**CALIFORNIA COASTAL COMMISSION** 

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SOUTH COAST DISTRICT OFFICE 301 E. OCEAN BLVD, SUITE 300 LONG BEACH, CA 90802-4325 VOICE (562) 590-5071 FAX (562) 590-5084



A-5-DPT-22-0038

(City of Dana Point)

NOVEMBER 16, 2022

### UPDATED CORRESPONDENCE RECEIVED AFTER NOVEMBER 3, 2022

Applicant	2
Interested Parties	4

#### **CITY OF DANA POINT**



November 10, 2022

Shahar Amitay Coastal Program Analyst 301 E. Ocean Blvd, Suite 300 Long Beach, CA 90802

## Subject: City of Dana Point Response to California Coastal Commission Staff Report for Application No. A-5-DPT-22-0038

Dear Mr. Amitay,

Establishment of regulations for short-term rentals (STRs) in the City of Dana Point has been a lengthy and challenging process for our community. The City has been working diligently for nearly 16 years to establish a program. In the past two years, a great effort was focused on developing a program that protects our neighborhoods, encourages visitors to our city, and protects the City's housing stock. We are optimistic that the City is near the end of this long process, and hopeful that a program can be approved once and for all come November 16<sup>th</sup>.

We know you share in our hope that the City of Dana Point will finally have a STR program, as demonstrated by your hard work in processing the appeal and developing a comprehensive and fair recommended action. The City respectfully requests the following revisions to the Special Conditions:

**Integrate Special Condition #3 into Special Condition #4, as detailed below:** Special Condition 3, authorizes the CDP for only a 10-year period, and then requires a new CDP, amended CDP or LCP to be issued. The City concurs with the need to collect and review the data suggested in Exhibit 4. But the need for a new CDP or amended CDP should be determined based on the results of the data. The City has worked toward STR regulations for the past two decades and does not want the Program to expire in 10 years. To require reauthorization could put the STR Program at risk and will likely result in delays in implementing the Program. The City requests the CDP's 10-year term be removed and to link the data collected by Exhibit 4 to the Program in the 10-year review by the Executive Director. The data will indicate if amendments are necessary to avoid adverse impacts on community character, public access, and affordable housing in Dana Point. Please see the proposed modifications to combine Special Conditions 3 and 4.

4. Short-Term Rental (STR) Program Study. BY ACCEPTANCE OF THIS COASTAL DEVELOPMENT PERMIT, the applicant shall undertake a study in accordance with the rubric enclosed in Exhibit 4 for the duration of ten (10) years. The study shall monitor various elements of the STR Program, provide quantitative and qualitative data and trends for the 10-year period, and make recommendations for any appropriate changes to the Program that will be reviewed with the Executive Director.

Any proposed changes to the approved rubric shall be reported to the Executive Director. No changes to the rubric shall occur without a Coastal Commission approved amendment

#### Harboring the Good Life

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to this coastal development permit unless the Executive Director determines that no amendment is legally required.

Following the 10-year period, the applicant shall submit the study for review and written approval of the Executive Director. Any recommended changes by the City to the Program shall be submitted for review by the Executive Director to determine whether an amendment to this CDP is necessary pursuant to the requirements of the Coastal Act and the California Code of Regulations.

**Delete Special Condition 5:** Special Condition #5 requires the City to reimburse the Coastal Commission for all legal defense fees for any action brought against the Coastal Commission. The City is unwilling to accept Special Condition #5 on the basis that the financial impacts are unknown and to accept it would be fiscally irresponsible. Unfortunately, if the condition is not removed, the City will withdraw its application.

While it seems to be the Coastal Commission's practice to require similar conditions placed on projects that result in a physical change to property, it has not been applied to CDPs issued for programs. As an example, in December 2021, the Coastal Commission approved a CDP for the City of Torrance to regulate STRs and no such condition was applied. From another perspective, if the subject STR Program was approved with a Local Coastal Program amendment, there would be no conditions and certainly no requirements to cover the costs of potential legal fees.

**STR HOA Data:** The City is aware persons who are in opposition to the STR Program raised issues related to the fact that the Capistrano Bay Community Services District (aka Beach Road community) was included in the data provided for STRs in HOAs. The City included the Beach Road community in the data because it is a private gated community, with its own bylaws (much like CC&Rs), having the ability to establish regulations to allow or prohibit STRs. While the community is technically a District, it operates like an HOA, and the City believes it is appropriate to include the community in the STR HOA data.

Thank you for considering our comments and for your continued efforts.

Sincerely. Brenda Wisnes

cc: Shannon Vaughn, California Coastal Commission Eric Stevens, California Coastal Commission Mike Killebrew, City Manager Kelly Reenders, Assistant City Manager Patrick Munoz, City Attorney Jennifer Farrell, Deputy City Attorney John Ciampa, Senior Planner

From:	SouthCoast@Coastal
To:	Amitay, Shahar@Coastal
Cc:	Hammonds, Rebecca@Coastal; Hillard, Simone@Coastal
Subject:	FW: Public Comment on November 2022 Agenda Item Wednesday 13b - Application No. A-5-DPT-22-0038 (City of Dana Point, Dana Point)
Date:	Friday, November 4, 2022 10:38:39 AM

From: Kymberlee <lagunatic5@yahoo.com>
Sent: Friday, November 4, 2022 9:35 AM
To: SouthCoast@Coastal <SouthCoast@coastal.ca.gov>
Subject: Public Comment on November 2022 Agenda Item Wednesday 13b - Application No. A-5-DPT-22-0038 (City of Dana Point, Dana Point)

To Coastal Commission representatives,

As a homeowner at 34239 Via Santa Rosa, in the heart of Doheny Village in Dana Point, I am passionately advocating for the passing of STR permits on my street. I purchased this duplex in June, 2022, with the understanding that STR permits were in the works, and it has been part of my dream in my business, home, and in my studio as an artist. I have two separate units on a street zoned COMMERCIAL AND RESIDENTIAL. This was the great appeal in spending 1.4 million on this property in the surge of home prices in June. One of my units is used as an art studio and one is for a rental. Right now, the lack of an STR permit has greatly reduced my ability to do business and afford living in the studio in the back. Many of the neighbors on my street have homes used as plumbing businesses, industrial designers, architects, surfboard makers, landscape architect businesses, hair salons, half way homes, and construction companies (all on my street). Our little area is a place where people work and live together, and it builds a unique feel to our artistic, creative vibe of our neighborhood.

It DOES NOT MAKE SENSE why a STR permit is denied for me since I am ZONED FOR BUSINESS/COMMERCIAL as well as residential.

I would like an explanation for why this is being appealed repeatedly, for years, ESPECIALLY in cases like mine.

For Doheny Village residents, with duplexes that are rental properties, in a COMMERCIAL/RESIDENTIAL zoning, this is just wrong.

I wonder how the appealers of Unite can argue against this logic?

Say yes to multi-zoning streets in Dana Point for STR permits!

Thank you in advance, Kymberlee

Stanley

## KYMBERLEE STANLEY STUDIOS

To: The California Coastal Commission CC - Shahar Amitay

November 8 2022

Hearing Date- 11/16/2022 Agenda # W13b Permit # A-5-DPT-22-0038 I am in Favor of this Permit Richard Rutkowski STR Permit # STR14-0226

Dear Commissioners,

My name is Rick Rutkowski.

I live in Idaho with my family and have a vacation home in Dana Point CA. We live in our condo 3-4 months a year and elected to be a part of the City of Dana Points Short Term Rental program so we would have multiple options throughout the years as to when we would use our condo. This would not be possible if we did long term rentals to help with the expenses associated with a second home. Not all STRs are "Investor" properties...a number are vacation homes used by the owner.

The following statements are some of the reasons I feel you should approve this permit.

- 1. The City of Dana Point has a balance of accommodations between hotels and STRs
- 2. STRs are not the cause of the lack of affordable / workforce housing in DP. The price of homes, especially in the Coastal Zone, has outpaced the increase in wages since 1972 when the Coastal Act was enacted. United Here Local 11 advocates for low cost/affordable housing for its service industry members. Unfortunately this is problematic in a basically expensive Coastal Zone real estate market. Even if current STRs became long term rentals this would be an issues for minimum wage employees.
- 3. I take offense with the terms "Unhosted / Unsupervised " dwellings that disrupt neighborhoods.. Since I am an out of State owner I have a manager who lives one block away from my condo who tends to all of our guests needs. We have never had an incident with our guests in the 8 years I have been a permitted SRT. Additionally STRs have DP City mandated rules that non-STRs don't have. These rules encourage guests to be good neighbors. If there is a situation where a neighbor ( be it a STR guest, long term tenant or an owner occupied homeowner) is being disruptive , the City of Dana Point has the laws and resources to deal with the problem. When we are in residence we enjoy interacting with the guests in the adjacent STR and getting to know new and interesting people. Unfortunately a person that may be known as a NIMBY is missing out on this social interaction.
- 4. STRs are an affordable option to hotels for a family to access and enjoy the Coastal Zone. My condo is on the Dana Point Headlands overlooking south Strand Beach. A short distance away is a public access paved path to the beach. We have 2 Bedrooms and 2 Bathrooms with 2 private decks. A short distance away is the Ritz Carlton Resort Hotel. I went to their website and looked for a 2 BdRm / 2 Bath suite for July 2023. The square footage is similar to our condo but the " cooking facilities" consisted of a mini fridge. We have a fully equipped kitchen plus a Weber

BBQ on the back deck. The cost per night at the Ritz is \$3599...we charge a small fraction of that price. In addition I feel that a private, self contained STR is safer for families in that children do not have to use long hallways with multiple rooms and multiple strangers when accessing their accommodations.

- 5. Safety Benefits of the STR Program- Inspection by the City to ensure the accommodation is safe for guests...Fire extinguishers, smoke alarms, CO detectors, first aid kit, limits on the number of guests / bedroom.
- 6. STRs are permitted in Residential Zones. Dana Point Zoning Code Ch9.09.020 defines a Dwelling Unit..." a self- contained group of interconnected rooms designed, occupied or intended as separate living quarters, with sleeping and sanitary facilities and one cooking facility, provided within a permanent structure or portion thereof, for residential occupancy by a single household, not including hotels, motels ....". This Code does not restrict the length of time of occupancy by the single household nor does it state that the 'single household' cannot change periodically. An STR guest is a single household for a set period of time. Then another guest becomes the next single household.

The California Coastal Commission has the ability to add another option to affordable access and enjoyment of our Coastal Zone by approving this permit. Please approve Permit A-5-DPT-22-0038 to Establish a Short Term Rental Program within the Coastal Zone of the City of Dana Point

Sincerely Rick Rutkowski 208 720 6119 rickrutkowski007@gmail.com Hello Mr. Amitay,

My wife and I have owned a townhouse (33837 Castano Drive) in Dana Point since 1997. We've enjoyed many years harboring the good life in Dana Point and look forward to many more. The threat of sharing walls and common space with a high turnover neighbors absolutely decreases our quality of life in the town we love. We strongly request that all limits and restrictions possible are imposed on current and future Short Term Rentals. Please do not turn our neighbors into transient strangers.

Our question for the hearing is; What can we do to limit the risk of our immediate neighbors, with shared walls and common space, from turning into Short Term Rentals?

Thank you, Matthew & Lisa Samerdyke <u>matthews@orchardconsulting.net</u> 949-291-3000

From:	SouthCoast@Coastal
To:	Amitay, Shahar@Coastal
Subject:	FW: Public Comment on November 2022 Agenda Item Wednesday 13b - Application No. A-5-DPT-22-0038 (City of Dana Point, Dana Point)
Date:	Wednesday, November 9, 2022 12:39:15 PM

From: Joseph Jaeger <joseph.jaeger@sbcglobal.net>
Sent: Wednesday, November 9, 2022 10:39 AM
To: SouthCoast@Coastal <SouthCoast@coastal.ca.gov>
Subject: Public Comment on November 2022 Agenda Item Wednesday 13b - Application No. A-5-DPT-22-0038 (City of Dana Point, Dana Point)

Dear Members of the Coastal Commission:

I am writing to the Coastal Commission to strongly recommend that a change be made to the provision that "properties with six (6) or more residential units that are located in a structure or a group of structures may only convert a maximum of twenty percent (20%) of the total number of residential units into STRs."

The recommendation is to reduce the maximum number of units from 20% to 10%.

For example, the Monarch Hills Condominium has 325 units in a very densely packed development. The parking is very limited and cannot support an increase that large a number of visitors; specifically as it relates to home stay STR's which would require additional parking. The risk of illegal public parking on both private and public streets is significant. In addition, there is no open space in this community so increasing the number of STR's is a burden not only on the permanent residents of this community, but also on the other communities in the master association.

In other words, it will adversely affect the quality of life for everyone in the master association.

In addition, I wanted to bring to the attention of the Coastal Commission that the Monarch Hills Condominium CC&R's requires a seven day minimum rental, which has never been monitored or enforced by the City of Dana Point.

I appreciate your consideration.

Sincerely,

Joseph J. Jaeger Monarch Beach

From:	<u>Kim Tarantino</u>
То:	SouthCoast@Coastal
Cc:	Amitay, Shahar@Coastal
Subject:	Public Comment on November 2022 Agenda Item Wednesday 13b - Application No. A-5-DPT-22-0038 (City of Dana Point, Dana Point)
Date:	Friday, November 11, 2022 11:22:43 AM
Attachments:	<u>Capo airdna summary page 2021-08-19 at 2.52.09 PM.png</u>
	<u>DP airdna summary page 2021-08-19 at 2.43.25 PM.png</u>

Honorable Commissioners,

I am a former appellant on the appeal related to this application and am now working with other Dana Point citizens to protect affordable housing in Dana Point.

One concern of our group: the number of active short-term rentals appears to be much greater than the number of legally permitted STRs. Per AirDNA, the vast majority (90%+) of the active STRs in Dana Point are unhosted therefore displacing potential residents.

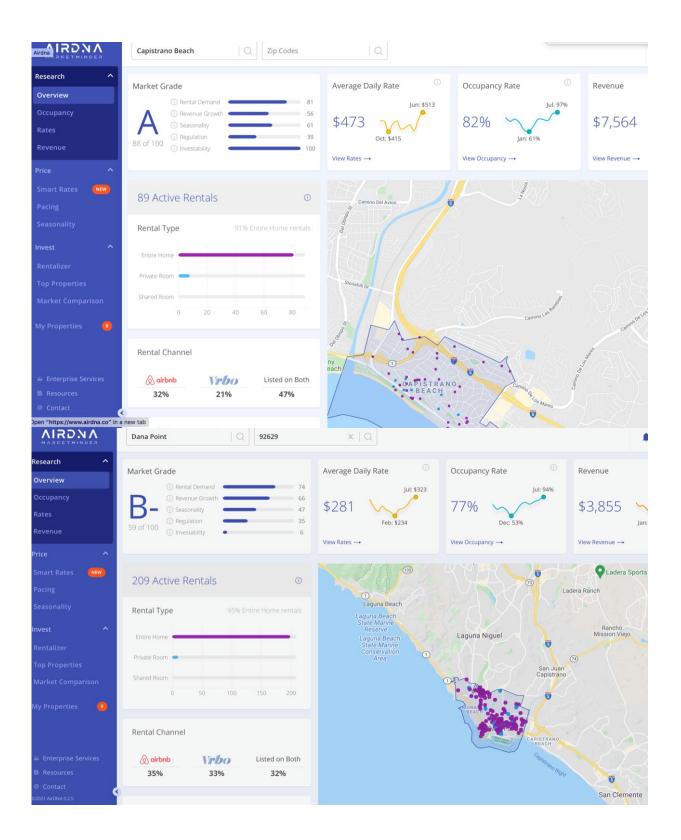
We ask that you keep this in mind when considering unhosted STRs in our City.

Below are screenshots of the AirDNA summary page for both Dana Point zip codes as of August 2021. When these screenshots were taken, the City's official count of issued STR permits was 136. Per the data below, the total of active listings was 298: 89 for 92624 (Capistrano Beach), 209 for 92629 (Dana Point). The City seems unable to rein in the unpermitted operators.

Another interesting item is the ADR of the STRs in each zip code. \$473 for Capistrano Beach, \$281 for Dana Point.

Thank you for your time,

Kim Tarantino



From: Annette Szlachta <annetteszlachta@gmail.com>
Sent: Sunday, November 13, 2022 2:53 PM
To: SouthCoast@Coastal <SouthCoast@coastal.ca.gov>
Subject: Public comment November 2022 Agenda item Wednesday 13b- Application no. A-5-DPT-22-0038

Dear California Coastal Commission,

I am publicly commenting in writing in reference to the November 2022 Agenda Item Wednesday 13b- Application no. A-5-DPT-22-0038, Dana Point, CA, proposed STR program.

In order to preserve Dana Point's current limited affordable housing stock, and in light of the city's current 2,000 tourist accommodations, I'd like STRs restricted to home share options only. If you must allow unhosted STRs, then please restrict them to 1 percent of dwelling units citywide.

Please require that STRs must be distributed equally throughout all five districts of the city.

Please prevent marketing platforms from listing unpermitted STRs.

Thank you for your consideration.

Annette Szlachta-McGinn resident of Intera Way, Dana Point

From:	Toni Nelson
То:	Amitay, Shahar@Coastal
Cc:	Mark Zanides; Kim Tarantino; Danielle.wilson@unitehere11.org
Subject:	Public Comment on November 2022 Agenda Item Wednesday 13b - Application No. A-5-DPT-22-0038)
Date:	Friday, November 11, 2022 3:54:07 PM
Attachments:	DP STR comment letter 11 11 22.pdf

Hello Shahar, Please see attached comment I am sending on behalf of Kim Tarantino, Mark Zanides and Danielle Wilson regarding the Proposed Dana Point Short Term Rental Program.

Best regards,

Toni Nelson

OPPOSE In Part AGREE In Part

KIM TARANTINO 34831 Doheny Pl. Dana Point, CA 92624

MARK N. ZANIDES 33851 Valencia Place Dana Point, CA 92629

DANIELLE WILSON ON BEHALF OF UNITE HERE LOCAL 11 464 Lucas Ave., #201 Los Angeles, CA 90017

#### BEFORE THE CALIFORNIA COASTAL COMMISSION

Hearing Date:	November 16, 2022
Time:	9:00 AM
Agenda Item:	W13b
Application No:	A-5-DPT-22-0038

#### Summary

1. Dana Point's Short Term Rental (STR) program, even as modified by the CCC, should not be adopted via a Coastal Development Permit. This Program requires an amendment to the Local Coastal Plan. (See Section E for further discussion of this issue.)

2. The Coastal Commission staff recommendation for approval with five special conditions is a great improvement over the Dana Point Plan rejected by the Commission. However, it can and should be amended and approved as follows:

- a. In view of the very large number of coastal accommodations already available in Dana Point and the significant number of additional accommodations in planning, and the utter lack of affordable housing in Dana Point, short term rentals should be restricted to Home Stay and Primary Vacation Rentals only. There is simply no need to add additional short term rentals in residential or mixed use areas in Dana Point. The impact on almost non-existent housing stock is too great. Existing unhosted STRs in the Coastal Zone can be phased out or allowed to expire naturally.
- b. If the Coastal Commission is intent on requiring unhosted STRs in Dana Point, the number of non-primary short term rentals, multifamily home stay short term rentals and mixed use parcel non primary STRs should be reduced to 1% of the available coastal zone housing units, that is, from 115 in the Coastal zone to 57 in

view of the very large number of coastal accommodations already available in Dana Point, the utter lack of affordable housing in Dana Point and in the interests of consistency with the STR caps approved by the Commission in similar coastal cities.

c. The unhosted STR cap should be evenly distributed across all five City voting districts in order to prevent clustering STRs in certain neighborhoods or streets.

d. In order to limit the growth of unregistered (illegal) STRs which will further reduce housing in Dana Point, the Commission should add a special condition requiring hosting sites to market only to registered STRs; maintain and produce STR rental and payment records; and collect and remit all Transient Occupancy Taxes.

## A. Short term rentals should be restricted to Home Stay and Primary Vacation Rentals only

#### 1. Home Sharing STRs Achieve Coastal Commission Objectives

It is well known and accepted that home sharing options provide the best opportunity for affordable access to the coast in accordance with California Coastal Commission objectives. Opportunities for home share STRs, offered to the community with no caps, will supplement Dana Point's wide range of existing hotel and campground accommodations, adding more access at lower daily rates. At the same time, home sharing options align with the Coastal Commission objective of preserving housing stock, and in particular affordable housing at the coast.

## 2. Dana Point Already Provides Ample Tourist Accommodations in the Coastal Zone and at Every Price Point

As far as we are aware, Dana Point offers more coastal access and visitor accommodations per capita than any city in California, and more are on the way.<sup>1</sup> More coastal access is not necessary. Unhosted STRs not only give rise to neighborhood nuisances but actually compete with Dana Point's hotel accommodations.

#### 3. Dana Point Has Almost No Affordable Housing Stock

Every unhosted STR permanently removes a potential housing unit from Dana Point's critically low housing stock. Dana Point's households, 45% of which earn \$100,000 or less per City of Dana Point demographics<sup>2</sup> (p. 97), have difficulty finding rental housing at the HUD standard of 1/3 of their income or roughly \$3000 per month or less, including utilities. In fact, on November 9<sup>th</sup> in Dana Point, per MLS<sup>3</sup> listings, there were

<sup>&</sup>lt;sup>1</sup> Dana Point has a population of a little over 34,000 persons. It has 1,864 existing hotel rooms, and 120 campsites within the City, most of which are in the Coastal Zone. As well, an additional 300 hotel rooms and 52 hostel beds are planned or under review by the City. SR 13.

<sup>&</sup>lt;sup>2</sup> <u>https://www.danapoint.org/home/showpublisheddocument/33657/637750713134670000</u>

<sup>&</sup>lt;sup>3</sup> <u>https://www.mls.com</u>

exactly 11 units available for rent at \$3,000 or less. The maximum size was only 1,000 feet. In 2022 to date, affordable rental housing is only .07% of total dwelling units and 18% of all rentals available. This is not a new phenomenon. Available affordable housing in Dana Point has rarely exceeded 1% of dwelling units in the past 5 years, and the number of total rentals advertised has declined in each of the last 3 years.

#### 4. STRs are Not More Affordable than Existing Hotel Accommodations

Unhosted STRs do not accomplish the CCC's goal of adding more affordable accommodation at the coast. On the contrary, they enrich investors and burden residential neighborhoods at the expense of extremely scarce housing stock. Dana Point already offers almost 2,000 visitor accommodations at every price point. An analysis comparing STR rates to hotel rates determined that STRs are not, in fact, lower priced accommodations. <sup>4</sup> Whole house primary rentals and especially, hosted STRs provide lower priced accommodations in accordance with CCC objectives.

## 5. Elimination of Unhosted Strs Will Significantly Reduce the Proliferation of Illegal STR Activity

The existence of unhosted, investor owned permits gives rise to illegal STRs which have been rampant in Dana Point. Requiring all STRs to be home shares by primary owners creates a clear delineation that is easily proved or disproved by public property records. This would almost eliminate the nuisance of illegal STRs, which also impact the housing shortage.

With only 11 affordable rental units available today in Dana Point (.07% of housing stock) the City cannot afford even one more unhosted STR, whether legal or not. Dana Point's households, 45% of which cannot afford the scarce inventory of affordable rentals (\$3,000 per month) include many who work in the City's hospitality industry. Unhosted STRs threaten both their jobs and potentially, their homes.

We respectfully request that the Commission limit STRs in Dana Point to home stay and primary vacation rentals only.

## **B.** If the CCC insists on Unhosted STRs, Non- Primary STRs Should be Capped at 57 (1% of dwelling units) in the Coastal Zone

#### 1. There is no justification for doubling unhosted STRs in the Coastal Zone

The city has advised the Commission staff that while it is not sure, it appears that 66 of the existing Coastal Zone STRs are non-primary, one is primary, one is home stay, and one is a multi-family home stay. The recommended STR program increases the overall cap of non-primary STRs in the Coastal Zone from 66 (or 61<sup>5</sup> which appears to be the current number) to 115 permits, an increase of 88%.

<sup>&</sup>lt;sup>4</sup> See, Appeal of Resolution City of Dana Point 22-07-12-01 page 23.

<sup>&</sup>lt;sup>5</sup> The City has previously advised Dana Point residents that there were 61 unhosted (non primary) STRs in the Coastal Zone.

In accepting this number Commission staff did not consider any analysis of the housing needs in Dana Point. Rather, stating:

"The 115-permit cap was established by approximating the number of STR permits in existence when the City stopped issued STR permits (i.e. there were 183 permits citywide in 2016), and applying a pro-rata assessment of the number of existing operating non-primary STRs in the Coastal Zone. While the 115 - permit cap exceeded the true pro-rata number (which would have been closer to a 94-permit cap), the City Council decided to retain the 115 figure, citing the strong visitor demand for overnight accommodations near the coast (as exemplified by the numerous hotel offerings and campsites within the Coastal Zone), and the City's many coastal and coastal dependent visitor-serving amenities." SR at 10.

In fact, this description is not entirely correct. The 115 figure was chosen by the City Council in a late night session on July 12, 2022. At that meeting, Council member Viczorek moved to amend the Resolution and CDP so that it applied for the first time solely to those areas within the Coastal Zone. That motion was seconded by Mayor Muller.

There ensued a discussion on the dais about what a program should look like in the Coastal Zone. During its discussion, the City Council asked City Attorney Patrick Munoz in open session how many STRs he thought would be appropriate in the Coastal Zone. Mr. Munoz stated that the number 115 STRs for the Coastal Zone "felt" about "right", but that he could not predict how the Commission would respond.

Thus, beginning with an arbitrary number (STR permits in existence when the referendum stopped new STR permits), the Council adopted a guess from its City Attorney about what he "felt" the Commission would accept and inserted it into the CDP.

#### 2. The Pro Rata Calculations are Incorrect

The staff asserts that a pro rata assignment of the STR burden to the Coastal Zone would result in 94, not 115 permits in the Coastal Zone. This would be bad enough, but the math is incorrect. The pro rata assignment should be calculated as the number of dwelling units in the coastal zone (5,664) divided by the total dwelling units in the City (16,172) times the number of desired STRs in the entire City (185). **Correctly calculated, the pro rata share would, in fact, be 65** (5,664/16,172 = 35% X 185 = 65). The fact that there may be a greater demand for STRs in the Coastal Zone is irrelevant: indeed that is exactly the reason why regulations spreading the burden are necessary. The coastal zone already supplies ample coastal access through a wide range of hotel accommodations and camp grounds.

## **3.** Permitting 115 STRs unfairly impacts scarce affordable housing in the Coastal Zone

The 115 number is far too high. Per figures supplied by the City to CCC staff on October 28, 2022, there are 5,664 housing units in the Coastal Zone, comprised of 2,798 single family residences and 2,866 multi family units.<sup>6</sup> The City was unable to produce actual

<sup>&</sup>lt;sup>6</sup> That these figures were not compiled until long after the CDP was approved demonstrates that the City's numbers were not data driven, but rather back of envelope guesses.

numbers of multi-family residential parcels, but the staff estimates that there are 634 multi family parcels. SR fn14.

If 115 STRs are permitted, STRs would comprise 2% of existing housing units in the coastal zone. This figure is unacceptable for two reasons.

First, as set forth above, an accurate pro rata share would be 65 (see calculations above).

Second, and more importantly, the proposal that 2% of housing units be permitted as STRs is inconsistent with the Commission's prior STR precedents. San Diego permits 1%, Laguna Beach 1.5%, and Long Beach 1.6%. None of those cities has the coastal access per capita of Dana Point. While the differences do not seem like much, every 1% constitutes 57 sorely needed dwelling units in the Dana Point Coastal Zone which will be removed immediately from the housing market. There are currently 66 (or 61) unhosted STRs in the Dana Point Coastal Zone. The new cap of 115 unhosted STRs s will result in an additional 49 (or 54) residential units being converted to STRs and removed from the housing market.

We can see no principled reason why Dana Point should be treated differently than other coastal communities. In view of the large numbers of coastal accommodations already available, there is no need to add 49 (or 54) more STRs in the Coastal Zone. The proposed 115 STRs is unnecessary and excessive.<sup>7</sup> Dana Point simply can't afford to convert even one more unit of scarce housing to a STR – amidst a housing crisis that will be felt in particular by low income hotel and hospitality industry workers.

We respectfully request that if unhosted STRs must be allowed, the Commission modify Special Condition 1 to reduce the Proposed Cap to 57, or 1% of the dwelling units in the Coastal Zone.

## C. The Commission Should Work to Prevent Clustering of STRs in the Coastal Zone

In placing 115 of a proposed city-wide cap of 185 total STR units in the coastal zone, the CCC will be unfairly imposing 62% of the STR burden on 35% of Dana Point residents. In addition, it exacerbates the clustering problem within the coastal zone. Today, 73% of city wide permitted STRs are located in two districts – Lantern District 2 and Capistrano Beach District 5. In the coastal zone itself, two neighborhoods, Beach Road in District 5 and Corniche Drive in District 1, account for almost all current STR permits.

As the staff recognizes, "STR operations are not evenly distributed throughout the Coastal Zone and tend to concentrate in particularly popular areas, such as the Lantern District, Doheny Village and Beach Road." SR 20. An uneven distribution throughout the City in this context necessarily exacerbates the undue concentration within the Coastal Zone. In fact, at the Council meeting on July 12, 2022, one of the Councilmen noted that "all 115 units will likely end up on Beach Road". This area has very expensive real estate which can significantly enrich STR investors but will do nothing for affordable access to the coast. There is nothing in the CCC amended program to prevent undue

<sup>&</sup>lt;sup>7</sup> The staff asserts that "[t]he target cap of non-primary STRs will not be much beyond the historical baseline..." SR 27. This is incorrect: it will increase the number of non primary STRS in the Coastal Zone by 88%. And, it bears reminding that the "historical baseline" has contributed to the critical housing shortage in Dana Point.

clustering and concentration.

We respectfully request that the amended CDP require an even distribution of STRs across all voting districts in order to prevent the impacts of clustering STRs in certain neighborhoods or streets in the coastal zone.

#### **D.** The Commission Should Add a Special Condition Prohibiting Marketing Platforms from Listing Unpermitted STRs and Requiring them to Maintain and Produce records and Collect and Remit TOT

The staff has taken the City's STR plan and recommended some helpful modifications. The goal, of course, is to balance the need for coastal access with the need for housing.

But the *de novo* review did not address one significant issue which must be of concern to the Commission, namely the existence of large numbers of illegal STRs. The City reports that there are 66 (or 61) non primary STRs in the Coastal Zone. We estimate that there are at least 100 to 150 more unlicensed, and therefore illegal, STRs within the Coastal Zone. A cursory look at the AirDNA website<sup>8</sup> will confirm that the numbers of units advertising as STRs in Dana Point far exceeds the number of permits issued. VRBO<sup>9</sup> and AIRBNB<sup>10</sup> and other marketing platforms reveal an inordinate number of illegal units that do not display a permit number. Some listings appear to be 30-day long term vacation rentals, but a brief reading of visitor remarks reveals accolades about a "lovely week's stay in Dana Point" or a "great weekend away", thus indicating a shorter than 30-day stay.

It is also clear that the City has done a poor job of regulating STRs. As of two years ago the City had collected only 22% of unpaid TOT. The City requirement that STR owners file annual certificates verifying insurance was not enforced at all: City records revealed that no current insurance certificates were on file, and the expired certificates were for the wrong amounts. There were no records of inspections of licensed STRs either on inception or otherwise, as required by the municipal code. At this moment there is a long standing and still unresolved issue with a grossly non-compliant STR owner. Although the City has the power to revoke an STR it has neglected to do so in this case, despite what appears to be clear evidence of the permit holder running a second illegal STR in the same building plus serious violations including numerous unpermitted renovations. Residents have been working with Code Enforcement for months but so far, there has been no revocation of the STR permit. Residents are concerned that Dana Point will not enforce the rules adequately to protect residential neighborhoods from nuisances and illegal STRs. Every permitted STR seems to give rise to several illegal ones. All of these have disastrous impacts on affordable housing stock.

<sup>&</sup>lt;sup>8</sup> (https://www.airdna.com)

<sup>&</sup>lt;sup>9</sup> https://www.vrbo.com/search/keywords:dana-point-california-united-states-of-america?petIncluded=false

<sup>&</sup>lt;sup>10</sup> https://www.airbnb.com/s/Dana-Point--California--United-

States/homes?tab\_id=home\_tab&refinement\_paths%5B%5D=%2Fhomes&flexible\_trip\_ lengths%5B%5D=one\_week&price\_filter\_input\_type=0&price\_filter\_num\_nights=5&qu ery=Dana%20Point%2C%20CA&place\_id=ChIJif1kuo\_w3IARFfoBcLy0LuQ&date\_pic ker\_type=calendar&source=structured\_search\_input\_header&search\_type=autocomplete \_click

The care and attention to crafting an STR program which balances the need for coastal access with the need to retain housing will be for naught if illegal STRs are permitted to proliferate, particularly given the City's record of lax enforcement.

Many cities have addressed this problem by prohibiting the hosting platforms from renting to unlicensed STR operators; requiring them to maintain and disclose proper accounting and occupancy records; and requiring collection and remittance of TOT directly to the City. **Specifically, we respectfully request that the Commission add as a Special Condition the following requirement for platform collection and remittance of TOT.** This is the language used in the Laguna Beach STR ordinance already approved by the Commission:

25.23.070 Responsibilities of Short-Term Lodging Hosting Platforms.

(A) Hosting platforms shall be responsible for collecting all applicable transient occupancy taxes and remitting the same to the City. The hosting platform shall be considered an agent of the host for purposes of transient occupancy tax collections and remittance responsibilities.

(B) Subject to applicable laws, hosting platforms shall disclose to the City on a regular basis each short-term lodging rental listing located in the City, the names of the persons responsible for each such listing, the address of each such listing, the length of stay for each such listing, and the price paid for each stay.

(C) Hosting platforms shall not complete any booking transaction for any short term rental unless it is listed on the City's registry of approved short-term lodging units at the time the hosting platform receives a fee for the booking transaction.

We request the same language be added here. These provisions will help reduce unlicensed STR activity and thereby aid in the Commission's goal of protecting Dana Point's scarce housing stock.

#### E. The Dana Point STR Program Requires an LCPA

The Dana Point City Council, ignoring its existing zoning requirements, adopted a comprehensive Short Term Rental (STR) program not, as is customary, through an LCPA amendment process, but rather via a Coastal Development Permit (CDP) process. This is the *first time* the Commission is reviewing a CDP for an STR program for a city with a certified LCP.

The Commission staff asserts that "recent case law (e.g. *Kracke v. City of Santa Barbara, Keen v. City of Manhattan Beach,* and *Protect Our Neighborhoods v. City of Palm Springs*) precipitated a change of circumstance where the city legally must now find that the Dana Point LCP provides that "STRs to be allowable uses in residential zones." (Staff Report at 26) It further recommends that the Commission "concur with the City's findings that despite inherent differences between the currently proposed STR program and the program considered under the Santa Barbara decision, if the case were to be applied to Dana Point, it would likely be interpreted to mean that until STR regulations are approved pursuant to the Coastal Act, any residentially-zoned property in the Coastal Zone could, by right, operate an STR." *Id.* 

The city and the staff are wrong as a matter of law: the cited cases simply do not hold what the city and staff claim, as we pointed out at length in our Brief on Appeal in this matter. The staff's conclusion is unsupported by a legal opinion, or even any discussion of the cases cited. Nor at any time during consideration of this matter has the city or the staff responded substantively to our legal arguments. It is inappropriate for the CCC Staff to take a legal position on cases cited by the City Attorney to support a highly unusual interpretation of city codes. No other cities, to our knowledge, are taking such a position. Added to the lack of a proper LCPA, staff's tacit approval of the City's interpretation is both perplexing and inappropriate.

Legal requirements aside, proceeding via CDP will create problems for the Commission in this and future cases.

The City Attorney stated when the City Council adopted this program on July 12, 2022, that the city was proceeding via CDP [thereby abandoning its long held view that the city zoning codes do not permit unhosted STRs] because it is more "flexible".

Indeed it appears to offer the city an avenue to strong arm citizens into accepting the city's STR program. As City Councilman Michael Villar has stated, if the city does not like what this Commission decides in this *de novo* review, it will simply abandon the CDP. Since by its terms the new CDP is not effective until "accepted" by the City, the city is free to do so. The threat, made explicit by Mr.Villar, is that if the city does not accept the CDP, having conceded that STRs are not prohibited in the city, the city would be at risk of the legal claim that unhosted STRs cannot be prevented under the zoning codes. We respectfully submit that the Commission should not adopt, expressly or impliedly, the view that Dana Point's zoning codes and LCP permit unlimited unhosted STRs. To do so would amplify the very threat the City Attorney outlined, namely that the City could be subject to claims that it could not deny permission for unhosted rentals. This could and would result in a further reduction in housing that is already at a crisis point in the city.

We submit that on this <u>de novo</u> review the Commission should adopt a suitable program but direct that it be accomplished in the usual and customary way - through an LCPA.

#### Conclusion

The Commission staff's proposals improve the City's STR program. However, for the foregoing reasons we submit that the program should 1) proceed via LCPA and 2) restrict STRs to home stays and primary rentals. If the CCC insists on including unhosted STRs, we request that the Commission 3) reduce the STR cap to 57 (1%) in the Coastal Zone; and 4) require the STR cap of 57 to be spread across all five city districts. Under all circumstances, we request that the CCC 5) require hosting platforms to assist by prohibiting them from marketing unpermitted STRs, requiring maintenance and disclosure of STR records, and collection and remittance of TOT to the City.

Dated: NOVEMBER 11, 2022

Respectfully submitted,

MARK ZANIDES KIM TARANTINO BRIDGET MCCONAUGHY ON BEHALF OF UNITE HERE LOCAL

From:	Toni Nelson
То:	Amitay, Shahar@Coastal
Cc:	Kim Tarantino; Mark Zanides; Danielle.wilson@unitehere11.org
Subject:	Public Comment on November 2022 Agenda Item Wednesday 13b - Application No. A-5-DPT-22-0038)
Date:	Friday, November 11, 2022 5:59:21 PM
Attachments:	Available Affordable Rental Housing in DP 2018 - 2022.pdf

Hello Shahar - Attached is an exhibit which supports data provided in Section A #3 of the submission made on behalf of KIm Tarantino, Mark Zanides and Danielle Wilson earlier today. We apologize that we were a little late compiling this information into a suitable format.

Thank you and best regards,

Toni Nelson

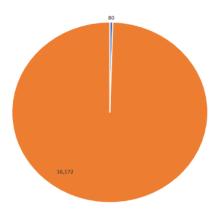
#### Affordable Rental Housing in Dana Point

45% (about 6,400) of Dana Point Households earn < \$100,000 per year. (1)</li>
There were only 80 affordable rentals advertised in YTD 2022.
For the 36% of households that earn less than \$75,000 per year, there were only
23 affordable rentals advertised all year in Dana Point.
As of November 9, 2022, there are exactly 11 rental units available in
Dana Point at \$3,000 or less.
They range in size from 250 to 1,000 square feet.

They range in size from 250 to 1,000 square reet.

(1) Per City of Dana Point Demographics P. 97 https://www.danapoint.org/home/showpublisheddocument/33657/637750713134670000

#### 2022 Affordable Housing



If of units available = or < affordable rent total dwelling units</p>

#### Available Affordable Housing In Dana Point (2)

		0			
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	YTD 2022
Affordable monthly rentals (adjusted for inflation)*	\$2 <i>,</i> 300	\$2 <i>,</i> 450	\$2,600	\$2,700	\$3,000
# of units advertised ≤ affordable rent	117	160	214	114	80
Total rentals advertised	n/a	n/a	641	512	450
% of rentals advertised that are affordable	n/a	n/a	33%	22%	18%
Total dwellling units in Dana Point **	16,172	16,172	16,172	16,172	16,172
Affordable rental units as a % of total housing units	0.7%	1.0%	1.3%	0.7%	0.5%

(2( Source: MLS - Schedules available on request+A36

\* Affordable rent is defined as 1/3 annual household income, including utilities (roughly \$3,000 for annual income of \$100,000) Annual rent was adjusted for local housing inflation rates per https://www.bls.gov

\*\* Total dwelling units was only available for 2022. Totals may have been slightly greater or less in prior years.

From:	SouthCoast@Coastal
To:	Amitay, Shahar@Coastal
Subject:	FW: Public Comment on November 2022 Agenda Item Wednesday 13b - Application No. A-5-DPT-22-0038 (City of Dana Point, Dana Point)
Date:	Monday, November 14, 2022 11:13:00 AM
Attachments:	CA Coastal Commission Itr 11.11.2022 x.pdf

From: Allison Kirste <akirste@betterneighborsla.org>
Sent: Friday, November 11, 2022 3:59 PM
To: SouthCoast@Coastal <SouthCoast@coastal.ca.gov>
Subject: Public Comment on November 2022 Agenda Item Wednesday 13b - Application No. A-5-DPT-22-0038 (City of Dana Point, Dana Point)

Hello,

Please see the attached letter from Better Neighbors LA regarding agenda item 13b on Wednesday's Coastal Commission agenda.

Thank you for your attention to this matter and consideration of this issue.

Best, Allison

Allison Kirste (she/her) BETTER NEIGHBORS LA akirste@betterneighborsla.org





November 11, 2022

#### VIA E-MAIL

California Coastal Commission 45 Fremont Street #2000 San Francisco, CA 94105 <u>SouthCoast@coastal.ca.gov</u>

> Re: Public Comment on November 2022 Agenda Item Wednesday 13b - Application No. A-5-DPT-22-0038 (City of Dana Point, Dana Point)

Dear Honorable Chair Brownsey and Commissioners,

Better Neighbors LA is heartened that the Commission continues to interrogate the impact of short-term rentals ("STR") on the coastal housing crisis. That said, we write to urge the Commission to modify the proposed coastal development permit ("CDP") so that the final ordinance mandates truly low-cost visitor serving accommodations, like home shares, while protecting lower cost multi-family housing.

Before we discuss the modifications, we would like to urge the Commission to continue the hearing until the Commission has a fully fleshed out analysis concerning short term rental ("STR") affordability, their impact on housing affordability and availability, and their impact on existing low-cost visitor serving overnight accommodations. The Commissioners requested such data at its September meeting concerning the Half Moon Bay Ordinance. This matter, and all STR-related decision-making should be put on hold until such a complete analysis is provided. Dana Point does not currently have a ban on the books, and a delay of a few months will not materially impact coastal access in the locality with such an abundant stock of overnight accommodations.

We have consistently presented the case to the Commission as to why unhosted STRs should be disallowed in the Coastal Zone. They do not create coastal access, they crowd out the very limited supply of housing stock in the Coastal Zone, and they cannibalize existing, legitimate affordable overnight accommodation like motels and bed and breakfast hotels. We maintain this position here, especially given the bounty of overnight accommodations in the City of Dana Point.

Better Neighbors LA November 11, 2022 Page 2

## 1. The Commission should guarantee low-cost accommodations by requiring home sharing and lowering the cap for Non-Primary STRs.

There is no quantitative evidence that unhosted STRs are more affordable. We encourage the Commission to change its approach by analyzing the quantitative evidence that demonstrates a lack of affordability among unhosted STRs, the comparative costs between unhosted STRs and hosted, and the overall impacts of STRs on affordability in the Coastal Zone. Creating a market for Hosted STRs is a clear opportunity for the Coastal Commission to ensure that only low-cost overnight units are created in the Coastal Zone.

The Staff Report demonstrates that there is ample coastal access in the City of Dana Point. The Commission should lower the cap for Non-Primary STRs to reflect the actual need for accommodations in the Coastal Zone. There are currently 61 grandfathered Non-Primary STRs, and that is sufficient. A metric of no more than 1% of housing units in the Coastal Zone is an objective standard that could also be implemented should the housing stock in the Coastal Zone continue to grow. Otherwise, the Coastal Commission does not need to create a market for more housing units to be converted into hotels. The Commission should instead supplement the ample existing overnight accommodations by creating a market for units offering traditional homeshares.

Ideally, the Coastal Commission would <u>strike all language allowing the issuance of Non-</u> <u>Primary STRs, Mixed-Use STRs, and Multi-Family "Homestays" and authorize only Primary</u> <u>Residence STRs and traditional Home Stays.</u>

Alternatively, the Coastal Commission should direct staff to strike out Section 3, "STR Permit Limitations" subsection (a), and replace it with the following:

(a) Coastal Zone Permit Caps. As of the effective date of this program, the cap for Non-Primary Residence STRs shall be the number of existing grandfathered units until such time as 1% of the housing units in the Coastal Zone exceeds the number of grandfathered units. After such time, the cap for Non-Primary Residence STRs shall never exceed 1% of the housing units in the Coastal Zone.

#### 2. The Commission should not create a market for converting lower cost multifamily opportunities into hotels in the Coastal Zone.

The Commission should eliminate STR permit categories that convert multi-family parcels into hotels instead of housing. The City of Dana Point's Housing Element, the Local Coastal Program and the Section 30604(g) of the Coastal Act require the Commission to protect lower cost multi-family housing. As drafted, the CDP currently allows Multi-Family STRs and Mixed-Use Parcel STRs. <u>The Coastal Commission should direct staff to strike out all portions of Exhibit 3, Coastal Development Permit Short-Term Rental Program, that reference "Multi-Family Home Stay" and "Mixed-Use Parcel Non-Primary STRs."</u>

First, these permit categories "Multi-Family Home Stay" and "Mixed Use Parcel" are misnomers. Multi-Family Home Stay does not refer to a "home stay or home share." This

Better Neighbors LA November 11, 2022 Page 3

designation allows only apartment building owners to rent whole units adjacent to their own if the apartment building owner lives on-site in a separate unit. Since the property owner is not living in the unit being rented, this arrangement is the same as a non-primary short-term rental and does not need a separate name. "Mixed Use Parcel Non-Primary STR" is also just another name for a non-primary STR. There is no reason for this category to exist since the Commission Staff sensibly removed most of the City's preferable treatment for this designation.

Second, and more importantly, these categories of permits create a market for the conversion of multi-family housing in Dana Point's coastal zone. In addition to striking out the permit categories, the Commission should eliminate language in Subsection (c) of Section 3, "STR Permit Limitations," which communicates a policy preference for STRs to be in mixed-use districts. As we pointed out above, this really translates to encouraging STRs in multi-family housing. Please strike the following language:

Two goals of this STR Program are (1) to encourage Home Stay, Multi-Family Home Stay and Primary STRs because there is less potential for nuisance issues California Coastal Commission A-5-DPT-22-in situations where the STR Permit is issued for a parcel which is the Property Owner's Primary Residence and (2) to encourage STRs on Mixed-Use Parcels, rather than parcels zoned for single family Dwellings so as to avoid impacts on surrounding residents at such parcels. Towards this end, the following provisions shall apply...

Section 3, "STR Permit Limitations" Subsection (c)(ii), "Encouragement of New Mixed Use Parcel Permits" should also be eliminated. This provision creates an incentive for the conversion of multi-family housing into de facto by reducing the permit fees for those applicants. Finally, the Commission should amend Special Condition 3 to approve the development "on a temporary basis only for a period of two (2) years" and should change Paragraphs A through C accordingly.

Sincerely, /s/ Randy Renick Randy Renick

From:	<u>SouthCoast@Coastal</u>
То:	Amitay, Shahar@Coastal
Subject:	FW: Public Comment on November 2022 Agenda Item Wednesday 13b - Application No. A-5-DPT-22-0038 (City of Dana Point, Dana Point)
Date:	Monday, November 14, 2022 11:13:59 AM
Attachments:	20221111 Dana Point UHL11 Cmt Letter.25225.final.pdf

From: Melanie Luthern <ml@ssdslaw.com>

Sent: Friday, November 11, 2022 4:09 PM

To: Ainsworth, John@Coastal < John.Ainsworth@coastal.ca.gov>

**Cc:** SouthCoast@Coastal <SouthCoast@coastal.ca.gov>; Danielle Wilson

<danielle.wilson@unitehere11.org>

**Subject:** Public Comment on November 2022 Agenda Item Wednesday 13b - Application No. A-5-DPT-22-0038 (City of Dana Point, Dana Point)

Dear Mr. Ainsworth,

Please find attached, Unite Here Local 11's Comment Letter for the above-referenced agenda item.

Best regards,

Melanie Luthern Allen Schwartz, Steinsapir, Dohrmann & Sommers LLP 6300 Wilshire Boulevard, Suite 2000 Los Angeles, California 90048-5268 Phone (323) 655-4700 Fax (323) 655-4488 ml@ssdslaw.com

# **UNITEHERE!**Local 11

464 Lucas Ave., Suite 201 • Los Angeles, California 90017 • (213) 481-8530 • FAX (213) 481-0352

November 11, 2022

Coastal Commissioners Jack Ainsworth, Executive Director 55 Market Street, Suite 300 San Francisco, CA 94105

VIA EMAIL: to jeff.staben@coastal.ca.gov

#### RE: Public Comment on November 2022 Agenda Item Wednesday 13b - Application No. A-5-DPT-22-0038 (City of Dana Point, Dana Point)

On behalf of the 30,000 hotel, airport, and stadium workers that UNITE HERE Local 11 ("Local 11") represents in Southern California we are writing to express our concern that the proposal to regulate STRs in Dana Point will adversely impact housekeepers, cooks, dishwashers and servers represented by UNITE HERE and other hospitality workers in coastal cities across California and could run afoul of the Coastal Act.

We continue to urge the Commission to prohibit any new whole home rentals, especially in multi-family housing, and instead permit home-sharing only via Primary Residence STRs and traditional Home Stays. However, if the Commission does not find a ban on unhosted STRs to be possible here, we support the Zanides' position that a 1% cap which includes the existing, permitted unhosted STRs would be acceptable.

UNITE HERE has long advocated for the protection of coastal access for people from all walks of life, especially for low-cost visitor serving accommodations. But over the years, it has become increasingly clear that whole home rentals, especially in multi-family housing, do not increase coastal access and reduce the supply of low and moderate cost housing that the Coastal Act requires the Commission and cities to protect.

The proliferation of unhosted STRs simply creates more luxury options for the richest travelers. In fact, unhosted STR units are often marketed as luxury hotel rooms and have appropriate room rates to match. Moreover, these types of high-end units can also crowd out existing affordable motels and mid-range hotels and the development of future properties, decreasing LCOAs while increasing the cost of other visitor-serving accommodations in the Coast through gentrification.

The only way to ensure that the new STRs would provide low-cost visitor-serving accommodations and not unfairly compete with existing and future affordable LCOAs is to

require the host to be on-site. The Coastal Commission has previously voted to require limited amenities and smaller hotel rooms in new hotels in order to ensure that "lower cost facilities are maintained as lower cost while avoiding conflicts with the Coastal Act's restriction on setting room rates." The requirement for hosts to live on-site presents a similar opportunity to ensure that STRs remain affordable Indeed, it is the most efficient manner of protecting lowcost accommodations with little follow-up enforcement.

We urge you to reject unhosted short term rentals Dana Point especially in areas zoned for multi-family use as these areas are more likely to offer low to moderately priced housing units. Combining hosted short-term rentals with Dana Point's existing hotels and legal whole home rentals will provide the maximum coastal access to California's working families.

The Coastal Commission should make the following modifications to the Ordinance in Exhibit 3, Coastal Development Permit Short-Term Rental Program:

- Strike all language allowing the issuance of Non-Primary STRs, Mixed-Use STRs, and Multi-Family "Homestays" and authorize only Primary Residence STRs and traditional Home Stays.
  - Alternatively, cap Non-Primary Residence STRs at 1% of the housing units in the Coastal Zone. This can be accomplished by grandfathering in existing units, and only issuing more permits as housing stock grows, but still eliminating "Multi-Family Home Stay" and "Mixed-Use Parcel Non-Primary STRs."
- Strike all language in Section 3(c) and 3(c)(ii) espousing a policy preference for STRs in mixed use and multi-family zones.
- Amend Special Condition 3 to approve the development "on a temporary basis only for a period of two (2) years" instead of 10 years, and change Paragraphs A through C accordingly.

Thank you,

Danielle Wilson Research Analyst UNITE HERE Local 11

From:	SouthCoast@Coastal
То:	Amitay, Shahar@Coastal
Subject:	FW: Public Comment on Nov 2002 agenda item wednesday 13b - Appl No A-5-DPT-22-0038
Date:	Monday, November 14, 2022 2:13:37 PM

-----Original Message-----From: Jill Richardson <jilllivinglarge@cox.net> Sent: Monday, November 14, 2022 1:22 PM To: SouthCoast@Coastal <SouthCoast@coastal.ca.gov> Subject: Public Comment on Nov 2002 agenda item wednesday 13b - Appl No A-5-DPT-22-0038

Hello,

Dana Point does NOT need more STRs.

Here are some reasons why STRs are not needed; • Dana Point LACKS affordable housing • There's massive amounts of new construction already going on in this city. The negative impact of this construction has not been determined • Dana Point has OVER 2,000 tourist accommodations • There is not a city election that registered residents can vote on this election cycle. THIS NEEDS TO CHANGE.

Please reply back that you have received my comments.

thank you, My Best,

Jill Richardson