



LAND USE COMMITTEE MEETING MINUTES

JUNE 4, 2018

6:30 pm

Sea Pines Golf Resort – Small Conference Room

COMMITTEE MEMBERS

LOCAC Members:

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

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 present.

3. CHAIRPERSON'S ANNOUNCEMENTS

NONE

4. MEMBER'S ANNOUNCEMENTS

Julie Tacker pointed out the recent undergrounding of utilities along a stretch of LOVR as a benefit to the community.

5. AGENDA ITEMS, INCLUDING PUBLIC COMMENT:

- A. DRC2018-00065 BRACKEN:** Proposed Minor Use Permit for a 282 sq ft garage to match existing single-family residence located at 765 Highland in Los Osos.

Discussion:

The owner was not present to discuss his project. The members did not see any significant issues presented by the proposed single- car garage addition to the existing single-car garage space. LB questioned what they planned on doing with the space, but others pointed out the owners can use it for some other use such as storage if they want- it is unconditioned space and there is no new plumbing installed.

The committee voted 9-1 to recommend approval and place it on the Consent Agenda for the next LOCAC meeting.

B. VACATION RENTALS

The Chair stated the procedure she would like to follow for the discussion of the updated VR guidelines, to ensure progress is made on finalizing the recommendations. We will discuss each guideline separately, taking public comment first, then returning the discussion to committee members, where then a motion will be made to either support, revise or not support the proposed guideline under discussion, and a vote taken.

ITEM #1- DENSITY CONTROL

Chair stated that this is perhaps the most difficult item to agree upon an approach. The initial draft proposed a maximum of 1 VR per block, but there were some who thought that could lead to

some problematic scenarios, such as a VR at the end of one block, right near another VR at the beginning of the next block. As a point for discussion, the Chair presented an alternative approach with a guideline that stated there shall be a minimum of 9 lots between any 2 vacation rentals.

Discussion:

Comments and questions included the following:

1. How was the number 9 decided upon? Chair explained that she was basing it on a 50' wide lot which is a common size lot in Los Osos- which would be 450'. She wanted a distance greater than the radius requirements found in the Cambria and Cayucos guidelines, as those communities are primarily tourist towns, whereas Los Osos is not – it is primarily a bedroom community. Also, it would help ensure that a house would not be situated too closely between any 2 vacation rentals.
2. Would the 9 include empty lots? (Yes)
3. We should perhaps consider also stating a maximum number per block.
4. What about areas where the lots are only 25' wide, and then also the neighborhoods where lots are ½ acre or more? After much discussion of this issue, it was decided that it could be addressed by including a 500' minimum radius.

A motion was made to recommend the following Density guideline:

There shall be a minimum of 9 lots between VR properties, including the other side of the street and to the rear of the proposed VR, or a 500' minimum radius from the proposed VR property line.

The motion passes 8-2.

ITEM #2- CAP ON TOTAL NUMBER ALLOWED

Chair stated that the initial draft proposed a maximum of 1 VR per 100 SF residences, but there were some who thought that resulted in too low a number. As a point for discussion, the Chair presented the alternative proposed guideline of a cap of 2 VR's per 100 per neighborhood.

Comments and questions included the following:

1. Would the cap include homestays? (No- the cap would apply only to the rental of entire units for under 30 days)
2. We should start with suggesting a cap of 1%, because it may get raised to a higher percentage during the review process still ahead of us.
3. It should stay at 1%, because there are many existing VR's already that will get grandfathered in- they will not be subject to the cap restriction.
4. Thinks 2% will be plenty restrictive, given the other distance requirements that will come into play.

A motion was made to recommend the following Total Cap guideline:

There shall be a maximum of 1 VR per 100 single-family residences per neighborhood.

The motion passes 8-2.

ITEM #3- OWNERSHIP REQUIREMENTS

Chair stated that the previous draft provided two options for consideration, one of which was considered too restrictive (that a VR be the Owner's primary residence) and was rejected, as there are many 2nd home owners in Los Osos. Instead, the 2nd option is presented as the proposed

guideline: that there be a limit of 1 VR per owner (and that the owner may not be a corporation or partnership).

Comments included the following:

1. Many members of the public expressed their support for the requirement, agreeing that we should accommodate 2nd home owners, and that we should discourage people or companies from investing in multiple properties with the sole intention of renting them out as vacation rentals.
2. YK would like to address the issue of when people build a new home for the sole purpose of renting it out as a vacation rental and ask for a VR permit at the same time they seek a building permit. Others agreed that that is a separate issue and cannot be addressed by our guidelines. People are entitled to build their home and obtain a VR permit if it meets all the other guidelines being developed.
3. JT objected to excluding corporations, saying a family could be a corporation.

A motion was made to recommend the following Ownership Requirement guideline:

There shall be a limit of 1 VR per Owner, and the Owner may not be a corporation or a partnership.

The motion passes 7-2, with 1 abstaining.

ITEM #4- ZONING REQUIREMENTS

The Chair explained that there was general agreement with the initial draft's proposed guideline that VR's not be allowed in Multi-family dwellings or Mobile Home parks and presents that guideline again in the updated draft.

Comments included the following:

1. What about duplexes? (Duplexes are considered Multi-family homes and so VR's would not be allowed in duplexes.)
2. It is a good measure and it is important to note that the reason is to protect long-term rental stock availability, especially for lower-income residents.

A motion was made to recommend the following Zoning Requirement guideline:

VR's shall not be allowed in Multi-Family dwellings or Mobile Home parks.

The motion passes 10-0.

ITEM #5- PERMITTING REQUIREMENTS

5A. Sunset Clause:

The Chair stated there was general agreement with the proposal to include a sunset clause in the guidelines and so the proposed guideline that a VR permit should expire with the sale of a property was presented again in the updated draft.

A motion was made to recommend the following guideline:

VR's shall expire automatically with the sale of a property.

The motion passes 10-0.

5B. Neighbor Notification:

The proposed Neighbor Notification guideline is suggested to be revised to reflect the same distance requirements established in the Density Control guideline.

A motion was made to recommend the following Neighbor Notification guideline:

Neighbors shall be notified when permit application is first made. Notification range shall be a minimum of 9 lots on either side of the proposed VR property, including the other side of the street and to the rear of the proposed VR, or a 500' minimum radius from the proposed VR property line. Applicants shall use the County noticing letter template and provide copies of the letters sent to property owners.

The motion passes 9-1.

5C. Code Enforcement Inspections:

There was discussion as to the extent of existing VR inspections and if we are asking for anything new here. The current review process checks for code compliance on submitted plans but does not conduct on-site inspections. There should be an on-site inspection of all VR properties to ensure they meet health, fire and life safety codes.

A motion was made to recommend the following Code Enforcement guideline:

Upon submitting an application for a VR permit, County code enforcement shall inspect the premises to ensure compliance with permit conditions as well as health and fire life safety code requirements.

The motion passes 8-2.

5D. VR Administrative Fees:

There was general agreement that an administrative fee in the form of a tax on the rental fee was appropriate to fund the additional enforcement tools needed by the County, but that the amount and/or type of fee would best be determined through discussions with County staff.

A motion was made to recommend the following VR Administrative Fee guideline:

An additional fee, to be determined as appropriate by the County, shall be paid to the County by VR owners to help fund the needed staff and tools for proper enforcement of vacation rental regulations and website/database maintenance.

The motion passes 10-0.

C. ADDITIONAL DISCUSSION

A. VR Data Collection: LT and JT presented the data they had gathered about current vacation rentals in the County and made copies available to the members and public:

- a. LT stated that her Vacation Rental Chart was old and that when she first made it, Los Osos had 23 licensed VRs. As of June 4th, there were 27 (one of which is outside the URL). She then stated the number registered by year: 2001 - 1; 2007 - 6; 2008 - 2; 2012 - 1; 2014 - 2; 2015 - 5; 2016 - 1; 2017 - 3; 2018 - 5.
- b. As of June 4, Avila Beach had 83 VR's; Cayucos had 283; and Cambria had 342. Los Osos has 27. Asking rhetorically why that might be, she stated she thought one

reason may be because we do not have a quaint main street with cute antique shops and galleries, or a lot of trendy restaurants. We do not have a beach, but instead a muddy bay. Another reason might be because of the cost of a permit - our MUPs cost \$2400 just to apply with no guarantee of success, and the other towns spend \$39 for an initial over-the-counter permit and \$30/year thereafter to keep the permit.

- c. The Sheriff's information on the chart was still correct - Los Osos had 4 complaints in 2015, 1 complaint in 2016, and 4 complaints in 2017.
- d. JT provided a chart that documented the number and type of complaint calls received by the Host Compliance hotline. Cambria had the highest number with 11 calls, Cayucos 3 and Avila 1. She thought that the distance standard seems to have little to do with complaints or in preventing them.

Comments regarding the data presented included the following:

1. What is Host Compliance? JT stated it is the agency hired by the County to discover and report on unlicensed vacation rentals in the County.
 2. PH was glad if the data shows Los Osos does not currently have a problem, and hopes it remains that way.
 3. Not all complaints are being reported or documented. Most people probably do not know who to call or do not bother to do so.
 4. The Chair stated that the guidelines are being developed in order to keep vacation rentals from becoming a problem in the future. Communities all up and down the coast are dealing with the problems caused by too many vacation rentals, and we have a chance to prevent that from happening in Los Osos by acting now.
- B. **Neighbor Input:** An attendee pointed out that it is important that neighbors still be able to provide input on proposed VR's, even if they meet all the of the proposed guidelines. The Chair explained that she has always stressed that we can set our guidelines **and also** require that a minor use permit be submitted as we currently require. She stated she will make this clear in the final guidelines document.
- C. **Enforcement Issue:** It was also requested that the document make clear that more measures are needed to properly enforce VR regulations (such as fines or other penalties that encourage compliance). Chair stated that such details would need to be worked out through discussions with County staff, but that the general concern with enforcement issues shall be communicated in the final VR guideline document.

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

7. ADJOURN