



Mendocino County

Legislation Text

File #: 17-0815, **Version:** 1

To: Board of Supervisors

From: Board of Supervisors and County Counsel

Meeting Date: September 12, 2017

Department Contact: Matthew Kiedrowski

Phone: 234-6885

Item Type: Noticed Public Hearing

Time Allocated for Item: 30 min

Agenda Title:

Noticed Public Hearing - Discussion and Possible Adoption of Urgency Ordinance Extending Interim Restrictions on the Establishment of Short-Term/Vacation Rentals of Residential Property Pending the Study and Consideration of Land Use and Other Regulations Pertaining to Such Rentals
(Sponsors: Board of Supervisors and County Counsel)

Recommended Action/Motion:

Adopt Urgency Ordinance extending interim restrictions on the establishment of short-term/vacation rentals of residential property pending the study and consideration of land use and other regulations pertaining to such rentals; and authorize Chair to sign same.

Previous Board/Board Committee Actions:

On May 16, 2017, the Board of Supervisors directed staff to prepare an ordinance establishing a moratorium on short-term rentals in Mendocino County. On August 1, 2017, the Board of Supervisors adopted Ordinance No. 4391, which established interim restrictions on the establishment of short-term/vacation rentals of residential property pending the study and consideration of land use and other regulations pertaining to such rentals.

Summary of Request:

Ordinance No. 4391 adopted interim restrictions on the establishment of new Short-Term Rentals, or Vacation Rentals in the areas of Mendocino County governed by the Inland and Coastal Zoning Codes; the area governed by the Mendocino Town Plan is not a part of the moratorium. The initial moratorium lasts for a period of 45 days and is set to expire on September 15, 2017. Government Code section 65858 allows for the extension of an urgency ordinance for either an additional 10 months and 15 days or 22 months and 15 days.

The proposed action would adopt a new ordinance extending the same moratorium for 10 months and 15 days, or July 30, 2018. The extension will require a 4/5 or better vote of the Board of Supervisors for it to be approved. The legislative findings required by Government Code section 65858 are included in the ordinance. If approved, the ordinance will not be assigned a chapter designation in the County Code because it is only an interim ordinance. The County has the ability to further extend the urgency ordinance by another 12 months, if approved by the Board after notice and public hearing.

The ordinance more specifically defines a Vacation Rental or Short-Term Rental as the use of all of a dwelling, detached bedroom or guest cottage (as those terms are defined in the Zoning Codes) for renting by the owner

or operator to another person or group of persons for occupancy, dwelling, lodging or sleeping purposes for a period of thirty (30) consecutive calendar days or less. Vacation Rental includes, but is not limited to, a "Vacation Home Rental" as defined in the Coastal Zoning Code.

The ordinance recites that 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 Board has heard concerns that the advent of websites such as Airbnb has turned the housing market upside down, as many existing housing units are now easier to market on a short-term basis. When housing units are reserved for Vacation Rentals, the remainder of the housing market becomes less affordable and less available for workforce housing.

The ordinance would prohibit the issuance of any approval that would allow a Vacation Rental, as defined, without compliance with the terms of the ordinance. The ordinance does allow operators of Vacation Rentals to show that they were operating prior to August 1, 2017, and, upon review of evidence and concurrence by the Department of Planning and Building Services regarding the prior operation, the operator would be allowed to apply for a business license, which includes a review of the property's zoning by the Department. In some instances, a use permit would be required under the existing zoning code. Operators that had not previously been paying required taxes and assessments would also be required to make payments to the Treasurer Tax Collector. Establishment of a new Vacation Rental after August 1, 2017, or maintaining an existing Vacation Rental without compliance with the ordinance, is prohibited and is deemed a public nuisance, which may be enforced through either administrative citations or injunctive relief.

The ordinance provides that it is categorically exempt from the California Environmental Quality Act. The ordinance is placing a moratorium on all approvals for Vacation Rentals, with an exception that existing Vacation Rentals may be approved subject to confirming conformance with existing codes. These actions will not result in a direct or reasonably foreseeable indirect physical change on the environment or result in physical changes in the environment. Vacation Rentals are allowed under current County Codes in certain zones and pre-existing rentals may be allowed to continue in compliance with County Codes. Allowing these rentals to continue in compliance with County Codes would not impact the environment. The prohibition on new Vacation Rentals would also mean no impact on the environment, as no new rentals will be allowed during the moratorium.

Government Code section 65858, paragraph (d), requires that ten days prior to the expiration of an interim urgency ordinance or any extension, the legislative body shall issue a written report describing the measures taken to alleviate the condition which led to the adoption of the ordinance. Ordinance No. 4391 directed the Department of Planning and Building Services to prepare the report, which is attached to this agenda packet and was made available to the public on September 1, 2017. The report provides background regarding the vacation rental issue and discusses certain possible proposals.

The ordinance would take effect immediately, and provides direction to the Department of Planning and Building Services to study and prepare for consideration of the Board of Supervisors changes to the County's General Plan or Zoning Codes with respect to the regulation of Vacation Rentals.

Alternative Action/Motion:

Do not adopt the proposed ordinance; refer the matter to staff for additional research and alternatives.

Supplemental Information Available Online at: N/A

Fiscal Impact:

Source of Funding: N/A

Current F/Y Cost: N/A

Budgeted in Current F/Y: N/A

Annual Recurring Cost: N/A

Supervisory District: All

Vote Requirement: 4/5's

Agreement/Resolution/Ordinance Approved by County Counsel: Yes

CEO Liaison: Janelle Rau, Deputy CEO

CEO Review: Yes

CEO Comments:



FOR COB USE ONLY

Executed By: Nicole French

Final Status: Rejected

Date: **SEPTEMBER 18, 2017**

Executed Item Number: Item

Note to Department: