

Recent LCP Policy Examples for Lower Cost Overnight Accommodations (LCOAs)





Under the Coastal Act, local governments are required to include language in their Local Coastal Programs (LCPs) that implements Coastal Act Section 30213, which states in part:

Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred.

This document contains examples of recently certified LCP policy language related to Coastal Act Section 30213 and is intended for reference only. Please [contact your local Commission district office](#) to discuss specific questions related to a current or future LCP amendment.

County of Marin

County of Marin LUP (certified 2018)

- **Policy C-PK-1 Opportunities for Coastal Recreation.** Provide high priority for development of visitor serving and commercial recreational facilities designed to enhance public opportunities for lower-cost coastal recreation. On land designated for visitor-serving commercial and/or recreational facilities, ensure that higher priority shall be given to such uses over private residential or general commercial development. New visitor-serving uses shall not displace existing lower-cost visitor-serving uses unless an equivalent replacement is provided.
- **Policy C-PK-7 Lower Cost Recreational Facilities.** Protect and retain existing lower cost visitor and recreational facilities. Prohibit conversion of an existing lower-cost overnight facility unless replaced in kind. Prohibit conversion of an existing visitor serving facility on public land to private membership use. Ensure that new development of overnight visitor-serving accommodations (other than bed and breakfast inns), provides a component of lower cost overnight visitor accommodations open to the public, such as a campground, RV park, hostel, or lower cost hotel. The required component of lower cost overnight accommodations should be equivalent to at least 20 percent of the number of high-cost or private membership overnight accommodations. This requirement may be met on site, off site, or by means of payment of an in lieu fee to the County for deposit into a fund to subsidize the construction of lower-cost overnight facilities in the Coastal Zone.
- **Policy C-CD-13 Limited Conversion of Overnight Visitor-Serving Enterprises.** Visitor-serving enterprises, particularly those which offer and provide places of overnight accommodation, shall remain available to any prospective guest on a space available basis. Proposed conversion of such places of overnight accommodations into a more limited type of occupancy shall be discouraged.

City of Half Moon Bay

City of Half Moon Bay Land Use Plan (certified 2021)

- **Policy 5-68: No-Cost and Lower-Cost Visitor and Recreational Facilities.** Protect no-cost and lower-cost public access, visitor-serving, and recreational facilities including overnight accommodations from removal, redevelopment, and/or environmental hazards including erosion. These include major, free recreational attractions such as the California Coastal Trail and numerous beaches; and low-cost facilities such as Half Moon Bay State Park and other camping and RV facilities.
- **Policy 5-69. Development Priority for Visitor-Serving and Recreational Uses.** Prioritize visitor-oriented and recreational uses in all areas designated for Commercial Visitor-Serving on the Land Use Map. Encourage the addition of visitor-serving uses and overnight accommodations in these areas, particularly those that are lower-cost.
- **Policy 5-70. New Overnight Accommodations.** Consider the carrying capacity of the coast, visitor demand over a range of affordability levels for various accommodation types, and consistency with all applicable LCP and General Plan policies before approving any new overnight accommodation development proposals. Prioritize lower-cost visitor-serving accommodations over higher-cost lodging.
- **Policy 5-71. Inclusion of Lower-Cost Accommodations.** Require new development of higher-cost accommodations and/or new development that would fail to provide lower cost accommodations on land where that use is allowed and suitable to provide lower-cost accommodations (e.g. a lower-cost bank of rooms in a hotel, a hostel, campground, cabins, etc.). The lower-cost accommodations may be provided as listed in order of priority as follows: on-site, off-site, or through payment of an in-lieu fee fund to support establishment of new lower-cost accommodations in the coastal zone. The provision of lower-cost accommodations shall equate to 15 to 25 percent of the number of approved high-cost accommodations in consideration of the price range of the proposed lodging options and provision by the development of other low-cost public access and recreation benefits such as airport shuttles, bicycle rentals, or trail connections. Require full replacement of any existing low-cost rooms proposed for conversion to high-cost rooms.

City of Pacific Grove

[City of Pacific Grove Land Use Plan](#) (certified 2020)

- **Policy PRA-11:** Lower cost visitor-serving facilities, including overnight accommodations and public recreational opportunities, shall be provided and encouraged. Existing lower-cost accommodations shall be protected and maintained. Overnight accommodations are reserved for transient uses only (30 days or less).
- **Policy PRA- 12:** New development shall avoid adverse impacts to the availability and provision of lower and moderate cost visitor accommodations in the City. If new development would result in a decrease in the available supply of existing lower cost visitor accommodations, or would fail to provide a range of affordability, or fail to use land suitable for lower cost accommodations for that purpose, mitigation shall be required as determined by a project-specific impact analysis.
- **Policy PRA-13:** Short term vacation rentals are considered a lower cost visitor accommodation and are permitted in the coastal zone so long as such rentals do not adversely impact coastal resources or unduly burden residential neighborhoods.

City of Pacific Grove

[City of Pacific Grove Implementation Plan](#) (certified 2020)

- Section 23.90.220 (c) Lower Cost Visitor Accommodations; Protection of Low Cost Visitor Accommodations.
- See section linked above for regulations on defining lower cost, feasibility analysis requirements, impact analysis requirements, and mitigation requirements

City of Morro Bay

City of Morro Bay Land Use Plan (certified 2021)

- **Policy LU-6.1:** Lower-Cost Visitor Serving Facilities. Lower cost visitor-serving facilities, including overnight accommodations and public recreational opportunities, shall be provided and encouraged. Existing lower-cost accommodations shall be protected and maintained. Overnight accommodations are reserved for transient uses only (30 days or less).
- **Policy LU-6.2:** Range of Accommodations. The City encourages a range of accommodation types, including low-cost visitor accommodations, public recreational opportunities, and short-term vacation rentals, so long as such rentals do not adversely impact coastal resources or unduly burden residential neighborhoods.
- **Policy LU-6.3:** Lower-Cost Accommodations Threshold. Adopt an appropriate threshold for lower-cost accommodations. Regularly update this threshold using the Consumer Price Index to adjust for inflation.
- **Policy LU-6.4:** Accommodations Inventory. Regularly track the inventory of lower-cost accommodations through a scheduled price survey of all accommodations. Notice of the upcoming survey shall be provided to all accommodations owners.
- **Policy LU-6.5:** Accommodations on State Tidelands. Hotels and motels developed on the State-owned tidelands shall provide lower-cost accommodations and publicly accessible facilities and/or amenities.
- **Policy LU-6.8:** Protect Existing Accommodations. Protect the existing inventory of lower-cost accommodations using fees or other revenue sources for as-needed rehabilitation grants.
- **Policy LU-6.11:** Transient Occupancy Tax Rebate Program. Consider offering a TOT rebate program that would allow older hotels and motels to recoup TOT expenses in order to fund capital improvement and rehabilitation projects.
- **Policy LU-6.12:** Camping Accommodations. Campgrounds and RV parks will be regularly maintained and improved. This may include improvements to accessibility trails and amenities.

City of Long Beach

[City of Long Beach Southeast Area Specific Plan](#) (certified 2021)

- **LCOA Policy 1:** Lower cost visitor and recreational facilities, including overnight accommodations and public recreational opportunities, shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred.
- **LCOA Policy 2:** The City shall prioritize new lower cost overnight accommodations over new high cost overnight accommodations. New lower cost overnight accommodation must be provided where feasible. Lower cost rates shall be equal to or less than the annual statewide average room rate minus 25%, and high cost rates are equal to or greater than the annual statewide average room rate plus 25%.
- **LCOA Policy 3:** The City shall encourage a range of accommodation types at various price points to serve all visitors.
- **LCOA Policy 4:** Overnight accommodations are reserved for transient uses only (30 days or less).

City of Long Beach

[City of Long Beach Southeast Area Specific Plan](#) (certified 2021) continued

- **LCOA Policy 5:** Existing lower cost accommodations, including the 173 existing lower cost rooms at the Golden Sails Hotel, must be protected and maintained onsite. If they cannot feasibly be maintained or replaced onsite, the 173 lower cost rooms must be replaced at a one to one ratio, preferably at a non-hazardous site within the coastal zone portion of the SEASP planning area, and protected in perpetuity. These 173 lower cost rooms are not eligible to be mitigated with in-lieu mitigation fees.
- **LCOA Policy 6:** New high cost hotel developments are required to provide a minimum of 25% of the new rooms at a lower cost rate. Lower cost rooms and shall be protected for the life of the development. If construction of new lower cost rooms is infeasible onsite, an in-lieu mitigation fee of \$100,000 per room (as of 2015) indexed using the Turner Building Cost Index plus land cost square footage shall be required. Land cost calculations shall be based on the average square footage of commercial land sales over the past 5 years. The fee shall be used for construction of new lower cost hotel rooms or other inherently low cost accommodations within the coastal zone in the surrounding region.
- **LCOA Policy 7:** Where a proposed development includes both demolition of existing low cost overnight visitor accommodations and their replacement with high cost overnight visitor accommodations, the fee shall apply to 100% of the number of demolished lower cost accommodations and the fee shall apply to the 25% of the number of new high cost rooms in excess of the number demolished.

City of San Clemente

[City of San Clemente LUP](#) (certified 2018)

- **Policy LU-42 Overnight Accommodations.** Protect, encourage and, where feasible, provide lower cost overnight accommodations in the Coastal Zone, including the possibility of a youth or elder hostel.
- **Policy LU-43 Lower and Moderate Cost Accommodations.** Prohibit the loss of existing lower cost facilities, including lower cost hotel, motel or inn units, or campsites, unless they are replaced with comparable facilities, mitigation, or in-lieu fees are provided to fund other lower-cost overnight visitor accommodations in the City or the greater Southern California coastal zone area.
- **Policy LU-44 Mitigation for New Higher Cost Overnight Accommodations.** In the Implementation Plan establish an in-lieu fee program and/or an alternative method to mitigate potential impacts of new higher cost overnight accommodations on San Clemente's lower cost visitor-serving accommodations to ensure that a balance of overnight accommodations types at various price points continue to be provided. Mitigation includes the creation of new lower cost overnight accommodations, or contribution to an account used to fund the creation of lower cost accommodations within the San Clemente coastal area may also be allowed. Priority shall be given to mitigation proposals providing lower cost overnight accommodations to organized youth programs.
- **Policy LU-45 Affordability Classification.** Prior to approval of new development involving overnight accommodations, establish a classification method to define whether the proposed facility providing overnight accommodations is lower, moderate, or higher cost within the San Clemente hotel submarket. Classification criteria may include Average Daily Rate (ADR) during peak summer season and per person value.
- **Policy LU-46 Range of Pricing.** Encourage new overnight visitor accommodation developments to provide a range of rooms and room prices in order to serve all income ranges. Consistent with Section 30213 of the Coastal Act, the City shall in no event (1) require that overnight room rental be fixed at an amount certain for any privately owned and operated hotel, motel, or other similar visitor-serving facility located on either public or private land; nor (2) establish or approve any method for the identification of low or moderate income persons for the purpose of determining eligibility for overnight room rentals in any such facilities.

City of San Diego – Ocean Beach

[Ocean Beach Community Plan/LUP](#) (certified 2015)

- **Policy 2.2.3** Maintain the inventory of lower cost rental rooms for visitors and expand the inventory should the opportunity arise (See Table 2.3). Prioritize provision of lower-cost visitor serving recreation and marine-related development.
- **Policy 2.4.1** Preserve existing hotel/motel/hostel facilities from removal or conversion to residential units.
- **Policy 2.4.2** Encourage the addition of overnight accommodations particularly serving the low/moderate cost range in the community.
- **Policy 2.4.3** Rehabilitate existing hotel/motel/ hostel facilities where feasible.

City of San Diego – Barrio Logan

[Barrio Logan Community Plan/LUP](#) (certified 2023)

- **Policy 2.3.8** Preserve existing hotel/motel/hostel facilities from removal or conversion to residential units.
- **Policy 2.3.9** Encourage the addition of overnight accommodations particularly serving the low/moderate cost range in the community.
- **Policy 2.3.11** Lower-cost overnight accommodations, defined as overnight accommodations with an annual average daily room rate equal to or less than 75% of the annual statewide average daily room rate, shall be protected and maintained.
 - a. The City shall proactively work with operators of lower-cost overnight accommodations to maintain and renovate existing properties.
 - b. Lower-cost overnight accommodations shall not be removed or converted unless replaced at a 1:1 ratio with units comparable in function, location, and cost to the public, with the exception of the existing non-conforming hotel located in the neighborhood designated as Prime Industrial Area in the BLCPU which shall not be required to be replaced.
 - c. If replacement of lower- or moderate-cost units on-site is determined to be infeasible pursuant to a feasibility analysis, then the new development shall provide lower-cost units elsewhere within the City's Coastal Zone.

City of San Diego – Barrio Logan

[Barrio Logan Community Plan/LUP](#) (certified 2023) continued

- **Policy 2.3.13** New hotel and motel development within the City shall provide a range of rooms and room prices in order to serve all income ranges.
 - a. Priority shall be given to developments that include public recreational opportunities.
 - b. New high-cost overnight accommodations shall provide at least 25% of the proposed units as lower-cost accommodations on-site.
 - c. If provision of lower-cost units on-site is determined to be infeasible pursuant to a feasibility analysis, then the new development shall provide lower-cost units elsewhere within the City's Coastal Zone.
 - d. If provision of lower-cost units off-site in the City's Coastal Zone is determined to be infeasible pursuant to a feasibility analysis, then the new development shall provide lower-cost units elsewhere within the San Diego County Coastal Zone.
 - e. If it is determined that the project cannot provide lower-cost units on or offsite, in-lieu fees shall be required.
 - f. An in-lieu mitigation fee of \$137,000 per room adjusted for inflation using the Turner Building Cost Index plus land cost square footage shall be required. Land cost calculations shall be based on the average square footage of commercial land sales in the City over the past five years.
 - g. The fee shall be used for construction of new lower-cost hotel rooms or other inherently lower-cost accommodations within the coastal zone in the City.
 - h. All in-lieu fee payments shall be deposited into an interest-bearing account, to be established and managed by the State Coastal Conservancy, or a similar entity approved by the Executive Director of the California Coastal Commission, which shall only be used for the provision of new lower-cost overnight accommodations.
 - i. Funds may be used for activities including land acquisition, construction, permitting, or renovation that will result in the provision of additional lower-cost overnight visitor accommodations.
 - j. If any portion of the in-lieu fee remains five years after it is deposited into the interest-bearing account, the funds may be used to provide lower-cost overnight accommodations outside of the City, in the County of San Diego coastal zone.