

MENDOCINO COUNTY MEMORANDUM

Date:	September 12, 2017
To:	Board of Supervisors
From:	Supervisor John McCowen
Subject:	Proposed Exception to the Urgency Ordinance Extending Interim Restrictions on the Establishment of Short-Term/Vacation Rentals of Residential Property Pending Study and Consideration of Land Use and Other Regulations Pertaining to Such Rentals

The purpose of this memorandum is to propose an exception to the recently adopted moratorium on new short term or vacation rentals. If the Board agrees, the proposed exception can be incorporated into the ordinance under consideration today which would extend the moratorium.

The third Whereas of the ordinance states "...a substantial and increasing share of the County's existing housing stock is being used as Vacation Rentals, thereby reducing the share of the County's housing stock that is available for either purchase or lease by persons desiring to work and reside within Mendocino County...." The eighth Whereas states "...such rentals will continue to increase in number and continue to impact the number and affordability of housing units available for purchase or rental by persons desiring to reside within Mendocino County."

Based on Board of Supervisors discussion, and the above statements from the ordinance, it seems clear that the intent of the moratorium is to prevent the further conversion of existing housing stock to short term rentals prior to the development and adoption of permanent regulations.

Creating a limited exception for newly constructed dwelling units appears to be consistent with the intent to preserve the status quo for existing housing stock. This limited exception may result in the construction of additional dwelling units. Even if some new dwelling units are utilized as short term rentals, this will not result in the conversion of any existing units which will still be available for rental or sale for purposes of long term occupancy.

I believe it is reasonable to exclude Accessory Dwelling Units (ADU) from this exception because such units are a primary source of affordable housing. Further, given that ADUs are frequently constructed within an existing structure, it can be difficult to determine if they are truly "newly constructed" or not.

Provided the Board supports this proposed exception, the following draft language could be included at the very end of Section 2 (C) on page 2 of the ordinance. I have circulated this language to County Counsel and welcome their suggestions on better wording or placement of the exception, should the Board wish to incorporate it into the ordinance.

(*C*), except this moratorium shall not apply to a newly constructed dwelling unit (excluding any Accessory Dwelling Unit (ADU)) for which a building permit or Certificate of Occupancy was issued on or after August 1, 2017, provided the person seeking to commence a Vacation Rental in a newly constructed dwelling unit is in compliance with all other applicable conditions of this ordinance.