

CALIFORNIA COASTAL COMMISSION

NORTH CENTRAL COAST DISTRICT
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F8a

LCP-2-HMB-21-0078-2 (Short Term Rentals and Home Occupations)
October 14, 2022

CORRESPONDENCE

July 6, 2022

City of Half Moon Bay City Council
C/O Jill Ekas, Community Development Director
C/O Joe Butcher, Community Preservation Specialist
Community Development Department
501 Main Street, Half Moon Bay, CA 94019
650-726-8285

Via Email

Re: City of Half Moon Bay Local Coastal Program Amendment (LCP-2-HMB-21-0078-2) for the Short Term Rentals and Home Occupants Ordinance

The undersigned below recognize the diligent/hard work that the Community Development Staff has put into this Amendment, especially in light of the complexities and interdependence of the myriad of issues and pressures. Notwithstanding, we still have differing views on the proposed STR Ordinance and are planning to continue to vigorously pursue impactful remedies, as we have over the last 12 years, as it relates to Ocean Colony Association (hereinafter "OC") STR operators.

We support the Coastal Commission Staff decision to delay action and that further discussion is warranted due to the issues raised by the public regarding the proposed LCP amendment. As you are aware, we believe that the proposed amendment is not in the "best interests" of the city of HMB nor does it address the economic harm and redress to present STR operators. It is highly likely that the TOT base will decrease but more importantly there will be a negative impact on local business revenues and service workers as they are heavily dependent on a robust tourist visitation environment. We believe the "jury is in" that STRs fulfill an important niche for HMB tourism. Clearly, the near term economic downturn will only make life more difficult for everyone concerned.

In the spirit of compromise and trying to move forward, we urge consideration of the following proposal. OC has already addressed the STR matter by banning new STRs and we believe that local rule should be allowed to prevail. Accordingly, we are requesting that OC be exempted from the proposed ordinance and that it is reasonable and equitable as outlined below:

- 1) OC has already banned new STRs but grandfathered in the then STRs that were in compliance, which includes possessing a City Business License, payment of TOT and proof of insurance with OC on the policy as an additional insured. Current STR operators will be "sunsetting" upon a change in ownership (including heirs of the current owners). Eventually all STRs will be eliminated within OC. At the end of the day, the OC CC&Rs regarding STRs is even more restrictive than the proposed ordinance; and takes into consideration the potential financial liability to STRs prior to its enactment.
- 2) OC is a gated community and has management in place to insure that STR operations are conducted in an acceptable manner (i.e. noise levels, activities and parking).
- 3) OC is the least affordable residential neighborhood in HMB, "carving out" OC will not practically be detrimental to the goal of increasing more affordable housing.

If OC were also designated as a "carve-out", as granted to the downtown commercial area; we are amenable to setting aside our objections and would be willing to indicate this to the Coastal Commission. In principal, we believe that some oversight of STRs for the rest of HMB is desirable but that it should be more in line with the restrictions that are already in place at OC.

If helpful, we are available for an in-person meeting between July 7th-15th. Please provide us with a response to the above by the end of July to assist in our planning purposes. Thank you in advance to for your consideration.

Jeffrey Chew, Owner & STR Manager
STR Address: 16 Muirfield Rd., Half Moon Bay, CA
TOT Account No: 02405250
HMB Business License: 02404298
650-207-2820



Anna and Sergey Savastouk, Owner & STR Manager
Str Address: 445 Fairway Drive., Half Moon Bay, CA
TOT Account No: 02405252
HMB Business License: 02404302
408-499-7971



Alan Seem
Str Address: 117 Spyglass Lane, Half Moon Bay, CA
TOT Account No: 02405254
HMB Business License: 02404336
650-391-3709



For ALAN SEEM

-----Original Message-----

From: Guliz des Tombe <guliz.destombe@gmail.com>

Sent: Friday, May 13, 2022 10:51 AM

To: NorthCentralCoast@Coastal <NorthCentralCoast@coastal.ca.gov>

Subject: Public Comment on May 2022 Agenda Item Friday 11a - City of Half Moon Bay LCP Amendment Number LCP-2-HMB-21-0078-2 (Short Term Rentals and Home Occupations).

Hello,

I got this quote from page 2 of this: <https://documents.coastal.ca.gov/reports/2022/5/F11a/f11a-5-2022-report.pdf>

STRs are operating today. The relatively low number of STRs – in both cases – appears to reflect a market where, although there is significant tourist interest, there are also some 600 hotel and motel rooms and over 200 campsites across a variety of price points in the City. In that context, the new proposed STR regulations, although fairly restrictive relative to other LCPs statewide (including in terms of the residency requirement and the maximum of 60 unhosted rental nights annually per STR), should continue to provide the required LUP balance. Furthermore, the new operational and procedural framework should help to ease any issues that may be encountered, while protecting residential character. Such conclusions are bolstered by the proposed amendment allowing unlimited hosted rentals, and, per the City's stated intent, unlimited unhosted rentals in mixed-use commercial areas.¹

Why are they restricting visitor usage so much when there are only 30 airbnb's? Why are they even wasting your time? We operate two airbnb's for our selves and one for our mother. Based on this ordinance both of our peronal airbnbs will be shut down. We provide low cost visitor serving in a non hotel -- the city of half moon bay has failed to show that this is necessary or prudent and this will have a negative impact on visitors and operators. This is unnecessary and a waste of everyones time.



CITY OF HALF MOON BAY

501 Main Street
Half Moon Bay, CA 94019

Peter Benham
North Central Coastal Planner
California Coastal Commission
Via email

May 5, 2022

RE: City of Half Moon Bay Local Coastal Program Amendment (LCP-2-HMB-21-0078-2) for the Short Term Rentals and Home Occupations Ordinance

Dear Mr. Benham:

Thank you for providing public comment letters submitted to the California Coastal Commission for the May 13, 2022 hearing on Half Moon Bay's proposed Local Coastal Program Amendment (LCP-2-HMB-21-0078-2) for the Short Term Rentals (STRs) and Home Occupations Ordinance. City staff have prepared responses and appreciate this opportunity to provide clarification and offer suggestions for improving the Ordinance in a matter that satisfies the Coastal Commission.

The first four responses pertain to Coastal Commission staff's recent request for additional information.

1. **Primary Residence.** *Commission staff requested more information about the purpose of the primary residence requirement, and about how the primary residence requirement would increase/preserve housing stock.*

Response: Housing inventory is severely limited in Half Moon Bay. This is especially so due to the growth control ballot measure (Measure D) that has been made part of the City's certified Local Coastal Program (LCP). Every unit matters in a community where housing insecurity is prevalent. It might not be very many units that may be initially returned to residential use, but those are important to households that might otherwise be unable to secure housing because a home is being used as a business. Likewise, the requirement applies prospectively, to prevent further loss of housing stock. It is also important to remember that housing units were entitled to be used as homes, not as businesses. The City's certified LCP includes policy about both home occupations and STRs to ensure that the primary use of residential units is for shelter.

The primary residence requirement is also intended to address nuisance issues. The City has received very few complaints about any of the hosted STR operations. Most complaints are associated with several un-hosted STRs that do not have a primary resident. Some are in corporate ownership. Such owners have never lived in the home that is being rented as an STR, or even in the City or neighborhood. There is a lack of connection to the neighborhood, its character, and expectations for the use of property with respect to noise, parking, litter, etc. We will note that we have not received many complaints about such STRs in the Ocean Colony

Planned Development area. We understand that Ocean Colony, a gated community with a Homeowner's Association, has its own requirements for STRs. Perhaps this oversight has resulted in better operating practices. For context, it is also important to consider the Home Occupation provisions, which are meant to maintain neighborhood character. STRs would not conform to these provisions due to their higher occupancy, number of vehicles, etc. STRs are businesses, as are Home Occupations. The impacts of any type of business on a residentially zoned area, including in the cumulative condition, should be a consideration for the STR ordinance. Primary residence is not required in mixed-use zones because these areas are already characterized by the activities associated with a broad mix of residential and commercial uses.

2. **Grandfathering.** *Commission staff asked if the City would support "grandfathering" existing STRs.*

Response: We appreciate this comment and that it would possibly resolve the Commission's concern about some of the various operator's displeasure with the proposed ordinance. The Half Moon Bay City Council considered grandfathering, but after deliberation, determined this would create an unlevel playing field and not be aligned with the intent for the ordinance, which is to ensure that the City's residential neighborhoods are primarily used for residential use. Moreover, when housing stock is protected for second homes, as reported in the public comment, it serves neither the Commission's goals of low-cost coastal access nor the City's goals of providing housing.

The City wants to retain existing STRs and encourage new ones to come in under the provisions of the Ordinance, provided they meet the standards developed to meet this intent. We also note that STRs are not evenly distributed throughout the City. What may appear to be a small number of units from a City-wide perspective, is actually quite a few STRs within small neighborhood pockets.

In thinking through grandfathering, it is important to establish a foundation for it. If the Coastal Commission looks toward grandfathering provisions, the following must be taken into account:

- It is an unfortunate fact that some STRs are operating illegally and for various reasons cannot be legalized. These have proven to be very difficult to enforce without an STR Ordinance. It must be made clear that the City will never support grandfathering such units for continued STR use.
- Grandfathering allowances need to expire in the case of code violations and/or discontinuance of use.
- Grandfathering needs to be limited to specified provisions of the existing STR, such as the primary residence requirement, which seems to be Coastal Commission staff's and operators' primary concern.

The City is aware of other STR ordinances certified by the Coastal Commission that require primary residence. We are unsure as to why the City of Half Moon Bay's strong preference for this provision would not be supported by the Commission as it has for other local jurisdictions.

Should the Commission wish to consider grandfathering STRs that are not compliant with the broader provisions of the ordinance, the City will be even less inclined to support the request. We would expect grandfathered STRs to abide by all of the various provisions of the administrative registration program including but not limited to performance standards, maximum capacity, parking, neighborhood notification, initial property inspection, and number of rental nights per year for un-hosted operation. In lieu of grandfathering, we hope

Commission staff would consider other options such as a longer transition period for operators to establish primary residence. The Ordinance provides one year to establish primary residency; perhaps an increase to two years would support operators to make the needed adjustments to the new provisions.

3. **60-day Limit.** *Commission staff requested additional information about the City's proposed 60-night annual limit for un-hosted STR operations and about the Chamber of Commerce's hotel occupancy data.*

Response: The Half Moon Bay Chamber of Commerce is the best data source for this information, which is presented at an aggregate level. The Chamber works with all Half Moon Bay and midcoast hotels/motels. These operators trust the Chamber with this information which is otherwise proprietary and sensitive for individual businesses. The Chamber's data indicates that supply of overnight accommodations exceeds demand. The 60-night limit will more than "match" the estimated current demand and can grow if demand increases.

In addition, the relatively small number of existing STR operators indicates that current demand is low. If demand was higher, we would expect to see a greater number of property owners seeking to capitalize on the City's current lack of STR regulations. This has not been the case.

The Half Moon Bay City Council considered a 90-night limitation, but determined that this would result in up to 45 weekends per year of un-hosted use, which would conflict with LCP policy. Furthermore, the proposed Ordinance has no limit on hosted STR use in any zoning district, and no limit on un-hosted use within mixed-use zoning districts.

4. **Timing for Certification.** *Commission staff inquired about the City's preferred timing for completing the certification review.*

Response: This City is eager to conclude this matter having spent several years working on an Ordinance that is suited well to our community. We hope to provide whatever information Commission staff need to support moving forward.

The following responses pertain specifically to two letters forwarded to us with Coastal Commission staff conveying the Commission's interest regarding these matters.

Letter 1: Number of Short-term Vacation Rentals (STRs) in Half Moon Bay. Commission staff requested that the City re-confirm its past representations about the cumulative and current number of STRs operating in Half Moon Bay and whether or not home occupations were included in these counts.

Response: On numerous occasions, the City has consistently presented both the cumulative number of STRs that have ever operated in the City, as well as the number of STRs currently operating. Both of these data points are our best estimates and we always clarified that the cumulative number did not represent STRs operating at the same time. The intent was to recognize the full extent of STR operations that have ever occurred in Half Moon Bay, at least to our knowledge. These figures seemed especially relevant given that the City began deliberation on the STR Ordinance during the beginning of the COVID-19 pandemic, which significantly changed STR operations with unknown long-term effects. We believe that it may be likely for an operator who has not been active to re-start their operation at some point should demand increase. Thus, tracking over time seems important. In fact, we see numerous examples of operators that fluctuate between periods of activity and inactivity. In addition to

the cumulative number, we also frequently reported the current level of activity, which obviously changed over time. We never included home occupations in these counts.

Letter 1: STR Operator Engagement and Notification. *Commission staff requested more information about the process for operator engagement on this ordinance.*

Response: The City held numerous, well-noticed study sessions and public hearings on this matter. We identified and contacted STR operators within the City limits. Some operators reached out to City staff, and we met with everyone who sought our time to discuss the forthcoming Ordinance as it was under development. Some of the following efforts ensured that operators, as well as residents and other interested parties, were aware of this work and encouraged to participate. Details of the process and various forms of notification and communication are highlighted below.

City-wide Survey: To initiate the project, an on-line survey about STRs was hosted on the City's website starting November 12, 2019. It generated 175 responses, and of those, 88 provided additional written input. The survey helped establish the City's initial email list for future notifications.

Noticed Public Meetings: Numerous public meetings, including four study sessions with the Half Moon Bay Planning Commission encouraged operator participation.

Date	Meeting	Meeting Format	Notification
January 28, 2020	Planning Commission Study Session	In person Televised	Email: Interested parties*
February 9, 2021	Planning Commission Study Session	In person Televised	Email: Interested parties*
February 23, 2021	Planning Commission Study Session	Zoom Televised	Email: All operators**
April 27, 2021	Planning Commission Study Session	Zoom Televised	Email: All operators**
May 25, 2021	Planning Commission Public Hearing	Zoom Televised	Email & Mail: All operators**
August 17, 2021	City Council Public Hearing, Ordinance Introduction, continued to a date certain, September 7, 2021	Zoom Televised	Email & Mail: All operators**
September 7, 2021	City Council Public Hearing, Ordinance Introduction, continued from August 17, 2021	Zoom Televised	Email: All operators**
September 21, 2021	City Council Public Hearing, Second Reading	Zoom Televised	Agenda notification

**Interested parties: Includes those first identified through the on-line survey and developed over time; "interested parties" included some operators.*

***All operators: While the process progressed, a complete email list of operators was established, in so far as operators had identified themselves to the City and had been paying TOT or otherwise included in City records as STR operators.*

Social Media: The City supplements mailed and emailed notification via several social media platforms to keep our community informed. The following summarizes when social media announcements went out about the Ordinance.

eNews	Nextdoor	Facebook/Instagram
November 14, 2019 November 21, 2019 December 5, 2019 December 12, 2019 January 21, 2020 January 23, 2020 February 4, 2021 February 11, 2021 April 15, 2021 July 22, 2021 August 5, 2021 August 12, 2021	November 14, 2019 November 22, 2019 December 10, 2019 January 21, 2020 April 7, 2020 February 4, 2021 February 11, 2021	November 18, 2019 December 10, 2019 April 7, 2020 February 4, 2021 February 11, 2021 July 22, 2021 July 29, 2021

Meetings with City Staff: Over the course of this process, in person and telephone meetings were requested by and held with operators, realtors, and other interested parties. In some cases, communication was initiated and concluded over a short period of time, such as through a follow-up call; in other cases, the operator, realtor, or other interested party continued to communicate with City staff on and off over the course of the process. The following summarizes some of these communications from February 2021 to September 2021, when City Council adopted the ordinance:

- Operators: Staff spoke with at least 15 operators during this period. Past, present, and prospective operators are included in this group. Some operators continued to communicate with City staff after ordinance adoption in order to stay informed about the Coastal Commission process and to start preparing for registration upon Ordinance certification.
- Realtors: Realtors often represented potential operators or were simply wanting more information to accurately represent the City's intended regulations. City staff spoke with about 15 individual agents. In addition to these communications, staff presented the draft Ordinance to the San Mateo County Association of Realtors' (SAMCAR) coastal communities group on February 23, 2021.
- Other Interested parties: Staff communicated with about 20 other interested parties, including residents and homeowner's association representatives. Some of these individuals spoke at various Planning Commission study sessions, and subsequent hearings; others were interested in keeping abreast of the process. In two cases, these individuals were seeking code enforcement involving STR operations.

It should be noted that some operators and residents did not request to meet with City staff, but participated in the Planning Commission and City Council sessions.

Newspaper Coverage: The STR and Home Occupation Ordinance was covered by local newspapers. The San Mateo Daily Journal ran stories on February 11, 2020, March 2, 2021, and September 13, 2021. The Half Moon Bay Review published articles on February 5, 2020, May 5, 2021, June 2, 2021, August 11,

2021, and August 25, 2021. City staff gave interviews whenever requested by local reporters in an effort to further help get the word out.

Notices ran in the Half Moon Bay Review for the May 25, 2021 Planning Commission public hearing and the August 17, 2021 City Council public hearing. The August 17, 2021 City Council public hearing was also noticed in the San Mateo Daily Journal.

Local Coastal Land Use Plan Public Review: Overlapping with the STR and Home Occupation Ordinance timeframe, in 2018, 2019, and 2020, the City held numerous study sessions and public hearings on the draft Local Coastal Land Use Plan which includes policies for STRs and Home Occupations. Both topics were vetted in public forums with the City's Planning Commission on numerous occasions while this important policy document was under review.

Concluding Notes about Process and Communication: And finally, we note that it appears that most, if not all, of the individuals who wrote to the Coastal Commission expressing concern about the City's process were in attendance at the City's public hearings. City staff had phone calls or met with several of these individuals. City staff's role in working with all interested parties, including operators, is to ensure they are included in the process. It is up to these interested parties to participate and make their suggestions and preferences known to the Planning Commission and City Council who direct the development of the Ordinance.

Letter 1. Primary Residency Requirements. *Commission staff requested clarification about the primary residence requirement for hosted STR activities.*

Response: All operators, other than in the mixed-use districts, would need to be a primary resident. For hosted operations, being a primary resident shouldn't be an issue.

Letter 1. Parking. *Commission staff asked about limiting guests to 3 vehicles (section 6e).*

Response: The maximum occupancy is 8 guests. The parking provisions are scaled to this level of occupancy and the City found that three vehicles should be adequate for that number of guests. Furthermore, most properties have two-car garages and two driveway spaces. Thus, there is room on nearly every single-family home property to provide three parking spaces.

Letter 1. Section 11a - Existing Short-Term Vacation Rentals. *Commission staff requested clarification about when the calendar runs for Section 11a, which says: "For approved unhosted short-term vacation rental operations, the annual calendar during which up to sixty (60) days of unhosted operations may occur commences on the date of registration issuance."*

Response: The code intends to establish that the start of the year is unique to each operator and coincides with the date of registration.

Letter 1. Section 11c - Existing Short-Term Vacation Rentals. *Commission staff requested clarification about Section 11c, which says: "Discontinued use for six (6) or more months for an Existing STR shall result in disqualification from these provisions.." and the interaction of this provision with rental night caps.*

Response: The scenario of an operator completing 60 un-hosted rental nights early in the year following registration would not be deemed a discontinued use. During the registration process, operators will indicate their intentions for operating as a hosted, un-hosted, or combination of both hosted and un-hosted STR. Registration renewal would be considered at the end of the period and would honor operations as continued uses even if the un-hosted operations were completed more than 6 months prior.

Letter 1 and 2. Grandfathering. *Commission staff noted that one issue both letters bring up is the possibility of “grandfathering” in existing non-primary residence STRs and requested further consideration.*

Response: See response above. In addition, the importance of protecting both housing stock and neighborhood character was a recurring theme coming from the community and City Council in deliberating about the draft Ordinance. Un-hosted STRs, especially if they do not have a primary resident operator, leave houses vacant many weekdays, thus diminishing the sense of community in the neighborhood. They also serve to take valuable housing units—which were planned for and entitled as such—off the housing market. As such, not “grandfathering” existing un-hosted STRs creates an opportunity to provide long-term housing for a family.

Letter 2. 60 Day Limit. *Commission staff requested an overview of the reasoning behind the 60-day limit in response to question 2 in the letter. Commission staff suggested that this represents the City attempt to estimate current demand.*

Response: See response above. In addition, the City’s certified LCP includes policy about STRs; specifically, that they should be subordinate to the use of residential property for homes. The draft Ordinance presented to the Half Moon Bay City Council initially proposed 90 nights un-hosted; however, Council deliberated and determined that 90 nights, which could equate to 45 two-day weekends, did not qualify as subordinate to the residential use of the property. Thus, Council looked at other STR Ordinances in the Coastal Zone, and requested a more modest, yet accommodating limit of 60 nights. This is a good place to remind those reviewing the Ordinance that the proposed Ordinance has no limit on hosted STR use in any zoning district, and no limit on un-hosted use within mixed-use zoning districts.

Letter 2. Maximum Number of Occupants. *Commission staff requested additional information on occupancy limits.*

Response: Half Moon Bay faces significant infrastructure constraints. The average person per household in Half Moon Bay is about 2.6. Eight guests is more than 3 times higher than this average occupancy. Household occupancy, whether for residents or visitors, affects infrastructure. Parking and water use are especially relevant as explained below:

- **Parking:** Half Moon Bay’s residential neighborhoods tend to be comprised of fairly standard residential subdivisions establishing modest sized lots developed with single-family homes including two-car garages and driveways. Because lots are not especially large or wide, street side parking is usually only one or two spaces in front of each residence. The streetside spaces, especially in the westernmost neighborhoods where STRs are most prevalent, are important for coastal access parking. The Coastal Commission recently confirmed the significance of parking in these areas through its February 2022 certification of the City’s ADU Ordinance wherein stricter on-site parking requirements were included in the ADU Ordinance for the western portions of these neighborhoods.

Thus, the 8-person limit, with an associated estimated parking demand for three vehicles, can likely be accommodated on most of these properties without taking up precious free public streetside parking spaces that are so important to our coastal visitors.

- **Water Use:** The implications of water use by STRs is especially concerning. The Coastside County Water District recently completed its 2020 Urban Water Management Plan. The Plan's drought provisions, which are currently being implemented, require significant mandatory water conservation. Relative to a typical residential household, 8 guests could result in proportionally higher water use for the days that a home is used as an STR. Operators have little control over how much water their guests use. Furthermore, water use can be significant for people of any age, and thus, our City Council was clear that babies and children should not be exempted from occupancy counts. Despite this, the City Council also recognized STRs compliment the numerous other types of lodging available in Half Moon Bay. To do so, it is important that they allow for higher occupancies than typically accommodated in hotels. Thus, the Council contemplated 6 or 8 persons. They settled on 8, but also included a water use monitoring provision for registration as a safeguard to protect this resource.

In conclusion, the City appreciates this opportunity to provide additional information to support the Coastal Commission's consideration of the City's STR and Home Occupation Ordinance. We have noted potential options for improving the Ordinance in ways responsive to Coastal Commission staff questions that are also consistent with the Half Moon Bay City Council's intention for seeing this Ordinance certified.

On May 13, 2022, City staff will be available to field questions should they arise.

Sincerely,



Jill Ekas
Community Development Director

Copy:
Half Moon Bay City Manager
Half Moon Bay City Attorney

From: [Benham, Peter@Coastal](mailto:Benham.Peter@Coastal)
To: [Benham, Peter@Coastal](mailto:Benham.Peter@Coastal)
Subject: FW: Proposed Ordinance for STRs in HMB Public Hearing, May 13th
Date: Wednesday, May 4, 2022 9:20:45 AM

From: Sergey Savastiouk <savastuk@gmail.com>

Date: Sunday, May 1, 2022 at 9:32 PM

To: NorthCentralCoast@Coastal <NorthCentralCoast@coastal.ca.gov>, Carl, Dan@Coastal <Dan.Carl@coastal.ca.gov>, Rexing, Stephanie@Coastal <Stephanie.Rexing@coastal.ca.gov>

Cc: KoppmanNorton, Julia@Coastal <julia.koppmannorton@coastal.ca.gov>, Jeffrey chew <jchew888@gmail.com>

Subject: Proposed Ordinance for STRs in HMB Public Hearing, May 13th

Re: Request to Grandfather Short-Term Vacation Rental in the Ocean Colony in Half Moon Bay

Dear Mr. Carl and Ms. Rexing and KoppmanNorton:

We would like to stress the fact that all short-term rental (STR) operators are against the Proposed Ordinance and they submitted their letter, but we will address a specific issue related to STRs which operate in the boundaries of the Ocean Colony, a gated community near Ritz-Carlton in Half Moon Bay (HMB).

We must address the way the City Council of HMB conducted its hearings related to the Proposed Ordinance. We believe that the City Council violated “the principle of Fundamental Fairness”.

Section 30320 of the California Coastal Act clearly states that

(a) The people of California find and declare that the duties, responsibilities, and quasi-judicial actions of the commission are sensitive and extremely important for the well-being of current and future generations and that the public interest and principles of fundamental fairness.

The first example of unfairness is in the fact that the City Council “grandfathered” STR in the HMB downtown area and did not grandfather the operators in the Ocean Colony. The City Council of HMB never investigated why HOA of the Ocean Colony grandfathered its operators ten years ago. The simple analysis would have shown that the same STR operators in Ocean Colony must be grandfathered because they have adjusted their practices per the recommendations provided by HOA and have an excellent record for the past ten years. They also have been relying on this supplemental income and could not lose it as well as they have

got long term commitments to their tenants.

Comparing the actions of the City Council of HMB and Santa Cruz (which grandfathered the current STR operators) it is clear the City Council of HMB felt short in exercising its authority.

The second example of unfairness is that the City Council of HMB did not do a fair due process and did not act responsibly in exercising its authority. Most STR operators were notified about the Proposed Ordinance in August of 2021 while the City Council claimed that the public hearings were taking place for two or three years.

This City research was not presented to any public hearings even though the City claims that (k) City research of the short-term vacation rentals operating within the city limits concludes that short-term vacation rentals with direct oversight from the property owner and/ or long-term tenant operate more compatible within their surrounding neighborhood and tend to be lower cost.

We believe that The Proposed Ordinance is inconsistent with the California Coastal Act and Half Moon Bay's certified Local Coastal Land Use Plan which includes policies addressing residential land use compatibility, the preservation of housing stock, short-term vacation rentals, home occupations, and coastal access provisions relative to infrastructure capacity and the need for lower cost visitor serving accommodations.

We believe there is a simple solution to address our concerns regarding the Proposed Ordinance. It is also a solution that has been used by other communities along the California coast, including the City of Santa Cruz.

That solution is to simply "grandfather" existing operators of STRs in Half Moon Bay, at the minimum the STR operators in the Ocean Colony such that they would not be subject to the Proposed Ordinance. Many of these homeowners purchased their properties with the expectation that they would be available for use as STRs. Taking away that right to operate an STR is viewed by many as an infringement on, and an expropriation of, basic property rights. Also, grandfathering of existing operators would not exempt them from the other public nuisance-related laws, regulations and rules that require them to operate their properties in a responsible manner that also protects the rights and interests of their immediate neighbors and the community.

Ten years ago we were committed to file a lawsuit to protect our property rights and such an approach helped our HOA to settle the conflict. We will consider the same step if we believe that our voices are not taken into account as it was the case during the HMB hearings.

Another way to approach this conflict of unfairness is to return the Proposed Ordinance to the City Council of HMB for further investigation and fair settlement.

Regards,

Ocean Colony STR Operators

Savastuk

Chew

Letter to Planning Commission of Half Moon Bay CA, 94019

RE: "NOTICE IS HEREBY GIVEN that the Planning Commission of the City of Half Moon Bay will hold a public hearing at 7:00 PM on Tuesday, May 25, 2021, via Zoom"

From:

Joseph Junkin and Laura Pisani
241 Myrtle Street Half Moon Bay
VRBO listing: 565640

Hello my name is Joseph Junkin. Along with my wife Laura Pisani, we own the property at address 241 Myrtle st in Half Moon Bay. We have 2 children Ryan (12) and Sabrina (10).

We originally purchased the home in 2009 to use as a vacation home for our family and a potential retirement home. Our main residence is located in Menlo Park.

In 2014 we decided to start renting 241 Myrtle short term so that we could continue to use the house ourselves yet cover the taxes and mortgage as well as share the house with other non-residents. Before we started renting I contacted the town of Half Moon Bay and found I would need to register as a business and pay TOT taxes which I have done dutifully since we started renting. Our first rent was in spring 2014 and since then we have paid the town roughly \$100,000.

Our house is 1890 sf on a 11,000+ sf lot. It has 4 bedrooms with 2 king beds in 2 rooms and 4 smaller beds in 2 other rooms. The house has 3 full baths and we can comfortably sleep up to 8 people. We have a large well-equipped kitchen that is open to the living room and perfect for a group of 8 or less to prepare meals and socialize. The house is on the last block before the open space begins, facilitating walking and biking on the area paths and beaches. We require a minimum stay of 4 nights which prevents 1 or 2 night party focused rentals. Currently our average nightly rent varies between \$300-\$335 depending on the season.

We have never had a complaint. We keep in touch with our neighbors and have directed them to contact us if there are any problems with the guests. We rent exclusively on VRBO because we find mostly families wishing to rent in a quiet neighborhood. In the 2nd line of our Ad on VRBO it reads: "This is a quiet residential neighborhood that is a great place for a family vacation, but not a good place for large parties.". We have 128 reviews with a 4.8/5 average rating.

The majority of our rentals are to families with children whether young or old. We have an extensive collection of toys passed down from our 2 children that are often appreciated in our reviews. We know from our own experience what it's like to visit and with friends and family so we try to provide a working kitchen with up to date appliances and amenities to facilitate groups preparing food and socializing.

We frequently rent to families composed of 3 generations. Thanks to our reasonable nightly rent we cater to families and friends with a wide range of incomes. Our 4 bed 3 bath 1890 sf house and 11,000 sf lot rents for less than some hotel rooms in the area.

I would like the city council to consider the question: When your owner occupied restriction becomes law, who will provide a large home equipped for families and friends exclusive use at a reasonable cost on the coastside? Your proposed restrictions will deny less affluent families the ability to gather in a private home in a quiet family oriented neighborhood and restrict access to the trails and beaches of Half Moon Bay to non-residents.

We have no issue with limiting the amount of short term rentals and fully understand the objection to a neighborhood block having too many short term rentals. That is not the case in our block of Myrtle street. We believe that a certain percentage of non-owner occupied short term rentals should be allowed and not restrict access to residents only.

Please note a quote from a Researcher Note on the subject at hand:
https://lawreview.law.ucdavis.edu/issues/53/4/note/files/53-4_Morrison.pdf

“Protecting California’s coast from development and ensuring equal public access to the state’s iconic natural resource are among the main goals of the California Coastal Commission (CCA). The Commission is tasked with carrying out and defending these goals. Recently, many cities have sought to ban short term rentals like Airbnbs. **These bans are in direct conflict with the CCA because they reduce the amount of affordable overnight accommodations in coastal areas, and thus restrict public coastal access.** The Commission has rejected nearly all such bans, prompting cities and counties to call into question the scope of the Commission’s authority. The Commission’s authority over this issue is justified because short term rentals are properly encompassed within the broad definition of development, which is subject to Commission review in the coastal Zone. ... Finally, Commission review of short-term rental bans in the coastal zone makes sense as a matter of public policy.”

Note that Laguna Beach recently settled with the CCA by allowing some non owner occupied residences:

<https://www.lagunabeachindy.com/coastal-commission-oks-laguna-beach-ban-on-new-short-term-rentals-in-residential-zones/>

“Laguna Beach currently has 117 short-term lodging units currently operating in the city limits, including 79 in residential-zoned districts. All of these units will be allowed to continue operations. Following the Coastal Commission’s approval on Wednesday, Laguna Beach could allow up to 465 short-term rental units, including 300 non-home sharing units and 165 home-share units.”

Thank you for your time and consideration.

Joe Junkin & Laura Pisan

650.380.0560

Public comments submitted to the Coastal Commission are public records that may be disclosed to members of the public or posted on the Coastal Commission’s website. Do not include information, including personal contact information, in comments submitted to the Coastal Commission that you do not wish to be made public. Any written materials, including email, that are sent to commissioners regarding matters pending before the Commission must also be sent to Commission staff at the same time.

California Coastal Commission
North Central Coast District Office
455 Market Street, Suite 300
San Francisco, CA 94105

Attn: Mr. Dan Carl, District Director (dan.carl@coastal.ca.gov)
Ms. Stephanie Rexing, District Manager (Stephanie.Rexing@coastal.ca.gov)
Ms. Julia KoppmanNorton, District Supervisor
(Julia.koppmanNorton@coastal.ca.gov)

February 28, 2022

Re: Opposition to the Proposed Short-Term Vacation Rental and Home Occupation Ordinance in Half Moon Bay

Dear Mr. Carl and Mses. Rexing and KoppmanNorton:

We are writing on behalf of a group of short-term rental property owners and other interested parties to present to the California Coastal Commission (the "Commission") our objections to the Short-Term Vacation Rental and Home Occupation Ordinance (the "Proposed Ordinance") that was recently approved by the City Council of Half Moon Bay (the "City Council") for presentation to the Commission for adoption.

We appreciate the time and attention of the Commission to consider the views contained in this letter. While **the signers of this letter have numerous concerns and objections relating to the Proposed Ordinance**, we have attempted to limit the contents of this letter to those factors and objections that we feel are most relevant to the Commission, taking into consideration the Commission's own stated goals, mandates and existing regulations.

One of the main goals set forth in the Commission's strategic plan is to "maximize public access and recreation for all." We note the Commission's stated vision as follows:

Commission Vision: The California coast is available for all to enjoy through thousands of public access ways to and along the shoreline, a completed California Coastal Trail, a well-supported network of parks and open spaces, and a wide range of visitor-serving facilities, including lower-cost campgrounds, hostels, and hotels.

We also note the following policy that has been adopted by the Commission and referenced in the most recent Local Coastal Land Use Plan for Half Moon Bay:

Policy 5-1. Maximum Coastal Access and Recreational Opportunities. Provide maximum coastal access and recreational opportunities for all people consistent with public safety needs and the need to protect public rights, rights of property owners, and natural resource areas from overuse.

We believe that the Proposed Ordinance is in direct contravention of this important goal, the Commission's vision as well as its current policy. Un-hosted short-term rental properties ("STRs") provide an important alternative for families and groups of friends that would prefer to access the California coast through a communal living environment, rather than a hotel or motel. With the rise of the shared economy in recent years, there are an increasing number of travelers that prefer Airbnb or VRBO options when traveling. The recent Commission staff recommendation relating to the proposed STR rule changes in San Diego sum it up well:

[STR]s provide a service to coastal visitors looking for a different, and often more affordable, type of overnight accommodations than traditional hotels can provide. [STR]s typically offer rooms for gatherings, multiple sleeping accommodations for larger families and groups, full kitchens, and laundry facilities. Some visitors prefer the experience of living in a community like a "local" and patronizing local business over the commercial experience of staying in a branded hotel.¹

By severely limiting STRs, the Proposed Ordinance would directly restrict and decrease these housing options, which will discourage some visitors from seeking to access the resources of the California coast in favor of other destinations where accommodation options are more diverse. **It is important to note that, in most cases, STRs offer a lower cost alternative to hotels or motels, particularly when considered on a per-guest basis.** There are some STRs that have become annual vacation destinations for families visiting Half Moon Bay. These families would likely go elsewhere if the STR option were not available in Half Moon Bay. By reducing or eliminating STRs on the coast in and around Half Moon Bay, coastal access for such visitors will be severely impaired.

While the City Council may argue that the Proposed Ordinance does not constitute a ban on STRs and simply serves to regulate their operations, we would point out that the net impact of the various STR restrictions contained in the Proposed Ordinance would effectively serve as a prohibition. In particular:

1. The requirement that the owner of the STR must have the relevant property as his or her own **primary residence has no bearing on the owner's ability to use the property in a responsible manner**, as evidenced by the many positive reviews (and no complaints from neighbors) that are typical of STRs currently hosting guests in Half Moon Bay. It is important to note that in the Proposed Ordinance, **STRs hosting visitors in the Commercial-Downtown, Commercial-General, or Commercial Visitor Serving Zoning District are exempt from this primary residence requirement.** Despite repeated questioning, the City Council

¹ STAFF RECOMMENDATION ON CITY OF SAN DIEGO MAJOR AMENDMENT NO. LCP-6-SAN-21-0046-2 (Short Term Rentals) for Commission Meeting of March 9, 2022, dated February 17, 2022.

did not provide a reasonable basis for applying the primary residency requirement to some homeowners but not others, which we believe reflects the fundamental unfairness of the Proposed Ordinance.²

2. The proposed cap of 60 nights per year for each property is an arbitrary limit that serves only to limit the access to the property by interested renters and limit the revenue from the property to the owner. **Note that San Diego's proposed STR ordinance caps whole home unhosted nights at 90 days, which is 50% higher than what is proposed in the Proposed Ordinance. This difference has a profound impact on the number of room nights available during the year.**
3. The limit on number of occupants (8) is another arbitrary limit that is not tied to the capacity of the relevant dwelling or the number of bedrooms/beds. Many STRs in Half Moon Bay can comfortably accommodate 10 or even 12 occupants.

While each one of these restrictions may on its own seem to be innocuous, the sum of **these various restrictions means that it will be very difficult if not impossible to maintain the number of STRs that are currently available for rental.**

We also disagree with the City Council's claim that STRs have in some cases eliminated residential use of dwelling units, especially those used as "whole house" or unhosted STRs, and thereby reduced the overall housing stock. In our experience, **most of the STR homeowners highly value their own use of the property and would be unwilling to rent out their homes under long-term leases,** as that would reduce or eliminate their own use of the property and their own frequent enjoyment of the California coast.

It is important to appreciate that STRs generate occupancy taxes that help to fill the coffers of the city, and also help to support an ecosystem of house cleaners, gardeners, handymen and other relatively lower income workers in Half Moon Bay.

We would also like to point out that there are currently only around 32 STRs in Half Moon Bay (**less than 1% of the total housing in Half Moon Bay**).³ The City Council has not provided any evidence or basis for concern that the number of STRs in Half Moon Bay will substantially increase anytime soon (and thereby limit available housing in the city). Taking that together with the current low number of STRs in

² We would note that the factors distinguishing Mission Beach from the rest of San Diego in San Diego's proposed STR ordinance, primarily being the historical high use of STRs in that area, do not exist with respect to the Half Moon Bay commercial areas.

³ We dispute the City Council's claim that more than one hundred STRs have operated within the city limits.

Half Moon Bay, it becomes clear that the Proposed Ordinance is trying to address a problem that does not exist.

Instead of discouraging the growth of STRs (under the false and unsupported assumption, as claimed by the City Council, that it will result in more affordable housing becoming available in Half Moon Bay), the City of Half Moon Bay would actually benefit from the establishment of more STRs, since it would lead to:

- a wider variety of lower cost accommodations for visitors to the California coast;
- higher tourist revenues to surrounding businesses;
- more tax income for the city; and
- increased employment for workers that are direct service providers to the STRs.

Section 30213 of the California Coastal Act provides that:

"Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided."

On average, an overnight stay in an STR property for 6 to 8 people is only slightly higher than the cost of a typical hotel room for 2 people.

Penalizing this small number of homeowners of STRs for providing such a service to out-of-town guests and allowing for greater access to the resources of the California coastline is clearly inconsistent with the Commission's goals.

We believe there is a simple solution to address our concerns regarding the Proposed Ordinance. It is also a solution that has been used by other communities along the California coast, including the City of Santa Cruz. That solution is to simply "grandfather" existing owners of STRs in Half Moon Bay, such that they would not be subject to the Proposed Ordinance. **Many of these homeowners purchased their properties with the expectation that they would be available for use as STRs. Taking away that right to use their home as an STR is viewed by many as an infringement on, and an expropriation of, basic property rights.** Also, grandfathering of existing STR homeowners would not exempt them from the other public nuisance-related laws, regulations and rules that require them to use their properties in a responsible manner that also protects the rights and interests of their immediate neighbors and the community as a whole.

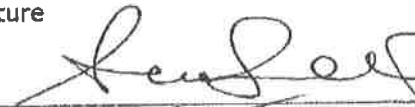


For the reasons stated above, we believe that the Proposed Ordinance is inconsistent with the California Coastal Act and Half Moon Bay's certified Local Coastal Land Use Plan, which includes policies addressing residential land use compatibility, the preservation of housing stock, short-term vacation rentals, home occupations, and coastal access provisions relative to infrastructure capacity and the need for lower cost accommodations for visitors to the California coast.

We hope the Commission will carefully consider the points in this letter and take the actions we suggest to modify the Proposed Ordinance by grandfathering the current

homeowners who use their properties as STRs for a portion of the year. This will allow for continued lower cost and varied short-term housing options for people visiting the California coast, which is one of the key mandates of the Commission, while at the same time bringing more customers to local businesses on the coast, increasing occupancy tax revenues for the city and providing income to those workers that support the hosting of guests at STRs (house cleaners, gardeners and handymen, in particular).

Sincerely,

The undersigned have standing on the matter before the Commission as unhosted STR owners licensed by the City of Half Moon Bay. Most of the undersigned have also provided written or oral comments to the City Council during the review period of the Proposed Ordinance.

Name and Address	Signature
Anna Savastieuk 445 Fairway Dr, Half Moon Bay	
JEFFREY CHEW 16 MUNKFIELD RD, HMB, CA 94019	
Jeff Smith 659 Grove St, Half Moon Bay, CA 94019	

From: [B.N](#)
To: [Benham, Peter@Coastal](#); [Debbie Ruddock](#); [bonnie nardi](#)
Cc: [Brownsey, Donne@Coastal](#); [cgroom@smcgov.org](#); [marc.berman@asm.ca.gov](#); [josh.becker@sen.ca.gov](#); [Ainsworth, John@Coastal](#)
Subject: some thoughts on short term rentals in Half Moon Bay
Date: Monday, June 13, 2022 3:59:51 PM

Dear Mr. Benham,

Thank you very much for talking to me last week about short term rentals in Half Moon Bay. You said you have heard from a vocal group of STR owners. I would like to add my perspective as a homeowner. Since March 2021, a new set of customers has appeared most weekends in the house next door to me (to the east). It is now an AirBnB, after it was sold in December, 2020.

I have lived in Half Moon Bay since 2001. My family built a house here, never dreaming that the law would change to allow businesses in our neighborhood. With an AirBnB right next door, owned by someone who lives outside Half Moon Bay, there are no longer any neighbors at 310 Central Avenue. STRs undeniably change the residential character of a neighborhood. Whether the zoning is technically changed or not I do not know, but I do know that the average person who builds a house in a neighborhood zoned residential has no expectation that a business will ever move in next door. Which is what has happened to me.

My biggest issue is that instead of neighbors, I have a different set of strangers next door almost every weekend. Even with a 60 night limit, I would expect the same; I do not see a means of enforcing such a restriction. The owner of the business can say that friends or relatives are using the property. Without expensive litigation it would be hard to prove who is actually in the house. It's not realistic to expect people not look out for their financial interests. That is why they invest in a business. That is why the vocal STR owners are against a residency requirement but less concerned about a 60 night limit. (Long-term rentals are businesses too, but tenants move in and become residents and neighbors, so the problem of new strangers every weekend does not arise.)

My second concern is that it is well known that short term rentals become party houses. (Everyone to whom I mention the AirBnB next door responds with, "Party house, eh?") Cities in Hawaii, Florida, and many other places are attempting to deal with this problem, to reign in what is a retrograde use of residential space. Some years ago, right on my own block on Central Avenue, a VRBO experienced the party house problem. The police were called. That house has not been rented out for a long time. But I know that disruptive behavior of non-residents who have no stake in a neighborhood can happen anywhere, and has in fact happened a stone's throw from my own home. I honestly do not feel safe with overnight strangers coming and going all the time.

I believe the rationale for allowing businesses in residential areas is to make the Coast more accessible. I am struggling to understand how it is not accessible. Half Moon Bay is packed to the gills every weekend and holiday period. There is plenty of hotel space, and there are conventional bed and breakfast establishments, short term apartments on Main St., rooms for rent in owner-occupied homes, campgrounds, and much more, at many price points. The house next door to me rents for \$700+ per night, with taxes and fees, so it's not a budget option helping lower income people.

AirBnB began as a way for people to rent out rooms or backyard cottages. That is fine; the owners are still residents living in a residential neighborhood. Things change when the owner lives somewhere else and the occupants of a house are an ever-changing set of customers. This is the situation I hope you will think more carefully about. I am not sure why the interests of long term residents such as myself would take a back seat to non-resident business owners.

The Mayor and the City sent the Coastal Commission a draft of an ordinance, which, while not perfect in my view, would be much more enforceable with its residency requirement. I hope that you will consider that our local government knows and understands Half Moon Bay well. I support what they have advised.

I discussed this issue with Half Moon Bay Mayor Debbie Ruddock and she suggested that I cc the additional people I have cc'ed.

Thank you.

Bonnie Nardi
308 Central Ave.
Half Moon Bay, CA 94019
bonnienardi@gmail.com

Suzan Suer 206 Washington Blvd. Half Moon Bay, California. 94019

Input into Half Moon Bay and Coastal Commission Short Term Rental Policies

August 23, 2022

Joe Butcher City of Half Moon Bay Community Preservation Specialist jbutcher@hmbcity.com
Jill Ekas, City of Half Moon Bay Community Development Director ekas@hmbcity.com
Matthew Chidester, City of Half Moon Bay Assistant Manager MChidester@hmbcity.com
Peter Benham, CA Coastal Commission, No Central Coastal Planner peter.benham@coastal.ca.gov
NorthCentralCoast@coastal.ca.gov

Dear Respected Government Officials,

I understand and support efforts to make public beach access a priority. I was a low income So Cal suburban kid who spent many summer days at public California beaches (particularly Zuma beach ☺). I feel strongly about enabling beach access for all.

However, as someone who now lives directly across from a short term rental (STR) owned by an out-of-area investor, I ask you to do more to balance beach access with other important state and local priorities including: 1) protecting and preserving neighborhood character and quality of life; 2) increasing access to rentals to address the California housing shortage (consistent with the aims of SB 9); 3) prioritizing resident over investor considerations; 4) minimizing detrimental impacts of STRs; and 5) ensuring consistency of STR guidelines.

There has been an increase of investors on the coast who show no interest in personal residential or vacation use, or in creating community. Instead, their focus is on maximizing lucrative STR revenues by leveraging online platforms such as Airbnb, VRBO. Research has found that commercial STRs reduce access to traditional rental housing, contribute to higher rental prices, and create unfair competition to local hotels. I object to policies that are favorable to this type of investor, particularly when local residents are disadvantaged by their actions.

The purpose of this letter is to provide input into Half Moon Bay STR policies, and to ask both the City of Half Moon Bay and the Coastal Commission to consider restrictions on activities where the intent of the STR owner is principally commercial in nature.

My aim is to offer background and inputs for policy consideration, organized in the following manner:

- *Context:* Provides background on how the STR across from me operates
- *Proposed outcomes/key principles:* Suggested principles to guide Half Moon Bay and Coastal Commission STR and other policies
- *Rental recommendations:* Suggests permissions and restrictions for your consideration, based on review of many city policies within California
- *Exhibits:* photos of real life living across the street from a full-time STR

Thank you for the opportunity to provide input.

Respectfully,
Suzan Suer

Input into short term rental policies for Half Moon Bay

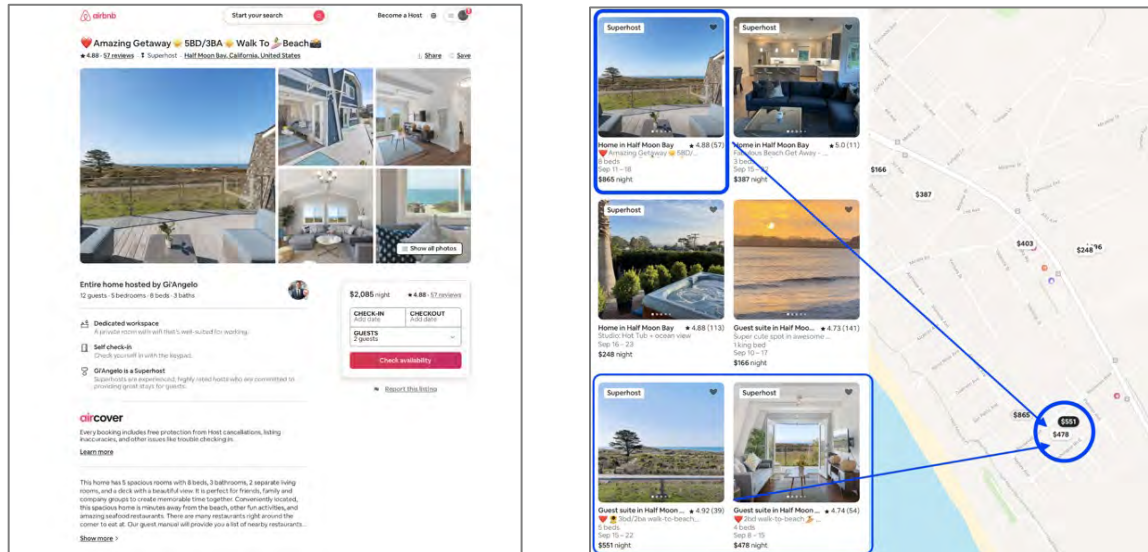
Context: I live directly across from a single-family residence that has been divided into two units. It is investor owned and third party managed—and operates in a commercial manner comparable that of a two-unit motel.

- **The current STR was originally sold as a single-family residence:** The home sold in June 2014 for \$1.8 million. At that time, the home was 5 bedrooms, 3 baths, 2566 sq ft, no garage. The building configuration suggested the potential for part of the home to be converted to an Accessory Dwelling Unit (ADU). (Specifically, one section of the home has three bedrooms, and there is a wall and interconnecting door separating this from the other section of the home which has two bedrooms)
- **The owners appear to be ‘investors’ whose primary motivation is to maximize rental income:** The property is non-owner occupied. The owners live in Hillsborough and the property is managed by a third party. A local realtor told me they approached the property manager with tenants interested in a long-term rental and was told the owners preferred to maximize the short-term income.
- **Property not approved as an ADU yet is commonly rented out as two units:** The owners never obtained Half Moon Bay ADU approval—yet they frequently rent out the two sections of the home separately/concurrently. Even if this was an approved ADU, Half Moon Bay guidelines require the owner to live in one of the units before allowing the second unit to be rented out.
- **Does not conform to duplex requirements of California Senate Bill 9:** Senate Bill 9 allows duplexes on formerly single unit residences but “the rental of any unit created must be for a term longer than 30 days”. The owners have not obtained approval to create a duplex yet—as noted above—they frequently rent out the two units separately/concurrently.
- **This is luxury vacation housing with pricing likely to be out of reach for moderate income individuals:**
 - Full home rental accommodates up to 12 people. The home is frequently used in a ‘party’ or ‘event’ context. On August 21st availability for 12 persons and the rate was \$1,117 per night: see link [here](#). A screen capture taken on August 2, 2022, shown below, showed even higher rates of \$2,085 per night when occupied by 12 persons.
 - When searching on Airbnb for a lesser number of guests (e.g., 2 to 6), you can find the property marketed as two separate units. The smaller unit is marketed as a ‘guest suite’ as listed on Airbnb. (For example the ‘guest suite’ for 4 persons is currently available at \$660 per night: see link [here](#)). A screen shot taken on August 2, 2022, shown below, shows the two smaller units listed at \$551 and \$478 respectively.

Suzan Suer 206 Washington Blvd. Half Moon Bay, California. 94019

Input into short term rental policies for Half Moon Bay

- The second screenshot taken on August 2, 2022 also shows that the three different options are marketed concurrently on Airbnb.



- **The nature of the STR rental is inherently disruptive to the neighborhood.**
 - The STR is seldom rented for more than one week; rentals of two to three days seem to be most common.
 - While many of the renters are respectful, this is not always the case. We have previously reported issues with trash, noise, and lighting. (I should note that the frequent trash overflow has improved and only occurs following large events.)
 - The STR is frequently used for large gatherings—despite Airbnb and VRBO listings prohibiting ‘events’. Large family reunions can be very sweet; some of the large parties can be very disruptive. Every new rental brings questions of what to expect.
 - It is routine for occupants to bring 5 or more cars. Larger events and parties can bring 10 or more cars. Typically, car parking spills onto the private lot next door.
 - Some of the cars choose not to park in the assigned parking area and instead crowd into the street (see Exhibits, “Typical STR Car Parking Scenarios, photo 4). Out of concern for ensuring emergency vehicles have sufficient clearance, I have sometimes had to ask guests to move their cars onto the assigned parking areas.
 - It is common for larger parties to treat the privately owned lot next door as an attached recreational area.
 - I am concerned when I see very large groups (20+ persons) out on the deck, I doubt that the deck was engineered for such purposes.

Input into short term rental policies for Half Moon Bay

Proposed outcomes/key principles underlying Half Moon Bay Short Term Rental policy:

I propose the following as desired outcomes, objectives and/or key principles to guide the Half Moon Bay and Coastal Commission short term rental policies:

1. Foster consistent STR policies throughout the state: Regulate privately-owned residential dwellings used as STRs, and apply regulations consistently
2. Develop policies that strengthen and preserve the character of Half Moon Bay neighborhoods:
 - Actively seek to maintain the neighborhood character in residential areas; **avoid “commercial ‘touristification’ in our residential neighborhoods”** (language from City of Laguna Beach)
 - Encourage the city’s rental housing stock to be preserved for longer term renters; favor policies encouraging long term rentals over short term rentals
Note: Traditional rental properties are scarce on the coast. Earlier this year I helped a very independent 80-year-old friend look for a rental. It took almost 3 months to find a one-bedroom rental under \$3,000!!!
 - Encourage housing policies to increase affordable housing for lower income individuals and seniors (e.g., support policies for affordable ADUs, including in beach areas)
 - Minimize the potential negative effects of STR units on surrounding residential neighborhoods (e.g., noise, crime) and ensure that any STRs are not a burden on city services
3. Support policies designed to discourage STR investor/owners whose primary focus is to maximize short term income; encourage policies that favor full and/or substantial residency and neighborhood commitment:
 - Impose limitations on the number of days that unhosted rentals can be used for STRs; conversely encourage unhosted rentals of 30 days and longer
 - Impose residency requirements on the licensing process and/or confirm personal use of the property
4. Support resident homeowner ability to manage the affordability of their homes by offering some flexibility to rent out unused space:
 - Do not consider arrangements for home sharing or home exchanges to be STRs
 - Enable owner occupied homes to be rented out during short owner absences (e.g., while on vacation)

Input into short term rental policies for Half Moon Bay

- Enable owners with a vacation home in Half Moon Bay but a primary home elsewhere to rent out their home for long term rentals and/or to rent out their home for a limited number of STR days per year
- 5. Support the Coastal Commission aims of providing access to the coast
 - Ensure STR policies do not otherwise negate or preclude tourist beach access
 - Continue to allow street parking by nonresidents in beach areas
 - Ensure adequate infrastructure to support tourists in beach areas (e.g., bathrooms, trash facilities)
 - Support policies encouraging increased housing stock in coastal areas

Common rental restrictions: I have personally reviewed the STR policies of many cities, and support the following commonly adopted policies for Half Moon Bay:

1. **Rentals of unhosted rentals less than 30 days generally not allowed in residential neighborhoods** (e.g., Manhattan Beach, Laguna Beach, Palm Desert, Santa Monica).
 - Favor STRs in commercial districts, perhaps without restrictions on the number of days per year these can operate

Note: There is strong demand for residential rentals of more than 30 days so I do not believe this should significantly inconvenience owners except those seeking maximum daily rental income.

2. **Support limitations on number of STR days in residential areas that can be rented without the owner on the premises** (e.g., **San Mateo County Coastal Zone restricts STRs to 180 days per year**; San Francisco restricts unhosted rentals to 90 days per year)

Specific recommendations for Half Moon Bay:

- Enable unhosted STR rentals in residential areas for no more than 90 days per year.

Note: I feel strongly that STRs should not exceed 180 days under any scenario; as a former landlord myself, I believe there is strong demand for multi-month furnished rentals.
 - Enable owner-occupied homes in residential areas to offer unlimited home sharing and/or hosted STRs (i.e., while owner is on the premises)
3. **No rentals on protected housing stock:** No rentals of units that are designated for accessory dwelling units, senior housing (whether publicly or privately managed), low-cost housing etc.

Input into short term rental policies for Half Moon Bay

4. **Maximum occupancy requirement:** A common limitation is two persons per bedroom (sometimes plus two additional persons, e.g., County of San Mateo Coastal Zone; City of Santa Monica limits occupancy to one person per 200 sq ft.)

Specific recommendations for Half Moon Bay: Limit number of occupants to no more than 2 persons per room/10 person maximum. (I would prefer to see STRs limited to 8 persons)

5. **Parking requirements:** At least two on-site parking spaces for short term renters (e.g., Laguna Beach); limit number of cars that can be parked on the street (e.g., Palm Desert requires all parking to be on-site)

Specific recommendations for Half Moon Bay: Limit number of cars to four (two required onsite parking spaces and up to two cars parked on the street).

6. **Licensing:** All have some form of permit or licensing requirement; levels of fees vary. Some require a public hearing and/or to require applicants to provide at-scale drawings of the housing space and to notify neighbors

7. **Adoption of Good Neighbor Policies:** Many cities have drafted formal 'good neighbor policies' that spell out expectations and requirements for rentals and that are provided to occupants (e.g., Oceanside, Palm Springs, Monterey County)

8. **Responsiveness to issues/complaints:** Many require the operator and/or his agent to be available 24-hours per day for the purpose of responding within sixty (60) minutes, to complaints concerning his/her guests.

9. **Violation fees and/or penalties:** Often steep violation fees

Specific recommendations for Half Moon Bay: Terminate ability to offer STRs after three documented violations.

Suzan Suer 206 Washington Blvd. Half Moon Bay, California. 94019

Input into short term rental policies for Half Moon Bay

Exhibits: Photos of living across the street from a short-term rental in a beach neighborhood

Typical STR Car Parking Scenarios



Suzan Suer 206 Washington Blvd. Half Moon Bay, California. 94019

Input into short term rental policies for Half Moon Bay

Exhibits: Photos of living across the street from a short-term rental in a beach neighborhood

Big Party Car Parking Scenarios



Suzan Suer 206 Washington Blvd. Half Moon Bay, California. 94019

Input into short term rental policies for Half Moon Bay

Exhibits: Photos of living across the street from a short-term rental in a beach neighborhood

Big Party Car Parking Scenarios (continued)



Bachelorette Party



Bachelorette Party Prep



Suzan Suer 206 Washington Blvd. Half Moon Bay, California. 94019

Input into short term rental policies for Half Moon Bay

Exhibits: Photos of living across the street from a short-term rental in a beach neighborhood

Wedding Event



Big Thanksgiving Party



20 people + Yoga Retreat (during the pandemic!)



Suzan Suer 206 Washington Blvd. Half Moon Bay, California. 94019

Input into short term rental policies for Half Moon Bay

Exhibits: Photos of living across the street from a short-term rental in a beach neighborhood

Trash Piling Up (thankfully, doesn't happen as often)



Inconsiderate Occupants – light shining in our living room (a frequent occurrence)



The HMB (Half Moon Bay) STR (Short Term Rental) ordinance.

The HMB STR ordinance was sold to the HMB City Council based on a stated problem in the ordinance that there were more than 100 STR operators (Section 1h of the ordinance)⁽¹⁾. After the passage of the ordinance, I requested from the city (via a Freedom Of Informa Act), the list of registered and TOT tax paying STR operators⁽²⁾. The city provided me with a list of 32 property addresses and owner names which had registrations in effect since 2017 (long before the pandemic). They explicitly removed contact information (phone numbers and email addresses) from the list that they provided me. My goal was to survey the operators to determine how the ordinance that was passed would affect the current operators. Without contact information, I was left to walk door to door and do online searches in order to engage the various STR operators to determine the effect that the ordinance would have on their activities.

After surveying the existing STR operators, I found the following facts: Clearly the list of 32 properties is ridiculously less than the 100 number that the planning commission presented to the city council to get this approved. The feedback I got was that about 10% of this list wasn't currently operating due to the pandemic. Of the 32 properties, no contact was achieved for 12 of them. Lack of presence at the properties for many repeated visits (weekdays, weekend days, evenings, Google searches for phone #'s, and people-search for phone #'s) in question suggests that they don't live on the properties and would thus be excluded from future operations under the terms of the ordinance. Beyond these 12 uncontactable properties, an additional 11 properties will not be able to operate due to the constraints of the proposed ordinance. An additional, 2 properties will no longer be operating due to medical or change of life issues. One is renting month to month now, and in theory could change to operating under the conditions of the ordinance. So, of the total of 32 properties, we're left with 6 or 7 who can continue to operate, with 4 of those absolutely preferring to not be constrained by the residency requirement. That is more than a 75% reduction of the relatively small number of actual operators.

The specifics of how each of these STR operators are affected is available in one of the links provide at the end of this message⁽³⁾.

As STR operators and long-time HMB residents, we would like you to consider the following changes to the existing ordinance.

- Allow the legacy STR operators to continue our operations without being held to the residency requirement.
- Increase the maximum number of nights per year to 90 as it was in several drafts of the ordinance.
- Allow as many cars as can fit on the STR property rather than limit it to 3.
- Allow up to 2 people per bedroom plus 2 (12 people maximum for a 5-bedroom home). This is the same number of guests San Mateo County rules allow.

These restrictions were all added or modified during a City Council meeting when a resident submitted false information as input to this ordinance's review. We have put together information that substantiates the fact that his input was completely contrived. For details, see the link at the bottom of this message⁽⁴⁾.

How this happened:

This ordinance was drafted based on study of other community ordinances with almost no input from any STR operators. No consideration or assessment for the actual impact to current operators was made by the city during or after the drafting and approval of the ordinance.

They got their initial list and map of more than 100 STR operators from the company who manages business license operations for the city. Business licenses are required for both STR operations and home businesses. The planning commission explicitly stated this during one of the HMB City council meetings where the drafted ordinance was discussed.

The problem with this list of 100 operators is that it was actually a combined list of BOTH STR operators AND folks with home business licenses in the community.

It seems quite likely that the list of 32 properties provided to me by the FOIA request is actually complete since at the 2 separate city council meetings where folks got to speak in the open forum about this subject, all of the folks who spoke about their STR activities were, in fact, on this list⁽⁵⁾.

The city planning commission gave lip service to STR operator engagement. They published a request in the local community newspaper (HMB Review) for operators to contact them for involvement. My wife specifically contacted the person mentioned, but beyond acknowledgement of her “Hey I’d like to be involved with this discussion” message, no further contact from the city happened until the proposal was already drafted and it was on the city council agenda for approval. At that time, all operators got a paper mailing notifying them of the meeting and the subject. One operator was most likely involved in the discussion since he works for the city planning commission and operates hosted in his home.

The claim of more than 100 STR operators served to influence the city council’s concern about STR operation impacting available housing and thus putting more pressure on affordable housing concerns.

Good things about the ordinance

Some of the details in the ordinance are very commendable:

- “good neighbor” rules
- water use
- registration and inspection, etc.

all are absolutely reasonable.

At least one city council member was concerned that new investors might try to buy properties for the sole purpose of STR operation. Again, a good concern, but adding a residency requirement for the very small number of existing operators only harms many of them, while this could readily be a requirement for new operators.

The best compromise, which was briefly considered by the city council, would be to grandfather existing operators from having to meet the residency requirement. The city council's considerations were working from the number of more than 100 operators without realizing that only 6 or 7 would be left instead of merely 30 and thus they didn't embrace the grandfathering idea.

Primary complainer discussion:

My immediate neighbor first complained to our mutual window washer about the fact that we began to short term rent our property in August of 2019. He didn't bother to engage us, but started his campaign with the city about it. When we heard from the window washer about his concern, we walked over to his place and had a conversation in his front yard specifically to address his issue and to assure him that if he contacted me directly by phone if he heard or saw any problems, we would immediately address them. He never called, but on numerous occasions he would text us hours after he claimed there had been problems. He claimed to have called the county sheriff on at least 4 occasions, but the deputies never found any noise or other bothersome activities.

This complainer contrived stories about activities on my property and pitched the sequence of lies to the city council in the open forum at their meeting to review the proposed ordinanceⁱ. Every city council member mentioned the need to address his lies (as if they were facts) in their subsequent discussion and they sent the planning commission back with instructions to⁽⁵⁾:

- 1) reduce the proposed number of rental nights from 90 to 30 or maybe 60
- 2) to reduce the maximum number of guests on the property from 12 to 8 independent of the lot size or bedrooms on the property
- 3) reduce the number of guest vehicles that can park on the property to 3 (EVEN if there is room for 5 vehicles to park)

The planning commission came back with a revised ordinance which is now before the coastal commission.

After the primary complainer managed to get the current ordinance approved, he wasn't actually satisfied with the results since he hadn't gotten all STR operations to be prohibited. 3 months later (December 2021) he sold his house for a tidy profit and left town. The new property owner has no problems with our current operations even though the property has been rented for 28 nights since the purchase. This is a mix of hosted and unhosted nights.

Details documenting his contrived observations at comments in the open forum of 8/17/2021 city council meeting(iv) and city council reactions are documented visible via the Timeline of the STR discussions at this meeting.

Open questions:

- 1) Since there is no limit on hosted STR activities, would an operator need to meet the 183 day residency requirement to operate only hosted activities?
- 2) Parking question. We've got room for 4-5 guest cars in our driveway. Given no impact to on-street parking by guests with 4 cars, why does section 6e limit our guests to 3 cars?
- 3) Section 11a. Existing Short-Term Vacation Rentals. Says: "For approved unhosted short-term vacation rental operations, the annual calendar during which up to sixty (60) days of unhosted operations may occur commences on the date of registration issuance." What precisely does "annual calendar" mean here? Does it mean that the count of 60 unhosted days starts on the date of the registration issuance and go forward for a full year, or does it mean that we get 60 during 2021 and 60 more during 2022, etc., and do the days we're already rented this year (prior to initial registration approval) count toward the total of 60?
- 4) Section 11c Existing Short-Term Vacation Rentals. Says: "Discontinued use for six (6) or more months for an Existing STVR shall result in disqualification from these provisions.." Since we are limited to 60 un-hosted rental nights, that limit may be exhausted early in any given year which would then disallow future un-hosted rentals. It would not be hard to imagine that no future rentals happen for the remainder of the year. Would this automatically cancel the effective registration?

Backup Information Links

(1) Copy of the ordinance that the planning commission presented and was passed by the HMB city council (solving the over 100 STR operators problem):

<https://drive.google.com/file/d/1-WfTCeV9OTqgqhoay-M320W4KvRkC8UdT/view?usp=sharing>

(2) eMail discussion with city clerk about Freedom Of Information list of STR operators:

<https://drive.google.com/file/d/1-h0fWnz069iTga7ImgBNPTxnsLcLTOKr/view?usp=sharing>

(3) List of STR TOT Payers and the survey info gathered

<https://docs.google.com/spreadsheets/d/1tAeLTZiGe2RCIwDZ9XzQjabvmV13f3NZdzTnW3IKFQM/edit?usp=sharing>

(4) Our follow-up message to the HMB City Council after the 8/17/2021 meeting where lies were told which influence the city council to increase restrictions:

<https://drive.google.com/file/d/1-becmq511oFcMhDeu5MIR-5BpiXPn3Kn/view?usp=sharing>

(5) HMB City Council meeting 8/17/2021 – Timeline of STR discussions

<https://docs.google.com/spreadsheets/d/1zHQ7i7IJC6YKmBaaLZKpD0zjvetzSvDhxc4F5CwG6s/edit?usp=sharing>

Benham, Peter@Coastal

From: Marianna Stark <mstarkgallery@gmail.com>
Sent: Thursday, December 16, 2021 8:41 AM
To: Rexing, Stephanie@Coastal; KoppmanNorton, Julia@Coastal
Cc: Joe Butcher
Subject: Feedback on STR restrictions in Half Moon Bay commercial downtown district

Dear Ms. KoppmanNorton and Ms. Rexing,

Please find below my feedback on current STR restrictions in Half Moon Bay's commercial downtown district. Are you the appropriate people to share this with? Please let me know if I should direct this to a different member of your team.

Dear California Coastal Commission,

I am writing to ask the Coastal Commission to exempt STRs in the commercial downtown district of Half Moon Bay from any cap on the number of rental nights allowed annually.

I am the owner of 727 Main Street in Half Moon Bay, a 2,400 sq ft mixed-use building in the Commercial Downtown district. After remodeling, the building will be comprised of two 2-bedroom apartments and one retail space which will house a visitor-serving fine art gallery run by me, a sole-proprietor.

As the HMB STR ordinance is currently drafted, I am allowed one non-owner occupied STR in my two-residence building, however it is subject to the same 60-day annual rental nights maximum imposed on STRs in residential neighborhoods.

The ordinance should not be biased against operators of this new form of lodging in the appropriate commercial district. The STR business model is an evolution of the lodging industry, offering amenities and experiences not served by hotels/motels/bed & breakfasts. STR lodging is very popular with the general public and often preferable to traditional lodging. Maximum number of nights should not be curtailed in the appropriate commercial district.

The innate advantage to HMB of STRs in the downtown commercial district is that many businesses that rely on tourism are walkable. My building has an 82 Walk Score, and many more destinations can be reached by bike.

In my non-owner occupied unit, I would like to offer 7-30 day rentals, for up to 365 days per year, which will allow all local businesses to benefit from my guests: groceries, farmers markets, restaurants, retailers, community theater, etc., and give my guests more time to enjoy all the beauty and recreation the San Mateo Coast has to offer.

STRs where the renter has more space including a full kitchen, and often outdoor space, is preferable for families with kids and pets, and the gear that comes with kids and pets. STRs offer families more space and value than hotels/motels/bed & breakfasts, making longer stays more affordable when the family can choose to cook in the STR occasionally.

Mine is not a residential block. On Main Street in HMB we have hotels, motels, one Bed & Breakfast, with a second Bed & Breakfast one block off Main Street. A new large hotel is being planned for the south end of Main Street. I am on a block with doctor offices, an outdoor bar/restaurant, a bank, swim school, plant nursery, the Water District office, the IDES Portuguese men's social club, and various offices for small business.

The maximum occupancy of my two-bedroom STR is 4 guests, which will not lead to becoming a "party house," a valid concern in residential neighborhoods. I will ensure this is the case.

I respectfully ask the Commission to consider amending the Half Moon Bay STR ordinance to not impose any biased restrictions on the number of nights allowed for STR reservations in the commercial downtown district.

Thank you for your consideration,

Marianna Stark
Owner
727 Main Street
Half Moon Bay, CA 94019

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