

CALIFORNIA COASTAL COMMISSION

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Prepared April 23, 2015 for May 14, 2015 Hearing

To: Commissioners and Interested Persons

From: Susan Craig, District Manager
Ryan Moroney, Coastal Planner

Subject: De Minimis Amendment Determination for Santa Cruz County LCP Amendment Number LCP-3-SCO-15-0008-1 Part A (Vacation Rental Ordinance Update)

Santa Cruz County Proposed Amendment

Santa Cruz County is proposing to modify the Local Coastal Program (LCP) Implementation Plan (IP) to amend IP Sections 13.10.694 and 13.10.700-V, which regulate vacation rental units in the County. The proposed amendments would clarify and enhance existing regulations applicable to vacation rentals and extend the regulations governing vacation rentals in the Live Oak Designated Area (LODA) to a portion of the Aptos/Seacliff area referred to as the Seacliff/Aptos Designated Area (SADA). Generally, the clarifying amendments are intended to:

- 1) provide more specificity for notice to the public and renters (e.g. a requirement that applications include a photo of required contact sign and owner contact information, and a requirement that vacation rental signs be maintained while in rental);
- 2) require an amendment to a vacation rental permit if the number of bedrooms in the vacation rental is increased or if the square footage of the vacation rental is increased by more than 50%;
- 3) expand violation provisions;
- 4) clarify that a vacation rental is a dwelling that is rented in its entirety (as opposed to one or more rooms rented within a single family dwelling), and;
- 5) prohibit new vacation rental units in “common wall” developments unless the adjoining property owners have no objection to the issuance of a permit for such use.

The creation of the SADA is intended to apply the vacation rental restrictions that are currently in place for the Live Oak Area (e.g., a limit on the number of vacation rentals per block) to a portion of the Seacliff/Aptos area, with the exception of certain locations in the Seacliff/Aptos area that have historically provided substantial vacation rental opportunities.

De Minimis LCP Amendment Determination

Pursuant to Coastal Act Section 30514(d), the Executive Director may determine that a proposed LCP amendment is “de minimis.” In order to qualify as a de minimis amendment, the amendment must meet the following three criteria:

1. The Executive Director determines that the proposed amendment would have no impact, either individually or cumulatively, on coastal resources, and that it is consistent with the policies of Chapter 3;
2. The local government provides public notice of the proposed amendment at least 21 days prior to submitting the amendment to the Commission, by one of the following methods: posting on-site and off-site in the affected area, newspaper publication, or direct mailing to owners and occupants of contiguous property; and
3. The amendment does not propose any change in use of land or water or allowable use of property.

If the Executive Director determines that an amendment is de minimis, that determination must be reported to the Commission. If three or more Commissioners object to the de minimis LCP amendment determination, then the amendment shall be set for a future public hearing; if three or more Commissioners do not object to the de minimis determination, then the amendment is deemed approved, and it becomes a certified part of the LCP ten days after the date of the Commission meeting (in this case, on May 24, 2015).

The purpose of this notice is to advise interested parties of the Executive Director's determination that the proposed LCP amendment is de minimis. Each of the de minimis criteria is discussed briefly below:

- 1. No impact to coastal resources and consistency with Chapter 3 of the Coastal Act:** The proposed amendments would clarify and enhance existing regulations applicable to vacation rentals and apply existing regulations governing vacation rentals in the Live Oak Designated Area (LODA) to an identified portion of the Aptos Planning Area referred to as the Seacliff/Aptos Designated Area (SADA). Specifically, the amendments would: 1) require an amendment to an existing vacation rental permit if one or more bedrooms are added to a permitted vacation rental structure or if the square footage of such structure is expanded by 50% or more; 2) clarify and add minor application requirements (i.e. photo of required contact sign and owner contact information); 3) require that vacation rental signs be maintained; 4) clarify and expand what is considered a major violation of the vacation rental ordinance and the consequences for such violations; 5) clarify the definition of vacation rental to mean the entire dwelling unit (as opposed to the rental of individual rooms within the dwelling unit); 6) establish the presumption that an application to renew a vacation rental will be approved; 7) clarify that an existing vacation rental means existing at the time of adoption of ordinance No. 5092; 8) clarify that vacation rental associated on-street parking does not constitute an exclusive use of on-street parking; 9) apply the regulations governing vacation rentals in the Live Oak Designated Area to a portion of the Seacliff/Aptos area (SADA), with the exception that certain blocks/streets in the Seacliff/Aptos area will continue to have no limit on the percentage of vacation rentals that may exist on a particular block or street; 10) clarify that vacation rentals outside of the LODA and SADA area do not expire unless the unit is not used as a vacation rental for three years out of any consecutive five-year period; and 11) prohibit new vacation rental units in a dwelling units with common walls (unless a written agreement is provided by adjacent property owners stating that they

have no objection to the issuance of a permit for vacation rental use). Please see **Exhibit 1** for the precise wording of the proposed changes.

In general, the amendment makes numerous non-substantive wording changes that make the existing use more specific but do not change the kind, location, intensity, or density of use. The only substantive changes associated with the proposed amendments are the prohibition on new vacation rentals in “common wall” units unless the adjoining property owners do not object to the vacation rental use, and the application of the existing Live Oak Designated Area (LODA) restrictions to the Seacliff/Aptos area (SADA). These restrictions essentially prohibit new vacation rentals if vacation rentals exceed 20% of the residential use of any particular block or if vacation rentals constitute more than 15% of residential stock in the SADA overall. For the LODA, the Commission had previously determined that such restrictions are consistent with the LCP because there are already numerous vacation rentals in the LODA that allow for access and recreational opportunities and such existing vacation rental uses would not be reduced through a previous IP amendment. (See, LCP Amendment Number SCO-1-11 Part 3). This same rationale holds true for the proposed SADA area. In fact, the proposed restrictions in the SADA area are less restrictive in the sense that certain specified areas that have historically provided abundant vacation rental opportunities (e.g. Potbelly Beach Road and the Rio Del Mar Esplanade Area, including Beach Drive) will have no limit on the percentage of vacation rentals that will be permitted. Thus, the SADA restrictions will only apply to neighborhoods that continue to be primarily residential in nature and will ensure that the residential status quo of neighborhoods is maintained, while allowing up to 20% of dwellings per block as a vacation rental use. Regarding the proposed prohibition of new vacation rental units for “common wall” developments (unless the owners of the adjacent dwelling units do not object to such use), this restriction is consistent with the Commission’s original action certifying the vacation rental ordinance, which addressed potential visitor-resident conflicts to satisfy the sometimes competing objectives associated with facilitating overnight visitor-serving opportunities near and within residential areas of the shoreline.

In sum, under the proposed amendment vacation rentals would be expected to continue to effectively co-exist in coastal residential areas with better clarity on use parameters to ensure that they do not become problematic. Thus, the proposed amendment will not adversely affect coastal resources, and it is consistent with the policies of Chapter 3 of the Coastal Act.

- 2. Provision of public notice:** The County provided public notice in advance of the Planning Commission hearings (held on December 9, 2014 and January 14, 2015) and the Board of Supervisors hearings (held on January 27, 2015 and February 10, 2015) where the proposed amendment was considered. For the Planning Commission hearings, a newspaper advertisement notice was printed on November 24, 2014 and December 31, 2014. For the Board of Supervisors hearing, a newspaper advertisement notice was printed on January 31, 2015. In addition, the proposed text was made available to the Planning Commission mailing list and the Board agenda packet distribution list, and was also available for public inspection at the County Planning Department Counter and on the County’s website, all in advance of the County’s hearings. The amendment submittal was subsequently received by the

Commission on April 1, 2015, (and filed as complete on April 15, 2015), and therefore, the 21-day noticing requirement has been satisfied.

- 3. No change in use of land or allowable use of property:** The proposed amendments do not add or delete any new land use to the LCP, but rather add additional standards to clarify and regulate vacation rental use in residential neighborhoods.

California Environmental Quality Act (CEQA)

The Coastal Commission's review and development process for LCPs and LCP amendments has been certified by the Secretary of Resources as being the functional equivalent of the environmental review required by CEQA. The County made two findings with respect to CEQA compliance: 1) to the extent that the proposed amendments are amendments to the LCP, the application of the proposed amendments in the Coastal Zone is statutorily exempt from CEQA review pursuant to CEQA Guidelines Section 15265; and 2) additionally, on January 27, 2015, the Board adopted an addendum to the original vacation rental ordinance's Negative Declaration (approved on May 9, 2011), which found that the ordinance would not have any adverse environmental impacts.

This report has discussed the relevant coastal resource issues with the proposal, and has concluded that the proposed LCP amendment is not expected to result in any significant adverse impact on the environment. Thus, it is unnecessary for the Commission to suggest modifications to the proposed amendment to address adverse environmental impacts because the proposed amendment, as submitted, will not result in any significant environmental effects for which feasible mitigation measures would be required.

Coastal Commission Concurrence

The Executive Director will report this de minimis LCP amendment determination, and any comments received on it, to the Coastal Commission at its May 14, 2015 meeting at the Santa Barbara Board of Supervisors Chambers, 105 E. Anapamu Street, in Santa Barbara. If you have any questions or need additional information regarding the proposed amendment or the method under which it is being processed, please contact Ryan Moroney at the Central Coast District Office in Santa Cruz. If you wish to comment on and/or object to the proposed de minimis LCP amendment determination, please do so by May 8, 2015.

Procedural Note - LCP Amendment Action Deadline

This proposed LCP amendment was filed as complete on April 15, 2015. It amends the IP only and the 60-day action deadline is June 14, 2015. Thus, unless the Commission extends the action deadline (it may be extended by up to one year), the Commission has until June 14, 2015 to take a final action on this LCP amendment.

Exhibit

Exhibit 1: Proposed IP Amendment (Sections 13.10.694 and 13.10.700-V)

**ORDINANCE AMENDING SECTIONS 13.10.694 and 13.10.700-V OF THE SANTA CRUZ
COUNTY CODE RELATING TO THE REGULATION OF VACATION RENTALS**

The Board of Supervisors of the County of Santa Cruz ordains as follows:

SECTION I

Section 13.10.694 of the Santa Cruz County Code is hereby amended to read as follows:

13.10.694 Vacation rentals

(A) The purpose of this section is to establish regulations applicable to dwellings that are rented as vacation rentals for periods of not more than 30 days at a time. These regulations are in addition to all other provisions of this title. This section does not apply to Pajaro Dunes where vacation rentals are governed by an existing development permit. A vacation rental means the entire dwelling unit and does not include the renting of individual rooms in a dwelling unit. The owner/operator/contact person/agent does not live in the dwelling unit while it is rented for use as a vacation rental and only the renter of the vacation rental dwelling and guests of the renter live in the dwelling unit while it is rented for use as a vacation rental. Where there are multiple dwelling units on a site, the owner/operator/contact person/agent may live in one of the dwellings that is not being rented as a vacation rental.

(B) Vacation rentals are allowed in all zone districts that allow residential use with no requirement for any other use, except that any vacation rental meeting the requirements of subsections (C)(1) and (D)(1) of this section may be permitted in any zone district.

(C) For the purposes of this section, the following terms have the stated meanings:

(1) "Existing vacation rental" means a dwelling unit that was used as a vacation rental prior to April 5, 2011 and for which a vacation rental permit application was made on or before November 28, 2011, and for which a vacation rental permit was granted based on an application submitted on or before November 28, 2011.

(2) "New vacation rental" means a dwelling unit that was not used as a vacation rental prior to April 5, 2011 or for which a vacation rental permit application was not made on or before November 29, 2011, or for which a vacation rental permit has not been granted.

(3) The "Live Oak Designated Area" means the Yacht Harbor Special Community (as described in the General Plan—Local Coastal Program and depicted on the General Plan—Local Coastal Program map) and that portion of Live Oak that lies east and south of East Cliff Drive and Portola Drive from the intersection of 9th Avenue and East Cliff Drive

to the intersection of Portola Drive and 41st Avenue, as depicted in Figure LODA, attached hereto.

0396

(4) The "Sea Cliff/Aptos Designated Area" means that portion of the Aptos Planning Area bounded on the west by the Capitola city limit, on the north by Highway One, and on the east and southeast by Bonita Drive, San Andreas Road, and the Urban Services Line from San Andreas Road to Monterey Bay, as depicted in Figure SADA, attached hereto.

(45) "Block" means the properties abutting both sides of a street extending from one intersecting street to another or to the terminus of the street.

(D) Permit Requirements. A vacation rental permit and transient occupancy tax registration are required for each residential vacation rental. Each vacation rental permit shall ~~run with the land in perpetuity~~ remain valid as long as the vacation rental operates at least three out of any consecutive five years, except that each vacation rental permit issued for a vacation rental located in the Live Oak Designated Area and the Seacliff/Aptos Designated Area shall expire five years from the date of issuance of the original permit or as otherwise provided in section (D)(3). If an application for renewal has been submitted and is deemed complete prior to the expiration date, the expiration of the permit will be stayed until final action on the renewal application. No application for renewal of a vacation rental permit shall be accepted more than 180 days before the expiration date. The Planning Director may approve extensions of permit expiration dates or application submittal dates based on demonstrated hardship to the applicant or for other good cause. Approval of a vacation rental permit does not legalize any nonpermitted use or structure. Vacation rental permits are subject to revocation as provided for in SCCC 18.10.136.

(1) Existing Vacation Rental. An initial permit shall be obtained. No public hearing shall be required and no notice of an application for a permit for an existing vacation rental shall be given. For an existing vacation rental to be considered a legal use the applicant shall provide the following to the Planning Department within 90 days, and not later than November 28, 2011, after the certification of the original vacation rental ordinance (Ordinance No. 5092) codified in this chapter by the California Coastal Commission:

(a) Completed application form.

(b) Plans, which do not need to be drawn by a professional, drawn to scale including the following:

(i) Plot plan showing location of all property lines, location of all existing buildings, and location of dimensioned on-site parking spaces.

- (ii) Floor plan showing all rooms with each room labeled as to room type. 0397
- (c) Nonrefundable application fee as established by the Board of Supervisors, but no greater than necessary to defray the cost incurred by the County in administering the provisions of this chapter.
- (d) Copy of a rental/lease agreement, which shall include, but not necessarily be limited to, the following: number of guests allowed (two/bedroom plus two, children under 12 not counted; for celebrations and gatherings between 8:00 a.m. and 10:00 p.m., the maximum number of people allowed is twice the maximum number of guests allowed); number of vehicles allowed (not to exceed the number of existing on-site parking spaces, plus two additional on-street that will be considered to use on-site parking in the vicinity, but will not have any exclusive use of on-street parking); noise, illegal behavior and disturbances, trash management (e.g., trash to be kept in covered containers only).
- (e) Proof that a dwelling unit was being used as a vacation rental prior to April 5, 2011. Such proof may consist of, among other things, the following items:
- (i) Documentation that the owner paid County of Santa Cruz transient occupancy tax for the use of the vacation rental; or
 - (ii) Documentation that there has been vacation rental use of the unit. This could include the following: the owner allowed transient guests to occupy the subject property in exchange for compensation and the applicant furnishes reliable information, including but not limited to records of occupancy and tax documents, guest reservation lists, and receipts, showing payment and dates of stay.
- (f) Retroactive Payment of Transient Occupancy Tax. For those applicants who provide adequate documentation that a dwelling unit was used as a vacation rental prior to April 5, 2011, but where the owner has not registered and paid transient occupancy tax, proof of retroactive payment of the transient occupancy tax amount due to the County to the extent allowed by law for the time during which a dwelling unit was being used as a vacation rental shall be submitted.
- (g) Number of People Allowed. The maximum number of guests allowed in an existing individual residential vacation rental shall not exceed two people per bedroom plus two additional people, except for celebrations and gatherings between 8:00 a.m. and 10:00 p.m., when the maximum number of people allowed is twice the

maximum number of guests allowed. Children under 12 are not counted toward the maximums.

0398

(2) New Vacation Rental. Except as provided in SCCC 18.10.124(B), no public hearing shall be required and action on these applications shall be by the Planning Director or designee, with notice of the proposed action provided not less than 10 calendar days before issuance of the permit, pursuant to SCCC 18.10.222(C) and (D). Appeals of the proposed action on the application may be made by the applicant or any member of the public. Pursuant to SCCC 18.10.124(B), the Planning Director may refer the application to the Zoning Administrator or Planning Commission for a public hearing.

(a) When a public hearing is required, notice of such a public hearing shall be provided not less than 10 calendar days before the public hearing, pursuant to SCCC 18.10.223.

(b) In the Live Oak Designated Area and the Seacliff/Aptos Designated Area, no new vacation rental shall be approved if parcels with existing- permitted vacation rentals on the same block total 20 percent or more of the total parcels on that block that allow residential use, excluding those parcels in the Mobile Home Park Combining Zone District; except that in the following areas the percentage of parcels that may have vacation rentals is not limited: Pot Belly Beach Road; Las Olas Drive; those residentially-zoned parcels in the Rio Del Mar flats consisting of parcels fronting on Stephen Road, Marina Avenue, and Venetian Road between its intersection with the Esplanade and Aptos Beach Drive to its intersection with Lake Court and Stephen Road; those parcels fronting on or gaining access from Cliff Court or fronting on or gaining access from Rio Del Mar Boulevard between its intersection with Aptos Beach Drive and Beach Drive to its intersection with Kingsbury Drive, Cliff Drive, and Beach Villa Lane; Beach Drive; and Via Gaviota. In addition, no more than 15 percent of all of the parcels that allow residential use in the Live Oak Designated Area and the Seacliff/Aptos Designated Area, excluding those parcels in the Mobile Home Park Combining Zone District, may contain vacation rentals. Notwithstanding these maximums, each block in the Live Oak Designated Area and the Seacliff/Aptos Designated Area that has parcels that allow residential use, excluding those parcels in the Mobile Home Park Combining Zone District, may have at least one vacation rental.

(c) Applicants for a permit for a new vacation rental shall provide the following to the Planning Department:

(i) Completed application form.

0399

(ii) Nonrefundable application fee as established by the Board of Supervisors, but no greater than necessary to defray the cost incurred by the County in administering the provisions of this chapter, except that if the application requires a public hearing due to referral of the application to the Zoning Administrator or Planning Commission, then the application will be converted to an "at cost" application and the applicant will be billed for staff time associated with processing the application.

(iii) Plans, which do not need to be drawn by a professional, drawn to scale including the following:

A. Plot plan showing location of all property lines, location of all existing buildings, and location of dimensioned on-site parking spaces.

B. Floor plan showing all rooms with each room labeled as to room type.

(iv) Copy of a rental/lease agreement, which shall include, but not necessarily be limited to, the following: number of guests allowed (two/bedroom plus two, children under 12 not counted; for celebrations and gatherings between 8:00 a.m. and 10:00 p.m., the maximum number of people allowed is twice the maximum number of guests allowed); number of vehicles allowed (not to exceed the number of existing on-site parking spaces, plus two additional on-street that will be considered to use on-street parking in the vicinity, but will not have any exclusive use of on-street parking); noise, illegal behavior and disturbances, trash management (e.g., trash to be kept in covered containers only).

(v) Copy of a County of Santa Cruz transient occupancy registration certificate for the purpose of the operation of a vacation rental.

(vi) No new vacation rental use may be permitted in a dwelling unit having a common wall or walls with another dwelling unit or units after the effective date of this ordinance amending the original vacation rental ordinance (Ordinance No. 5092), unless at the time of submission of the application the applicant provides a written agreement acceptable to the County and signed by all record owner(s) of the adjoining dwelling unit(s) stating that they are aware of the proposed vacation rental use and have no objection to issuance of a permit for such use. The agreement shall be binding on the parties thereto and their

successors in interest for so long as the vacation rental permit for which the agreement was submitted, if issued, remains valid, and each party shall be responsible to inform its own successor(s) in interest in the unit of the agreement as part of the sale or transfer of the unit to such successor(s).

(d) Number of People Allowed. The maximum number of guests allowed in a new residential vacation rental shall not exceed two people per bedroom plus two additional people, except for celebrations and gatherings between 8:00 a.m. and 10:00 p.m., when the maximum number of people allowed is twice the maximum number of guests allowed. Children under 12 are not counted toward the maximums.

(3) Renewal of Vacation Rental Permits in the Live Oak Designated Area and the Seacliff/Aptos Designated Area. In the Live Oak Designated Area and the Seacliff/Aptos Designated Area only, vacation rental permits must be renewed every five years. Beginning on the effective date of the establishment of the Seacliff/Aptos Designated Area, those vacation rental permits issued before that effective date for property in the Seacliff/Aptos Designated Area shall be limited to a term of five years from that effective date and application to renew the vacation rental permit must be made in accordance with the provisions of this section. An application to renew a permit for a vacation rental in the Live Oak Designated Area and in the Seacliff/Aptos Designated Area shall be made no sooner than 180 days before expiration of the existing permit. It is the intention of the County of Santa Cruz that there is a presumption that an application for renewal of a vacation rental permit will be approved. Determination that the application is complete shall stay the expiration of the existing permit until final action is taken on the renewal application. Except as provided in SCCC 18.10.124(B), no public hearing shall be required and action on permit renewal applications shall be by the Planning Director or designee, with notice of the proposed action provided not less than 10 calendar days before issuance or denial of the permit, pursuant to SCCC 18.10.222(C) and (D). Appeals of the proposed action on the renewal application may be made by the applicant or any member of the public.

(a) If a public hearing is required, the Planning Director shall schedule the public hearing before either the Zoning Administrator or the Planning Commission, at the Planning Director's discretion. Notice of such a public hearing shall be provided not less than 10 calendar days before the public hearing, pursuant to SCCC 18.10.223.

47

(b) Applicants for renewal of a permit for a vacation rental in the Live Oak Designated Area and the Seacliff/Aptos Designated Area shall provide the following to the Planning Department: 0401

(i) Completed application form.

(ii) Nonrefundable application fee as established by the Board of Supervisors, but no greater than necessary to defray the cost incurred by the County in administering the provisions of this chapter, except that if the application requires a public hearing due to referral of the application to the Zoning Administrator or Planning Commission, then the application will be converted to an "at cost" application and the applicant will be billed for staff time associated with processing the application.

(iii) Proof of payment of transient occupancy tax for the use of the dwelling as a vacation rental and a summary of the dates the unit was used as a vacation rental between the time of issuance of the existing permit and the date of application for the renewal. Renewal applications must show significant rental use of the unit for two of the previous five years.

(iv) A photograph of the sign installed on the parcel as required by the existing permit.

(c) Although the renewal process shall include a staff review of County records and other pertinent information specific to complaints, if any, that have been received about the particular vacation rental, it is the intention of the County of Santa Cruz that there is a presumption that an application for renewal of a vacation rental permit will be approved. Approval of a vacation rental renewal permit shall be based on affirmative findings as set forth in SCCC 18.10.230(A). Denial of an application for renewal shall be based on one or more of the required findings not being able to be made, as set forth in SCCC 18.10.230(A).

(4) Expansion of Permitted Vacation Rental. In addition to any other permits required for a proposal to expand the square footage of a permitted vacation rental structure by an amount equal to or more than 50% or to increase the existing number of bedrooms by demolition or remodeling, an amendment to the permitted vacation rental permit in accordance with SCCC 18.10.134 shall be required. The amendment application shall include a photograph of the sign installed on the parcel as required by the permitted

vacation rental permit. Based on development and site standards for the applicable zone 0402
district, the amendment may allow a greater intensity of use than that allowed by the
existing permit or may be conditioned such that the vacation rental use not exceed that
authorized by the existing permit.

(E) Local Contact Person. All vacation rentals shall designate a contact person within a 30-mile radius of the vacation rental. The contact person shall be available 24 hours a day to respond to tenant and neighborhood questions or concerns. A property owner who lives within a 30-mile radius of the vacation rental may designate himself or herself as the local contact person.

The name, address, and telephone number(s) of the local contact person shall be submitted to the Planning Department, the local Sheriff Substation, the main County Sheriff's Office, and the local fire agency, and supplied to the property owners of all properties located within a 300-foot radius of the boundaries of the parcel on which the vacation rental is located. For all vacation rental permit applications, including applications for renewal and amendment, submitted after the effective date of this ordinance amending the original vacation rental ordinance (Ordinance No. 5092) contact information shall also be submitted to the Auditor-Controller-Treasurer-Tax Collector. Proof of mailing contact information to all of the above shall be submitted to the Planning Department within 30 days of permit approval, amendment, or renewal. The name, address and telephone number(s) of the local contact person shall be permanently posted in the rental unit in a prominent location(s). Any change in the local contact person's address or telephone number shall be promptly furnished to the agencies and neighboring property owners as specified in this subsection.

(F) Signs. All vacation rentals shall have a sign identifying the structure as a permitted vacation rental and listing a 24-hour local contact responsible for responding to complaints and providing general information, which shall be placed no more than 20 feet back from the nearest street. The sign may be of any shape, but may not exceed 216 square inches. There is no minimum sign size so long as the information on the sign is legible from the nearest street. A sign required by this subsection shall be continuously maintained while the dwelling is rented.

(G) Posting of Rules. Vacation rental rules shall be posted inside the vacation rental in a location readily visible to all guests. The rules shall include, but not necessarily be limited to, the following: number of guests allowed (two/bedroom plus two, children under 12 not counted; for celebrations and gatherings between 8:00 a.m. and 10:00 p.m., the maximum number of people allowed is twice the maximum number of guests allowed), number of vehicles allowed (not to exceed the number of existing on-site parking spaces, plus two additional on-street that will be considered to use on-street parking in the vicinity, but will not have any exclusive use of on-

street parking), noise, illegal behavior and disturbances, trash management (e.g., trash to be kept in covered containers only).

0403

(H) Noise. All residential vacation rentals shall comply with the standards of Chapter 8.30 SCCC, Noise, and a copy of that chapter shall be posted inside the vacation rental in a location readily visible to all guests. No use of equipment requiring more than standard household electrical current at 110 or 220 volts or activities that produce noise, dust, odor, or vibration detrimental to occupants of adjoining dwellings is allowed.

(I) Transient Occupancy Tax. Each residential vacation rental owner shall meet the regulations and standards set forth in Chapter 4.24 SCCC, including any required payment of transient occupancy tax for each residential vacation rental unit.

(J) Dispute Resolution. By accepting a vacation rental permit, vacation rental owners agree to engage in dispute resolution and act in good faith to resolve disputes with neighbors arising from the use of a dwelling as a vacation rental. Unless an alternative dispute resolution entity is agreed to by all parties involved, dispute resolution shall be conducted through the Conflict Resolution Center of Santa Cruz County.

(K) Violation. It is unlawful for any person to use or allow the use of property in violation of the provisions of this section. The penalties for violation of this section are set forth in Chapter 19.01 SCCC, Enforcement of Land Use Regulations. If more than two documented, significant violations occur within any 12-month period a permit may be reviewed for possible amendment or revocation. Evidence of significant violations includes, but is not limited to, copies of citations, written warnings, or other documentation filed by law enforcement; ~~and copies of homeowner association warnings, reprimands, or other association actions, or other documents which substantiate allegations of significant violations~~ copies of homeowner association warnings, reprimands, or other association actions; a permit holder providing false or misleading information on an application or renewal application; evidence of violations of state or County health regulations; evidence that a permit holder is delinquent in payment of transient occupancy taxes, fines, or penalties; evidence of non-responsive management or that appropriate signage has not been maintained in compliance with this section; verified neighbor complaints of noise or other disturbances; or other documents which substantiate allegations of significant violations. In the event a permit is revoked based upon a review under this section, no application by the person or entity from whom the permit was revoked shall be filed for a vacation rental permit on the same parcel within two years after the date of revocation, without prior consent of the Board of Supervisors.

(L) It is unlawful to make a false report to the Sheriff's Office regarding activities associated with vacation rentals.

0404

SECTION II

Section 13.10.700-V of the Santa Cruz County Code is hereby amended by adding language to the existing definition for "Vacation rental" following the definition of "VA" to read as follows:

13.10.700-V :V: definitions

"Vacation rental" means a single-family dwelling unit, duplex, or triplex (including condominium and townhouse units, but not including apartments or manufactured homes in a mobile home park), where the owner/operator/contact person/agent does not live in the dwelling unit while it is rented for use as a vacation rental and no one but the renter of the vacation rental dwelling and guests of the renter live in the dwelling unit while it is rented for use as a vacation rental and the entire dwelling unit is rented for the purpose of overnight lodging for a period of not more than 30 days other than (1) ongoing month-to-month tenancy granted to the same renter for the same unit, (2) one less-than-30-day period per year, or (3) a house exchange for which there is no payment. Where there are multiple dwelling units on a site, the owner/operator/contact person/agent may live in one of the dwellings that is not being used as a vacation rental. Renting of individual rooms does not constitute use of a dwelling unit as a vacation rental. Habitable accessory structures, nonhabitable accessory structures, second units constructed under the provisions of SCCC 13.10.681, 13.20.107, or 13.20.108, and legally restricted affordable housing units shall not be used as vacation rentals.

SECTION III

This ordinance shall take effect immediately upon final certification by the California Coastal Commission.

PASSED AND ADOPTED this _____ day of _____, 2015, by the Board of Supervisors of the County of Santa Cruz by the following vote:

AYES: SUPERVISORS

NOES: SUPERVISORS

43

ABSENT: SUPERVISORS

ABSTAIN: SUPERVISORS

ATTACHMENT 1

0405

Chairperson of the Board of Supervisors

Attest: _____
Clerk of the Board

Approved as to form:

County Counsel