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# F11a

**Prepared November 23, 2022 for the December 16, 2022 Hearing**

**TO:** Coastal Commissioners and Interested Persons

**FROM:** Shana Gray, Deputy Director  
Doyle Coyne, Coastal Program Analyst

**SUBJECT: City of Trinidad LCP Amendment No. LCP-1-TRN-22-0034-1 (Update to Short Term Rental Regulations)**

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## SUMMARY OF STAFF RECOMMENDATION

Commission staff recommends that the Commission **approve** proposed City of Trinidad LCP Amendment No. LCP-1-TRN-22-0034-1 as submitted. No modifications are necessary, because the proposed amendment to the Implementation Plan (IP), as submitted, conforms with and is adequate to carry out the provisions of the certified Land Use Plan (LUP).

LCP Amendment No. LCP-1-TRN-22-0034-1 would amend the City's certified IP to update regulations for Short Term Rentals (STRs) originally adopted in 2017. Like the existing STR regulations, the proposed updated STR regulations provide for three different types of STR licenses: Full-time (FT), Resident, and Homeshare to be located in all zoning districts of the City in legally established residences (see Exhibit 3, land use and zoning map). A FT STR must be rented for a minimum of 60 days per year. A Resident STR may be operated for up to 59 nights per year and must be located in a homeowner's primary residence. For both Full-time and Resident STRs, the owner does not have to be present while the STR is rented. A Homeshare STR allows for the rental of a bedroom in a primary residence with the requirement that the homeowner be present on-site during nighttime hours.

Updates include, but are not limited to, the following: (1) impose a new City-wide cap on the total number of FT STRs, (2) lower the number of FT STR licenses allowed in the Urban Residential (UR) zone by one, (3) increase the number of FT STR licenses in the Suburban Residential (SR) zone by one, (4) expand the prohibition of adjacent STRs from the UR zone to all zones, (5) modify the restrictions on the number of STR licenses allowed to be held by a property owner in the UR and SR zones, (6) add a new

restriction that a property owner may hold no more than a total of two FT STR licenses, regardless of the zone, and (7) strengthen the enforcement provisions related to violations of the STR regulations.

Although the City's ordinance would establish a city wide cap for FT licenses slightly below the desired threshold of 15% of housing stock and allow for only four new FT STRs to be established rather than the additional 21 to 24 that otherwise could be established under the existing STR regulations, the Commission finds these caps adequately prioritize visitor-serving uses in the City and are consistent with the certified LUP for several reasons, including, in part, the following: (1) imposing the cap would allow the City to maintain sufficient housing stock by capping FT STRs City-wide at around 15% rather than the existing allowance of 22%; (2) the minimum activity requirement for FT licenses (must be rented as STRs a minimum of 60 nights/year) will remain in place under the proposed updated regulations, which will ensure a sufficient supply of visitor-serving overnight accommodations remain available in the City; and (3) outside of the City in the greater Trinidad area, there is no shortage of visitor-serving lodging facilities. Staff believes that the proposed regulations include adequate requirements to protect the integrity of onsite septic systems from potential misuse from STR operations, ensure that STRs don't impact the availability of street parking, and protect ESHA consistent with the requirements of the certified LUP. The proposed update to the City's existing STR regulations, as submitted, both ensures the availability of STRs for coastal visitors and protects community character while maintaining long-term housing for local residents. As such, staff recommends that the Commission approve LCP-1-TRN-22-0034-1 as submitted.

The motion to accomplish this recommendation is found on Page 3 of this staff report.

**Staff Note: LCP Amendment Action Deadline** This proposed LCP amendment was filed as complete on September 23, 2022. The proposed amendment affects the LCP's IP, and the 60-working-day action deadline is December 21, 2022. Thus, unless the Commission extends the action deadline (it may be extended by up to one year), the Commission has until December 21, 2022 to take a final action on this LCP amendment. Therefore, if the Commission fails to take a final action in this case (e.g., if the Commission instead chooses to postpone/continue LCP amendment consideration), then staff recommends that, as part of such non-final action, the Commission extend the deadline for final Commission action on the proposed amendment by one year. To do so, staff recommends a YES vote on the motion below. Passage of the motion will result in a new deadline for final Commission action on the proposed LCP amendment. The motion passes only by an affirmative vote of a majority of the Commissioners present.

Motion: I move that the Commission extend the time limit to act on City of Trinidad LCP Amendment No. LCP-1-TRN-22-0034-1 (Short Term Rentals) to December 21, 2023, and I recommend a yes vote.

#### **ADDITIONAL INFORMATION**

For further information, please contact Doyle Coyne at the Commission's North Coast District Office in Arcata at [Doyle.Coyne@coastal.ca.gov](mailto:Doyle.Coyne@coastal.ca.gov). If you wish to provide written

comments, please do so via regular mail (directed to the North Coast District Office) or email (by emailing [NorthCoast@coastal.ca.gov](mailto:NorthCoast@coastal.ca.gov)). Commission staff will distribute to the Commissioners any copies of written materials received from interested parties by 5:00 pm on the Friday before the scheduled Commission meeting.

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### APPENDIX

[Appendix A](#) – Substantive File Documents

### EXHIBITS

[Exhibit 1](#) – Regional Location Map

[Exhibit 2](#) – California Coastal Records Project Photos

[Exhibit 3](#) – 2021 STR Licenses and Zoning

[Exhibit 4](#) – Proposed Amendment to STR Regulations

[Exhibit 5](#) – Existing STR Regulations with Proposed Changes in Strikethrough

[Exhibit 6](#) – Resolution 2022-08

## **I. MOTION AND RESOLUTION**

Staff recommends that the Commission, after public hearing, approve the IP amendment as submitted.

### **A. APPROVAL OF IMPLEMENTATION PLAN AMENDMENT AS SUBMITTED**

Staff recommends a **NO** vote on the foregoing motion. Failure of this motion will result in certification of the Implementation Plan Amendment No. LCP-1-TRN-22-0034-1 as submitted and the adoption of the following resolution and findings. The motion passes only by an affirmative vote of a majority of the Commissioners present.

#### **Motion:**

*I move that the Commission reject Implementation Plan Amendment No. LCP-1-TRN-22-0034-1 as submitted by the City of Trinidad.*

#### **Resolution to certify the implementation plan amendment as submitted:**

The Commission hereby certifies the City of Trinidad Implementation Plan Amendment LCP-1-TRN-22-0034-1 as submitted and adopts the findings set forth below on grounds that the Implementation Plan amendment conforms with, and is adequate to carry out, the provisions of the certified Land Use Plan. Certification of the Implementation Plan amendment will meet the requirements of the California Environmental Quality Act, because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the Implementation Plan amendment on the environment, or 2) there are no further feasible alternatives and mitigation measures that would substantially lessen any significant adverse impacts on the environment.

## **II. PROCEDURAL ISSUES**

### **A. Standard of Review**

The standard of review for the proposed amendment to the Implementation Plan (Zoning Ordinance) of the City of Trinidad certified Local Coastal Program (LCP), pursuant to section 30513 and 30514 (regarding LCP amendments) of the Coastal Act, is whether the Implementation Plan as amended would be in conformance with, and adequate to carry out, the provisions of the certified Land Use Plan.

### **B. Public Participation**

Section 30503 of the Coastal Act requires public input in preparation, approval, certification, and amendment of any LCP. The City of Trinidad's Planning Commission held public hearings on the proposed amendment on May 19, 2021, June 16, 2021, July

21, 2021, August 18, 2021, and March 16, 2022. The Trinidad City Council held public hearings on the amendment on November 9, 2021, February 8, 2022, March 8, 2022, April 12, 2022, and May 10, 2022. The hearings were noticed to the public consistent with sections 13551 and 13552 of Title 14 of the California Code of Regulations. Notice of the subject amendment has been distributed to all known interested parties.

### **C. Procedural Requirements**

Pursuant to section 13544(b)(2) of Title 14 of the California Code of Regulations, if the Commission certifies the LCP amendment as submitted, no further City action will be necessary for the LCP amendment to take effect. Should the Commission certify the LCP amendment subject to modifications, final approval by the City and a determination by the Executive Director that the City's action is legally adequate to carry out the requirements of the Commission's certification will be required for the amendment to take effect. Should the Commission deny the LCP amendment as submitted without suggested modifications, no further action is required by either the Commission or the City, and the proposed LCP amendment will not become effective.

## **III. FINDINGS FOR APPROVAL OF THE IP AMENDMENT AS SUBMITTED**

The following findings support the Commission's approval of the proposed Implementation Plan Amendment as submitted. The Commission hereby finds and declares as follows:

### **A. Amendment Description**

LCP Amendment Application No. LCP-1-TRN-22-0034-1, would amend the City of Trinidad's certified Implementation Plan (IP) to update the regulations for Short Term Rentals (STRs) originally certified by the Commission on June 8, 2017.<sup>1</sup> The proposed amendment includes updates to Section 6.26, (also referred to as Section 17.56.190), to, among other provisions, (1) limit the total number of full-time STRs City-wide to 32, (2) lower the number of full-time STR licenses allowed in the Urban Residential (UR) zone from 19 to 18, (3) increase the number of full-time STR licenses in the Suburban Residential (SR) zone from six to seven, (4) expand the prohibition of adjacent STRs from the UR zone to all zones, (5) modify the restrictions on the number of STR licenses allowed to be held by a property owner in the UR and SR zones, (6) add a new restriction that a property owner may hold no more than a total of two Full-time STR licenses, regardless of the zone, and (7) strengthen the enforcement provisions related to violations of the STR regulations. The adopted updated STR ordinance is included as

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<sup>1</sup> A link to the staff report for approval as submitted of the original STR ordinance is available from the Commission's website: <https://documents.coastal.ca.gov/reports/2017/6/th9e/th9e-6-2017-report.pdf>.

[Exhibit 4](#). A comparison of the proposed STR regulations with the existing STR regulations in the City is shown in Table 1 below.

As under the existing certified STR regulations, property owners wishing to have an STR must obtain an STR license from the City, but no CDP is required. Under the existing ordinance, STRs are limited to occupancy of legally established residences by tourists for dwelling, lodging, or sleeping purposes, which, by definition, comprises a residential use.

Both the existing and proposed updated regulations provide for three different types of STR licenses: Full-time, Resident, and Homeshare. A Full-time STR must be rented for a minimum of 60 days per year. A Resident STR may be operated for up to 59 nights per year and must be located in a homeowner's primary residence.<sup>1</sup> For both Full-time and Resident STRs, the owner does not have to be present while the STR is rented. A Homeshare STR allows for the rental of a bedroom in a primary residence with the requirement that the homeowner be present on site during nighttime hours.

**Table 1.** Comparison summary of proposed changes to certified STR regulations. Considering existing waitlist numbers and proposed caps, the number of potential licenses in each zone also is shown.

<b>Land Use Zone</b>	<b>Existing</b> Full-time & Resident STR Licenses Allowed (# of existing licenses also shown)	<b>Proposed</b> Full-time & Resident STR Licenses Allowed
<b>UR</b> Urban Residential	<b>19 Full-time</b> (15 existing; waitlist of 7 with lottery to be held after certification of LCPA); <b>6 Resident</b> (0 existing)	<b>18 Full-time</b> <b>6 Resident</b>
<b>SR</b> Suburban Residential	<b>6 Full-time</b> (5 existing; no waitlist) No cap on Resident licenses	<b>7 Full-time</b> No cap on Resident licenses
<b>PD</b> Planned Development	<b>No cap</b> for any license type (5 existing FT; 0 Resident)	<b>No change in cap</b> for any license type
<b>C</b> Commercial	<b>No cap</b> for any license type (there are 3 existing Full-time STRs)	<b>No change in cap</b> for any license type
<b>City-wide</b>	<b>No City-wide cap</b> for any license type	City-wide cap of <b>32 Full-time STR licenses</b>

## B. Background

The City of Trinidad is located on the north coast of California in Humboldt County adjacent to the semi-enclosed Trinidad Bay, approximately 15 miles north of the City of Arcata ([Exhibit 1](#)). The City has a population of 367 (2010 Census). As of 2022, Trinidad's population declined to 309 people (~16%) from 2010.<sup>2</sup> The City covers approximately 0.65 square miles and is almost entirely within the coastal zone.

The City of Trinidad has the oldest certified LCP in the state, certified by the Commission in 1980. The City is presently in the process of updating its LCP. In November 2014 and August 2017 the Commission awarded LCP grants to the City in the amount of \$80,000 and \$51,000, respectively, to assist with the preparation of a comprehensive LCP update. The update is anticipated to be submitted to the Commission in 2024.

## C. Consistency Analysis

### 1. Prioritizing Visitor-serving Accommodations

#### Background

The Commission has found that short term vacation rentals, including those in residential areas, can provide an important visitor serving asset. They can increase public access to the coast, opening up a trip to the coast for many families that might not otherwise be able to afford more expensive hotel options. In addition, they can provide local jurisdictions with increased revenues.

The City's certified LUP includes few policies related to visitor-serving facilities. This may be because lands designated and zoned for commercial and visitor serving uses are relatively limited in the City ([Exhibit 3](#)). Other than one licensed bed and breakfast and one RV park,<sup>10</sup> there are no overnight lodging facilities, such as hotels or motels, within the City limits. Thus, the 28 existing STRs in the City are the principal source of overnight accommodations within the City limits. The following policies address relevant land use and zoning (emphasis added):

*47. Only single family residences should be permitted in the Urban Residential, Suburban Residential, Rural Residential, and General Rural categories.*

*53. Except as provided in the discussion of commercial development, commercial uses in residential areas of the city and county should be limited to home occupations where the activity is confined to the residence or accessory building and signs are kept to a minimum. Storage of crab pot, fishing boats, campers, and*

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<sup>2</sup> Source: California Department of Finance, E-1 Population Estimates for Cities, Counties, and the State.



*trailers within required yard areas should be allowed provided visibility at street intersections and access to the perimeter of the building is not hampered.*

In addition, LUP Appendix A describes the various land use categories in the City. Lands designated Urban Residential (UR), Suburban Residential (SR), and Planned Development (PD) comprise most the developed and developable lands in the City, described as follows (emphasis added):

*The Suburban Residential category is intended to provide for variable density, single family residential development where public water systems are available or will be available in the near future. Densities which are likely to strain the physical capacity of the land should only occur when public sewers and water supply are available.*

*The Urban Residential category provides areas for intensive residential development. These areas are served by public water systems, public sewers are available or soil conditions have a demonstrated capability to support septic tank systems at the allowable density. Nearby areas designated for commercial uses provide Urban Residential areas with necessary commercial services. Unobtrusive home occupations and limited rooming and boarding of non-related residents or visitors may be appropriate.*

*The Planned Development category identifies areas that are: (1) essentially residential where limited commercial activities may be appropriate subject to special integrating design; or, (2) sites which, because of their location, are suitable for one or more types of uses but where considerable design flexibility is needed to adapt the use to the site and to the surrounding areas. In addition to allowing the types of housing prescribed in the Housing Element the Planned Development category may include visitor accommodations and services, commercial uses, and recreational uses consistent with the residential character of the city and the natural and scenic features of the site and overall surroundings...*

### Consistency Analysis

As discussed above (and summarized in Table 1), the existing STR regulations include caps on the number of Full-time (FT) and Resident STRs allowed in certain zones. According to the City, based on research of other coastal communities along the West Coast:

“Around 15% of the housing stock is a common metric that is used for capping STRs, and it was used as a guideline in the development of the caps in the existing ordinance. The best current estimate of housing units in the City is 224 (not including RVs). Fifteen percent of that is 33.6. So, a reasonable city-wide, or combined zone cap could be around 33 or 34.”

The proposed City-wide cap of 32 STRs City-wide equates to approximately 14.3% of total housing units. As Trinidad is a tiny municipality that depends on residents to volunteer their services for essential government functions (e.g., fire department, school

board, planning commission, etc.), the City determined it's critical to maintain sufficient housing stock for people desiring to live and work in Trinidad rather than housing used as second residences devoted to FT STRs, which has become somewhat of the norm in recent decades.

To address this issue, the City has slightly altered the STR caps and imposed a new City-wide cap. There currently are 28 FT STRs in the City in the UR (15), SR (5), PD (5), and C (3) zones. Under the existing STR regulations, there are caps that pertain to STRs only in the UR zone (FT cap = 19; Resident cap = 6) and SR zone (FT cap = 6), which allow for a combined maximum of 25 FT STRs in these two zones (as noted above there currently are 20 FT STRs in these two zones) and six Resident STRs in the UR zone (there currently are zero licensed Resident STRs anywhere in the City). As proposed, there still will be a combined maximum of 25 FT STRs in the UR and SR zones, but the UR FT cap will be reduced by one and SR FT cap will be increased by one. The cap on Resident STRs in the UR zone will not change. In addition, under the proposed City-wide cap of 32, there will be room to expand STRs through the licensing of an additional four FT STRs in the City, which most likely will be located in the UR zone where there currently is a waitlist of 7 in that zone (there currently is no waitlist for licenses in any other zone). This contrasts with the existing regulations that include no City-wide cap and which therefore would allow for up to 21 to 24 new FT STRs (mostly in the PD zone, given the existing caps in the UR and SR zones) (for a total of 49 to 52).

Although the City's caps for FT licenses are proposed to be set slightly below the desired threshold of 15% of housing stock and allow for only four new FT STRs to be established rather than the additional 21 to 24 that otherwise could be established under the existing STR regulations as described above, the Commission finds these caps adequately prioritize visitor-serving uses in the City and are consistent with the certified LUP for several reasons. First, under the existing regulations, up to 49 FT STRs could be permitted in the City, which equates to 22% of the total housing stock and which is above the target of 15% desired by the City. As discussed above, because Trinidad is a tiny municipality that depends on residents to volunteer their services for essential government functions (e.g., fire department, school board, planning commission, etc.), the Commission finds that it is reasonable to impose the City-wide cap in this case to allow the City to maintain sufficient housing stock. Second, the minimum activity requirement for FT licenses (which requires license holders to offer the vacation rental for rent at least 60 nights per year) remains in place under the proposed updated regulations. This minimum activity requirement will ensure that the maximum 32 FT STRs allowed in the City maintain a steady supply of visitor-serving lodging facilities in Trinidad, which is one of the most popular visitor destination points on the North Coast due to its spectacular coastal views, abundant coastal access for beachgoers, surfers, hiking trails, and fishing, and its proximity to several State and National Parks and other popular tourist destinations. Because licenses must be renewed annually, those STRs operating under FT licenses that fail to meet the minimum activity level will not be eligible for renewal, and the expectation is that another homeowner will obtain the available FT license. Third, there is no shortage of visitor-serving lodging facilities in the greater Trinidad area (within an approximately 5-mile drive of the City in

the surrounding rural areas of the County), including various inns, cottages, vacation home rentals, and RV parks in the rural unincorporated lands surrounding Trinidad. There also are several camping facilities in this same region offering additional low-cost visitor accommodations (e.g., Sue-meg State Park), a Holiday Inn Express near the airport approximately 7 miles south of Trinidad, and numerous motels and hotels in Arcata and Eureka located approximately 15-25 miles south of Trinidad. Moreover, as discussed above, under the proposed regulations as submitted, the City-wide cap does not apply to Resident or Homeshare STRs, and although a cap on the number of Resident STRs allowed in the UR zone remains (at 6), the number of existing licenses for that type of STR is currently below the specified cap. Finally, as under the current regulations, the proposed regulations maintain the requirement that the Planning Commission shall review and consider periodic updates to the regulations, which will enable the caps to be reexamined if visitor accommodations in the City and surrounding region become less available in the future.

For all of these reasons, the Commission finds that the proposed IP amendment as submitted conforms with and is adequate to carry out the visitor-serving priority use policies of the certified LUP.

## **2. Adequacy of Services**

Because of Trinidad's small size and service limitations, many of its LCP policies relate to soil limitations for septic systems and protection and conservation of water resources. The certified LUP includes the following related policies (emphasis added):

*23. The City shall continue to monitor water consumption. In addition, the City should pursue a program to monitor water quality and quantity both within the City system and in Luffenholtz Creek. The City shall implement well-defined, quality programs of operation and maintenance.*

*30 Individual wastewater systems shall be consistent with Water Quality Control Board standards. Existing lots with smaller than the prescribed minimum lot size may be considered developable provided an acceptable individual waste treatment system can be provided.*

*37. All new residences in the planning area should provide graveled or paved parking for at least two vehicles (in addition to any garage parking) so that residents and visitors are not required to park along the streets.*

### Septic Systems

The City of Trinidad has no centralized sewer system. Instead, every home and business in the City is served by an onsite wastewater treatment system (OWTS). With the City's location adjacent to the state-designated Trinidad Head Area of Special Biological Significance and the water quality protection regulations applicable to that area, ensuring the maintenance and functionality of septic systems is an ongoing priority for the City. The City's OWTS Program requires all owners of an OWTS to have a valid operating permit and to regularly inspect and maintain their system. Permits for

the construction or repair of an OWTS specify the number of bedrooms allowed in a dwelling based on the design capacity of the OWTS. Permits also address site design issues such as setbacks, roof drainage, landscape maintenance, and plumbing devices to maximize performance of the system. In some cases, the City may require monitoring of water usage and may impose limits on the amount of wastewater allowed to enter an OWTS.

The existing certified IP includes standards and requirements to protect the integrity of onsite septic systems from potential misuse. Prior to being able to obtain an STR license, each STR owner or property manager must provide proof that the septic system for the structure in which the STR is located is functioning properly and in conformance with all federal, state, and local regulations. An applicant for an STR license is required to submit a site plan and floor plan with the application so the City can verify the number of bedrooms, off-street parking spaces, and other requirements. Applicants are subject to inspection by the building inspector and are required to make all necessary alterations before a license can be issued. Maximum occupancy of STRs is restricted based largely on design standards for septic system capacity. In general, the maximum number of occupants allowed in an STR shall not exceed two persons per bedroom plus two people (e.g., a two-bedroom STR may have six occupants), less any residents, tenants, hosts or caretakers living onsite while the STR is rented. Maximum occupancy is further limited in the UR Zone on lots less than 10,000 sq. ft. in area, where maximum occupancy is two people per bedroom. Furthermore, information on the appropriate use of a septic system, in a form approved by the City, is required to be posted in each kitchen and bathroom in the STR so that visitors understand steps needed to properly maintain septic system functionality.

As the proposed IP amendment does not make changes to the existing regulations regarding onsite septic systems, and the proposed regulations further limit the total number of STRs allowed in the City, the proposed IP amendment as submitted will ensure that individual wastewater systems are consistent with Water Board standards, as required by the LUP, which in turn will prevent an increase in cumulative impacts to water quality.

### Water Supply

The City maintains a public water system for residents, businesses, and public users within the City limits and for some customers adjacent to the City. The City obtains its water from Luffenholtz Creek, which is located southeast of and entirely outside of City boundaries in a watershed primarily within private industrial timberlands. Capacity of the city water system to adequately serve the existing and projected needs of the community has historically been a concern of the City. In 1987, the Commission certified a major LCP amendment that included updates to the water resource policies to reflect system upgrades and the annexation of lands containing the City's upgraded water treatment and storage facilities.

Due to septic system and water supply limitations that have been ongoing challenges for the City, the existing STR regulations include limitations on water usage to conserve water and to prevent overloading of septic systems. The water usage restrictions limit

annual domestic water use to average use levels typical of a longterm residential dwelling based on an average daily consumption of 150 gallons per day per bedroom (7,324 cubic feet per year per bedroom) with a 30% allowance for landscaping above the design flow. The regulations require that annual water use records be kept on file along with the STR license and application materials to allow for verification that the STR water use does not exceed allowable volumes. If the City determines that the STR use has exceeded the appropriate average annual water usage during the preceding year, the STR owner/operator will be required to take constructive measures to reduce water use, such as installing water conservation fixtures and appliances; planting xerophytic landscaping; and/or reducing the maximum occupancy of the STR.

### Parking

With respect to traffic, circulation, and parking, traffic in the City of Trinidad is unique in that, rather than during traditional commuter peak hours, it tends to be heavier on weekends and during the summer when there is a higher number of tourists. The LCP requires residences to provide at least two off-street parking spaces for vehicles in addition to any garage parking, so that residents and visitors are not required to park along City streets, which generally are narrow and limited for parking.

The existing certified IP and the proposed IP amendment as submitted include standards and requirements to ensure that STRs do not have an impact the availability of street parking. STR managers must maintain an occupant and vehicle register for each tenancy and must provide at least one off-street parking space for every two occupants. Ensuring that adequate off-street parking is available for short term renters will avoid impacts to the availability of public on-street parking for day-use of beach areas.

For all of these reasons, the Commission finds that the proposed IP amendment as submitted conforms with and is adequate to carry out the policies of the certified LUP related to adequacy of services.

### **3. Community Character**

The certified LCP describes Trinidad's community character in part as follows:

*Some communities are a hodge-podge of disconnected development. Others have a unique character - a sense of unity. What residents and visitors see and hear from their impression of a community. In Trinidad they experience rugged coastal headlands and islands, beaches and surf, the vast expanse of ocean, the sound of the whistler buoy, the cozy harbor with fishermen unloading their salmon, children poking among tidepools, seals barking in the distance, homes tucked into the hillside looking out over each other at the scenery, and boats, burls, driftwood and crab pots in the yards. The people visitors meet are walking in the narrow streets, willing to give directions or pass the time of day.*

*This is the atmosphere that draws people seeking a place to retire. It is the reason that people are willing to commute 25 miles into Eureka every day, and the reason that sport fishermen come back again and again...*

The certified LUP includes several policies related to the preservation of community character (emphasis added):

*19. The Land Use Map recognizes existing land use areas and attempts wherever possible to place them in a category which allows compatible uses. It is intended that all new development be channeled into appropriately designated areas so that land use conflicts can be minimized.*

*45. Trinidad's role in the effort to provide adequate housing is focused on three areas:*

*...*

*(b) Protecting the unique character of the city as a single family owner occupied fishing village...*

*46. The city should continue to maintain a rural life style because it is preferred by residents and also because it allows for a low level of public services and thereby keeps property taxes and utility charges at a minimum. This helps to keep the cost of operating a residence as low as possible.*

*51. Soil limitations for septic tanks, local hydrology, and topography are crucial determinants of the size of any new housing lots and may require that lots be larger than minimum lot size requirements contained in the General Plan or Zoning Ordinance. Where residents want to protect the character of a residential area minimum lot sizes greater than might be allowed based on site conditions are justified... In any case the minimum lot sizes in Suburban Residential and Urban Residential should not be smaller than the minimum recommended in the Wastewater Facilities Plan (see Policy 29).*

In addition, the certified LUP includes the policies related to housing:

*45. Trinidad's role in the effort to provide adequate housing is focused on three areas:*

*(a) Attempting to keep the cost of existing moderate cost housing down so it can continue to be available to people with limited incomes with desire to live in Trinidad...*

As previously discussed, the LUP also recognizes the value of tourists and visitors to the community character and economy, particularly in the residential areas designated UR and PD:

*The Urban Residential category provides areas for intensive residential development... Unobtrusive home occupations and limited rooming and boarding of non-related residents or visitors may be appropriate.*

...

*The Planned Development category identifies areas that are: (1) essentially residential where limited commercial activities may be appropriate subject to special integrating design; or, (2) sites which, because of their location, are suitable for one or more types of uses but where considerable design flexibility is needed to adapt the use to the site and to the surrounding areas. In addition to allowing the types of housing prescribed in the Housing Element the Planned Development category may include visitor accommodations and services, commercial uses, and recreational uses consistent with the residential character of the city and the natural and scenic features of the site and overall surroundings...*

The proposed IP amendment includes standards and restrictions aimed at protecting community character and neighborhood compatibility. As previously discussed, the existing regulations cap the maximum number of STR licenses allowed in the UR and SR zones (total Full-time and Resident STR caps equate to approximately 15-20% of the developed housing stock in each zone). These two zoning districts contain over 80% of the lots in the City, including the greatest density of small lots in the heart of the town and the majority of the lots with residential development potential on the east side of town. Considering full build-out of the City (i.e., assuming all remaining undeveloped lots are developed with residences in the future), and considering the proposed City-wide cap of 32 FT STRs, these license caps for FT licenses will eventually be equal to approximately 15% of the total City housing stock (14% of the housing stock in the UR zone and 11% of the housing stock in the SR zone).

In addition to density restrictions, the proposed updated regulations also impose new distance restrictions City-wide in an attempt to prevent entire blocks from converting to Full-time and Resident STRs. A property seeking a new STR license that shares a property boundary with a property containing an existing STR would be ineligible for a FT or Resident STR license without obtaining an exception approved by the Planning Commission.

The existing regulations also impose strict limits on STR license transferability, consistent with LUP policy 45a cited above. The STR license shall be revoked when the permit holder sells or transfers the property, except for transfers between spouses. Limiting license transfers is one means of controlling housing prices so people of a wider range of income levels who desire to live in Trinidad can afford to do so.

Finally, the proposed regulations, like the existing certified regulations, limit the maximum occupancy of individual units, limit the number of visitors allowed in an STR, impose parking limits as discussed above, specify signage requirements, and include requirements for local contacts associated with each STR.

For all of the above reasons, the proposed limits for new vacation rentals adequately protect coastal resources, including community character, public access, and visitor serving opportunities, especially because there are already numerous vacation rentals in the City that allow for access and recreational opportunities, and such existing uses will not be reduced through this IP amendment. In past actions, the Commission has approved provisions by local governments similar to all of those discussed above to regulate the manner in which short-term rentals are implemented.

#### **4. Conclusion**

It is a goal of the City's certified LUP to allow for lodging of tourists in residential areas in a manner that protects coastal resources, including visual resources, public access, environmentally sensitive habitat areas, and community character. The proposed update to the City's existing STR regulations, as submitted, both ensures availability of STRs for coastal visitors and protects community character while maintaining long-term housing for local residents. The proposed IP amendment as submitted includes provisions that will protect the unique character of the city as a "single family owner occupied fishing village" as required by Policy 45 of the LUP. Therefore, the proposed amendment to the IP as submitted conforms with and is adequate to carry out the certified land use plan for the above-stated reasons and is approved as submitted.

### **IV. CALIFORNIA ENVIRONMENTAL QUALITY ACT**

As set forth in section 21080.9 of the California Public Resources Code, CEQA exempts local government from the requirement of preparing an environmental impact report (EIR) in connection with its activities and approvals necessary for the preparation and adoption of an LCP. Instead, the CEQA responsibilities are assigned to the Coastal Commission, and the Commission's LCP review and approval program has been found by the Resources Agency to be the functional equivalent of the environmental review required by CEQA, pursuant to CEQA Section 21080.5. Therefore, the Commission is relieved of the responsibility to prepare an EIR for each LCP or LCP amendment.

Nevertheless, the Commission is required in approving an LCP amendment to find that approval of the proposed LCP as amended, does conform with CEQA provisions, including the requirement in CEQA Section 21080.5(d)(2)(A) that the amended LCP will not be approved or adopted as proposed if there are feasible alternatives or feasible mitigation measures available that would substantially lessen any significant adverse impact which the activity may have on the environment [14 CCR §§13542(a), 13540(f), and 13555(b)].

The City's LCP amendment consists of an IP amendment. The Commission incorporates its findings on Coastal Act and LUP conformity into this CEQA finding as if set forth in full herein. As discussed throughout the staff report and hereby incorporated by reference, the IP amendment conforms with and is adequate to carry out the policies of the certified LUP. The Commission finds that approval of the IP amendment will not result in significant adverse environmental impacts within the meaning of CEQA. Therefore, the Commission finds that there are no other feasible alternatives or



mitigation measures which would substantially lessen any significant adverse impact, either individual or cumulatively, which the activity may have on the environment [14 CCR §§ 13542(a), 13540(f), and 13555(b)].

LCP-1-TRN-22-0034-1 (STR Update)

**APPENDIX A – Substantive File Documents**

LCP Amendment Application No. LCP-1-TRN-22-0031-1 and associated file documents.

City of Trinidad Certified Local Coastal Program.