



LAND USE COMMITTEE MINUTES- DRAFT

MARCH 5, 2018

6:30 pm

Sea Pines Golf Resort – Small Meeting Room

COMMITTEE MEMBERS

LOCAC Members:

Margaret Mayfield – Chairperson (MM)
Lynette Tornatzky – District One (LT)
Yael Korin – District One (YK)
Larry Bender – District Three (LB)
Tim Carstairs – District Four (TC)

Public Members:

Julie Tacker (JT)
Linde Owen (LO)
Robert Mayfield (RM)
Paul Hershfield (PH)
Trish Bartel (TB)

1. GREETINGS AND INTRODUCTIONS

2. ROLL CALL

All members were present except Trish Bartel

3. CHAIRPERSON'S ANNOUNCEMENTS

The Chair stated she received numerous emails and letters on the topic of vacation rentals, thanked people for their input and stated the correspondence has been posted on the LOCAC website.

4. MEMBER'S ANNOUNCEMENTS

JT let people know that the upcoming Board of Supervisor's meeting would have the County's settlement with a Los Osos WWTP contractor as an item of discussion and encouraged those interested to attend.

5. AGENDA ITEMS, INCLUDING PUBLIC COMMENT:

- A. **DRC2017-00122 ROSENTHAL** -- Proposed Minor Use Permit for a 451 sq ft workshop and bathroom, located at 743 Santa Lucia Ave., in the community of Los Osos. The site is in the Estero Planning Area.

Discussion:

The Rosenthal's agent Scott Clark was present to discuss the project. They bought the property in bad condition with many unpermitted elements and have worked hard to rehabilitate the property. The owners are artists, and they have been using their garage as their studio. The proposed new workshop will be their studio and provide the space needed for their work. When asked why a full bathroom with tub was necessary for an art studio, they explained that their house does not have a bathtub, and it will also be needed for the soaking of large scale prints.

The committee votes unanimously (with LT recusing herself from the vote due to being a friend of the applicants) to support the application and that it should be placed on the Consent Agenda for the next LOCAC meeting agenda.

B. VACATION RENTALS

- A. **Review and discussion of the outcome of the 2/19/18 vacation rental meeting, and the community input received on suggested vacation rental guidelines.**

Chair stated that, based on the discussion at the last vacation rental meeting, there seems to be consensus on some of the proposed vacation rental regulations, while others will need further discussion and input. The following are some of the comments and issues discussed:

Sunsetting of VR permits:

1. Sunsetting of vacation rental permits: There was unanimous support for the idea that VR permits should expire automatically with the sale of a property. JT pointed out that if they run with the land they become a commodity.
2. Existing vacation rental permit holders could be grandfathered into the system if they do not meet the new regulations that end up being established. However, even those VR's that are grandfathered in could be subject to the sunsetting requirement.
3. If a cap on the number of VR permits is set, at some point there will be more who seek a permit than can have them- a lottery system will be needed and permits that become available upon sale of a property or through non-renewal can be issued through the lottery system.

Ownership Requirements:

Discussion on the proposal that a VR property must be the primary residence of the owner. A number of communities have established this requirement to reduce the negative impacts of VR's on residential neighborhoods and help maintain housing stock for permanent residents. This requirement would typically state the owner of a vacation rental must reside at the property a specific minimum # of days per year. This would reduce the length of time per year the property could be utilized as an unhosted (i.e., owner is not present on site) vacation rental. While on site, the owner would be allowed to rent out rooms, as for a home stay.

1. The majority of community members present supported this idea and thought it would result in eliminating many of negative impacts encountered when no one lives in the property.
2. Some thought the requirement was too restrictive- what about 2nd homes? They should be able to rent them out as VR's when not using it themselves. Also, the current ordinance already limits the number of allowable tenancies per month.
3. While it may be a restriction on an owner's use of property, we need to weigh that against other priorities, such as maintaining community character and protecting the residential qualities of our neighborhoods.
4. A 2nd home property owner will maintain other options, such as rentals over 30 days, and long-term rental of their property.
5. Some mentioned the value of tourist dollars for local businesses- that should be considered when thinking about restrictions on VR's.
6. Others countered that long-term residents provide a much more stable customer base for local businesses and that tourism comes in waves and can disappear at times, as the problems related to the closure of Hwy 1 has shown.
7. LT stated that the Sheriff promised he would get her data on the number of nuisance calls received for vacation rentals. We should see if there is data supporting the extent of the nuisance problems claimed.
8. Complaints are not always recorded by the Sheriff. The data may not be an accurate reflection of the extent of the problem.

Other Discussion:

1. There should also be rules on location of VR units, in terms of viewshed conflicts for windows and decks at nearby residences that offer scenic/bay views, proximity of BBQ or fire pits near wooded lands/forests, etc.
2. Those seeking permits should be required to show neighbors have been notified early in the process, by the time it reaches LOCAC. Applicants should bring letters to the LUC meeting, showing that neighbors have been notified.
3. The Chair should develop an email list for attendees to notify them on issues and meetings related to VR's.

B. Discussion on whether the Land Use Committee should continue to take a 'neutral' position towards vacation rental permit applications.

Chair explained that she thought the LUC should revisit their decision to remain 'neutral' on VR permit applications that come to LOCAC for review. The original rationale behind it was that since we knew we would develop Los Osos specific VR guidelines, we felt that, until those are in place, we do not have sufficient criteria to recommend denial or approval of a particular permit. However, it is becoming clear that this approach is not satisfying to the permit seekers, or to those who oppose vacation rental permits. Also, while all public comments concerning the permit application under review are forwarded to the County, the neutral position provides little guidance to the Planning department as they make a decision on applications.

Now that we have received a significant amount of community input on the topic of vacation rentals, the Chair proposed that the LUC policy toward VR permit applications be revised to a policy of not supporting approval of any new VR permits that come before the LUC for review, until we have developed our proposed VR

guidelines. While many in the community have expressed a desire to see a temporary moratorium on VR permits in Los Osos, that is not something that LOCAC has the power to enact- only the County Board of Supervisors can enact a moratorium through an urgency ordinance, which is not likely to happen. However, there is nothing preventing LOCAC from voicing the concerns of the community by recommending to the County that they not approve any more VR applications until we have developed our VR regulations.

Some LUC members expressed that such a stance was too restrictive, and that we know there are some VR permit applications that come before us that pose no significant issues and would likely receive the support of the committee, so why should we recommend not supporting such an application? Taking a 'neutral' stance is sufficient until we have our guidelines in place. Others emphasized that we should expedite the development of the guidelines. The Chair agreed that the guidelines should be developed in a timely manner, but it will likely be 2 or 3 months before a draft is presented to LOCAC for review and approval. In the meantime, we could recognize the concerns expressed by the community by recommending that no new VR permits be approved until our guidelines are in place. This will not put a stop to an applicant applying for a VR permit- it will still wind its way through the County process- but it will express to the Planning department and to the community, that we have serious concerns with the impacts of vacation rentals on our neighborhoods and community.

The motion to change the policy of taking a neutral stance on vacation rentals, to a policy of not supporting approval of any vacation rental applications until our VR guidelines are developed, passed 5-4, with one member absent.

C. Next Steps related to the development of vacation rental guidelines.

1. MM will develop an initial draft of proposed vacation rental guidelines and distribute it to LUC members for input prior to the next LUC meeting. The finalized draft will be presented at the next LUC meeting for community further input and comment.

6. PUBLIC OR MEMBER COMMENTS ON ITEMS NOT ON THE AGENDA

7. ADJOURN