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.

COMMUNITY ADVISORY GROUP COMMENTS

The project was referred to Avila Valley Advisory Council (AVAC). AVAC reviewed the project on July 14, 2020 and the council unanimously voted to recommend denial of the proposed amendment.

AGENCY REVIEW

Public Works- No comments. (D. Grim, July 1, 2020)

Building Division – Check with building division should the use of the structure changes (Aldana, July 14, 2020)

California Coastal Commission - No comments. (O'Neill, September 29, 2020)

LEGAL LOT STATUS

Tract 3091 was recorded on July 23, 2018 (Book 37, Page 78-80 of Maps, at a time when that was a legal method of creating lots.

Staff report prepared by Young Choi and reviewed by Kate Shea.