

CALIFORNIA COASTAL COMMISSION

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Th13b

Prepared May 6, 2024 for May 9, 2024 Hearing

To: Commissioners and Interested Persons

From: Kevin Kahn, Central Coast District Manager
Sarah MacGregor, Coastal Planner

**Subject: Additional hearing materials for Th13b
LCP Amendment Number LCP-3-GRB-24-0009-1 (Short-Term Rentals)**

This package includes additional materials related to the above-referenced hearing item as follows:

Additional correspondence received in the time since the staff report was distributed



May 2, 2024

California Coastal Commission
455 Market Street, Suite 300
San Francisco, CA 94105
CENTRALCOAST@COASTAL.CA.GOV
VIA EMAIL

RE: City of Grover Beach LCP Amendment Number LCP-3-GRB-24-0009-1 (Short-Term Rentals) – SUPPORT

Dear Honorable Chair Hart and Commissioners,

Better Neighbors Los Angeles is a coalition of hosts, tenants, housing activists, hotel workers and community members. We conduct data analysis and research on the short-term rental industry, including the industry’s impact on coastal communities. In addition, Better Neighbors works to promote short-term rental policies that foster true home-sharing in hosted only short-term rentals, including relatively recent California Coastal Commission (“CCC”) decisions on Local Coastal Program Amendments (“LCPAs”) regulating short-term rentals (“STRs”). We would like to express our support for the staff recommendation to approve the City of Grover Beach LCP Amendment Number LCP-3-GRB-24-0009-1 (Short-Term Rentals) as submitted and urge the Commission to approve the LCPA as submitted by the City. This LCPA provides the Commission with an opportunity to ensure unhosted short-term rentals are strongly regulated to preserve affordable housing without comprising public access to the coast.

Protection of Affordable Housing Options

BNLA supports the LCPA because it takes steps to protect housing. The City of Grover Beach’s LCPA places additional safeguards on affordable housing options by restricting STRs from operating within housing units that are traditionally more affordable for long-term residents, such as “single room occupancy facilities, two-unit housing development projects, urban lot split projects, ADUs, and JADUs.”¹ According to the City of Grover Beach 2020-2028 Housing Element, approximately 58% of all households are renter occupied and a majority of renter households over pay for housing, with 83% of extremely low income and 93% of low income renter households falling into the category of overpaying households.² Through

¹ <https://documents.coastal.ca.gov/reports/2024/5/Th13b/Th13b-5-2024-report.pdf>

² TR 1-16; <https://www.hcd.ca.gov/housing-elements/docs/grover-beach-6th-draft072820.pdf>

restricting short-term rentals from operating in single room occupancy and infill developments, the City is preserving existing and future housing units that are traditionally more affordable options for tenants. According to the 2023 Regional Housing Needs Allocation Progress Report, between 2022 and 2023, the City of Grover Beach permitted 28 new ADUs and 5 multi-unit projects.³ This LCPA will further safeguard these new units currently in the development pipeline to ensure they are used for long-term housing in a region that continues to face high housing costs.

LCPA Balances Access to Housing but Coastal Public Access Analysis Is Lacking

The City of Grover Beach appropriately chooses to protect housing for persons of low to moderate income over high cost overnight accommodations, which do not increase access to the coast for all persons. Grover Beach has ample amounts of existing overnight accommodations within the City and immediate neighboring jurisdictions, including existing affordable options. There is approximately 1 RV park and 4 hotels within Grover Beach.⁴ Existing overnight visitor serving accommodations range from \$73 per night at the RV park to \$75 per night at one of the more affordable hotels.⁵ Meanwhile, short-term rentals on the whole are much more expensive and have continued to increase in price. As of March 2023, the average daily rate for a unhosted short-term rental was \$311, whereas in March 2021, the average daily rate was \$250 per night.⁶ Given that short-term rentals are significantly more costly than existing overnight accommodations, short-term rentals do not meet the affordability threshold to increase access to the coast for persons of low to moderate income. Pub. Res. Code §30213. Thus, the City is justified in seeking to safeguard affordable housing stock from turning into tourist-serving accommodations that on the whole do not provide affordable access to the coast for low to moderate income families. Staff reports regarding STR policies should ideally contain an analysis like the one included herein so that Commissioners are able to evaluate the impact of STR LCPAs on access to housing and coastal resources for persons of low to moderate to income.

Conclusion

The City of Grover Beach has taken a balanced approach to short-term rentals within their jurisdiction by crafting an LCPA that safeguards affordable housing options without compromising coastal public access. For this reason, we urge the Commission to approve the LCPA as submitted. Should you have any questions, please contact Becca Ayala at rebecca@betterneighborsla.org.

Sincerely,

/s/ Randy Renick

³ <https://www.grover.org/DocumentCenter/View/14745/2023-General-Plan-Annual-Report-with-Appendices>

⁴ <https://www.slocal.com/explore-the-region/south-coast/grover-beach/places-to-stay/>

⁵ Prices as of May 2024. Le Sage Riviera RV Park: <https://lesageriviera.com/rates/> ; Seaview Inn Grover Beach: <https://www.guestreservations.com/seaview-inn/booking?checkIn=05%2F02%2F2024&checkOut=05%2F03%2F2024&rooms=1&adults%5B1%5D=2&children%5B1%5D=0>.

⁶ Data source: AirDNA. Data on file with BNLA. <https://www.airdna.co/>