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W13b

LCP-2-PAC-25-0079-2 (City of Pacifica Short-Term Rentals)

August 12, 2026

CORRESPONDENCE

Friday, May 22, 2026

D. Russell Jones
Pacifica for Responsible Tourism
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To All Members of the California Coastal Commission:

On behalf of **Pacifica for Responsible Tourism**, a grassroots organization of local hospitality entrepreneurs and small business owners, I am writing to express our profound opposition to LCP Amendment No. LCP-2-PAC-25-0079-2.

Our members are not corporate entities; we are your neighbors who manage well-run vacation and hosted rentals that provide vital coastal access, affordable accommodations and support our local economy. In this second letter, we want to further assist in adding color and detail to this important decision before you.

Previously, through legal counsel, we submitted research from CETO Consulting documenting that **short-term rentals (STRs) currently provide 77% of the total visitor lodging capacity in Pacifica.** This data underscores that STRs are absolutely critical to maintaining lower-cost, overnight coastal accommodations in our community.

Pacifica is a unique coastal gem. As one of the few shorelines immediately adjacent to San Francisco, it serves as a primary recreational outlet for residents of the East Bay and inner Bay Area to enjoy the coastline at affordable prices. We know this because our guests tell us so. Attached to this letter are pages of verified reviews from visitors who attest that they choose Pacifica specifically for its coastal accessibility and proximity to the broader Bay Area (Addendum II). As you read through these testimonies, we respectfully ask you to consider: is this not exactly the type of public coastal access the California Coastal Commission is mandated to protect?

Our guests are multi-generational families looking for shared accommodations with access to beautiful hiking trails, surfing, whale-watching and coastal nature. The small but organized group **Pacifica Homes Are Not Hotels**, and their friends on the City Council, want one thing: to privatize our coast and keep guests from intermingling in ***their*** town.

Accessing the Coast: Visitor Profiles

When my husband and I first began offering our property as a short-term rental, we were skeptical of the demand. Our home is a modest three-bedroom property with a "postage-stamp" sized backyard, located a block away from the immediate shoreline. However, upon listing the property, we immediately realized the immense need for coastal accommodations.

Within months, we were consistently booked. Despite our simple offerings, we received rave reviews. Our property allows people to stay near the ocean, hear the waves at night, and—because we are dog lovers—bring their pets affordably.

The vast majority of these bookings came from fellow Californians seeking a brief, restorative escape to the coast. Consider the following verified profiles of visitors who have utilized our space:

- **The Rejuvenating Student:** A young woman who had just finished her master's program sought a few days to relax near the coast. She valued the quiet neighborhood so much that she returned just last month with her partner for a mid-week stay, noting that the short drive from the East Bay made a vital mental health break possible.
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- **The Grieving Daughter:** A daughter who grew up in Pacifica returned to scatter her recently deceased mother's ashes near her childhood home. She spoke profoundly of the closure she found wandering her old neighborhoods and cooking with her own children in our kitchen. Traditional commercial accommodations cannot substitute for the healing environment of a home during a time of familial grief. Where would she and her family have had this closure if we were unable to operate?
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deliberately choose our property for the ocean breeze, the local independent shops, affordable neighborhood restaurants and the ability to cook their own meals. It feels like home and is so close to the beach, they can stroll at night and hear the crashing waves.

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The demand for these nature escapes from the heat and pressure of the inner Bay Area are nearly impossible to overstate. These guests are not a nuisance; they bring life, purpose, and economic vitality to our community. They appreciate our town and look at it through fresh eyes during each visit.

Lodging Constraints and Market Realities

The incredible, pent-up demand for home-sharing exists because Pacifica previously instituted a strict cap of **150 operational STR units** across a city of roughly 15,000 homes. STRs represent a mere **1% of the total residential properties** in Pacifica, a negligible fraction compared to the housing stock naturally left vacant or utilized as personal second homes.

Furthermore, the local commercial lodging market is starkly inadequate to absorb coastal tourism. When our own property required minor repairs, we searched locally for clean, reasonably priced, pet-friendly hotels. There were virtually no viable options. We were forced to stay far from the coast in Belmont at a dated motel while still paying a steep premium.

Occupancy data confirms that Pacifica suffers from a severely strained accommodation market with insufficient traditional supply. The City of Pacifica has **only eight hotels, totaling just 317 rooms**. These few operational hotels provide a mere **23% of the city's total visitor room capacity**. Stripping away short-term rentals will effectively eliminate nearly **three-quarters** of the city's overnight occupancy capacity, severely constraining the coastal market and driving consumer prices out of reach for average families. This is an important part of the discussion — and your decision: If Pacifica makes home-sharing functionally impossible, where will these working-class visitors go?

In cities that have enacted strict bans or highly restrictive caps on short-term rentals, the general consensus among hospitality economists and data tracking firms is that hotel prices and occupancy rates rise noticeably.

When a city significantly reduces its STR inventory, it fundamentally alters the local tourism supply. This shifts pricing power directly back to traditional lodging providers.

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On compression nights, **hotels possess maximum pricing power and routinely charge double or triple their standard seasonal rates**. In highly restricted markets, these extreme pricing surges happen far more frequently because there are no alternative vacation rentals to absorb the spillover.

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Coming into 2026, as major events like the FIFA World Cup approach, travelers are facing severe sticker shock. Local tourism analysts point out that requiring complex municipal licensing and registry fees has deterred casual hosts, cementing the traditional hotel industry's dominant pricing control.

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Leisure travelers on a budget and multi-generational families are often priced out of the destination entirely, as paying for multiple commercial hotel rooms is financially prohibitive.

Conversely, luxury and corporate business travel remains steady, meaning hotel occupancy stays high despite higher rates, validating the increased profitability for traditional hotel operators.

When a city restricts short-term rentals, the immediate beneficiary is almost invariably the traditional lodging sector. By removing a major source of low-to-mid-tier room inventory, the market experiences an artificial supply shortage. Consequently, traditional hotels experience heightened demand, allowing them to sustain higher baseline nightly rates and maximize profits during peak travel windows. Since Pacifica already has such limited supply (even with our current, limited inventory of short-term rentals) the effect will be devastating to travelers who want to spend time at the coast.

A Flawed and Faithless Legislative Process

It is critical for the Coastal Commission to evaluate whether the Pacifica City Council legislated in good faith when crafting this highly restrictive amendment. The administrative record demonstrates that they did not.

The founding members of **Pacifica Homes Are Not Hotels (PHANH)**, all close friends with Christine Boles, could make any outrageous claim during a council meeting, and it was immediately treated as fact. Boles in fact would repeat the talking points of PHANH, conveying a sense that she was really their Council spokesperson.

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On the stand, Christine Boles, our current mayor, repeatedly asserted on the public record that the short-term rental program was so expensive to administer that it cost the city more money than it generated. This claim was utilized as a primary justification to dismantle the program.

Through extensive public records requests, our organization uncovered that this assertion was completely false. Short-term rentals directly contributed **over $2 million in Transient Occupancy Tax (TOT) revenue to the Pacifica General Fund last year alone**—a massive return on investment by any municipal standard. Despite our group presenting city financial records to refute the narrative, the misinformation continued to be repeated in public sessions. The rhetoric became so detached from fiscal reality that the City Manager eventually intervened during a public meeting, explicitly correcting Council Member Christine Boles and stating on the record that the program was, in fact, highly lucrative.

Objectively considering this, isn’t it easy to see that our City Council did not legislate in good faith?

On another occasion, council member Boles attempted to argue that when Half Moon Bay curtailed its STR program, its TOT revenue increased, claiming Pacifica would see a similar result. The Mayor at the time openly intervened, reprimanding the council member for making a statement that was demonstrably and knowingly untrue.

Boles also repeatedly made statements during meetings that the city was frustrated because they kept asking to meet with Airbnb and had asked for help getting rid of nuisance operators. Boles frequently said that Airbnb refused to cooperate. This was also not true. In fact, Airbnb tried repeatedly to meet with the council; it was the Council Members that refused the meeting — even though they did meet with **Better Neighbors LA**, a group with truly zero interest in this decision. Airbnb also repeatedly offered to kick any operator off the platform if the city could provide verifiable evidence of bad behavior. The city submitted a single property; it was immediately removed, but when Airbnb asked for more bad actors, the city went silent and stopped responding.

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We know that Mayor Christine Boles is close friends with the founding members of **Pacifica Homes Are Not Hotels**, a group backed by **Better Neighbors LA**, a fact never disclosed in Council Meetings. However one of their founding members admitted on social media that Pacifica Homes Are Not Hotels received logistical and financial support from the hotel lobbying group.

During one of the council meetings, a **professional hotel lobbyist** who does not live in Pacifica or own property here spoke on behalf of **PHANH**. He did not self-identify as a lobbyist and gave no explanation of why he was speaking on a matter that clearly did not involve him. A member of our group who recognized him called this out to the City Council; Boles and her council did nothing to ask why he was speaking or who had asked him to come. No curiosity about this *most curious* involvement manifest.

Early on, I also tried to speak with one of the founders of **Pacifica Homes Are Not Hotels** in the spirit of co-operation. I truly was naive enough to think Pacifica had a problem I needed to help solve. The founder was extremely rude to me. In other settings, she had advised people 'not to listen to that STR operator' — as if I am not a person but some kind of good-for-nothing with no feelings — or worthwhile thought. During that meeting, she ended our short, terse conversation by telling me 'I might as well not bother attending any of these meetings; the decision has already been made.'

In other words, a meeting that was publicized as a 'discovery of the impact of short-term rentals' was nothing of the sort — as a close friend of Council Member Christine Boles and a founding member of PHANH believed the decision had already been made. I realized then that these study sessions were in fact pretense and a show. A clear indication that the council was not — and did not — legislate in good faith.

If the organizers of **Pacifica Homes Are Not Hotels** and the City Council members had kept the conversation honest, there are dozens of ways we could have found compromise and solved every concern of the few frustrated residents instead of this extreme measure that eliminates access to the coast. But because of the sham trial proceedings this Council adjudicated, we wound up with an incredibly restrictive ordinance designed to eliminate public access to our coast. The message is clear from this hotel lobbyist coalition: unless you are a day-tripper or want to pay hotel rates, you are not welcome to spend the night in Pacifica.

I want to make one final point on the dishonesty of this process. If this issue had gone to vote on the general ballot, knowing how much of the general fund for our city budget comes from the STR program, it is almost certainly true, the majority of our 40,000 Pacificans would not have voted to eliminate the program. Most people willingly acknowledge that when traveling to a small coastal town, a short-term rental is a better solution and the city desperately needs the money. But instead, a group of 5 people, *placed on the Council to get rid of the program*, made the decision without involving the greater public.

Please in your deliberations as a Commission consider this: whether or not Pacifica allows short-term rentals is a decision that should go before every voter of Pacifica. Every Pacifican should have a choice in deciding how our city handles short-term rentals and the revenue that it generates for our city and pays for city services.

Instead, a small group of about 60 citizens working in close conjunction with a hotel lobbyist group decided the future of coastal access in our city. The council did not legislate in good faith. They don't want short-term rentals here, regardless of who it impacts.

Conclusion

Please take time to also review Addendum II of this letter. The real-world experiences of these guests paint a vivid picture of exactly what is at risk of being lost.

If we are forced to comply with a highly restrictive 60-day annual cap on unhosted stays, we must ask the Commission: which portions of the year should we render unavailable to the public to satisfy an exclusionary local mandate?

- Should we close our doors in March, one of the most beautiful of the year, with its cool breeze and sunny skies? A family from India just stayed at our lodging in March. I saw them out hiking along Mori Point, one had a flower in her hair plucked from a nearby field. Should I make March unavailable for bookings in order to make a hotel lobbyist group from Los Angeles happy?

- Maybe I should close access during April, when it's warmer and the flowers are blooming along every trail? Or maybe the best time to close access to my AirBNB along the coast is during June when whale watching is at its best — the time of year when seals are splashing along the piers and hoards of visitors crowd along the shores, marveling at our beautiful nature that we are so lucky to live near?

- Should I make the hotter months in the East Bay — July through August — unavailable so that I only operate 60 days out of the year? If I do that, the guests that always tell me they are coming to our cooler coastline to escape the heat, won't be able to visit.

- Maybe I should close access to my STR during November and December, when families are visiting to stay close to their loved ones and celebrate the holidays. What does the Coastal Commission advise me, if they approve this LCP? Which parts of the year would you like me to close access to our coastline in order to operate only 60 days?

Proponents of this amendment claim that it represents a "balanced approach" that took years to craft. In reality, it simply took years for a well-funded interest group to secure an ideological council majority willing to ignore economic data, local lodging deficits, and coastal access mandates. A truly balanced approach would have engaged our organization to implement strict nuisance fines, streamlined complaint procedures and robust local accountability—solutions I have championed for years.

The California Coastal Commission's primary mandate is to protect and provide maximum coastal access for all Californians, not just the wealthy few who own property on the shoreline. By approving this amendment, the Commission would be validating a localized effort to privatize public access under the guise of "neighborhood character."

We ask one final thing of this Commission: require the City of Pacifica to present verifiable, documented evidence of the widespread municipal nuisances, party houses, and bad behavior that they claim necessitates this extreme ordinance. If they cannot produce data from this last year reflecting a systemic issue that cannot be solved by standard law enforcement and code compliance, then this ordinance is exposed for what it is: an exclusionary zoning tool.

This amendment does not solve a neighborhood nuisance problem; it intentionally dismantles the primary affordable, family-oriented lodging infrastructure in Pacifica. We ask that you see through the documented misinformation and procedural bad faith of the City Council and reject this amendment. Please protect the rights of the nurse from the East Bay, the grieving daughter seeking closure and all the families who rely on our homes to experience the beauty of the California coast.

Sincerely,

D. Russell Jones
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http://www.pacificatourism.org

Tourism Generates Revenue for our City, Keep Pacifica Open for Business

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During one of the council meetings, a **professional hotel lobbyist** who does not live in Pacifica or own property here spoke on behalf of **PHANH**. He did not self-identify as a lobbyist and gave no explanation of why he was speaking on a matter that clearly did not involve him. A member of our group who recognized him called this out to the City

Council; Boles and her council did nothing to ask why he was speaking or who had asked him to come. No curiosity about this *most curious* involvement manifest.

Early on, I also tried to speak with one of the founders of **Pacifica Homes Are Not Hotels** in the spirit of co-operation. I truly was naive enough to think Pacifica had a problem I needed to help solve. The founder was extremely rude to me. In other settings, she had advised people 'not to listen to that STR operator' — as if I am not a person but some kind of good-for-nothing with no feelings — or worthwhile thought. During that meeting, she ended our short, terse conversation by telling me 'I might as well not bother attending any of these meetings; the decision has already been made.'

In other words, a meeting that was publicized as a 'discovery of the impact of short-term rentals' was nothing of the sort — as a close friend of Council Member Christine Boles and a founding member of PHANH believed the decision had already been made. I realized then that these study sessions were in fact pretense and a show. A clear indication that the council was not — and did not — legislate in good faith.

If the organizers of **Pacifica Homes Are Not Hotels** and the City Council members had kept the conversation honest, there are dozens of ways we could have found compromise and solved every concern of the few frustrated residents instead of this extreme measure that eliminates access to the coast. But because of the sham trial proceedings this Council adjudicated, we wound up with an incredibly restrictive ordinance designed to eliminate public access to our coast. The message is clear from this hotel lobbyist coalition: unless you are a day-tripper or want to pay hotel rates, you are not welcome to spend the night in Pacifica.

I want to make one final point on the dishonesty of this process. If this issue had gone to vote on the general ballot, knowing how much of the general fund for our city budget comes from the STR program, it is almost certainly true, the majority of our 40,000 Pacificans would not have voted to eliminate the program. Most people willingly acknowledge that when traveling to a small coastal town, a short-term rental is a better solution and the city desperately needs the money. But instead, a group of 5 people, *placed on the Council to get rid of the program*, made the decision without involving the greater public.

Please in your deliberations as a Commission consider this: whether or not Pacifica allows short-term rentals is a decision that should go before every voter of Pacifica. Every Pacifican should have a choice in deciding how our city handles short-term rentals and the revenue that it generates for our city and pays for city services. Instead, a small group of about 60 citizens working in close conjunction with a hotel lobbyist group decided the future of coastal access in our city. The council did not legislate in good faith. They don't want short-term rentals here, regardless of who it impacts.

Conclusion

Please take time to also review Addendum II of this letter. The real-world experiences of these guests paint a vivid picture of exactly what is at risk of being lost.

If we are forced to comply with a highly restrictive 60-day annual cap on unhosted stays, we must ask the Commission: which portions of the year should we render unavailable to the public to satisfy an exclusionary local mandate?

- Should we close our doors in March, one of the most beautiful of the year, with its cool breeze and sunny skies? A family from India just stayed at our lodging in March. I saw them out hiking along Mori Point, one had a flower in her hair plucked from a nearby field. Should I make March unavailable for bookings in order to make a hotel lobbyist group from Los Angeles happy?

- Maybe I should close access during April, when it's warmer and the flowers are blooming along every trail? Or maybe the best time to close access to my AirBNB along the coast is during June when whale watching is at its best — the time of year when seals are splashing along the piers and hoards of visitors crowd along the shores, marveling at our beautiful nature that we are so lucky to live near?

- Should I make the hotter months in the East Bay — July through August — unavailable so that I only operate 60 days out of the year? If I do that, the guests that always tell me they are coming to our cooler coastline to escape the heat, won't be able to visit.

- Maybe I should close access to my STR during November and December, when families are visiting to stay close to their loved ones and celebrate the holidays. What does the Coastal Commission advise me, if they approve this LCP? Which parts of the year would you like me to close access to our coastline in order to operate only 60 days?

Proponents of this amendment claim that it represents a "balanced approach" that took years to craft. In reality, it simply took years for a well-funded interest group to secure an ideological council majority willing to ignore economic data, local lodging deficits, and coastal access mandates. A truly balanced approach would have engaged our organization to implement strict nuisance fines, streamlined complaint procedures and robust local accountability—solutions I have championed for years.

The California Coastal Commission's primary mandate is to protect and provide maximum coastal access for all Californians, not just the wealthy few who own property on the shoreline. By approving this amendment, the Commission would be validating a localized effort to privatize public access under the guise of "neighborhood character."

We ask one final thing of this Commission: require the City of Pacifica to present verifiable, documented evidence of the widespread municipal nuisances, party houses, and bad behavior that they claim necessitates this extreme ordinance. If they cannot produce data from this last year reflecting a systemic issue that cannot be solved by standard law enforcement and code compliance, then this ordinance is exposed for what it is: an exclusionary zoning tool.

This amendment does not solve a neighborhood nuisance problem; it intentionally dismantles the primary affordable, family-oriented lodging infrastructure in Pacifica. We ask that you see through the documented misinformation and procedural bad faith of the City Council and reject this amendment. Please protect the rights of the nurse from the East Bay, the grieving daughter seeking closure and all the families who rely on our homes to experience the beauty of the California coast.

Sincerely,

D. Russell Jones
Pacifica for Responsible Tourism
http://www.pacificatourism.org

Tourism Generates Revenue for our City, Keep Pacifica Open for Business

Addendum I: Financial Exchange of Council Members and PHANH

Funds from organizers of **Pacifica Homes Are Not Hotels** paid to Mayor Christine Boles. While there is nothing wrong with the donation, taken in the context of Christine Boles ignoring any evidence that didn't fit with her predetermined vote, this is relevant.

Schedule A (Continuation Sheet)
Monetary Contributions Received

Amounts may be rounded to whole dollars.

SCHEDULE A (CONT.)

Statement covers period from 7/1/22 through 9/24/22

CALIFORNIA FORM 460

Page 9 of 15

NAME OF FILER: Christine Boles

I.D. NUMBER: 1444524

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
9/18/2022	Ed Lynch [redacted] Pacifica, CA 94044	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	TBD	100.00	100.00	
9/18/2022	Erin Long-Scott [redacted] Pacifica, CA 94044	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	HR Manager Barulich Dugoni & Suttmann Law Firm	300.00	300.00	
9/19/2022	Pete Shoemaker [redacted] Pacifica, CA 94044	☐ IND ☑ COM ☐ OTH ☐ PTY ☐ SCC	retired	500.00	599.00	
9/21/2022	Julie (Carnley) Nee [redacted] Pacifica, CA 94044	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	homemaker	100.00	$200.00	
9/21/2022	Cindy Abbott [redacted] Pacifica, CA 94044 PHANH	☐ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Nonprofit manager Sanchez Art Center	102.00	102.00	
			SUBTOTAL $	1102.00		

Schedule A
Monetary Contributions Received

Amounts may be rounded to whole dollars.

SCHEDULE A

Statement covers period from July 1, 2020 through September 19, 2020

CALIFORNIA FORM 460

Page 4 of 5

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER

I.D. NUMBER: 1430095

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME	AMOUNT RECEIVED THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
9/13/2020	Summer Lee [redacted]	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Artist, self employed	$300.00	$300.00	
9/12/2020	Peter Loeb. [redacted]	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Retired	$500.00	$500.00	
9/15/2020	Thursday Roberts [redacted]	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Recruiter, FairRents4Pacifica	$250.00	$250.00	
9/23/2020	Deni Asnis [redacted]	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Retired	$200.00	$200.00	
9/14/2020	Susan Miller [redacted]	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Teacher, Coastside Feldenkrais	$100.00	$100.00	
			SUBTOTAL $	1350.00		

Schedule A Summary

Schedule A (Continuation Sheet)
Monetary Contributions Received

Amounts may be rounded to whole dollars.

SCHEDULE A (CONT.)

CALIFORNIA FORM **460**

Statement covers period from 7/1/22 through 9/24/22

Page 6 of 15

NAME OF FILER: Christine Boles

I.D. NUMBER: 1444524

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
8/14/2022	William Collins [redacted] Pacifica, CA 94044	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Retired	100.00	100.00	
8/16/22	Summer Lee [redacted] Pacifica CA 94044 PHANH	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	artist self-employed	250.00	250.00	
8/17/2022	John Keener [redacted] Pacifica CA 94044	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	retired	250.00	250.00	
8/18/2022 and 9/19/22	Dinah Verby [redacted] Pacifica CA 94044	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	retired	299.00	299.00	
8/24/2022	Caitlin Quinn [redacted] Pacifica CA 94044 PHANH	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Director of Development American Conservatory Theater	200.00	200.00	
			SUBTOTAL $	1099.00		

Funds from organizers of **Pacifica Homes Are Not Hotels** and Christine Boles to Mayra Espinoza. While there is nothing wrong with an individual donating to someone who you believe will move forward your agenda, it does demonstrate that the council member had a pre-existing disposition to vote a certain way and was not voting based on evidence presented during the council meetings or legislating in good faith. You can see that Boles donated to Mayra Espinoza twice. Now they sit on the council together and voted in unison on this issue.

Schedule A (Continuation Sheet)
Monetary Contributions Received

Amounts may be rounded to whole dollars.

SCHEDULE A (CONT.)

CALIFORNIA FORM **460**

Statement covers period from 9/20/2020 through 10/17/2020

Page 6 of 10

NAME OF FILER

I.D. NUMBER: 1430095

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME)	AMOUNT RECEIVED THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
9/28/202 02	C.Breck Hitz [redacted]	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Retired	$100.00	$100.00	
9/25/202 0	Allison West [redacted]	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Attorney	$125.00	$125.00	
9/30/202 0	John Keener [redacted]	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Retired	$150.00	$150.00	
10/1/202 0	Christine Boles [redacted]	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Archict, Beaudoleit Architects	$100.00	$200.00	
10/4/202 0	Betty Duran [redacted]	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Retied	$550.00	$550.00	

Schedule A (Continuation Sheet)
Monetary Contributions Received

Amounts may be rounded to whole dollars.

SCHEDULE A (CONT.)

Statement covers period
from July 1, 2020
through September 19, 2020

CALIFORNIA FORM **460**

Page 5 of 5

NAME OF FILER

I.D. NUMBER
1430095

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME)	AMOUNT RECEIVED THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
9/13/2020	Joanne Gold [redacted]	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Executive Director, The Scleroderma Research	$100.00	$100.00	
9/14/2020	Christine Boles [redacted]	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Architect, Beausoleil Architects	$100.00	$100.00	
		☐ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC				
		☐ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC				
		☐ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC				

SUBTOTAL $ 200.00

Addendum II: Reviews from local STR guests in Pacifica

Below is a list of reviews from Short-term Rentals in Pacifica, where guests express their love for the tranquility of Pacifica. They emphasize that stays in Pacifica offer a unique experience that cannot be replicated in hotels. They also praise our charming shops, restaurants and businesses.

03.26
Our stay at this beach home in Pacifica was exactly what we were looking for—peaceful, simple, and right near the ocean. The area was beautiful, especially at sunset and the cottage was lovely retreat. The space was clean, comfortable, and had everything we needed. If you're looking for a quiet coastal escape, this is a great spot. Would definitely return.

09.23
Beautiful spacious bright home and outdoor area in the center of Pacifica. All that you need for your stay was available! Comfy Beds, plenty of blankets, towels, spices to cook a meal, etc. and delish red velvet cupcakes upon arrival from host! Great hiking trails, pacific ocean a block away, and local businesses to enjoy! We were lucky to enjoy FOG FEST annual festival that has been taking place in the community for over 30 years. We will be back for sure!

09.24
Fun & relaxing stay at this cozy cottage. Xiaojing is an exceptional host...helpful, responsive & respects your privacy. Cottage has everything you need for comfy nights, movie watching, or daily sunset strolls on the pier or beach, a walk or catching Bart into San Francisco. Restaurants, markets, antique stores & golf course within walking distance. Loved our time in Pacifica! Keep doing what you are doing! Appreciate how easy you make remembering the door code & all the special touches. Your kindness & understanding & knowledge of the area were such a gift! Thank you!

12.24
We truly enjoyed our cozy stay in Pacifica. I loved walking just a block down to the ocean. My dogs and I took long walks to Mori Point and explored the numerous trails that offered breathtaking views. It was a quiet space where we could spend quality time together as a family. The house was well-equipped with kitchen utensils and small appliances, making it perfect for our needs. Overall, it was the ideal place for family time.

12.25
Great house within blocks of the ocean. Even better than the photos it had everything we needed and more. The kitchen and bath were well stocked. The living room was light filled with a skylight and clerestory windows. The beds were very comfortable and the room darkening shades and quiet surroundings made sleep easy. The host was super responsive, we would definitely recommend this place!

10.24
My dogs and I had a great stay at Albert (Xiaojing) and Russell's house. I've stayed at many Airbnb's over the years and this was the first time it felt like someone's actual home. While there were some personal items and food around, it was still thoughtfully prepared for guests and felt like I was staying at a friend's home. The homemade cookies and dog treats left for us were delicious and very welcoming. Free of clutter, clean, comfortable, and homey — with the best welcome binder I've ever seen! My dogs loved hanging out in the backyard and the location is central to some great hiking and beaches. I appreciated that Pacifica did not feel as touristy as most Bay Area locations are.

07.24
This stay is a gem — an absolutely brilliant gem. The quiet location makes for an exceptional starting point for travels about the area. The little town is full of local coffee shops and eateries, and everything is walkable for those who can. Otherwise, it is an easy drive. The nearby hiking is superb, and strolls along the ocean are incredible. The house is spotless, bright, sunny, and full of amenities. I wholeheartedly recommend this stay.

04.25
We loved staying at this dog-friendly, cute home that was only a couple blocks away from the beach! Check-in was flexible, as we had a late arrival. The home was very clean and tidy and everything was in good working order. They even left us homemade blueberry muffins and treats for our dog upon check in! I also really appreciated the very in-depth guest book guide that had many recommendations for restaurants and local attractions, which we referenced frequently. Thanks again for an amazing stay!

03.25
My husband and son stayed at the Beach House for 4 nights. Xiaoxing was a perfect host— responsive, helpful, and generous (he even left freshly baked muffins for them!). He let them know in advance about some tree work being done in the neighborhood, but it turned out not to be a problem. The location is amazing— one block from the ocean, walking distance to great bakeries and restaurants. My son's dog had a wonderful time on the dog- friendly beach nearby. All in all a perfect place for a vacation.

07.24
This is the place to book if you want a beautiful atmosphere that feels safe, private and comfortable with all the amenities you could ask for and excellent hosts. Very responsive and even left homemade gluten free cookies for us on arrival, and ensured my parcels were kept safe on pre delivery for our arrival. Much better value than staying in a hotel in the city while still close enough to Uber to the sites and airport. Thank you so much for our beautiful stay.

08.24
I would highly recommend staying here. We had a great stay. The host was very responsive and kind enough to leave some homemade muffins which were absolutely delicious. The space was very clean and comfortable. All the amenities you would need inside and plenty of sights to see and things to do in walking distance from the house.

07.24
What a wonderful place! We were greated with fresh blueberry muffins. I stepped on to the back patio and could smell the salt ocean breeze. We thoroughly enjoyed the house, it was amazing and had everything we needed and more. You can walk the board walk a mile to a short hike and it's beautiful. If we're ever in the area we will definitely want to stay here again.

06.24
Love this place. It's the perfect location to really get a feel for the Pacifica life! Highly recommend the hosts too — they're so flexible and accommodating!!

06.24
We absolutely loved this place! The hosts are so accommodating and have made a highly enjoyable home for guests visiting Pacifica. The home is centrally located and steps away from the ocean. We loved riding our bikes and walking the neighborhoods. Even the neighbors were friendly!

10.24
We had a great stay at Xiaojing's place. The house was clean, comfortable, and had all the amenities needed. It was only 5-10 min drive to the beach with Taco Bell which is a nice point to surf. Xiaojing was so kind to leave us some home-made delicious cookies and even treats for our dog! The instructions about the house were clear, and they were very responsive. The restaurant recommendations were also very helpful (tried one and liked it a lot). Definitely would love to stay there again.

05.24
My husband and I truly enjoyed our stay at Albert and Russell's place! we were in town for my graduation and they had balloons, a card, cupcakes, and flowers there to congratulate me, which was so unbelievably kind and generous! It blew me away and made me feel so special! also, the house was in a great location (you can walk to the beach, restaurants, and a corner store), extremely clean, had everything we needed to cook and keep their place clean, and the beds were the most comfortable we've ever slept in. We loved the personal touches around their house (especially the dog pictures) and after a bit, we felt like we were staying at a friends home. their communication was prompt, friendly, and warm. they let us check in early and there wasn't a lot of hassle upon check out. We come back to the bay pretty often and this will definitely be 'our home' when we come to pacifica. Thank you Albert and Russell. We will never forget how special you made our trip.

05.24
This was such a wonderful stay! Quiet, peaceful, very easy to get to the city but also really nice just to walk around Pacifica. Great, responsive, and kind hosts. Would absolutely stay again!

05.24
Such a lovely house and beautiful, peaceful location. The hosts were friendly and easy to communicate with.

03.24
A wonderful stay at this cozy, chic, and clean home. We enjoyed the walkability of

the neighborhood. So many great local businesses to explore, and just a block from the ocean. The bed in the primary was soooooo comfortable. We also loved all the natural light and how kind and considerate our host was over messages.

11.23
This was by far one of the best Airbnb's I have ever stayed in. The place is clean and well stocked with amenities. The high ceilings and skylights are an added touch to make it feel comfortable and homey. The location is convenient to SF but far enough away to provide some peace and quiet. The neighborhood is great with cafes, restaurants, grocery stores and the stunning beach within walking distance. Xiaojing is a responsive, accommodating host and even made us muffins. We will definitely be back!

09.23
What a wonderful place! We were greeted with fresh blueberry muffins. I stepped on to the back patio and could smell the salt ocean breeze. We thoroughly enjoyed the house, it was amazing and had everything we needed and more. You can walk the boardwalk a mile to a short hike and it's beautiful. If we're ever in the area we will definitely want to stay here again.

09.23
Staying at Albert and Russell's place was nothing short of amazing! They made us feel right at home and couldn't have asked for more. They even had homemade blueberry muffins upon arrival & treats for my dog! It was honestly so sweet, they really went above and beyond. The place was spotless and had everything you could ever need. Nice backyard to lounge around and the beach is walking distance about a block away. Highly recommend!!

09.23
This place was fabulous! Close to the beach, big, backyard, walked to everywhere. Had everything we needed and more. Great communication!

08.23
What a beautiful Airbnb! Super clean and beautifully decorated. So close to the beach and local restaurants! Pacifica is a treasure. We would definitely come again!

08.23
The BEST hosts hands down and a WONDERFUL spot to relax. What a special place — this was such a charming neighborhood and spotless cottage with lovely decor. The scrumptious treats Albert provided made feel right at home. This Airbnb is beautiful, comfortable and only a very short walk to the beach.

07.23
Our flights were badly (two days) delayed. Xiaojing communicated effectively and quickly, making our situation less stressful. He was kind, flexible and considerate — to the point of cooking us a meal due to the tardiness of our airline! His place is clean, tidy and well appointed. It's a pleasant and safe neighbourhood that's walking distance to amenities like groceries, cafes and restaurants. The sea is 5 mins from the doorstep. A superb host that we thought went above and beyond what's expected from a holiday rental.

07.23
Super cute house — nice and quiet neighborhood but close enough to the city! The homemade muffins were delicious and loved the guidebook for all recommendations!

07.23
This place is great. We arrived early and walked to the ocean that you can see from the sidewalk!! Within minutes we were counting the whales. Really cool place. Easy to access everything. Hiking fishing shopping public transportation. We were able to check in an hour early. Love this place.

06.23
Spacious inside and walkable to the beach, corner store, and a bar! We had fun! also they made us muffins which were so good

06.23
This beach house was wonderful! Close to the water, plenty of shops and places to eat nearby, but still a sanctuary at the end of the day. A clean, quiet space to enjoy. Highly recommended!

05.23
We had a wonderful stay! The house was immaculately clean, cozy and super relaxing. We enjoyed both the indoor and outdoor spaces including all of the beautiful plants. Location cannot be better. Walk to ocean, stores and restaurants. The added touches of homemade muffins, games, huge tv, etc were very much appreciated. We will definitely return - the sooner, the better! Thank you Albert and Russell for providing the perfect Pacifica stay!

02.23
Wow. This place is amazing. We were greeted by the most delicious freshly baked blueberry muffins upon entering the house. The reviews are all correct. These muffins are so good, I could stay here just on these muffins alone. But the muffins are going to be a main reason why I come back. You have everything you could possibly need all in this beautifully decorated, comfortable home. It's so close to wonderful shops, restaurants, and bakeries, etc. And, the beach is also a very short walk away. We had the best girls getaway here. Albert and Russell were the best hosts we could have asked for.

11.22
Their home is just a block from the ocean and was the perfect location for leisurely strolls. There are many cafes and small shops in easy walking distance and it's only a quick 15 minute drive into the City. The home had everything we needed for a family vacation for four, with one very happy surfer among us. We will be sure to book this location again the next time we crave a vacation by the sea.

06.22
This cute little Pacifica bungalow was a pleasant surprise from its charming and modest curb appeal. An adorable little courtyard welcomes you right in. Vintage and charming pocket window pane doors open to a small guest bed off the front room. Walking further into the home, an updated bathroom offers ample toiletries. The

kitchen is small, but roomy enough, and equipped with just the right amount of dishes/cups/and cooking tools with a spacious fridge. Enter the living room: Natural light floods through the skylight and transom windows to highlight the large screen tv and stylish furniture. Lots of streaming channels/shows/movies. Really great lighting during the evenings. Easy/convenient sliding door access to the cute back deck and clean landscaping. High ceilings in the living and bedroom; bedroom also has easy access to the back area. Washer/dryer handy in the garage. Quick minute walk to a new corner convenient store, minutes away from Oceana market, Safeway, and a few restaurants. Walkable to the beach, with a direct view of the ocean waves! Pleasantly quiet neighborhood. Thanks to Albert for the fun stay!!

06.22
Russell and Albert were very welcoming and warm. Their home was cozy and very clean. The check in process was smooth and everything nicely arranged and carefully thought out. On the town itself, Pacifica is a very interesting place. It is so laid back and quiet, with seabirds circling around the beach and the pier, and yet in just 15 min drive you're in the buzzling San Francisco city. Or drive in the other direction on Hwy 1 along the coast, it's a completely different landscape. You can hike the hills, surf in the ocean, explore the lighthouse in Montara and drive all the way to Half Moon Bay. I can't recommend here more!

07.22
Great spot close to the ocean and a nice calm slower pace in Pacifica. Wonderful little house only a block away from downtown shops and places to eat. Loved my stay and would stay again.

07.22
Just great. No hassles, no surprises, no worries. Good guys all around. I would stay there again anytime. The Mexican food place they recommended, walking distance around the corner from them, was fantastic.

03.23
Love the town, love the location - walk to restaurants, the beach and all in town. The backyard and front yard is beautiful.

07.22
Albert and Russell were amazing hosts. The room was clean, really comfortable bed and they made me feel right at home. Only two blocks from the beach and some local cafe with great breakfast close by. Epic sunsets and just a really safe and relaxing neighborhood. Highly recommended if your looking for a place in Pacifica.

Honey, Julian@Coastal

From:	Pacifica for Responsible Tourism <russellj@pacificatourism.org>
Sent:	Friday, March 6, 2026 1:42 PM
To:	Harmon, Meagan@Coastal; Huckelbridge, Kate@Coastal; Ringuette, Oceane@Coastal; Honey, Julian@Coastal; Rexing, Stephanie@Coastal
Subject:	City of Pacifica Amendment Number LCP-2-PAC-25-0079-2
Attachments:	Coastal Commission LCP-2-PAC-25-0079-2.pdf

Friday, March 6, 2026

D. Russell Jones
Pacifica for Responsible Tourism
russellj@pacificatourism.org

To All Members of the California Coastal Commission:

Recently the Pacifica City Council approved an ordinance that severely limits coastal access and effectively created terms that make it impossible to operate a short-term rental in Pacifica. I represent a small group of about 50 hosts that operate in Pacifica and we strongly opposed this ordinance during its drafting and passage and are asking that you do not approve this in the coastal zone.

Pacifica is a small city. It is one of the few coastal areas next to San Francisco and is the easiest outlet for residents of the Easy Bay to visit and enjoy the beach. We know this, because our guests tell us so. Attached at the end of this document, you can read through page after page of reviews of our guests, who attest to the fact that they visit Pacifica for this very reason.

Our guests are multi-generational families looking for shared accommodations with access to beautiful hiking trails, surfing, whale-watching and other nature lover locations. The small but organized group called **Pacifica Home Are Not Hotels** who banded together to force passage of this want one thing: to privatize our coast and keep guests out of their town.

Who Visits Pacifica?
At the heart of the Pacifica amendment is a philosophical question: what does it mean for a neighborhood to be residential? For many long-term residents, residentialness is defined by stability—knowing who lives next door, seeing the same children play in the street, and having a shared sense of community responsibility.

The specific issue of "party houses" is the most frequently cited nuisance. When a home is used as a short-duration rental for large groups, proponents of this ordinance claim that guests treat the property as a venue rather than a home. This leads to repeated sleep disruption, loud music, and parking congestion that hinders beach access for others.

Proponents of the Pacifica amendment argue that because STR guests change every few days, traditional enforcement is "ineffective"—by the time a complaint is filed and a police officer arrives, the guests may have already departed, only to be replaced by another group that repeats the behavior.

However, the reality is that these claims were never substantiated in any way. When AirBNB asked the city to identify “party houses,” the city sent back a single listing with substantiated reports of disruptions. AirBNB, immediately removed the listing — and of course, if the city had evidence of substantiated disruptions, they could also revoke the operator’s license. However, the city could not identify a single other offending property out of its 150 unit stock.

The fact is that most operators maintain great relationships with their neighbors and guests are exclusively families from the East Bay, Hayward, Tracy or roadtrippers driving up the California Coast and enjoying its beauty. Visitors who could not afford to stay on the coast otherwise.

From this perspective, the "community character" argument is often a veil for "NIMBYism" (Not In My Backyard), which seeks to exclude visitors from residential enclaves in violation of the Coastal Act’s democratic principles.

Environmental Justice (EJ) adds another layer of complexity to the Pacifica debate. The Commission should consider whether land-use decisions disproportionately burden marginalized communities or limit their access to coastal resources.

STRs provide the only affordable way for lower- and middle-income families to stay overnight at the coast. Capping STRs or banning unhosted stays makes a coastal vacation "financially impossible" for working-class families who cannot afford multiple $400-per-night hotel rooms.

We can attest to the fact that in the years of operating, not a single guest has brought “parties” of people. We have never had a guest misrepresent the number of people staying or visiting our property. They often tell us that they are here to escape the heat of the East Bay, visit nearby relatives or just want a couple days of fresh ocean breeze. These are not party houses. They are families enjoying the quiet of our community.

Data from the "Ceto Report" used in the Monterey County debate supports the affordability of STRs: on a per-person basis, STRs averaged $75 per night compared to $122 for hotels—a 39% cost savings. For a family of four, the ability to cook meals in an STR kitchen rather than eating out every night can save an additional $212 to $267 per day. Without these savings, many Californians are functionally barred from overnight stays at the coast, a result that conflicts with the Commission's goal of ensuring the coast "belongs to the public.”

We understand the vision of your Commission, to create maximum public access and recreational opportunities for all people. This is often interpreted as a "visitor-serving priority.”

Since the Pacifica ordinance, ignores the needs of the visiting public, eliminates almost all access and drives operators out (as it was designed to do in the words of our own Mayor), the Commission should reject the Ordinance.

This Pacifica Ordinance, in your own staff's words, is "one of the most stringent and constrained regulatory models currently under consideration in the California Coastal Zone" — all while Pacifica simply does not have adequate hotel options to make up the absence of accommodations.

Short-term rentals are a critical vehicle for achieving this mandate. Unlike traditional hotels, which are often concentrated in specific commercial corridors, STRs allow families and small groups to access residential portions of the coast at a per-person nightly rate that is frequently lower than comparable hotel stays.

We understand the dual mandate of the Commission to both protect access **and** protect neighborhood character.

In Pacifica's case, **Pacifica Homes Are Not Hotels** and the City Council's primary argument (those two groups should really be viewed as one since the council members are close friends of the PHANH's founding members) is that the "commercialization" of residential areas via STRs threatens the very community character and housing stability that make the coastal zone a viable place for both residents and visitors.

I want to be clear, our group offered multiple ways that Pacifica could further protect neighborhoods. These viable, realistic options were ignored. It's also important to realize that with a housing inventory of 15,000 homes, the 150 unit cap already accomplished this. The false claims that this is necessary to protect neighborhood character is the ultimate red herring.

While the City seeks to use its zoning power to protect housing, the Coastal Commission must ensure that such protection does not come at the expense of the public's right to access the shoreline.

The staff report for Pacifica emphasizes that the City's coastal zone is largely built out, meaning that any reduction in STR capacity cannot be easily offset by new hotel development. This "zero-sum" environment makes the Commission's decision particularly high-stakes, as every restricted STR night represents a potential loss of access for a visiting family.

Hosted vs Unhosted

The proposed amendment introduces a suite of technical restrictions that fundamentally redefine how STRs operate within Pacifica's coastal zone. These mechanics are designed to differentiate between "true home-sharing" and "commercial investment" models.

The most significant structural change is the binary distinction between hosted and unhosted stays, each with vastly different regulatory burdens.

Under the proposed rules, unhosted stays—defined as whole-house rentals where the operator is not present on the property—are restricted to a maximum of 60 nights per year. This cap is significantly lower than the 90-night minimum that the Commission has required in other jurisdictions like San Diego, and it represents a 50% reduction in potential rental nights for many existing operators. But more importantly, it drives them out of business all together as it has already started to **take a toll on members of our group.**

Additionally, I would ask each council member to honestly ask: If I were traveling with my family, do I want the owner of the house sleeping in the other room? Of course, no. Nobody prefers to travel with their family in this way.

Instead, the 60-night limit was chosen specifically to reduce the "speculative profitability" of STRs, making it financially unviable for an operator to utilize their property to regularly create access for use as a vacation rental — against the wishes of the property owner.

Unique Pacifica Variables

The City's housing market is defined by extreme supply constraints and high demand, with the median home price reaching $1.25 million in January 2026.

In this environment, every home converted to an STR is viewed by some as a home lost to a permanent resident. The lobbyist backed organization **Pacifica Homes Are Not Hotels** has been vocal in claiming that the proliferation of unhosted STRs is a direct contributor to the regional housing crisis and even homelessness. They point to studies from larger markets like Los Angeles to argue that unhosted STRs can displace thousands of residents and drive up rents for those who remain.

However, the economic reality for Pacifica's city government and local businesses is more complex. STRs generate significant revenue through the 15% TOT, with Short-term Rentals remitting approximately $2 million to the City in 2025. This revenue supports the General Fund, which pays for police, fire, and infrastructure. City Attorney Denise Bazzano warned the Council that the decision to lower the night cap from 90 to 60 would have a "direct financial impact" on the City's ability to fund these programs. The City Manager warned that if the Council passed this ordinance, then he would need to come before the council next year with a list of services he would need to cut.

Moreover, local businesses—from grocery stores to restaurants—rely on the tourism spending generated by STR guests, who are often more likely to frequent local shops than hotel guests staying in isolated commercial zones. Multiple Business advocacy groups spoke up in Council Meetings begging the council not to act so irrationally and irresponsibly.

Please Say "No" to LCP-2-PAC-25-0079-2

We can look to past rulings for guidance. In the case of Encinitas, their Ordinance with a 3-night minimum created a barrier for guests who could not afford longer stays. Commissioner Ariel Kelley argued that a three-night minimum stay creates a barrier for working-class families who can only afford a two-day weekend trip. This decision highlights the Commission's intense focus on equity: if a regulation makes it harder for a "normal" family to visit the coast, the Commission needs to demand a modification. This is clearly the case in Pacifica.

Pacifica's proposal is arguably more restrictive than San Diego, Del Mar or Encinitas because it imposes a night-based cap rather than a total-permit cap.

While Del Mar allows 129 units to operate year-round, Pacifica's proposal allows an unlimited number of unhosted units to operate but only for 60 nights each. This creates a high-churn environment where many properties may be vacant for the majority of the year, a result that Coastal Commission staff correctly questioned as a potentially inefficient use of the coastal zone's housing stock.

While the group **Pacifica Homes Are Not Hotels** will argue this was a reasonable, balanced approach that was under consideration for years, this is blatantly not true. It took years for this group, which is essentially a hotel lobbyist group (having received financial and logistical support and guidance from Better Neighbors LA – without disclosing this) to place their friends on the Council so that they could blindly approve this restrictive approach, ignoring all data and evidence and advice from City Staff to the contrary.

The Commission needs to reject this Ordinance — or at least delay a vote. Our organization needs more time to show the impact of this Ordinance that is already eliminating access outside of the Coastal Zone.

Many operators were caught flat footed with the extreme measures drafted by the City Council — a group of 5 individuals, all close friends with the organizers of **Pacifica Homes Are Not Hotels**. Some current STR Operators are trying to sell their properties (please note the large inventory of homes on the market in Pacifica that have been on market for an unusually long duration). Other Operators are desperately trying to find a working solution to these intentionally onerous regulations.

If the Commission delays voting on this, we will be able to **prove** that the Ordinance cannot reasonably be enforced in the coastal zone. While Mayor Christine Boles and the current City Council members are bent on running Pacifica into bankruptcy, potentially forcing us to shed our Police and Fire Departments, the Coastal Commission can at least protect some access to our hiking trails, coastline and local businesses struggling to survive in the climate created by Mayor Boles. A climate that is hostile to entrepreneurs, property owners and visitors.

Sincerely,

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Pacifica for Responsible Tourism
http://www.pacificatourism.org

Tourism Generates Revenue for our City, Keep Pacifica Open for Business

Attached Below: Full letter + Visitor Comments

Friday, March 6, 2026

D. Russell Jones
Pacifica for Responsible Tourism
russellj@pacificatourism.org

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Addendum I: Reviews from local STR guests in Pacifica

Below is a list of reviews from Short-term Rentals in Pacifica, where guests express their love for the tranquility of Pacifica. They emphasize that stays in Pacifica offer a unique experience that cannot be replicated in hotels. They also praise our charming shops, restaurants and businesses.

09.23
Beautiful spacious bright home and outdoor area in the center of Pacifica. All that you need for your stay was available! Comfy Beds, plenty of blankets, towels, spices to cook a meal, etc. and delish red velvet cupcakes upon arrival from host! Great hiking trails, pacific ocean a block away, and local businesses to enjoy! We were lucky to enjoy FOG FEST annual festival that has been taking place in the community for over 30 years. We will be back for sure!

09.24
Fun & relaxing stay at this cozy cottage. Xiaojing is an exceptional host...helpful, responsive & respects your privacy. Cottage has everything you need for comfy nights, movie watching, or daily sunset strolls on the pier or beach, a walk or catching Bart into San Francisco. Restaurants, markets, antique stores & golf course within walking distance. Loved our time in Pacifica! Keep doing what you are doing! Appreciate how easy you make remembering the door code & all the special touches. Your kindness & understanding & knowledge of the area were such a gift! Thank you!

12.24
We truly enjoyed our cozy stay in Pacifica. I loved walking just a block down to the ocean. My dogs and I took long walks to Mori Point and explored the numerous trails that offered breathtaking views. It was a quiet space where we could spend quality time together as a family. The house was well-equipped with kitchen utensils and small appliances, making it perfect for our needs. Overall, it was the ideal place for family time.

10.24
My dogs and I had a great stay at Albert (Xiaojing) and Russell's house. I've stayed at many Airbnb's over the years and this was the first time it felt like someone's actual home. While there were some personal items and food around, it was still thoughtfully prepared for guests and felt like I was staying at a friend's home. The homemade cookies and dog treats left for us were delicious and very welcoming. Free of clutter, clean, comfortable, and homey — with the best welcome binder I've ever seen! My dogs loved hanging out in the backyard and the location is central to some

great hiking and beaches. I appreciated that Pacifica did not feel as touristy as most Bay Area locations are.

07.24
This stay is a gem — an absolutely brilliant gem. The quiet location makes for an exceptional starting point for travels about the area. The little town is full of local coffee shops and eateries, and everything is walkable for those who can. Otherwise, it is an easy drive. The nearby hiking is superb, and strolls along the ocean are incredible. The house is spotless, bright, sunny, and full of amenities. I wholeheartedly recommend this stay.

07.24
This is the place to book if you want a beautiful atmosphere that feels safe, private and comfortable with all the amenities you could ask for and excellent hosts. Very responsive and even left homemade gluten free cookies for us on arrival, and ensured my parcels were kept safe on pre delivery for our arrival. Much better value than staying in a hotel in the city while still close enough to Uber to the sites and airport. Thank you so much for our beautiful stay.

08.24
I would highly recommend staying here. We had a great stay. The host was very responsive and kind enough to leave some homemade muffins which were absolutely delicious. The space was very clean and comfortable. All the amenities you would need inside and plenty of sights to see and things to do in walking distance from the house.

07.24
What a wonderful place! We were greated with fresh blueberry muffins. I stepped on to the back patio and could smell the salt ocean breeze. We thoroughly enjoyed the house, it was amazing and had everything we needed and more. You can walk the board walk a mile to a short hike and it's beautiful. If we're ever in the area we will definitely want to stay here again.

06.24
Love this place. It's the perfect location to really get a feel for the Pacifica life! Highly recommend the hosts too — they're so flexible and accommodating!!

06.24
We absolutely loved this place! The hosts are so accommodating and have made a highly enjoyable home for guests visiting Pacifica. The home is centrally located and steps away from the ocean. We loved riding our bikes and walking the neighborhoods. Even the neighbors were friendly!

10.24
We had a great stay at Xiaojing's place. The house was clean, comfortable, and had

all the amenities needed. It was only 5-10 min drive to the beach with Taco Bell which is a nice point to surf. Xiaojing was so kind to leave us some home-made delicious cookies and even treats for our dog! The instructions about the house were clear, and they were very responsive. The restaurant recommendations were also very helpful (tried one and liked it a lot). Definitely would love to stay there again.

05.24
my husband and I truly enjoyed our stay at Albert and Russell's place! we were in town for my graduation and they had balloons, a card, cupcakes, and flowers there to congratulate me, which was so unbelievably kind and generous! It blew me away and made me feel so special! also, the house was in a great location (you can walk to the beach, restaurants, and a corner store), extremely clean, had everything we needed to cook and keep their place clean, and the beds were the most comfortable we've ever slept in. We loved the personal touches around their house (especially the dog pictures) and after a bit, we felt like we were staying at a friends home. their communication was prompt, friendly, and warm. they let us check in early and there wasn't a lot of hassle upon check out. We come back to the bay pretty often and this will definitely be 'our home' when we come to pacifica. Thank you Albert and Russell. We will never forget how special you made our trip.

05.24
This was such a wonderful stay! Quiet, peaceful, very easy to get to the city but also really nice just to walk around Pacifica. Great, responsive, and kind hosts. Would absolutely stay again!

05.24
Such a lovely house and beautiful, peaceful location. The hosts were friendly and easy to communicate with.

03.24
A wonderful stay at this cozy, chic, and clean home. We enjoyed the walkability of the neighborhood. So many great local businesses to explore, and just a block from the ocean. The bed in the primary was soooooo comfortable. We also loved all the natural light and how kind and considerate our host was over messages.

11.23
This was by far one of the best Airbnb's I have ever stayed in. The place is clean and well stocked with amenities. The high ceilings and skylights are an added touch to make it feel comfortable and homey. The location is convenient to SF but far enough away to provide some peace and quiet. The neighborhood is great with cafes, restaurants, grocery stores and the stunning beach within walking distance. Xiaojing is a responsive, accommodating host and even made us muffins. We will definitely be back!

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What a wonderful place! We were greeted with fresh blueberry muffins. I stepped on to the back patio and could smell the salt ocean breeze. We thoroughly enjoyed the house, it was amazing and had everything we needed and more. You can walk the boardwalk a mile to a short hike and it's beautiful. If we're ever in the area we will definitely want to stay here again.

09.23
Staying at Albert and Russell's place was nothing short of amazing! They made us feel right at home and couldn't have asked for more. They even had homemade blueberry muffins upon arrival & treats for my dog! It was honestly so sweet, they really went above and beyond. The place was spotless and had everything you could ever need. Nice backyard to lounge around and the beach is walking distance about a block away. Highly recommend!!

09.23
This place was fabulous! Close to the beach, big, backyard, walked to everywhere. Had everything we needed and more. Great communication!

08.23
What a beautiful Airbnb! Super clean and beautifully decorated. So close to the beach and local restaurants! Pacifica is a treasure. We would definitely come again!

08.23
The BEST hosts hands down and a WONDERFUL spot to relax. What a special place — this was such a charming neighborhood and spotless cottage with lovely decor. The scrumptious treats Albert provided made feel right at home. This Airbnb is beautiful, comfortable and only a very short walk to the beach.

07.23
Our flights were badly (two days) delayed. Xiaojing communicated effectively and quickly, making our situation less stressful. He was kind, flexible and considerate — to the point of cooking us a meal due to the tardiness of our airline! His place is clean, tidy and well appointed. It's a pleasant and safe neighbourhood that's walking distance to amenities like groceries, cafes and restaurants. The sea is 5 mins from the doorstep. A superb host that we thought went above and beyond what's expected from a holiday rental.

07.23
Super cute house — nice and quiet neighborhood but close enough to the city! The homemade muffins were delicious and loved the guidebook for all recommendations!

07.23
This place is great. We arrived early and walked to the ocean that you can see from

the sidewalk!! Within minutes we were counting the whales. Really cool place. Easy to access everything. Hiking fishing shopping public transportation. We were able to check in an hour early. Love this place.

06.23
Spacious inside and walkable to the beach, corner store, and a bar! We had fun! also they made us muffins which were so good

06.23
This beach house was wonderful! Close to the water, plenty of shops and places to eat nearby, but still a sanctuary at the end of the day. A clean, quiet space to enjoy. Highly recommended!

05.23
We had a wonderful stay! The house was immaculately clean, cozy and super relaxing. We enjoyed both the indoor and outdoor spaces including all of the beautiful plants. Location cannot be better. Walk to ocean, stores and restaurants. The added touches of homemade muffins, games, huge tv, etc were very much appreciated. We will definitely return - the sooner, the better! Thank you Albert and Russell for providing the perfect Pacifica stay!

02.23
Wow. This place is amazing. We were greeted by the most delicious freshly baked blueberry muffins upon entering the house. The reviews are all correct. These muffins are so good, I could stay here just on these muffins alone. But the muffins are going to be a main reason why I come back. You have everything you could possibly need all in this beautifully decorated, comfortable home. It's so close to wonderful shops, restaurants, and bakeries, etc. And, the beach is also a very short walk away. We had the best girls getaway here. Albert and Russell were the best hosts we could have asked for.

11.22
Their home is just a block from the ocean and was the perfect location for leisurely strolls. There are many cafes and small shops in easy walking distance and it's only a quick 15 minute drive into the City. The home had everything we needed for a family vacation for four, with one very happy surfer among us. We will be sure to book this location again the next time we crave a vacation by the sea.

06.22
This cute little Pacifica bungalow was a pleasant surprise from its charming and modest curb appeal. An adorable little courtyard welcomes you right in. Vintage and charming pocket window pane doors open to a small guest bed off the front room. Walking further into the home, an updated bathroom offers ample toiletries. The kitchen is small, but roomy enough, and equipped with just the right amount of dishes/cups/and cooking tools with a spacious fridge. Enter the living room: Natural

light floods through the skylight and transom windows to highlight the large screen tv and stylish furniture. Lots of streaming channels/shows/movies. Really great lighting during the evenings. Easy/convenient sliding door access to the cute back deck and clean landscaping. High ceilings in the living and bedroom; bedroom also has easy access to the back area. Washer/dryer handy in the garage. Quick minute walk to a new corner convenient store, minutes away from Oceana market, Safeway, and a few restaurants. Walkable to the beach, with a direct view of the ocean waves! Pleasantly quiet neighborhood. Thanks to Albert for the fun stay!!

06.22
Russell and Albert were very welcoming and warm. Their home was cozy and very clean. The check in process was smooth and everything nicely arranged and carefully thought out. On the town itself, Pacifica is a very interesting place. It is so laid back and quiet, with seabirds circling around the beach and the pier, and yet in just 15 min drive you're in the buzzling San Francisco city. Or drive in the other direction on Hwy 1 along the coast, it's a completely different landscape. You can hike the hills, surf in the ocean, explore the lighthouse in Montara and drive all the way to Half Moon Bay. I can't recommend here more!

07.22
Great spot close to the ocean and a nice calm slower pace in Pacifica. Wonderful little house only a block away from downtown shops and places to eat. Loved my stay and would stay again.

07.22
Just great. No hassles, no surprises, no worries. Good guys all around. I would stay there again anytime. The Mexican food place they recommended, walking distance around the corner from them, was fantastic.

03.23
Love the town, love the location - walk to restaurants, the beach and all in town. The backyard and front yard is beautiful.

07.22
Albert and Russell were amazing hosts. The room was clean, really comfortable bed and they made me feel right at home. Only two blocks from the beach and some local cafe with great breakfast close by. Epic sunsets and just a really safe and relaxing neighborhood. Highly recommended if your looking for a place in Pacifica.

From:	Frank Angel
To:	Honey, Julian@Coastal; NorthCentralCoast@Coastal
Cc:	Rexing, Stephanie@Coastal
Subject:	Re LCP-2-PAC-25-0079-2
Date:	Tuesday, April 21, 2026 12:56:30 PM
Attachments:	2026-04-17-r-FINAL_Ceto_Pacifica Market Analysis.pdf

Hello Julian,

Would you kindly let me know when Pacifica's LCPA will be scheduled for hearing before the Coastal Commission, and whether staff's recommendation (hopefully) will change.

Meanwhile, I am forwarding for inclusion into the record of the Commission's proceeding on this LCPA the attached Final Market Analysis prepared by economic and coastal planning experts with Ceto Consulting. This is a detailed, data-driven study of the local (Pacifica) and regional (West San Mateo County) overnight visitor accommodation market, the findings of which fully bear out the objections to certification of the LCPA that we and our client, Pacifica for Responsible Tourism, have raised under Pacifica's LUP, CEQA and the Commission's own CEQA-implementing administrative regulations. Unless the Commission denies certification, as it should, written responses describing the disposition of each significant coastal access issue raised by Ceto and in my correspondence to the City and the Commission, including my emails from January 26, 2026, my email from January 30, 2026, and my letter from January 21, 2026 (all part of the administrative record in this LCPA proceeding), will be required. (See Public Resources Code, §§ 21080, subd. (b)(5), 21080.5, subd. (d)(2)(D), 21091, subd. (d); CEQA Guidelines, § 15088, subd. (c); Cal. Code Regs., tit. 14, §§ 13500, 13523, 13542.)

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Not everyone can afford the Ritz in Half Moon Bay, with nightly rates ranging from $750 in the off-season to over $1,000 in the summer, or, for that matter, Pacifica's Upper Upscale and Upper Midscale hotels, which represent the vast majority of the city's hotel rooms (89%).

Feel free to contact me if you have any questions or comments.

Thank you.

Frank P. Angel | O (310) 314-6433 | C (310) 924-1416
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Angel Law
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April 10, 2026 Memo
Subject: Final Economic Analysis of the Pacifica and West San Mateo County Visitor Accommodation Market

To inform the California Coastal Commission's decision on Short Term Rental (STR) restrictions in the City of Pacifica, Ceto Consulting LLC ("Ceto") conducted an economic analysis of the visitor accommodation market in the City of Pacifica and West San Mateo County (WSMC). Using a defined market area, this analysis contextualizes accommodations in Pacifica as critical to supporting coastal access across West San Mateo County, including access to remote coastal sites beyond the city limits. Pacifica functions as a primary accommodation node within a broader West San Mateo County coastal access system, supporting visitation to both local and remote coastal destinations.

Data: Ceto analyzed 2024 short-term rental (STR) listing data and 2025/2026 (through February) hotel inventory data within the designated Coastal Zone of Pacifica, as well as the entire City of Pacifica, and West San Mateo County. STR data were obtained from AirDNA and include only active properties, defined as listings with at least one listing night in 2024.[1] Hotel inventory and occupancy data were obtained from CoStar/Smith Travel Research and include hotels operating in 2025.[2] To evaluate visitation patterns and seasonal demand for coastal recreation, Ceto analyzed anonymized mobile device-derived data aggregated by Placer.ai, which estimates visitation to beaches and piers within these respective boundaries.[3] Ceto used parcel data obtained from Regrid[4], based on County Assessor

[1] AirDNA data are based on aggregated short-term rental listing information compiled from multiple online platforms. Individual property locations are spatially generalized to protect host privacy, and results are reported at aggregated levels. Data reflect active listings and estimated performance metrics and may not capture all short-term rental activity.
[2] Hotel inventory, occupancy, and rate data are derived from CoStar/Smith Travel Research and are reported in aggregated form. Data reflect participating properties and may be subject to data suppression or limited reporting in smaller markets to protect confidentiality.
[3] Placer.ai mobility data are based on anonymized and aggregated mobile device location signals. Data are de-identified and processed to ensure user privacy, with results reported only in aggregate form. Estimates are derived from a sample of devices and modeled to represent broader visitation patterns.
[4] Parcel data were obtained from Regrid and reflect aggregated assessor parcel records compiled from local jurisdictions. Data are standardized and may include updates or modifications for consistency; parcel attributes

records, along with publicly available real estate data to evaluate the role of STRs in the broader housing market.

Key Findings:

Pacifica serves as a primary source of overnight accommodations within West San Mateo County and plays a critical role in supporting coastal access, including access to remote sites beyond the city limits. This role is reinforced by the Highway 1 and Highway 92 corridors, which connect Pacifica to other coastal destinations such as Half Moon Bay and enable regional visitor movement along the coast. Because STRs provide the majority of capacity and a disproportionate share of lower-cost options, restrictions would likely reduce coastal access and affordability, with implications under Coastal Act Section 30213.

- **STRs represent the dominant source of accommodation capacity and a primary source of relatively lower-cost coastal access.** In Pacifica, STRs provide 77% of total visitor capacity, and 61% across West San Mateo County (WSMC), making them central to overnight access. STRs are more affordable than hotels and provide most lower-cost options. Average per-person ADRs are significantly lower for STRs ($76) than hotels ($191), with 36% of STRs in WSMC meeting the state's "affordable" threshold, and over 50% of STRs in Pacifica.
- **The market is supply-constrained, with persistent high occupancy.** Hotels (67%) and STRs (66%) operate at elevated occupancy levels, exceeding industry equilibrium thresholds and indicating insufficient supply, particularly during peak seasons. Reducing STR supply would severely constrain capacity and increase prices. Given limited hotel inventory and already high occupancy, STRs play a critical role in absorbing demand and moderating price pressure.
- **STRs are a small share of the housing stock and unlikely to drive housing affordability issues.** STRs represent 4–5% of residential properties, compared to 24% identified as second homes or investment properties.

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such as ownership and mailing address are derived from public records and may contain reporting lags or inaccuracies.

Supply and Demand for Overnight Accommodation: Pacifica

Ceto's analysis of hotel and STR data found that as a result of the limited hotel stock, STRs provide the majority of overnight accommodation capacity within the City of Pacifica, accounting for 74% of all rooms and 77% of total capacity. There are eight operational hotels or motels in the City of Pacifica, which provide only 23% of the total room capacity, as shown in Table 1. **Therefore, abolishing all STRs would eliminate most overnight occupancy capacity and constrain the market.**

- Pacifica has 368 active STRs with 925 total rooms and maximum capacity for 2,386 visitors.
    - 143 listings in the Coastal Zone provided 32% of STR capacity in Pacifica, or 25% of total capacity in West San Mateo County.
    - The vast majority of listings (94% in Pacifica's Coastal Zone and 89% in the city as a whole) are unhosted.
- The City of Pacifica has only eight hotels/motels with 317 total rooms, according to CoStar. Because the hotel market is so small, and to protect privileged business information, CoStar does not provide detailed rate and occupancy data for smaller markets; hotel information is limited to the number of hotels and number of rooms.

Table 1: Supply of overnight accommodations in the City of Pacifica, 2024–2025. Source: AirDNA 2024 data on active STR listings (≥1 listed night); CoStar/Smith Travel Research 2025/26 data on operating hotels within the city limits. Notes: ***Hotel capacity*** *is estimated using 2.2 persons per occupied room.* ***STR capacity*** *reflects maximum guest occupancy as reported in AirDNA listing data.* ***Percent of total capacity*** *reflects total estimated overnight visitor capacity within Pacifica.*

Lodging Type	***Number***	***Number of Rooms***	***Capacity***	***Percent of Total Capacity***
Hotels	8	317	697	23%
All Active Strs in Pacifica	368	925	2,386	77%
Active STRs in Coastal Zone	143	323	772	25%
Total	**-**	**1,239**	**3,083**	**-**

Supply and Demand for Overnight Accommodation: West San Mateo County

To contextualize Pacifica's hotels and STRs within a broader visitor accommodation market, Ceto examined the entirety of West San Mateo County (WSMC), defined as the area on the leeward side of the coastal mountains, including the communities of Pacifica, Montara, Moss Beach, El Granada, and Half Moon Bay. Many of these are small, unincorporated communities located along Highway 1 with limited development and very few hotels. Only Pacifica and Half Moon Bay have substantial visitor-serving capacity and therefore provide accommodations and services for visitors accessing coastal sites throughout WSMC.

Given the linear, corridor-based nature of coastal access in West San Mateo County, the relevant market for overnight accommodations extends along the Highway 1 corridor, which connects these communities and provides access to numerous coastal recreation sites. Defining the market at this scale allows for a more complete assessment of accommodation supply, occupancy patterns, and the ability of traditional lodging to meet visitor demand.

Ceto examined hotels and STRs throughout West San Mateo County (WSMC), including the cities of Pacifica of Half Moon Bay. These data are representative of the broader regional market and are not limited to the Coastal Zone. The market area includes 28 hotels and 749 active STR listings. In the wider market, STRs account for 61% of total overnight capacity. Of the active STRs, 49% are located in the City of Pacifica. These listings provide 52% of total STR capacity (and 32% of total visitor capacity) in WSMC. As in Pacifica, the vast majority of STR listings in WSMC are unhosted.

Table 2: Supply of overnight accommodations in West San Mateo County, 2024–2025. Source: AirDNA 2024 data on active STR listings (≥1 listed night); CoStar/Smith Travel Research 2025 data on operating hotels within the city limits. Notes: ***Hotel capacity*** *is estimated using 2.2 persons per occupied room.* ***STR capacity*** *reflects maximum guest occupancy as reported in AirDNA listing data.* ***Percent of total capacity*** *reflects total estimated overnight visitor capacity within West San Mateo County.*

Lodging Type	***Number***	***Number of Rooms***	***Capacity***	***Percent of Total***
Hotels	28	1,329	2,924	39%
Active STRs	749	1,774	4,512	61%
Total	**777**	**3,103**	**7,436**	**100%**

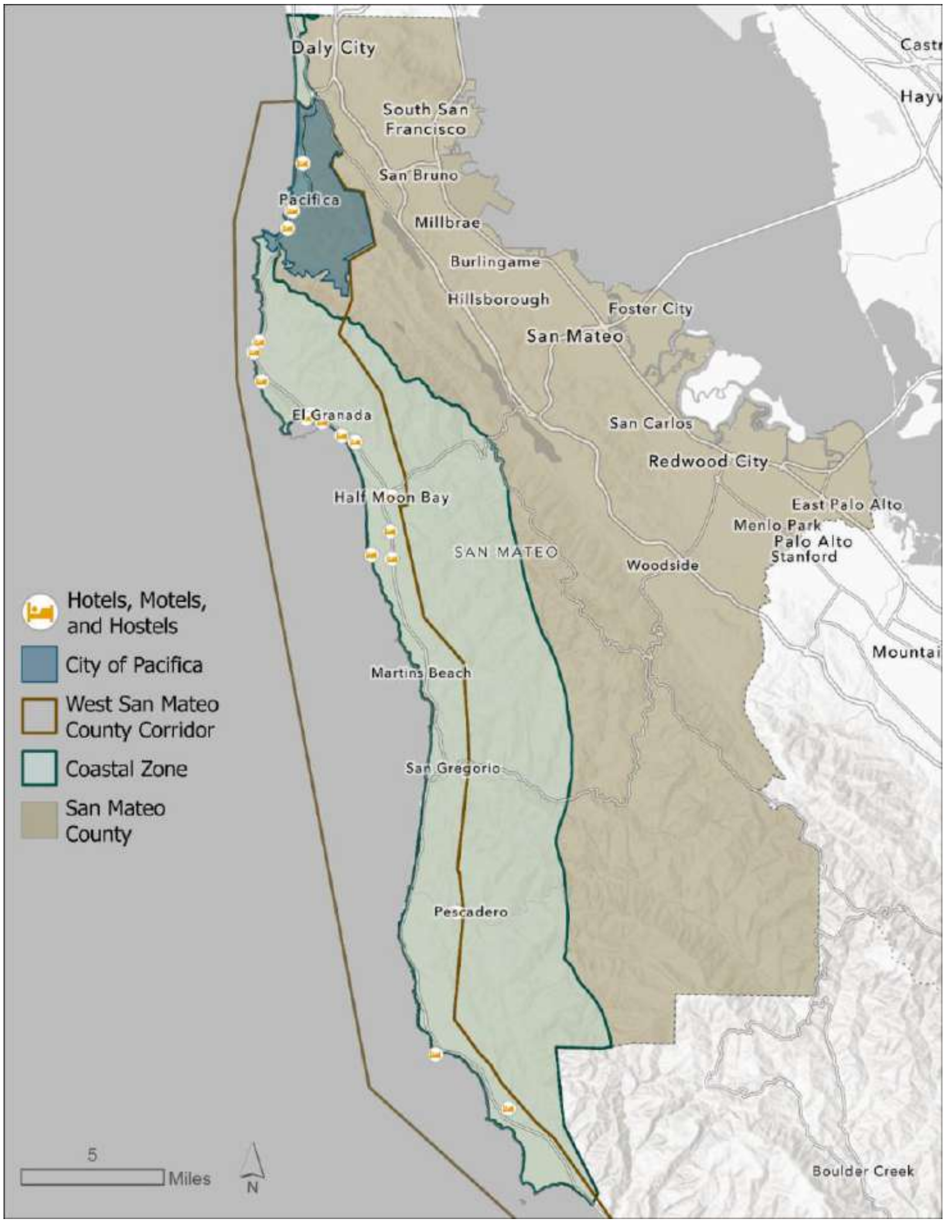

Figure 1. Distribution of visitor-serving accommodations in West San Mateo County and the Pacifica Coastal Zone. Locations of hotels, motels, and hostels across West San Mateo County, including the City of Pacifica, Half Moon Bay, and surrounding coastal communities. Pacifica is shown within the broader Highway 1 coastal corridor, illustrating its role as a primary source of overnight accommodation supporting access to coastal recreation sites throughout the region. Coastal Zone and jurisdictional boundaries are shown for reference.

Strained Accommodation Supply

Occupancy data for hotels and STRs indicates a strained accommodation market with insufficient supply, resulting in upward price pressure. The last five years of available data show that hotels in WSMC operate at high occupancy levels, averaging 67% annually, higher than the national average occupancy rate (63%). Due to the predominance of STRs in the market, reducing STR supply would further constrain available inventory and increase average daily rates (ADRs) across the entire West San Mateo County region.

- In June through October 2025, hotel occupancy was over 70% each month with August and October having the highest occupancy rates at approximately 75%.

An occupancy rate near or above 70% is generally considered indicative of a constrained lodging market and exceeds the 2024 national average of 62.9%. At elevated occupancy levels, average daily rates (ADRs) increase in response to limited supply, with pricing pressure intensifying as occupancy rises above typical equilibrium ranges (approximately 60–65%).[5]

Occupancy data for STRs indicate similarly constrained conditions in West San Mateo County, particularly during peak seasons. AirDNA data show an average annual STR occupancy rate of approximately 66%, comparable to hotels, with both sectors experiencing pronounced seasonal increases during the summer and early fall. These patterns indicate that existing STR supply is not sufficient to fully absorb peak-period demand.

- In August, occupancy averages over 80% in Pacifica and West San Mateo County; August and October are above 70%.

Flexible STR supply can alleviate upward pricing pressure by absorbing demand that would otherwise be borne by a constrained hotel market. AirDNA data shows a moderate increase of 96 STR listings (+13%) in the summer months in West San Mateo County compared to winter lows. Persistent high occupancy rates and commensurate increases in ADRs, however, the data suggest that additional STR availability during peak months may help alleviate price pressures and promote affordability.

Seasonal Operations & Operation Scale

Ceto examined the characteristics of STR operation in WSMC and found relatively low annual utilization across STRs, focused on peak-season supply. On average, West San Mateo County STRs are listed for 195 nights per year. Over 30% of STRs are listed for fewer than 80 nights per year, with half listed 180 nights or less annually.

- Unhosted STRs account for almost 89% of STRs in Pacifica and West San Mateo County and 94% in Pacifica's coastal zone.
- During peak summer months (July), occupancy averages 81% for unhosted listings compared to 71% for hosted listings.

The prevalence of limited listing activity indicates that a substantial portion of STR supply represents part-time participation in the lodging market rather than permanent conversion to hotel-equivalent use. Small-time hosts with only one listing account for 71% of hosts in WSMC and 70% of hosts in Pacifica

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[5] See American Hotel & Lodging Association (2024), *State of the Industry Report*, and Denton, G. and Sandstrom, J. (2021), *The Influence of Occupancy Change on Hotel Market Equilibrium*, *Cornell Hospitality Quarterly*, 62(4), pp. 426–437.

and manage about 30% of all properties. Overall, 92.5% of all hosts list fewer than five properties, with only 24 individuals operating more than five listings in WSMC.

The available data do not distinguish between property *owners* and professional managers acting on behalf of third-party owners. Some of these hosts may be property managers for multiple property owners who do not live full-time in the area. Many small operators prefer to use a property manager to navigate the regulatory environment and deal with tenants. Property managers may be local businesses or entrepreneurs. Parcel data records do *not* show a high concentration of ownership, as over 96% of all owners have a sole property in the WSMC study area.

Visitor Demand for Coastal Access

The most recent detailed study of Coastal Access to West San Mateo County was conducted by Fehr and Peers in 2015.[6] This study[7] estimated attendance at numerous coastal recreation sites in West San Mateo County; precisely the sites that overnight visitors to Pacifica and the broader market area would visit. The Fehr and Peers study focuses on the impact of parking constraints on coastal access and forecasts demand for coastal access through 2030 and 2040 based on County and State demographics. This study estimated that the growth in visitor demand between 4 and 6 per cent per year for most sites. Notably, Pacifica State Beach is *not* included in the study, therefore estimates are likely low for total visitation. Table 3 summarizes their forecast of visitor demand for key coastal sites in WSMC.

Table 3: ***Projected coastal visitation to key recreation sites in West San Mateo County (2030 and 2040).*** *Low and high visitation projections (annual visits) for selected coastal access locations, based on modeled demand under varying growth and access conditions. These projections provide a baseline for understanding future coastal visitation pressure and the corresponding need for overnight accommodation within the regional coastal access system.*

	2030 Low	**2030 High**	**2040 Low**	**2040 High**
Devil's Slide	462,000	919,000	509,000	1,600,000
Gray Whale	41,000	80,000	44,000	127,000
Montara State Beach	90,000	103,000	97,000	120,000
Point Montara	33,000	70,000	35,000	115,000
Fitzgerald Marine Reserve	182,500	182,500	182,500	182,500
Mirada	227,000	381,000	245,000	568,000
Ranch Coral	440,000	531,000	484,000	666,000

[6] The primary recent study of visitation to San Mateo County is by Dean Runyan. Unfortunately, this study examines the entirety of San Mateo County including The San Francisco Airport (located in San Mateo County and many developed cities such as San Mateo, Foster City, Redwood City and Redwood Shores, Palo Alto, etc. Which would swamp vastation to West San Mateo County.

[7] Fear and Peers San Mateo County Coastside Access Study, April 2015.https://static1.squarespace.com/static/613d069a1c250f668bd42feb/t/613d07104d65b107fd322773/1441845229323/2015-04-Coastside-Pkg-Access-FINAL.pdf

Quarry Wicklow	95,000	122,000	102,000	162,000
Total	**1,570,500**	**2,388,500**	**1,698,500**	**3,540,500**

The Fehr and Peers forecast for 2030 is consistent with 2025 anonymized cell-phone-derived visitation data, which estimates approximately 1.8 million annual visits to all of WSMC's beaches, and 1.3 million annual visits to the beaches within the City of Pacifica. Approximately 15%(270,000) of the visits to WSMCC originate from more than 150 miles of the destination and therefore are likely to correspond to overnight visits, based on travel distance thresholds commonly used in mobility data analysis. In Pacifica alone, 10% of all visits are likely to be overnight stays based on travel distance.

Anonymized cell-phone-derived visitation data also show seasonal variation in coastal visitation, with three times as many monthly visits in July as December. The summer season (June through August) accounts for 37% of all beach visits and 28% of all expected overnight visits (visits with a travel distance over 150 miles) in WSMC.

- Pacifica has a more moderate seasonal variation than WSMC overall, although summer is also the high season, with 35% of all visits occurring in June, July, and August. Demand is more consistent throughout the year, and the proportion of overnight visits remains low.

In WSMC, and Pacifica to a lesser extent, seasonal increase suggests higher demand for overnight accommodation during peak beach visitation months, particularly in July and early August. Hotel and motel lodging supply is fixed and therefore has no ability to absorb this significant seasonal surge in demand.

Impacts on Access & Affordability

As STRs make up the majority of accommodation in WSMC and Pacifica, they provide the majority of coastal access. Without STRs, there would not be enough capacity to accommodate overnight visitor demand during peak season. Furthermore, STRs are also more affordable than hotels. The average ADR per person for STRs in West San Mateo County in 2024 is $75.88. The median is $67.44. The average daily rate per hotel room in 2025 was $421; assuming 2.2 people per room, this implies a cost per visitor per night of $191. Furthermore, the Ritz Carlton in Half Moon Bay accounts for approximately 20% of all the hotel rooms in the market area. Nightly rates for the Ritz Carlton range from $750 in the off-season to over $1,000 in the summer.

- In West San Mateo County in 2024, approximately 35.88% of STR listings have an ADR per person below $57, which meets the "Affordable" standard defined using the California Coastal Conservancy's Lower Cost Coastal Accommodation threshold, set at 75% of the statewide average daily rate (ADR).

Properties in Pacifica provide a disproportionate share of affordable options in WSMC. The average ADR per person for STRs in Pacifica in 2024 is $63.04. The median is $56.41. In Pacifica in 2024, approximately 50.7% of STR listings were "affordable" with an ADR per person below $57 per person.

ADRs are not available for hotels in Pacifica due to the small number of operators, however, 76% of hotel rooms are provided by Upper Midscale hotels, with an additional 13% by Upper Upscale hotels.

In addition to lower comparatively lower rates on average, many STRs offer the option of preparing meals, which may reduce food expenditure, particularly for longer stays. U.S. General Services Administration (GSA) meals and incidental expenses (M&IE) per diem rate for San Mateo is $86 per person per day, reflecting typical daily meal expenditures for business travel (dining out).

Potential Housing Market Effects

WSMC is made up of a number of small coastal communities, with relatively expensive housing markets. In Pacifica, the median home price is approximately $1.2 million, and in Half Moon Bay the median sale price is $1.59 million, according to Zillow. As STRs make up an extremely small proportion of all addresses (4.7%), especially in comparison to second homes or investment properties (24%), it is unlikely that STRs are a major factor in determining the affordability of properties in WSMC or in Pacifica. The 749 STRs in the WSMC make up 4.7% of the 15,988 residential properties in the area. The 368 active STRs in Pacifica make up 4% of the 9,399 residential properties in the City.

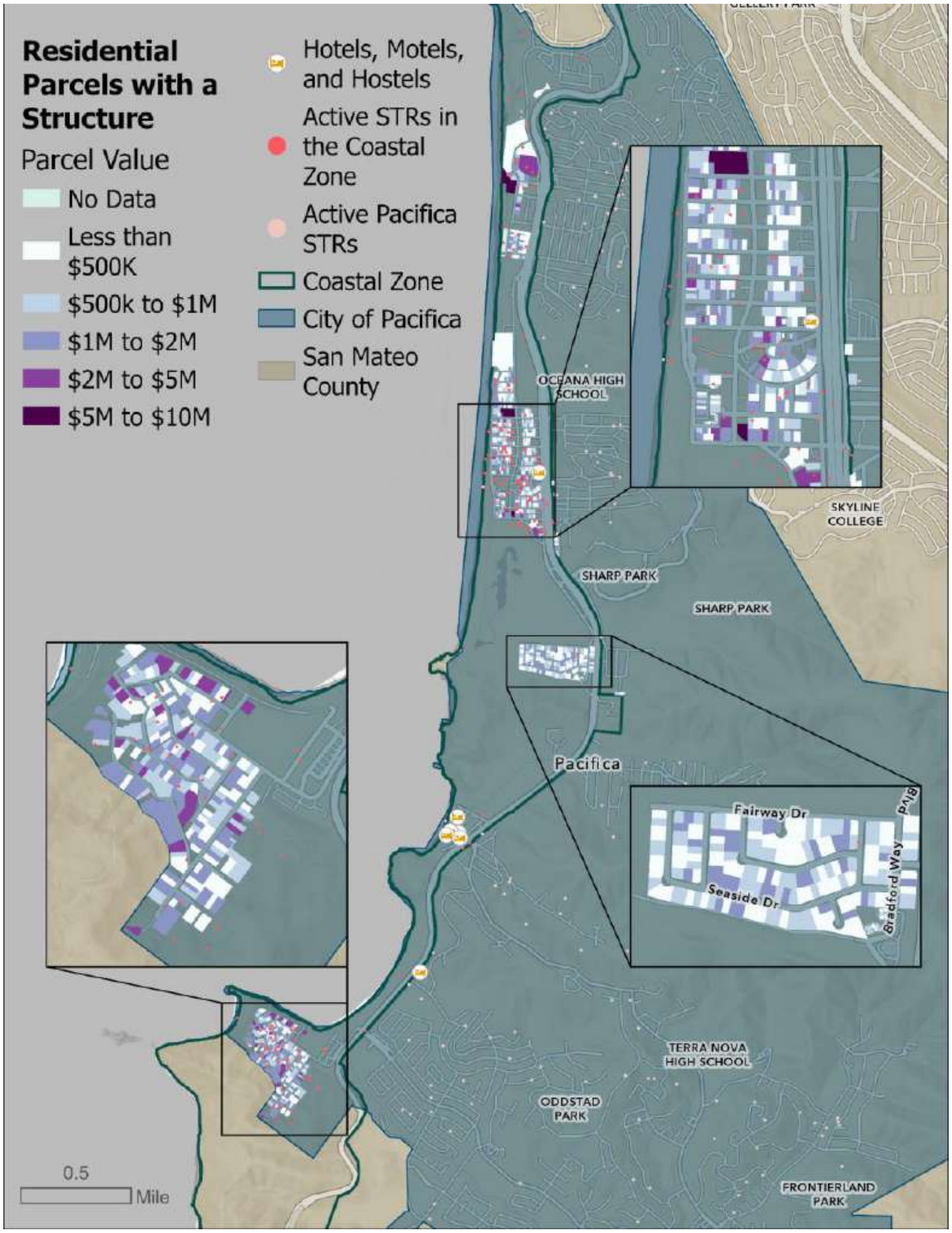

Figure 2. Spatial distribution of short-term rentals, traditional lodging, and residential parcel values in the City of Pacifica and Coastal Zone. Map showing the distribution of active short-term rentals (STRs) within the Coastal Zone and across the City of Pacifica, along with hotels, motels, and hostels, in relation to residential parcels classified by assessed value. STRs are distributed throughout residential areas across a range of property values, indicating that STR activity occurs within an already high-value housing market rather than being concentrated in lower-value neighborhoods. Insets highlight representative neighborhoods within the Coastal Zone and City for finer-scale comparison. Boundaries for the Coastal Zone, City of Pacifica, and San Mateo County are shown for reference. Note: STR locations are spatially generalized to preserve privacy and represent approximate rather than parcel-level locations.

Second homes and investment properties make up a larger share of the market and are likely to contribute more to the lack of affordability. While 96.6% of all owners in WSMC have a single residential property in the area, 24% of all residential addresses have a different mailing address than the property address. This may indicate the property is a second home or investment property. In WSMC *excluding Pacifica*, 39% properties are registered to another address. In Pacifica there are fewer potential investment properties, with 25% of Coastal Zone properties registered to a different address, and only 13% of inland properties.

These findings describe current market conditions and projected supply effects. They do not opine on policy choices but identify economic considerations relevant to Coastal Act review. Section 30213 requires the protection and provision of lower-cost visitor-serving accommodations to support public access to the coast. Reductions in STR supply within the Coastal Zone therefore warrant careful consideration in light of these statutory objectives.

Thank you.

Sarah Jenkins, Dr. Nate Merrill, Dr. Phil King, Dr. Kiki Patsch, Ceto Consulting, LLC.

Honey, Julian@Coastal

From:	Frank Angel <fangel@angellaw.com>
Sent:	Tuesday, April 21, 2026 12:56 PM
To:	Honey, Julian@Coastal; NorthCentralCoast@Coastal
Cc:	Rexing, Stephanie@Coastal
Subject:	Re LCP-2-PAC-25-0079-2
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Feel free to contact me if you have any questions or comments.

Thank you.

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Subject: Final Economic Analysis of the Pacifica and West San Mateo County Visitor Accommodation Market

To inform the California Coastal Commission's decision on Short Term Rental (STR) restrictions in the City of Pacifica, Ceto Consulting LLC ("Ceto") conducted an economic analysis of the visitor accommodation market in the City of Pacifica and West San Mateo County (WSMC). Using a defined market area, this analysis contextualizes accommodations in Pacifica as critical to supporting coastal access across West San Mateo County, including access to remote coastal sites beyond the city limits. Pacifica functions as a primary accommodation node within a broader West San Mateo County coastal access system, supporting visitation to both local and remote coastal destinations.

Data: Ceto analyzed 2024 short-term rental (STR) listing data and 2025/2026 (through February) hotel inventory data within the designated Coastal Zone of Pacifica, as well as the entire City of Pacifica, and West San Mateo County. STR data were obtained from AirDNA and include only active properties, defined as listings with at least one listing night in 2024.[1] Hotel inventory and occupancy data were obtained from CoStar/Smith Travel Research and include hotels operating in 2025.[2] To evaluate visitation patterns and seasonal demand for coastal recreation, Ceto analyzed anonymized mobile device-derived data aggregated by Placer.ai, which estimates visitation to beaches and piers within these respective boundaries.[3] Ceto used parcel data obtained from Regrid[4], based on County Assessor

[1] AirDNA data are based on aggregated short-term rental listing information compiled from multiple online platforms. Individual property locations are spatially generalized to protect host privacy, and results are reported at aggregated levels. Data reflect active listings and estimated performance metrics and may not capture all short-term rental activity.

[2] Hotel inventory, occupancy, and rate data are derived from CoStar/Smith Travel Research and are reported in aggregated form. Data reflect participating properties and may be subject to data suppression or limited reporting in smaller markets to protect confidentiality.

[3] Placer.ai mobility data are based on anonymized and aggregated mobile device location signals. Data are de-identified and processed to ensure user privacy, with results reported only in aggregate form. Estimates are derived from a sample of devices and modeled to represent broader visitation patterns.

[4] Parcel data were obtained from Regrid and reflect aggregated assessor parcel records compiled from local jurisdictions. Data are standardized and may include updates or modifications for consistency; parcel attributes

records, along with publicly available real estate data to evaluate the role of STRs in the broader housing market.

Key Findings:

Pacifica serves as a primary source of overnight accommodations within West San Mateo County and plays a critical role in supporting coastal access, including access to remote sites beyond the city limits. This role is reinforced by the Highway 1 and Highway 92 corridors, which connect Pacifica to other coastal destinations such as Half Moon Bay and enable regional visitor movement along the coast. Because STRs provide the majority of capacity and a disproportionate share of lower-cost options, restrictions would likely reduce coastal access and affordability, with implications under Coastal Act Section 30213.

- **STRs represent the dominant source of accommodation capacity and a primary source of relatively lower-cost coastal access.** In Pacifica, STRs provide 77% of total visitor capacity, and 61% across West San Mateo County (WSMC), making them central to overnight access. STRs are more affordable than hotels and provide most lower-cost options. Average per-person ADRs are significantly lower for STRs ($76) than hotels ($191), with 36% of STRs in WSMC meeting the state's "affordable" threshold, and over 50% of STRs in Pacifica.
- **The market is supply-constrained, with persistent high occupancy.** Hotels (67%) and STRs (66%) operate at elevated occupancy levels, exceeding industry equilibrium thresholds and indicating insufficient supply, particularly during peak seasons. Reducing STR supply would severely constrain capacity and increase prices. Given limited hotel inventory and already high occupancy, STRs play a critical role in absorbing demand and moderating price pressure.
- **STRs are a small share of the housing stock and unlikely to drive housing affordability issues.** STRs represent 4–5% of residential properties, compared to 24% identified as second homes or investment properties.

such as ownership and mailing address are derived from public records and may contain reporting lags or inaccuracies.

Supply and Demand for Overnight Accommodation: Pacifica

Ceto's analysis of hotel and STR data found that as a result of the limited hotel stock, STRs provide the majority of overnight accommodation capacity within the City of Pacifica, accounting for 74% of all rooms and 77% of total capacity. There are eight operational hotels or motels in the City of Pacifica, which provide only 23% of the total room capacity, as shown in Table 1. **Therefore, abolishing all STRs would eliminate most overnight occupancy capacity and constrain the market.**

- Pacifica has 368 active STRs with 925 total rooms and maximum capacity for 2,386 visitors.
    - 143 listings in the Coastal Zone provided 32% of STR capacity in Pacifica, or 25% of total capacity in West San Mateo County.
    - The vast majority of listings (94% in Pacifica's Coastal Zone and 89% in the city as a whole) are unhosted.
- The City of Pacifica has only eight hotels/motels with 317 total rooms, according to CoStar. Because the hotel market is so small, and to protect privileged business information, CoStar does not provide detailed rate and occupancy data for smaller markets; hotel information is limited to the number of hotels and number of rooms.

Table 1: Supply of overnight accommodations in the City of Pacifica, 2024–2025. Source: AirDNA 2024 data on active STR listings (≥1 listed night); CoStar/Smith Travel Research 2025/26 data on operating hotels within the city limits. Notes: ***Hotel capacity*** *is estimated using 2.2 persons per occupied room.* ***STR capacity*** *reflects maximum guest occupancy as reported in AirDNA listing data.* ***Percent of total capacity*** *reflects total estimated overnight visitor capacity within Pacifica.*

Lodging Type	*Number*	*Number of Rooms*	*Capacity*	*Percent of Total Capacity*
Hotels	8	317	697	23%
All Active Strs in Pacifica	368	925	2,386	77%
Active STRs in Coastal Zone	143	323	772	25%
Total	-	**1,239**	**3,083**	-

Supply and Demand for Overnight Accommodation: West San Mateo County

To contextualize Pacifica's hotels and STRs within a broader visitor accommodation market, Ceto examined the entirety of West San Mateo County (WSMC), defined as the area on the leeward side of the coastal mountains, including the communities of Pacifica, Montara, Moss Beach, El Granada, and Half Moon Bay. Many of these are small, unincorporated communities located along Highway 1 with limited development and very few hotels. Only Pacifica and Half Moon Bay have substantial visitor-serving capacity and therefore provide accommodations and services for visitors accessing coastal sites throughout WSMC.

Given the linear, corridor-based nature of coastal access in West San Mateo County, the relevant market for overnight accommodations extends along the Highway 1 corridor, which connects these communities and provides access to numerous coastal recreation sites. Defining the market at this scale allows for a more complete assessment of accommodation supply, occupancy patterns, and the ability of traditional lodging to meet visitor demand.

Ceto examined hotels and STRs throughout West San Mateo County (WSMC), including the cities of Pacifica of Half Moon Bay. These data are representative of the broader regional market and are not limited to the Coastal Zone. The market area includes 28 hotels and 749 active STR listings. In the wider market, STRs account for 61% of total overnight capacity. Of the active STRs, 49% are located in the City of Pacifica. These listings provide 52% of total STR capacity (and 32% of total visitor capacity) in WSMC. As in Pacifica, the vast majority of STR listings in WSMC are unhosted.

Table 2: Supply of overnight accommodations in West San Mateo County, 2024–2025. Source: AirDNA 2024 data on active STR listings (≥1 listed night); CoStar/Smith Travel Research 2025 data on operating hotels within the city limits. Notes: ***Hotel capacity*** *is estimated using 2.2 persons per occupied room.* ***STR capacity*** *reflects maximum guest occupancy as reported in AirDNA listing data.* ***Percent of total capacity*** *reflects total estimated overnight visitor capacity within West San Mateo County.*

Lodging Type	***Number***	***Number of Rooms***	***Capacity***	***Percent of Total***
Hotels	28	1,329	2,924	39%
Active STRs	749	1,774	4,512	61%
Total	**777**	**3,103**	**7,436**	**100%**

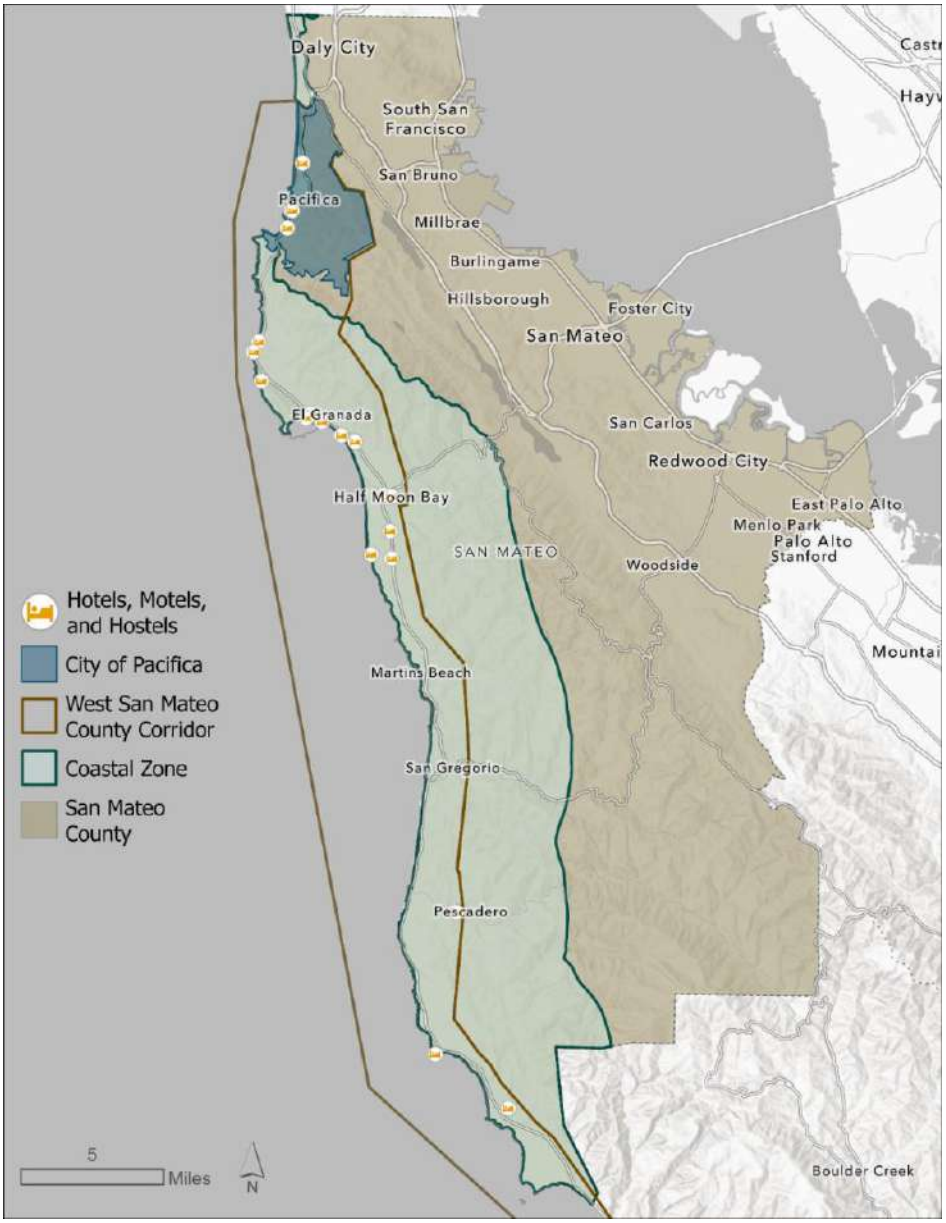

Figure 1. Distribution of visitor-serving accommodations in West San Mateo County and the Pacifica Coastal Zone. Locations of hotels, motels, and hostels across West San Mateo County, including the City of Pacifica, Half Moon Bay, and surrounding coastal communities. Pacifica is shown within the broader Highway 1 coastal corridor, illustrating its role as a primary source of overnight accommodation supporting access to coastal recreation sites throughout the region. Coastal Zone and jurisdictional boundaries are shown for reference.

Strained Accommodation Supply

Occupancy data for hotels and STRs indicates a strained accommodation market with insufficient supply, resulting in upward price pressure. The last five years of available data show that hotels in WSMC operate at high occupancy levels, averaging 67% annually, higher than the national average occupancy rate (63%). Due to the predominance of STRs in the market, reducing STR supply would further constrain available inventory and increase average daily rates (ADRs) across the entire West San Mateo County region.

- In June through October 2025, hotel occupancy was over 70% each month with August and October having the highest occupancy rates at approximately 75%.

An occupancy rate near or above 70% is generally considered indicative of a constrained lodging market and exceeds the 2024 national average of 62.9%. At elevated occupancy levels, average daily rates (ADRs) increase in response to limited supply, with pricing pressure intensifying as occupancy rises above typical equilibrium ranges (approximately 60–65%).[5]

Occupancy data for STRs indicate similarly constrained conditions in West San Mateo County, particularly during peak seasons. AirDNA data show an average annual STR occupancy rate of approximately 66%, comparable to hotels, with both sectors experiencing pronounced seasonal increases during the summer and early fall. These patterns indicate that existing STR supply is not sufficient to fully absorb peak-period demand.

- In August, occupancy averages over 80% in Pacifica and West San Mateo County; August and October are above 70%.

Flexible STR supply can alleviate upward pricing pressure by absorbing demand that would otherwise be borne by a constrained hotel market. AirDNA data shows a moderate increase of 96 STR listings (+13%) in the summer months in West San Mateo County compared to winter lows. Persistent high occupancy rates and commensurate increases in ADRs, however, the data suggest that additional STR availability during peak months may help alleviate price pressures and promote affordability.

Seasonal Operations & Operation Scale

Ceto examined the characteristics of STR operation in WSMC and found relatively low annual utilization across STRs, focused on peak-season supply. On average, West San Mateo County STRs are listed for 195 nights per year. Over 30% of STRs are listed for fewer than 80 nights per year, with half listed 180 nights or less annually.

- Unhosted STRs account for almost 89% of STRs in Pacifica and West San Mateo County and 94% in Pacifica's coastal zone.
- During peak summer months (July), occupancy averages 81% for unhosted listings compared to 71% for hosted listings.

The prevalence of limited listing activity indicates that a substantial portion of STR supply represents part-time participation in the lodging market rather than permanent conversion to hotel-equivalent use. Small-time hosts with only one listing account for 71% of hosts in WSMC and 70% of hosts in Pacifica

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[5] See American Hotel & Lodging Association (2024), *State of the Industry Report*, and Denton, G. and Sandstrom, J. (2021), *The Influence of Occupancy Change on Hotel Market Equilibrium*, *Cornell Hospitality Quarterly*, 62(4), pp. 426–437.

and manage about 30% of all properties. Overall, 92.5% of all hosts list fewer than five properties, with only 24 individuals operating more than five listings in WSMC.

The available data do not distinguish between property *owners* and professional managers acting on behalf of third-party owners. Some of these hosts may be property managers for multiple property owners who do not live full-time in the area. Many small operators prefer to use a property manager to navigate the regulatory environment and deal with tenants. Property managers may be local businesses or entrepreneurs. Parcel data records do *not* show a high concentration of ownership, as over 96% of all owners have a sole property in the WSMC study area.

Visitor Demand for Coastal Access

The most recent detailed study of Coastal Access to West San Mateo County was conducted by Fehr and Peers in 2015.[6] This study[7] estimated attendance at numerous coastal recreation sites in West San Mateo County; precisely the sites that overnight visitors to Pacifica and the broader market area would visit. The Fehr and Peers study focuses on the impact of parking constraints on coastal access and forecasts demand for coastal access through 2030 and 2040 based on County and State demographics. This study estimated that the growth in visitor demand between 4 and 6 per cent per year for most sites. Notably, Pacifica State Beach is *not* included in the study, therefore estimates are likely low for total visitation. Table 3 summarizes their forecast of visitor demand for key coastal sites in WSMC.

Table 3: ***Projected coastal visitation to key recreation sites in West San Mateo County (2030 and 2040).*** *Low and high visitation projections (annual visits) for selected coastal access locations, based on modeled demand under varying growth and access conditions. These projections provide a baseline for understanding future coastal visitation pressure and the corresponding need for overnight accommodation within the regional coastal access system.*

	2030 Low	**2030 High**	**2040 Low**	**2040 High**
Devil's Slide	462,000	919,000	509,000	1,600,000
Gray Whale	41,000	80,000	44,000	127,000
Montara State Beach	90,000	103,000	97,000	120,000
Point Montara	33,000	70,000	35,000	115,000
Fitzgerald Marine Reserve	182,500	182,500	182,500	182,500
Mirada	227,000	381,000	245,000	568,000
Ranch Coral	440,000	531,000	484,000	666,000

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[6] The primary recent study of visitation to San Mateo County is by Dean Runyan. Unfortunately, this study examines the entirety of San Mateo County including The San Francisco Airport (located in San Mateo County and many developed cities such as San Mateo, Foster City, Redwood City and Redwood Shores, Palo Alto, etc. Which would swamp vastation to West San Mateo County.

[7] Fear and Peers San Mateo County Coastside Access Study, April 2015.https://static1.squarespace.com/static/613d069a1c250f668bd42feb/t/613d07104d65b107fd322773/1441845229323/2015-04-Coastside-Pkg-Access-FINAL.pdf

Quarry Wicklow	95,000	122,000	102,000	162,000
Total	**1,570,500**	**2,388,500**	**1,698,500**	**3,540,500**

The Fehr and Peers forecast for 2030 is consistent with 2025 anonymized cell-phone-derived visitation data, which estimates approximately 1.8 million annual visits to all of WSMC's beaches, and 1.3 million annual visits to the beaches within the City of Pacifica. Approximately 15%(270,000) of the visits to WSMCC originate from more than 150 miles of the destination and therefore are likely to correspond to overnight visits, based on travel distance thresholds commonly used in mobility data analysis. In Pacifica alone, 10% of all visits are likely to be overnight stays based on travel distance.

Anonymized cell-phone-derived visitation data also show seasonal variation in coastal visitation, with three times as many monthly visits in July as December. The summer season (June through August) accounts for 37% of all beach visits and 28% of all expected overnight visits (visits with a travel distance over 150 miles) in WSMC.

- Pacifica has a more moderate seasonal variation than WSMC overall, although summer is also the high season, with 35% of all visits occurring in June, July, and August. Demand is more consistent throughout the year, and the proportion of overnight visits remains low.

In WSMC, and Pacifica to a lesser extent, seasonal increase suggests higher demand for overnight accommodation during peak beach visitation months, particularly in July and early August. Hotel and motel lodging supply is fixed and therefore has no ability to absorb this significant seasonal surge in demand.

Impacts on Access & Affordability

As STRs make up the majority of accommodation in WSMC and Pacifica, they provide the majority of coastal access. Without STRs, there would not be enough capacity to accommodate overnight visitor demand during peak season. Furthermore, STRs are also more affordable than hotels. The average ADR per person for STRs in West San Mateo County in 2024 is $75.88. The median is $67.44. The average daily rate per hotel room in 2025 was $421; assuming 2.2 people per room, this implies a cost per visitor per night of $191. Furthermore, the Ritz Carlton in Half Moon Bay accounts for approximately 20% of all the hotel rooms in the market area. Nightly rates for the Ritz Carlton range from $750 in the off-season to over $1,000 in the summer.

- In West San Mateo County in 2024, approximately 35.88% of STR listings have an ADR per person below $57, which meets the "Affordable" standard defined using the California Coastal Conservancy's Lower Cost Coastal Accommodation threshold, set at 75% of the statewide average daily rate (ADR).

Properties in Pacifica provide a disproportionate share of affordable options in WSMC. The average ADR per person for STRs in Pacifica in 2024 is $63.04. The median is $56.41. In Pacifica in 2024, approximately 50.7% of STR listings were "affordable" with an ADR per person below $57 per person.

ADRs are not available for hotels in Pacifica due to the small number of operators, however, 76% of hotel rooms are provided by Upper Midscale hotels, with an additional 13% by Upper Upscale hotels.

In addition to lower comparatively lower rates on average, many STRs offer the option of preparing meals, which may reduce food expenditure, particularly for longer stays. U.S. General Services Administration (GSA) meals and incidental expenses (M&IE) per diem rate for San Mateo is $86 per person per day, reflecting typical daily meal expenditures for business travel (dining out).

Potential Housing Market Effects

WSMC is made up of a number of small coastal communities, with relatively expensive housing markets. In Pacifica, the median home price is approximately $1.2 million, and in Half Moon Bay the median sale price is $1.59 million, according to Zillow. As STRs make up an extremely small proportion of all addresses (4.7%), especially in comparison to second homes or investment properties (24%), it is unlikely that STRs are a major factor in determining the affordability of properties in WSMC or in Pacifica. The 749 STRs in the WSMC make up 4.7% of the 15,988 residential properties in the area. The 368 active STRs in Pacifica make up 4% of the 9,399 residential properties in the City.

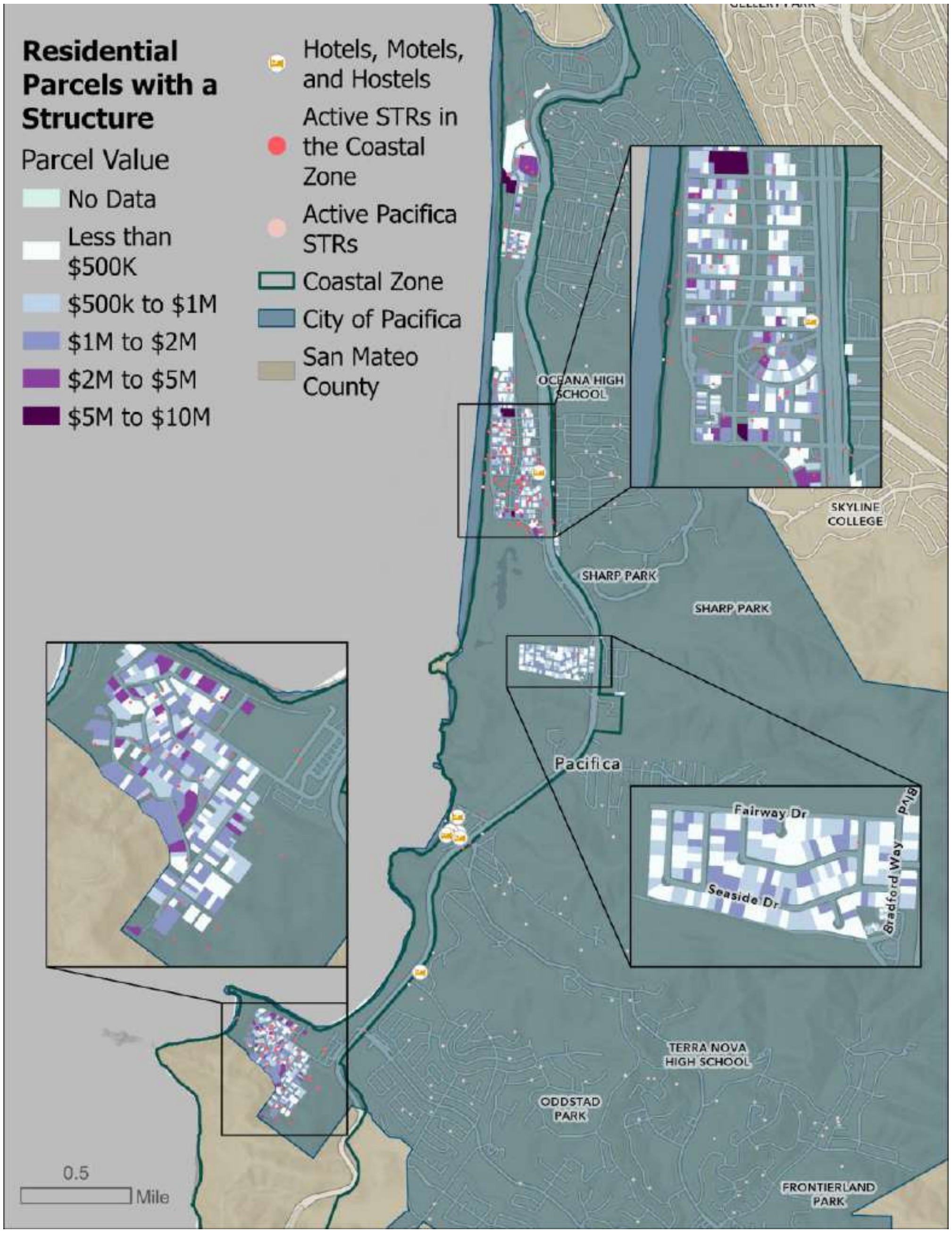

Figure 2. Spatial distribution of short-term rentals, traditional lodging, and residential parcel values in the City of Pacifica and Coastal Zone. *Map showing the distribution of active short-term rentals (STRs) within the Coastal Zone and across the City of Pacifica, along with hotels, motels, and hostels, in relation to residential parcels classified by assessed value. STRs are distributed throughout residential areas across a range of property values, indicating that STR activity occurs within an already high-value housing market rather than being concentrated in lower-value neighborhoods. Insets highlight representative neighborhoods within the Coastal Zone and City for finer-scale comparison. Boundaries for the Coastal Zone, City of Pacifica, and San Mateo County are shown for reference. Note: STR locations are spatially generalized to preserve privacy and represent approximate rather than parcel-level locations.*

Second homes and investment properties make up a larger share of the market and are likely to contribute more to the lack of affordability. While 96.6% of all owners in WSMC have a single residential property in the area, 24% of all residential addresses have a different mailing address than the property address. This may indicate the property is a second home or investment property. In WSMC *excluding Pacifica*, 39% properties are registered to another address. In Pacifica there are fewer potential investment properties, with 25% of Coastal Zone properties registered to a different address, and only 13% of inland properties.

These findings describe current market conditions and projected supply effects. They do not opine on policy choices but identify economic considerations relevant to Coastal Act review. Section 30213 requires the protection and provision of lower-cost visitor-serving accommodations to support public access to the coast. Reductions in STR supply within the Coastal Zone therefore warrant careful consideration in light of these statutory objectives.

Thank you.

Sarah Jenkins, Dr. Nate Merrill, Dr. Phil King, Dr. Kiki Patsch, Ceto Consulting, LLC.

Honey, Julian@Coastal

From: Frank Angel <fangel@angellaw.com>
Sent: Friday, January 30, 2026 11:35 AM
To: Honey, Julian@Coastal
Cc: Stephen Musashi Leonard; Cassandra Vo
Subject: RE: city of Pacifica

Hi Julian,

Also, for the record in this LCPA proceeding and to exhaust our administrative remedies under the California Environmental Quality Act (CEQA):

Pacifica for Responsible Tourism objects to the absence of CEQA review and legally required CEQA findings in the staff report. CEQA requires assessment of feasible alternatives and mitigation measures and further contains a substantive mandate that public agencies refrain from approving projects for which there are feasible alternatives. (See *Mountain Lion Foundation v. Fish & Game Com.* (1997) 16 Cal.4th 105; State CEQA Guidelines, § 15251 (f).) The Commission may not certify an LCPA "if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact which the [regulatory] activity may have on the environment." (Pub. Resources Code, § 21080.5, subd. (d)(2)(A); see Cal. Code Regs., tit. 14, §§ 13500, 13512, 13540.)

The staff report and proposed CEQA finding do not satisfy these requirements of CEQA and the Commission's own regulations, which clearly direct the Commission to assess feasible alternatives to the LCPA and mitigation measures -- in this case, alternatives designed to regulate STRs without the massive loss, or with substantially reduced loss, of overnight access the LCPA will cause, if certified as proposed without any suggested modifications. To rationalize its conclusion that "it is unnecessary for the Commission to suggest modifications (including through alternatives and/or mitigation measures)," the staff report simply states that "the proposed LCP amendment is not expected to result in significant environmental effects, including as those terms are understood in CEQA." (Staff report at 17.) But there is no review of a single alternative to the LCPA as submitted and this bare conclusion is unsupported by substantial evidence. In fact, it is negated by the evidence of the terms of the LCPA itself and the massive loss of access it will cause, as compared to existing STR baseline conditions. (See, e.g., my email from 01-26-2026, 8:12 PM in this thread.) The Commission is the last agency one expects to deny that coastal access is a "resource" of the coastal zone. (*Lent v. California Coastal Com.* (2021) 62 Cal.App.5th 812, 834; see State CEQA Guidelines, § 15360 [for CEQA purposes, the term " 'environment' includes both natural and man-made conditions"].) Thus, the LCPA's significant impacts on coastal access are cognizable under CEQA and most certainly disqualify the LCPA project for a CEQA exemption as found by Pacifica -- and as even the Commission staff report seems to agree.

In short, alternatives to regulate STRs without loss or with less loss of overnight access as compared to the proposed LCPA are not shown to be infeasible in the staff report; it offers no evidence that alternatives to the new barriers to overnight visitor access proposed by the LCPA are somehow infeasible. Existing baseline conditions (the no-project alternative) prove otherwise. By certifying the LCPA as submitted, the Commission will violate CEQA's substantive mandate and its decision will be subject to a court's writ of mandate. The same conclusion obtains given the staff report’s failure to assess a reasonable range of potentially feasible alternatives.

Furthermore, the staff report provides no responses to public comments, including Pacifica for Responsible Tourism’s extensive comments over the past year, which are part of the record of the Commission’s action. Public Resources Code Section 21080.5, subdivision (d)(2)(D), part of CEQA, requires agencies with certified regulatory programs, such as the Commission, to provide “EIR-equivalent” environmental information disclosure, including written responses to significant environmental points raised in public comments on proposed Commission actions. This is a requirement of the Commission’s own regulatory program as well (Cal. Code Regs., tit. 14, §§ 13500, 13523, 13542), under which staff reports on LCPAs constitute the Commission’s environmental disclosure document for CEQA compliance purposes. (See Pub. Resources Code, § 21080.5; State CEQA Guidelines, §§ 15251, subd. (f); 15252.) The Commission must provide written responses concerning the adverse environmental effects of the LCPA not only on coastal access but also vehicle miles travelled (VMT) and attendant increases in tailpipe and greenhouse gas emissions. Forcing visitors to Pacifica into repetitive day trips (e.g., for visitors needing or wanting to stay there for several days) or to use alternative STR (or other suitable overnight accommodations) outside Pacifica, obviously increases VMT and changes traffic patterns in and outside the city. As the California Supreme Court held in *Mountain Lion Foundation*, *supra*, 16 Cal.4th at page 133: “The written response requirement ensures that members of the [certified regulatory agency] will fully consider the information necessary to render decisions that intelligently take into account the environmental consequences [of their decision].” (*Id*.)

Thank you for the opportunity to comment.

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Frank P. Angel | O (310) 314-6433 | C (310) 924-1416
2601 Ocean Park Blvd., Suite 205, Santa Monica, CA 90405
Angel Law
angellaw.com

From: Honey, Julian@Coastal <julian.honey@coastal.ca.gov>
Sent: Wednesday, January 28, 2026 3:01 PM
To: Frank Angel <fangel@angellaw.com>
Subject: RE: city of Pacifica

Hi Frank,

I can confirm receipt of your emails and attachments which we will post with our other correspondence.

We also anticipate posting an addendum for this item and will respond to your questions further there.

Sincerely,
Julian Honey (He/Him/His)
Coastal Planner
North Central Coast District

Honey, Julian@Coastal

From:	Frank Angel <fangel@angellaw.com>
Sent:	Monday, January 26, 2026 11:01 PM
To:	Honey, Julian@Coastal
Subject:	RE: city of Pacifica
Attachments:	Reineman et al., Coastal Access Equity etc. (2016).pdf

Julian,

Also please include the additional attached study in the record of the Coastal Commission's proceedings concerning City of Pacifica LCP Amendment No. LCP-2-PAC-25-0079-2.

This is especially to note the recommendations of the Reineman study at page 15 (PDF file):

> As our results demonstrate, economically disadvantaged and minority residents in general live further from coastal access points than wealthy and white residents. Thus, in order to visit and benefit from the state's public trust tidelands, these groups must travel further to reach the coastline; increased travel distance increases travel cost, compounding the burden and inequities inherent in the distribution of access points. It is unlikely, however, that this issue will be addressed by redistributing the state's population or radically adjusting the housing market in the coastal zone. Instead, the increased travel burden imposed on minorities and lower income households who wish to visit the coast highlights the importance of other planning strategies that increase the accessibility of coastal access to those people and groups. Three examples of such strategies include: (1) affordable, convenient public transportation that serves inland population centers and connects to coastal access points, (2) ample, affordable parking and associated visitation amenities (e.g., bathrooms) at or very near coastal access points, and (3) affordable overnight accommodation options. In particular, well-connected public transit and sufficient, low-cost parking are essential and under-emphasized components of how access to the public trust tidelands (and associated resources) is managed. In short, effectively providing access to the coast (under the Coastal Act sections 30210-14) means an expansive interpretation of what "access" involves.

Please also note the conclusion at PDF file 17.

Thank you.

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Coastal Access Equity and the Implementation of the California Coastal Act

Dan R. Reineman,[A] Lisa M. Wedding,[B] Eric H. Hartge,[C] Winn McEnery,[D] Jesse Reiblich[E]

The California Coastal Act, passed in 1976, protects public coastal access for all Californians. In the forty years since the Act's passage, the state's population has nearly doubled with much of that growth occurring in the coastal zone, where the beaches and public trust shoreline are an important natural, open space resource. As such, they are beneficial to individual and community well-being. Inequities in access to nature (and other beneficial resources) are increasingly common. In this study, we evaluate and map the proximity of different demographic groups to public shoreline access points on California's coast. In so doing, we identify disparities in the availability of coastal access opportunities to different groups and show that, in general, wealthy, white, senior residents of California live closer to coastal access than other groups, while populous minority groups are significantly underrepresented in terms of their proximity to coastal access points. We discuss these findings in light of environmental change (e.g., sea level rise) and responses to such changes (e.g., shoreline armoring), combined with social factors (e.g., continued population growth) and policy responses to such changes (e.g., climate adaptation planning). Our analyses set the stage for further place-based study of disparities in public coastal access, including their impacts on specific populations, as well as mechanisms intrinsic to the Coastal Act for increasing coastal access equity in California through the Act's next forty years.

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[B] Research Associate in Spatial Ecology and Analysis, Center for Ocean Solutions.

[C] Research Development Manager, Center for Ocean Solutions.

[D] Formerly Geospatial Research Assistant, Center for Ocean Solutions.

[E] Early Career Law & Policy Fellow, Center for Ocean Solutions.

I. INTRODUCTION

One of the primary goals of California's 1976 Coastal Act was to maximize public access to and along the coast for Californians.[1] But like other ostensibly public goods, public access has traditionally been inequitably distributed between different groups—whether *de jure* or *de facto*.[2] Access to resources, from clean air to food to open space, is a significant environmental justice issue and is inseparable from social and economic issues underlying sustainable environmental and resource management.[3] Inequities between different groups of people have been documented in both their exposure to problematic environmental stressors, such as climate change,[4] and also their access to critical resources, including food and medical care.[5] With increasing frequency, however, inequities

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1. CAL. PUB. RES. CODE § 30001.5 (West 2016) (stating that one of the goals of the Coastal Act is to "[m]aximize public access to and along the coast . . . .").

2. *See generally* Annika Dahlberg, Rick Rohde, & Klas Sandell, *National Parks and Environmental Justice: Comparing Access Rights and Ideological Legacies in Three Countries*, 8 CONSERVATION AND SOCIETY 209 (2010); Robert García & Erica Flores Baltodano, *Free the Beach! Public Access, Equal Justice, and the California Coast*, 2 STAN. J.C.R.& C.L. 143 (2005); Hugh Millward, *Public Recreational Access in the Countryside: Concepts and Measures of Physical Rigour*, 7 JOURNAL OF RURAL STUDIES 241 (1991).

3. United Nations Environment Programme, *Advancing Justice, Governance and Law for Environmental Sustainability*, (June 22, 2012), http://www.unep.org/delc/Portals/119/publications/Advancing_Justice_Governance_Law.pdf.

4. David S.G. Thomas & Chasca Twyman, *Equity and Justice in Climate Change Adaptation Amongst Natural-Resource-Dependent Societies*, 15 GLOBAL ENVIRONMENTAL CHANGE 115 (2005).

5. Maria Goddard & Peter Smith, *Equity of Access to Health Care Services: Theory and*

are being documented in access to nature and open space.[6] Lack of access to "recreational" resources is of growing concern as the physiological and psychological benefits of exposure to nature are better understood.[7] Thus, inequitable access to these resources may have very real implications for health, happiness, and productivity.

The coastal zone is a common pool natural resource. Space in coastal areas will become increasingly limited due to rising seas, likely adding to the complexity and intensity of conflict and exacerbating potential for inequities in coastal access, unless preempted by thoughtful coastal planning. A changing climate and its associated impacts (e.g., rising seas, increased storm events) will serve as a risk multiplier, leaving the coasts both ecologically and socially vulnerable. In California, communities are responding to the threats of rising sea levels, growing coastal populations, and increasingly damaging storms by building armoring structures that may threaten or undermine coastal access by reducing the size of beaches, coastal access points, or both.[8]

Local governments have a role to play in ensuring that their local coastal programs conform to the strictures of the Coastal Act—California's coastal zone management (CZM) law.[9] Accordingly, these governments can take proactive steps to ensure that their coastlines continue to provide public access to all, especially in the

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Evidence from the UK, 53 SOCIAL SCIENCE & MEDICINE 1149 (2001); H. Charles J. Godfray et al., *Food Security: The Challenge of Feeding 9 Billion People*, 327 SCIENCE 812, 815 (2010).

6. Christopher G. Boone, Geoffrey L. Buckley, J. Morgan Grove & Chona Sister, *Parks and People: An Environmental Justice Inquiry in Baltimore, Maryland*, 99 ANNALS OF THE ASSOCIATION OF AMERICAN GEOGRAPHERS 767, 769 (2009); Bethany B. Cutts, Kate J. Darby, Christopher G. Boone & Alexandra Brewis, *City Structure, Obesity, and Environmental Justice: An Integrated Analysis of Physical and Social Barriers to Walkable Streets and Park Access*, 69 SOCIAL SCIENCE AND MEDICINE 1314, 1315 (2009); Chona Sister, Jennifer Wolch & John Wilson, *Got Green? Addressing Environmental Justice in Park Provision*, 75 GEOJOURNAL 229, 243 (2009); Jennifer R. Wolcha, Jason Byrne & Joshua P. Newell, *Urban Green Space, Public Health, and Environmental Justice: The Challenge of Making Cities "Just Green Enough"*, 125 LANDSCAPE AND URBAN PLANNING 234, 235 (2014).

7. *See generally* Gregory N. Bratman, J. Paul Hamilton, & Gretchen C. Daily, *The Impacts of Nature Experience on Human Cognitive Function and Mental Health*, 1249 ANNALS OF THE NEW YORK ACADEMY OF SCIENCES 118 (2012) (categorizing how humans interact with nature to lay a foundation for further exploration of the psychological benfits nature provides); Roly Russell et al., *Humans and Nature: How Knowing and Experiencing Nature Affect Well-Being*, 38 ANNUAL REVIEW OF ENVIRONMENT AND RESOURCES 473 (2013) (creating a framework that links aspects of well-being to nature experience).

8. MOLLY LOUGHNEY MELIUS & MARGARET R. CALDWELL, ENV'T AND NAT. RES. LAW & POLICY PROGRAM, *California Coastal Armoring Report: Managing Coastal Armoring and Climate Change Adaptation in the 21st Century* (2015).

9. CAL. PUB. RES. CODE § 30005 (West 2016).

face of rising seas. Particularly, local governments can engage in climate change adaptation planning to minimize inequitable economic and social losses in coastal access associated with climate change and to inform a more equitable implementation of the public access policies of the California Coastal Act. This paper examines the spatial distribution of public access to the coastline in California relative to the distribution of the state's diverse residents and asks whether access to this important resource is equitably shared among all residents of California. We discuss results of these analyses in the context of decisionmaking regarding the management of California's coastline and of access to it.

II. BACKGROUND: COASTAL VALUE, PUBLIC COASTAL ACCESS, AND THE PUBLIC TRUST DOCTRINE

Coastal regions are epicenters of population and economic activity. In the United States, coastal counties constitute just 18% of the United States' land area, but 37% of its population and 42% of its economic output.[10] In California, shoreline counties are even more significant. In 2007, they comprised just 21% of the state's land area, but 69% of its population, 66% of its jobs, and 69% of its GDP.[11] With continued population growth, development pressures on the coast will continue to increase, driven in part by the productivity of the coastal economy, but also increasingly by the "quality of life" it offers.[12] Beach recreation, which according to a 2005 estimate contributes \$2.25–\$7.5 billion annually to the state's economy, is an important component of this coastal quality of life.[13] The public's ability to recreate on the state's beaches is predicated on its ability to access them.[14]

The importance of equitable access to coastal resources and in particular to the shoreline has long been recognized and is enshrined within the common law public trust doctrine (PTD).[15] In

10. JUDITH T. KILDOW ET AL., CENTER FOR THE BLUE ECONOMY, *State of the U.S. Ocean and Coastal Economies 2009*, https://www.miis.edu/media/view/8901/original/NOEP_Book_FINAL.pdf.

11. *Id.*

12. Jordan Rappaport & Jeffrey D. Sachs, *The United States as a Coastal Nation*, 8 J. OF ECON. GROWTH 5 (2003).

13. Linwood Pendleton & Judith Kildow, *The Non-Market Value of Beach Recreation in California*, 74 SHORE & BEACH, 34 (2006).

14. *See, e.g.*, Jesse Reiblich, *Greening the Tube: Paddling Toward Comprehensive Surf Break Protection*, ENVTL. L. & POL'Y J. 45, 52 (2013).

15. The PTD was first codified by the Roman emperor Justinian in the 6th century CE,

the United States, public coastal access is a priority of the national Coastal Zone Management Act of 1972, which calls on the states to separately prepare CZM programs to implement the priorities of the act, including the provision of "public access to the coasts for recreation purposes."[16] In a large scale review of CZM programs conducted in the late nineties, California placed high value on implementing public access measures and was relying on more tools than other states.[17]

In California, the PTD and public access to the coast are reflected in Article X. Section 4 of the state's constitution, which declares that no entity "shall be permitted to exclude the right of way to [coastal and other] such water . . . [so that] access to the navigable waters of this State shall be always attainable for the people thereof."[18] Subsequently, this protection is codified in the California Coastal Act of 1976 (the State's Coastal Zone Management implementing legislation), which states that "maximum access . . . shall be provided for *all the people* . . . ."[19] In light of rapid coastal development, increasing property values, the growing income gap between rich and poor, and prominent instances of private property owners asserting their exclusive right to shoreline access,[20] there is some question as to whether access to the California shoreline is equitably available for all Californians.[21]

This study addresses the fundamental question: to whom is shoreline access most readily available in California? This question is explored through spatial analysis of population, income, age, and race of Californians in relationship to their physical proximity to shoreline access points (derived from a database assembled and curated by the California Coastal Commission).[22] We test the

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who held that "[b]y the law of nature these things are common to mankind: the air, running water, the sea, and consequently the shores of the sea . . . No one, therefore, is forbidden to approach the seashore, provided that he respects habitations, monuments, and buildings which are not, like the sea, subject only to the law of nations." Institutes of Justinian § II(I)(1).

16. 16 U.S.C. § 1452 (2) (E) (2016).

17. Pamela Pogue & Virginia Lee, *Providing Public Access to the Shore: The Role of Coastal Zone Management Programs*, 27 COASTAL MANAGEMENT 219 (1999).

18. CAL. CONST. Art. X, § 4.

19. CAL. PUB. RES. CODE § 30210 (West 2016) (emphasis added).

20. *See, e.g.*, Friends of Martin's Beach v. Martin's Beach 1 LLC, 246 Cal. App. 4th 1312 (1st D. 2016).

21. García & Baltodano, *supra* note 2, at 143.

22. A shoreline access point is a location by which the public can gain access to the public trust tidelands from the nearest public right-of-way (e.g., a street, park, or public

hypothesis that, despite legal mandates in the California Coastal Act, shoreline access is not equitably accessible to all Californians.[23] As an indicator of equity, we analyze the proportionality of population distribution in California.[24] The results of this study have important public policy implications and lay the groundwork for future examination of the potential impacts of environmental change and coastal management policy on the differential accessibility of the coast to diverse populations.

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path).

23. The PTD does not explicitly call for equality in access; but we argue such equality is implicit to the PTD as follows: if the sovereign holds a resource in trust for the benefit of all people (and there is additional constitutional and statutory language providing for access to this resource, e.g., CAL. PUB. RES. CODE § 30210 (West 2016), but there are structural factors that prevent specific sub-groups of people from using or benefiting from the resource, is that not inherently a failure of implementation of the PTD? If air for breathing is a public trust resource, but some people are not able to breathe it because of societal pressures outside their own control and their health suffers, is that not evidence of a failure of the sovereign to implement the PTD and a failure to manage the resource for the benefits of its people? In this instance, it seems that some measure of equality (in opportunity, access, *etc.*) is intrinsic to the PTD.

A counter example can be found in fisheries: if *everyone* had equal access to all the fish they could catch, then we suffer from a "tragedy of the commons". Garrett Hardin, *The Tragedy of the Commons*, 162 SCIENCE 1243 (1968). Therefore, the sovereign has some duty to manage the resource in order to maximize the societal benefit of the resource: healthy, well-managed fisheries are better for society than overharvested, collapsed fisheries.

The question then is whether the coastline—and access to it—is a public trust resource that is more like air for breathing or more like fish for catching. There is a reasonable argument that coastal access, use, or benefits *must be managed* to prevent a "tragedy of the commons" situation: trampling of sensitive habitats, litter, mismatched use of the surfzone (e.g., surfers or boaters among swimmers) are real problems in many coastal environments. Access to the coastline, however, is on balance less like a fisheries resource and much more like the air that everyone has an equal right to breathe. It is large and expansive and much less affected by any one person's individual use: management actions that deal with over-use (or types of use) are not discriminatory of any type or group of person. Furthermore, like air, public use is *freely* accessible; no permits, specialized equipment, or training are necessary for successful use.

That coastal resources are public trust resources belonging to all the people intrinsically implies that all people should have equal access. Access can be defined as "the ability to derive benefits from things"; if certain groups of people have widely varying abilities to derive benefits from public resources, this seems the very definition of inequity. Jesse C. Ribot & Nancy Lee Peluso, *A Theory of Access*, 68 RURAL SOCIOLOGY 153 (2003). If one group is systematically prevented from achieving equal opportunities for use of the resource (as a result of large scale, structural, societal issues), it implies a failure of the sovereign to fairly undertake its responsibility as the trustee for a public resource.

24. And for the heuristic purposes of this study, we define an "equitable distribution" as one in which aspects of a population (e.g., age, income, or race) are distributed evenly throughout the state.

III. METHODS

We applied spatial analysis to evaluate equity in the distribution of coastal access versus the distribution of racial, ethnic, economic, socially vulnerable, and other populations in California. Specifically, we used Geographic Information Systems (GIS) to integrate the spatial patterns of coastal access and demography of coastal communities to evaluate which populations have the most and least proximate access—in terms of physical distance—to the current shoreline in California. The demographic data we included in our analysis were race, age, population, and income. These data are derived from the United States Census Bureau's 2010 census block database shapefile.[25] The data for location of coastal access points are derived from a database of coastal access points curated by the California Coastal Commission. For our analyses, we only use coastal access points that enable direct access to the beach or shoreline; thus viewpoints or upland parks still located within the coastal zone are not included in our analyses.

Working within the ArcGIS software suite, the "buffer analysis tool" was used to create buffers extending 1km, 10km, and 100km around each coastal access point. Subsequently, the "select by location tool" was used to identify census GEOIDs that intersected with each buffer[26] Finally, the statistics tool was used to calculate averages and totals of various fields in the attribute table. All analysis was run in ArcMap 10.3 and the census data is available as a vector. Consequently, the buffer analysis is an overestimate, as it includes data extending outside of the buffer zones (i.e., for those census blocks that fall partly within a buffer distance from an access point, our analysis includes the block's population within the buffer radius as well as the block's population that lives outside the buffer radius). We additionally conducted similar spatial analyses for the County of Los Angeles with buffer distances of 1km and 10km. Note that in all

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25. *Available at* https://www.census.gov/geo/maps-data/data/tiger.html.

26. *Understanding Geographic Identifiers (GEOIDs)*, U.S. CENSUS BUREAU (Sept. 8, 2016), https://www.census.gov/geo/reference/geoidentifiers.html. "The Census Bureau and other state and federal agencies are responsible for assigning geographic identifiers, or GEOIDs, to geographic entities to facilitate the organization, presentation, and exchange of geographic and statistical data. GEOIDs are numeric codes that uniquely identify all administrative/legal and statistical geographic areas for which the Census Bureau tabulates data. GEOIDs are very important for understanding and interpreting geographic and demographic data and their relationship to one another. Data users rely on GEOIDs to join the appropriate demographic data from censuses and surveys to various levels of geography for data analysis, interpretation and mapping."

analyses, the buffer radii represent the "as the crow flies" distance of whether or not any portion of a census block falls within the radius distance; it does not include travel time that might be associated with the transportation grid (roads, public transit, *etc.*).[27]

To determine the amount of geographic inequity among these groups, we calculated proportional values for each group within each buffer zone. Thus, if a given group makes up X% of the state's total population, then predicted proportion in each buffer zone is X% * Total Population of the Zone. The difference between the predicted and observed populations is calculated as 100% * (Observed – Predicted) / Predicted. In this case, the buffer zones are not cumulative; that is, we look at the population living between 0km and 1km, 1km and 10km, 10km and 100km, and greater than 100km from coastal access points.

IV. RESULTS

As the input data are based on results of the 2010 Decennial Census, they thus represent a recent snapshot of the contemporary geographical distribution of California residents and their relative proximity to public coastal access.

Figure 1, *infra*, depicts census tracts (GEOIDs) that intersect the 1km, 10km, and 100km buffers zones from public coastal access points (and the inset shows these same analyses for Los Angeles County).[28] In our analysis of these areas, we base our comparison of each demographic group's population distribution with the same group's *hypothetical* population if it were distributed perfectly evenly throughout California (its "proportionate distribution"). Some key differences include: within 1km of coastal access, there are roughly 25% more white people and 30% more senior citizens, while at the same time there are 52% fewer Hispanic or Latino people, 60% fewer Black or African American people, 57% fewer American Indians, and 18% fewer households below the poverty line *as compared to their population predicted by a proportionate distribution.*

In the following tables, the buffer distance column values are

27. See Section V.D., *infra*, for discussion of limitations to this method.

28. As described, our method of identifying census tracts (GEOIDs) within a given distance of a public access point results in inclusion (within the 1km buffer) of much land area that is greater than 1km from a coastal access point, but which falls within a census tract part of which does lie within 1km. As a result of this process, census tracts falling between 1 and 10 km do not appear as often in the map except in those high population density regions where census tracts are more numerous—and therefore smaller.

cumulative (unless otherwise noted); that is, the population living within the 10km buffer also includes the population living within 1km and the 100km buffer also includes those within 10 or 1km. In terms of population and income (Table 1), 1.3 million of California's 38 million (or 3.5%) residents live in a census tract that lies within 1km of a public coastal access point that provides beach or shoreline access; more than 30.3 million (79.7%) live within 100km. In terms of annual household income, the statewide average is $68,304 and this value increases steadily with proximity to coastal access, with households living 1km or less from coastal access making on average roughly 20% more than the state average.

In Table 2, we display the breakdown of different demographic groups, including racial/ethnic identities, poverty status, and age. White residents make up the majority of Californians (62.1%) and more than 1 million (4.3% of whites and 2.7% of Californians) live within 1km of coastal access. Hispanic or Latino residents make up 38.2% of Californians, but only 1.7% of them (0.6% of Californians) live within 1km of coastal access. Only 1.5% of Black or African American residents (0.1% of Californians) live within 1km of coastal access. The proportional values depicted in

Table 3 highlight which population groups live either closer or further from coastal access than would be predicted based on their proportion of the total California population.[29]

Table 4 presents the same results calculated for the entire state (as in Table 3) for the County of Los Angeles. In general, these proportions and predicted proportions track the state-wide estimates, though some disparities are accentuated. As compared to their population if proportionately distributed throughout LA County, Hispanic and Latino residents, for example, are even more underrepresented within 1km of public access points than elsewhere in state; by contrast senior citizens are significantly overrepresented.

V. DISCUSSION

In this study, we analyze the distribution of California residents in terms of their proximity to public shoreline access points. The

29. In other words, the proportions displayed in the Tables 3 and 4 describe the difference between the *actual* distribution of residents and the hypothetical distribution of residents if all California residents of all groups were distributed evenly throughout the whole state.

United States has been described as a "coastal nation"[30] and California is, according to our results, most certainly a "coastal state," with nearly 80% of its 38 million residents living in a census tract that falls in whole or part within 100km of a shoreline access point (Table 1). However, in California, some groups of residents are "more coastal" than other groups. Compared to a hypothetically homogenous distribution, the population within 1km of a coastal access point is approximately 25% more white, 52% less Hispanic or Latino, 60% less black, 58% less American Indian, and has 18% fewer households living below the poverty line (Table 3).

This disproportionality is not the result of any one coastal management or policy decision, but rather is the result of complex social and economic forces acting on California's population over many decades. Leaving aside the question of whether any individual or group does or does not *want* to access the coastline, our results document a geographic disparity in their proximity to the coastline. The resulting distributional inequities represent legitimate differences in the ability of some groups of California residents to easily access the coastline: some groups, on average, simply have to travel further than other groups. In the face of increasing population, urbanization, and development, this disparity accentuates the difficulty that some groups of people already face in getting access to open space—particularly natural open space.[31] There is increasing recognition that access to and use of such spaces have very real implications for not only for people's physical health, but also their mental and emotional health.[32,33]

A. *Addressing Public Access Disparities*

These inequities also represent significant challenges for coastal managers charged with implementing the laws governing public

30. *See* Rappaport & Sachs, *supra* note 12.

31. *See, e.g.*, Boone et al., *supra* note 6.

32. *See, e.g.*, Bratman et al., *supra* note 7.

33. CAL. COASTAL COMM'N, THE CALIFORNIA COASTAL COMMISSION SEA LEVEL RISE POLICY GUIDANCE: INTERPRETIVE GUIDELINES FOR ADDRESSING SEA LEVEL RISE IN LOCAL COASTAL PROGRAMS AND COASTAL DEVELOPMENT PERMITS, 59 (2015), https://documents.coastal.ca.gov/assets/slr/guidance/August2015/0_Full_Adopted_Sea_Level_Rise_Policy_Guidance.pdf, ("Public access to the coast is important to the health and well-being of the public, and promoting public access for all citizens provides low-cost, outdoor recreation that can improve the overall quality of life of the public, including low-income and underserved communities.").

coastal access.[34] The public's right of access to the California shoreline is enshrined in the state constitution and managed under the pioneering language of the California Coastal Act, whose central provisions have been in place since 1972, preceding even the implementation of the federal Coastal Zone Management Act. Our results demonstrate that, despite these legal protections that have been in place for over 40 years, the California coastline itself is not equally accessible to all California residents. There are substantial disparities in the proximity of different groups of Californians to the coast; these disparities exist among all groups examined herein, including racial, ethnic, economic and age (see Table 1 and Table 2). These disparities persist at the state level and are accentuated at the County level in Los Angeles (see Table 4). In general, by virtue of their place of residence, white, wealthy, senior Californians live disproportionately closer to public coastal access points than other groups. Conversely, minority groups and economically disadvantaged families are concentrated further from coastal access. These results have implications for equity and social justice in terms of access to public open space, natural resources, and natural places. Further, these results are suggestive of the challenges to implementation of the aspirational California Coastal Act and how these aspirations have clashed with the realities of social and economic forces impacting coastal access over the intervening 40 years.

Currently, 1 out of every 8 U.S. residents live in California and 1 out of every 15 U.S. residents live in one of California's 15 Pacific Coast counties.[35] California's population is rapidly growing and is projected to top 50 million people by mid-century (Figure 2). The California coast will also continue to change in the coming decades. The disparities in coastal access presented here could potentially be exacerbated as California's population continues to grow and change: such changes underscore the need for public engagement with the California Coastal Commission (CCC) and the California State Coastal Conservancy (SCC), two of the state agencies that

34. *Id.* ("Thus, the potential loss of beach and shoreline recreation areas represents a significant potential impact to a resource that both is especially important to those with fewer economic resources and one that we endeavor to provide for everyone without discrimination, no matter their income levels, ethnicities or cultures; no matter if they are from coastal or inland areas or from outside the state.").

35. 2010 Census data via www.census.gov. The total population of California's 15 Pacific coast counties is 20,658,728: roughly 6.7% (or 1/15) of the total U.S. population of 308,745,538.

share jurisdiction for the implementation of the Coastal Act. The CCC is charged with carrying out the Coastal Act by certifying that Local Coastal Programs (LCPs) conform with the strictures of the Act. The CCC also oversees the Coastal Development Permitting (CDP) program, and retains original jurisdiction over tidelands and public trust lands. The CCC, through LCPs, will be a key player in addressing access disparities in the face of a changing population and a changing environment.

B. *The Challenge of Sea Level Rise*

Such disparities could be further stressed by shoreline management practices that prioritize protection of existing structures (infrastructure and private property) over preservation of natural beaches.[36] For instance, building protective structures like seawalls can negatively impact the surrounding beaches, and the wet part of the beach, which belongs to everyone vis-à-vis the PTD.[37] Rising sea levels—as much as 1.6 meters by the end of the century—further complicate this picture.[38] In the face of climate change and its effects, particularly on the coastline, the CCC recently adopted and released its Sea Level Rise Policy Guidance ("Guidance").[39] The Guidance is intended to act as a framework for local governments updating their LCPs and CDP review processes such that they address impacts from rising sea levels. The Guidance recognizes the environmental, economic, and social impacts of sea level rise on California's coast and specifically acknowledges that public access points lost to rising seas will disproportionately affect lower income communities.[40] Specifically, these communities rely on beaches for low-cost, outdoor recreation, and some rely on it as an economic resource.[41] Furthermore, because disadvantaged communities typically have fewer economic and recreational resources and

36. *See* Melius & Caldwell, *supra* note 8.

37. *Id.*

38. John A. Church et al., *Sea Level Change*, *in* CLIMATE CHANGE 2013: THE PHYSICAL SCIENCE BASIS. CONTRIBUTION OF WORKING GROUP I TO THE FIFTH ASSESSMENT REPORT OF THE INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE 1137–1216 (T.F. Stocker et al. eds., 2013), http://www.ipcc.ch/pdf/assessment-report/ar5/wg1/WG1AR5_Chapter13_FINAL.pdf.; National Research Council et al., *Sea-Level Rise for the Coasts of California, Oregon, and Washington: Past, Present, and Future*, THE NATIONAL ACADEMIES PRESS (2012), https://www.nap.edu/catalog/13389/sea-level-rise-for-the-coasts-of-california-oregon-and-washington.

39. *See* CAL. COASTAL COMM'N, SEA LEVEL RISE POLICY GUIDANCE, *supra* note 33.

40. *Id.*

41. *Id.* at 59.

opportunities, foreclosing any of the ones they do have will disproportionately affect them. The Guidance also noted that diminishing public beach resources are potentially an environmental justice concern. Accordingly, the CCC has called for consideration of potential environmental justice impacts to public beach access, recognizing that those least able to adapt will be most affected; our results provide an important step towards enabling this consideration.[42] Because the beach shoreline and public access lands are legally required to be open to all, the Guidance specifically warned against hazard mitigation that protects coastal development that only benefits a few.

The CCC recommends that coastal communities address sea level rise through updates to these communities' LCPs. LCPs are planning documents that coastal local governments use to guide development in their jurisdictions. Each LCP must comply with the Coastal Act, but they can be more restrictive than the Act itself. Furthermore, while the CCC can steer or nudge what local governments include in their LCPs, they cannot mandate additional restrictions beyond those required under the Coastal Act. Accordingly, LCP updates are one vehicle that local governments can use to adopt robust policies to protect public access for all Californians. By prioritizing public access in their LCP updates, local governments can help buffer public access points from sea level rise. LCP updates can be amended to ensure various aspects of access are safeguarded and expanded as possible, including parking, transportation, and increased overnight accommodations. Where these aims might not be feasible, mitigation is another possibility. LCP updates should be pursued in concert with other proactive planning measures to ensure these public goods are safeguarded for all to enjoy, in perpetuity.

The spatial analysis conducted here highlights how disadvantaged and socially vulnerable populations may face a disproportionately greater impact to coastal access in California. By evaluating and mapping the adverse impacts of climate change and coastal access to disadvantaged and socially vulnerable populations, the discourse of equity and diversity can enter into the scientific communication of results, inform management and planning processes, and ultimately shape important planning and policy decisions.

42. In fact, legislation has brought environmental justice to bear on the Coastal Act. (*See* A.B. 2616; Assem. Bill 2616, 2016 Reg. Sess. (Cal. 2016)).

C. Recommendations

As our results demonstrate, economically disadvantaged and minority residents in general live further from coastal access points than wealthy and white residents. Thus, in order to visit and benefit from the state's public trust tidelands, these groups must travel further to reach the coastline; increased travel distance increases travel cost, compounding the burden and inequities inherent in the distribution of access points. It is unlikely, however, that this issue will be addressed by redistributing the state's population or radically adjusting the housing market in the coastal zone. Instead, the increased travel burden imposed on minorities and lower income households who wish to visit the coast highlights the importance of other planning strategies that increase the accessibility of coastal access to those people and groups. Three examples of such strategies include: (1) affordable, convenient public transportation that serves inland population centers and connects to coastal access points, (2) ample, affordable parking and associated visitation amenities (e.g., bathrooms) at or very near coastal access points, and (3) affordable overnight accommodation options. In particular, well-connected public transit and sufficient, low-cost parking are essential and under-emphasized components of how access to the public trust tidelands (and associated resources) is managed. In short, effectively providing access to the coast (under the Coastal Act sections 30210-14) means an expansive interpretation of what "access" involves.

In particular, the CCC has identified the availability of overnight accommodations as an issue that local governments can address in LCP updates. Specifically, the CCC pointed out that overnight accommodations are being upgraded, which has resulted in a loss of lower price-range overnight accommodations in the coastal zone. The CCC recommends mitigating this loss through construction of additional lower-cost facilities. Public parking near coastal access points has also been an active issue. Historically, some communities have taken steps to reduce public parking as a way to "protect" their local coastal resources from visitors;[43] such practices certainly do not ameliorate the discrepancies we document here. Such restrictive policies can be addressed head on through the LCP update process. Environmental justice is a growing concern, especially in light of

43. Robert Thompson, *Local Government and the Closing of the Coast: Parking Bans and the Beach As A Traditional Public Forum*, 25 FORDHAM ENVTL. L. REV. 458 (2014).

climate change. Local-level spatial planning serves a key role in promoting robust climate adaptation measures.[44] Climate change and adaptation planning are globally relevant and the scalability of solutions are an important consideration.

D. *Limitations & Next Steps*

While these analyses investigate the distribution of diverse demographic populations throughout the state and their proximity to coastal access, they do not investigate the interest in or intention to visit or utilize the coast among these different groups. Thus the converse of our conclusion that access to the coast is reduced for lower income populations is that access to inland areas is similarly reduced for wealthier populations. In this paper, we simply aim to highlight these differences in light of constitutional and statutory provisions that seek to ensure access to coastal resources. In subsequent analyses we can draw on mixed methodologies to identify and measure the interests and motivations of different groups of people living throughout California in order to generate conclusions that more robustly project the impacts of access inequity.

The demographic data we included in our analysis were based on the 2010 values for race, age, population, and income. It will be important to track demographic changes over time in order to inform coastal management with the most recent census data sets. In addition, the buffer analysis conducted in this work represents a general overestimate because it includes data extending outside of the buffer zones. For example, for the census blocks that fall partly within a buffer distance from an access point the analysis included the block's population within the buffer radius as well as the block's population that lives outside the buffer radius. This approach is further hindered by our use of straight buffer distances (i.e., "as the crow flies") instead of the actual travel distance via the transportation system (highways, surface roads, paths, etc.). While more accurate, the latter method is analytically more challenging; the simpler strategy we relied on thus underestimates the actual distances. The analysis also only used coastal access points that were noted to provide direct access to the beach or shoreline. As a result, viewpoints or upland parks still located within the coastal zone are

44. Elizabeth Wilson, *Adapting to Climate Change at the Local Level: The Spatial Planning Response*, 11(6) INT'L J. LOCAL ENV'T 609 (2006).

not included in our analyses and this should be taken into consideration during the interpretation of results.

Lastly, in future analyses we can take into consideration the impacts of sea level rise on coastal access and address the important and related questions about how such impacts will affect equity in access to the coast. Furthermore, this type of analysis will be beneficial for managers in identifying "access hotspots" that provide access to more diverse populations; such access points could be prioritized for management in light of pending environmental changes.

VI. CONCLUSION

With the passage of the California Coastal Act in 1976, Californians gained assurance that public access to their coastline was guaranteed for all. However, continued social and demographic changes in the state since 1976 have led to a population distributed such that access to the coast is not equally available to all. Our study explores the differences in "access to access" among different demographic groups and finds that in general, the relative proportion of wealthy, white seniors in close proximity to the coast is higher than expected compared to racial and ethnic minorities and families living below the poverty line. These discrepancies highlight the need for coastal access managers and city planners to consider other approaches for equalizing access to access, including affordable public parking, transportation, and overnight accommodation. Implementing such measures could lower the costs associated with traveling further to reach the coast and thereby better serve demographic groups (and all residents) who live further away. California's beaches and public trust shoreline are significant natural, open space resources that are beneficial to individual and community well-being. In light of social and environmental change, maintaining and improving access to these coastal resources will be increasingly important and challenging. Our analyses set the stage for further study of place-based disparities in accessibility to public coastal access, including their impacts on specific populations, as well as consideration of mechanisms intrinsic to the Coastal Act for increasing coastal access equity in California in the course of the Act's next forty years.

APPENDIX

TABLES

Table 1. Population and Income Distribution Versus Proximity to Coast

	Buffer Distance						State Total or State Average
	1km		10km		100km		
		%		%		%	
Population	1,319,348	3.5%	7,716,375	20.3%	30,344,126	79.71%	38,066,920
Average of Median Household Incomes*	$81,929	19.9%†	$76,921	12.6%†	$72,471	6.1%†	$68,304

* 2014 inflation-adjusted dollars, rounded down to nearest whole dollar value.
† These values calculated as the percentage over the state average.

Table 2. Demographic Distributions Versus Proximity to Coast

Census Demographic Group	Buffer Distance									Group Total	% State*
	1km			10km			100km				
		% Group	% State*		% Group	% State*		% Group	% State*		
White	1,023,699	4.3%	2.7%	4,970,820	21.0%	13.1%	18,215,147	77.0%	47.9%	23,650,913	62.1%
Hispanic or Latino	240,642	1.7%	0.6%	1,035,014	7.1%	2.7%	11,598,600	79.8%	30.5%	14,534,449	38.2%
Asian	125,164	2.4%	0.3%	1,223,443	23.8%	3.2%	4,571,130	89.1%	12.0%	5,130,536	13.5%
Black/African American	33,147	1.5%	0.1%	429,676	19.0%	1.1%	1,873,061	82.8%	4.9%	2,262,323	5.9%
American Indian	9,483	3.3%	0.0%	48,571	16.9%	0.1%	198,700	69.1%	0.5%	287,360	0.8%
Hawaiian or Pacific Islander	3,110	2.1%	0.0%	34,656	23.5%	0.1%	115,503	78.4%	0.3%	147,286	0.4%
Other Race	67,734	1.4%	0.2%	640,795	13.1%	1.7%	4,032,079	82.5%	10.6%	4,890,329	12.8%
Households below Poverty Level†	75,132	2.8%	0.2%	486,012	18.4%	1.3%	1,970,184	74.6%	5.3%	2,642,882	7.1%
≥65 years old	208,983	4.5%	0.5%	1,027,050	22.2%	2.7%	3,632,832	78.7%	9.5%	4,617,907	12.1%

* Proportions of State Total Population, 38,066,920.

† Proportions of State Total Households, 37,323,127.

N.B. Census respondents can identify with more than one demographic group. Thus group totals will sum to more than the State total population.

Table 3. Population Differences as Compared to Predicted Proportions

Census Demographic Group	Buffer Distance (values non-cumulative)				% State Total Population
	≤ 1km	> 1km ≤ 10km	> 10km ≤ 100km	> 100km	
White	24.9%	-0.7%	-5.8%	13.3%	62.1%
Hispanic or Latino	-52.2%	-67.5%	25.1%	-8.6%	38.2%
Asian	-29.6%	27.4%	13.9%	-58.3%	13.5%
Black/African American	-60.0%	-30.3%	19.0%	-20.3%	12.8%
American Indian	-57.7%	4.3%	9.8%	-22.4%	5.9%
Hawaiian or Pacific Islander	-4.8%	-19.1%	-6.6%	35.8%	0.8%
Other Race	-39.1%	27.5%	-4.1%	-4.0%	0.4%
Households below Poverty Level†	-18.0%	-7.5%	-5.5%	25.5%	7.1%
≥65 years old	30.6%	5.4%	2.5%	-17.2%	12.1%

Table 4. Population Differences as Compared to Predicted Proportions for LA County.

Census Demographic Group	Buffer Distance (values non-cumulative)			% County Total Population
	≤ 1km	> 1km ≤ 10km	> 10km	
White	46.9%	4.4%	-2.7%	53.6%
Hispanic or Latino	-67.8%	-27.9%	9.0%	47.9%
Asian	-12%	15%	-3.2%	45.2%
Black/African American	-50%	-37%	10.4%	39.9%
American Indian	-47.4%	-5.4%	3.0%	18.5%
Hawaiian or Pacific Islander	18.6%	-26.6%	5.6%	2.0%
Other Race	-24.1%	15.6%	-2.8%	1.1%
≥65 years old	62.6%	-4.4%	-1.2%	11.6%

FIGURES

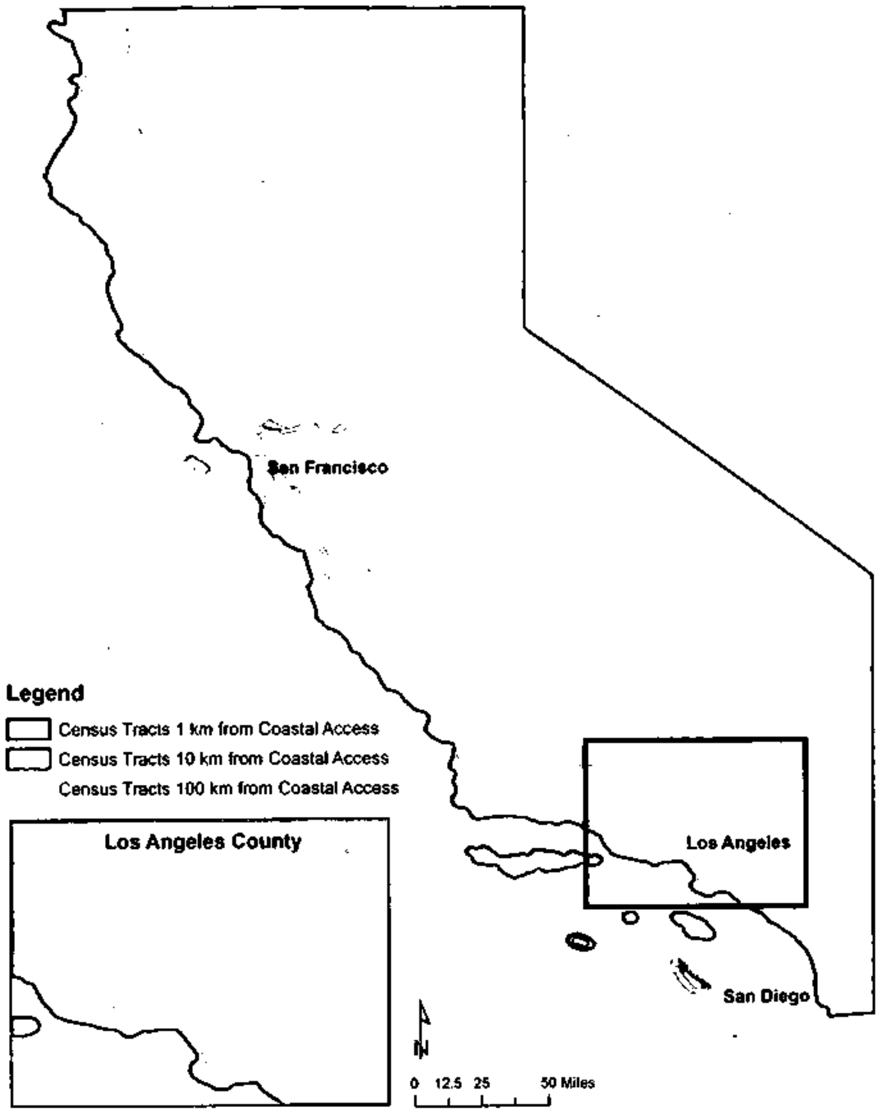


Figure 1. Depicts census tracts that intersect 1km, 10km, and 100km buffer zones from coastal access points. Inset depicts an expanded view of the census tracts within Los Angeles County that intersect 1km and 10km buffer zones.

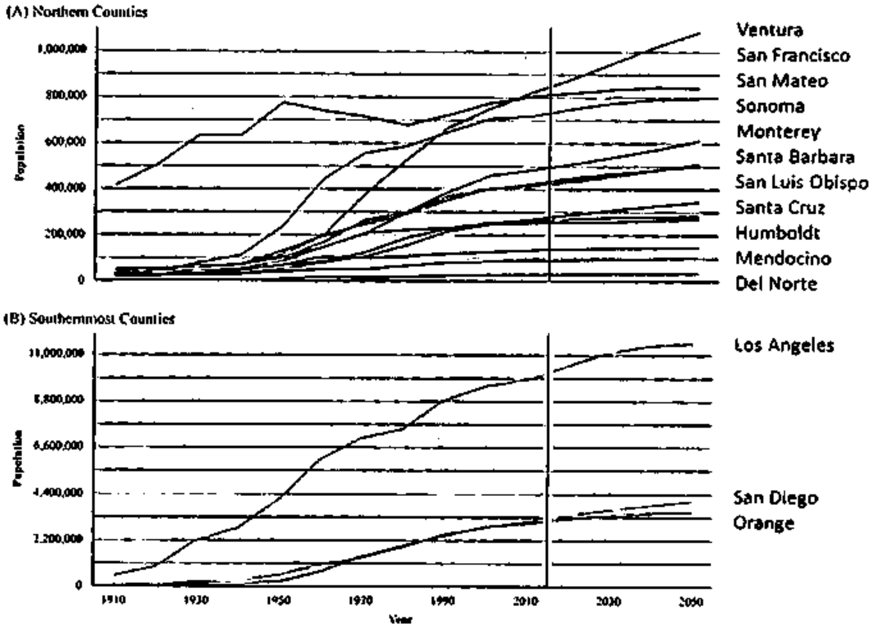


Figure 2. Coastal population growth by county since 1910 and projected growth through 2050. (a) 12 northernmost counties, (b) 3 southernmost counties. Note ten-fold difference in scale. Blue vertical line indicates present day. Historic population growth data from U.S. Census Bureau (www.census.gov); population projections via the California Department of Finance (http://www.dof.ca.gov/research/demographic/reports/projections/interim/view.php, downloaded January 17, 2013; Figure adapted from Reineman, D. R. (2015). The Human Dimensions of Wave Resource Management in California. Stanford University. (Reineman, 2015)

Honey, Julian@Coastal

From:	Frank Angel <fangel@angellaw.com>
Sent:	Monday, January 26, 2026 10:30 PM
To:	Frank Angel
Cc:	Honey, Julian@Coastal
Subject:	RE: city of Pacifica
Attachments:	Dr. King, Unequal-Access-CA-Coastal-Report-FINAL-.pdf; 2025-06-CETO study-Monterey county.pdf

I mentioned the Ceto studies in my prior email. Here I am attaching them. Please include those in the administrative record of the Coastal Commission's proceedings concerning City of Pacifica LCP Amendment No. LCP-2-PAC-25-0079-2.

Thank you.

Frank P. Angel | O (310) 314-6433 | C (310) 924-1416
2601 Ocean Park Blvd., Suite 205, Santa Monica, CA 90405
Angel Law
angellaw.com

From: Frank Angel
Sent: Monday, January 26, 2026 8:12 PM
To: Honey, Julian@Coastal <julian.honey@coastal.ca.gov>
Subject: RE: city of Pacifica

Hi Julian,

As explained in our comment letter, overnight accommodations allowed by the 150-cap are effectively reduced by the new 60-day cap on unhosted STRs.
150 STRs x 60 days (9,000) equals 45,750 fewer days available days than 150 x 365 (54,750), or? You can say the cap remains in place, but the same thing can be said of a weakened, decaying tooth.

Considering occupancy rates of STRs offered in the California coastal zone (higher than in hotel rooms, as Ceto's studies have shown), you're now excluding tens of thousands of annual visitors from a weekend or prolonged weekend on Pacifica's coast, or, for that matter, a one-week or two-week vacation. I find this rather shocking because what's the point of Coastal Commission review of visitor-hostile, exclusionary local zoning ordinances when staff recommends they be waved through without suggesting any modifications.

What about my questions in my email from January 21?

Best,

Unequal Access

Protecting Affordable Accommodations Along the California Coast

Table of Contents

Bios

Dr. Philip G. King

Dr. Philip G. King received his PhD in Economics from Cornell is 1987 and has been an economics professor at San Francisco State for over 30 years; he was Department Chair from 2002-2005. He has worked on the economics of coastal resources in California for over 25 years and has published numerous peer-reviewed papers in journals such as Climatic Change and Ocean and Coastal Management. His work on coastal access includes a report with Jon Christensen of UCLA on Access for All, which examined disparities in coastal access. Recently, Dr. King conducted the economic analyses for eight local coastal programs including Oceanside, Ventura County, and Imperial Beach. He is currently working with the State Lands Commission evaluating the impacts of sea level rise on California tideland properties. Dr. King also served as chair of the SF State Foundation's Finance and Investment committee and implemented their divestment from fossil fuel stocks.

Sarah Jenkins

Sarah Jenkins is a research assistant with Dr Philip King. Her interest in coastal access for Californians was developed while living inland in Stockton, California. She is especially interested in the equity aspects of Dr. King's coastal work, drawing on an interest in structural discrimination. Sarah has previously worked in International Development in Washington D.C. and for a global health non-profit. Sarah holds degrees in Economics and International Relations from University of the Pacific.

Introduction

Our report, *"Unequal Access: Protecting Affordable Accommodations Along California's Coast"* was slated for release in March 2020 with the goal of analyzing the role short-term rentals can play in expanding access to California's coast. The COVID-19 pandemic and "shelter in place" order put those plans on pause as the state and local jurisdictions grappled with how to handle the unfolding public health crisis. In the following months, the COVID-19 pandemic has created a "new normal" of limited mobility, minimal tourism, and economic strife. Local governments nationwide are facing steep budget deficits as a result of decreased tax revenues. Things are far from the normal California summer season. However, as many have noted, this time may be a time for growth, change, and reflection, allowing us as individuals and communities to not simply return to normal, but to create something better and more inclusive.

It is uncertain what this year holds, but it is likely that following the pandemic the "staycation" will become more popular. For California, this likely means more visitors to the beaches, and more demand than ever for accommodations—especially those that offer increased privacy and safety.

The past few months have forced Americans to not only face a public health crisis, but a social and cultural crisis as well. The pandemic has disproportionately impacted Black and Latino Americans "in a widespread manner that spans the country, throughout hundreds of counties in urban, suburban and rural areas, and across all age groups," according to a comprehensive study of federal data from the New York Times. Compared to White Americans, Black and Latino Americans are three times as likely to contract the coronavirus, and twice as likely to die[1]. In the midst of this crisis, two months after this report was scheduled to be released, George Floyd's death at the hands of Minneapolis police sparked nationwide protests over a criminal justice system that systematically discriminates against people of color, especially black males.

The history of unequal access in California extends to one of our most sacred treasures, our beaches. Until as recently as 1960, California's beaches were segregated. Even after laws were passed to eliminate de jure discrimination, de facto segregation continues. However, there are at least two monuments in California worth remembering: the monument at "Inkwell" Beach in Santa Monica, and the monument at Bruce's Beach (Manhattan Beach, Los Angeles County). These two beaches allowed African Americans to visit the beach during segregation.

While today these *formal* barriers to beach visitation have ended, participation in coastal recreation at beaches, campgrounds, surf sites, tide pools and other spots is heavily skewed against people of color, and towards largely affluent groups who already have access. As our report documents (along with many excellent studies) access to California's coast is heavily skewed towards a richer, older and whiter demographic. This skewing is first and foremost caused by the high cost of housing on California's coast, though other historical and cultural barriers are also important.Increasing access requires recognizing these disparities and enacting policies to remedy them. Coastal communities need to be aware of and sensitive to these barriers—many of which are economic—in their local coastal plans and policies. With many low and middle-income

1 Oppel, Richard A. Jr et all, "The Fullest Look Yet at the Racial Inequality of the Corona Virus," New York Times. July 5, 2020.

Californians living inland, providing affordable overnight accommodation is crucial for inclusive coastal access. Unfortunately, as work completed by the Coastal Conservancy and Coastal Commission indicates, the supply of affordable hotels has actually decreased over the past twenty years, and the current outbreak of COVID 19 is having a profound effect on the hospitality industry and may lead to permanent closures, especially for smaller operations with limited access to capital markets.

At the same time, dozens of communities in California, many of them affluent, have placed a de facto ban and additional restrictions on short-term rentals, up to and including outright bans. In our study, we discuss two of the coastal cities -- Del Mar and Santa Barbara -- that have actively sought to restrict short-term rentals and hence access to the coast. These restrictions lower the supply of overnight accommodations and drive up the price, making access even more affordable for underserved communities.

To meet these challenges, the State and local coastal communities must embrace change and encourage policies that increase access. Short-term rentals (STRs) are one possible solution. STRs require no new construction, generate significant local taxes, and provide overnight accommodations in cities that have few other options.

In addition to the loss/damage to life, the COVID pandemic has wreaked havoc on State and local governments. By one estimate, the State of California will lose $2.5 billion in taxes this year (2020) and local jurisdictions will lose over a billion dollars[2]. Unlike the federal government, state and local governments cannot borrow money to make up for budget deficits, so budgets will need to be cut during a pandemic.

For local governments, short-term rentals can provide a significant new source of revenue, without raising taxes, while also increasing access to the coast. Our report examines these issues and provides a number of recommendations for policies that would increase access,, e.g., setting aside a certain percentage of STRs for underserved communities.

We believe achieving *access for all* will require the cooperation of all stakeholders including the private sector. Finding a solution—as with many issues highlighted by recent events—will require dialogue between business, State and local government, environmental and social justice groups, and other stakeholders, in order to forge a sustainable and equitable long-term solution.

Dr. Philip G. King and Sarah Jenkins

2 See Estimates of State and Local Government Revenue Losses from Pandemic Mitigation, By Stephan Whitaker, Policy Economist II, Federal Reserve Bank of Cleveland May 13, 2020, https://www.clevelandfed.org/newsroom-and-events/publications/cfed-district-data-briefs/cfddb-20200513-estimates-of-state-and-local-government-revenue-losses-from-pandemic-mitigation.aspx.

Executive Summary

The 1976 California Coastal Act was created to protect and preserve California's iconic coastline and beaches and to ensure that everyone has "maximum access...[to] recreational opportunities" of this precious resource[3]. The Act created the California Coastal Commission with the mandate to help protect and ensure access. Today, however, this access is being threatened by the high cost of California's coastal real estate, which has pushed many Californians to move inland, farther away from the coast in search of affordable housing. Numerous studies, cited within this report, have found that while visiting the coast is highly desired by most Californians, many feel that a visit is simply too costly. Travel costs and accommodation are the most prohibitive expenses—expenses which continue to increase as more of California's middle- and low-income families are displaced inland due to housing costs.

The high cost of accommodation along the coast presents a significant barrier for many households. The supply of affordable rooms fails to meet the demand of millions of residents who do not live close enough to the coast to make a daytrip. Over the past decade, many budget hotels along the coast have closed or have been refurbished and raised their prices well beyond what many families can afford. Economy class hotels along the coast have closed at a far greater rate than other, more expensive types of accommodations. Many previous studies point to a significant decline in the number of overnight coastal accommodations that are affordable (defined as 75% of the average daily price for a hotel room in California, which was $137 a night in summer 2018). The lack of such options means that some households who would otherwise visit the coast cannot, because they cannot afford the cost of an overnight stay (Figure E1 below).

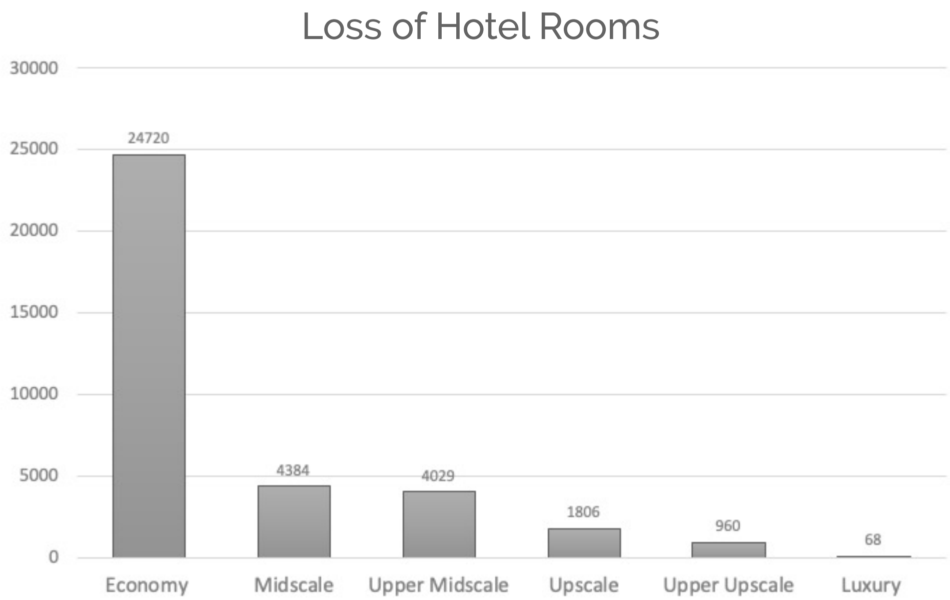


Figure E1: Loss of hotel rooms in California by class (Ainsworth 2016).

3 1976 California Coastal Act, Section 30210

During the high season—from mid-June until September—prices are often much higher than at other periods (see Figure E2 below). The supply of coastal hotel rooms is particularly strained during the summer when there are not enough hotel rooms of any class let alone those classified as lower cost. Hotels respond to this demand with increased prices. An accommodation that may have been affordable to a lower-income family in February is far out of reach in July when most Californians wish to visit the coast.

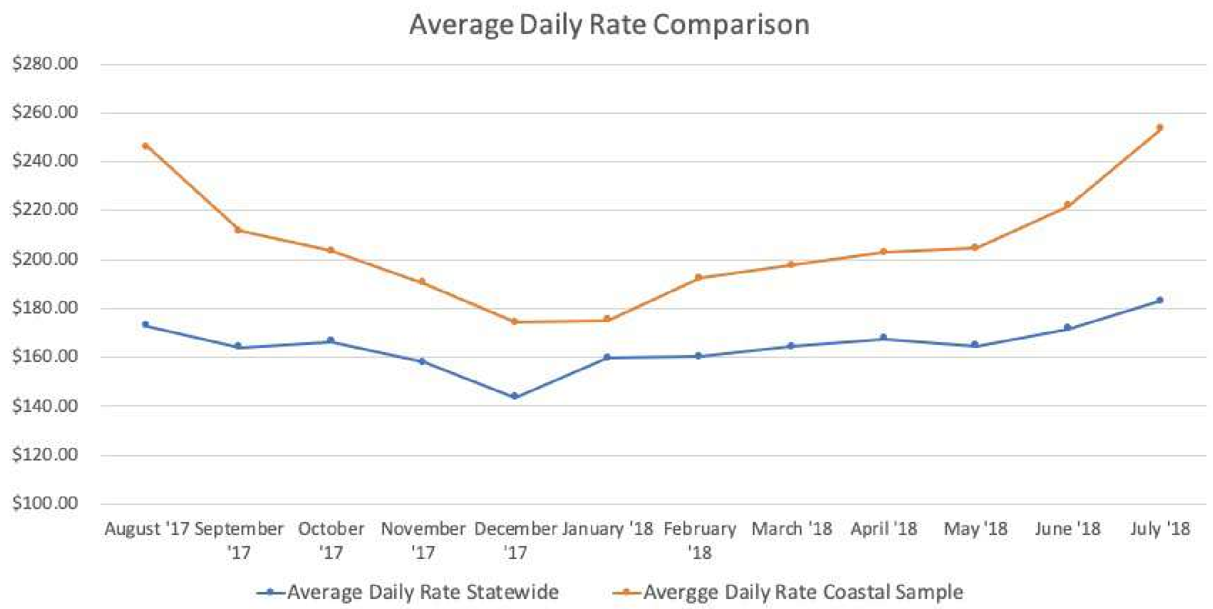


Figure E2: Average daily rate for overnight accommodation in California: coastal and non-coastal.

Camping may provide an option for some households seeking lower cost accommodation. However, coastal campsites are also very limited, especially in summer, and some are under threat from coastal erosion. The supply of campsites in California has not kept up with demand, especially in high season. Moreover, even though booking a campsite is affordable, it requires costly equipment that may exclude many families and often requires one to make reservations well in advance. Studies of camping participation also indicate that despite the relatively low cost, participation in camping also skews heavily towards more affluent groups and away from communities of color.

The lack of affordable accommodation along the coast creates a significant barrier to coastal access and makes it harder for families to visit. Given this challenge, it is imperative that California explore alternative means to expand the supply of lower cost coastal accommodations.

Alternative Options: Short-Term Rentals

One possible solution to the lack of affordable overnight accommodations on the coast are short-term rentals (STRs). Unlike campsites or hotels, expanding the number of STRs does not require new construction on or near California's coastline but instead utilizes existing properties. Rentals allow for the use of property otherwise unoccupied and may offer much needed income to hosts in expensive coastal communities. STRs have been providing accommodation for Californians wishing to visit the coast for decades, offering a significantly different experience than staying in a hotel or camping. Indeed, the California Coastal Plan, which laid the groundwork for the California Coastal Act, mentions home-sharing as a means of coastal access dating back prior to 1975. In addition, STRs may be especially suited to families or larger groups as they often offer kitchens, gathering spaces, multiple bedrooms and bathrooms, and are often less expensive per visitor than a hotel room.

As indicated in the literature review in this study, empirical studies of STRs indicate that the entry of STRs typically results in lower hotel rates, especially at peak periods. STRs offer competition and a flexible supply, which can be scaled to meet demand more easily. Hotels respond to this competition by lowering their prices. This benefits all visitors, including those who do not utilize the rentals. Furthermore, STRs can bring in visitors who may not have been able to access the coast before or may have chosen not to due to the difficulty of finding accommodation in the high season or desiring the specific amenities they can find at an STR.

Short-term rentals also make sense economically in communities where demand is highly seasonal as is the case with many coastal communities where beach and other recreation peaks in the summer. Building new hotels to serve a demand for a few months of the year makes little sense, and hotels must charge high rates in peak summer months to remain economically viable.

Short-term rentals have become more popular along California's coast and elsewhere as online platforms make it easier for potential visitors to locate, evaluate (through photos, maps, and other guest ratings), and book a property all in a few minutes. The recent popularity of STRs has also led to concerns in local communities about the character of neighborhoods that have traditionally been composed of single-family dwellings occupied by one family. Coastal communities up and down California have struggled with how to regulate STRs.

The Housing Crisis and Coastal Affordability

California's housing crisis is most acute in the Coastal region, near rapidly growing economic powerhouse cities such as San Francisco and Los Angeles. In these cities, demand for housing has far surpassed supply. Due to a combination of regulatory lags, permitting issues, and pushback against higher density construction and up-zoning, there has not been a substantial increase in housing construction necessary to meet this demand. Local authorities face pressure from many residents who worry about the burdens associated with expanding the supply of housing. As a result, housing has become scarce and prices have skyrocketed.

Rising housing costs have displaced many middle- and low-income residents inland. This means that many Californians, including nurses, police, teachers, and service workers, cannot afford to live where they work and must suffer long commutes. This displacement often results in a concentration of exclusive wealth and resources along the accessible only by the wealthy. This report focuses on the lack of access to California's coast.

Several key studies by the California Coastal Conservancy, the Coastal Commission, and others have highlighted this access issue and all point out that the increased cost of coastal access falls disproportionately on low- and moderate- income households as well as communities that have been historically excluded or discouraged from going to the coast, such as Latino residents and people of color. Latino Californians in particular desire to visit the coast but are especially sensitive to the high costs of travel and accommodation. As discussed in this report, the counties of California's Inland Empire, where a visit to the coast on a hot summer day likely requires an overnight trip, are virtually all Latino majorities. For many inland families, the cost of a necessary overnight stay is a major impediment to visiting the beach.

Indeed, California's coast has become increasingly inaccessible—with the majority of areas far more affluent, less diverse, and older than the state overall. This exclusivity produces an inequity that runs counter to the aims of the California Coastal Act. Access to the resources and opportunities associated with California's coast is not distributed fairly among California's diverse population. Often, those who can afford to spend the least to visit the coast must spend the most as lower-income communities inland face the highest travel costs and accommodation burdens.

As the case studies in this report indicate, cities that have become less and less affordable, like Santa Barbara or Del Mar, have also enacted restrictive legislation limiting short-term rentals. Just as these cities have often imposed restrictive ordinances and zoning laws to limit affordable housing for their residents, they have also imposed similar restrictions on short-term rentals with similar results.

Financial Resilience

As communities across California discuss and debate adapting to climate change, one issue is clear: adaptation will be expensive. For example, a recent study (Aerts et al. 2018) estimated that Los Angeles County will face climate change costs of $4.3 to $6.4 billion by 2100. All of these expenses will be on top of existing financial obligations for education, public safety, affordable housing and many other issues facing California today. Local governments will need new or enhanced sources of revenue to pay their share of climate resilience.

The California Coastal Commission and Coastal Conservancy have sponsored work on numerous local coastal programs (LCPs) aimed at helping coastal communities adapt to sea level rise. While these LCPs differ, all have one thing in common—their implementation will be costly and must be financed somehow, including local participation.

Transient occupancy taxes (TOTs) offer local governments a revenue stream that can easily grow. Unlike property taxes or sales taxes, in California 100% of TOT revenues go to local communities. While TOT rates vary by local jurisdiction, most coastal communities in southern California have a TOT rate of at least 12%. However, efforts to block STRs often lead to the development of black or grey markets where STR operators do not pay TOTs to their local community. This deprives these communities of revenues necessary to fund the additional public services required, such as lifeguards, public safety, improving beaches or other facilities.

Encouraging coastal communities to make STRs properly regulated and tax-paying is critical for financing resilience. Expanding STRs not only increases access but also increases financial resilience through increases in TOT revenues. Moreover, as discussed in detail in this report, other potential sources of local financing, e.g., Geologic and Hazard Abatement Districts (GHADs) or other levies on property taxes tend to promote resilience pathways that protect private property (e.g., armoring) at the expense of public property.

Coastal California Case Studies

The case studies provided in this report illustrate some of the issues facing coastal communities. All communities want to keep their residents safe and preserve their environment. However, some communities have done so in a manner that excludes many visitors, particularly lower income households, erecting barriers to entry such as high permitting fees for STRs and severe restrictions on who can offer STRs and in what neighborhoods.

The STRs policies of three distinct regions along California's coast were examined, and each provides a specific understanding of the impacts of local policy on the affordability of STRs. As these case studies indicate, short-term rentals can coexist with residential neighbors. Oceanside's Good Neighbor Policy for short-term rentals provides an excellent example. The city has strict policies on issues that matter to local residents, including trash, parking, noise, and extra visitors. Oceanside's Good Neighbor Policy includes serious fines for people who violate these rules.

Another common argument against STRs is that they drive up local real estate prices, facilitating gentrification. Some empirical studies indicate STRs can have a modest impact on property values, but these impacts must be taken into context. The residential real estate in most of these coastal communities is already beyond the means of the vast majority of Californians. Therefore, reducing STRs in coastal communities simply reduces access to those who cannot afford to buy such properties but can afford to rent them for a short time. Indeed, in our case studies, communities, such as Del Mar and Santa Barbara which already have significantly higher home prices, higher rents, and higher median incomes, were also the same communities which placed more serious restrictions on STRs.

North San Diego County

The first case study in this report examined five coastal communities in North San Diego County: Del Mar, Solana Beach, Encinitas, Carlsbad, and Oceanside. All of these communities are very popular beach destinations in the summer and have significant regulations on STRs. Our analysis of STR policies in North San Diego County indicates that communities that have restricted short-term rentals the most have the highest overnight rates. The City of Oceanside has more affordable accommodations than its neighbors to the south while at the same time also providing more affordable accommodations for its long-term residents as well.

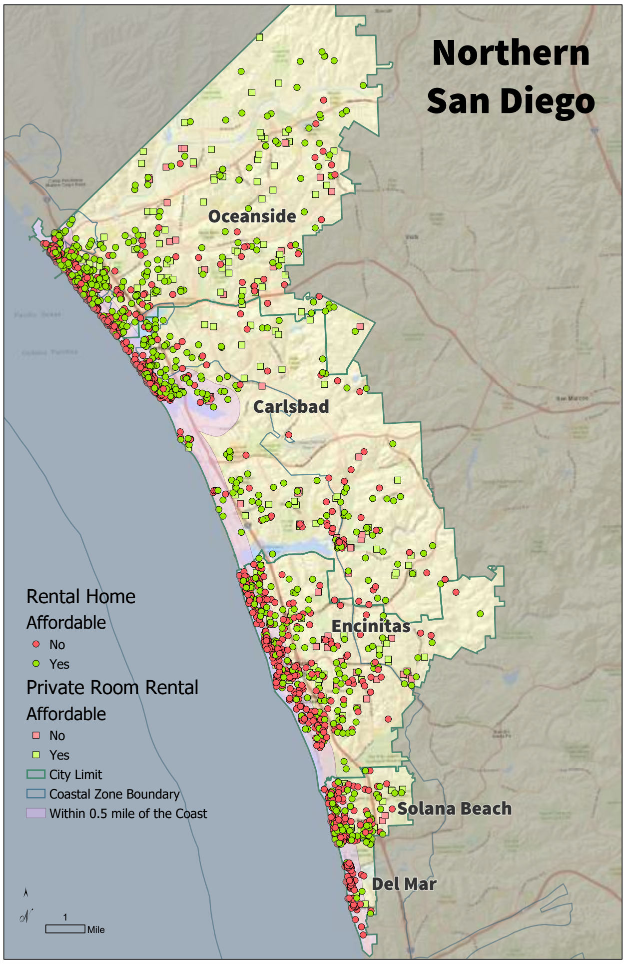


Figure E3: Affordability of STRs in North San Diego County.

Figure E3 above graphically illustrates the affordability issue in North San Diego County. The darker (redder) areas indicate more affordability; the lighter (more yellow) areas indicate less affordability. As one would expect, the areas along the coast are less affordable. However, pockets of affordability still remain farther north, particularly in Oceanside, which has a more accommodating STR policy. On the other hand, more exclusive communities like Del Mar offer fewer affordable overnight accommodations.

City of Santa Barbara

In Santa Barbara the regulatory environment is particularly difficult. The city's enforcement and zoning policies towards STRs has been described as a "ban" since STRs are classified as hotels. As a result, STRs are only permitted in areas zoned for hotels, and operators are required to submit to many of the same regulations as a hotel owner, including frequent inspections and renovations. Since 2015 the city has begun aggressively enforcing this zoning ordinance. This policy has resulted in a lack of affordable accommodation in the City of Santa Barbara since few areas are zoned for hotels. The added enforcement risk to operators has reduced supply and increased costs, reducing affordability. The maps in Figures E4 and E5 below show the results of Santa Barbara's restrictive STR policies. There are few affordable accommodations, and those that are available are away from the coast. Easing STR regulations, and thereby allowing a greater supply of STRs in other areas of the city, would significantly increase affordability and access.

Recently, the ban on STRs in Santa Barbara's coastal zone was overturned in the Kracke v. The City of Santa Barbara case. Judge Borrell ruled that the enforcement significantly changed the ability for Californians to visit and access the coast and that such a development would have required the approval of the California Coastal Commission. The ruling effectively allows rentals in the coastal zone to be operated immediately in the same manner as they were prior to 2015 during when operators obtained a permit and collected TOTs. The city is appealing the ruling.

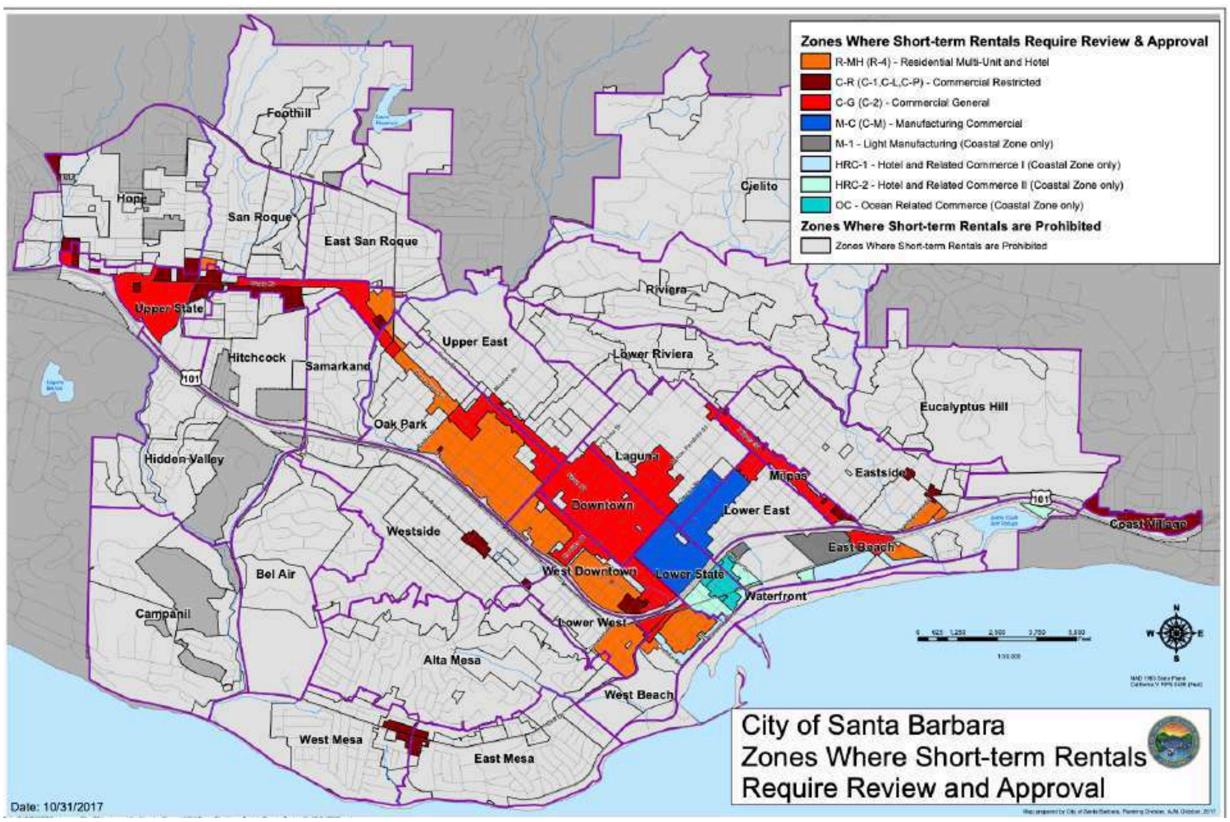


Figure E4: Santa Barbara's zoning limits STRs to areas already zoned for hotels.

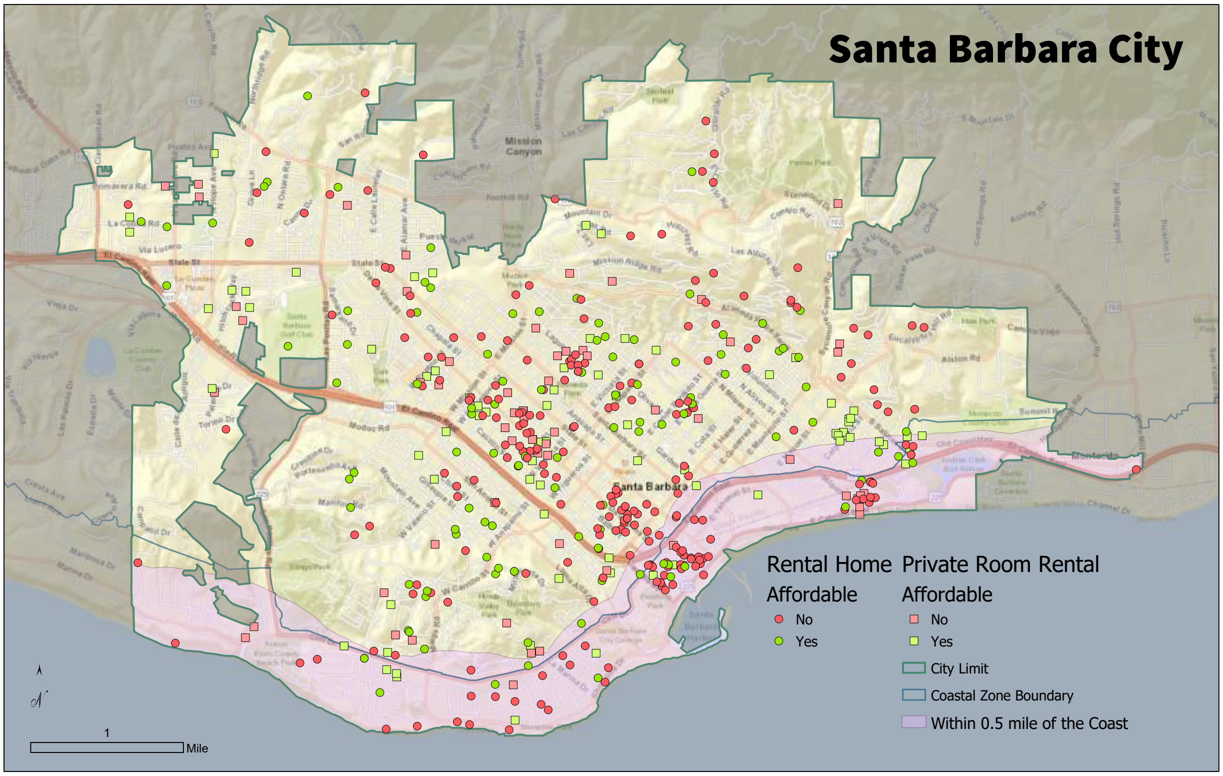


Figure E5: Affordability of STRs during peak season in Santa Barbara.

City of Pismo Beach

The California Coastal Commission has suggested that Pismo Beach's short-term rental ordinance is a model for other communities. However, as this study indicates, Pismo Beaches' permitting fees, coupled with a required business tax, imply that STR landlords must pay over $450 for the right to rent out their property even if only for a week or two. The high fees represent an obstacle and possible deterrent to residents who might consider home sharing as a means to supplement their income. This might explain why Pismo Beach's STRs are less affordable than many other communities in this study.

Regulations on short-term rentals can help communities promote public safety alongside access and respond to the valid complaints of residents around issues such as noise, traffic, etc. These regulations, however, should not constitute barriers or bans which prohibit STRs or make STRs too expensive for low and moderate-income families, thus reducing coastal access. A well-regulated supply of STRs can also provide significant revenues for local communities in the form of transient occupancy taxes (TOTs). In addition to paying for the increased costs of public safety, these revenues can be used by coastal communities to help strengthen resilience in order to adapt to sea level rise.

Potential Solutions and Recommendations

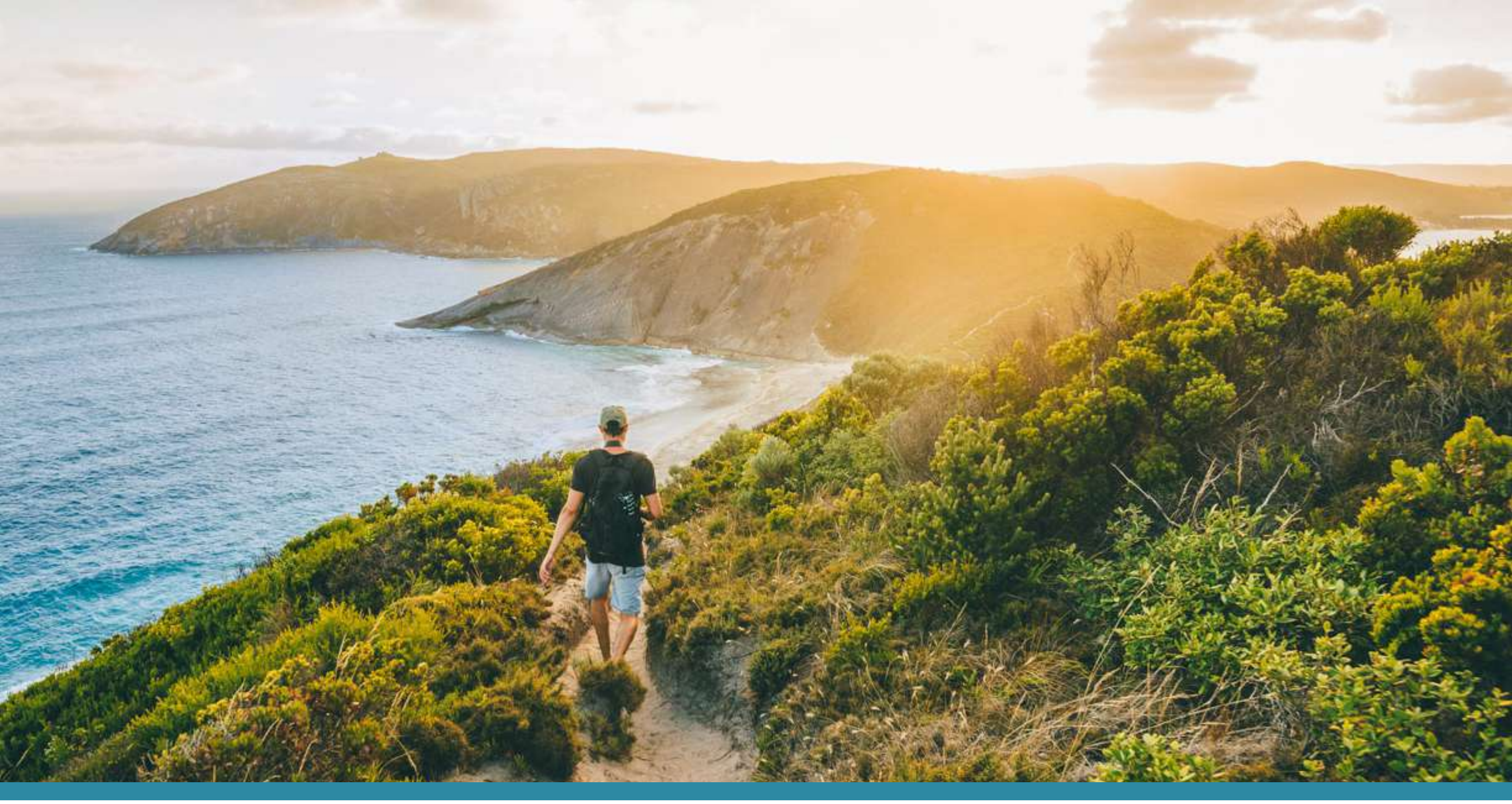
After evaluating the impacts of regulations on the availability and affordability of STRs, this report makes the following recommendations for how local jurisdictions can maximize access to the coast. These simple policy changes will help reduce the costs, delays, and confusion, thereby encouraging compliance and regulations as well as affordability.

Best Practice	Rationale
Simple, streamlined registration	Reduces the costs to operators, costs which are passed on to renters and reduce affordability
Make permitting easy and swift	Allows for more affordability by making it easier to increase the supply of STRs; also encourages registration with the City
Cities require TOT payment and cooperate with STR platforms where possible	Ensures TOTs are collected from all operators
Allow STRs in most or all coastal neighborhoods	Increases affordability near the coast, helping increase coastal access for those who need it most
No minimum on number of nights	Ensures that families who cannot afford multiple nights can still visit the coast
Maximum night cap of 180 nights or more. No night cap on shared space rentals	Helps promote affordability via greater supply of STRs, supported by Commission
Ensure compliance with "Good Neighbor Policies" and make renters aware of rules	Promotes harmony between STRs and the residents neighboring them, and promotes public safety
Require parking be provided by STRs where reasonable	Reduces traffic associated with STRs and promotes agreement with local residents. Reduces parking costs for visitors

The City of Oceanside's Good Neighbor Policy (in appendix) and other policies generally provide a good example for other cities to follow when implementing STR policies. In communities where parking is an issue, communities should require STRs come with adequate parking depending upon the number of guests. These same communities may also wish to encourage transportation modes other than cars, such as local buses and shuttles, bike rentals, etc.

Additionally, this report recommends that the state, local governments, and non-governmental organizations (NGOs) play an active role in developing programs that target underserved communities and households with low or moderate income in order to increase the affordability of, and hence access to, the coast.

Recommendation	Rationale
State agencies, local governments, foundations and community organizations could **support and fund programs that encourage or subsidize low-income families or those from underserved communities to stay overnight near the coast.** STRs should be part of the solution.	Cooperation with NGOs helps these programs reach those most in need of easy access to the coast. STRs better serve large groups and families and provide additional amenities for families. Many STRs are more affordable.
Expand the Explore the Coast Overnight Program to include STRs, and include STRs in other pilot programs	It is easier to expand the supply of affordable accommodations through STRs, unlike other lodging, which requires new construction on the coast.
Create **affordable STR program with eligibility criteria.**	Establishing eligibility criteria ensures that Californians most in need of affordable accommodation have access.



Access Issues on the California Coast

The Coastal Act

California's beaches have an almost mythological allure worldwide. The California coastline is not only a crucial aspect of the identity of the state and its residents but also one of its prized tourist attractions. Millions flock to the state's beaches every year, especially during the peak summer season. In fact, of the more than 200 million in-state leisure trips California residents took in 2016, over 20% were to the beach (Conservancy 2019, 14).

As the California population continues to grow, especially inland where summer temperatures are increasingly hot, beach trips will likely become even more popular, but only if Californians can afford to visit. Access to the coast is threatened by rising costs. A 2017 study found that 62% of California families felt that a visit to the coast is simply too expensive (Christensen & King 2017, 3). These families are primarily concerned with the high costs of parking and lodging along the coast, a problem which is especially concerning for minority residents and residents of inland counties (Christensen & King 2017, 3). The high cost of a coastal visit can mean that middle- and low-income families cannot afford coastal access at all.

This disparity is especially disheartening in a state where access to the coast is guaranteed by law. In California, the coast (below the mean high tide line) and waterways are public land and intended for beneficial public use. The 1976 California Coastal Act aims to protect California's beaches and coastline and promote visitation. The California Coastal Act defines the coast as a "distinct and valuable resource belonging to all" and ensures

> "maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights." (Coastal Act, Section 30210)

The Coastal Act not only places importance on coastal protection but also includes an imperative mandate that all Californians should have maximum access to coastal recreation regardless of income.

Several recent reports by the California Coastal Commission and the California Coastal Conservancy noted that this mandate goes above and beyond protection and preservation. It necessitates the promotion of access for those who would otherwise be unable to afford it. Specifically, the California Coastal Act requires the protection, encouragement, and "where feasible" provision of "lower cost visitor and recreation facilities" (Conservancy 2019, 14; Ainsworth 2016, 1). This stipulation in the California Coastal Act gives the State government the capacity to ensure and protect access to the coast. The requirement for the preservation and provision of lower cost facilities is vital to providing equitable access to all Californians. Without lower cost overnight accommodations, many individuals with low or moderate incomes will be, and in many cases already are, unable to afford the high cost of visiting the coast. This results in unjust inequity (Ainsworth 2016, 8). It is not sufficient for the coast to be legally accessible by the public; there must be a diverse set of options that allow everyone, regardless of income, an ability to access the coast. Presently, the majority of Californians cannot afford overnight accommodations in coastal areas (Ainsworth 2016, 24).

Despite the California Coastal Act's promise of access for all, inequity persists and is perhaps more pervasive than in recent decades. The high cost of living in coastal counties has pushed lower and moderate-income Californians inland. This has resulted in longer drives and in many cases, requires an overnight stay if families wish to visit the coast. **Desire to visit the coast is relatively high among all of California's diverse demographics, yet important barriers to access persist which make visits to the coast too costly for lower income communities.** In fact, one study found 62% of California voters perceive coastal access as a problem (Christensen & King 2017, 3). Historically, public access has been unequally distributed among different groups. High land costs and explosive economic growth on and near the coast have exacerbated this situation. While the Coastal Act aimed to remedy these issues, it has fallen short.

The Coastal Act's stipulation for lower cost facilities includes the promotion, preservation, and provision of lower cost overnight accommodations (Ainsworth 2016, 1). These protections are meant to address one of the most significant barriers facing visitors to the beach: the cost of overnight accommodation and the scarcity of alternative, affordable accommodations. As mentioned, many low- and middle-income Californians have to travel greater distances to reach the coast and may need accommodation. This is a pressing issue as income inequality in the state deepens. In a recent survey, 75% of respondents cited the lack of lower cost accommodation options as a reason they do not visit the coast as much as they would like (Christensen & King 2017, 3). Travel costs—the chief barrier to coastal access—are not equitably distributed among California's diverse demographics. High costs to travel to and stay in coastal communities more heavily burden lower income populations and prohibit some from visiting.

Associated Costs and the Value of Beach Recreation

Although the California Coastal Act guarantees access to the coast to all Californians, recent studies show that costs associated with visiting the coast impose barriers that prevent many lower income and minority communities from visiting. Many families, despite strong desire to visit the coast, simply cannot accommodate high nightly rental rates into their budgets. Understanding the value California residents place on a trip to the coast will better help to illustrate the significance of high costs.

Californians visit the coast for many reasons; the coast provides recreational opportunities, which benefit psychological and physiological health as well as provide much needed leisure, a connection to the ocean, and an escape from the scorching summers inland (Christensen & King 2017, 3; Reineman 2016, 91). In other words, all visitors place some value on their visits—although perhaps not in dollars. This value is not always fully captured in the cost of the trip, especially since beaches in California are generally free. Thus, coastal visits have a non-market value, or a worth to visitors that is not explicit in commercial costs. Understanding the value of a beach trip can help illustrate the decisions which go into a visit, allowing economists to model consumer surplus. In this case, consumer surplus is the value of the visit once the costs have been accounted for, or how much "bang for your buck."

While the average visitor may not calculate their exact costs and associate an explicit, monetary value to their visit, costs do play a role in decisions to visit the coast. The amount a visitor is willing to pay for a trip can reveal the implicit value of the trip (Christensen & King 2017,5; Medford 2018). This is especially important regarding trips to the beach, as beach access is generally free and thus has a "non-market value." Economists have developed a wide variety of models to estimate the "non-market value" of visiting natural resources where access is free. One of the most common models is the "travel cost model." In a 2017 survey, Christensen and King used this model to conduct an intercept survey of select beaches in Southern California to estimate a visitor's "willingness to pay" (WTP) to visit the coast.

Researchers have compared the value of a beach visit to the associated costs to better understand the economic barriers that impact coastal access (Christensen & King 2017; Medford 2018). Medford (2018, 3) determined the value of beach recreation in Southern California using a visitor's choice of site and the number of trips taken to reveal his/her willingness to pay, and thus, the value assigned to the trip. The study found higher income demographics have a higher willingness and ability to pay for coastal accommodation. Medford (2018) sought to understand how consumer surplus and WTP varied by ethnic and racial group—an important aspect of creating equity in coastal access. Minority populations historically have faced both cultural and legal barriers to beach access. These barriers have carried over into feelings of marginalization and being unwelcome, resulting in a lower desire to visit. Medford (2018, 1) found evidence of this phenomenon, noting that Black and Asian populations on average visit the beach less. More significant than race alone, however, was "travel cost." Minority groups were on average more responsive to high travel costs. Higher sensitivity to travel cost suggests these populations derive a lower consumer surplus, or benefit, from their visits. In order to ensure access for all Californians, these preferences need to be taken into account.

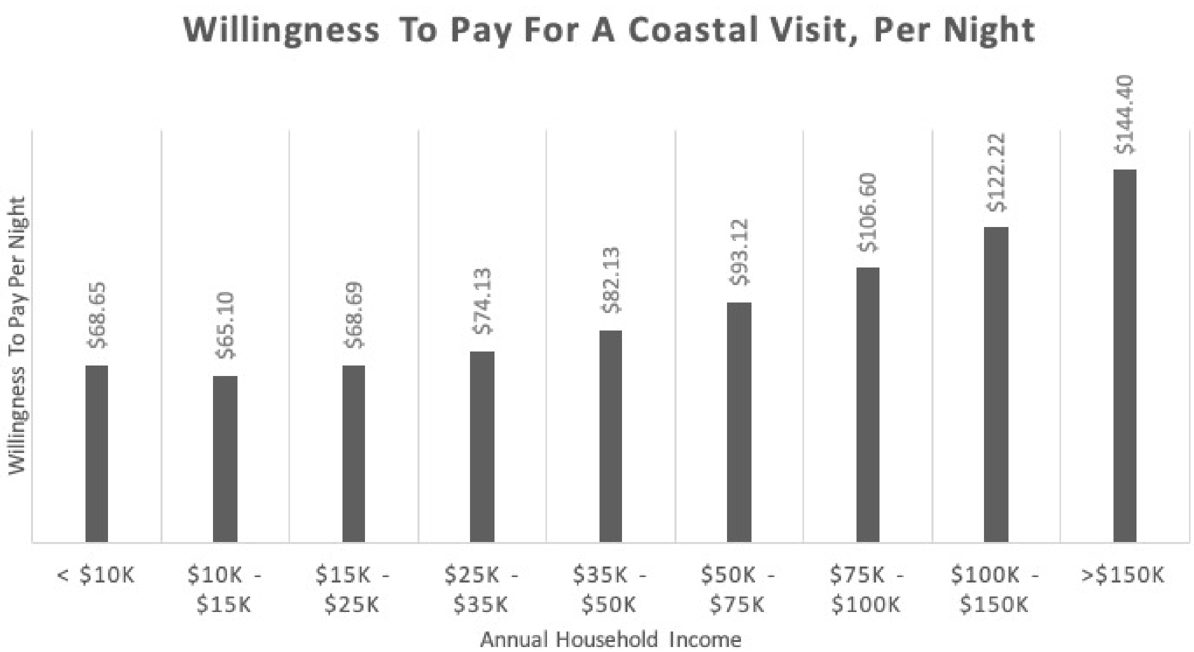


Figure 1: Willingness to pay for a visit to select Southern California beaches by income bracket (Christensen & King, 2017).

Latino residents in particular consider the cost of accommodation as a major barrier to visiting the coast. Christensen and King (2017) found that Latino voters rated affordable accommodation a major issue and were on average able to pay $16 less per night than respondents overall. This is especially significant during the summer holidays when demand for coastal recreation is at its peak and prices are the highest. Latino populations are especially vulnerable to the lack of affordable coastal accommodations given that Latinos in California have a 52% lower median income, at $51,853 in 2017, compared to the median income for white, non-Latino residents of $78,903 according to the latest numbers (US American Community Survey, 2017).

For households in Southern California's non-coastal counties—particularly those with high Latino populations, such as the Inland Empire—access to affordable overnight accommodations is critical since accessing the coast for a daytrip is difficult given traffic patterns and travel costs. According to data from the U.S. Census 2018 American Community Survey (ACS), Latino households make up the majority of the population in virtually all Southern California inland counties. Table 1 below shows these counties have a higher percentage of Latino households than the rest of the state overall.

Table 1: Latino/Latino Residents as a Percentage of Population in Southern California Inland Counties. Data from the U.S. Census 2018 American Community Survey.

County	Total Population	Latino Population	Percent Latino, 2018 ACS
Fresno	994,400	531,677	53.5
Imperial	181,827	153,757	84.6
Kern	896,764	483,846	54
Kings	151,366	83,200	55
Madera	157,672	91,939	58.3
Merced	274,765	165,438	60.2
Riverside	2,450,758	1,214,445	49.6
San Bernardino	2,171,603	1,171,925	54
Tulare	465,861	303,657	65.2
Southern Valley	**7,745,016**	**4,199,884**	**54%**
Rest of State	**31,301,112**	**11,211,879**	**36%**
California, total	**39,557,045**	**15,540,142**	**39.3%**

While high travel and accommodation costs are particularly significant for residents of inland counties, these costs weigh heavily in planning a coastal visit for all California residents. Naturally, if the associated costs of the trip are too high, those with fewer means would choose not to go. Survey work from UCLA on beachgoers found this to be the case, concluding that lodging and transportation costs are the paramount concerns, and indeed barriers, to beach access (Christensen & King 2017, 4). While the UCLA study did not analyze lodging costs, they illustrated part of the affordability problem. They "calculated that the average value of a multi-day trip to the coast was $605.05, meaning that visitors were on average willing to budget roughly $605 for the trip. Round trip travel costs amount to on average $194.41—not including the price of overnight stays—leaving $410.64 in the typical budget for all other expenses. With overnight visitors staying an average of four nights on the coast, the surplus value 'left over for accommodations is just $102.66 per day'" (Christensen & King 2017, 6). That $102 is likely insufficient as many coastal zone accommodations ask more in their daily rate. Furthermore, that nightly rate leaves nothing left over for excursions or even food.

The already high costs of lodging on the coast are prone to increases as demand for coastal accommodation exceeds supply. Hotels dramatically raise rates during the peak season, making it even harder for the majority of Californians to visit the coast. While this creates a barrier for many Californians to visit the coast, the UCLA study also found that willingness to pay for lodging increases with income where wealthier populations are willing to pay premiums. For the aims of the Coastal Act to be met, accommodations need to exist along the coast that offer lodging for more than just the wealthy.

Lack of Supply of Affordable Accommodation

The cost of coastal accommodations concerns the majority of visitors to the beach. High travel costs—and in particular the exorbitant cost of lodging on the coast—can prohibit coastal visits and impede access to the coast. In fact, the only California populations who reliably stay on the coast are white, age 55 or older, who earn more than $200,000 annually (Conservancy 2019, 16). Another study found that this demographic already has higher ability to access the coast. Reineman (2016, 101) mapped census demographics in relation to coastal access points and found that "by virtue of their place of residence, white, wealthy, senior Californians live disproportionately closer to public coastal access points than other groups" (Reineman 2016, 99). The coast, according to this research, is overwhelmingly white and is also predominantly wealthy. The average annual household income increases with proximity to the coast, such that those living closest to the ocean make 20% more than the state average, and low income communities are largely concentrated inland (Reineman 2016, 97). Inland Californians, therefore, face not only higher travel costs but also a greater cost burden in comparison to their incomes. This compounds coastal access inequality.

Inland California populations are on average less wealthy, younger, and more diverse than the communities on the coast. This is true for those in coastal counties but also for those who must travel much further to reach the coast, such as those who live in the San Joaquin or San Fernando Valley. As demonstrated in table 2 below, data from the US Census indicates that households in inland counties in southern California have annual incomes $25,000 lower than households in coastal counties, reducing their ability to afford a coastal visit. These are the communities most in need of affordable accommodation if all Californians are to have access to the coast. Recall that those of lower incomes budget less for a coastal trip, and this is especially true for communities of color. Compared to the communities with the closest proximity, and therefore easiest access to the coast, those who live inland face high travel costs coupled with fewer means.

Table 2: Demographic data from the U.S. Census shows that the California coastal population is wealthier, whiter, and older than the populations of inland counties.

Comparing California Coastal Communities to Inland Counties[4]			
	Age, Percent of Population Over 65	Percent White, Non-Latino	Average Median Household Income
Coastal Sample	16.3	49.2	$ 83,995.00
Inland Counties	12.3	34.0	$ 58,082.83

4 "Coastal Sample" includes the counties of Marin, San Francisco, San Mateo, Santa Cruz, Orange, and the cities of Monterey, Pismo Beach, San Diego, Oceanside, Los Angeles, Malibu, Long Beach, Oakland, Oxnard, and Huntington Beach. The "Inland Counties" are those counties within reasonable travel distance to the coast and large populations: Sacramento, Fresno, Riverside, San Bernardino, Stanislaus, and Merced. Bakersfield city was also included as Inland.

These Californians have to travel the furthest to the coast and therefore have the highest travel costs. At the same time, inland populations are less able to pay the high asking prices for accommodation (Christensen & King 2017, 4). According to US Census data, populous areas inland—including Sacramento, Fresno, San Bernardino, and Bakersfield—have lower median incomes and larger Latino populations than cities along the coast (see Table 2, above). Californians inland face higher travel costs with tighter budgets. Thus, it follows that inland populations visit less often, especially those from the Central Valley, "with 39 percent visiting less than once a year" (Christensen & King 2017, 3). If the aims of the 1976 California Coastal Act are to be met, more low-cost coastal accommodations need to be provided or else this disparity will persist.

Presently, those with greater means have more opportunities to access overnight accommodation and the coast itself, and this is not a result of their place of residence alone. There are simply not enough affordable accommodations on the coast, and during the peak summer season there is not enough accommodation overall. Lodging is often the most expensive part of a coastal vacation, making its scarcity critical. Publicly owned options can help keep the cost of accommodations low, but these are typically campsites or lodges and a few hostels. They act as a bulwark against the increasing lack of affordability on the coast, especially important given that the California coast has lost 24,720 economy hotel rooms since 1989[5], more than twice the number of non-economy rooms (Ainsworth 2016, 1). While the population in California has grown, affordable accommodation options for lower income residents on the coast have shrunk.

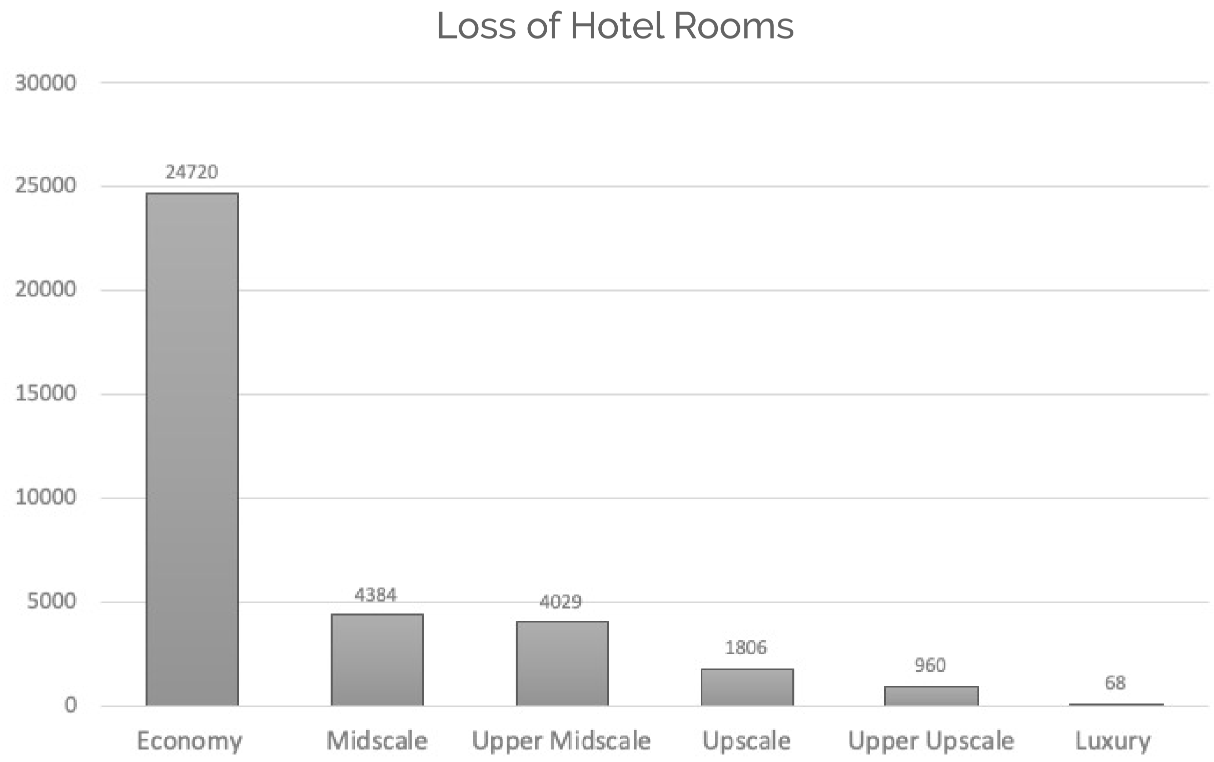


Figure 2: Loss of hotel rooms in California by class (Ainsworth 2016).

5 Ainsworth (2016) reported that nearly 70% of the rooms lost since 1989 have been economy rooms whereas 10% have been upscale and less than 0.2% luxury hotel rooms.

The existing accommodations on the coast are also under threat from rising property values and conversion to higher cost lodging. Lower cost hotels are critically threatened, closing at more than double the rate of moderate and high price hotels, resulting in the dramatic loss of hotel rooms indicated in Figure 2 (Ainsworth 2016, 1). They are being replaced by expensive condominiums, resorts, and hotels, thereby decreasing the supply of more affordable accommodations and increasing rates such that many coastal cities only offer 5% of the available rooms at a lower cost—those with a daily rate less than 75% of the California average, which qualifies a room as "affordable" (Ainsworth 2016, 2). Historically, low-cost accommodations were more accessible, but now the percentage of economy rooms has decreased dramatically with proximity to the coast. Furthermore, an "economy" room on the coast is likely to be more expensive than its equivalent inland. The supply of roughly 13,000 affordable overnight accommodations on the coast (only 7,500 rooms in Southern California) does not come close to matching the needs of the 12.6 million households within 150 miles of the coast, approximately half of which are low income (Conservancy 2019, 13). Staying overnight at the coast is simply unaffordable for many California residents. Presently, 45% of Californians find accommodation options on the coast to be too expensive or inconvenient (Conservancy 2019, 14).

The California Coastal Act's mandate allows the Coastal Commission some leeway in providing lower cost accommodation options, primarily in dealing with development. The Coastal Commission has required some builders of new hotel developments to construct 25% of their rooms to be designated as affordable rooms and assesses an in-lieu fee of $100,000 for lower cost rooms (Commission 2019, 25). Some hotels meet this requirement not by reducing the rates of their rooms, but with offsite solutions, such as hostels (OC Register; Commission 2019, 24). While this measure helps provide affordable options, it fails to match the preferences of the majority of beachgoers who wish for privacy. Instead, this policy essentially provides separate, and not equal, accommodations for low- and moderate-income groups. The replacement of lower cost hotels with hostels also creates a dichotomy for visitors and may prevent some from being able to visit (Commission 2019, 23). In this new scenario, mid-range accommodation options vanish.

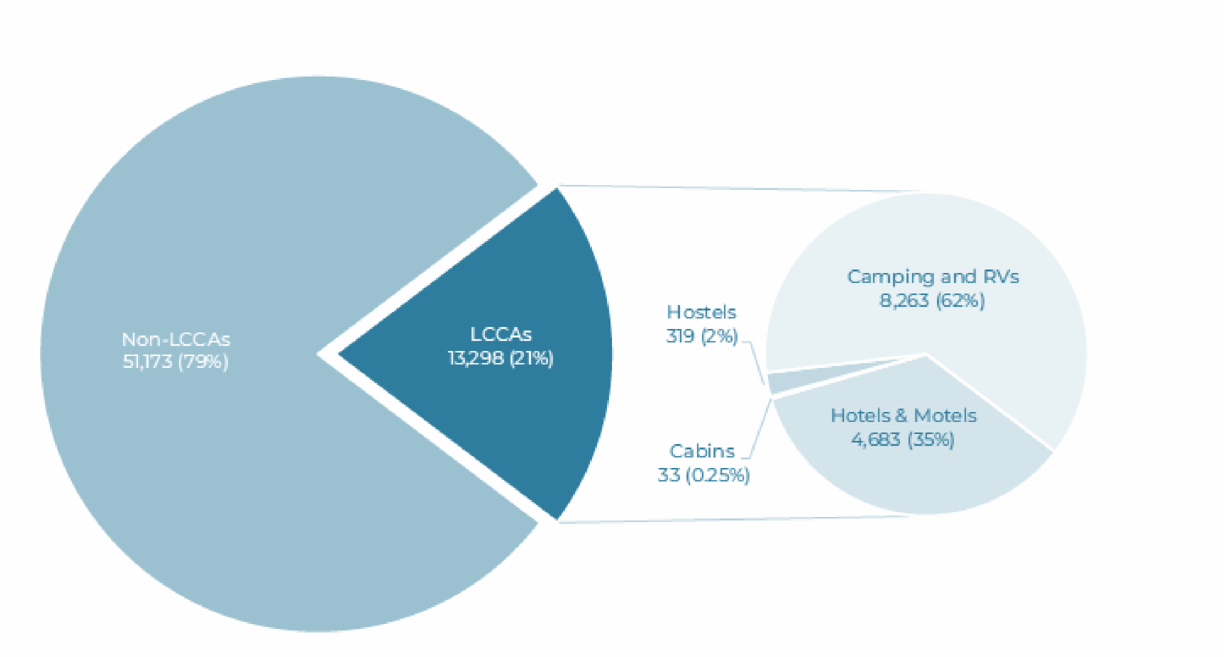
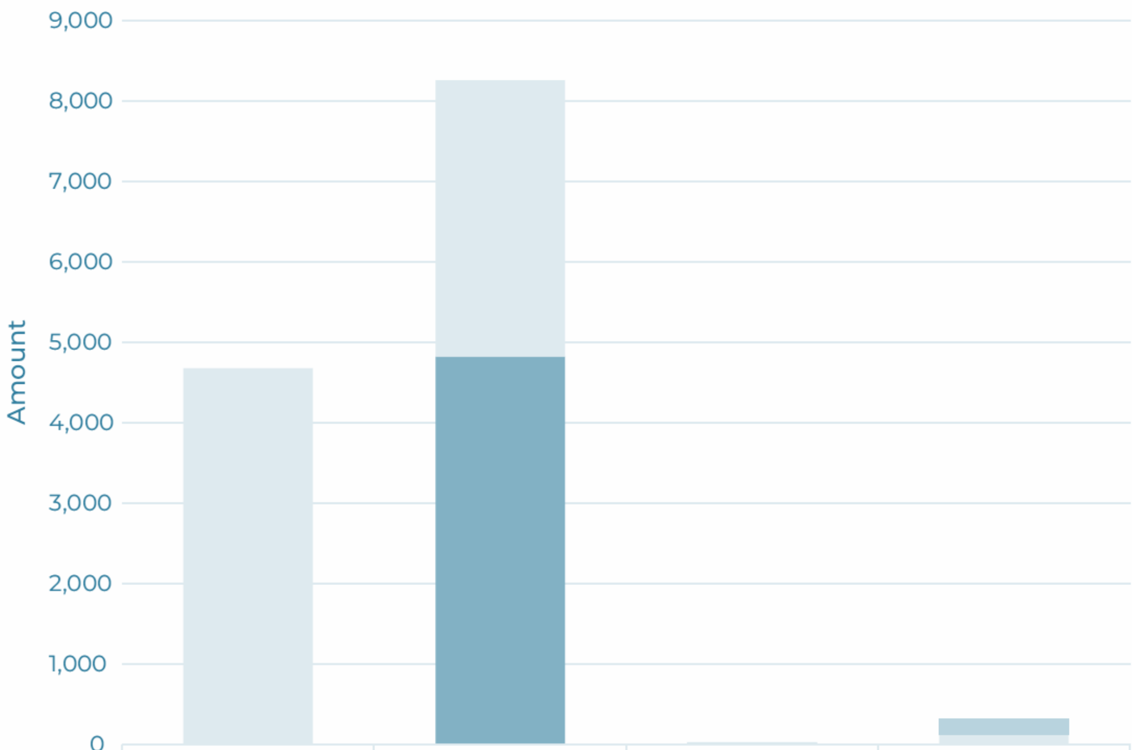


Figure 3: Distribution of lower cost coastal accommodation types (Conservancy 2019).

Furthermore, enforcement of the in-lieu fee often falls to local governments who see the policy as a suggestion rather than a rule (Access Denied, 2019). This results in developers getting away with drastically reducing the supply of affordable hotels along the coast without any hope of replacing those lost. Additionally, former commissioners interviewed by the Southern California public television station KCET explained that the fees collected, some $22 million, have been untouched despite plans to build lower cost options including campgrounds and hostels (Access Denied, 2019).

Sky high coastal property values motivate developers to build luxury condos and resorts rather than affordable hotels which may not be fully booked all year. Coastal communities seem to prefer these developments over those that would service lower-income residents. In one case, Malibu residents stymied the construction of a campground for foster children despite earmarked funding (Access Denied, 2019). However, when luxury developments curtail residents' access to beaches, public opposition combined with the backing of the Coastal Commission can prevent privatization, such as with the Miramar Hotel in Santa Barbara where the Commission threatened a fee of $11,000 a day for restricting access to the public beach (Access Denied, 2019). The Commission has the power to enforce the goals of the Coastal Act, but they are understaffed and often impeded by the actions of coastal municipalities.



	Hotels & Motels	Camping & RVs	Cabins	Hostels
NGO	0	0	0	188
Private	4683	3433	13	131
Public	0	4830	20	0

Figure 4: Accommodation ownership distribution on the coast (Conservancy 2019, 12).

The current supply of lower cost coastal accommodations also tends to fall disproportionately toward camping and RV parks. A recent study by the Coastal Conservancy focused on "lower coast coastal accommodations"—defined as those with a rate of 75% or less of the statewide average—and found that 62% of these options are camping or RV sites (Conservancy 2019, 11). These are often publicly owned. Campsites are in very high demand and often reserved long before the peak season begins. However, surveys of beachgoers reveal that many do not wish to camp or stay in a hostel (Ainsworth 2016, 12, 26). Others, especially those from low income or minority households, may lack the necessary camping equipment. The costs of starting to camp are high with the average first-time camper spending $181.61 for gear that first trip (Coleman 2017, 2). Camping, although a more affordable option, is not equitable either.

Furthermore, despite the lower fees for overnight camping, campers tend to skew toward more affluent groups and minority representation among campers is limited. Providing more campsites may not increase access for underserved groups as noted in one study which found 78% of campers were white (Coleman 2017, 8). While campgrounds continue to grow in popularity, they are not an option for everyone, nor do they meet the needs of all potential visitors. The majority of overnight beachgoers choose to stay in hotels (54%) or with friends or family (29%) (Christensen & King 2017, 6). Many campgrounds near the coast are also threatened by coastal erosion and campsites may be lost. For example, South Carlsbad State Beach in North San Diego County, has a number of campsites threatened by erosion.

Table 3: Availability of Lower Cost Coastal Accommodation Types vs. Demonstrated Demand (Christensen & King 2017, 6)

Type of Lodging	Popularity (Survey data)	Supply of LCAAs
Hotel/Motel/STR	54%	35%
Family or Friends	29%	N/A
Camping/RV/Boat	10%	62%
Visitors' Second Home	4%	N/A

A shortcoming of many coastal accommodations is the lack of facilities, such as kitchen access or group spaces. An overnight stay typically carries other costly expenses, especially the cost of eating out. Staying in a motel or hotel forces a family to dine out, which increases the cost of their visit. Alternative accommodation types can offer families the ability to cook and also can accommodate larger groups than a traditional hotel rooms, further reducing costs.

Overwhelmingly, studies of beachgoers illustrate that low-income and moderate-income families, people of color, and those from inland communities in California simply cannot afford to stay at the coast and therefore do not visit as much as they would like. Many barriers exist, such as the cost associated with travel and the lack of options for large groups or families. The lack of lower cost coastal accommodation in particular—and especially for those who do not wish to camp—creates a significant barrier for many Californians and undermines the aims of access for all.

Table 4: Insufficient Number of Lower Cost Coastal Accommodations in 2016, Coastal Conservancy

Number of Rooms in the Coastal Zone + 1mi	Population: Coastal Counties	Population: Inland
13,332	20,301,136	15,857,484

Figure 5: Lower cost coastal accommodations by county (Coastal Conservancy 2019).

At the same time, coastal accommodations also exhibit seasonality in prices; the cost of an overnight stay during the peak season from June to September is significantly higher than other times of the year. Hotels respond to increases in demand by increasing prices as they cannot readily adjust their supply of rooms (Zervas 2016, 1). The result is that while the travel costs associated with a visit to the coast for a family from inland California may not increase during peak season, it is likely the cost to stay overnight increases dramatically should they choose to stay at a hotel—if they can find a room.

In order to ensure all Californians have access to California's coast, one must recognize these demographic disparities. Indeed, it is not unreasonable to state that the biggest barriers to coastal access in the State of California are economic barriers: the cost of travel is highest for the families who can least afford to pay. Consequently, the State of California, in partnership with local communities and other stakeholders, needs to address these economic barriers to coastal access if it is committed to ensuring access for all. The state needs measures that promote easier access for low- and moderate-income families and communities who live inland, particularly families who cannot take a daytrip to the coast. Further, to achieve equity in access, California must address these barriers, and increase the volume of affordable accommodations, and identify strategies to decrease the price hikes during peak season.

Short-Term Rentals Aid in Providing Lower Cost Accommodations

Limits of the Coastal Act and an Alternative

Despite the mandate to promote, encourage, and provide affordable opportunities for coastal access, the California Coastal Act does not give the California Coastal Commission the authority to regulate the price of overnight accommodations. They lack oversight of private entities' rates to ensure affordability. In fact, the Coastal Act was amended in 1981 to prohibit the Commission from regulating the cost of overnight accommodations. The amendment expressly states that "the commission shall not [sic]: (1) require that overnight room rentals be fixed at an amount certain for any privately owned and operated hotel, motel, or other similar visitor-serving facility located on either public or private lands; or (2) establish or approve any method for the identification of low or moderate income persons for the purpose of determining eligibility for overnight room rentals in any such facilities." This prohibits the Commission from interfering directly in the coastal accommodation market (Ainsworth 2016, 6) and makes it more challenging to provide lower cost accommodations, which are a necessary part of providing coastal access for all.

However, while the Commission lacks regulatory authority over the price of overnight accommodation, it can influence the supply of lodging. Increasing this supply, particularly if it encourages more affordable options, would reduce rates and increase access. Greater supply of affordable accommodations can provide competition and in turn help drive down nightly rates across all accommodation types along the coast. Various government agencies are in the process of making renovations and expansions to existing public options, such as campgrounds and cabins (Conservancy 2019; Christensen & King 2017). While these expansions will help to alleviate some of the burden, they do not address the "desire for privacy, comfort, convenience, or security" that discourages some visitors from staying at lower cost coastal accommodations, such as campsites and hostels (Conservancy 2019, 18).

Hotels, motels, and the like on the coast are almost all privately owned—and expensive. In light of the lack of lower cost coastal accommodations and the need to expand access for all, the Commission has recognized the role of short-term rentals in providing distinct amenities and more affordable options (Schwing et al 2018, 2).

Despite their historical presence along the California coast, short-term rentals have not been thoroughly evaluated or considered as a means to help meet the state's demand for lower cost accommodations. There are a wide variety of such rentals at a range of costs more suited to the varying needs of consumers and the distinct attributes they may seek to find in an accommodation (Ainsworth 2016, 13; Midgett 2017, 64; Choi 2015, 16). The availability of short-term rentals brings a new selection of lodging options that may open up more opportunities for coastal access and reduce barriers in the form of more inexpensive coastal accommodations. They also offer a variety of accommodation types better suited to a wider range of travelers. For example, some groups may wish to cook their own food, which is rarely an option with traditional lodging options, and others may be part of a large group or family and be facing the prohibitive cost of two, three, or even four hotel rooms. Short-term rentals can help meet the needs of these travelers.

Short-term rentals (STRs) are not a new phenomenon. In fact, Californians have been using STRs to vacation at the beach for decades (Ainsworth 2016, 7; Midgett 2017, 55). The planning documents supporting the California Coastal Act mentions vacation home-sharing in 1975[6]. What has changed in recent years is the advent of new technologies to connect consumers and short-term rental operators, thus increasing the ability to short-term renting of residences that would otherwise sit empty (Midgett 2017, 54). This means that families can now more readily rent out a small beach house, with a variety of amenities, that might be another family's vacation home. A resource that would have sat unused now offers Californians the chance of a more affordable vacation.

Not only does the wide variety of short-term rental options draw consumers but so does the affordability. Price, as explored in the coastal surveys and research into hotels, is one of the major factors in accommodation selection and the decision to vacation overall (Choi 2015, 2; Christensen & King 2017, 6). Short-term rentals provide a lower cost option, especially for larger groups, families, and those who may not be able to afford hotel accommodations (Ainsworth 2016, 11, 13, 50; Renau 2018, 2; Choi 2015, 2). While there is wide variation in the cost of short-term rentals, the range largely reflects the variety in attributes and size. Rentals, in some studies, were not the lowest priced option[7]. However, when considering rentals as an option for families or larger groups, a home sleeping three to four people would, in many cases, be much more affordable than booking two rooms in a hotel[8]. This also does not take into account other benefits

6 From the California Coastal Plan of 1975, which outlines policy recommendations which became the California Coastal Act. (California Coastal Zone Conservation Commission 1975, 155) https://digitalcommons.law.ggu.edu/cgi/viewcontent.cgi?article=1090&context=caldocs_agencies

7 CBRE found that Airbnb rentals could be more expensive with "the average rate paid for an Airbnb unit over the 12 months ending in September 2015 was $148.42. This is 25% higher than the average hotel rate of $119.11. Part of the reason for higher rates can be attributed to the amenities found at some Airbnb units... 34% of the Airbnb units have 2 or more bedrooms and the rates for units with 2 or more rooms are offered at a considerable premium to single room units" (CBRE 2017, 10).

8 An entire home sleeping three to four people may cost US$60 a night in Paris on Airbnb (the median rate is US$96), making a family stay in the city far more affordable than booking two rooms in a hotel. This could help explain why the occupancy rate for entire homes is in general higher than for private rooms. In these cases, Airbnb is likely bringing into the market some visitors who would not otherwise have been able to afford to make the trip (Coyle et al. 16).

of home sharing—such as access to a kitchen, parking space(s), or perhaps even bikes or beach equipment—which impart an additional value to the visitor. Additionally, since many short-term rental services focus on the price-value relationship for the customer, they offer a better value than similarly priced hotels (Choi 2015, 2).

The increased affordability and flexibility of short-term rental accommodations offer low- and middle-income visitors more options. Studies have shown that many visitors would not have been able to go on vacation without access to STRs in a variety of locations (Renau 2018, 3; Interian 2016, 132; Coyle 16). Furthermore, given that families were especially sensitive to lodging costs on the California coast and often seek specific attributes and larger spaces, short-term rentals may be particularly crucial in increasing access for that demographic.

Short-Term Rentals Can Reduce Accommodation Costs and Increase Diversity of Supply

One of the most attractive features of short-term rentals is their value. Travelers are seeking the most "bang for their buck" on vacation, and often, rentals provide that. STRs meet the needs of many travelers for a diverse set of amenities and facilities. As mentioned earlier in this report, STRs provide a better value per visitor due to their increased capacity to host families and large groups and the wide range of amenities they offer visitors, such as parking, kitchen access, gathering spaces, etc. These facilities can help reduce the overall cost of a vacation.

The increased popularity of STRs benefits vacationers outright through better value but also by providing increased supply and perhaps competition to hotels, forcing them to lower their prices. In one of the landmark studies on this topic, Zervas examined hotel revenues and the Airbnb market in Texas and found that the impact of STRs appears most clearly in "less aggressive hotel room pricing," which benefits all travelers, including those who do not utilize STRs (Zervas 2016, 1).

The impact of STRs may not always negatively impact hotel revenues as STRs can bring in new visitors and help the tourism economy overall. Increasing demand for STRs reflects a desire for diverse options and better value; however, their presence can also indicate more demand for the area overall, which might counteract the reduction in average daily rates for hotels. Aznar found that more rentals correlated with an increase in hotel return on equity, explained by the fact that a high number of rentals indicates an attractive location (Aznar 2017, 147). Coyle also found a positive impact on hotels when examining the London market where increased Airbnb presence actually increased the rate received by hotels (2016, 3).

The sharing economy can compete with hotels by offering a different sort of service with a unique structure. STRs pop up throughout cities where there is demand for lodging. They do not require centralization or maintaining inventory, which helps lower costs (Interian 2016, 130). Rentals offer a more sustainable option that requires fewer resources and helps increase access with more diverse accommodation options and better value. STRs also fulfill the desire for sustainable travel options. Furthermore, they capitalize on collaboration and efficient use of property hosts already own, eliminating the high fixed costs faced by hotels (Interian 2016, 130; Aznar 2017, 150). These fixed costs are what force hotels to adjust their prices rather than their supply. In contrast, the sharing economy is an "asset light business model" which can easily scale to meet demand (Blal 2018, 2). This allows short-term rental hosts to capitalize on unused assets and consumers to find a better value in their accommodation options.

While the presence of short-term rentals can indicate a particularly attractive location and directly compete with hotels in an area, many rentals lie outside of main hotel districts. A study in Texas **found that 70% of Airbnb properties are outside hotel-rich districts, suggesting that rentals not only compete but also compliment hotels, offering more options to travelers (Zervas 2016, 2).** In the case of the California coast, this may include areas with great waterfronts and beaches where there has not been sufficient investment to build many accommodations.

Several studies have evaluated what makes a short-term rental competition for a hotel. The degree of competitiveness depends on several factors, including the supply of rooms, the neighborhood, character of the structure, and type of sleeping accommodation (CBRE 2016; Aznar 2017, 152). Taking into account these factors, these studies clearly found that in areas with a high number of STRs alongside hotels, rentals compete with hotels. Hotels face greater price pressure in areas with large numbers of rentals in comparison to traditional hotels and where there is growth in the number of rentals available (CBRE 1). As hotels face costs that are fixed in the short run, they need to keep occupancy high even with this level of competition (Neeser 2015, 8). The hotel industry is forced to respond to the presence of STR with price—rather than inventory—cuts, and so naturally pushes back against the sharing economy.

The impact of this newfound competition is not felt evenly throughout the hotel industry. In areas where there is sufficient supply of rooms to meet demand, such as parts of Texas, the hotels most impacted by the presence of short-term rentals are low end, economy options. There is clear segmentation in adverse effects on hotels with lower end hotels the most negatively impacted (Midgett 2017, 65). Zervas discovered this impact, noting the impact on revenue was magnified at lower price tiers (Zervas 2016, 4). This was especially the case when looking at those hotels that did not have conference facilities. However, this is less of a concern on the California coast and in the large cities examined in these studies as business travel is not the primary motive for visitation. While studies note the vulnerability of low-end accommodation providers to competition from short term-rentals, they did not find evidence of exits from the market (Blal 2018; Neeser 2015; Zervas 2016). Budget hotels may lose more revenue comparatively when STRs enter the market, but this does not appear to force them to shut down.

On the California coast, the distinct lack of lower cost options and insufficient supply of economy hotels may mitigate the concern of STRs competing with economy hotels. Rather, the presence of STRs on the coast enables more budget conscious visitors to access the coast when they may not have been able to afford it previously. Within the hotel market there is not only differentiation in type of hotel (economy, midscale, upscale, and luxury) but also within consumer preferences. Some consumers may prefer to stay in a hotel and be less open to staying in a STR. Others may like the ambiance of a rental and be early adopters. Considering the aim of increasing access to the coast, it is possible that the competitive effect of the sharing economy would reduce the price of hotels, enabling more options and more access—and also increase the “economic pie”--enabling those who otherwise would not have come to visit the coast (Blal 2018, 2). Further study is needed, however, to understand the effect of the sharing economy in a market quite distinct from major cities and business hubs, such as the California coast.

Reducing Price Hikes at Peak Periods

The most popular time to visit the California coast is the summer when temperatures soar inland and the allure of the ocean grows. The increase in demand also makes summer the most expensive time to visit due to the dramatic increase in the price of coastal accommodations and the lack of availability. Campsites are often booked up months in advance, and for those who prefer not to camp or cannot secure a campsite, hotels are in short supply and far more expensive than at other times during the year. With the high cost of coastal land, it is not profitable to build low cost hotels or similar lodging. High fixed and startup costs not only restrict the construction of new hotels but also influence the price of hotel rooms at peak times. Hotels cannot increase supply, due to high fixed costs, so they increase rates (Zervas 2016, 22). For consumers, this means that an "economy" hotel may be affordable to some visitors only during the off-season (Ainsworth 2016, 15). Additionally, there are enormous differences in prices for similar accommodations between inland and coastal hotels, including accommodations within the same brand. This increased disparity during peak periods limits the ability of even moderate-income Californians to visit the coast.

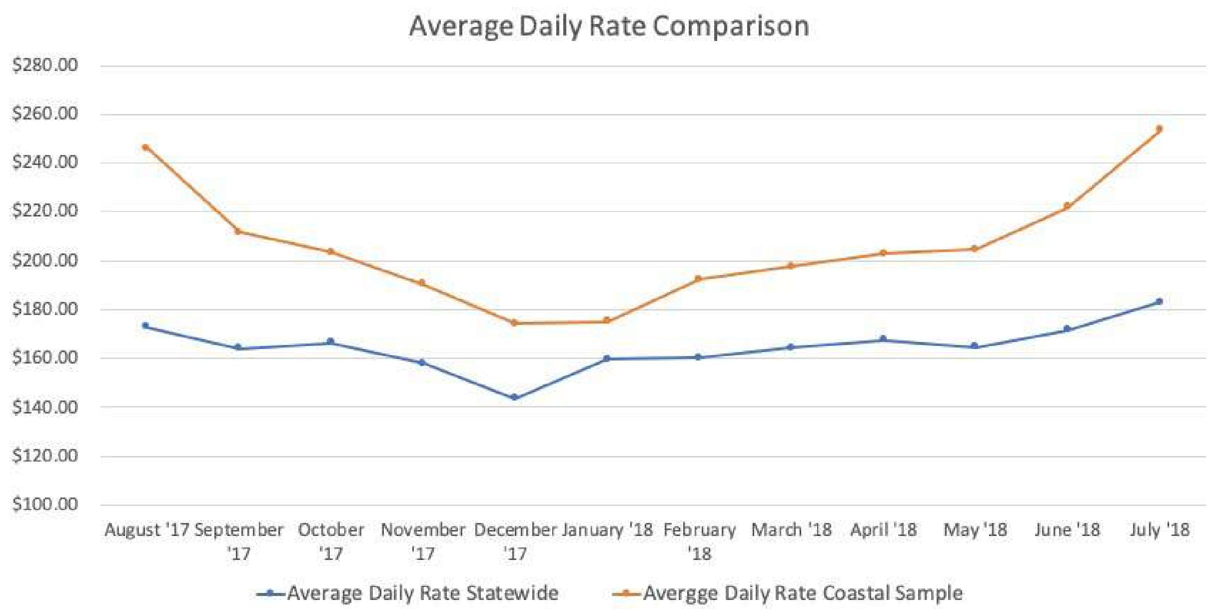


Figure 6: Average Daily Rates (ADRs) for hotels in California 2018 (California Hotel and Lodging Association).

STRs could drive competition and reduce hotels' ability to dramatically increase rates during peak periods, an effect that would be especially desirable along the coast. During the high season, June to September, hotels are often fully occupied and respond to this increased demand by raising prices. The figure above shows the prices for hotels from February to July in 2018. Coastal zone hotels clearly increased their rates more dramatically in the summer—the peak season—than the statewide average. Given that these hotels are already more expensive than those off the coast, this can then severely hinder travel plans for lower income and working-class families.

Unlike hotels, the availability of STRs can offer greater supply of overnight accommodations during peak times without the fixed costs required for owning and maintaining a hotel year-round (Zervas 2016, 2). This is particularly true for “Mom and Pop” STRs where the owners rent out their first and second home as a way to supplement their income. This fluid supply has been shown to mitigate the pricing power and price premiums of hotels during peak demand (CBRE 2017, 13; Zervas 2016, 25). Consumers now have more options due to the greater supply and are able to opt-out from the more expensive hotel rates. In other words, the competition and increased supply provided by STRs can force hotels to charge less in the peak season. This effect, then, can help keep prices down and offer more volume and variety of accommodations, thus increasing access to the coast.

Equity, Affordability, and Displacement on the Coast

Reducing the cost of overnight accommodation has become especially critical as more and more Californians move inland and are therefore forced to stay overnight on the coast when they visit. The California Coastal Act recognized the importance of providing and encouraging lower cost accommodations long before the housing crisis created the acute need seen today. The growth in volume and ease of accessibility of short-term rentals (STRs), rather than precipitating this crisis, is a symptom of the lack of affordability in the coastal region. STRs offer a more affordable lodging solution for those who cannot afford to live near the coast or who have been pushed out of the communities nearest to the coast. The housing crisis is, therefore, not a crisis caused by STRs but rather an affordability crisis stemming from increased income disparities, exorbitant housing costs, and decades-long policies that make it harder to build denser, multi-family residential developments. In California, development does not always respond to demand due to complex zoning laws and a maze of regulatory policies and processes. Furthermore, homeowners in desirable, often high-income communities push back against development and exacerbate the problem. This creates exclusivity and a lack of affordability that pushes low- and middle-income residents to move inland. This creates the acute need for lower cost accommodations along the coast that STRs can help address. The rising popularity of STRs, therefore, is a democratic solution to the crisis—a way for those who have been priced out of the region to still access the coast.

Acute Lack of Affordability

California faces a particularly acute affordability crisis. **In the coastal region, the lack of affordable housing and development is more severe than in the rest of the state. California's most expensive cities cluster along the coast, concentrating economic opportunity where housing is scarcest. Low-income and working-class families cannot afford to live in the coastal region due in large part to the lack of affordable housing supply. As the rent burden has increased, the lack of affordability has expanded to middle-income households as well (Chapple 2016, 88). While low-income households can apply for vouchers and federal aid, middle-income households are especially squeezed.**

Once, decades ago, these areas possessed a naturally occurring affordable housing stock—housing that the average family could afford without government aid. Today, however, housing prices in the coastal counties have skyrocketed and there is less and less affordable housing every day. Formerly affordable areas have also been converted into upper-middle and upper-class neighborhoods. There is a critical lack of affordability in small California coastal communities, especially in Southern California.

Housing prices have greatly outpaced incomes for many Californians, and this, in turn, has placed an undue financial burden on residents that is unsustainable. Faced with unsustainable costs, low- and middle-income residents cannot remain in coastal communities. Presently, housing costs are so high in the Los Angeles area that "households earning up to 115 percent of area median income, or $69,800 per year, are unable to afford local housing costs," while in San Francisco a "household earning $140,000 per year, or 179 percent of area median income" struggles (McKinsey & Company 2019). These high costs largely stem from a shortage of housing supply, which disproportionately impacts the lower and middle-class residents of impacted areas. The most dramatic housing shortages are near powerhouse cities along the coast—Los Angeles and the greater Bay Area. Families priced out of these regions tend to move inland.

Rising costs overburden these households with a majority in some areas spending over 30% of their income on housing (Freeman & Schuetz 2016, 227; Marcus & Zuk 2017, 4). The situation in California is such that most nurses, teachers, and service industry workers cannot afford to live where they work. Even a decade ago, before the housing crisis reached present day levels, a majority of residents in coastal counties were unable to afford rents as shown in Figure 7 below. As a result, low and moderate-income households cannot afford to live in the coastal areas of California. This reduces coastal access for all but a small segment of the population, forcing inland residents to travel further and pay expensive lodging costs to enjoy the beach.

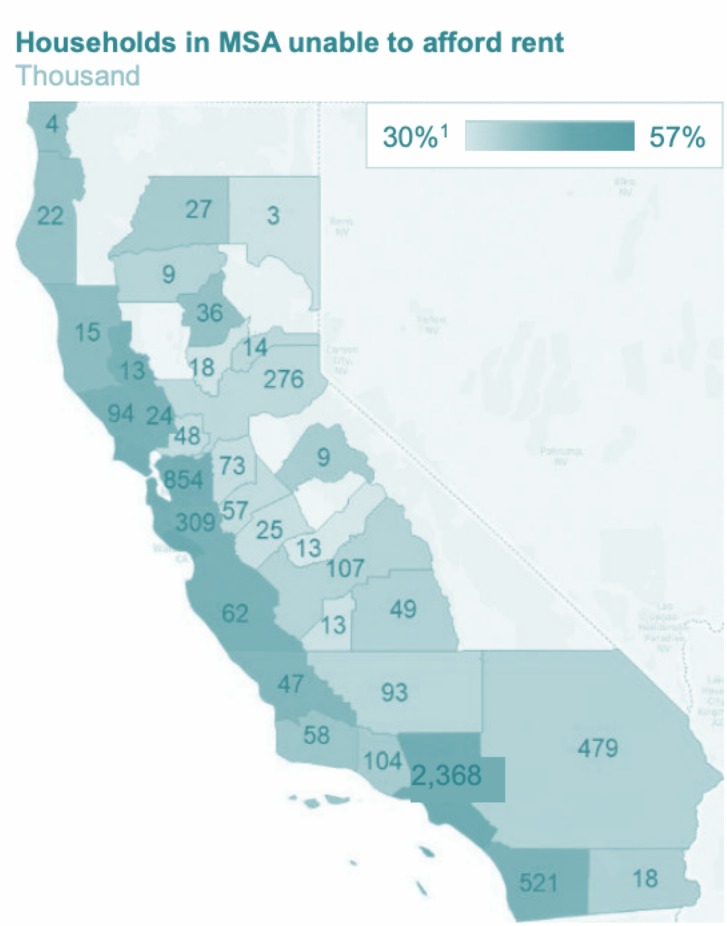


Figure 7: Percent of California residents by metropolitan statistical area unable to afford rent (Quigley 2005).

Lack of Development

The affordability crisis is largely due to high demand and lack of supply in California's powerhouse cities and the regions surrounding them. As demand has risen, there has not been a corresponding spike in development. Experts argue that in order to reduce prices, California needs to substantially increase housing production (Smith-Heimer 2019, 69; McKinsey 2019). It would be expected that in a market with high rents and high demand, there would be a great deal of construction—and that this construction would be focused on higher density housing (typically multifamily housing rather than detached single-family dwellings). However, many California cities have not built enough housing to meet this demand (Chapple 2016, 90). This is especially problematic as the resulting lack of supply drives up the cost of existing units and reduces options for those in need of affordable housing in a market where price increases have long-since outpaced incomes (Freeman & Schuetz 2016, 224). Low- and moderate-income families can no longer afford existing units or find new ones. As Figure 8 shows below, development, particularly in coastal counties, largely occurs only in the luxury sector with profit only for those who supply high-income households (Chapple 2016, 85). Thus, what little construction there is does little to bring down prices, and units that were once affordable are converted into high-income housing.

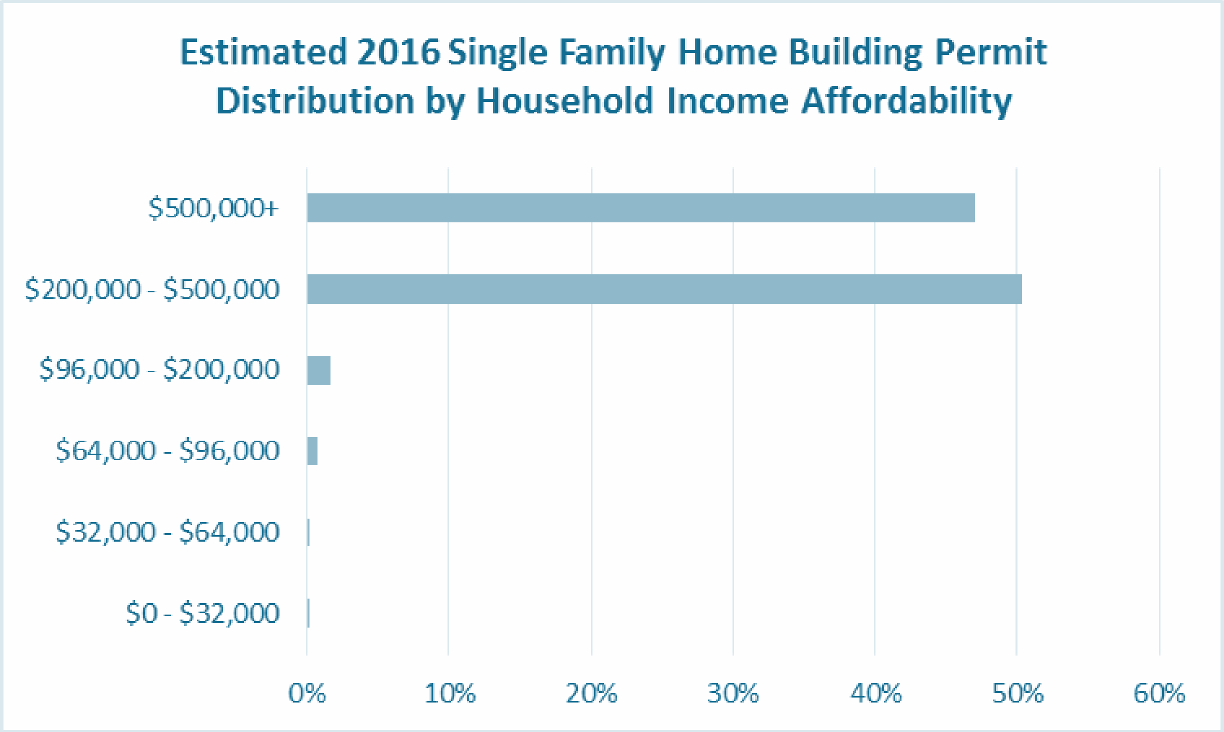


Figure 8: Single family home building permits in California skew towards high-income homes.

While there is certainly demand for new housing, potential projects are curtailed by California's especially chaotic and restrictive system, rooted not only in regulatory but also political, economic, and cultural factors (McKinsey & Company 2019). There are various regulatory measures which reduce development and affordable housing stock. Zoning, which often reserves little land for multifamily housing, imposes serious restrictions. However, Mckinsey (2019) identified many units throughout the state that could be developed on vacant land already zoned for multifamily development. The lack of multifamily zoning presents less of a barrier than the ad hoc process of informal barriers which slows down development and imposes various unpredictable costs (Murray & Schuetz 2019). Delays, committees, and various other measures stall the permitting process and increase costs. This creates chaos in the regulatory environment and imposes unnecessary delay and permit costs on developers.

Rather than encourage new construction, studies have shown that the regulatory environment severely inhibits, and indeed prohibits, the expansion of much needed affordable housing. In the most expensive cities, regulations and informal controls have reduced construction nearly to zero. The most expensive cities—which are also near the coast—have built very few apartments over the past five years and largely issued no permits for their construction (Murray & Schuetz 2019, 10). These cities benefit from booming economies and strong tax bases and would rather have a higher ratio of jobs to housing to avoid negatives like high public expenses and traffic, and they see less tax revenue from large multifamily projects (Metcalf 2018, 70).

The segment of the housing market most lacking development is also most needed: multifamily housing. It would be expected that in areas with expensive land costs, developers would be incentivized to build at higher density—and thus prioritize multi-family rather than single family housing—but that is not happening in California (Murray & Schuetz 2019, 3). The market for housing has broken down, and the development of apartments does not seem to be correlated with rents. High rents should motivate high levels of development, but in California that is not the case. The lack of development, especially of high-density development, keeps rents high and prioritizes the construction of expensive, single-family housing aimed at the wealthiest homeowners. Multi-family units increase density and lower costs in the face of high demand, yet these projects face strong opposition. As a result, affordable housing tends to be built where land is cheap and political opposition is weak. These areas—often outside economic opportunity zones—limit the ability of low-income families to move to opportunity and lead to the construction of housing in outer lying suburbs (Freeman & Schuetz 2016, 228; Chapple 2016, 90).

Opposition to multifamily housing stems not only from the lack of profitability but also from the difference between potential renters and existing homeowners. In California, particularly in the coastal zone, owners tend to be older, wealthier, and whiter than potential renters (Reineman 2017; Murray & Schuetz 2019; Bliss 2019). When considering designated or subsidized affordable housing in addition to market-rate housing, this difference is all the more apparent. Opposition to multi-family (and especially designated affordable) housing in expensive cities and the coastal zone preserves the exclusivity of access to the wealth of resources there, including easy access to the coast (Owens 2019, 499 518). These actions undermine the aims of access for all outlined in the California Coastal Act and help create the acute need for affordable lodging in these elite areas.

Restrictive Housing Policies

Many homeowners in more affluent parts of the coastal region oppose additional housing development, specifically through restrictive zoning rules that limit multi-family and other affordable housing options. Similarly, restrictive policies target short-term rentals and keep the price of coastal accommodations high. Reineman's (2017) work demonstrated that the immediate coastal zone is already wealthy and white and existing economic pressures have driven coastal counties toward further homogeneity. By reducing the affordable housing stock these areas are kept expensive and exclusive as low- and middle-income households are forced out.

The Costs of Restrictive Regulations

Restrictive regulations result in less development, especially affordable and multi-family development. This drives up home prices and forces those of middle-and low-incomes to move. As in many other states, regulation and zoning are left to local municipalities in California and even sometimes directly decided by the voters via referendum (Metcalf 2018, 67). Because homeowners often make up the voting base, governments frequently adopt laws that reflect their preferences over those of renters and other less politically connected groups (Murray & Schuetz 2016, 13; Metcalf 2018, 70). Advocates of up-zoning and increasing density have not managed to clearly address how more housing in an expensive area helps everyone.

The lack of consistency in local zoning regulations impose costs on developers who must negotiate a confusing labyrinth of rules and restrictions. The costs associated with this process are passed on to renters or buyers and increase the already high housing prices. Quigley (2005, 327) examined the responsiveness of housing stock to demand and the construction of new housing and found that both are lower in highly regulated cities. This finding was especially pronounced in the rental market. This means that in one of the fastest growing areas in the country—and an economic powerhouse that attracts workers seeking opportunities—there are fundamental barriers to development which keeps costs high. Furthermore, the promise of property taxes encourages local governments to prioritize single-family over multi-family development (Freeman & Schuetz 2016, 218). Additionally, cities in California glean a share of sales tax. This creates another incentive in favor of retail and upper-class housing over more dense, affordable options (Quigley year, 323).

Thus, affordable housing tends to be constructed in less-desirable, outer lying suburbs, further from economic opportunity (Freeman & Schuetz 2016, 228; Chapple 2016, 90). Such is the case in the coastal region where the lack of supply in comparison to demand has led the cost of housing to soar. The regulatory chaos, incentives against affordable housing, high level of income inequality, and local opposition to eliminating restrictive zoning rules are the foundational pillars of California's affordability crisis. Combined, these barriers precipitate a crisis in California far greater than what STRs might impact.

Displacement Inland Reduces Coastal Access

The lack of housing options for low- and middle-income families in the coastal region of California has forced many of these families to move inland. When residents are displaced to the more affordable areas inland, it results in inequitable access to not only the benefits of living near a strong city economy but also inequitable access to the California coast. **Unequal access to housing exacerbates the disparities in coastal access already discussed in this paper.** Moving inland also means that for Californians of moderate incomes to visit the coast, they will likely need affordable accommodations. With the loss of economy options and overall lack of supply of traditional lower cost coastal accommodation, an acute need arises for alternative forms of lodging to meet this growing need.

Table 5: Median Income and Home Price Comparison, Coastal and Inland (U.S. Census Bureau and Zillow Data)

Region	Median Income	Median Listing Price	Price as a Percent of Income
Coastal Sample	$83,995.00	$1,059,306.25	1261%
Inland Sample	$58,082.83	$338,021.86	582%

As previously stated, many households are forced to move inland because their incomes have not kept up with the increase in housing prices. As Table 5 shows, the median listing price of a home in the coastal region is over 12.5 times the median income for that region. Inland, the median listing price is under 6 times the median income. The relative affordability of inland communities attracts families priced out of the markets in the coastal zone.

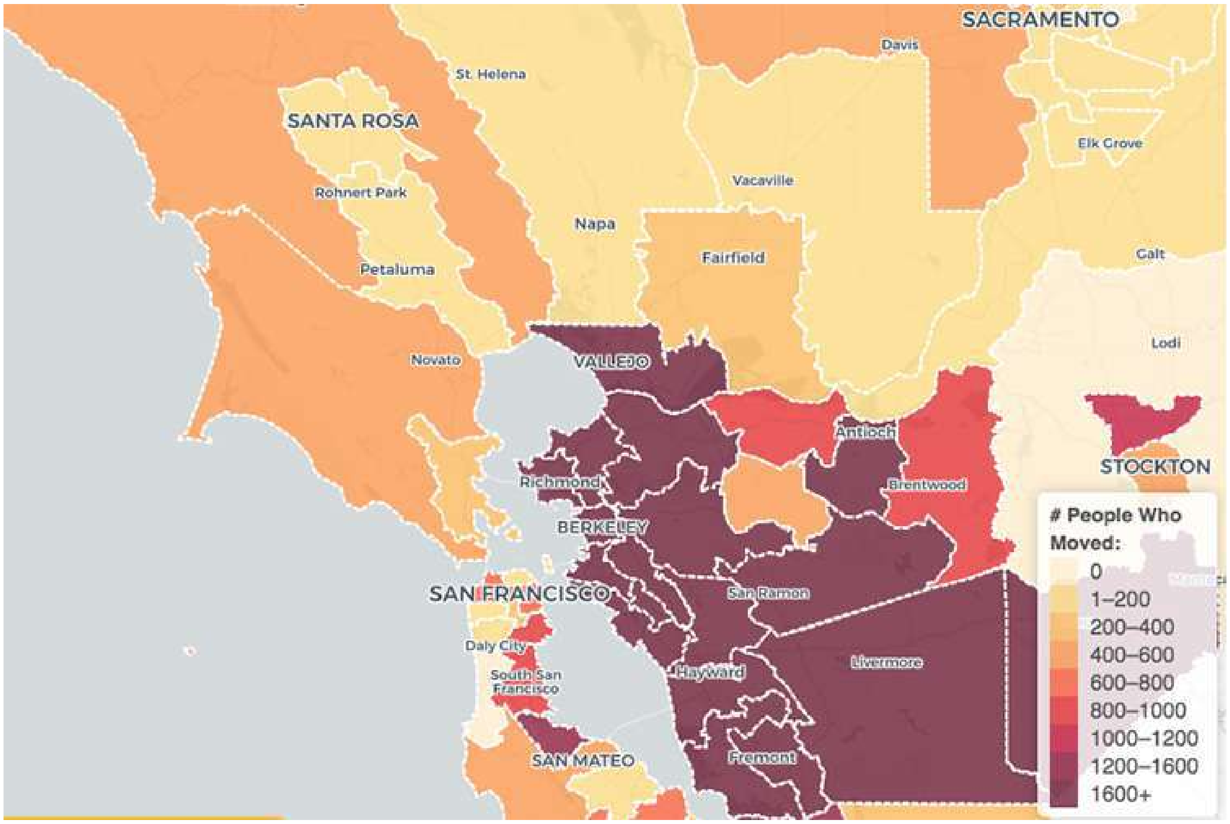


Figure 9: Displacement from the Bay Area (Berkeley News 2018).

Given that the modern economy is primarily service-driven, pushing service workers out of middle-class housing markets is concerning. This is especially true in the coastal region where the disparity in incomes is so high. **These workers—both low- and middle-income—simply cannot earn enough to remain in the strained housing market near the coast.** Forcing these households inland increases their travel costs, especially if they choose to stay overnight on the coast. Short-term rentals can help alleviate some of this burden both for visitors and those who wish to fight to remain living in the coastal region amid skyrocketing prices. **Some families may find themselves able to alleviate some of these pressures through STRs by renting their homes part-time to visitors.**

In this way, some residents may be able to afford to remain in their neighborhoods despite increasing costs. The sharing economy may offer less-wealthy residents of coastal communities a way to continue living there by shifting some of the economic burdens of ownership (Jefferson-Jones 2015, 558). In markets such as the coast, where the costs of living are increasingly high, the supplemental income from short-term rentals can offset expenses and allow residents to remain (Horn 2017, 14; McNamara 2015, 169). This could also help owners afford maintenance or renovations, which would mean that short term-rentals may increase property value in the long run (Jefferson-Jones 2015, 573). These expensive real estate markets are particularly suited to short term rentals as most areas with high hotel premiums also have high land costs (CBRE 2017, 11). Being able to rent out their home might help some owners retain residence in the coastal zone or to afford a vacation home when they otherwise could not. This increases their access to the coast and offers a method of access for renters.

This model of the sharing economy focuses on the small homeowners who rent out extra space or a sporadically used vacation home. These "Mom and Pop" rentals sometimes make up the majority of operators. Airbnb notes that 95% of all hosts have one listing (CBRE 2017, 9). While some short-term rental operators may have excess housing, which is marketable—such as a family vacation rental—many are simply renting out extra rooms and spare space in their home (Lee 2016, 243). This extra revenue has many uses, especially in an expensive area like coastal California. As mentioned, the income enables hosts to live where they might otherwise not be able to afford, but it may also help cover groceries or pay for college (McNamara 2015, 155; Wachsmuth & Weissler 2015, 1148).

The costs of living on the coast are high and pose a distinct barrier to access. **Allowing, and indeed promoting, STRs on the coast would likely simultaneously result in some residents being able to remain when they would otherwise be forced out by the high cost of living or housing scarcity and in increased options and affordability for visitors. The benefit of STRs on the coast comes from increased access for those that cannot afford to live there—the majority of Californians—so that the coastal zone becomes not an exclusive enclave of the wealthy but a shared resource available to and accessible for all.**

The Housing Crisis and Coastal Affordability

The situation in many coastal communities is one of profound neighborhood changes—a pushing out of low-and middle-income residents as more wealth concentrates in the region. This change in neighborhoods appears to be a form of gentrification: the influx of middle- and upper-class residents which revitalize a neighborhood at the expense of its lower-income residents. However, displacement from coastal cities is not necessarily gentrification in the classical sense but rather a function of the rent burden placed on low- and moderate-income households (Chapple 2016, 86). As incomes in an area grow and market-rate housing is built, the value of those formerly affordable homes rises such that residents are pushed out or cannot afford to move in. This severe mismatch between housing costs and incomes displaces low-income communities, especially communities of color (Marcus & Zuk 2017, 3). The demand for housing in the coastal region displaces less wealthy residents who cannot keep paying rising rents nor find similar accommodations. As discussed, this has pushed many residents inland--away from the striving economies in coastal cities and away from easy coastal access. This situation is not created by short-term rentals but rather by the high demand and lack of sufficient affordable development. Many critics of STRs claim that the presence of rentals can lead to gentrification; however, in the context of the coastal region of California, this argument is profoundly flawed.

The argument that short-term rentals induce gentrification applies less in the coastal region of California because most communities have already gentrified. For rentals to promote gentrification, the presence of STRs must (a) offer far more revenue than the traditional housing market and (b) induce a high degree of displacement and neighborhood change that would not otherwise occur. In the coastal areas of California, this displacement occurs from the broken housing market with or without short-term rentals. In fact, Chapple (2016, 85) argues that the potential revenue gains in these areas has “long since been recaptured,” and that gentrification has already taken place. Indeed, in looking at cities like San Francisco, price pressures are so extreme that the entire city is expensive (Freeman & Schuetz 2016, 219). Nearby in San Mateo County, one study (Marcus & Zuk 2017) found that 33% of households had left San Mateo County, largely for the Central Valley or further out in East Bay. In their survey, of the 20% that remained in their same neighborhood, many moved into crowded conditions (Marcus & Zuk 2017, 6). In order to find housing comparable or superior to what they had been forced to leave, residents moved to areas with fewer services and away from economic opportunity. In these areas, the economic growth, income disparity, and housing shortage engineered a situation where displacement and gentrification rapidly ensued. On the coast, there are simply fewer affordable areas left.

In these areas, it is hard to argue that STRs will displace residents of lesser means when the housing market continues to displace most of them. Coastal communities, already expensive compared to those inland, lack the affordable housing that critics argue is threatened by STRs. In a classic case of gentrification, STRs would bring in an influx of investment which would transform a disadvantaged community. In California, few of these communities remain in the coastal region as formerly blighted areas have long since been transformed by the housing crisis. Rather than protecting affordability and the character of low-income neighborhoods, what those who wish to ban STRs perceive as “threatened” is the character of already expensive, exclusive coastal areas. Without affordable lodging options, former residents of coastal communities face an undue and unjust burden in visiting the coast. Much like the arguments against affordable housing, residents seek to protect their exclusive access to the coast and see increased access for a wider swath of Californians as a threat.

Resilience

> "Resilience is the ability of an urban asset, location and/or system to provide predictable performance … under a wide range of circumstances."
>
> **Jeb Brugman, Financing the Resilient City (2009), p. 217 [9]**

The housing crisis is only one demand on local governments and the State of California's limited resources. Climate change will adversely impact communities across the state with coastal communities under threat from sea level rise and possibly other threats, such as mudslides and fires. Local communities across California are now engaged in the process of planning for sea level rise and other hazards exacerbated by climate change. Although there is currently a strong debate about the nature of these adaptation strategies, often couched in terms of green (emphasizing coastal restoration or retreat) versus gray (armoring), all of these adaptation strategies have one thing in common: they are all extremely expensive. For example, a recent study published in the Annals of the New York Academy of Science (Aerts et al. 2018) estimated that Los Angeles County alone will face climate change related costs of between $4.3 and $6.4 billion by 2100. A study in Oceanside, CA estimated coastal adaptation costs of over $250 million by 2040. Costs for other coastal cities will be similarly high.

9 Brugman, Jeb, Financing the Resilient City, Environment and Urbanization, V. 24(1): 215-232, p. 217.

These coastal communities will have to come up with the money for adaptation. Many of the large capital costs of these projects will likely be financed by various state and local bond issuances (Resources Legacy Fund, 2018). However, like any loan, bonds simply shift costs forward; cities and other government and private entities will ultimately need to raise large sums of money in order to pay for resilience. In many cases, cities will either be expected to cost share or will be expected to take over certain aspects of the project (e.g., maintenance). This will all be on top of the services that cities currently provide and which are already underfunded in many areas. Therefore, cities will need to find new revenue sources, and increasing taxes is not only unpopular but extremely difficult to legislate.

Although cities can and should expect help from the State of California and U.S. government agencies, these sources of funds have been in decline as revealed when examining the percentage of the average California's city government total budget. In 1974–75, Federal and State Grants accounted for 21% of a city's budget; today that figure is less than 10% on average[10] (Coleman 2016). Much of this money is also tied to particular programs and projects, so that city governments have little say or discretion over how the money is spent.

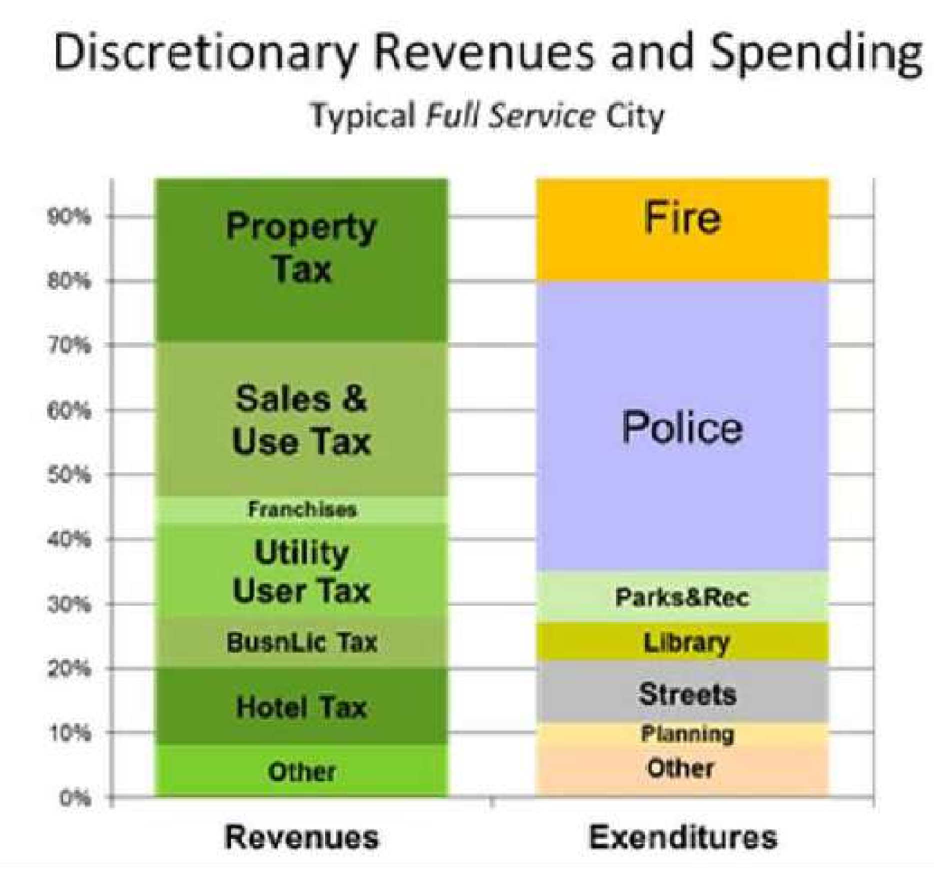


Figure 10: Revenue (taxes and fees) vs. spending for average California city.

10 Coleman, Michael, A Primer on California City Revenues, Part Two: Major City Revenues, Western City, December 1, 2016 http://www.westerncity.com/article/primer-california-city-revenues-part-two-major-city-revenues

Sales taxes, another significant source of local revenue, have also failed to keep up with overall economic activity in California. In California, as in many states, sales taxes only apply to goods and not services. In the last 30 years, consumers' spending patterns have shifted toward more services and fewer goods, resulting in slower rates of growth for sales taxes. Moreover, since wealthier households tend to spend a greater proportion of their income on services than poorer households, the failure to tax services makes the sales tax more regressive (California Budget Center 2011). With growing populations already straining cities revenue and increasing demand on public services, the relative decline in sales tax revenues further reduces cities' discretionary budgets. The lack of funds curtails the potential cash flow for necessary resiliency projects. The transient occupancy taxes generated by STRs can help make up for the slower growth in sales tax revenues.

Where Do California Cities Get Their Revenues?

While city governments obtain some of their budget from the state and federal governments, the primary source of revenue is their tax base. Figure 10 in the previous section presents data on revenue versus spending for the average California city (which can vary from city to city). The majority of most city budgets are dedicated to public safety, such as fire and police departments. These services are necessary and only increase in need as California populations grow and natural disasters plague the state. The majority of the remaining budget goes to other traditional city services, such as parks and recreation, planning, street services, libraries, etc.

On the government revenue side, property and sales taxes still make up over half of a typical city's general fund revenues. However, as noted above, sales taxes have failed to keep up with economic growth since services are not taxed and have become an increasing share of California consumer's spending. Sales taxes are regressive; even with food and rent excluded from sales taxes, lower income households pay a higher percentage of their income than wealthier households on sales taxes.

Outside of sales taxes, municipalities in California rely on a combination of other tax sources. One such additional revenue stream, Utility User Taxes (UUTs), have become more important as a source of general funds for cities, representing, on average, 15% of general fund revenues for cities that have a UUT. These are taxes on a consumers' usage of utility services, such as electricity, sewage, water, sanitation, and cable television. Local governments assess UUTs based on the consumer's usage of the service.

Business licenses and fees (e.g., recreational fees for a swimming pool) account for just under 10% of a typical California city budget and are generally used to partially offset corresponding city services. Transient Occupancy Taxes (TOT), also known as hotel taxes, represent just over 10% of taxes for the average city. These taxes are primarily paid by visitors to the area, rather than the residents, making them more popular. While TOT represents a small part of the average city's revenue, coastal cities with significant visitation can have much higher TOT revenues. These taxes can be a crucial revenue source useful for offsetting the cost of tourist services in addition to the general public services.

Increasing City Revenues to Pay for Resilience

Increasing local resilience to climate change will require cities to raise more revenues. Raising revenues from each of these sources poses different challenges. The primary source of municipal government revenues is through the various tax sources. Measures in California law restrict the ability of jurisdictions to alter their taxes even when the needs for revenue are critical. Adapting to climate change and promoting climate change resistance poses one such critical circumstance, especially for those communities most adversely impacted by rising sea levels. Without a new revenue source, or expanding an existing one, these governments will likely lack the revenue to either directly pay for resilience or to pay back future bond issuances. The discussion below highlights the major sources of revenue for California's cities, each with their own limitations, and also discusses the prospect of Transient Occupancy Taxes as a revenue stream.

Property Taxes

In California, unlike many other states, property taxes, though collected at the county level, are distributed via the State Board of Equalization back to local governments. While property taxes constitute a significant portion of city and county revenues, the ability to increase property taxes is limited. In 1996, California voters approved Proposition 218, "The Right to Vote on Taxes Act," which "substantially expanded restrictions on local government revenue-raising including taxes, assessments and property related fees" (League of California Cities 2019). Furthermore, these property tax increases must go to support "the acquisition or improvement of real property" (California City Finance, 2019). This means that the uses of collected taxes are limited to the state's purchase of property or improvements to structures on government property. The definition of real property includes various trees and mines but does not include waterways or the coast, which would assist in its use for necessary resiliency work on the coastline. Prop 213 requires a two-thirds majority for all property tax supported bond measures, except for school districts, which have a lower threshold of 55%. The two-thirds supermajority requirement put a damper on bond measures, and less than half of bond measures requiring a two-thirds vote have passed since 2001, whereas 84% of measures requiring a 55% measure (for schools) have passed. Since the 55% measures include schools, their high success rate may also be related to continued local support for schools. Overall, the limitations on property taxes have reduced the state's ability to collect them and thereby reduced the budget.

In addition to property tax levies to support school or other bond issues, California law also supports a number of special property tax districts, including independent financing districts (IFDs) which can issue additional fees (e.g., Mello Roos) or property tax levies generally on new or substantially improved property. For protection of existing property, the state has created geological hazard abatement districts (GHAD)s. A GHAD comprises an independent agency focused on the abatement and prevention of geological hazards in the area for which it was created. They have defined boundaries of that area and obtain their funding within it. A number of GHADs have been created across the state to help homeowners and other property owners protect their property against geologic hazards, such as earthquakes or coastal erosion (e.g., in Malibu). One potential disadvantage of GHADs on the coast, however, is their focus on protection of private property over other uses. For example, a GHAD may favor coastal armoring over other adaptation scenarios since armoring will protect coastal property. However, this armoring may also diminish coastal recreation if already eroding beaches erode further.

Sales Taxes

As discussed, another primary revenue source for cities are sales taxes. Sales tax revenues largely do not meet the needs of California cities, and measures to expand them have a low success rate. Under Bradley Burns Uniform Local Sales and Use Tax legislation, California allocated 1% of sales subject to sales taxes to incorporated cities or counties with another 0.25% allocated for local transportation, which are typically allocated to counties (California State Auditor 2017, 8). California law allows local jurisdictions to add on sales taxes at the city or county level to support other services. Since 2001, many measures have been passed to add-on sales taxes for local transportation; many of these were extensions of already existing sales taxes that needed to be ratified. However, if one examines sales tax increases not allocated to transportation, the success rate for new sales tax measures in California since 2001 has been less than 50%. The most successful other tax measures have involved libraries, street/roads, and public safety, but the majority of these ballot measures have failed (Ca City Finance 2019. 11-14). The lower likelihood of passing a sales tax increase diminishes the ability of municipalities to use sales tax as a source for their much-needed resiliency budgets.

As noted above, sales taxes have two other problems. First, they are regressive—lower income houses pay a higher percentage of their income in sales taxes since they spend more of their income on items subject to sales taxes. This creates an equity problem as it is unjust for those with fewer means to pay more for public services. Second, sales tax revenues in California have failed to keep up with economic growth since services (e.g., haircuts) are not subject to sales taxes and services have become a larger part of California consumers' budgets.

Utility Users Taxes

Taxes based on a consumer's use of a service, Utility Users Taxes (UUTs), have increasingly yielded important revenue streams. However, utilities will be especially stressed by climate change, and taxes or utility rates will have to increase substantially to pay to make key infrastructure more resilient. Climate change will increase the need for certain services, such as electricity (for uses such as air conditioning), and likely damage some existing systems, necessitating repair. UUTs are typically levied by cities on utilities such as electricity, water and telephone use. While voters have generally approved continuing existing UUTs, most ballot initiatives attempting to increase existing UUTs have failed in California since 2001 (CA City Fin 2019).

Additionally, local phone calls were traditionally a significant source of UUT revenue, but the advent of new technologies in telecommunication has made charges for local telephone calls a relic of the past. To respond to these changes, many cities have revised/modernized UUTs, however the majority of these ballot measures resulted in reductions in UUT fees. Climate change will have a significant impact on many utilities as cities will be required to modernize, harden, and relocate many power, gas, electric, water, and telecommunications lines. Voters facing the prospect of power outages or loss of other valuable utilities may be willing to approve UUTs targeted at improving utility infrastructure. Consequently, it's unlikely that UUT revenues can be used to fund resilience projects, other than supporting and moving existing infrastructure, requiring funding from other sources for other resilience tasks.

Business Licenses and Fees

These fees are generally collected for services rendered by a city or county and may include licenses for operating businesses within the community, recreational fees for community services such as a local swimming pool, and parking fees. These licenses and fees are generally subject to a vote by a city council or county Board of Supervisors. Parking fees may be used to support resilience projects in cases where parking lots/structures are threatened by coastal erosion.

Transient Occupancy Taxes

In looking for potential revenue sources to fund resiliency projects, cities (especially those on the coast) could look toward Transient Occupancy Taxes (TOTs). Sometimes referred to as hotel taxes, TOTs are levied on hotels and short-term rentals of less than 30 days. Under California law, cities and counties (for hotels and rentals in unincorporated areas) may levy TOTs with a two-thirds vote. According to the California State Controller's Office[11], the vast majority (over 90%) of cities and counties have some sort of TOT. The most common rate is 10%, but quite a few popular destinations in California have significantly higher rates that allow them to capitalize on the demand for tourism in the area. For example, Anaheim has the highest rate (15%), while Los Angeles, San Francisco, and a few other high-demand cities charge 14%. Although TOTs require a two-thirds vote, **these taxes are often popular since non-residents generally pay for them and they are often seen as a mechanism for reimbursing the costs of hosting visitors** (e.g., public safety, beach recreation). Since 2001, the majority of TOT measures have passed despite the requirement of a two-thirds vote.

One potential issue with TOTs is non-compliance. STRs offer a potentially lucrative source of TOTs if they are brought into compliance while still encouraging the existence of the rental. As discussed in the next section, TOTs from STRs have increased substantially as STRs have become increasingly popular and as more have been brought into compliance.

Transient Occupancy Taxes from Short-Term Rentals

Easier access to STRs through new platforms has not only increased access to popular destinations, such as the California coast, but also the potential to greatly increase revenues in these areas. In the City of Los Angeles, for example, revenue from short-term rental transient occupancy taxes go to the city's general fund and help pay for community services. However, in order to capitalize on this possibility, cities need to find a way to regulate STRs without imposing high costs on hosts. These costs, such as the murky regulatory environment or high permit fees mentioned above, can impose barriers to entry. This reduces the number of rentals the cities can collect taxes from, discourages small "Mom and Pop" hosts who cannot pay the high fees, and may force some STRs to continue without permits.

Table 6 below summarizes the revenue sources available to local governments in California, along with the typical use for any tax /fee increases, the political hurdles necessary for an increase, and the potential advantages and disadvantages of each tax/fee.

11 California Cities Transient Occupancy Tax Revenue, Tax Rate, and Effective Date, Fiscal Year 2016-2017 https://sco.ca.gov/Files-ARD-Local/LocRep/2016-17%20Cities%20TOT.pdf

Table 6: Examination of Revenue Sources for California Cities

Local Fund Source	Often Used For:	Necessary Approval	Possible Advantages	Possible Shortcomings
Property Tax Levy	School Districts	Requires Ballot Measure: 2/3 for general levy; 55% for schools	Involves entire community	Raises Housing Costs
Special Assessment District (e.g., GHAD, IFD)	Protection against Geological Hazards	Requires Formation of District and Approval of Special Tax	Coastal Property Owners may have higher Ability to Pay	GHADs emphasize property protection over other uses
Sales Tax	Transportation	Revenues have lagged economic growth; Requires 2/3 Ballot Measure	Spread evenly across consumers	Lower income groups pay higher percentage (Regressive tax)
Developer Fee	Low Income Housing. Environmental Mitigation	Requires New Development	Often used to support Affordable Housing	Academic Studies indicate these fees raise the cost of housing in CA
Utility/User Fees	General Fund, Utility Improvement	Requires 2/3 Ballot Measure	Can be used to support utility resilience	Most increase measures have failed
Business Licenses and Fees	Providing Services, General Revenue	Requires City Counsel (or similar) Vote	Helps offset cost of public services	May be regressive. Limited ability to raise revenue
Transient Occupancy Tax	Parks and Recreation, General Fund Revenue	Requires 2/3 Ballot Measure or Increasing Hotels/ STRs	Increased Coastal Access correlated with higher TOTs	Requires new hotel construction or lowering STR restrictions

Financing Resilience for Local Communities

To return to the quote at the beginning of this section, resilience can be defined as “the ability of an urban asset, location and/ or system to provide predictable performance … under a wide range of circumstances” (Brugman, 2009). Facing the threat of climate change, California cities need to increase their ability to fund and execute resilience. In all likelihood, climate change adaptation will require local governments to increase taxes and fees in a wide variety of ways, including property and sales tax increases as well as increases in utility rates or user fees to pay for infrastructure improvements.

In California, cities are limited in terms of their ability to raise revenues between the taxes and fees discussed above. As indicated in Table 6 above, each type of tax/fee has advantages and disadvantages. TOTs offer one of the most feasible methods of increasing taxes, particularly for services oriented for visitors, such as maintenance of beaches and other public parks. Additionally, the potential to increase TOT revenue exists in the prospect of bringing existing STRs into compliance and promoting better regulations. For communities on the California coast, TOTs can provide needed revenues to offset the cost of serving visitors (e.g., public safety) as well as help preserve beaches and other sensitive coastal habitats. In addition to increasing TOT rates, many local communities have the opportunity to increase TOT revenue by allowing for more STRs or by bringing existing STRs into compliance (by paying TOTs). This would allow coastal communities to improve their resilience without burdening their populations and simultaneously increase coastal access for visitors by helping legitimize STRs as a source for affordable accommodations along the coast.

Table 7: Potential for City Revenue Sources to Finance Climate Resilience

Local Fund Source	Potential for Climate Resilience Finance
Property Tax Levy	Can help support property protecting infrastructure, especially for schools.
Special Assessment District (e.g., GHAD, IFD)	Can help support protection of private property, in particular shoreline protection.
Sales Tax	Can help support transportation infrastructure.
Developer Fee	Can make new developments more resilient.
Utility/User Fees	Can help support utility infrastructure resilience.
Business Licenses and Fees	Can help support local programs. Parking fees can help offset threats to parking.
Transient Occupancy Tax	Can help support beaches, parks, and visitor supporting services.

Case Studies—The Potential for Affordability on the Coast

California's coast is available to all, which makes California's coastal communities some of the most in-demand real estate in the country. California's coastal cities tout beachfronts, plentiful coastal access, and offer a calm respite from the larger cities—or at least an escape from the Inland Empire's heat. Unfortunately, many of California's coastal communities have become unaffordable. Not everyone in California can afford to live in, or even visit, them.

This section examines a few case studies of different coastal communities in California. The first case study examines North San Diego County, specifically the Cities of Del Mar, Solana Beach, Encinitas, Carlsbad, and Oceanside. This region showcases how affluent communities not only discourage construction of affordable housing and lodging but also have the most restrictive regulations on short-term rentals. Data from a summer 2018 sample of STRs demonstrates that wealthier areas—in particular Del Mar—impose more restrictions and a higher degree of exclusivity in lodging, keeping costs high and inaccessible to most Californians.

Unlike North San Diego County, the second case study examines the different regulatory environments for STRs in Pismo Beach and the City of Santa Barbara. While STRs are legal in Pismo Beach, they are expensive to operate due to the burden of high permitting fees. Additionally, Santa Barbara's near ban on STRs demonstrates how restrictive regulations increase the cost of accommodations and forces budget conscious visitors away from the coast.

In all of the sample cities, coastal access is limited due to the cost of housing, cost of overnight accommodations, and acute lack of supply for lodging in the high season. However, there are differences in the way each of these communities have approached the issue of providing coastal access via increased affordability and lodging supply. These differences contribute to dramatic disparities in affordability, which could be addressed through policy changes.

North San Diego County

The communities in North San Diego County line a popular stretch of the California coast and offer access to prime beaches, such as Del Mar City Beach, Carlsbad State Beach, Torrey Pines, Moonlight, Fletcher Cove, Oceanside, and many others. These seaside towns offer smaller communities and a well-maintained coastline often amenable to families. However, due to the lack of affordable real estate and accommodation, many Californians cannot afford to live in or visit these towns.

Despite many similarities and close proximity, the five sample cities differ greatly in their degree of affordable accessibility as well as in demographic makeup. As Reineman's (2017) work predicts, these communities are predominantly comprised of individuals who are wealthy, white, and typically older than the median age for California. The population of Del Mar is the oldest, wealthiest, and least diverse of the focus cities. On the other hand, Oceanside is much less expensive and more diverse.

Table 8: Demographics in North San Diego County Communities, SANDAG data 2018

City	Median Household Income	Median Age	Single Family Homes
Del Mar	$ 129,880.00	48.6	60%
Solana Beach	$ 111,476.00	44.2	47%
Encinitas	$ 106,960.00	41.9	63%
Carlsbad	$ 107,605.00	41	55%
Oceanside	$ 67,754.00	36.8	53%

San Diego Association of Governments (SANDAG) statistics indicate that Del Mar is the least diverse with over 85% white residents, the most affluent, and also the oldest by median age. Encinitas and Solana Beach are also predominantly white and older. All three coastal communities are significantly less diverse than the rest of California overall. Homogeneity along racial and socioeconomic lines is a trend along the coast; the Californians with the easiest access to the coast by virtue of their residence tend to be white, affluent, and older (Reineman 2017). This is especially evident in Del Mar.

While North Coastal San Diego adheres to this trend, and the lack of access overall, Oceanside is an interesting outlier. The city is much more diverse than the others in the study. Additionally, housing is more affordable. Oceanside demonstrates that more affordability is possible, especially in terms of affordable housing and accommodation, if regulations are in place to promote supply and affordability.

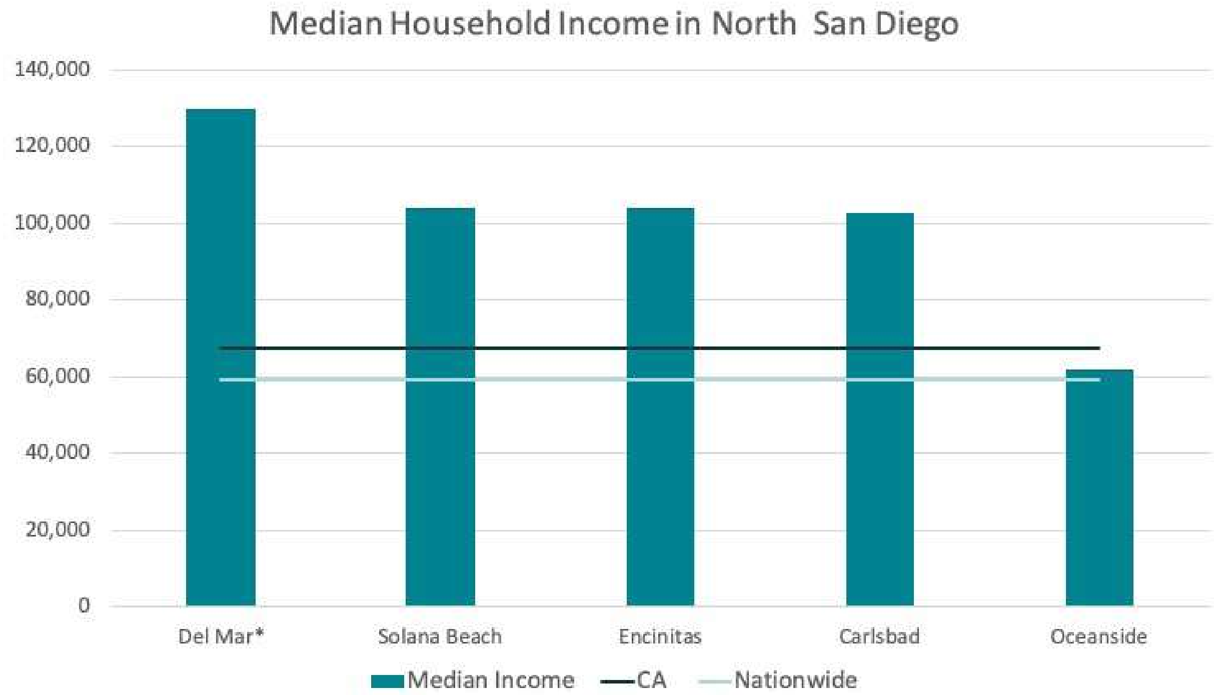


Figure 11: Median household income in North Coastal San Diego is higher than the statewide and national average.

Affordability on the North Coast

Housing affordability is especially important because coastal communities are not only more affluent on average than the rest of the state but also more expensive to live in. The housing shortage—and in particular the lack of affordable housing—is more severe in coastal cities. Simply put, a low-income household cannot afford to live in most of these communities due to a severe lack of more affordable options and multi-family housing. Typically, this lack of affordability creates an enclave of wealthier residents on the coasts and reduces access for lower-income households as they are pushed further inland. While the vacancy rates, according to a 2018 SANDAG assessment, are relatively high, the vacant homes are not affordable for most Californians. Furthermore, many homes in Coastal North San Diego County are second homes which sit unused for much of the year.

In most of the small coastal communities, median home prices and rent are much more expensive than the average for San Diego County. The notable exception is Oceanside. On the other extreme is Del Mar with a median home price nearly 3x the rest of the county. The high cost of living in these communities creates an especially acute need for affordable housing. The lack of affordable housing has been addressed in the San Diego Area Governments (SANDAG) housing needs assessment. This study helps planners determine how much housing needs to be constructed and to target that housing for specific income brackets: Very Low, Low, Moderate, and Above Moderate. The 2017 assessment found that the coastal communities in this case study alone need 5,521 homes for Very Low- and Low-Income households. The diversity in affordability, demographics, and housing needs between these coastal communities allows for comparison. Del Mar, for example, would be expected to have less ease of coastal access than Oceanside and more restrictive attitudes in local politics.

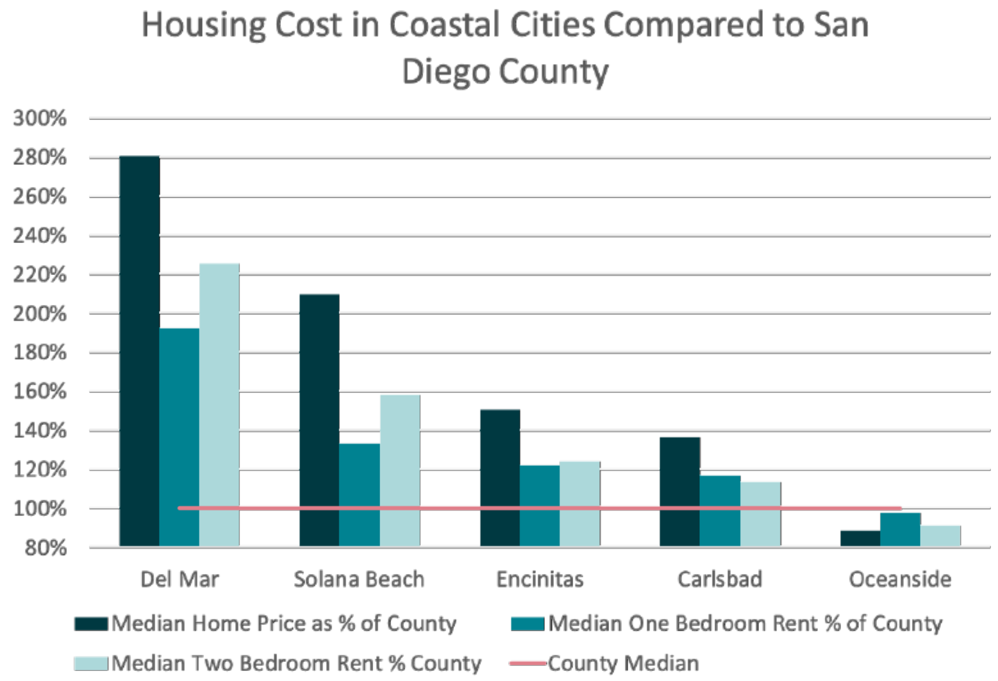


Figure 12: Housing costs in most coastal communities are far higher than the county as shown by percentages.

Affordable Accommodations

Finding affordable overnight accommodations in North San Diego coastal communities is nearly impossible during the summer high season. The meager number of affordable rooms does not begin to meet the needs of the surrounding population. The Coastal Conservancy defines Lower Cost Coastal Accommodations (LCCAs) as those with an average daily rate (ADR) 75% or less of the state average. For July 2019 (high season) this is estimated at $140.70 per night. A prospective visitor might struggle to find such options in the coastal zone. Some cities, such as Del Mar, appear to have no affordable options at all. Del Mar, despite its popularity as a destination, offers only six hotels—with only 355 rooms between them—a scarcity which helps drive up prices (Schwing 2018, 2). Furthermore, hotels with rates less than $140 in July typically offer that rate for a single full bed—hardly enough room for a family.

Although camping can provide a more affordable alternative for these families, there are limited options. In many of the coastal communities there are no tent camping sites, only RV parks. This imposes high equipment costs if visitors do not own an RV. In Carlsbad and Encinitas, there are State Beaches which offer tent camping, but these few sites are booked months in advance. This might be particularly problematic for a working-class family with less certainty of the stability of their financial situation and less predictability in time off. Furthermore, camping is not an option for all families as it has high equipment costs (Christensen & King 2017; Coleman 2016). Due to the barriers to entry and the limited availability, many families would not be able to turn to camping in the North San Diego Coastal area as an affordable accommodation option.

As discussed, the coast has lost many of its affordable options since 1989. The coastal region's tourism is especially seasonal, proving a challenge to the hotel business. Zervas (2016) discussed this issue, explaining that hotels face high fixed costs. This makes it especially difficult to adjust their supply of rooms to match demand—to scale up in the summer high season and scale down in the cooler months. As the cost of land on the coast has increased, economy range hotels have increasingly closed down and been replaced by upscale hotels and condominiums (Ainsworth 2017). In San Diego County, no discounted rooms have been included in new developments despite the mandate to provide affordability where feasible (Weisberg, 2015). Most recent hotel projects have been for the construction of upscale and luxury resorts (Access Denied, 2019). These new developments not only take existing LCAAs away from visitors but they also increase the associated costs of a visit by bringing in more high-end clientele and thus more upscale restaurants and shops. The areas with the most expensive hotels and fewest LCCAs typically impose the most restrictive policies on STRs, keeping prices high and lower-income visitors out.

Short-Term Rentals Provide Affordable Access

In order to evaluate the affordability of short-term rentals in North San Diego County, this paper examines data on the rental price of STRs in Del Mar, Solana Beach, Encinitas, Carlsbad, and Oceanside from summer 2018. For example, the average listing in Oceanside is $150 per night, whereas in Del Mar the average is $265. The data confirms the expectation that the more exclusive areas have less affordability. Furthermore, mapping the rental listings and their distance from the coastal zone shows that prices increase with proximity to the coast. Therefore, affordability decreases.

Table 9: Average Price for a Short-Term Rental in Select North San Diego County Cities for Two-Person Occupancy. Prices Determined by Capacity of the Rental.

City	All Listings	Private Room	Entire Home	Listings within .5mi of Coast	Private Room within .5 mile	Home within .5 mile
Del Mar	$265.20	$90.36	$269.99	$268.33	$90.36	$273.41
Carlsbad	$153.72	$133.90	$156.50	$174.27	$152.05	$175.20
Oceanside	$150.62	$117.55	$157.00	$166.10	$126.52	$167.82
Solana Beach	$199.46	$137.45	$204.27	$215.87	$154.48	$217.79
Encinitas	$177.66	$176.20	$178.23	$194.60	$200.62	$194.50

Figure 13 below shows a scatterplot of short-term rental listings from the summer (June, July, and August) of 2018 obtained from an independent source, Transparent Data (https://www.seetrans-parent.com). In this figure, affordable rentals (as defined by the California Coastal Conservancy) are depicted in green and unaffordable listings are depicted in red. As one gets closer to the coast, most listing become unaffordable; although, as indicated in Table 9 above, Oceanside still has many affordable listings within half a mile of the coast.

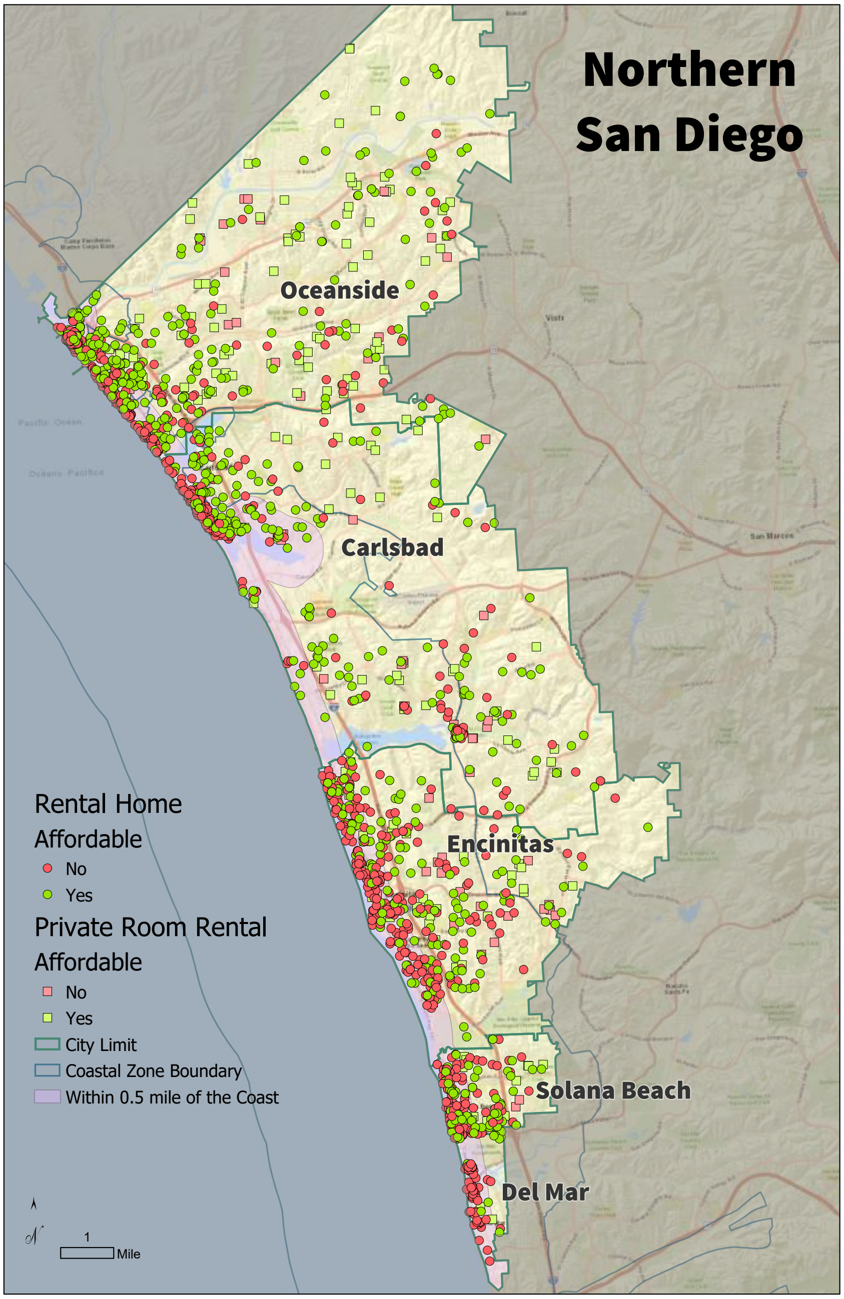


Figure 13: Distribution of STRs in North San Diego County Showing Affordability Increasing Further from the Coast. Special thanks to Dr. Kiersten Patsch for mapping.

Additionally, STR listings in North San Diego County appear to be affordable or expensive in clusters. Figure 14 below constructs an average cost map which grouped the listings in 100-meter segments around average cost and color codes the average price for each 100-meter area. The map shows that prices of STRs cluster into groupings of high costs (for example, greater than $500 a night) and low costs (less than $100). Average prices are noticeably lower (the darker red) in Oceanside and further inland. Del Mar has more high-priced clusters (pale yellow, indicating more than $500 per night). While in some areas STRs are largely unaffordable according to the cost per two people per night, in many cases they are still more affordable than hotels, partially because a group or family would need many rooms at a hotel rather than a single home. Additionally, the supply of STRs helps lower prices and reduce the price hikes in the summer season as discussed in previous sections (Zervas 2015).

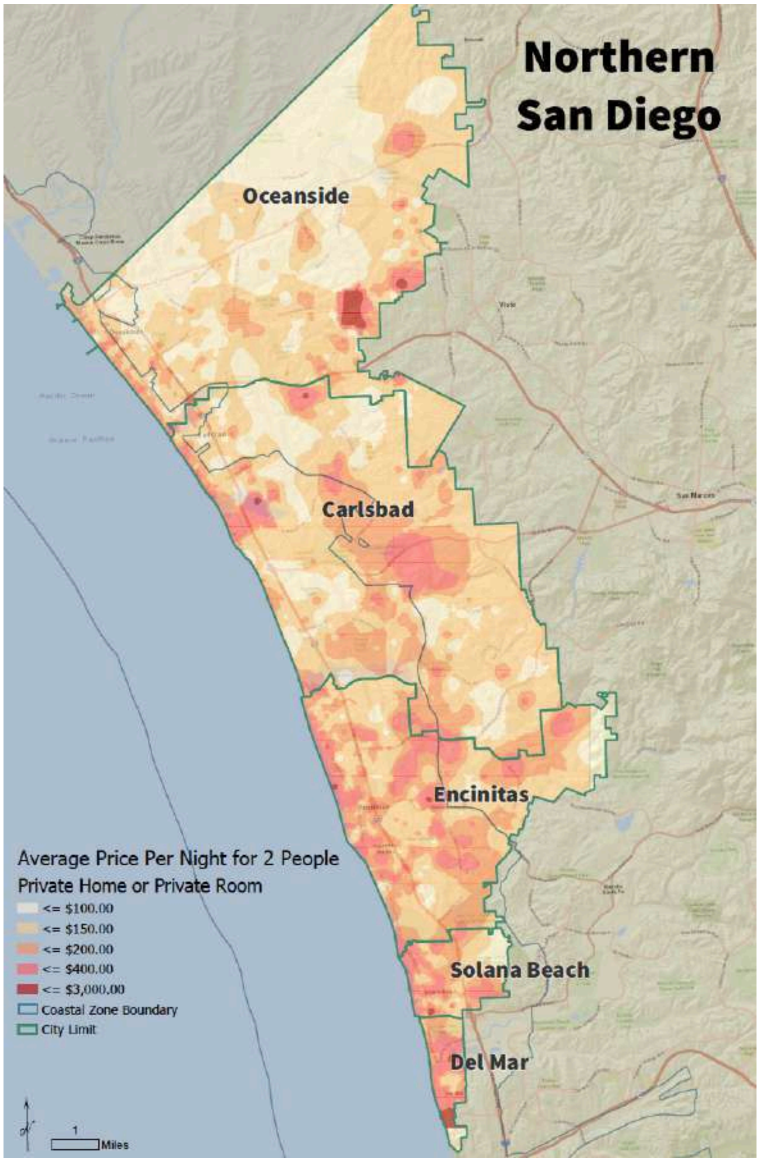


Figure 14: Distribution of Average Price of STRs in North San Diego County Showing Affordability Increasing Further from the Coast. Note that Del Mar, Solana Beach, and Encinitas have far fewer listings at less than $100, or even $150.

Finally, Table 10 and 11 below present affordability by number of listings. As the maps above suggest, the City of Oceanside has both the highest percentage and the highest number of affordable rentals, both homes and private rooms. The City of Carlsbad has similar percentages of affordable rentals, and Solana Beach and Encinitas also providing some affordability. Once again, Del Mar has the lowest percentage of affordable listings no matter how one looks at the data.

Table 10: Affordability (Defined here as 75% of California Average Daily Rate) for All Listings, compared to those within a half mile of the coast.

	Affordable by Statewide ADR			
City	**Number**	**Percent of Listings**	**Within 0.5 mi of coast**	**Percent of Listings**
Del Mar	12	16%	10	13%
Solana Beach	80	30%	40	15%
Encinitas	183	41%	78	17%
Carlsbad	229	52%	89	20%
Oceanside	455	52%	232	26%

Table 11: Comparing affordability of listings when defined using California ADR or the ADR of San Diego County, which is higher. Although there are more listings at 75% or less of SD ADR, Del Mar still lacks affordability.

	Affordable by Statewide ADR		Affordable by Local ADR	
City	**Number**	**Percent of Listings**	**Number**	**Percent of Listings**
Del Mar	12	16%	19	25%
Solana Beach	80	30%	103	39%
Encinitas	183	41%	233	52%
Carlsbad	229	52%	278	63%
Oceanside	455	52%	551	63%

Tourism as a Revenue Source

The lack of affordable accommodations not only impinges on access for low- and moderate-income Californians but also reduces the potential tax revenue of the municipalities. All of these coastal communities rely on tourism, and the coast is the primary draw. The cities of North San Diego County draw a large share of their tax revenues from the tourism industry, and one of the primary ways in which they do this is through Transient Occupancy Taxes (TOTs). As discussed, TOTs impose a tax on visitors when they stay in the community. Traditionally this tax was collected primarily through the hotel sector, but increasingly STRs have made important contributions to TOT revenues. In all of the North San Diego County cities examined here, TOTs make up a significantly higher portion of the tax revenue for that city when compared with the county overall.

TOTs have been rising over time, despite there not being a drastic boom in hotel construction or dramatic change in consumer preferences. This is likely due to the increased presence of STRs in the coastal accommodation market and efforts by municipalities to collect TOTs from them. Carlsbad and Oceanside are larger cities with greater tourist draw. They also tend to be more affordable and less exclusive than the Encinitas, Solana Beach, and especially Del Mar. These three smaller, more exclusive communities have seen similar growth in TOT revenues, although on a much smaller scale due to their smaller size and reduced number of lodging options. It is harder—and more expensive—to stay in one of these areas.

TOTs can offer municipalities a crucial source of funding for projects such as adaptation to climate change, affordable housing, and public services which tourists place increased demand on. They offer an alternative to GHADs where the residents pay for an independent authority tasked with protection from geological hazards such as sea level rise. Wealthier communities, such as Del Mar and Encinitas, possess GHADs. Solana Beach is also considering adopting a GHAD (City of Solana Beach 2019, 7). Oceanside, less wealthy and more diverse, does not possess a GHAD. The potential problem with GHADs is they tend to focus on armoring rather than more sustainable coastal options, which can reduce coastline and therefore coastal access. Due to the nature of the funds, they can also reinforce exclusivity as the residents nearest a particular stretch of coast pay for its protection.

In order to increase potential TOT revenues, coastal communities could turn towards STRs as a reliable source of revenue. While it takes years and millions in investment to build a hotel, STRs capitalize on and expand the use of existing property. To benefit from this revenue source, municipal governments need to embrace rules that balance the legitimate concerns of neighbors, particularly in residential neighborhoods, with California's stated goal of access for all. Restrictive STR regulations can hinder small, "Mom and Pop" rentals from the market through commercial zone restrictions and exorbitant permitting and licensing fees. The fewer the number of nights available in STRs, then the smaller the TOT revenue leading to a lost opportunity for a community to capture the benefits of the tourism market.

Regulating STRs

The policies cities enact determine how they structure the market for STRs and can affect access to the coast. Del Mar and Oceanside illustrate this dilemma well. They have chosen divergent responses to STRs that reflect the makeup of their communities. Del Mar has very restrictive regulations that prohibit STRs in residential zones and limit their operation to the Residential-Commercial (RC) zone and the Visitor Commercial (VC) zone. This means that homeowners in a residential zone cannot rent out their vacation home or spare room without risking fines. In 2017, the city attempted to pass additional restrictions to limit STRs to no more than 28 days out of the year and impose a minimum seven day stay for visitors, while restricting STRs to the Residential Commercial and Visitor Commercial areas of the city. In the interest of providing greater access to the coast, the law was rejected by the California Coastal Commission on the grounds the proposed ordinance would negatively impact public access and affordability (Schwing 2018, 2). The staff recommended no nightly minimum and a 180-day cap, while the Commissioners themselves eventually settled on a 3-day minimum and 100-night annual cap. Del Mar rejected the Coastal Commission position and is suing the state to overturn the decision. The attempt is indicative of the attitude in Del Mar towards STRs and the various ways cities enact policies which curtail affordability and reduce lodging supply.

Another policy which can detrimentally impact the affordability and supply of short-term rentals in these communities is permitting. While municipalities need to keep track of their STRs and collect transient occupancy taxes, the high cost of these permits prevents many potential hosts from renting and increases the costs of the rental. Permits range in costs and often come with secondary fees, such as costly inspections and business licenses. Cities in North Coastal San Diego attach a variety of fees to their STR permits. Solana Beach, for example, charges $100 for a new permit and $55 annually to renew; Encinitas' permit costs $150; in Carlsbad the permit is free, but a business license is required at a cost based on revenue; and Oceanside's permit costs $250. Information on Del Mar's permitting was unavailable due to the pending ban. These high costs can drive some hosts towards renting illegally and others to pass the costs on to their renters, reducing coastal access. These fees are summarized below in Table 12.

Even in cities that allow short-term rentals, there can be high costs that pose a barrier to entry for potential STR operators. Permitting is one example, and punitive fines are another. As discussed earlier in this paper, some regulations on STRs can impose high risks to the host. Fines accomplish just that. Imposed for violations of ordinances, these fines can work to enforce bans on STRs. In many cities the fines are aimed at long-term zoning compliance and obtaining back taxes. The crackdown in Encinitas showcases this with fines starting at $250. Ordinance violations in Solana Beach start at $500, and a second violation costs $1000. While many areas impose these penalties, the amounts and causes are not easily discerned. Oceanside—which has the most permissive policies of this study—makes the penalty known, stating that a violation of policies will result in a misdemeanor and a fine up to $1000. However, unlike many of the more exclusive communities their policy provides for a greater range of legal STRs. If cities wish to bring operators into compliance and preserve affordability, high penalties undermine this goal.

Oceanside, more affordable and diverse, is much more accommodating to visitors wishing to rent a home or room for a short stay and visit to the coast. Oceanside's policies make a trip to the beach and coast an affordable luxury to many Californians. The city allows short-term rentals in the residential areas provided rentals meet certain limits and adhere to its Good Neighbor Policy. Oceanside has many more STRs but it is also larger than Del Mar or Solana Beach. The higher number of STRs offers visitors many more accommodation options, especially in high season when rooms on the coast are hard to find and campsites are booked. Similarly, Carlsbad offers more affordable STRs than the other North San Diego County coastal cities. The city requires short-term rental operators to comply with its Good Neighbor Guidelines as well, which include provisions about noise, trash, and parking.

Table 12: Short-Term Rental Regulations

Jurisdiction	Attitude toward STRs	Key Regulations
Del Mar	Very **restrictive**. The City attempted a limit of 28 days per year (blocked by California Coastal Commission). In Court proceedings with California Coastal Commission.	Attempt to prohibit almost all STRs **Zone Restrictions:** Not permitted in Residential Zones, only permitted in Residential Commercial and Visitor-Commercial and where the development allows it **Night Caps:** Proposed 28 days per calendar year. 7 night minimum for all stays
Solana Beach	Fairly **restrictive**. Rentals allowed in Residential areas if stay is over 7 days, but enforcement of penalties is strict.	**Zone Restrictions:** Prohibited in Residential areas if less than 7 days **Fees and Permit:** $100 new permit fee with $55 renewal, $500 fine for first STR policy violation **Taxes:** Host has to collect TOTs
Encinitas	Recent crackdown to be more **restrictive**.	**Zone Restrictions:** Single family and duplex dwellings only. Multi-family dwellings and condominiums are prohibited from usage as short-term rentals in residential zones. **Fees and Permits:** $140 permit annually, policy violation fines starting at $250 **Taxes:** 10% transient occupancy tax hosts are to collect from renter
Carlsbad	Very **restrictive** except in the coastal zone.	**Zone Restrictions:** Banned in residential areas except in the coastal zone; required to comply with "Good Neighbor Guidelines" **Permits and Fees:** Permit required (free) and business license required (cost variable) **Taxes:** STRs are subject to a 10 percent transient occupancy tax as well as a $1 per room per night Carlsbad Tourism Business Improvement District assessment due monthly to the city.
Oceanside	**Permissive** in coastal zone.	**Permits and Fees:** All STR operators are required to apply for a STR permit (fee required) unless the STR property is a hosted unit or part of a gated HOA; violations are a misdemeanor with up to $1000 fine **Policies:** Minimum 2-night stay, curfew on daytime guests at 10pm, and limits on overnight occupancy **Taxes:** TOT collected by Airbnb in agreement with City **Night Caps:** Minimum 2-night consecutive stay

The different approaches of Del Mar and Oceanside reflect the nature of regulations in these communities. Del Mar restricts affordability through little affordable development and harsh restrictions on STRs, preserving the exclusivity of the community. Oceanside's policy is not perfect, but the openness to STRs aligns with the diversity of the community and lower housing costs. Oceanside is one of the few coastal communities that has not carved out an affluent, exclusionary enclave for its residents on the coast. Del Mar, and other communities with strict regulations severely limiting the ability of STRs to operate along the coast, reduce the supply and affordability for visitors. Communities with more reasonable regulations—designed to create harmony between STRs and permanent residents—can promote STRs, thereby increasing the supply of accommodations and lowering cost. This helps promote access to the coast without costly investments in new hotels or campgrounds.

City of Pismo Beach

In Pismo Beach the story of short-term rentals and affordability is more complicated. Pismo Beach's policy is touted as one of the model STR ordinances by the California Coastal Commission, yet the city lacks affordability in accommodations. While the City is open to short-term rentals, possibly because of its reliance on tourism for the economy, it's like the majority of the other North San Diego cities: white, wealthy, and older, demographics which have been shown to dominate the coastal zone in the state (Reineman 2017). Despite this similarity, Pismo Beach has a more permissive regulatory environment than Del Mar and other small, wealthy towns. The city is more open to the existence of STRs without attempting bans and stringent restrictions on rental operators. However, without measures to reduce costs there remains a persistent lack of Lower Cost Coastal Accommodations (LCCAs) to meet the needs of the majority of Californians and provide access for all.

Affordability in Pismo Beach

Pismo Beach is an affluent area, like much of the coast, with high median incomes and home values out of reach for most Californians. The concentration of affluence in housing creates a need in Pismo Beach and in Santa Barbara, as it did in North San Diego County, for the construction of intentional housing for those of lower means. The Regional Housing Needs Assessment conducted by Pismo Beach (2019) revealed the city needs 62 homes to meet the needs of extremely low, very low, and low-income families—41% of their overall housing need. Like much of the coastal region, these costs and lack of affordability push families inland and away from coastal access.

Affordable Accommodation and STRs

The lack of affordability in Pismo Beach extends to both traditional lodging options and short-term rentals despite the city's hospitableness. The city appears to lack any affordable hotel options. It is, however, close to state beaches with camping options. As previously mentioned, those options fill up quickly and may not meet the needs of all visitors. In particular, camping may not be an option for those who lack the means to purchase equipment.

While STRs offer lower rates than some hotels, this study found only 38 rentals that would be considered Lower Cost Coastal Accommodations (LCCAs) by the Coastal Conservancy standard. This amounts to only 25% of all rentals in the area. It is worth noting that almost all (96%) of Pismo Beach rentals are within a half mile of the coast where prices tend to be higher, but that percentage of affordability is still very low.

Although Pismo Beach generally embraces STRs, the city requires operators to apply for a permit—at cost of $399—and a business license, totaling over $450 in comprehensive fees. This permit cost has the impact of (1) discouraging homeowners from becoming hosts and therefore reducing the supply of rental, and (2) passing on that high cost on to visitors in the form of higher rates. Overall this reduces affordability. Mapping the location of STRs in Pismo Beach shows that they overwhelmingly are near the coast but also expensive. The location is ideal for visitors, but likely inaccessible to those with stricter budget constraints because of the lack of lower cost accommodations.

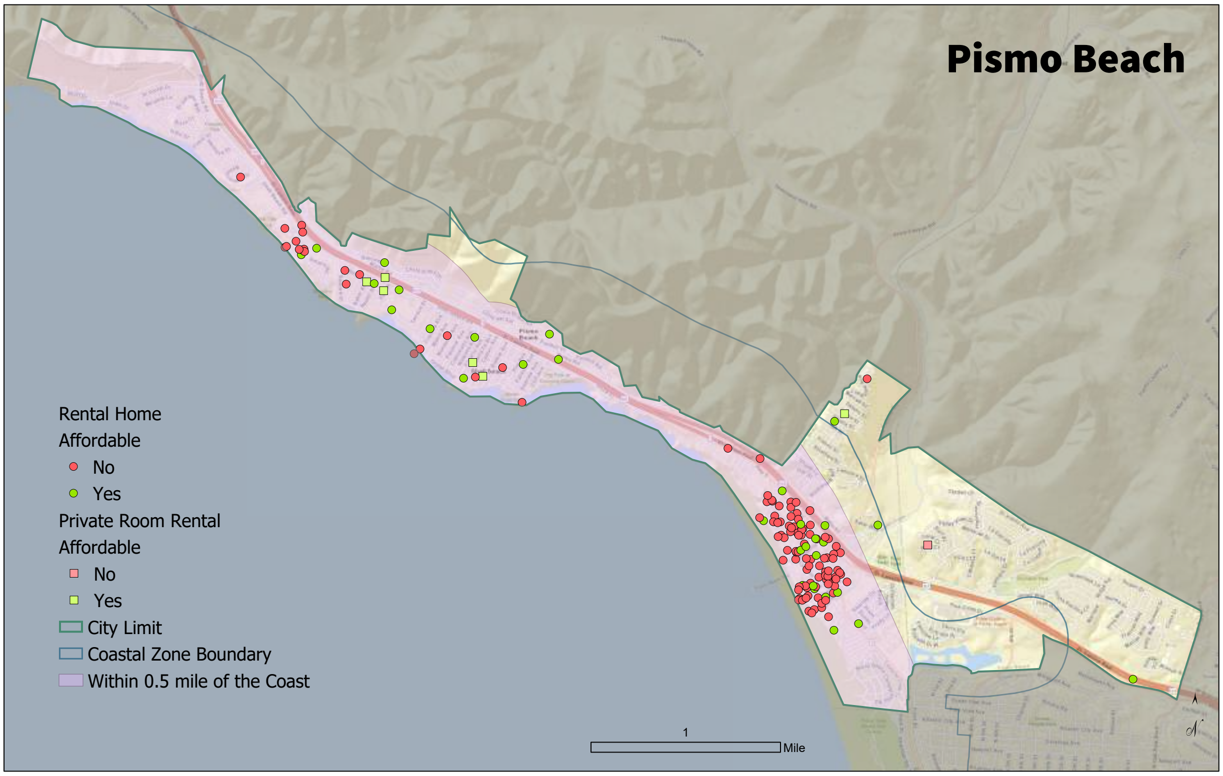


Figure 15: Mapping the STR listings in Pismo Beach shows the close proximity to the coast and general lack of affordability.

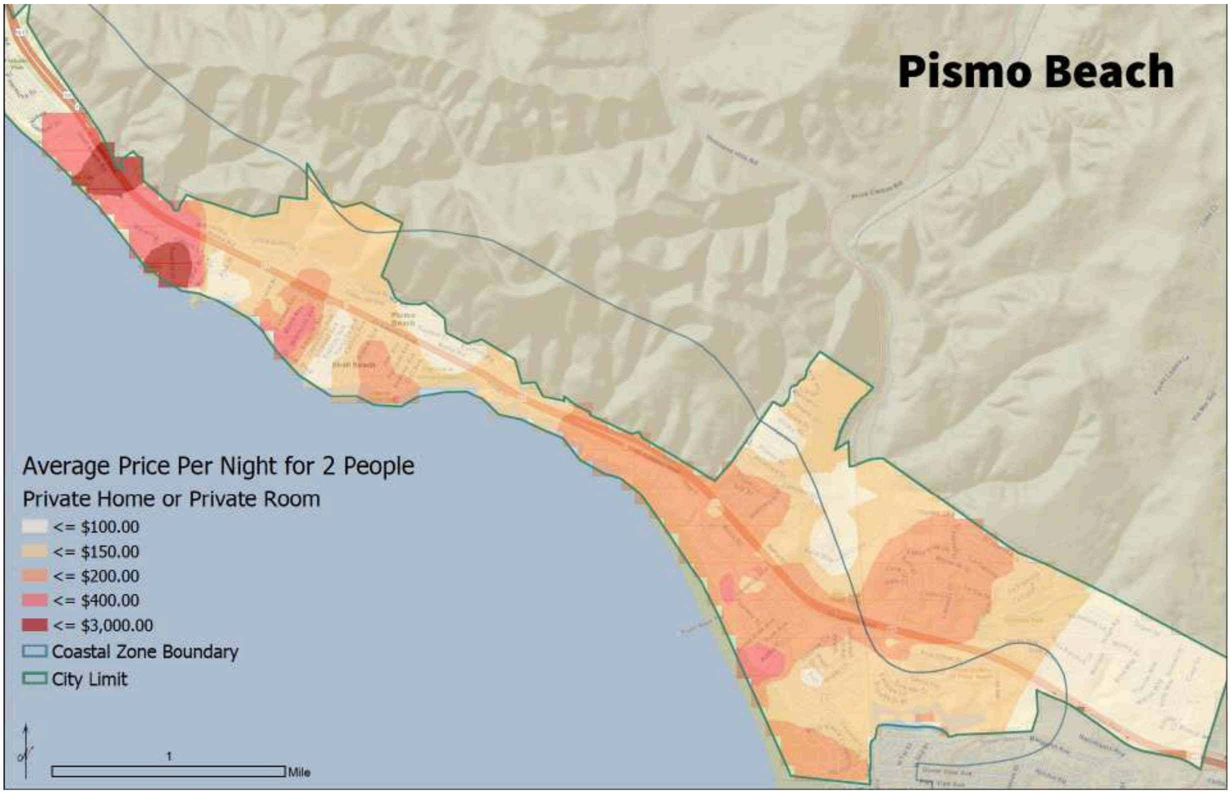


Figure 16: Looking at average cost clusters for Pismo Beach shows the concentration of expensive listings.

Reliance on Tourism

Although there are not sufficient LCCAs in either Santa Barbara or Pismo Beach, there are many hotels. These fill up in the high season and the campgrounds book up far in advance. There are over 150 hotels between these two communities, and both derive much of their economic base from tourism. Pismo Beach collects nearly half its revenue via TOTs, and their collection has increased over time[12]. This reliance on tourism may contribute to Pismo Beach's openness to STRs as part of its efforts to foster tourism and keep the town thriving. In fact, Pismo Beach's STR policy notes that the loss of TOT revenue in part motivated the regulation. With the high cost of new hotel construction, existing informal home sharing and the promise of more STRs via new platforms offer a much faster source of renewable tax revenues. This may explain why Pismo Beach lacks the affordable hotels that Oceanside offers but has a relatively permissive STR policy. The caveat is, of course, the high fees which keep affordability low and impact access to the coast.

Regulating Short Term Rentals

Despite the over $500 cost to operate a legal STR, Pismo Beach has been heralded by the Coastal Commission for its model STR ordinance. However, the combined cost of the permit application, business license, and the added delay of inspections reduce the ability of operators to charge affordable rates for their rental listings. The city allows short-term rental operators to share their primary residence year-round with no nightly cap if they are present for the duration of the stay and pay the $500 in fees associated with obtaining a permit. If the STR is not the primary residence, or the operator is not present, the unit has to be in specific zones. While there is a limit of 182 days per year on unhosted stays, the duration means a unit can be rented for more than the entirety of the high season.

While the City's rules promote the supply of additional accommodations and in turn increased access to the coast, the expensive fees create a barrier to entry for potential short-term rental operators and thus restrict the number of potential accommodations along the coast. As expenses of permitting, licensing, and potential fines are passed on to renters, affordability diminishes. This reduces access for those who need access the most. It also reduces the City's TOT revenue since fewer properties are registered and therefore fewer taxes being collected.

Table 13: Short Term Rental Regulations in Pismo Beach

Jurisdiction	Attitude toward STRs	Key Regulations
Pismo Beach	Relatively Permissive	**Zone Restrictions:** Allowed in almost all residential zones and planned zones at primary residences **Permit and Fees:** $399 permit application fee, business license required (fee required), minimum violation $750 **Taxes:** host collects TOTs **Night Caps:** Limited to 182 days per year *without the owner present*

12 Data compiled from the Comprehensive Annual Report for 2018 in Pismo Beach. https://www.pismobeach.org/DocumentCenter/View/53246/FY-2018-Annual-Financial-Report

Santa Barbara

Unlike Pismo Beach, Santa Barbara has a restrictive policy towards short-term rentals. The city has more in common with Del Mar and their attempted ban on STRs. The City of Santa Barbara regulates STRs as hotels for zoning purposes. Therefore, the City of Santa Barbara considers any listings operating outside of areas already zoned for hotels illegal. With this ban, the city removed the option for many homeowners to rent out unused space to visitors and confined visitors to tourist areas. These rules reinforce the exclusivity of the community and impose great risk to hosts who may be forced to list their vacant property illegally. Such listings also do not contribute to city TOT revenues.

Affordability in Santa Barbara

Santa Barbara's policies towards STRs reflect the expense and exclusivity of the city overall. The median home price in Santa Barbara, according to Zillow.com (2019) is $1.14 Million—almost twice the average for Santa Barbara County let alone California overall. Santa Barbara's assessment reveals the need for 1,461 additional homes in the Very Low- and Low-income categories, or 47% of their total housing need. The lack of affordability extends to hotels as well. In Santa Barbara the ADR in July 2018 was $227.60, and a prospective visitor only finds a couple of options with "affordable" rates in July—two with rates less than $137 nightly. These options are further from the beaches and appear not to offer sufficient beds (at that rate) for a family to stay overnight. Santa Barbara is close to state parks with campgrounds as well as RV parks; however, as previously discussed, there are limitations not only on the number of sites but also on the viability of camping as an option for some families.

STRs, Legality, and Zoning in Santa Barbara

The study of rental listings from summer 2019 reveals the nuances of the Santa Barbara policy on the affordability of STRs. The City of Santa Barbara is unique, in this study, because in 2015 it began a "heightened enforcement program" of its zoning regulations with the objective to remove STRs from areas where they had been allowed before 2015 (Kracke v. City of Santa Barbara, 2019). **By classifying rentals as "hotels," and therefore restricting them to zoning that allows hotels within the city, Santa Barbara has greatly reduced the affordability of rentals near the coast.** These zoning laws, then, allow very few legal rentals within close proximity to the coastline as shown in Figure 16. The crackdown on rentals outside the commercial zone, including those in the coastal zone, constituted a change in policy for the city. Prior to 2015, the city had an informal practice of recognizing and allowing STRs provided they paid TOTs and received no complaints (Kracke v. City of Santa Barbara, 2019). In 2010 and 2014, the city attempted to bring more STRs into compliance, hoping to increase TOT revenues (Kracke v. City of Santa Barbara, 2019).

In 2015, Santa Barbara changed its enforcement and began what constitutes a ban on STRs, because even where zoning allowed for STRs, other requirements and the difficulty of navigating the system prevent operation[13]. As a result, only 7% of all listings in Santa Barbara fall within a half mile of the coast and meet the California Coastal Conservancy's definition of Lower Cost. Although one-third (33%) of citywide listings are affordable, these cluster further from the coast as shown in Figure 17. Many of the more affordable listings for Santa Barbara were actually outside of the city limits where the regulations are less strict. Furthermore, obtaining a permit to legally operate a STR in Santa Barbara is nearly impossible. The City in 2017 had not issued a permit in over two years, according to a recent lawsuit, even for homes in the correct zoning (Santa Barbara Short Term Rental Alliance, 2017). Many homeowners face this obstacle even after going through the costly process of inspections—and even remodels.

The city's ban on STRs violates the California Coastal Act and fails to comply with the California Coastal Commission, according to a recent lawsuit (Kracke v. City of Santa Barbara, 2019). The Court found that Santa Barbara's enforcement of zoning regulations changed the access and use of the coast, and that in order to do so they would have needed permission from the Commission to remove STRs in the coastal zone since STRs allow access for more visitors, especially those of lower incomes. A ban on STRs, because of the access they provide, would not be legally enforceable (Kracke v. City of Santa Barbara, 2019).

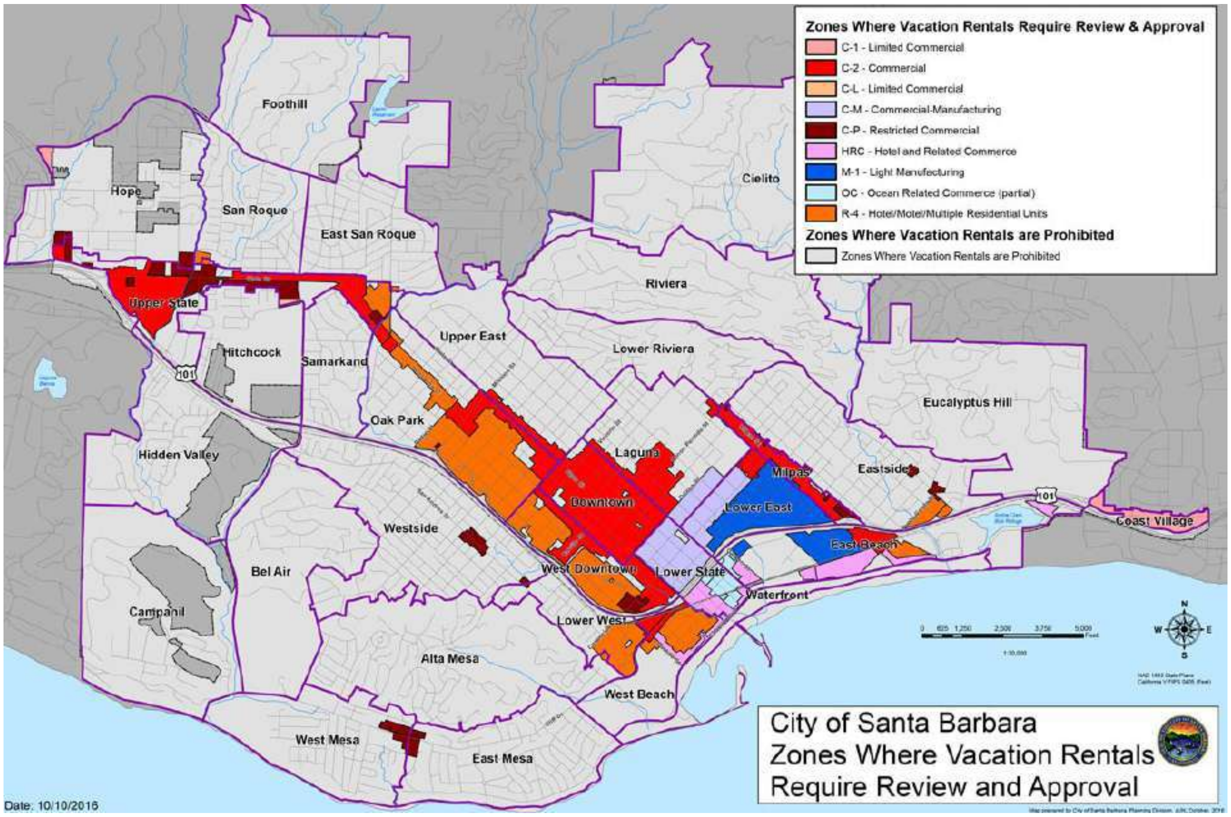


Figure 17: Map provided by the City of Santa Barbara showing zoning where hotels (and STRs) are legal, 2017.

13 Council Member for the City of Santa Barbara is quoted in the Ventura Superior Court findings as stating: "I think it's incredibly confusing…it truly isn't possible, except in very rare circumstances for someone to provide the off-street parking, to meet the code requirements, to actually pull that off, as evidenced by there's only one who—after a two-year process—to successful navigate that system" (Kracke v. City of Santa Barbara, 2019, 9).

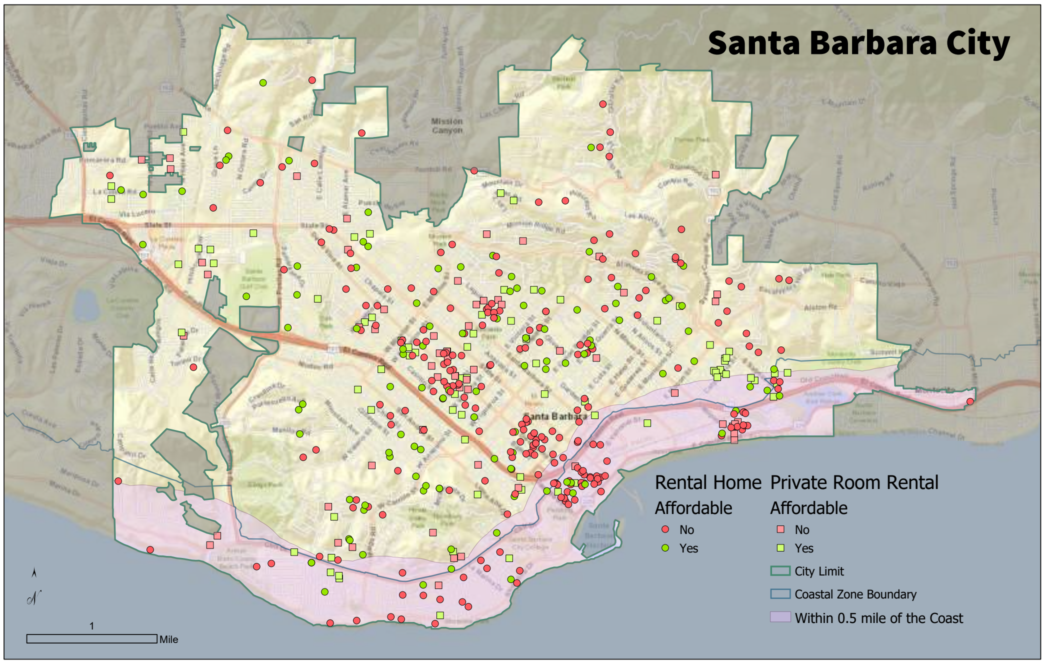


Figure 18: Summer 2018 STR listings for the city of Santa Barbara. Listings do not adhere entirely to the map of legal areas and tend to be less affordable along the coast (only 7% of listings within a half mile are Lower Cost Coastal Accommodations)

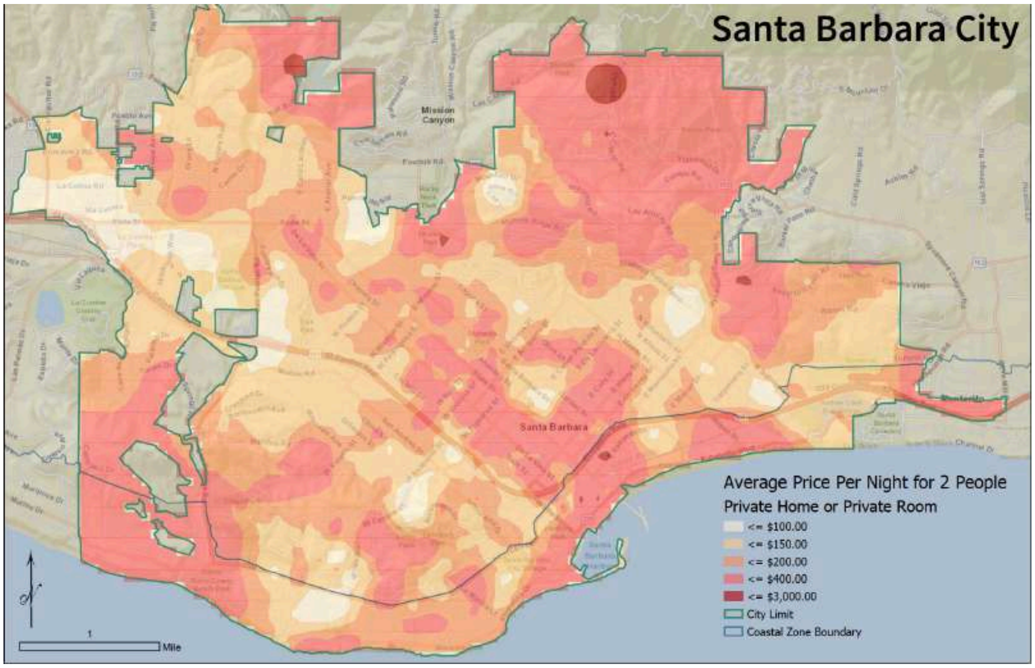


Figure 19: A map of average price clusters in Santa Barbara City, showing the high cost (yellow) along the majority of the coast.

Regulating Short Term Rentals

Santa Barbara and Pismo Beach make an interesting comparison of policy implications since their policies differ significantly in how they regulate STRs. Santa Barbara shares much in common with Del Mar, severely restricting STRs and thereby reducing the supply of coastal accommodation. In Santa Barbara, STRs constitute hotels for zoning purposes and are therefore illegal if operating outside of the areas where hotels are allowed. With this ban, the city removed the option for many homeowners to rent out unused space to visitors and confined visitors to tourist areas. These rules and regulations reinforce the exclusivity of the community. Such listings also do not contribute to city TOT revenues. **Bans on STRs claim to preserve neighborhood characteristics and promote public safety; however, they really succeed in restricting access to expensive coastal communities and preserving their exclusivity.** With little local support for affordable housing development or lower-cost accommodation options (the most feasible being STRs), many inland low-income and underserved populations are effectively barred from visiting the City of Santa Barbara.

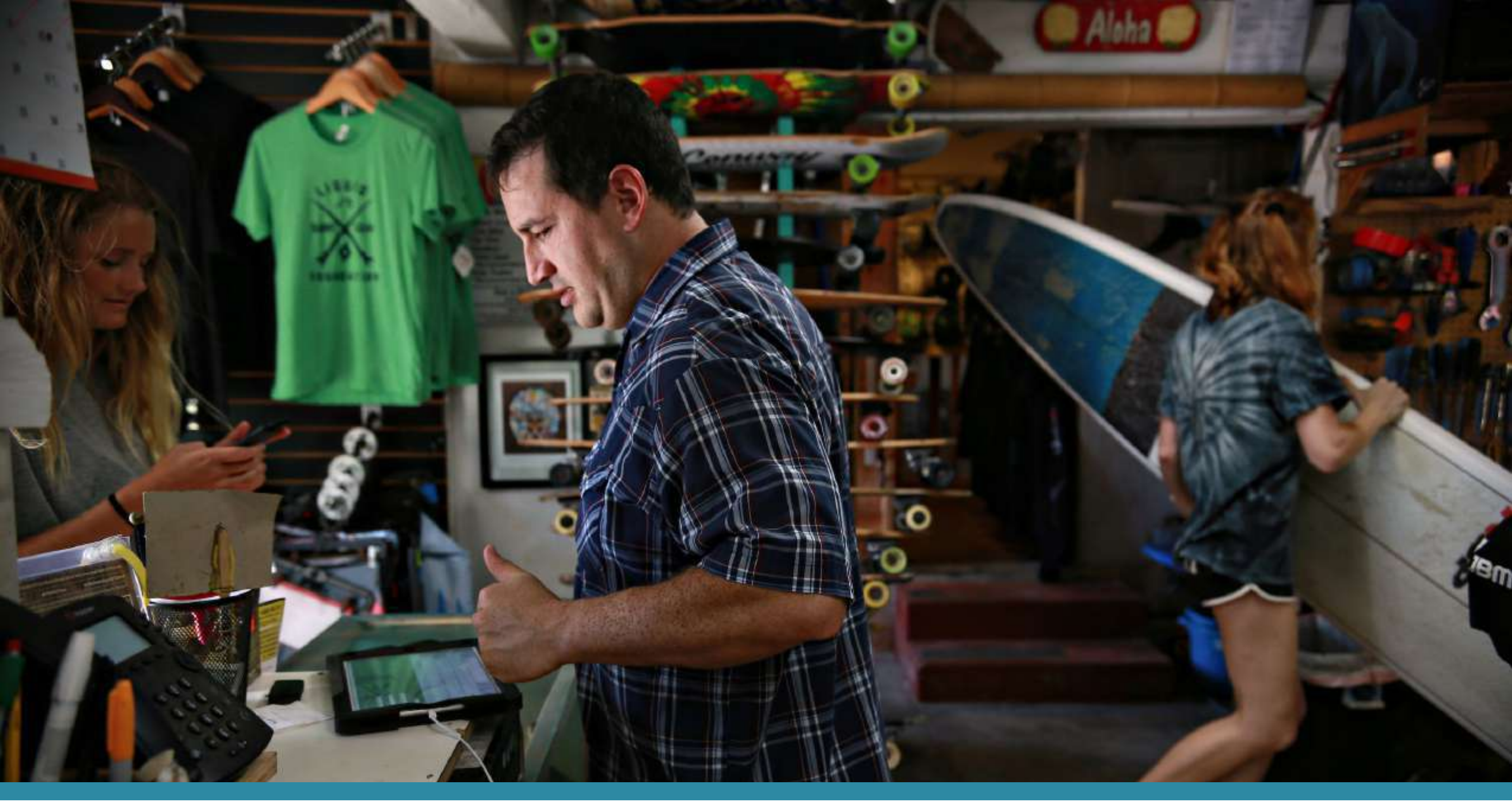
Table 14: STR Regulations in Santa Barbara City

Jurisdiction	Attitude toward STRs	Key Regulations
Santa Barbara	Very Restrictive, STR's effectively banned	**Zone Restrictions:** Considered hotels and therefore illegal outside of areas within the commercial zone that allow hotels **Permits and Fees:** Permit required, if STR is in hotel district and therefore legal **Taxes:** Required to be collected

Discussion

The case studies in this section indicate that restrictions on STRs can take many forms—from outright bans to high permitting/licensing fees to restricting visitors to areas which already serve tourists through more traditional overnight accommodations. Perhaps unsurprisingly, our case studies also show a very strong correspondence between communities, like Del Mar and Santa Barbara, which have limited affordability for traditional long-term rentals and have few affordable options for potential homeowners who are not already affluent and restrictions on short-term rentals. One common argument against STRs is that they increase prices for long term residents and lead to gentrification. However, the case studies in this section indicate that the areas restricting STRs the most (Del Mar and Santa Barbara) are also areas that have already limited affordability for long-term residents. Conversely, the City of Oceanside has more affordability for both long-term and short-term residents than any other coastal city in this study. Oceanside has also created a "Good Neighbor Policy" (included in an appendix to this study), which does levy significant penalties against STR hosts and tenants who violate these policies, indicating that cities can strike a balance between protecting and preserving residential neighborhoods and allowing access to the coast. Our case studies also reveal, however, that many policies that are designed to preserve residential neighborhoods along the coast, already enclaves of affluence, effectively limit options for middle class and underserved communities who not only have been priced out of the residential market but now find themselves restricted out of the short-term rental market as well. Access for all has now become access for the affluent only.

Pismo Beach also represents an interesting case study since its policies have received some support within the coastal community. Unfortunately, a close inspection indicates that Pismo Beach still has a limited number of affordable rentals despite being more accommodating than some other communities. Our analysis reveals that Pismo Beach's permitting and licensing fees are quite high even compared to other communities in this study. Pismo Beach also restricts STRs to primary residents. Ostensibly a policy limiting STRs to primary owners reduces the demand for second homes. However, like most other coastal communities in these studies (except Oceanside), Pismo Beach's home prices are already beyond the means of the vast majority of Californians, restricting STRs to primary homeowners simply restricts affordability of STRs. Similarly, high permitting and licensing fees discourage homeowners with more modest (and hence affordable) accommodations from renting out their homes short-term. In many cases, this may lead to homes that are unoccupied despite a high demand for STRs.



Solutions

Access for All

The California Coastal Act guarantees "maximum access"[14] to California's iconic coast and beaches. To that end, the Coastal Commission has endorsed promoting coastal access and prohibiting private beaches anywhere in California. However, as discussed in more detail in the first section of this study, among many threats to coastal access in California the most significant is the high cost of coastal real estate which has forced millions of Californians to migrate inland to find more affordable housing. This inward migration has disproportionately impacted people of color and Californians from low to moderate-income groups. Those displaced inland face much higher costs for a coastal visit than those living closer to the coast. Today, too many of California's beaches have become effectively inaccessible to minority communities and lower income residents.

One possible method to increase access to the coast is to promote affordable overnight accommodations. Although Californians have a variety of options for staying on the coast, most are expensive and many are unavailable during peak season between June and September. The same factors that have driven up the price of residential real estate along the coast have also driven up the cost of overnight accommodations in that area. Studies by the California Coastal

14 1976 California Coastal Act, Section 30210.

Conservancy and the California Coastal Commission indicate this problem is getting worse: many low-cost accommodations have closed and in many cases, the real estate has been transferred to other uses.

Short-Term Rentals

Short-term rentals (STRs) have long been one of the alternative lodging options available to California's coastal visitors. STRs use existing homes and structures to provide additional accommodation for coastal access. Since most homes are unoccupied some of the time, STRs provide a simple, sustainable solution to the problem of coastal access. When planning for sea-level rise, using short-term rentals in existing structures may be a more sustainable alternative to building new structures for lodging on the coast. Unlike hotels, increasing the quantity of available STRs does not require more construction along California's coast. In simple economic terms, allowing more STRs increases the supply of short-term accommodations on the coast. Further, many STRs provide kitchens and accommodations for multiple households, further lowering the costs of overnight stays, especially for low and moderate-income groups and large families.

Limiting STRs along the coast, particularly during the busy summer months, limits coastal access. During the summer, traditional overnight accommodations are scarce and often must be booked months in advance. Every family that cannot find or afford a short-term rental is a family that cannot stay overnight on the coast and perhaps cannot visit at all.

At the local level, one of the primary reasons given for discouraging STRs is that short-term renters contribute to noise, parking problems, and may otherwise disrupt a quiet residential neighborhood. In many ways, these arguments against STRs are a replay of the arguments used to block other types of housing in coastal communities that led to the housing crisis in the first place. **These STR restrictions imply that Californians, who can no longer afford to *live* near the coast, can now no longer afford to *visit* the coast.**

Best Practices for Regulating STRs

The case studies and literature review contained in this paper point toward regulatory practices that can allow access to the coast while also ensuring that neighborhoods remain safe. However, some regulations pertaining to STRs can also have the effect of limiting access, especially for lower income households and underserved communities. To ensure regulations promote access, we recommend the following best practices.

Best Practice	Rationale
Simple, streamlined registration	Reduces the costs to operators as costs are passed on to renters and reduce affordability
Make permitting easy and swift	Allows for more affordability by making it easier to increase the supply of STRs and also encourages registration with the City
Cities require TOT payment and cooperate with STR platforms where possible	Ensures TOTs are collected from all operators
Allow STRs in most or all coastal neighborhoods	Increases affordability near the coast, helping increase coastal access for those who need it most
No minimum on number of nights	Ensures that families who cannot afford multiple nights can still visit the coast
Maximum night cap of 180 nights or more. No night cap on shared space rentals	Helps promote affordability via greater supply of STRs supported by Commission
Ensure compliance with "Good Neighbor Policies" and make renters aware of rules	Promotes harmony between STRs and the residents neighboring them and promotes public safety
Require parking when reasonable	Reduces traffic associated with STRs and promotes agreement with local residents. Reduces parking costs for visitors

Best Practice: Simple, streamlined registration, especially for owners renting out their homes for limited periods.

The case study of Pismo Beach in this report is particularly instructive. Although Pismo Beach is accommodating to STRs in many regards, its permitting fee, coupled with a business license requirement, push costs up to over $450 per rental per year. By comparison, a California Driver's License costs $37 and is typically good for several years. Costly inspections of residences already in compliance with local codes should be limited to properties that are rented more frequently.

Best Practice: Make permitting easy and the process swift.

In addition to lowering permitting fees, communities should make it easy and quick for owners to legally register their property for as a short-term rental and pay the required transient occupancy taxes. Allowing online registration, providing a one-page registration sheet, and ensuring the permitting process is straightforward and efficient are among the ways communities can achieve this goal.

Best Practice: Cities should require and enforce the payment of TOT taxes on STR rentals, collaborating, when possible, with STR Platforms to ensure maximum collection.

The generation of TOT taxes by STRs is an important benefit to the communities where rentals are allowed, and communities should maximize the collection of those taxes to support local services. When possible, cities should collaborate with STR platforms to ensure that all taxes are collected. This practice is already underway in some coastal areas, including the City of Carlsbad. These practices ensure that all STRs are in compliance with the tax policies and generate revenues that can be used to increase resilience.

Best Practice: Allow STRs in most or all coastal neighborhoods.

Some coastal cities (e.g., Carlsbad) allow STRs to operate in the Coastal Zone, promoting coastal access with fewer restrictions. However, many communities (e.g., Santa Barbara) have restricted STRs to commercial zones where hotels already exist. This practice significantly reduces the availability of short-term rentals and often pushes visitors into already busy tourist areas. If this commercial area is away from the coast (as is the case for much of Santa Barbara) then such policies may also increase traffic/parking problems along the coast as more families decide to drive to the beach. Restricting rentals to commercial zones further from the coast also increases the rates of those STRs nearest the coast, pushing low- and moderate-income Californians to less sought-after areas. The net effect here is, once again, a reduction in access to the coast for low- and moderate-income households.

Best Practice: To ensure maximum access, communities should not place minimum restrictions on the number of nights that a residence can be rented.

Del Mar and many other coastal communities have placed restrictions on the minimum number of nights a visitor must stay. Placing three-night or seven-night restrictions on renting limits access, especially for families who can only afford a one- or two-nights' stay.

Best Practice: Discourage restrictions which limit the total number of nights a residence can be leased as an STR.

Some jurisdictions have imposed a maximum number of nights per year that a residence can be leased as an STR. These restrictions also reduce the supply of overnight accommodations on the coast. For example, when Del Mar imposed a 28-day maximum, the California Coastal Commission staff recommended that this restriction on coastal access be modified to a 180-night maximum (or "cap"); however, the final Commission recommendation was for a 100-night cap.

Best Practice: Communities should expect short-term renters to adhere to all rules and regulations regarding noise, excess visitors, and trash. All short-term renters should be made aware of this when they check-in.

The City of Oceanside's **Good Neighbor Policy** (in appendix) provides a good example of this best practice. The city provides all short-term renters with a one-page overview of city rules for STRs including fines for those who violate these rules. These rules limit noise and trash and additional visitors are limited to day-time hours. The City of Oceanside's policies include serious fines (and in some case eviction) for those who violate these policies.

Best Practice: In communities where parking is an issue, communities should require STRs provide adequate parking. Communities and short-term rental owners should also encourage local modes of transportation besides cars, such as STR-provided bicycles, local buses and shuttles, bike rentals, etc.

By encouraging rental owners to provide parking, hosts and cities can reduce the impact of traffic on the surrounding neighborhoods and also makes the cost of visiting less expensive for visitors who avoid parking costs or the cost of citations for illegal parking. It should also be noted, however, that some cities (e.g., Santa Barbara) have used parking requirements to create barriers to entry for new STRs. The increasing availability of short-term bike rentals by private vendors may also reduce parking at busy beaches and other coastal sites.

Enforcing these regulations will require some additional city resources. However, the transient occupancy and other taxes generated by STRs and the visitors they bring in should generate more than sufficient revenue to cover these costs. These regulations should also be enforced fairly, and enforcement should not be aimed at reducing the supply of STRs but rather at making sure all operators are following city regulations and tax policies.[15]

Creating Policies that Encourage Access for Low Income and Underserved Communities

Increasing STRs along California's coast will, by definition, increase access and will also likely lower prices. However, given the high price of accommodation, there may still be an affordability gap for many coastal visitors. The state, local governments, non-governmental organizations, homeowners, and short-term rental platforms must work together as stakeholders in order to ensure access for all. This process will likely involve a give and take among all stakeholders, but the ultimate goal should be clear: to make California's coast more accessible to everyone.

15 The importance of fair enforcement is illustrated by the ruling in *Kracke v. City of Santa Barbara*. The case centers around a change in enforcement by the City. Prior to 2015, Santa Barbara had conducted amnesty programs to "bring into compliance" STR owners and increase their collection of TOTs. However, after 2015 the City began "aggressive" enforcement of its zoning regulations, resulting in reducing the number of STRs, many of which were in the coastal zone. The key issue in the case was that by reducing the number of rentals in the coastal zone, the City effectively limited access, and this "development" required approval from the California Coastal Commission. The judge ruled that in light of this, and the lack of Commission approval for the change in enforcement, the City must return to the practices from prior to 2015 and allow STRs in the coastal zone.

In order to encourage access for low and moderate-income groups as well as underserved communities, the state or local communities may need to take other steps. We believe the following steps should be given serious consideration:

Recommendation	Rationale
State agencies, local governments, foundations and community organizations could **support and fund programs that encourage or subsidize low-income families or those from underserved communities to stay overnight near the coast.** STRs should be part of the solution.	Cooperation with NGOs helps these programs reach those most in need of easy access to the coast. STRs better serve large groups and families due to multiple rooms and varied facilities, such as kitchens. Many STRs are also more affordable for these groups.
Expand the Explore the Coast Overnight Program to Include STRs and include STRs in other pilot programs	It is easier to expand the supply of affordable accommodations through STRs, unlike other lodging forms such as hotels and campgrounds which require new construction on the coast.
Create **affordable STR program with determined eligibility**	Eligibility criteria helps ensure that Californians most in need of affordable accommodation have access to those STRs with affordable rates

Recommendation: State agencies, local governments, foundations and community organizations could support and fund programs that encourage or subsidize low-income families or those from underserved communities to stay overnight near the coast. STRs should be part of the solution.

A number of non-governmental organizations could be involved in sponsoring programs that would encourage greater access from underserved communities. For example:

- **Jr. Lifeguards:** Most coastal communities in Southern California have Jr. Lifeguard programs. However, access to these programs is often limited by how far households are willing to take their kids to these programs. Since these programs are typically during weekday mornings, STRs may help a group from underserved areas stay during the week.
- **Churches:** Coastal community churches may wish to sponsor church groups from underserved communities. Cities may wish to devote a share of transient occupancy taxes to support outreach efforts between communities of faith, which also create access to the coast.
- **Environmental and Social Justice Groups:** Environmental and social justice groups may wish to support or foster programs that encourage access to the coast. This could include subsidizing programs such as the Jr. Lifeguard and interfaith programs mentioned above.
- **YMCAs or Similar Organizations: (e.g., Scouts):** Local YMCAs, scouting, and similar organizations can sponsor overnight trips to coastal communities. Affordable STRs can provide part of the solution.

- **Surfing Organizations:** Local or national surfing organizations may wish to sponsor surfing events that encourage surfers from underserved areas.
- **Other Community Organizations:** Organizations such as Veterans of Forign Wars (VFW), Chambers of Commerce, and various other local groups could sponsor alliances with underserved groups to sponsor coastal access.
- **Foundations:** Both community foundations and larger foundations may wish to sponsor or subsidize programs that encourage visitors from underserved communities to come to the coast. Local governments can partner with these foundations.

Recommendation: The state or local governments should expand pilot programs which increase coastal access. STRs should be part of the solution.

For example, in 2017, the California legislature approved AB 250, which requires the State Coastal Conservancy to develop and implement a specified Lower Cost Coastal Accommodations (LCCA) Program intended to facilitate improvement of existing and development of new lower cost accommodations within one and a half miles of the coast. Although current lower-cost accommodations categories include hotel and motels, hostels, camping, RV's and trailers, dorm rooms, and residential outdoor education facilities (ROEFs) they do not include short-term rentals. We recommend that the State Coastal Conservancy work with the legislature to recognize short-term rentals as an additional category as part of the Explore the Coast Overnight program. As discussed in this paper, unlike other coastal accommodations, it's relatively easy to expand the supply of affordable STRs if the correct programs and incentives are in place. In contrast, creating new hotel rooms or other overnight accommodations is much more costly and also leads to more development along the coast, which many coastal groups oppose.

Recommendation: Create an Affordable STR program which provides reasonably priced overnight accommodations for eligible households.

Even with reduced restrictions on STRs in coastal communities, many families may be left out. Inexpensive STRs may be booked long in advanced by more experienced users. To ensure maximum access, the state (or possibly local governments) should consider a program which makes affordable STRs available eligible households. Eligibility might include means testing using household income or other legal criteria. The end goal would be to encourage access to the coast for families who might not go otherwise. Local governments may consider waiving or lower taxes and STR providers may consider waiving or lowering their booking fees.

Such a policy is also consistent with several recent Coastal Commission decisions involving the development of hotels along the coast. For some hotel developments the commission has required that 25% of rooms be set aside as affordable. Providing affordable STRs could be part of a city or county's local coastal program or could be used to mitigate for other development along the coast.

One simple solution would be to create a lottery which distribute visitor passes (ranked by number or letter) to eligible California households. These households would be allowed to book affordable STRs (and possibly other accommodations) before households with lower lottery outcomes. Eligibility could be based on income, zip code, or any other legal mechanism.

Conclusion

Short-term rentals provide a relatively simple way to increase access to the coast. Since most STRs use already existing property, they should be considered a relatively sustainable solution which can significantly increase the availability of overnight accommodation along the coast.

The expansion of STRs over the past few years has created concern in many coastal communities about neighborhood disturbances and has led many communities to enact severe restrictions on STRs. As stated in the recent *Kracke v. City of Santa Barbara* decision involving the City of Santa Barbara's ban on STRs in the Coastal zone, these restrictions effectively limit access to the coast, particularly for lower income households and underserved communities. STRs need to be properly regulated. However, as the Kracke case demonstrated, too frequently local regulations are designed specifically to restrict access to STRs and hence access to the coast. Increasing coastal access regulations should be simple and transparent to all, and registration should be simple, inexpensive, and swift. Costly inspections on already permitted residential property should be avoided. The goal of any community registration process should be to help STR owners comply with existing rules and regulations and to pay their taxes (generally transient occupancy taxes), not to exclude visitors from accessing the coast.

Glossary

Affordable Housing: In California, housing is designated as affordable based on an area's median household income. Housing is deemed affordable if costs—rent or a mortgage, including utilities—account for no more than 30% of a household's income spent. Communities in California set aside some housing for "very-low income" families, those earning less than 50% of area median income; however, the demand for this housing significantly exceeds the supply.

Business License: Many cities require business licenses to allow individuals/companies to conduct business within a jurisdiction. The cost of a license typically varies by the sales/profit of that business. Some jurisdictions require short-term rental operators, or **hosts**, to obtain a business license at an additional cost to a rental permit.

California Coastal Commission: A twelve-member governmental body established by voter initiative in 1972 and later made permanent by the 1976 California Coastal Act. It plans and regulates the use of land and water along the coastal zone and is tasked with enacting the policies of the California Coastal Act via quasi-judicial authority. The Coastal Commission provides regulatory oversight for land use and public access in the California Coastal Zone.

California Coastal Conservancy: A State agency established in 1976 to protect and preserve natural lands and waterways, improve access to the coast, and support coastal economies. A non-regulatory agency, the Conservancy supports projects and resource plans on issues pertaining to the coastline and watersheds.

Coastal Zone: The region where a body of water borders and intersects with land. Generally, the California coastal zone extends 1,000 yards from the mean high tide line of the ocean, or to the first major ridgeline in rural/recreational areas.

Gentrification: The process of investing in, repairing, or rebuilding an area that is deteriorating or blighted, which is accompanied by an influx of more affluent households. Gentrification typically changes the character of a neighborhood and displaces low-income families.

Geologic Hazard Abatement District (GHAD): GHADs allow the formation of local property tax districts for the purpose of prevention, mitigation, or control of geological hazards. These projects are funded by additional property tax levies within a GHAD. GHADs may be used to protect property against coastal erosion.

Good Neighbor Policy: Typically, part of a broader city ordinance, this policy regulates disturbances in residential neighborhoods, particularly for short-term rentals. These policies require occupants of short-term rentals to limit noise, trash, late night visitors, and other behavior that could damage the quality of life in the neighborhood. The City of Oceanside has a Good Neighbor Policy—which is included in this report—and this policy provides an example of legislation which could be used to govern conduct in short-term rentals.

Host: The owner of a residential property who rents out some or part of that space to visitors on a short-term (less than 30 day) basis.

Hotel Tax: See Transient Occupancy Tax.

Lower-Cost Coastal Accommodation (LCCA): The California Coastal Conservancy defines LCCAs as accommodations which have a daily rate that is 75% or less of the statewide average daily rate (ADR) for an overnight accommodation for a given time period. This report uses the LCCA rate for July 2019, $140.72.

Non-market good or service: Economists refer to goods, which are provided for free (often by nature), as non-market goods. Unlike market goods, which have prices and are valued accordingly by the market, non-market goods are often undervalued since their provision is free.

Maximum Capacity: The number of people who may legally inhabit a short-term rental, often defined as the number of beds + 2; although, the number may be fewer in certain cities due to local ordinances or host restrictions.

Mean High Tide Line: The average of the maximum line of intersection between the water at high tide and the land. This defines the coastal boundary and in California, the boundary of public land. According to the California Coastal Act, all land seaward of the mean high tide line is public property. Note that the mean high tide line will shift with sea level rise.

Mello-Roos: The 1982 Mello-Roos Community Facilities Act was created in the wake of Proposition 13 to provide an alternate method of financing necessary public improvements and services. It allows an authority to set up a Community Facilities District (CFD) with an associated Special Tax that can be used for necessary improvements and services that otherwise lack funding. The Special Tax is levied against each property in the CFD.

Mom and Pop: While originally a colloquial term applied to any small business, academic literature on short-term rentals often refers to hosts, who lease their own home or a second home, as “mom and pop” operators. Mom and Pop operators are particularly sensitive to restrictions on short-term rentals.

Multi-Family Dwelling: A building or structure that is designed to house several different families in separate housing units. The most common type of multi-family dwelling are apartment buildings. Multi-family dwellings can only be constructed where a certain level of density is permitted. These buildings differ from Single Family Detached Dwellings, where each structure houses one family.

Permit Fee: The cost charged by a city or county to obtain legal documentation of a short-term rental. Typically, these permit fees are non-refundable.

Property Tax: A tax assessed on real estate holdings levied by the governing authority of the jurisdiction where the land or property is located.

Proposition 13: A proposition passed by California voters in 1978 which lowered property taxes by about 57%. Tax increases are limited to no more than 2% per year. As a result of Proposition 13, many homes and businesses are assessed and pay taxes at a much lower rate than the market value of the property.

Registration: In this report, the term refers to the process by which a homeowner notifies the city or municipality that they intend to rent out their space as a short-term rental and agrees to pay the associated transient occupancy taxes.

Resilience (to Climate Change): The characteristic of any system to maintain its integrity despite shocks from extreme weather and other phenomena accelerated by climate change. Financial resilience is the ability of communities to raise funds for climate change adaptation.

Restrictive Zoning: Also referred to as Exclusionary Zoning, restrictive zoning is the use of zoning ordinances to exclude certain types of construction or land use inside a community. Many California cities have restrictive zoning laws which impede the development of multi-family and other types of affordable housing.

Sales Tax: A tax levied on sales, typically retail sales. In California, the state sales tax rate is set at 7.25%. This rate is made up of a base rate of 6% plus a local rate of 1.25% that goes directly to city and county budgets. Cities and counties can add additional sales tax levies to fund local projects, such as transportation.

Short-Term Rental (STR): A home or room available to rent for a period of less than 30 days.

Tax Increment Financing (TIF): TIF refers to additional property tax levies within a set district to raise funding (e.g., for climate change resilience). GHADs and Mello-Roos levies are two examples of TIFs.

Transient Occupancy Tax (TOT): A tax charged to travelers when they rent out a space for less than 30 days, such as a hotel room, home, hostel room, etc. TOTs are levied by cities and counties (for unincorporated areas), and revenues collected go to these jurisdictions. In California, TOT rates range from 10% to 15%.

Utility User Tax (UUT): A tax paid by the users of a public service, such as electricity, water, telephone, sewage, trash, and natural gas.

Willingness to Pay (WTP): An economic concept referring to the largest sum of money an individual will pay for a “non-market” good or service, such as a trip to the beach. WTP is often used as a measure of demand for non-market goods, such as a day at the beach.

Zoning: A legislative process which divides an urban area into different zones with specific uses, such as residential, commercial, industrial, etc. Each zone is regulated with regard to density, location, size, and type of construction permitted. In California, as in most states, local authorities largely determine zoning. Some communities’ policies can lead to restrictive zoning, which often limits the development of multi-family housing or use of short-term rentals.

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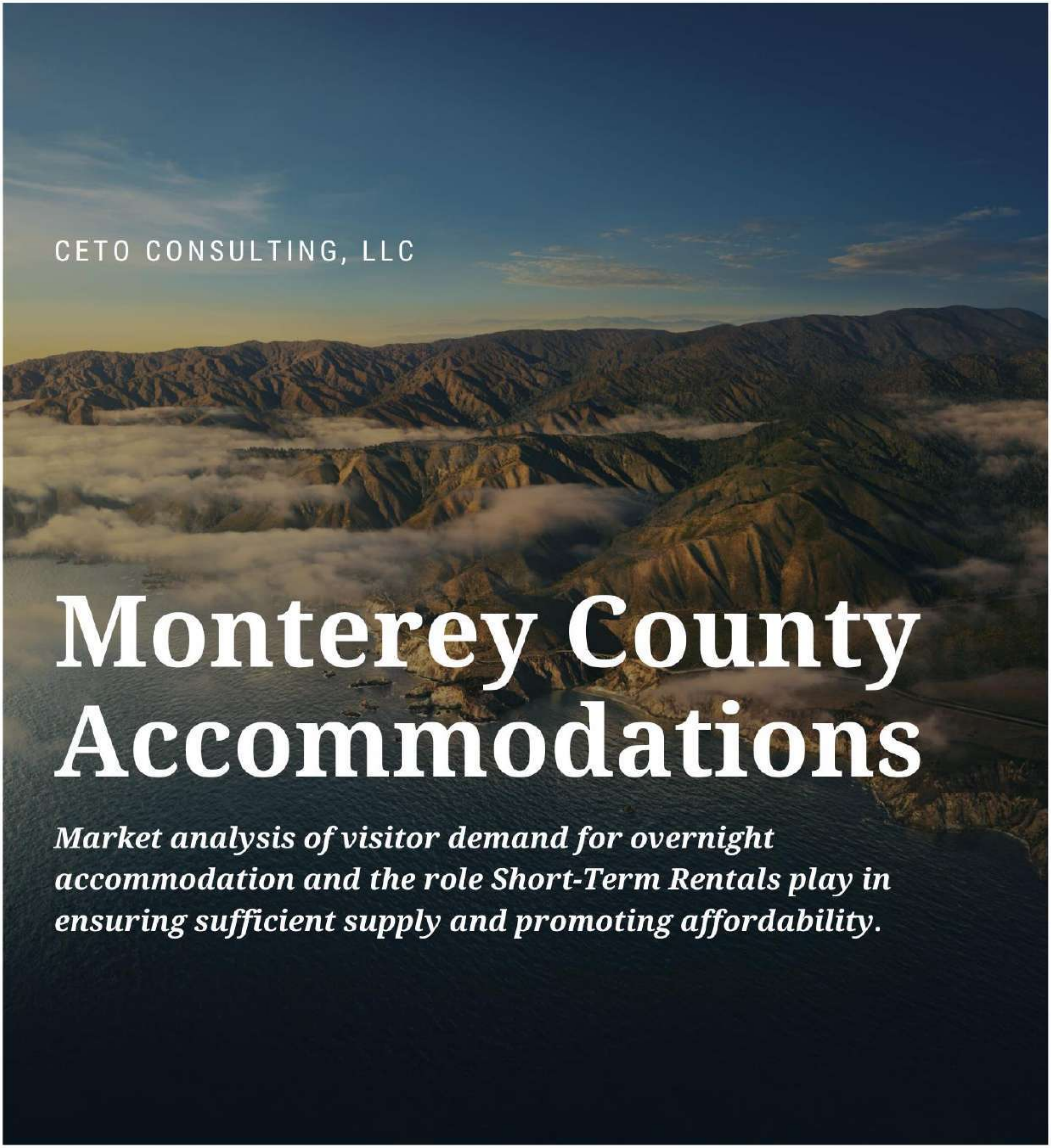

Monterey County Accommodations

Market analysis of visitor demand for overnight accommodation and the role Short-Term Rentals play in ensuring sufficient supply and promoting affordability.

ceto

June, 2025

Monterey County
Overnight Accommodation Market Analysis

June 12, 2025

Prepared by Ceto Consulting, LLC

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Executive Summary

This report evaluates the availability, affordability, and geographic distribution of overnight accommodations in Monterey County, California, with a particular focus on equitable access to the coast. It assesses both traditional lodging (hotels and motels) and the growing short-term rental (STR) market, examining how each sector contributes to or constrains public access, particularly for low- and moderate-income Californians. The analysis draws on spatial data, pricing, guest capacity, and the regulatory context to inform local planning, Coastal Act compliance, and policy decisions.

Table E1. Countywide Comparison of STR and Hotel Supply, Capacity, and Affordability

Accommodation	Total Rooms	Total Visitor Capacity	Mean ADR	Mean ADR Per Person	Percent of Total Coastal Area Capacity
STRs	18,057	43,502	$ 302.00	$ 75.00	80%
Hotels	8,809	22,903	$ 316.00	$ 122.00	20%

Key Findings

- STRs provide 80% of the total overnight visitor capacity in coastal areas of Monterey County.
- On a per-person basis, STRs are significantly more affordable than hotels, averaging $75 per night compared to $122 for hotels.
- STRs typically offer kitchens and larger spaces, helping to reduce additional trip costs such as dining out and to better accommodate families and groups.
- Visitors to coastal Monterey County closely mirror the state's demographic and income profile. Roughly half of all visitors fall below the state median household income ($67,521 in 2020), underscoring the need for affordable overnight options.
- In Monterey County, 42% of all STRs are located in unincorporated areas under County jurisdiction. Of the total STR supply, 11% qualify as lower-cost coastal accommodations (LCCAs) under the California Coastal Conservancy's definition and fall within County jurisdiction. These units are especially vulnerable to proposed STR regulations.
- When considering only STRs within the Coastal Zone and/or one mile of the coast, 25% of LCCAs are in areas regulated by the County. Of those strictly within the Coastal Zone, 37% are under County jurisdiction.

Only 2.2% of all housing units in Monterey County are active short-term rentals, based on an average of 2,190 monthly active STR listings across the county's total housing stock. This report finds that STRs are essential to meeting Monterey County's visitor demand for overnight lodging. STRs provide much of the

County's overnight accommodation capacity, especially for lower-income visitors and those traveling with families. STRs fill gaps left by a hotel sector that is increasingly focused on high-end accommodations.

While the hotel market is stable, with occupancy rates above 60%, it does not fully meet the needs of today's leisure-driven travel patterns. Monterey County visitor demand peaks on weekends and during summer months, limiting the viability of lower-cost hotels and prompting a shift toward luxury accommodations. Since 2019, the County has lost 6% of its economy hotel rooms while expanding higher-end offerings.

STRs are better suited to this seasonal, weekend-focused demand. They offer greater flexibility, lower per-guest costs, kitchens that reduce additional expenses, and larger spaces that meet the needs of families and groups. In constrained areas such as Big Sur, STRs are often the only available overnight option.

Restricting STRs under current conditions would likely reduce the availability of affordable lodging and disproportionately impact lower-income households. Given that half of all coastal visitors earn below the state median income, such restrictions would undermine the Coastal Act's mandate under Public Resources Code § 30210 to ensure "maximum access . . . for all the people." They would also conflict with § 30213, which requires local governments to protect and encourage lower-cost visitor-serving facilities.

Ceto's previous report[1] provided recommendations to improve equitable coastal access and detailed how local STR ordinances, including licensing fees, density limits, and rental frequency caps, can inadvertently reduce affordability. These findings provide essential context for understanding the potential impacts of new STR restrictions currently under consideration. Regulatory decisions at the County level have significant implications for housing policy and compliance with the Coastal Act's public access mandates.

[1] See *Unequal Accommodations: Protecting Affordable Accommodations Along California's Coast,* https://news.airbnb.com/report-short-term-rentals-can-help-increase-access-to-california-coast/.

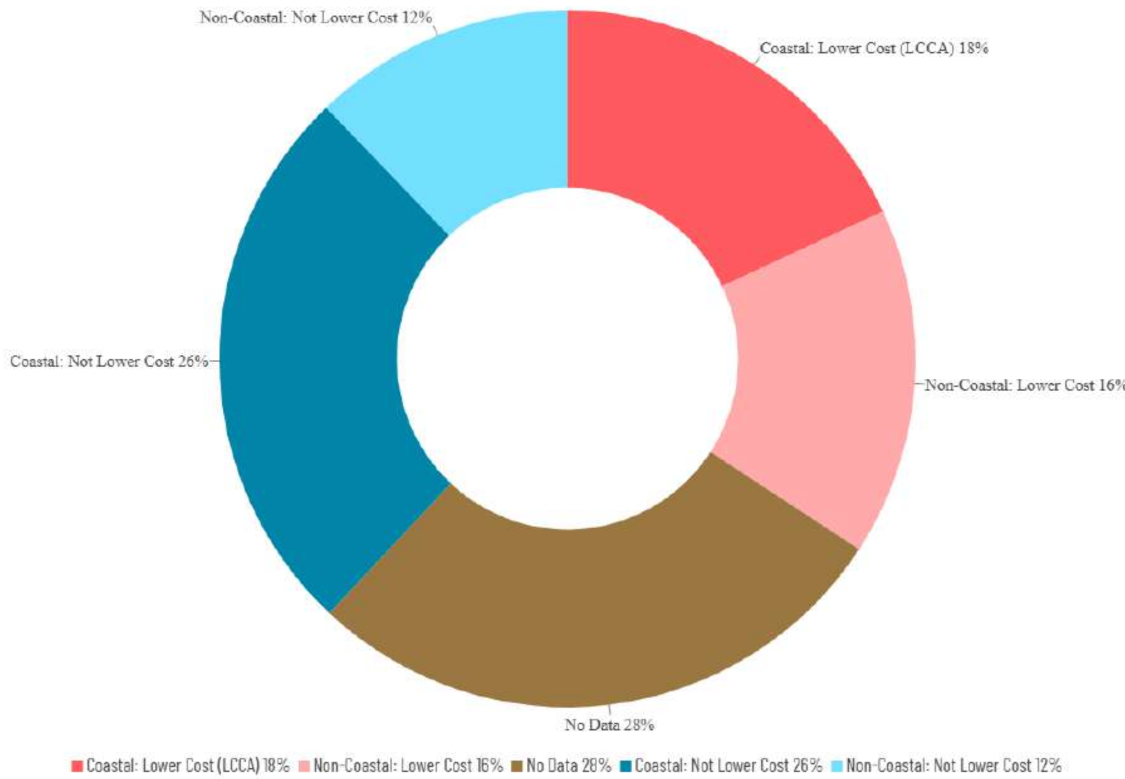
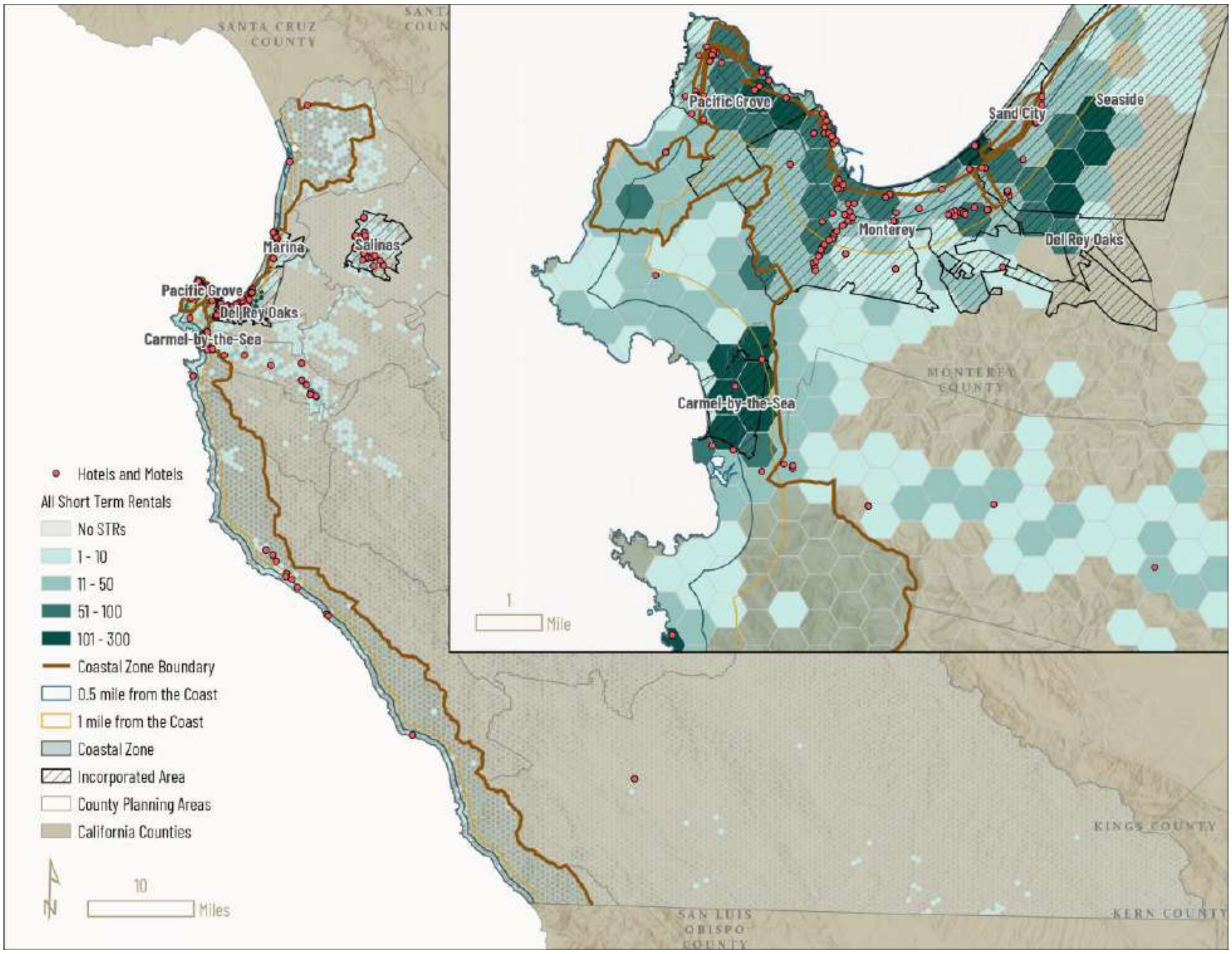


Figure E1: Distribution of Short-Term Rentals by Affordability Classification in Monterey County.
Distribution of STR Affordability by Coastal and Non-Coastal Location. This pie chart displays the share of short-term rentals (STRs) that qualify as lower-cost coastal accommodations (LCCAs), other lower-cost STRs located outside the coastal area, and non-lower-cost STRs in both coastal and non-coastal areas. Coastal STRs that meet the LCCA threshold make up 18% of the

total sample, while 16% are lower-cost but located outside the Coastal Zone. Non-lower-cost STRs comprise 26% in coastal areas and 12% in non-coastal areas. The remaining 28% of STRs lack sufficient data for affordability classification.



Map E1: Distribution of Short-Term Rentals and Hotels in Monterey County with Coastal Proximity Indicators.

This map shows the spatial distribution of short-term rental (STR) properties aggregated within a 0.25-mile hexagonal grid, alongside the locations of hotels and motels, the California Coastal Zone boundary, and proximity corridors at 0.5 mile and 1 mile from the shoreline. The map also shows incorporated city boundaries and county planning areas for geographic reference.

Recommendations for Monterey County

1. **Expand Coastal-Area Accommodations**
   Encourage or incentivize the development and permitting of lower-cost hotels, hostels, motels, and STRs within or near the Coastal Zone, particularly in areas underserved by affordable lodging.

2. **Support STR Affordability Through Policy Reform**
   Streamline STR permitting, reduce associated fees, and adopt Good Neighbor policies to retain affordable STRs while protecting neighborhood character.

3. **Incentivize Affordable Lodging**
   Implement tools such as in-lieu fees, LCCA set-aside requirements, or public subsidies to increase the supply of affordable accommodations, especially those suitable for families.

4. **Strengthen Coastal Access for Underserved Communities**
   Expand programs such as "Explore the Coast Overnight" and include STRs as eligible accommodations for voucher or subsidy-based access.

5. **Align Local Coastal Programs STR policies with Coastal Act Mandates**

   Ensure local coastal programs (LCPs) explicitly recognize STRs as a coastal access resource. Develop LCPs that protect, encourage, and provide for STRs, including STRs with average daily rates that meet the California Coastal Conservancy's lower-cost coastal accommodations threshold. In doing so, implement the Coastal Act's policies for providing maximum access for all the people (Pub. Resources Code, § 30210) and protecting, encouraging and, where feasible, providing lower-cost overnight visitor facilities. (Id., § 30213.) Public Resources Code § 30210 requires that "maximum access . . . for all the people" be provided to the coast, while § 30213 mandates that lower-cost visitor-serving accommodations be protected, encouraged, and, where feasible, provided.

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Definitions

AirDNA
A commercial data provider offering analytics on short-term rental (STR) activity, including listing counts, occupancy rates, guest capacity, and pricing. Used in this report to assess STR market patterns.

Assessed Value

The taxable value of a property as determined by the county assessor. Often lower than market value, it is used in this report to infer affordability, ownership trends, and geographic patterns in property values.

Average Daily Rate (ADR)

The average nightly rate paid for an accommodation unit. Used to evaluate cost, affordability, and seasonal pricing trends across hotels and STRs.

Coastal Area

For the purposes of this report, the Coastal Area includes all land within the officially designated Monterey County Coastal Zone and any remaining areas within 1 mile of the shoreline. This broader definition allows for more consistent spatial analysis across irregular boundary lines.

Coastal Proximity Corridors

Non-regulatory buffer zones extending inland from the shoreline to 0.5 mile and 0.5-1 mile from the coastline. These zones are used to analyze the relationship between visitor accommodations and proximity to coastal access.

Coastal Zone

The area regulated under the California Coastal Act, generally defined as land within 1,000 yards of the mean high tide line. In Monterey County, the boundary varies to include areas with scenic, environmental, or public access significance and extends several miles inland in places such as Big Sur.

County Planning Area (CPA)

Administrative land use regions defined by Monterey County (e.g., Greater Monterey Peninsula, Big Sur, Carmel Valley). Used in this report to organize STR data and compare geographic patterns in visitation and housing.

Explore the Coast Overnight

A grant program administered by the California State Coastal Conservancy that provides funding for overnight coastal experiences for underserved communities. The program helps increase access to the coast for populations that face economic, geographic, or cultural barriers.

Good Neighbor Policy

A set of operational requirements and behavioral expectations designed to minimize the impact of short-term rentals (STRs) on surrounding residents and maintain neighborhood quality of life. Typically included in local STR ordinances or permit conditions, Good Neighbor Policies address issues such as noise, parking, trash management, occupancy limits, and guest conduct. These policies often require STR operators to provide a 24-hour local contact, notify neighbors of STR operation, and respond promptly to complaints.

Guest Capacity

The maximum number of guests a lodging unit can accommodate. For STRs, this is typically based on the number of bedrooms and host-reported capacity. For hotels rooms, an average of 2.6 guests per room was used for calculations. This value is used to calculate per-person affordability and compare capacity across unit types.

Hosted STR

A short-term rental where the host resides on the property during the guest's stay. This includes listings identified by AirDNA as “private room” or “shared room.”

In-Lieu Fee

A payment made by a developer or property owner in place of directly providing a required public benefit, such as affordable lodging. Used by jurisdictions to support lower-cost accommodation development elsewhere.

Local Coastal Program (LCP)

A land use plan adopted by a local jurisdiction and certified by the California Coastal Commission. It governs development within the Coastal Zone in accordance with the California Coastal Act.

Lower-Cost Accommodation

An overnight lodging option priced at 75% or less of the statewide average daily rate (ADR) for hotels. For 2024, this equates to $147 per night or less. When adjusted for an average occupancy of 2.6 guests, the per-person threshold is $57.

Lower-Cost Coastal Accommodation (LCCA)

An overnight lodging option priced at or below 75% of the statewide hotel ADR and located within the official Coastal Zone or within 1 mile of the coast. As defined by the California Coastal Conservancy, this threshold in 2024 is $147 per night or $57 per person per night (assuming average occupancy of 2.6). LCCAs are a key metric for evaluating equitable coastal access.

Lower-Income Visitor

Lower income is defined as below the statewide California median income for 2024 of $96,334.

Market Classifications

Standard categories used in the hospitality industry to classify lodging by quality and pricing. Common tiers include budget, economy, midscale, upscale, and luxury. These classifications help assess affordability and diversity in supply.

Occupancy Rate

The percentage of available rental nights that are booked during a given period. It is a key performance metric for both hotels and STRs and reflects market demand.

Parcel Ownership Proxy

A method to infer whether a property is owner-occupied. If the parcel’s site address matches the mailing address on tax records, it is considered owner-occupied. A mismatch may suggest a second home, investment property, or STR use.

Placer.ai

A commercial provider of anonymized cell phone location data. Used to estimate coastal visitation volumes, visitor demographics, and travel distances in this report.

Short-Term Rental (STR)

A residential property rented for fewer than 30 consecutive days. STRs include both hosted and unhosted properties and represent a significant share of visitor-serving accommodations in coastal areas.

Smith Travel Research (STR Global or Smith Travel Data)

A leading provider of hotel industry data, including occupancy rates, ADRs, and market segmentation. Used to compare hotel performance and pricing with STRs in this report.

Tiered Permit System

A regulatory structure for STRs that assigns different levels of permits based on use intensity (e.g., primary residence, part-time rental, commercial rental). Higher intensity uses may face greater requirements or fees.

Unhosted STR

A short-term rental where the guest rents an entire home or unit and the host is not present during the stay. AirDNA categorizes these listings as “entire home” or “hotel” (the latter typically refers to small-scale rentals such as B&Bs, not commercial hotels).

1. Introduction & Background

Monterey County's coastal communities attract more than 8 million visitors each year, making them a vital driver of regional tourism, local economic activity, and public access to California's iconic shoreline. Balancing the need for overnight accommodations, housing affordability, and compliance with the California Coastal Act is both complex and contested.

This report evaluates the current landscape of overnight accommodations, including short-term rentals (STRs) and hotels, within unincorporated and coastal regions of Monterey County. The goal is to inform public agency decisions related to STR regulations and Local Coastal Program (LCP) updates.

The analysis addresses three central questions:

- Who visits the coast, and what types of accommodations do they seek?
- How do STRs compare to hotels in terms of affordability, availability, and guest capacity?
- What role do STRs play in the broader housing and access landscape, especially in providing overnight options near the coast?

Drawing on spatial, economic, and regulatory data, this report examines trends across the Coastal Zone, unincorporated County areas, and the County as a whole. The findings are intended to support data-driven policymaking and offer an objective framework for evaluating STR policies, coastal access, and consistency with the Coastal Act.

1.1 Policy Context

The California Coastal Act mandates "maximum public access" to the coastline and directs local governments to protect, encourage, and, where feasible, provide lower-cost visitor accommodations. Short-term rentals (STRs), generally defined as residential properties rented for fewer than 30 consecutive days, have become a prominent and often more affordable part of the coastal lodging landscape.

At the same time, the rapid expansion of STRs has generated concerns about their potential effects on long-term housing availability, neighborhood character, and the ability of local jurisdictions to enforce existing regulations. These competing priorities have made STR policy a focal point in balancing access, affordability, and community preservation along California's coast.

1.2 Analytical Scope

This report draws from a diverse range of proprietary and public data sources to evaluate overnight accommodations and coastal access in Monterey County. The analysis integrates the following datasets:

- **Visitor data from Placer.ai**, capturing seasonal visitation patterns and place of origin.
- **Short-term rental (STR) data from AirDNA**, detailing property location, nightly rates, availability, and occupancy trends.

- **Hotel data from Smith Travel Research (STR Global or Smith Travel Data)**, providing aggregated information on hotel types, occupancy rates, and average daily rates for both inland and coastal areas.

- **Parcel-level assessor data from the Monterey County Assessor**, used to classify property ownership, residency status, and land value.

- **Affordability metrics from the California Coastal Act**, applying the Lower-Cost Coastal Accommodation (LCCA) standard developed by the State Coastal Conservancy.

- **Visitor survey results from the Monterey County Visitor Profile Final Report (2016)**, supplemented by more recent data from the Monterey County Visitor's Bureau, offering insight into visitor behavior and lodging preferences.

- **Tourism statistics from Monterey County, Visit California, and SeeMonterey**, estimating total overnight visitation.

The report analyzes these data across multiple spatial scales, including the Coastal Zone, one-mile coastal proximity corridor, incorporated and unincorporated areas, and county planning areas. This disaggregation allows for a geographically nuanced understanding of both STR supply and visitor demand in relation to public coastal access.

1.3 Structure of the Report

Following this introduction, the report is organized into seven sections:

- **Section 2: The Monterey County Coastal Zone and Planning Areas**
  Provides an overview of key geographies in Monterey County, including definitions and boundaries for the Coastal Zone and relevant planning areas.

- **Section 3: Market Demand**
  Quantifies overnight visitor demand using cell phone-derived mobility data, visitor profiles, and seasonal travel behavior.

- **Section 4: Supply and Affordability**
  Compares short-term rentals (STRs) and hotels in terms of geographic distribution, seasonal availability, guest capacity, and affordability.

- **Section 5: Housing Market Context and STR Impacts**
  Evaluates how STRs intersect with the local housing market, including patterns of ownership, residency, and property valuation.

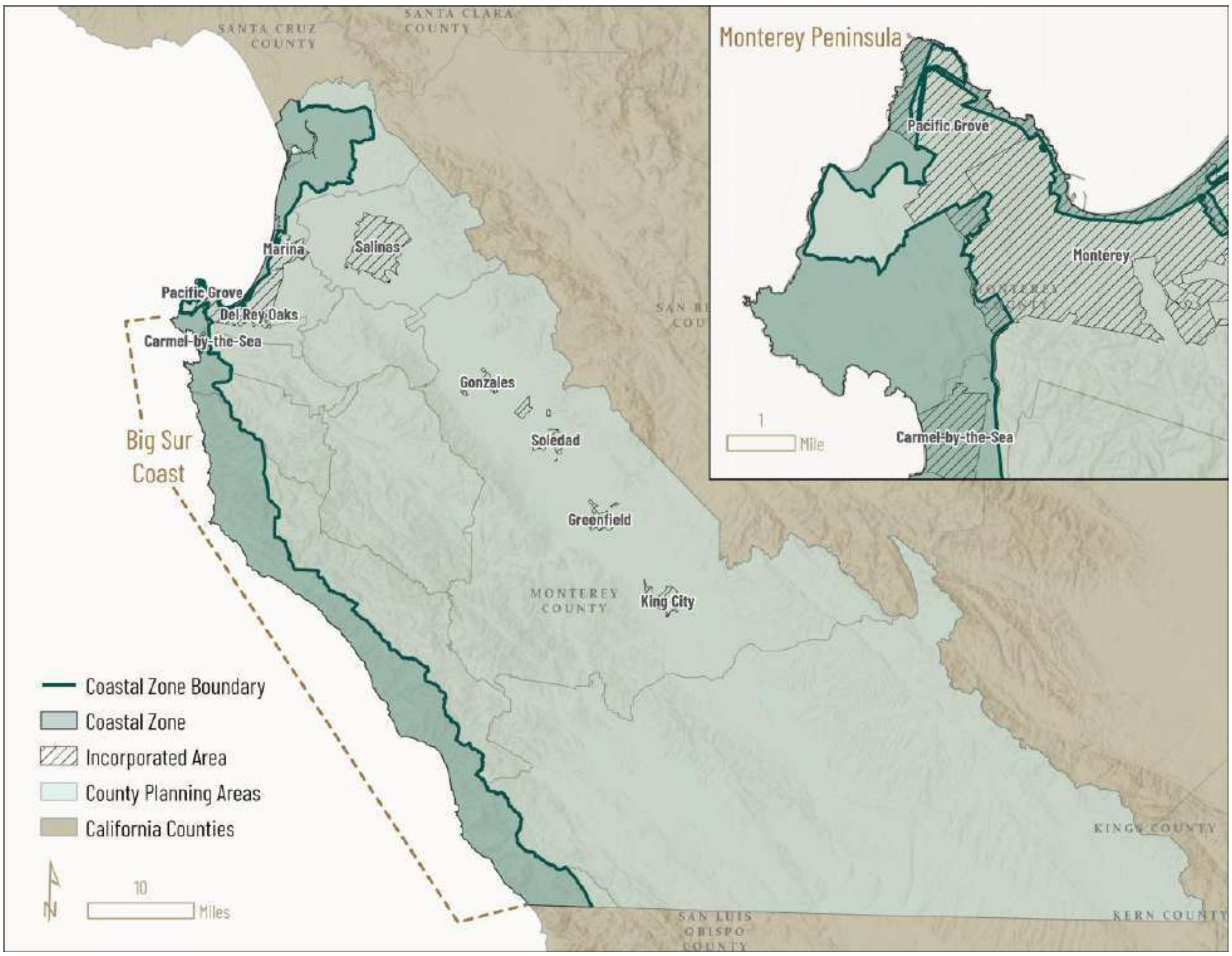
- **Section 6: Monterey County Policy Jurisdiction**
  Clarifies jurisdictional boundaries and assesses the County's authority over STR regulation within unincorporated and Coastal Zone areas.

- **Section 7: Recommendations**
  Outlines actionable policy recommendations for Monterey County that support affordable access and align with the goals of the California Coastal Act.

2. The Monterey County Coastal Zone & Planning Areas

This enactment of the California Coastal Act in 1976 permanently established the California Coastal Commission (CCC) and directed local jurisdictions to adopt Local Coastal Programs (LCPs) that guide development within the designated Coastal Zone. Among the "basic goals of the state for the Coastal Zone" is "Maximize public access to and along the coast and maximize public recreational opportunities in the Coastal Zone consistent with sound resources conservation principles and constitutionally protected rights of private property owners" (Public Resources Code, section 30001.5, subdivision (c)).

While the Coastal Zone is generally defined as the area extending inland 1,000 yards from the mean high tide line, the Coastal Act allows for adjustments where necessary to protect valuable coastal resources, public access, or scenic views. Map 1 shows the Monterey County Coastal Zone boundary.

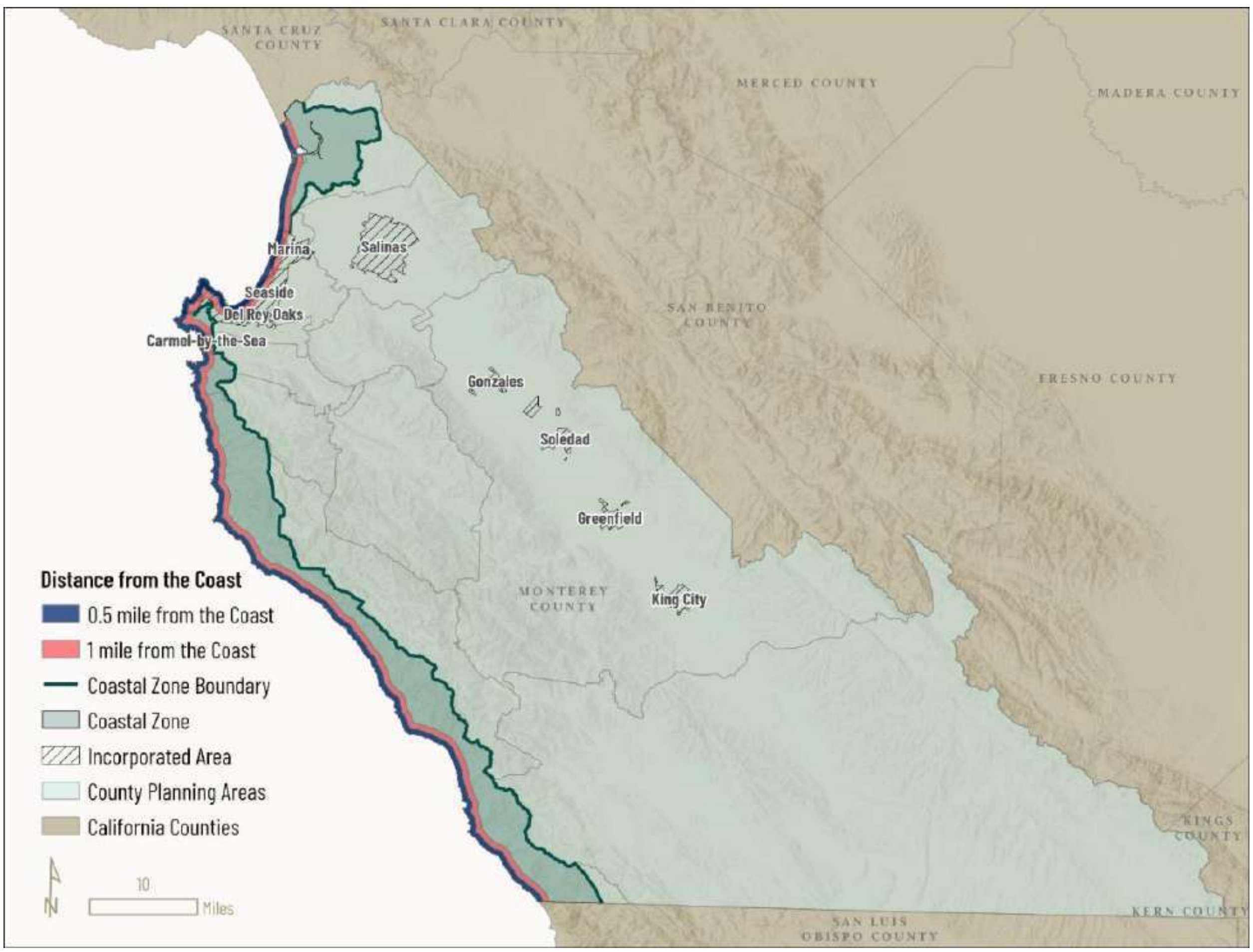


Map 1: California Coastal Zone Boundary in Monterey County.

This map illustrates the officially designated Coastal Zone boundary as defined under the California Coastal Act of 1976.

The Monterey County Coastal Zone boundary's irregularities illustrate how these boundaries can vary significantly. Along the Big Sur coast, the boundary extends several miles inland to encompass entire watersheds, critical habitats, and scenic viewsheds. In contrast, areas like the Monterey Peninsula, with a higher degree of urbanization, have a Coastal Zone boundary much closer to the shoreline. The variation in the Coastal Zone boundary impacts land use planning and proposed regulations, including short-term rental operations.

While the official Coastal Zone boundary connotes specific regulatory requirements, the irregularities make the Monterey County Coastal Zone a poor proxy for coastal access. Therefore, this report also uses two "coastal proximity corridors" extending inland from the shoreline at 0.5-mile and 1-mile intervals, shown in Map 2 below. These allow for a comparative analysis of how the density of overnight accommodations, particularly STRs, relates to visitor access to the coast. The corridors are not regulatory boundaries but rather are intended to help decision makers understand how the location of hotels and STRs varies within walkable or easily drivable distances to the shoreline. Notably, along portions of the Monterey coast, especially the Monterey Peninsula, the designated Coastal Zone boundary does not overlap with these corridors. For this report, areas within the official Coastal Zone and any remaining areas within the 1-mile proximity corridor create the "coastal area."



Map 2: Coastal Proximity Corridors and Coastal Zone Boundary in Monterey County.
The map shows two proximity corridors extending 0.5-mile and 1-mile inland from the Monterey County coastline, alongside the designated California Coastal Zone boundary.

3. Market Demand: Visitor Profile and Lodging Need

Understanding visitor demand is essential to evaluating the market for overnight accommodations. This section examines the demand side of the market using two complementary data sources: (1) the 2016 *Monterey County Visitor Profile Final Report of Findings*, produced by the Monterey County Convention and Visitors Bureau, and (2) anonymized, cell phone-derived location data provided by Placer.ai for the period 2018 through 2024, excluding the year 2020.

Placer.ai aggregates anonymized location data from a large panel of mobile devices to estimate real-world visitation patterns. These data allow for detailed analysis of where visitors go, how long they stay, and where they originate, all without collecting any personally identifiable information. For this project, custom polygons were digitized to capture visitor activity along the Monterey County coastline, including the scenic drive and beach access areas along the Big Sur coast. These polygons were used to spatially analyze trends in visitation volume, travel distance, seasonality, and distribution across coastal subregions.

The year 2020 was excluded from all analyses due to the atypical travel behaviors and significant reductions in visitation associated with the COVID-19 pandemic. Removing this anomalous year provides a more accurate representation of both baseline and recent visitation patterns.

Together, the Placer.ai data and the 2016 Visitor Profile survey provide a well-rounded picture of tourism in the region. This combination offers valuable insight into visitor demographics, trip characteristics, and the scale of demand for overnight lodging, including the proportion of visitors likely to require accommodations and the intensity of visitation in key coastal areas.

The 2016 *Monterey County Visitor Profile* aimed to develop a comprehensive understanding of Monterey County's visitors, including their motivations, trip characteristics, and experiences. The report relied on a lodging guest survey conducted at 28 properties and intercept surveys administered at popular visitor locations. The study excluded residents and focused on tourism.

Key findings from the report include:

Only 31% of visitors were day trippers (those not staying overnight), even though many originated from Northern California. Larger travel parties, particularly families, were more likely to stay overnight. Overnight visitors stayed an average of 2.7 nights. "Scenic beauty" was the primary driver for visitation, cited by 66.4%, or two-thirds of respondents, yet only 20% of visitors reported traveling to Big Sur.

This report integrates findings from the *2016 Monterey County Visitor Profile* with an analysis of anonymized cell phone location data provided by Placer.ai. The analysis examines visitor demand along the Monterey County coast, focusing on three subregions: Southern Monterey Bay, the Monterey Peninsula, and the Big Sur/Highway 1 corridor.

As shown in Figure 1, visitor data, provided by Placer.ai, from 2018 to 2024 (excluding 2020 due to anomalous pandemic-related travel patterns) indicate the following:

- More than eight million people visit Monterey County's *coastal areas* annually.

- Summer is the peak season, with visitation highest in July, with visits exceeding one million in that month alone. Demand is especially strong on weekends, reinforcing the need for short-stay accommodations.
- Families represent 63% of all visitor groups. Many of these households require overnight lodging that accommodates multiple guests or rooms.

Together, these data sources provide a robust foundation for assessing current visitation patterns and the associated need for overnight accommodations.

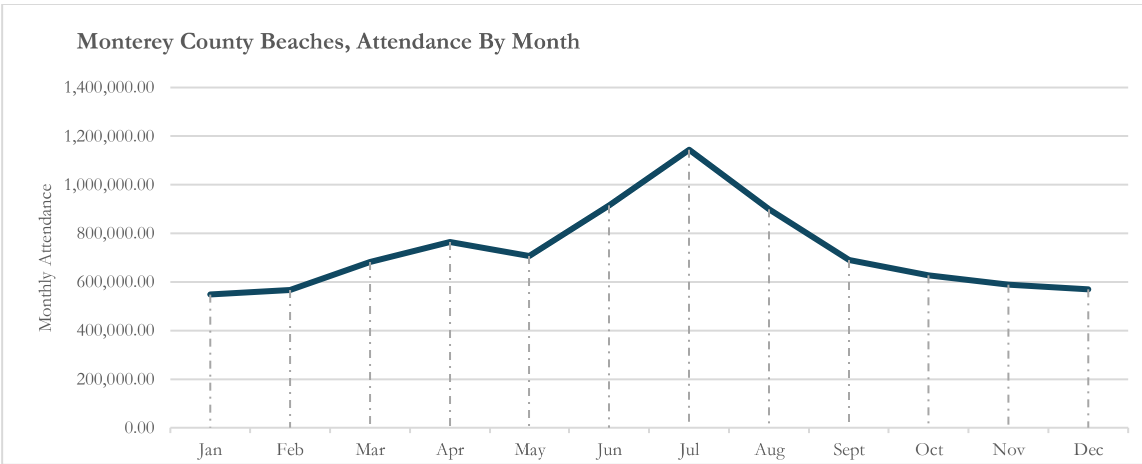


Figure 1: Monthly visitation to Monterey County's coastal areas based on anonymized cell phone location data (Placer.ai, 2018–2024, excluding 2020).
The data illustrate strong seasonality, with peak visitation occurring in July and elevated weekend demand throughout the year.

3.1 Overnight Visitors & Accommodation Demand

The total number of overnight visitors to Monterey County is a key indicator of demand for accommodations and serves as a foundational metric for this market analysis. Estimates of overnight visitation vary across sources due to differences in methodology, geographic scope, and reporting periods. The *2016 Monterey County Visitor Profile* states that approximately 69% of all visitors stay overnight, which corresponds to an estimated 5.7 million overnight visitors annually. Both *See Monterey* and *Visit California* report approximately 4.6 million annual overnight visitors, while Monterey County's website advertises "over 3 million" overnight visitors each year. Cell phone derived visitation data from Placer.ai provide an additional estimate based on visitor travel distance. For this analysis, individuals traveling fewer than 100 miles are assumed to be day-trippers, those traveling more than 250 miles are considered overnight visitors, and those traveling between 100 and 250 miles are assumed to split evenly between day and overnight stays. Based on these assumptions, Placer.ai data indicate that approximately 37% of coastal visitors, or roughly 3.1 million individuals annually, would likely stay overnight.

To reconcile these differing estimates, this report averages the five figures, resulting in an approximation of 4.2 million overnight visitors per year. Applying the average stay length of 2.7 nights from the 2016 Visitor Profile results in an estimated 11.3 million overnight stays annually. While distance-based methods assume that visitors from within 100 miles are day-trippers, the 2016 Visitor Profile shows that many Bay Area residents, including 17.5% from San Francisco and 16.6% from San Jose, choose to stay overnight.

Map 3: Driving Distance and Domestic Visitation to Monterey County's Coast, 2018–2024.
This map illustrates estimated domestic visitation to the Monterey County coastline by zip code, overlaid with 50-, 100-, and 200-mile driving distance corridors. The driving distance bands are used to evaluate proximity-based travel behavior and inform lodging needs.

3.2 A Tourism-Based Market

Tourism, vacation, and leisure are the primary drivers of visitation to Monterey County. The *2016 County Visitor Profile,* produced by the Monterey County Convention and Visitors Bureau[2] indicates that relatively few travelers visit the region for business purposes. Only 3.9% of respondents identified their primary trip purpose as "business," 3.8% as "convention or meeting," and 0.5% as "government or military," resulting in a combined total of just 8.2% of visitors traveling for business-related reasons. This contrasts sharply with national trends, where business travelers account for approximately 40% of hotel stays[3], and non-business

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[2] *Monterey County Visitor Profile: Final Report of Findings, 2016*. Destination Analysts, https://assets.simpleviewinc.com/simpleview/image/upload/v1/clients/montereycounty/Monterey_County_Visitor_Profile_2016_Final_Report_of_Findings_26af80ed-36b8-4570-845c-bfae665e0349.pdf.

[3] "Business Travel Statistics: The Ultimate List." *Stratos Jet Charters*, https://www.stratosjets.com/blog/business-travel-statistics/#:~:text=These%20travelers%20make%20up%2040,10.

conventions and events constitute a significant share of overnight demand.[4]. Overall, business, convention, and government-related travel plays a much smaller role in Monterey County's lodging market than in other regions.

While scenic beauty is cited by 66.4% of respondents as a primary reason for visiting Monterey County, coastal recreation is not the only activity of interest. Only 33% of respondents indicated participation in "outdoor recreation" or visiting "state parks," suggesting that a substantial portion of visitors are drawn by other leisure amenities such as dining, arts, and culture.

Many visits occur over weekends. The *2016 Visitor Profile* notes that 33.4% of respondents were on "weekend getaways," a finding corroborated by daily cell phone-derived visitation data from Placer.ai, which show elevated coastal visitation rates on Fridays through Sundays during the period 2018 through 2024.

This weekend-centric demand pattern presents unique challenges for the hotel market. Industry research suggests that hotels typically require occupancy rates above 30% to remain viable in the short term, and rates above 50% to remain profitable over the long term. In many tourism markets, this volatility is buffered by consistent weekday demand from business travelers. However, as noted, Monterey County's limited business and convention traffic leaves hoteliers more exposed to fluctuations in weekend leisure travel. In contrast, short-term rentals may be better suited to this uneven pattern of demand, as they do not rely on consistent daily bookings to the same extent and may be operated more flexibly by individual hosts.

3.3 Hotel Demand

This report uses industry standard data purchased from Smith Travel Research (https://str.com/) to assess trends in the hotel and motel market across Monterey County. Smith Travel Research provides proprietary information widely used in the hospitality sector, including detailed metrics on hotel occupancy and average daily rates (ADRs).

The STR data for Monterey County hotels, both coastal and inland, reveal significant seasonality in hotel occupancy. Occupancy rates peak in summer months, especially in July, and decline in the winter. Figure 2 compares occupancy rates for hotels located inside the Coastal Zone with those outside. During peak summer months, such as July, coastal hotel occupancy rates approach 90%. In contrast, January occupancy rates fall below 50%. Across the year, occupancy rates average close to 70% in the Coastal Zone and 65% in non-coastal areas.

[4] "Business Travel: Revealing New Stay Trends." *Booking.com for Business*, https://business.booking.com/en-us/business-travel-resources/articles/business-travel-revealing-new-stay-trends/.

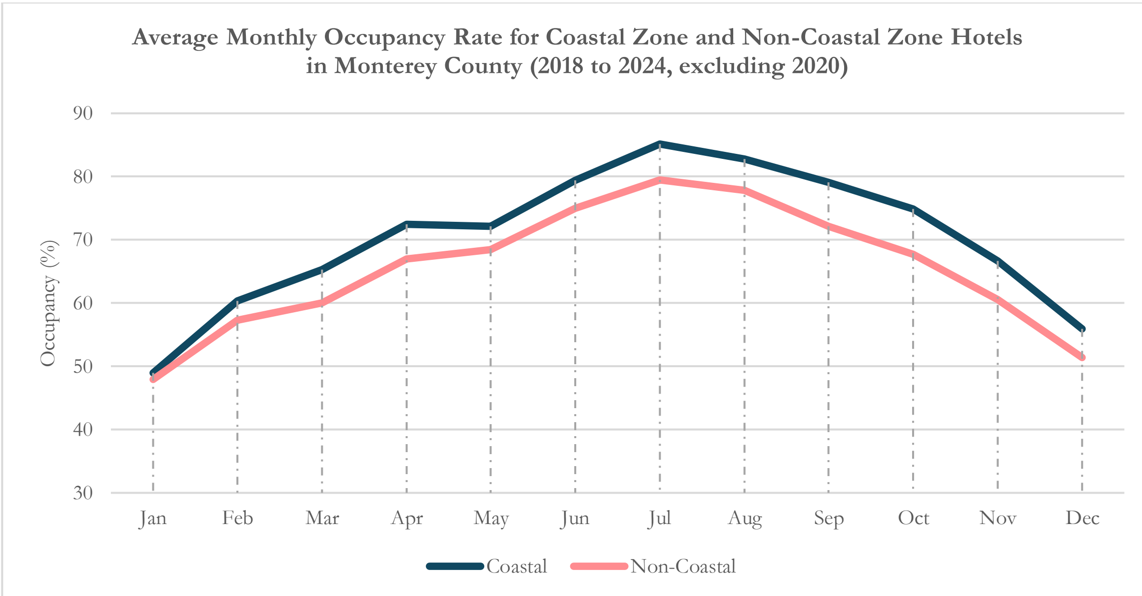

Figure 2. Average Monthly Occupancy Rate for Coastal Zone and Non-Coastal Zone Hotels in Monterey County (2018 to 2024, excluding 2020)

These occupancy levels compare favorably to national hotel trends. In 2024, the national average occupancy rate was 62.9%[5]. Industry analysts generally consider a 60% to 70% occupancy rate indicative of a healthy hotel market.[6] The highest national hotel occupancy rate recorded in the United States was 66.2% in 2018. Numerous economic studies of the hotel market in the United States indicate that an occupancy rate of approximately 65% is considered "standard" in the industry[7], and occupancy rates are often lower in other countries[8]. In this context, Monterey County's 60% to 70% occupancy, driven almost entirely by leisure and tourism rather than business travel, is particularly strong. Popular attractions such as Cannery Row, the Monterey Bay Aquarium, and coastal recreation sites, along with seasonal events like the Monterey Car Week, contribute to this high level of tourism-driven demand. [9] Despite the Visitor Profile indicating that beach recreation is not the primary activity for many visitors (see Section 3.2), STR data show that hotels located

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[5] See Beyond Recovery: 2024 State of the Industry Report, The American Hotel and Lodging Association https://www.ahla.com/sites/default/files/SOTI.2024.Final_.Draft_.v4.pdf.

[6] Occupancy Rate. (2025) *Hotel Occupancy Rate Calculator - what is occupancy rate*. Canary Technologies. https://www.canarytechnologies.com/hotel-terminology/occupancy-rate#:~:text=A%20good%20occupancy%20rate%20for%20a%20hotel%20can%20vary%20depending,%2D90%25%20is%20considered%20excellent (last visited Apr 9, 2025).

[7] See Slattery, P., 2009. The Otus theory of hotel demand and supply. *International Journal of Hospitality Management*, *28*(1), pp.113-120, CBRE, *Market Demand Analysis: Proposed 392 room resort hotel to be located in the San Canyon Country Club*, *Santa Clarita, CA.*; Hotel Occupancy Rate Calculator - what is occupancy rate, Occupancy Rate (2025), https://www.canarytechnologies.com/hotel-terminology/occupancy-rate#:~:text=A%20good%20occupancy%20rate%20for%20a%20hotel%20can%20vary%20depending,%2D90%25%20is%20considered%20excellent (last visited Apr 9, 2025).

[8] See Slattery, P., 2009. The Otus theory of hotel demand and supply. *International Journal of Hospitality Management*, *28*(1), pp.113-120, https://www.seemonterey.com/events/sporting/concours/#:~:text=Friday%2C%20August%208%20%2D%20Sunday%2C%20August%2017%2C%202025&text=Highlights%20include%20prestigious%20car%20shows,auctions%20like%20RM%20Sotheby's%20Auction.

[9] Monterey County Convention & Visitors Bureau. (2025). *Concours events in Monterey County*. SeeMonterey. **https://www.seemonterey.com/events/sporting/concours/**

within the Coastal Zone consistently experience significantly higher demand than those farther inland. Figure 3 illustrates that average monthly hotel room demand in the Coastal Zone is nearly four times greater than in non-coastal areas. Seasonal peaks align with the summer travel period, especially July. This demand is further influenced by the geographic distribution of hotel supply: 76% of all hotel rooms in Monterey County are located within the Coastal Zone.

This concentration of demand and supply along the coast underscores the hotel market's dependence on seasonal tourism and its vulnerability to pricing pressures. The high cost of lodging in coastal areas may limit access for visitors with moderate incomes, particularly families or groups seeking amenities such as kitchens. Addressing this imbalance will require consideration of how to increase capacity, improve affordability, and expand the range of lodging options that meet visitor needs across all income levels.

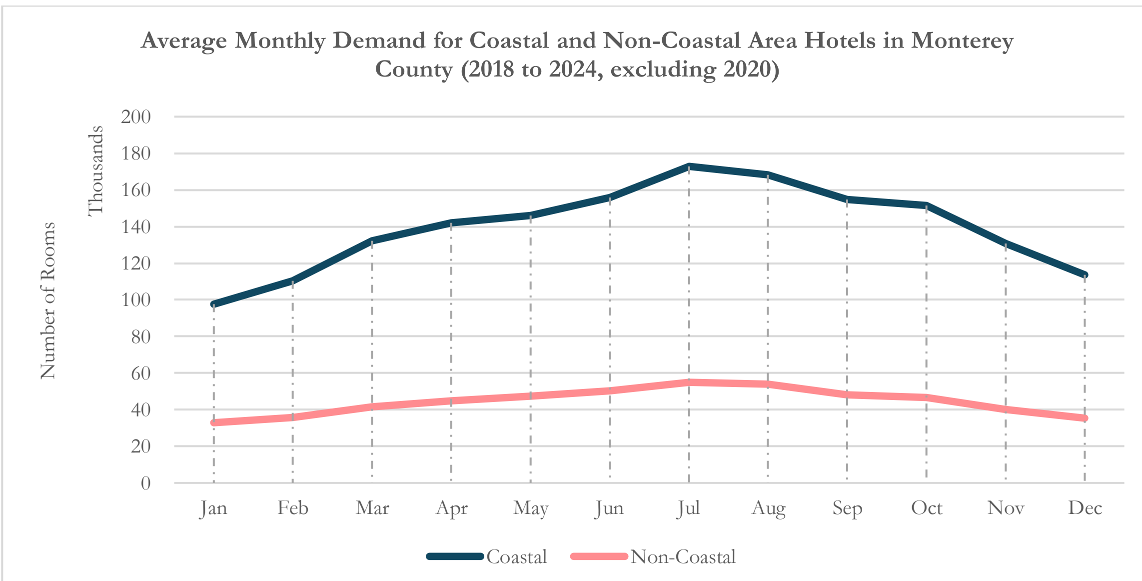


Figure 3: Comparing Average Monthly Demand for Coastal and Non-Coastal Area Hotels in Monterey County (2018 to 2024, excluding 2020)

3.4 Demand for STRs in Monterey County

According to the AirDNA data, demand for STRs in Monterey County, both coastal and inland, shows similar "seasonality" to the demand for hotels, with higher occupancy during summer months, especially July. Unlike hotels, the occupancy rate is slightly higher for *inland* properties likely due to lower nightly rates. Figure 4 shows the average monthly occupancy rate for all available STRs. Occupancy for all STRs peaks significantly in July at 73%. Compared to hotels, however, the supply of STRs is less strained. There is higher hotel room occupancy compared to STRs throughout the year, although it's worth noting that there is twice as much available STR capacity. Finally, STR occupancy rates experience a more extreme increase in demand during the summer, compared to hotel rooms. Compared to the hotel market, which is strained and near capacity in the summer months, the STR market appears to be healthy.

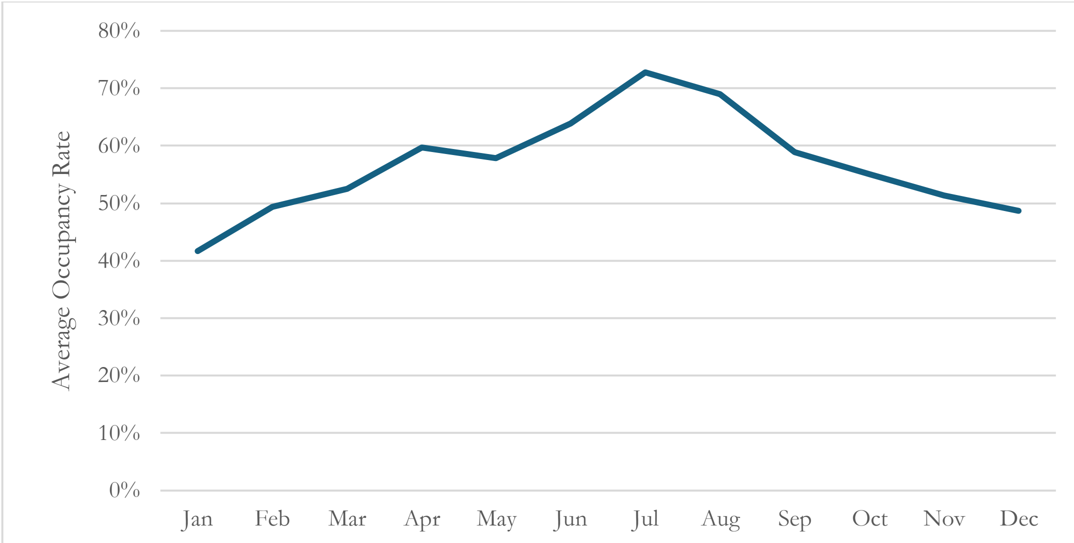


Figure 4: Average STR Occupancy Rate

An analysis of monthly occupancy rates from AirDNA shows that visitors to Monterey County consistently prefer unhosted short-term rentals (STRs) over hosted ones. Unhosted STRs refer to entire units where guests have full privacy, such as whole homes or apartments. Hosted STRs, by contrast, include shared accommodations where the host is present, typically in a private room.

Despite there being fewer hosted STRs in Monterey County, these properties exhibit lower occupancy rates and are underutilized. From 2018 to 2024 (excluding 2020), unhosted STRs consistently achieved higher occupancy rates than hosted STRs, a trend particularly evident during peak summer months such as July and August, as shown in Figure 5. Countywide, unhosted STRs maintain an average annual occupancy rate of 48%, compared to 45% for hosted STRs. During the peak season, unhosted STRs reach 62% occupancy, while hosted STRs reach only 56%.

It is important to note that these occupancy figures, derived from AirDNA data, likely underreport actual occupancy. AirDNA calculates occupancy based on the proportion of days a listed property is booked in a given month. If a property is not listed for the entire month, it is treated as having 0% occupancy, even if it was not available to book. As a result, properties with irregular listing activity may artificially lower the average. Adjusting for this issue increases the effective occupancy rates for both hosted and unhosted STRs.

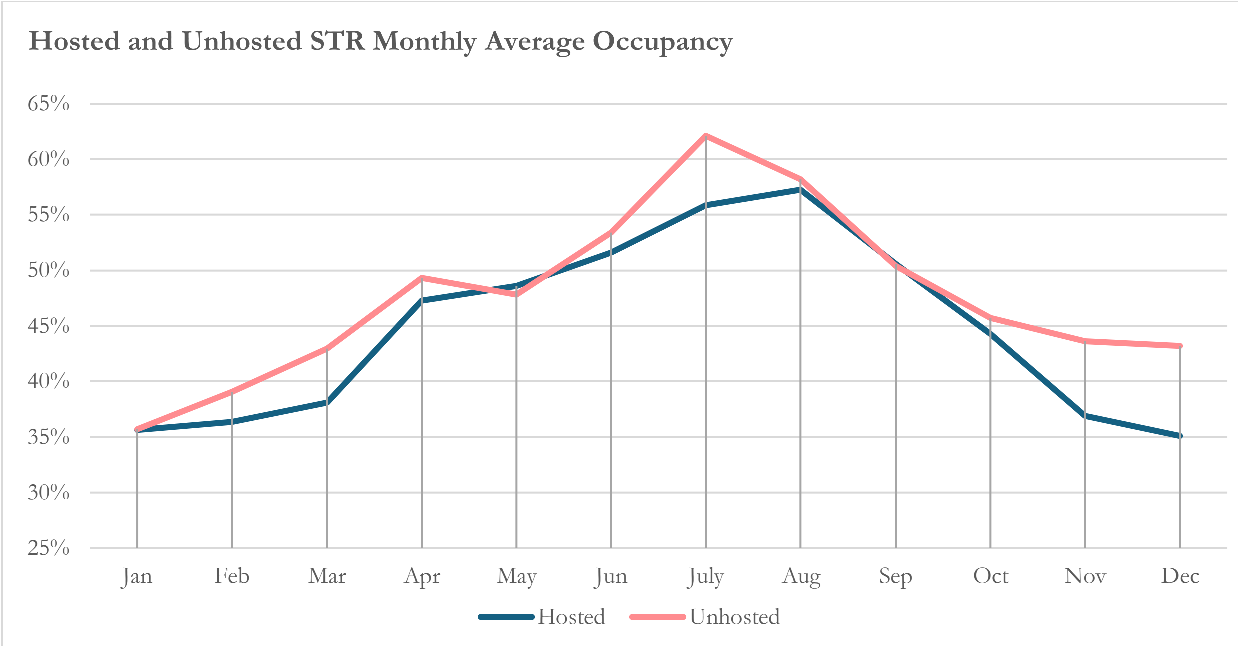


Figure 5: Hosted and Unhosted STR Monthly Average Occupancy

These patterns reflect strong visitor preferences for privacy and flexibility in lodging accommodations. They also reinforce findings from the *2016 Monterey County Visitor Profile* and the cell phone-derived visitation data from Placer.ai, both of which highlight tourism, not business travel, as the primary driver of demand in the region.

In summary, Monterey County supports robust occupancy levels in both the hotel and STR sectors. Hotels exceed national industry benchmarks during the summer, and STRs demonstrate similarly strong seasonal and weekend demand. This suggests that STRs play a meaningful and complementary role in meeting accommodation needs, particularly in areas where traditional hotel options are limited or cost prohibitive.

3.5. Coastal Access Equity

The California Coastal Act includes provisions for ensuring maximum public access to the coast, and both the California Coastal Commission (CCC) and the State Coastal Conservancy have emphasized the importance of promoting coastal access equity. This principle refers to the ability of individuals from all backgrounds, including disadvantaged and vulnerable communities, to enjoy California's coastal resources.

Analysis of cell phone-derived visitation data from Placer.ai indicates that the demographic composition of visitors to Monterey County's coastal areas closely reflects the population of California as a whole. As shown in Table 1, Hispanic visitors are represented in proportions nearly identical to the statewide average. While Asian and African American visitors are somewhat underrepresented and white visitors are slightly overrepresented, the overall distribution suggests broad demographic access to the coast.

Table 1: Visitor Demographics for Monterey County Coastal Areas

Ethnicity (Census 2020)	Hispanic	White	Asian	Black	Other or Mixed
Monterey County Captured Visitors	40.7%	44.3%	7.4%	2.8%	4.8%
California Overall	39.4%	34.7%	15.1%	5.4%	5.4%

In addition to racial and ethnic representation, income levels among visitors are comparable to the broader California population. As shown in Table 2, the median household income of coastal visitors to Monterey County is nearly identical to that of California residents, while the average household income is slightly lower. These data suggest that coastal access in the region is not limited to high-income households and that a wide range of income groups are able to visit.

Table 2: Monterey County Coastal Areas Visitor Incomes Compared to California Average

Household Income (Census 2020)	Median	Average
Monterey County Captured Visitors	$79,010	$105,299
California Overall	$78,672	$111,622

4. Supply and Affordability: Hotels and STRs in Monterey County

Following the analysis of visitor demand, this section evaluates the supply of overnight accommodations in Monterey County using data from Smith Travel Research (STR Global or Smith Travel Data) for hotels and AirDNA for short-term rentals (STRs). These complementary datasets provide detailed information on room counts, geographic distribution, pricing, and guest capacity. The findings indicate a consistent mismatch between the volume of overnight visitors and the supply of hotel rooms, particularly during peak travel periods such as weekends and summer months. This suggests that hotel capacity alone is insufficient to meet demand. In contrast, STRs offer a broader range of lodging options, often at lower per-person costs, and provide additional flexibility for families and groups through features like kitchens and multi-room accommodations.

4.1 Supply of Monterey County Hotels

Overnight visitor demand for Monterey County's coastal areas exceeds the available hotel capacity, particularly on weekends and during the peak summer season. Figure 6 illustrates this shortfall by comparing estimated coastal lodging demand to the coastal hotel supply. The orange line reflects the total hotel capacity allocated to coastal-serving visitors based on hotel located in coastal communities (excluding Salinas and those along highway 101 further inland), while the green line shows estimated daily overnight demand for coastal access based on anonymized cell phone location data from 2018 to 2024 (excluding 2020 and 2021). According to the Monterey County Visitor Profile, approximately 66% of overnight visitors access the coast, as reflected in cell phone-derived visitation data from Placer.ai. Demand estimates based on coastal cell phone data were adjusted to account for the remaining 33% of visitors who do not enter the monitored Coastal Zones. As noted in the Monterey County Visitor Profile, demand surges notably on weekends and peaks in late summer, with Labor Day weekend showing the highest spike.

This pattern reveals a persistent gap between coastal visitor demand and hotel availability, especially during high-demand periods. Countywide, the data indicate an excess demand of 31,880 annual visitors, or over

12,000 hotel rooms. These findings underscore the critical role of short-term rentals in helping to meet overall lodging needs, particularly during periods when hotel capacity falls short.

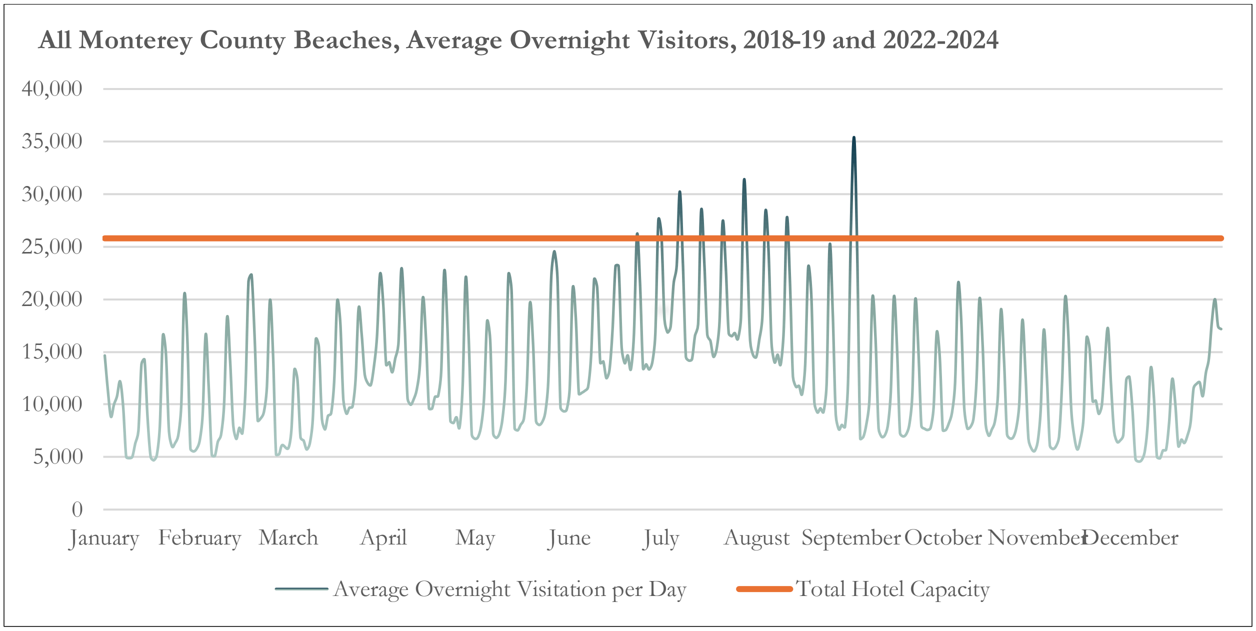


Figure 6: Estimated Overnight Visitation to Coastal Areas of Monterey County Compared to Coastal Hotel Capacity (2018–2024, excluding 2020).
The teal line represents average daily overnight visitation to coastal areas of Monterey County, as estimated using anonymized cell phone-derived location data. The coral line shows the estimated coastal community hotel capacity, assuming an average 2.6 guests per room. The figure highlights consistent weekend and seasonal demand peaks that often exceed available hotel supply.

4.1.1 Hotel Market Composition

Data from Smith Travel Research indicate that the hotel market in Monterey County has rebounded since the COVID-19 pandemic disruption in 2020, with occupancy rates consistently exceeding 60%. Table 3 summarizes the distribution of hotel rooms by market class from 2019 to 2024. Monterey County currently offers approximately 12,800 hotel rooms. Nearly half (44%) fall into the "Luxury" or "Upper Upscale" categories. In contrast, only 29% of rooms are classified as "Economy," a segment that has shrunk by 6% since 2019.

Table 3: Distribution of Monterey County Hotel Rooms by Market Class, 2019–2024. *This table presents the number and percentage share of hotel rooms across six standard market categories, along with the change in room count and percent change over the study period.*

Hotel Class	Number of Rooms	Percentage of the Total Rooms	Change in Number of Rooms	Percentage Gain/Loss in Rooms
Economy	3,676	29%	-212	-6%
Midscale	1,636	13%	28	2%

Upper Midscale	1,978	15%	531	27%
Upscale	1,034	8%	2	0%
Upper Upscale	1,795	14%	-50	-3%
Luxury	2,755	21%	490	18%
All Classes	**12,874**	**100%**	**789**	**9%**

The data reflect a clear shift in hotel investment away from lower-cost accommodations and toward higher-end properties. Since 2019, Monterey County has seen a net reduction of 212 economy hotel rooms, while upper midscale and luxury room categories have grown by 531 and 490 rooms, respectively. This trend aligns with the economic "survivor test" introduced by Nobel laureate George Stigler, which suggests that market segments experiencing expansion are typically more profitable and attractive for future investment. Applying this framework, it appears that economy hotels may no longer be considered viable investments in the county, while upper midscale and luxury hotels are gaining ground.

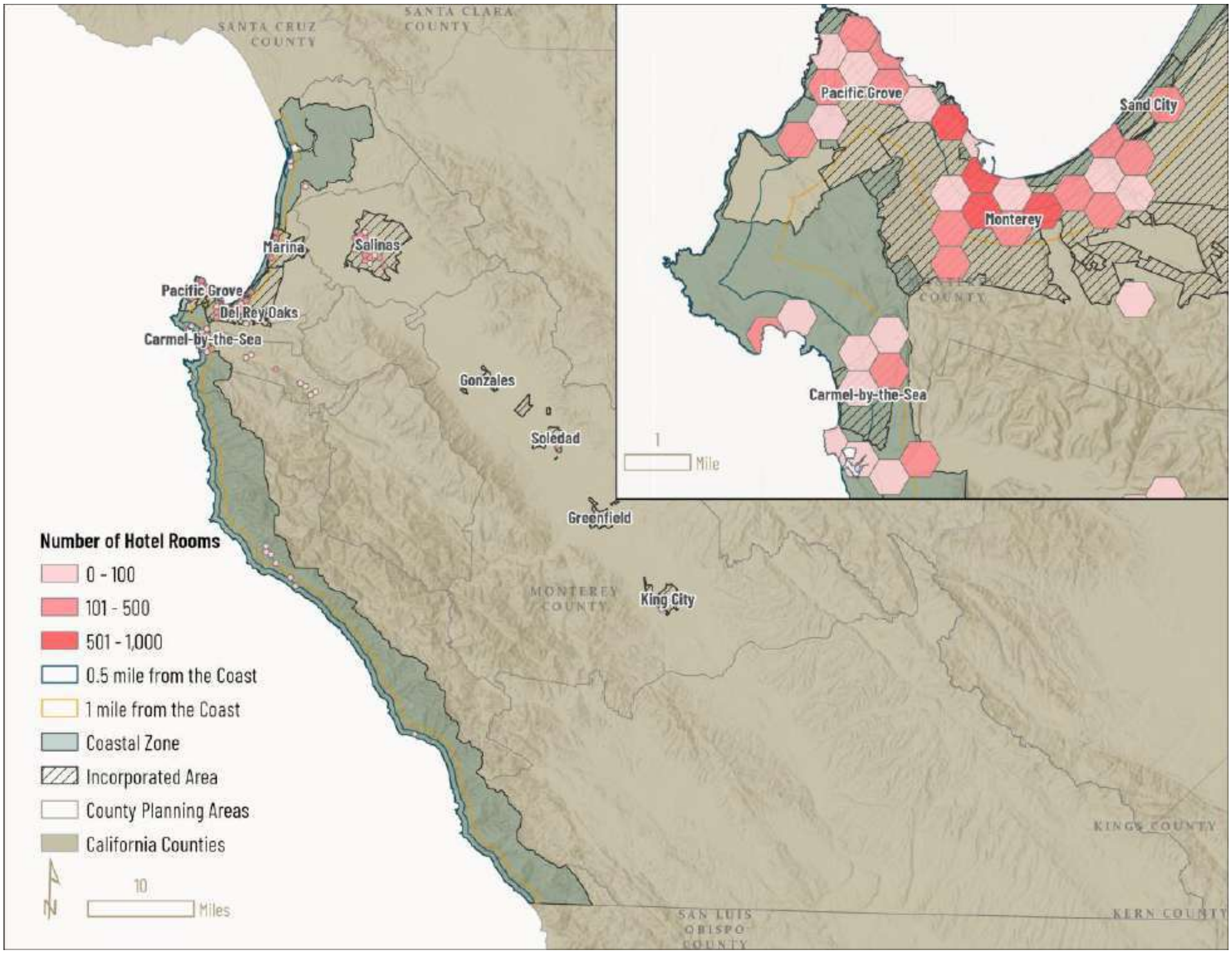
A concurrent geographic shift has occurred in hotel development. As shown in Table 4, hotel room supply within the Coastal Zone has increased by 5% since 2018, while inland room supply has declined by 9.2%. The overall market grew slightly (1.2%), suggesting that coastal hotel development has offset inland losses. The distribution of hotel types further underscores this shift: 79% of luxury rooms and 76% of upper midscale rooms are in the Coastal Zone, while 87% of economy rooms are located inland.

The data suggest that the economy hotel sector in Monterey County is facing increasing pressure, with further closures likely. These lower-cost properties are increasingly being replaced by upper midscale and luxury accommodations, which typically offer fewer beds per room and come with higher ancillary expenses such as restaurant dining, parking fees, and resort charges. This transition reduces the availability of affordable options, particularly for families and groups who rely on budget lodging with features like kitchen access.

Table 4: Comparing Coastal and Inland Monterey County Hotels Supply and ADRs, 2019-2024

Location	Number of Rooms (2024)	2024 ADR	2024 ADR Per Person	2024 Avg Occupancy	Percent Change in Room Supply since 2017
Coastal	9,923	$ 342.00	$ 132.00	69.5	5.0%
Non-Coastal	2,951	$ 233.00	$ 90.00	64.7	-9.2%
Total Sample	12,874	$ 316.00	$ 122.00	68.0	1.2%

Map 4 illustrates the geographic distribution of hotel rooms across Monterey County using a 0.25-mile hexagonal grid. Symbols are color-coded to indicate room density. Coastal cities such as Monterey, Pacific Grove, Carmel-by-the-Sea, and Seaside exhibit the highest concentrations of hotel rooms, while inland areas and the Big Sur coastline have relatively few. The map also depicts the official California Coastal Zone boundary and proximity corridors extending 0.5 and 1 mile inland. Notably, many hotel rooms are located just outside the Coastal Zone, largely due to the boundary's irregular shape and the concentration of hotel development in urban centers. This spatial pattern raises equity concerns about the availability of lodging in high-demand coastal areas.



Map 4: Spatial Distribution of Hotel Rooms in Monterey County with Coastal Proximity Indicators.
This map displays the number of hotel rooms by location using a hexagonal aggregation, with symbols colorized to show total room counts per hexagon. The Coastal Zone boundary and proximity corridors at 0.5 and 1 mile from the coast are shown for reference. Hotel rooms are heavily concentrated in the coastal cities of Monterey, Pacific Grove, Carmel-by-the-Sea, and Seaside, with relatively few inland hotel clusters.

4.2 Supply of STRs in Monterey County

This section analyzes short-term rental (STR) supply in Monterey County using third-party data purchased by Ceto from AirDNA, which covers listings and bookings on Airbnb and VRBO from 2014 through 2025. The primary analysis focuses on the period from 2018 to 2025, excluding 2020 due to the disruptions caused by the COVID-19 pandemic. AirDNA provides detailed property-level and monthly trend data across several variables.

Key attributes assessed in this analysis include:

- **Property location** (e.g., distance from the coast)
- **Property type** (entire home, "hotel" [small B&B], private room, shared room)

- **Average Daily Rate (ADR)**
- **Minimum stay requirements**
- **Guest capacity** (total number of guests and bedrooms)
- **Occupancy rate**

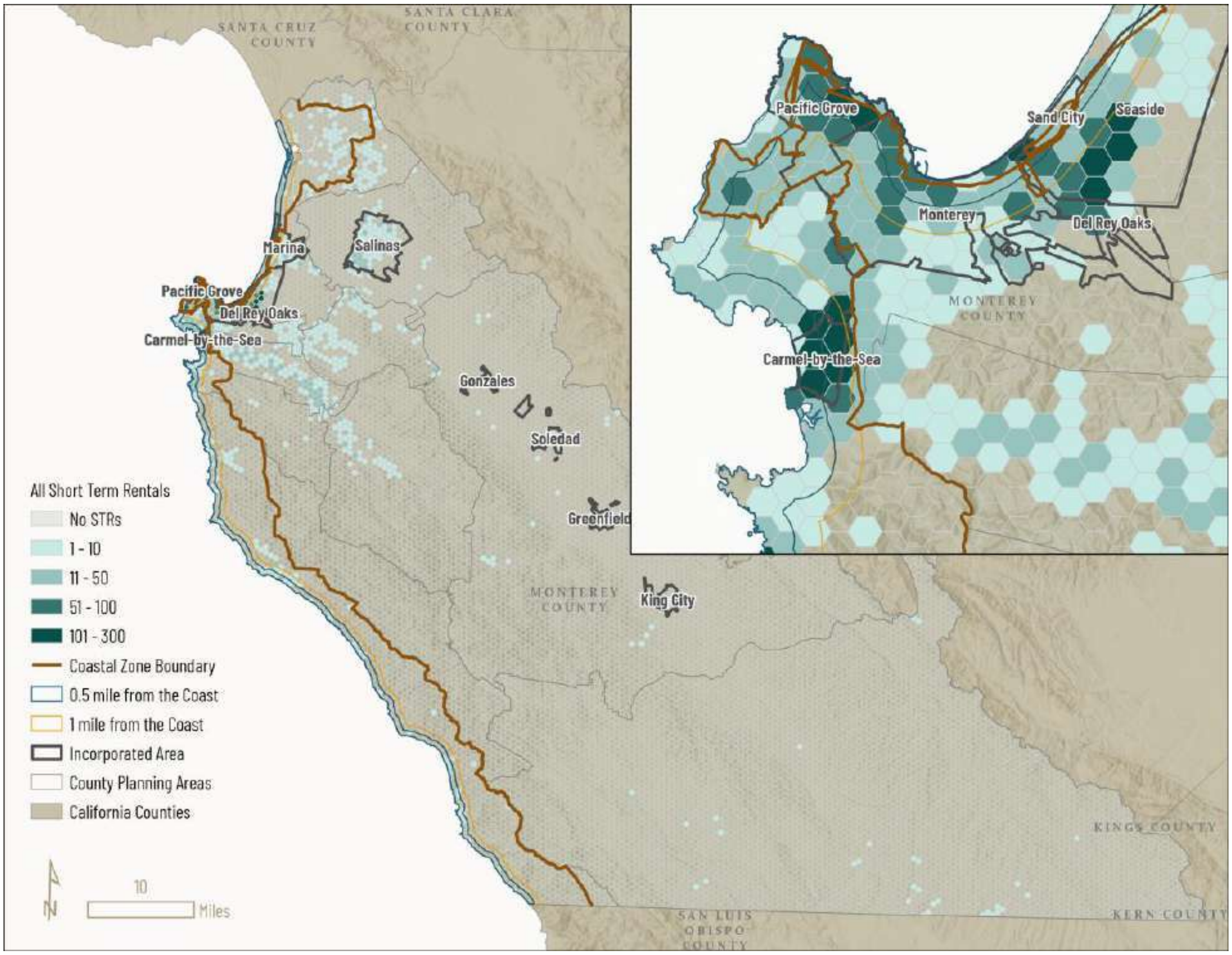
As with hotels, the spatial distribution of STRs shows a strong coastal presence, including within the Coastal Zone. However, STRs exhibit greater inland coverage than hotels. Approximately 40% of STRs are located outside the defined coastal area, compared to just 25% of hotels. While coastal STRs offer closer access to shoreline destinations, inland STRs tend to be more affordable and often lie along key access corridors. Table 5 summarizes the distribution of STRs across coastal and inland areas in Monterey County from 2018 to 2024.

Table 5: Comparing Coastal and Inland STRs in Monterey County, 2018-2024

Listing Location	Number of Rentals	Percent of STRs	Guest Capacity	Average Capacity (Guests)	Percent of Total STR Capacity
Coastal Area	5,349	60%	26,356	4.9	61%
Non-Coastal	3,514	40%	17,146	4.9	39%
Total STRs	8,863	100%	43,502	4.9	100%

As shown in Map 5, inland short-term rentals (STRs) are generally located along major access corridors to the Monterey Peninsula, including Carmel Valley Road and Highway 68. These locations are within a short drive of coastal destinations, assuming unobstructed road access. By contrast, inland hotels tend to be situated farther from the coast than STRs.

Map 5 displays the spatial distribution of STRs across Monterey County, using a 0.25-mile (1,320-foot) hexagonal grid to aggregate listings. The Monterey Peninsula exhibits the highest concentration of STRs, particularly in Monterey and Carmel-by-the-Sea. Outside of these urban areas, STR density is lower and more dispersed, with most grid cells containing fewer than 50 listings and many showing fewer than 10.



Map 5: Short-Term Rental Distribution in Monterey County (0.25 Mile Grid).
This map displays the number of STR properties aggregated within a 0.25-mile (1,320-foot) hexagonal grid across Monterey County. It includes incorporated city boundaries, the official California Coastal Zone boundary, and proximity corridors extending 0.5 mile and 1 mile from the shoreline. STR concentrations are highest on the Monterey Peninsula, with lower-density patterns in inland and rural areas.

4.2.1 STR Market Composition

AirDNA classifies short-term rental (STR) properties by "type," including categories such as entire home, hotel, private room, and shared room. For this analysis, all listings identified as entire homes or hotels were considered **unhosted rentals**, meaning guests have exclusive use of the property. Listings categorized as private or shared rooms were classified as **hosted rentals**, where the host resides on-site during the guest's stay. AirDNA's dataset includes listings from both Airbnb and VRBO; however, only Airbnb offers hosted rental options. As such, the "type" classification was used to distinguish between hosted and unhosted listings.

As shown in Table 6, the Monterey County STR market is dominated by unhosted rentals:

- 77% of STR properties are unhosted.
- These listings account for 88% of the county's total guest capacity.

The coastal area follows a similar pattern. Within the Coastal Zone and areas up to 1 mile from the shoreline, 87% of STRs are unhosted. Within 0.5 mile of the coast, unhosted rentals represent 83% of listings. If unhosted rentals were removed from the market, the county's total STR guest capacity would fall to approximately 5,400, with only 2,725 remaining in the coastal area.

Map 5 illustrates this distribution, with the highest STR densities occurring on the Monterey Peninsula, particularly in and around the cities of Monterey and Carmel-by-the-Sea.

Table 6: Comparing STR Type (Hosted or Unhosted) for Coastal and Inland Listings.

Type & Location	Number of Rentals	Percent of STRs	Guest Capacity	Average Capacity (Guests)	Percent of Total STR Capacity
Coastal Hosted Rentals	961	11%	2,725	2.88	6%
Coastal Unhosted Rentals	4,388	50%	23,631	5.36	54%
Outside of Coastal Area Hosted Rentals	1,060	12%	2,644	2.50	6%
Outside of Coastal Area Unhosted Rentals	2,454	28%	14,502	5.91	33%
Total STRs	8,863	100%	43,502	4.9	100%

AirDNA also classifies STRs into market tiers—budget, economy, midscale, upscale, and luxury—using a system similar to hotel ratings. Table 7 summarizes the distribution of STRs across these tiers. Countywide, STRs are relatively evenly distributed among the different accommodation classes. However, within the Coastal Zone, 30% of STRs are classified as luxury, making it the dominant category. This trend holds within 0.5 mile of the coastline, where luxury listings account for 26% of all STRs.

In contrast to hotels, STRs provide a greater share of economy and midscale options, especially outside the coastal core, enhancing affordability and increasing choices for cost-conscious travelers and families.

Table 7: STR classifications for all listings, all Coastal Zone listings, and all listings in the proximity corridors (0.5 mile and 1 mile).

Tier	All (% Within Area)	Coastal Zone	0.5 mile	.5- 1 mile
Budget	1,705 (19%)	350 (11%)	398 (13%)	313 (17%)
Economy	1,453 (16%)	382 (11%)	387 (13%)	291(17%)
Midscale	1,419 (16%)	451 (14%)	442 (15%)	280 (16%)
Upscale	1,369 (15%)	608 (18%)	537 (18%)	270 (15%)
Luxury	1,612 (18%)	982 (30%)	772 (25%)	331 (18%)
Undefined	1,305 (15%)	542 (16%)	490 (16%)	306 (17%)
Total	8,863 (100%)	3,315 (100%)	3,026 (100%)	1,791(100%)

Note: The 0.5-mile and 0.5–1.0-mile proximity corridors are mutually exclusive, but the Coastal Zone occasionally overlaps with both. Listings in the Coastal Zone may also fall within either corridor, so counts across these geographies are not mutually exclusive and should not be summed.

While coastal STRs have a higher average daily rate (ADR) due to a higher share of luxury listings, they remain more affordable on a **per-guest basis** because of their larger average capacity. As shown in Table 8:

- Coastal STRs average $321 per night, or $81 per guest.
- Coastal hotels average $342 per night, or $132 per guest.

The affordability gap is even more pronounced in **non-coastal** areas:

- Non-coastal hotels average $233 per night, or $90 per guest.
- Non-coastal STRs average $245 per night, or only $56 per guest.

Table 8: Comparing coastal and non-coastal Average Daily Rates (ADRs) for all STRs, including per guest.

Location	2024 ADR	2024 ADR Per Person
Coastal	$ 321.13	$ 81.34
Non-Coastal	$ 245.81	$ 56.07
Total Sample	$ 302.30	$ 75.02

Note: Total sample averages are weighted by the number of STRs in each region to better reflect the contribution of coastal and non-coastal listings.

Unlike hotels, STRs may include minimum stay requirements, often set by local ordinances. For example, Carmel-by-the-Sea and the City of Monterey require minimum stays of 30 days.
As shown in Table 9:

- 59% of STRs allow stays of 0 to 2 nights
- 27% require stays longer than one week
- Of those requiring 8+ night stays, 97% are located outside the official Coastal Zone boundary

Table 9: Short-Term Rental Minimum Stay Requirements by Coastal Zone Location in Monterey County.

Minimum Stay Duration	Number of Total Properties	Number of Properties in the Coastal Zone	Percent in the Coastal Zone	Number of Inland Properties	Percent Inland Properties
0-2 night minimum	5,237	1,660	32%	3,577	68%
3-7 night minimum	1,711	895	52%	816	48%
8+ night minimum	1,915	60	3%	1,855	97%
Total Properties	**8,863**	**2,615**		**6,248**	

Minimum stay requirements can limit weekend visitation and increase travel costs. For example, a $300 per night listing might be feasible for a two-night stay but unaffordable as a month-long rental. These policies disproportionately impact lower-income visitors who rely on short, affordable getaways and often have limited flexibility in their work schedules. Recent studies show that lower-income workers continue to have fewer remote work options since the COVID-19 pandemic.

4.3 Supply of Hotels Compared to STRs

The analysis presented in Section 4.2, Supply of STRs in Monterey County, demonstrates that short-term rentals (STRs) play an essential role in meeting overnight lodging demand. Monterey County's hotel market does not provide sufficient capacity, particularly during peak periods such as summer and weekends. STRs not only increase total lodging availability, but also offer greater flexibility, more affordable options, and accommodations better suited to families and larger groups, especially in areas underserved by traditional hotels, such as Big Sur.

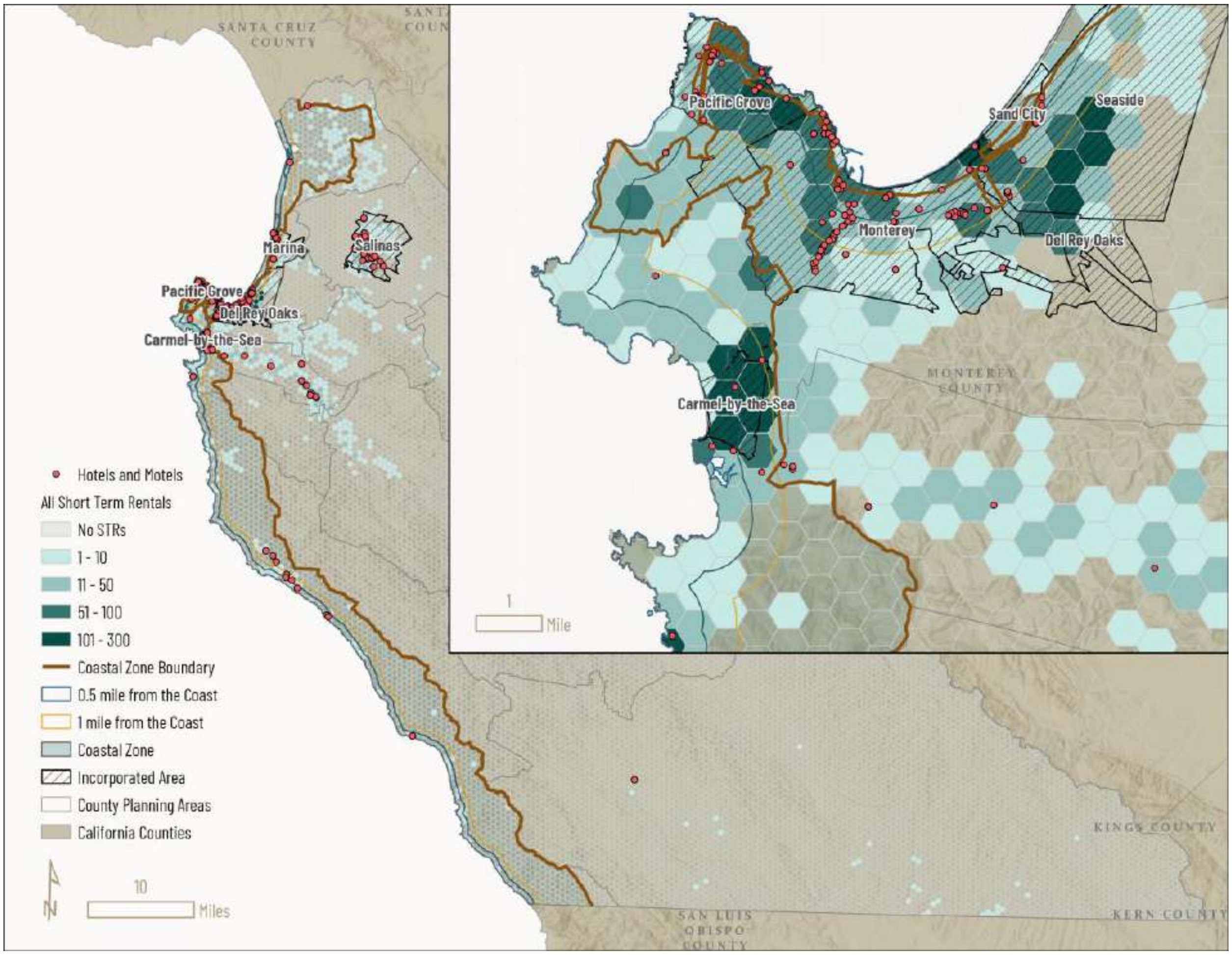
Demand for accommodation in Monterey County exceeds the 33,500-guest capacity of the 12,874 hotel rooms available. STRs provide an estimated additional 18,000 rooms countywide, with a total capacity of up to 43,500 guests based on average listed occupancy. This added capacity is critical for alleviating seasonal shortages, particularly during high-demand periods and in coastal regions where hotel supply is limited.

If one examines the demand and supply of overnight accommodations for the entire area under study, there is an excess demand of 31,880 visitors that cannot be met without short-term rentals or other additional overnight accommodation beyond current hotel supply. However, if one examines submarkets in the area, the mismatch between supply and demand is far greater. The Big Sur area is iconic but has few hotel accommodations most of which are quite expensive. Highway 1 closes frequently due to rockslides, mudslides, coastal erosion, etc. Even on a good day the trip from Monterey, which has economy hotels, to Big Sur is 40-minute drive each way. If Monterey County prohibits short-term rentals or imposes prohibitive license fees on those in Coastal Zone, it will impede access for those wishing to visit Big Sur specifically.

Restricting the supply of STRs under current demand conditions would likely worsen affordability challenges. According to basic economic principles, reducing supply while demand remains high drives prices up. STRs have become an increasingly important part of the lodging market because they offer more affordable and flexible options. This is especially true as the hotel sector continues to shift away from budget and midscale segments toward higher-priced accommodations.

Geospatial analysis further highlights this role. STRs are widely distributed along the Monterey County coastline and often serve areas where hotel development is limited or infeasible. As shown in Map 6, both STRs and hotels are concentrated in urban areas like the Monterey Peninsula. Along the Big Sur corridor, however, STRs represent the primary form of overnight lodging due to development constraints. Many STRs are also located within or adjacent to the California Coastal Zone, supporting access to the coast in areas where hotels are scarce.

These findings suggest that STRs are not simply a supplement to the lodging market. They are essential to meeting baseline visitor demand, particularly in coastal regions that lack traditional accommodations. Rather than adjusting demand estimates downward to reflect only those visitors directly accessing the coast, it may be more accurate to consider coastal visitation as a primary driver of overnight lodging needs throughout the county. This framing reinforces the importance of STRs in supporting continued public access and affordability in alignment with the California Coastal Act.



Map 6: Distribution of Short-Term Rentals and Hotels in Monterey County with Coastal Proximity Indicators.

This map shows the spatial distribution of short-term rental (STR) properties aggregated within a 0.25-mile hexagonal grid, alongside the locations of hotels and motels, the California Coastal Zone boundary, and proximity corridors at 0.5 mile and 1 mile from the shoreline. The map also shows incorporated city boundaries and county planning areas for geographic reference.

4.4 Accommodation Affordability

The California Coastal Act mandates the protection and provision of lower-cost visitor and recreational facilities. Specifically, Section 30213 states that these facilities "shall be protected, encouraged, and, where feasible, provided."

To evaluate the affordability of overnight accommodations in Monterey County, this analysis uses the California Coastal Conservancy's definition of Lower-Cost Coastal Accommodations (LCCAs)[10]. LCCAs are defined as lodging priced at 75% or less of the statewide average daily rate (ADR) for standard double-occupancy hotel and motel rooms during peak summer months (July and August) and located within the

[10] Lower-cost Coastal Lodging, California Coastal Commission (2025), https://www.coastal.ca.gov/lower-cost-coastal-lodging/ (last visited Apr 9, 2025).

Coastal Zone or within 1-mile of the coastline. This report applies that affordability threshold to both coastal and inland areas to allow a broader equity analysis.

According to Visit California and Smith Travel Research, the 2024 statewide average ADR for July and August was $195. Seventy-five percent of that value results in an LCCA room threshold of $146.25. On a per-person basis, assuming an average occupancy of 2.6 persons per room (based on national standards and the Monterey County Visitor Profile), the LCCA affordability threshold is approximately $56 per guest per night.

This analysis compares the affordability and availability of STRs and hotels in Monterey County using 2023–2024 data from AirDNA (for STRs) and Smith Travel Research (for hotels). To normalize for guest capacity, STR ADRs were divided by the stated maximum occupancy for each listing, while hotel ADRs were divided by 2.6.[11]

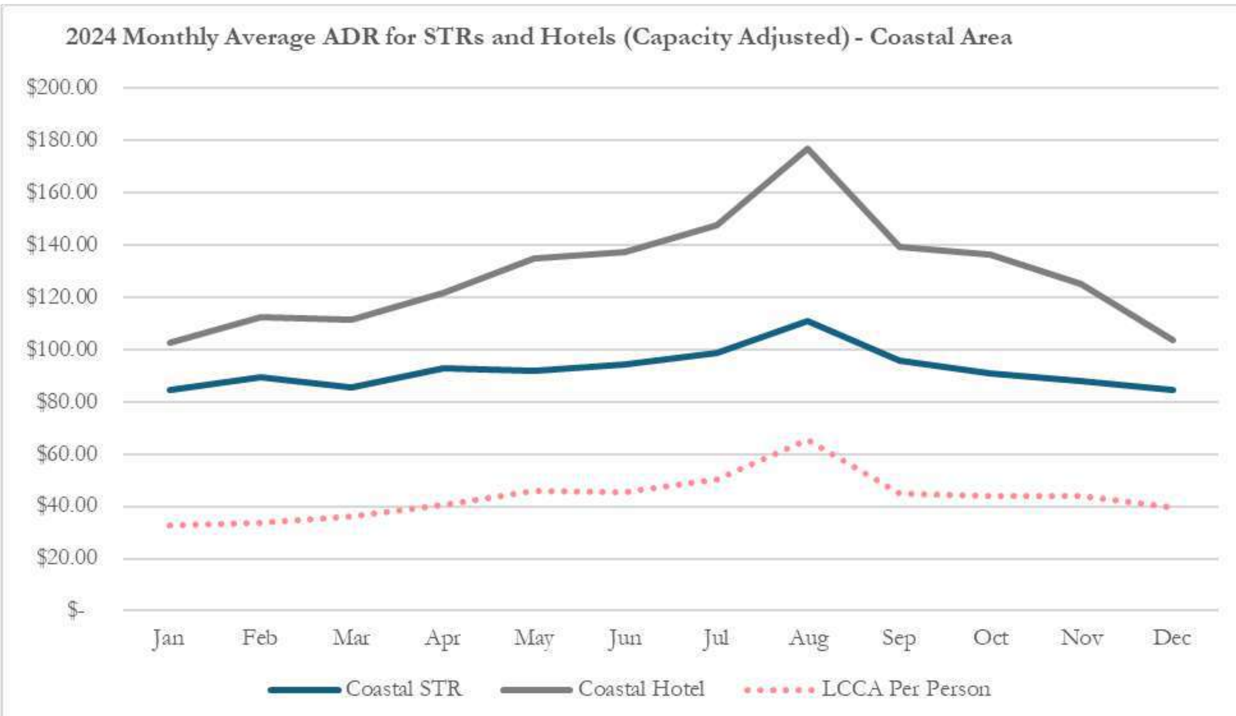


Figure 7: Comparing monthly ADRs for Coastal hotels and STRs.

Average daily rates (ADRs) per guest, standardized by occupancy, show that STRs offer significantly more affordable options than hotels across all months.

The comparison shown in Figure 7 highlights that STRs are consistently more affordable than hotel rooms in coastal Monterey County. STR affordability is largely due to higher guest capacity: the average STR accommodates about five people, with many listings hosting eight or more. In contrast, most hotel rooms accommodate only two to four guests. Moreover, STRs typically provide separate bedrooms, enhancing privacy and functionality for families and groups.

[11] Consistent with findings in the *Monterey County Visitor Profile Final Report*

Coastal hotels average more than $150 per person per night for much of the year and exceed $180 in August, the peak month. By contrast, coastal STRs average closer to $100 per person per night and experience less dramatic price spikes during peak seasons. Non-coastal STRs remain even more affordable, with many listings falling well below the LCCA threshold throughout the year.

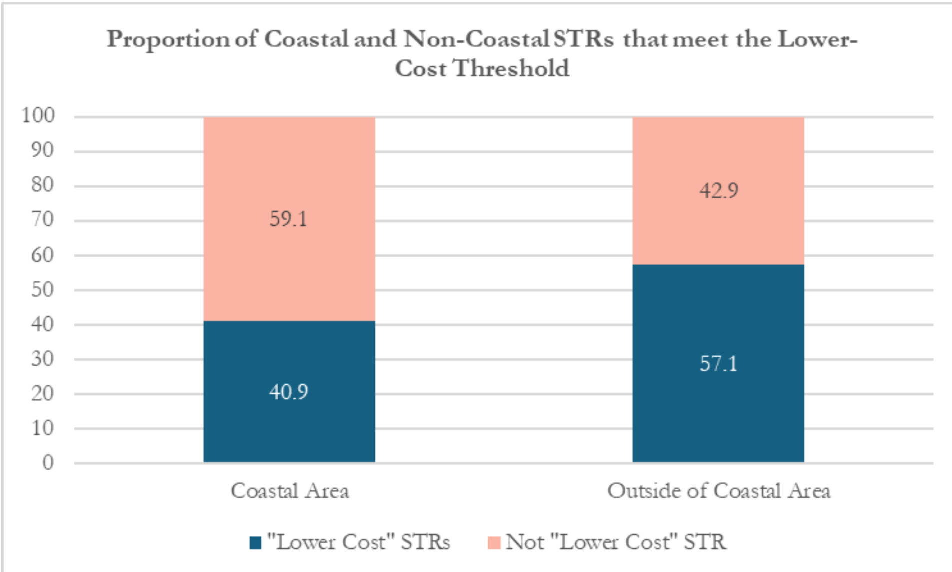
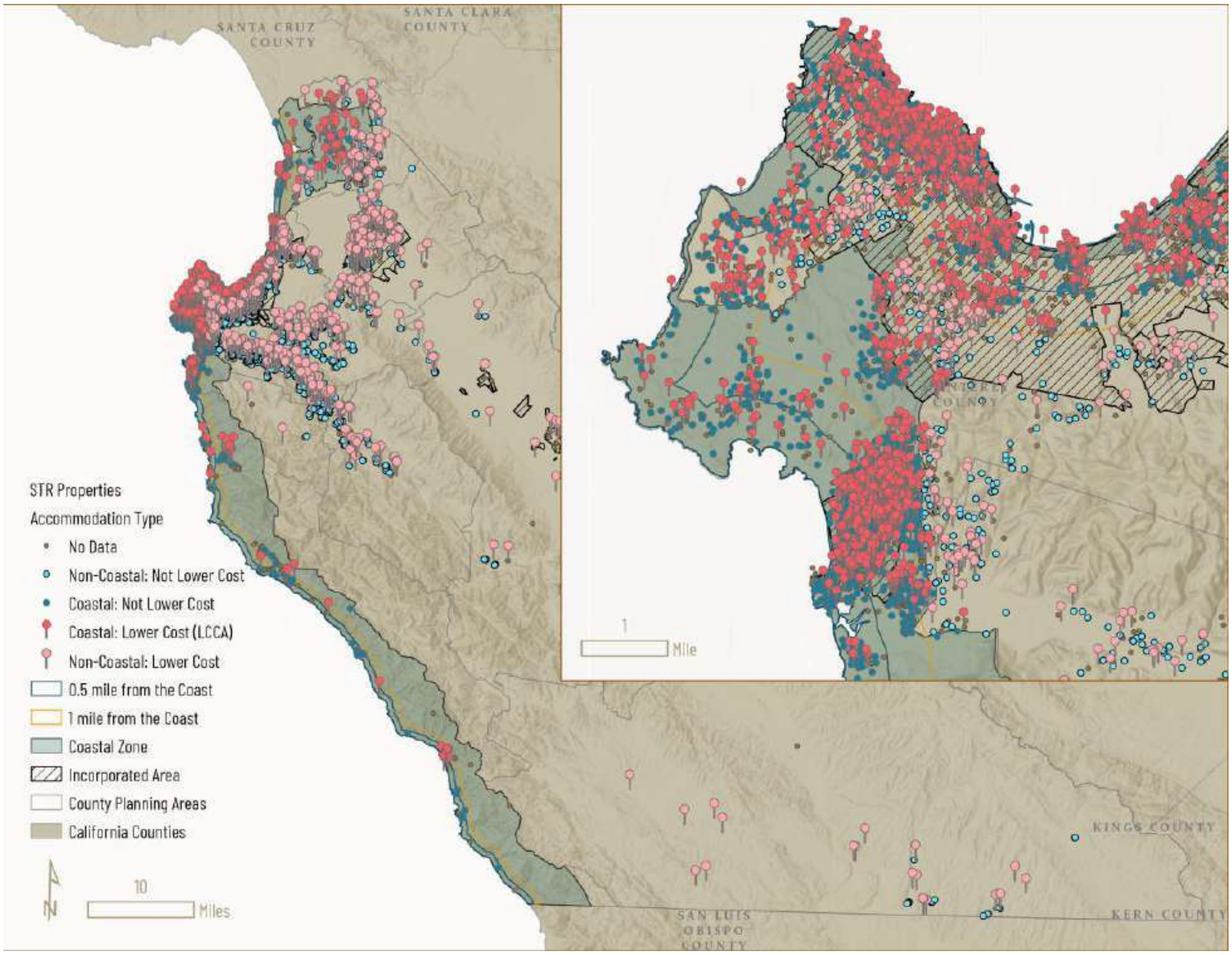


Figure 8: Proportion of Short-Term rentals in the coastal area (Coastal Zone and/or within 1-mile of the coast) and non-coastal areas that qualify as "lower-cost." *Lower-cost STRs within the coastal zone meet the definition of Lower-cost Coastal Accommodation (LCCA).*

While the average per-person ADR for all STRs in the coastal area exceeds the LCCA threshold, a substantial proportion of individual STR listings qualify as affordable. As shown in Figure 8, 41% of STRs located within the coastal area meet the "lower-cost" threshold on a per-person basis. 57% of STRs inland meet the threshold. This demonstrates that despite variability in STR pricing, many units, especially inland, provide lower-cost accommodation options that align with Coastal Act goals for public access and affordability. However, Figure 9 shows that there are more LCCAs than non-coastal "lower-cost" STRs.

Map 7 displays the location and affordability classification of STRs across Monterey County, based on the California Coastal Conservancy's definition of a Lower-Cost Coastal Accommodation (LCCA), set at $57 or less per guest per night for summer 2024. STRs are categorized into four groups: those meeting the LCCA threshold within the Coastal Zone and/or 1-mile of the coast (Dark coral), those qualifying as lower-cost inland (light coral), STRs that exceed the threshold (teal), and properties with insufficient data for classification (brown). The inset highlights the spatial clustering of LCCA on the Monterey Peninsula and the significant number of lower-cost accommodation in the inland Carmel Valley region.



Map 7: Geographic Distribution of Short-Term Rentals (STRs) by Affordability Classification in Monterey County.

This map displays STR properties across Monterey County and surrounding areas, symbolized by affordability status. STRs are classified as either lower-cost coastal accommodations (meeting the California Coastal Conservancy's LCCA threshold and within the Coastal Zone or within 1 mile of the coast), lower-cost inland accommodations, or not lower-cost. An inset provides additional detail for the Monterey Peninsula and Carmel Highlands.

Comparing the per-person nightly rate for all STRs to the lower-cost accommodation threshold, shown in Figure 9, reveals the greatest number of lower-cost accommodations are LCCAs. Approximately 18% of all STRs within 1-mile of the coast qualify as LCCAs, with most located in city jurisdictions. An additional 16% of STRs located inland of the Coastal Zone also meet the affordability threshold and can be considered "lower-cost". In contrast, 38% of STRs are priced above the $57 per-guest per-night threshold and are not considered low-cost, while 28% lack sufficient data for classification.

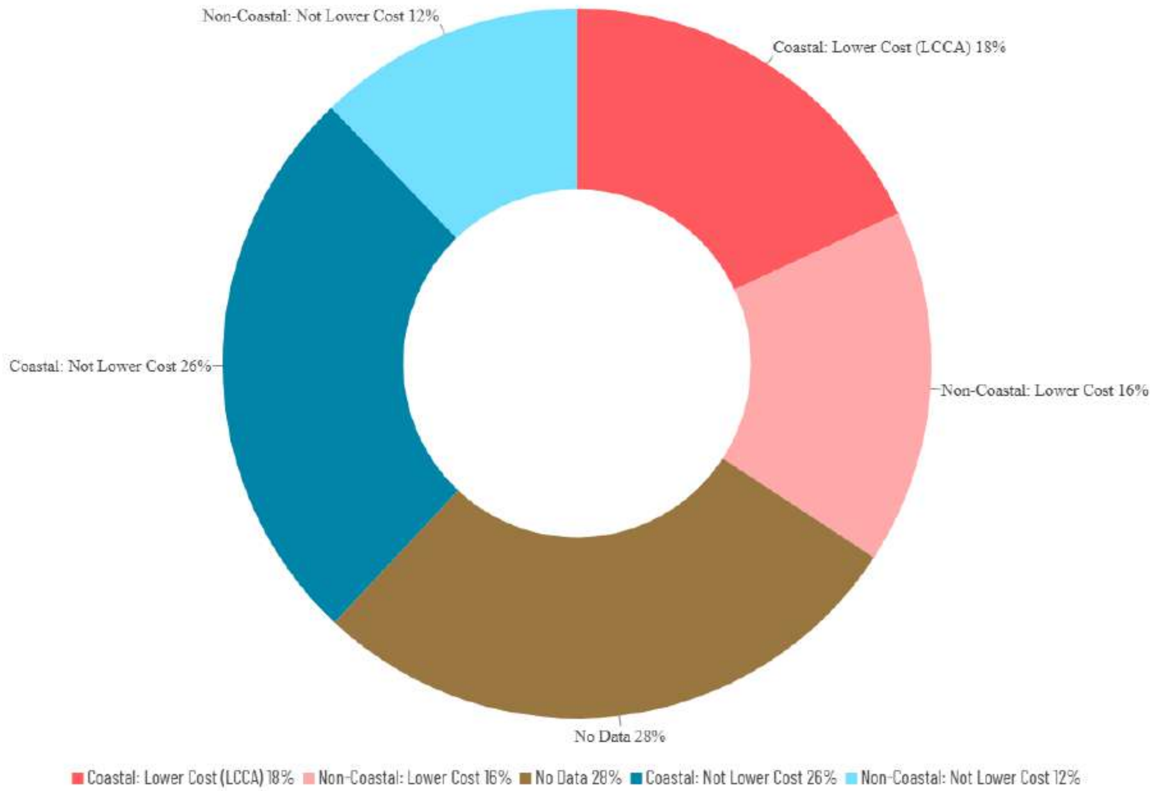


Figure 9: Distribution of Short-Term Rentals by Affordability Classification in Monterey County.
Distribution of STR Affordability by Coastal and Non-Coastal Location. This pie chart displays the share of short-term rentals (STRs) that qualify as lower-cost coastal accommodations (LCCAs), other lower-cost STRs located outside the coastal area, and non-lower-cost STRs in both coastal and non-coastal areas. Coastal STRs that meet the LCCA threshold make up 18% of the total sample, while 16% are lower-cost but located outside the Coastal Zone. Non-lower-cost STRs comprise 26% in coastal areas and 12% in non-coastal areas. The remaining 28% of STRs lack sufficient data for affordability classification.

4.4.1 Demand from Low-Income Visitors

Available and affordable accommodations will only help meet the California Coastal Commission's (CCC) goal of increasing access for all if there is sufficient demand from lower-income visitors. The visitation data for Monterey County show that demand is not only present, but also substantial. Additionally, nearly 50% of visitors earn below the California median household income[12], and their demand far exceeds the supply of lower-cost hotel rooms.

Figure 10 illustrates this dynamic by comparing estimated daily overnight demand from lower-income visitors to the available capacity in more affordable hotel categories ("economy" and "midscale"). The teal peaks (visitor demand) that rise above the coral line (hotel capacity) reflect periods when demand exceeds supply. Because individual hotel pricing data are not available, this analysis considers all hotels in the "economy" and

[12] The Placer.ai data is anonymized; therefore, it does not provide the travel distance and income information for each visitor. Rather, it aggregates the data into overall income distributions for all visors, including those closer than 100 miles. 50% of all visitors fall at or below the median income, and this same proportion was applied to overnight visitors.

"midscale" class represent lower-cost accommodations based on a sample of hotel room rates for July 2024. These hotel types collectively provide a capacity of about 4,200 guests. It is important to note that not all of these hotels would meet the LCCA (Lower-Cost Coastal Accommodation) threshold.

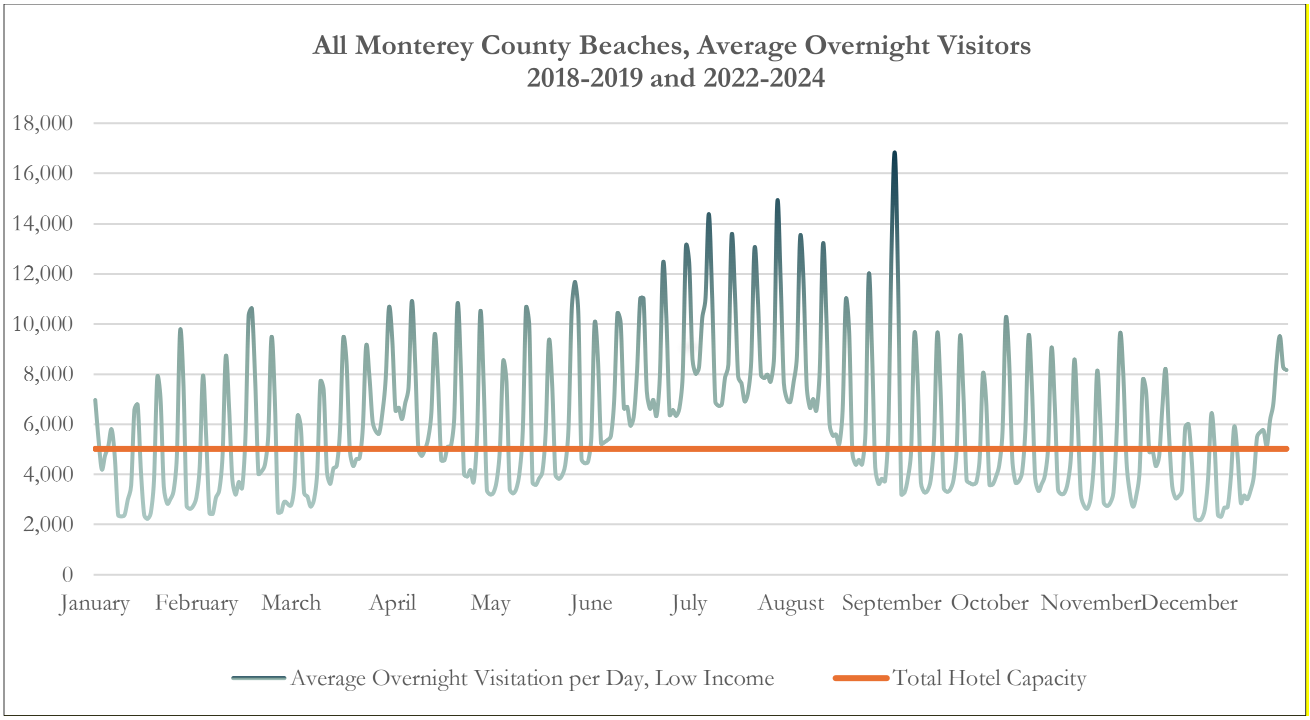


Figure 10: Daily demand from visitors earning below the state median income compared to estimated supply in affordable hotel categories.

Overall, the gap between demand and supply is persistent. Affordable hotel capacity falls short throughout the summer season and is particularly inadequate on weekends. For visitors with below the California median income, who often have limited flexibility in travel schedules, this lack of availability poses a significant barrier to coastal access. Table 10 breaks down this excess demand by region. In Table 10, the number of "Low Income Visitors" is defined as visitors with household incomes less than the California median income that live far enough away to warrant an overnight trip. The data indicate that the demand for lower cost accommodation in Monterey County is just over 2.2 million visitor nights per year.

Unfortunately, the supply of affordable accommodations (defined as "Economy" by Smith Travel Research) is limited to 1,931 rooms. Assuming 2.6 visitors per room, the total capacity if all rooms were occupied every night (100% occupancy) is just over 1.8 million, insufficient to meet the demand of 2.2 million. However, visitor demand is highly seasonal and much stronger on weekends. Taking actual demand trends into account, Monterey County hotels cannot meet the demand for affordable overnight accommodation for almost 600,000 (596,196 in Table 10 below) of the 2.2 million low-income visitors, resulting in a significant supply shortage. This is represented by the area between the trendline and hotel capacity indicated in Figure 10.

If one examines subregions of Monterey County, the concentration of "economy" hotels outside of these desirable coastal regions is clear. The Monterey Peninsula has fewer low-cost hotels, with only 221 affordable rooms. As with Monterey County overall, even if every affordable hotel room was filled every night the demand for affordable accommodation exceeds supply, creating a shortage of just over 125,000 visitor nights that cannot be accommodated with economy hotels alone. As before, if one factors in weekend and seasonal demand, the shortage becomes even greater, 139,193 visitor nights. Finally, the Big Sur subregion faces an even greater shortage of affordable accommodations with only 15 economy rooms in the entire region. This capacity (14,235) is completely inadequate to meet the demand of 285,618 per year.

Table 10: Excess demand for affordable accommodation over hotel room capacity, by region

	Entirety of Monterey County	Monterey Peninsula Only	Highway 1/Big Sur Only
Low Income Visitor Demand	2,202,400	334,905	285,618
Number of Affordable Rooms	1,931	221	15
Affordable Hotel Room Guest Capacity	1,832,519	209,729	14,235
Shortage at 100% Daily	369,882	125,176	271,383
Actual Shortage, Accounting for Weekend/High Season Demand	596,156	139,193	271,383

Note: Regional figures may sum to more than the overall total due to overlapping demand areas. □

For those seeking to stay overnight in Big Sur, lodging choices are extremely limited and generally expensive. As shown in Map 6, there are only seven hotels along this stretch of coastline, which has the most acute shortage of affordable options for traditional overnight accommodations. Big Sur is a 90-minute to two-hour drive each way from the Monterey Peninsula, assuming no closures or delays along Highway 1. These disruptions are becoming more frequent due to landslides and infrastructure vulnerabilities. As a result, a family vacationing in Monterey who wishes to visit Big Sur would need to spend nearly half a day driving round-trip.

Staying in a hotel often comes with additional travel-related expenses, particularly meals. Most hotels do not include kitchens, meaning guests must dine out for the duration of their stay. To evaluate these added costs, Ceto examined the U.S. General Services Administration (GSA) per diem rates and conducted a digital survey of dining options in coastal Monterey County.

The GSA sets per diem allowances for federal employees traveling on official business within the continental United States. For fiscal year 2024, the meals and incidental expenses (M&IE) rate for Monterey County is $74 per day, which includes $17 for breakfast, $18 for lunch, $34 for dinner, and $5 for incidental expenses.

A supplemental review of meal prices using Google Maps listings for restaurants in Monterey, Pacific Grove, Carmel, and Big Sur found an average daily cost of $82 per person for three meals a day at the average price of a meal listed by Google. Pacific Grove appears to be the most expensive location, followed by Big Sur. For a family of four, daily dining expenses can range from $212 to $267, slightly lower than the GSA per diem rate.

To illustrate the impact of STRs on trip affordability, consider a hypothetical example of a family vacation to Big Sur. A family of four with two adults and two children planning a July 2025 trip and booking in mid-May would face the following costs:

If the family were to stay in a traditional hotel, the least expensive option available might be a standard room at Lucia Lodge for two nights at $540 per night, totaling $1,080 before taxes and fees. While this includes breakfast, the room is small, with limited space for four people. A more comfortable option, such as a larger room at Hidden Valley Inn with two king beds and additional space, would cost approximately $1,200 per night or $2,400 for the two-night stay.

Meals would add significantly to the total cost. Without kitchen access, the family would need to dine out for all meals. Based on the regional average of $82 per person per day, the total for food would range from $212 to $267 per day for the family. Over a two-day stay, dining could cost between $424 and $534.

In total, the two-night trip would likely cost between $1,500 and $2,900, depending on the hotel selected and dining preferences. This estimate does not include transportation, park entrance fees, or other activities.

By contrast, a short-term rental with two bedrooms, kitchen facilities, and space for a family of four could be found for $500 to $700 per night. A two-night stay would total $1,000 to $1,400. With the ability to prepare meals, the family could reduce daily food expenses by preparing breakfast and dinner, potentially saving $200 or more across the trip. In this scenario, the STR not only reduces lodging costs but also allows the family to spend more time together comfortably, with fewer added costs and a more flexible itinerary.

This example underscores how STRs can make coastal vacations significantly more accessible for families, especially those seeking affordability and flexibility.

4.5 Market Summary

Table 11: Comparing STR and hotel supply, capacity, and affordability county-wide

Accommodation	Total Rooms	Total Visitor Capacity	Mean ADR	Mean ADR Per Person	Percent of Total Coastal Area Capacity
STRs	18,057	43,502	$ 302.00	$ 75.00	80%
Hotels	8,809	22,903	$ 316.00	$ 122.00	20%

The data on visitor demand and accommodation supply indicate that STRs play a vital role in Monterey County's lodging landscape. STRs help meet excess demand, particularly during peak periods, and provide a broader range of price points and geographic options to accommodate diverse visitor preferences.

STRs support affordability in multiple ways. Most offer kitchens, allowing visitors to reduce food costs by up to $267 per day for a family of four. STRs also provide larger living spaces, which make them especially attractive to families and groups, and contribute to lower per-person costs.

Key differences between hotels and STRs in Monterey County, as summarized in Table 11, include:

- **Affordability**: STRs are, on average, nearly $50 less per person per night. In other words, hotels are 60% more expensive per person than STRs.

- **Capacity**: STRs provide nearly twice the total guest capacity of hotels.
- **Coastal Access**: STRs account for 80% of total visitor capacity within the coastal area.

Together, these attributes demonstrate the critical role STRs play in expanding access to Monterey County's coastal destinations, particularly for visitors seeking affordable and flexible lodging.

These findings highlight the importance of short-term rentals in supporting both capacity and affordability across the county's overnight lodging market. As hotel development trends continue to favor higher-end offerings and as coastal demand remains strong across income groups, preserving a diverse and affordable STR inventory will be essential. Without policy support—especially for STRs that meet affordability thresholds and serve Coastal Zones—many cost-conscious visitors risk being priced out, undermining the access goals of the California Coastal Act. Sustaining STR availability is not only a housing or tourism issue, but a matter of public access and coastal equity.

5. Housing Market Context and STR Impacts

This section examines the relationship between short-term rentals (STRs) and the broader housing market in Monterey County. This analysis examines the full AirDNA dataset and therefore any property that has been listed as a short-term rental in the period from 2018 to 2024. Importantly, most of these properties are not listed every night or consistently across those years. Properties move in and out of use as STRs across the 2018 to 2024 period. There are 8,863 individual properties in the full dataset, however, in 2024, there were an average of 2,190 unique active properties listed on the STR platforms, or about one quarter of the total number of listings. The number of active listings is consistent across the 2018 to 2024 timeframe.

Property tax data indicate that a substantial share of properties (approximately 48%) function as second homes or investment holdings rather than primary residences. However, properties actively listed as STRs make up 2.2% of the total residential housing stock, and many of these listings are only available part-time when owners are not occupying the property. Over the 2018-2024 period, 10% of parcels have, at some point, been listed as an STR, which indicates highly variable listings, and few properties used as long-term, consistent STR. This suggests relatively few commercial listings in long term operation.

Overall, the housing market in Monterey County closely resembles broader trends observed across California's coastal regions. Affordability declines sharply as properties approach the coastline, where desirable location, restrictive zoning, and limited housing development contribute to the scarcity of available units. Home prices in coastal areas are roughly twice as high as those in inland regions, reflecting persistent supply constraints.

Within this context, where long-term access to coastal communities through ownership or rental is out of reach for most families across California, STRs provide an important mechanism for coastal access. They allow families and groups to visit high-demand areas, such as Big Sur or Carmel, that would otherwise be inaccessible due to the high cost of travel.

To understand the role of STRs within the housing landscape, this analysis used parcel-level assessor data for Monterey County from 2024. The following indicators informed the analysis:

- **Parcel location**, including whether a property lies within the Coastal Zone, within one mile of the shoreline, or within a County Planning Area (CPA).
- **Assessed value**, which reflects the taxable value set by the County Assessor. This figure typically lags behind current market price and serves as a proxy for long-term affordability.
- **Ownership classification**, based on the match between the taxpayer's mailing address and the parcel address. Properties with identical addresses were considered owner-occupied. Those with differing addresses were assumed to be second homes, investment properties, or used as STRs.

5.1 Monterey County Residential Property

Despite strong demand for coastal access, only a small share of residential parcels in Monterey County are located within the Coastal Zone, limiting opportunities for both housing and visitor accommodations in these highly desirable areas. As shown in Table 12, only 13% of all residential parcels lie within the Monterey County Coastal Zone. Furthermore, only 10% of all residential parcels are within a reasonable walking distance (half mile) of the coast, and 78% of residential properties are greater than 1-mile from the coast[13]. As discussed above, properties within the Coastal Zone have significantly higher assessed value[14] than those outside of the Coastal Zone. Residential parcels within the Coastal Zone are assessed at nearly three times the value of those outside the Coastal Zone (Table 12). The limited stock and high price of housing in the Coastal Zone suggests that this region is already unaffordable to most. Past research suggests that in areas where affordable housing is lacking, STRs do not significantly impact the housing market because the potential revenue gains have long since been recaptured, and housing price pressures are already so extreme that the entire area is unaffordable[15]. Prices in these areas, as with much of the California Coastal Zone, limit the ability for most to reside near the coast and therefore, reduce the ease of coastal access.

Table 12: Residential Parcels by Coastal Zone Location and Assessed Value

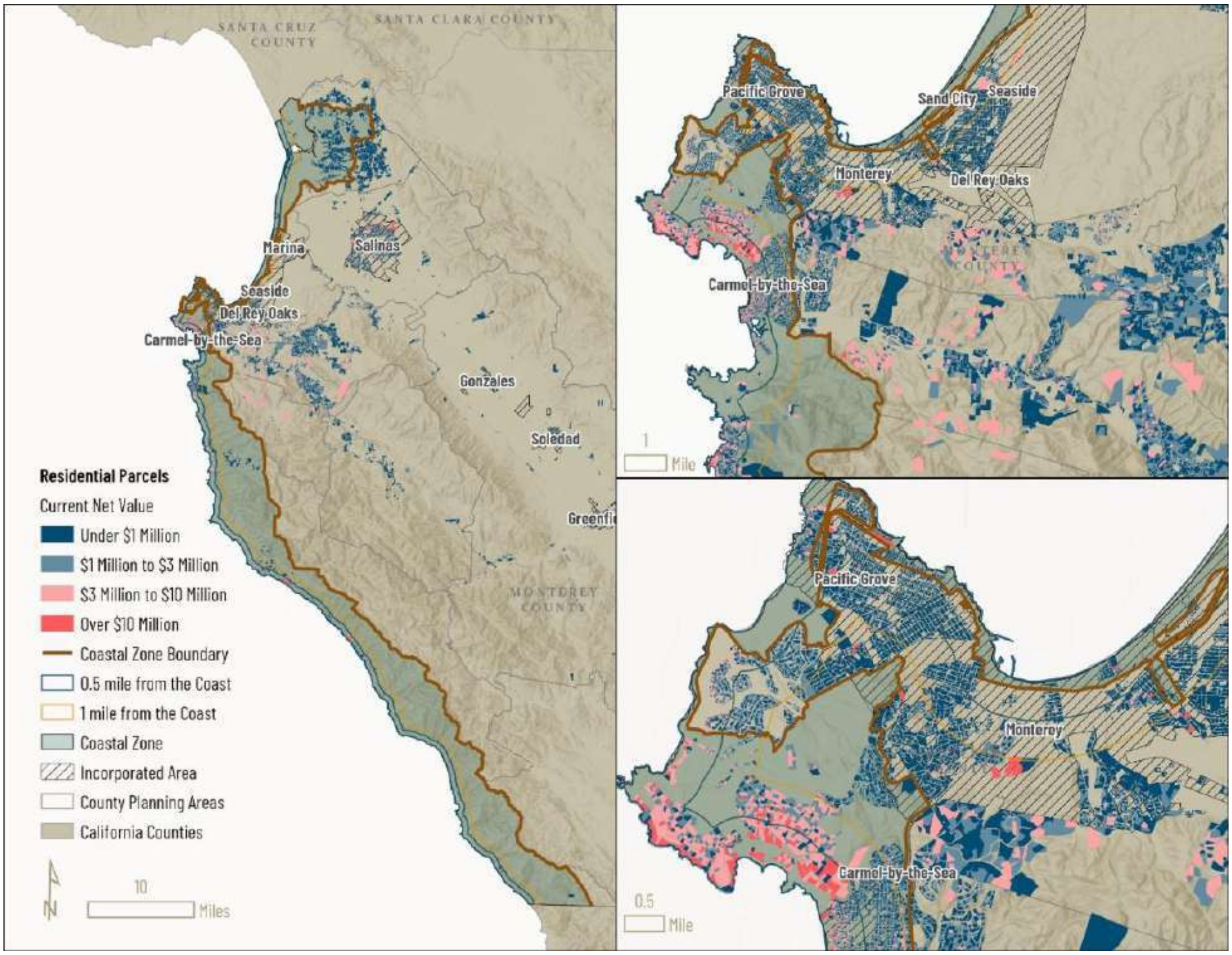
Area	Number of Parcels	% Residential Parcels	Assessed Value
Coastal Zone	13,029	13%	$ 1,494,584
Not in the Coastal Zone	85,497	87%	$ 536,725

The high assessed value of properties in the Coastal Zone is driven primarily by parcels near Carmel-by-the-Sea, in the unincorporated Pebble Beach community. Most properties here, as shown in Map 8, are valued over $3 million, with many over $10 million. In general, high-value residential properties (over $3 million) are heavily concentrated in the coastal communities, particularly within the Coastal Zone. In contrast, inland areas and much of north and south county exhibit lower parcel valuations.

[13] The Monterey County Coastal Zone does not extend a consistent geographic distance from the shoreline; in some areas it is much less than 1-mile wide and in others extend further inland. See *Figure 1* for a visual depiction.

[14] As accessed value is typically based on the property's purchase price at the time of acquisition, with adjustments allowed annually for inflation (limited to 2% per year under California's Proposition 13), the sale value or fair market value (FMV) of these properties is likely even higher than the property values provided by the Monterey County parcel data.

[15] See *Unequal Accommodations: Protecting Affordable Accommodations Along California's Coast,* https://news.airbnb.com/report-short-term-rentals-can-help-increase-access-to-california-coast/; Chapple, Karen. "Income Inequality and Urban Displacement: The New Gentrification." 2017. New Labor Forum26, no. 1: 84–93. https://doi.org/10.1177/1095796016682018; Freeman, Lance, and Jenny Schuetz. 2017. "Producing Affordable Housing in Rising Markets: What Works?" Cityscape 19, no. 1: 217–236. https://www.jstor.org/stable/10.2307/26328307.



Map 8: Current Assessed Net Value of Residential Parcels in Monterey County with Coastal Zone and Proximity Indicators.

This map displays the spatial distribution of residential parcels by current net assessed value, categorized into four valuation tiers ranging from under $1 million to over $10 million. The Coastal Zone boundary, along with 0.5 mile and 1-mile coastal proximity corridors, are shown for reference. Insets provide detailed views of valuation patterns on the Monterey Peninsula.

While assessed values provide useful insight into parcel-level ownership and long-term patterns, they significantly understate current affordability challenges; to capture market realities this analysis incorporates Zillow Market Trends[16] based on the Zillow Home Value Index (ZHVI). The Zillow data reflect more recent market conditions and is consistent with results from the parcel data: coastal communities are significantly more expensive than inland areas. For example, typical home values in the Coast-Big Sur CPA exceed $2.2 million, while homes in inland CPAs such as South County and Central Salinas Valley average approximately $519,000 and $738,000 respectively, below the statewide average ($784,840). Figure 11 compares the ZHVI average property price for submarkets within Monterey County in March 2025.

Despite the higher cost of coastal areas, it's important to note that home prices are relatively affordable compared to other markets within the state, especially other coastal areas, as indicated in Figure 11, which compares the average residential property price in California (according to Zillow) of about $750,000, with

[16] https://www.zillow.com/home-values/2444/monterey-county-ca/

average housing prices in different regions of Monterey County. Although prices in coastal areas such as Big Sur are higher, there are pockets of relative affordability predominantly in Salinas and residential communities along U.S. 101. As noted above, many State and local policies have limited residential development along the coast through restrictive zoning laws, raising costs.

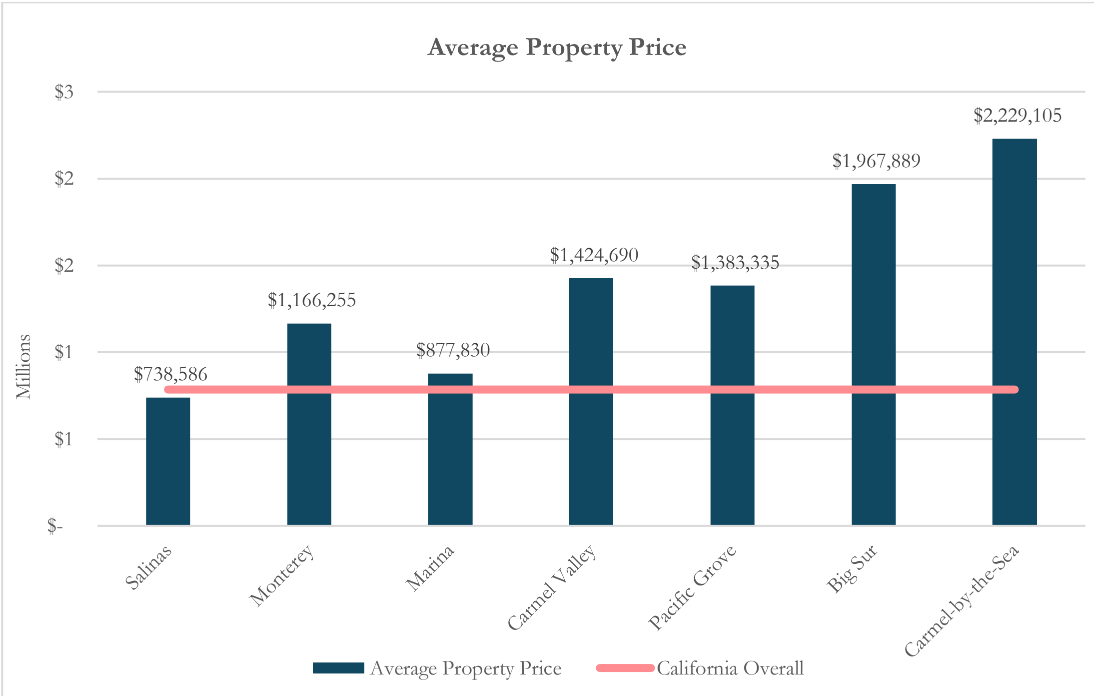


Figure 11: Average Residential Property Price in Monterey County

Rental prices across much of Monterey County are relatively close to the California state average. According to the U.S. Census, 47.7% of Monterey County's 146,000 housing units are renter-occupied[17]. Accounting for multifamily housing as indicated in the parcel data, rental properties make up approximately 52% of all properties not occupied by the owner, with the other 48% likely second homes (or primary residences held in trust). In other words, approximately 25% of all residential parcels are used as long-term rental housing. To examine rental prices in Monterey County, Ceto used Zillow Rental Market Trends to capture the current rental market in Monterey County[18]. For example, the City of Monterey reports an average rent of $2,480, less than $100 above the statewide average. Rents in Marina, Pacific Grove, Carmel Valley and even Big Sur are less than 20% above the State average. Inland, Salinas has average rents under $2000 a month, 20% below the State average. This suggests that STRs have made minimal impact on the long-term rental market in Monterey County.

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[17] U.S. Census Bureau. (n.d.). *Monterey County, California – QuickFacts*. Retrieved June 9, 2025.
[18] Rent Comparison Tool & Rental Market Trends data | Zillow rental manager, Rental Market Trends (2025), https://www.zillow.com/rental-manager/market-trends/ (last visited Apr 9, 2025).

5.2 Occupancy and Ownership

To better understand the role of STRs within the housing stock, this analysis examined parcel ownership data to estimate the proportion of homes used as investment properties or second homes. The parcel ownership data reveals that nearly half (48%) of all residential properties in Monterey County are not owner-occupied (Table 13; Figure 16). This analysis compares the parcel address to the taxpayer mailing address to infer about ownership and occupancy. Parcels registered to a taxpayer at that address are likely owner occupied, a primary residence[19]. All properties where the taxpayer address differs from the parcel address are considered investment properties (long-term or short-term rental) or vacation homes for the purposes of this analysis, however, some of these properties may be owner-occupied but registered to a family trust or LLC for tax purposes.

Table 13: Distribution of residential parcel ownership in Monterey County.

Category	Number of Parcels	% Residential Parcels
Owner-Occupied	51,238	52%
In-County Owners	27,099	28%
Out of County CA Owners	17,075	17%
Out of State Owners	3,114	3%

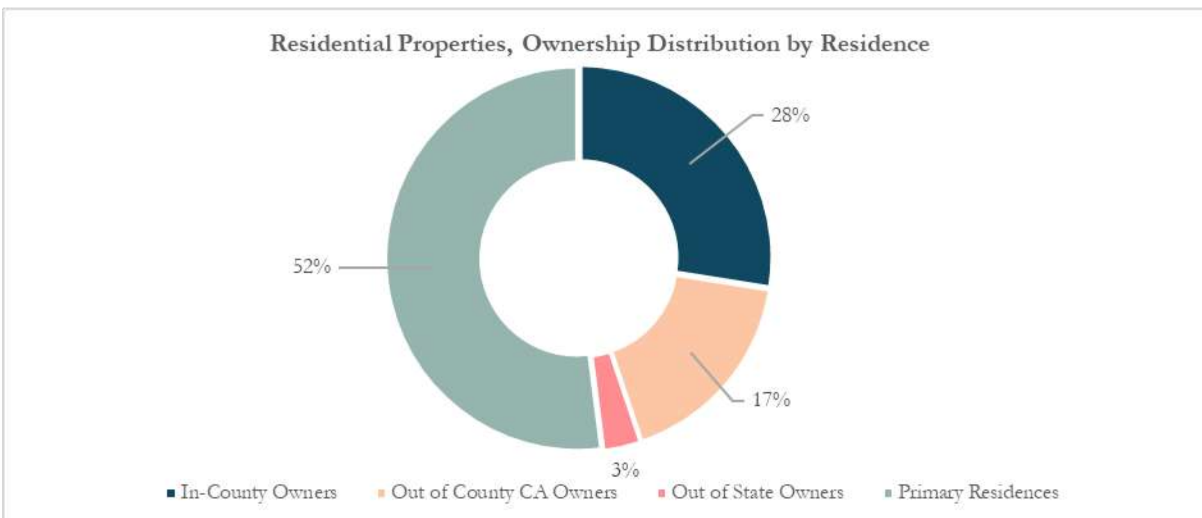


Figure 12: Ownership Distribution of Residential Properties in Monterey County by Owner Residence. *This donut chart displays the distribution of residential property ownership based on the owner's place of residence. Approximately 52% of residential parcels are classified as primary residences, where the owner's mailing address matches the property address. Among non-primary residences, 28% are owned by individuals with a mailing address in Monterey County, 17% by California residents outside the county, and 3% by out-of-state owners.*

The comparative analysis found that just over half (52%) of parcels are likely owner-occupied, primary residences with the taxpayer living at the parcel address. Of the 98,526 residential parcels in the County, 47,288 are registered to another address. Twenty-eight percent of all parcels are registered to a taxpayer at

[19] Importantly, an owner-occupied property may be used as a *hosted* STR.

another address in Monterey County[20], while 17% are registered to a taxpayer at a California address outside of the County, and 3% to a taxpayer outside of California (Figure 12). As noted above, 52% of these parcels are estimated to be long-term rentals, the other 48% are most likely vacant investment holdings, second homes, or held in trust, with a small proportion (5%) listed for STR in a given month.

5.3 Distribution of STRs

While parcel ownership patterns reveal many non-primary residences along the coast, the STR listing data shows that **only a small fraction of these properties have been listed as short-term rentals between 2018 and 2024.** Short-term rental (STR) listing data from 2018 to 2024 includes 8,863 total listings, representing less than 9% of all residential parcels in the county at one point used as a STR. This includes the 547 properties that have been used as *hosted* STRs, where the primary resident is present while the STR is rented. Properties that have been listed as *unhosted* STRs alone account for approximately 18% of residential parcels not occupied by the taxpayer, that is, parcels where the owner's mailing address differs from the property address. Out of total housing stock, properties that have been listed as unhosted STRs account for 7% of all properties. **Active STR listings for 2024 indicate 2,190 average STRs operational and available per month, or 2.2% of all properties. Importantly, having been listed as an STR in the dataset does not indicate that a property is used primarily as a STR or that it is rented every night.**

STR distribution and prevalence reflects visitor demand, STRs make up a greater proportion of Coastal Zone residential properties compared to properties outside of the Coastal Zone. Of the just over 13,000 of total residential properties within the Coastal Zone, 25% have been listed as an STR (hosted or unhosted) at some time between 2018 and 2024. However, monthly, less than 1,000 properties are listed as active STRs in the Coastal Zone, less than 8% of Coastal Zone properties. Outside of the Coastal Zone, only 6% of the nearly 86,000 properties have ever been listed as STRs between 2018 and 2024.

Comparing STR locations, as reported by AirDNA, to the County parcel database reveals that the share of housing stock used as short-term rentals varies significantly across County Planning Areas (CPAs). Since hosted STRs are likely to be owner-occupied properties (or a long-term rental), hosted STRs were omitted from this analysis. Unhosted STRs are most prevalent in coastal CPAs which offer some of the most desirable coastal access in Monterey County, but their exclusivity, driven by both property price and hotel scarcity, limits access for most Californians. In this context, STRs may provide one of the only means for broader public use of high-value coastal neighborhoods. As shown in Table 8, coastal STRs are relatively affordable, averaging $81 per person per night with many less than $50 per person, and therefore open greater opportunities for access.

Table 14: Distribution of STRs within County Planning Areas (CPAs) compared to residential parcels

Area	Number of Residential Parcels	Number of STRs	Percent of Total Properties Used as Unhosted STRs
Inland CPAs: Central Salinas Valley, Greater Salinas, North County, South County	47,559	536	1%

[20] Ceto's preliminary analysis determines owner's residence within the county by Zip Code. However, some Zip Codes may correspond to multiple counties. Therefore, some Monterey County owners may reside in adjacent counties in the Monterey region.

Coastal CPAs: North County LCP, Moss Landing, Greater Monterey Peninsula, Del Monte Forest, Carmel LUP, Coast-Big Sur	40,702	5,260	13%
Near-Coastal CPAs: Cachagua, Carmel Valley, Fort Ord, Toro	10,265	963	9%
Total	98,526	6,759	7%

County Planning Areas (CPAs) that include the Coastal Zone (noted in Table 14 as "Coastal") exhibit the highest share of unhosted STRs, the strongest visitor demand, and the least affordable for-sale housing stock. In the Coastal CPAs, STRs comprise 13% of all residential parcels. In Near-Coastal (Cachagua, Carmel Valley, Fort Ord, Toro), STRs comprise 9% of all residential parcels. In these high-cost areas, STRs may serve as one of the few remaining mechanisms for broader public access, particularly for visitors and families who cannot afford to purchase or rent homes near the coast.

Limiting STRs in coastal communities without a corresponding strategy to meet visitor demand may shift short-term rental pressure inland, where homes are more affordable but not designed to absorb tourism-driven use.

6. Monterey County Policy Jurisdiction

Monterey County has jurisdiction over all unincorporated areas, which make up 98% of Monterey County and include 32% of parcels and 42% of all STRs. These STRs provide 8,458 total rooms and 32% of total guest capacity in the County (including hotels). Comparing affordability of STRs under county and city jurisdictions, shown in Table 15, reveals that the County has jurisdiction over 25% of all LCCAs in the Coastal Zone and in the coastal area outside the Coastal Zone, but within 1 mile of the coast[21] and 37% of all lower-cost accommodation outside the Coastal Zone and coastal area, for 31% of all "affordable" STRs. While the majority of lower-cost accommodations fall under the jurisdiction of various cities, including Monterey and Carmel-by-the-Sea, the County has jurisdiction over all the LCCAs in less developed areas, like the Big Sur coast. Affordable STRs under City and County jurisdiction have similar per-guest rates averaging between $34 and $37 per night.

Table 15: Distribution of STRs considered Lower-Cost Coastal Accommodation by Jurisdiction in Monterey County.

Affordability Status	STRs in City Jurisdiction	STRs in County Jurisdiction	STRs in All Jurisdictions	Percent of STRs Under County Jurisdiction
LCCA ($57 or less per guest per night and within Coastal Zone and 1-mile of the coast)	1,189	404	1,593	25%

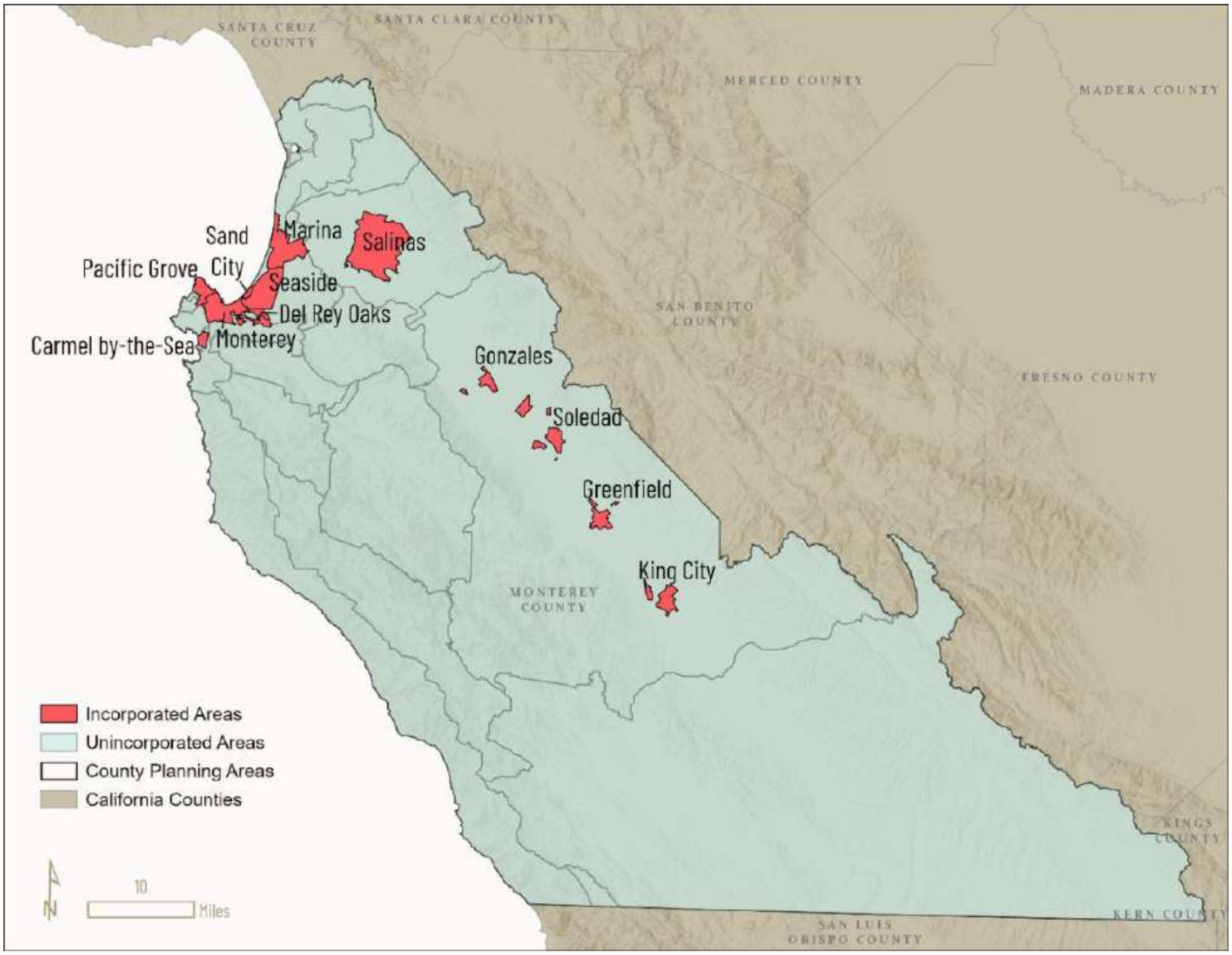
[21] Based on the California Coastal Conservancy's definition of Lower-Cost Coastal Accommodations (LCCAs), which are priced at or below 75% of the statewide average daily rate (ADR) for hotels during the summer season. Using STR data from Visit California for June ($192), July ($200), and August ($194) of 2024, the average statewide summer ADR is $195. Applying the 75% threshold ($146.25) and adjusting for average hotel room occupancy (2.6 guests per room), the per-person LCCA threshold is set at $57 per guest per night.

"Lower-cost" ($57 or less per guest per night, outside of Coastal Zone and greater than 1-mile from the coast)	898	536	1,434	37%
Unaffordable (does not meet definition of lower cost)	1,601	1,766	3,367	52%
Total STRs	3,688	2,706	6,394	42%

Note: for 2,469 STRs, AirDNA data was insufficient to determine LCCA status. Most of these properties did not provide consistent ADR or occupancy information necessary to determine the per-person, per-night rate.

6.1 Incorporated Areas

Monterey County has 12 incorporated cities: Carmel-by-the-Sea, Del Rey Oaks, Gonzales, Greenfield, King City, Marina, Monterey, Pacific Grove, Salinas, Sand City, Seaside, and Soledad. These city boundaries encompass approximately 69 square miles of the county's total 3,313 square miles, or about 2% of the land area. The remaining 98% of the county is unincorporated and subject to Monterey County's land use and zoning jurisdiction. This distinction is critical for understanding the regulatory responsibilities and tax revenue flows associated with short-term rental activities, as nearly half of these properties fall under county rather than city jurisdiction. Map 9 situates the 12 incorporated cities within Monterey County and shows their geographic extent.



Map 9: Incorporated Cities of Monterey County.

The map shows the boundaries of the 12 incorporated cities within Monterey County: Carmel-by-the-Sea, Del Rey Oaks, Gonzales, Greenfield, King City, Marina, Monterey, Pacific Grove, Salinas, Sand City, Seaside, and Soledad. These cities collectively represent approximately 2% of the county's total land area, with the remaining 98% classified as unincorporated and under county jurisdiction.

6.2 STRs Under County Jurisdiction

Comparing listings across incorporated and unincorporated areas, as shown in Figure 13 below, shows the distribution of STRs. As indicated, the majority of STRs are within unincorporated areas, the planning area called "the Greater Monterey Peninsula." This area encompasses both the coastal region north of Monterey and the unincorporated area along Carmel Valley Road extending inland.

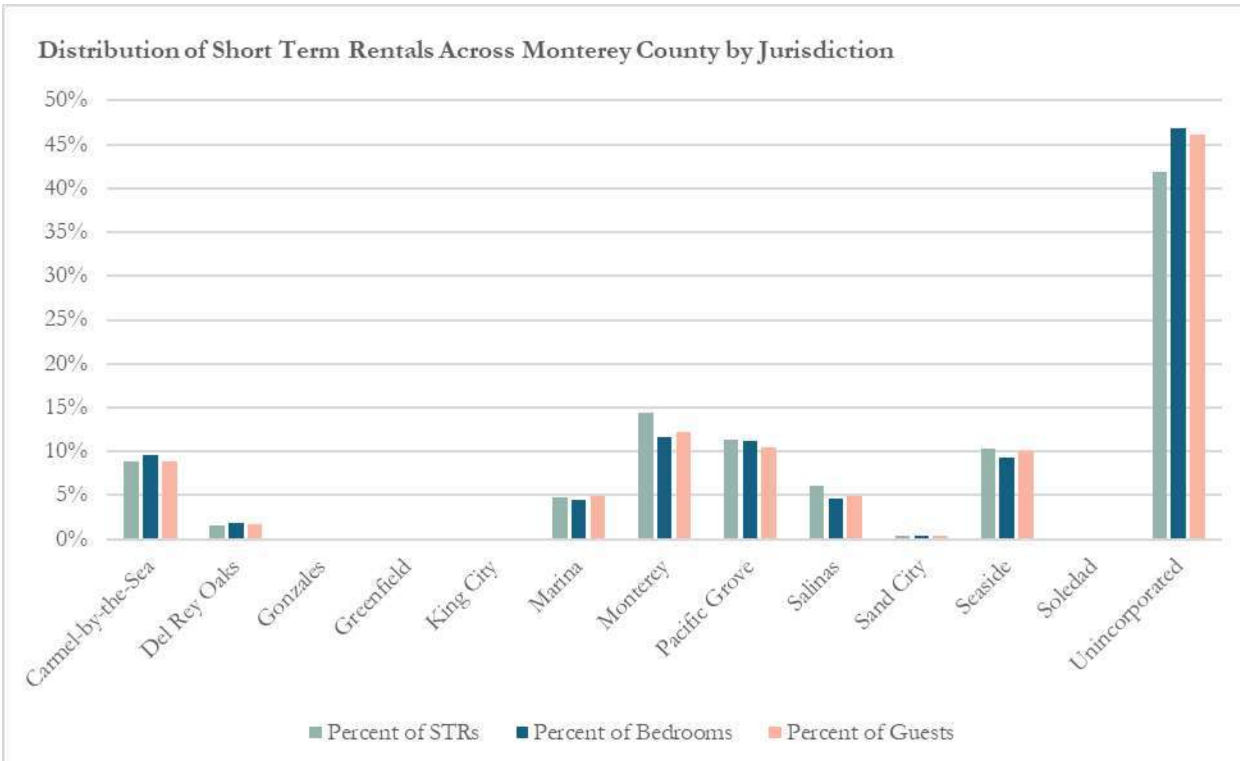


Figure 13: Distribution of Short-Term Rentals and Visitor Capacity by Jurisdiction Type in Monterey County. *The table summarizes the number of short-term rental (STR) properties, total bedrooms, and estimated guest capacity within incorporated cities and unincorporated areas of Monterey County. While incorporated cities account for 58% of STR properties and 54% of total guest capacity, unincorporated areas provide a substantial 42% of STR inventory and 46% of guest capacity.*

Each incorporated area regulates the STRs under their jurisdiction, while those STRs outside of incorporated areas are regulated by Monterey County.

- **Salinas** does not explicitly address short-term rentals under current regulations but has attempted to enforce a silent ban on short-term rentals of less than 30 days.
- **Carmel-by-the-Sea** bans all STRs of less than 30 days in most residential zones; however, STRs are allowed in certain commercial (CC, SC, RC) and multi-family (R-4) districts under two types of permits: Legal Non-conforming (for units operating before Ordinance 2019-03) and Housing Incentive Permits (allowing one STR for every three new rental units created). All such uses remain prohibited in the R-1 (single-family residential) zone.
- **City of Monterey** strictly prohibits all STRs under 30 days across all residential zones. The city actively enforces this regulation and encourages residents to report illegal STR activity to its Code Compliance Division.
- **Del Rey Oaks** allows up to 25 STR licenses citywide, a limit that has already been reached. Only properties with an approved Short-Term Rental License may operate, and hosts must comply with display, occupancy, and other local requirements.

- **Marina** permits STRs only in owner-occupied homes. Long-term rental properties and accessory dwelling units (ADUs and JADUs) are not eligible. STR operators must obtain a permit from the city and comply with its zoning and occupancy rules.
- **Pacific Grove** allows STRs only in designated Coastal and Commercial zones. Home-sharing, defined as renting part of a home while the owner is present, is permitted citywide. Both types require city licenses, and operators must pay a 12% transient occupancy tax (TOT). The city also enforces license caps and density limits to manage STR concentration.

Monterey County Unincorporated Areas

As of October 2024, the County requires non-coastal STRs, those outside of the Coastal Zone to be limited to only 4% per each planning area, which will result in a substantial share of existing rentals ceasing operation. The county imposes different limits on STRs based on three classifications:

- **Homestay:** A hosted STR. Allowed throughout the county, but frequency limited to one rental per seven-day period.
- **Limited Vacation Rental:** An unhosted STR rented three or fewer times per year. Allowed throughout the county but frequency limited to one rental per seven-day period.
- **Commercial Vacation Rental:** An unhosted STR rented more than three times per year. No frequency cap but excluded from or severely restricted in the residential zones of the Coastal Zone in Big Sur, the Carmel Area Land Use Plan area (including the Carmel Highlands) and Moss Landing.

The AirDNA data indicates that the areas in which Commercial Vacation Rentals are eliminated or restricted are popular and significant visitor destination areas possessing significant recreational value. Big Sur is one of the most desirable locations to visit, and already (as indicated before) has a severe deficit of overnight accommodations, especially affordable options.

Finally, the County's regulations require owners and operators to comply with multiple additional requirements, including a business license, a vacation rental operation license and, for Commercial Vacation Rentals, a Use Permit (inland) or Coastal Development Permit (Coastal Zone). These requirements can result in increased costs and thus further reduce the supply of affordable accommodations[22].

The County is waiting on Coastal Commission approval to be able to apply these regulations in the Coastal Zone. This Coastal Zone covers 404 existing LCCA STRs, and the imposition of the new regulations and associated fees and other costs will likely decrease the supply of affordable STRs and directly increase ADRs to cover permitting fees and costs. Furthermore, the decreases in supply will, according to economic principle, indirectly drive up ADRs**. Of the total supply of STRs, 11% can be considered lower cost under the state Coastal Conservancy definition of affordable *and* are within County land use and zoning jurisdiction. These STRs are most vulnerable to closure with the increased operating costs under the proposed regulations. If they don't close, they will likely have to raise rates to offset the additional costs and may no longer be considered lower-cost accommodations. This adversely impacts visitor access to the coast.**

Overall, the county's coastal and inland regulations, taken together, directly affect 42% of all STRs, and 31% of all LCCAs across the entire county jurisdiction. The county's proposed coastal ordinance will likely result

[22] See *Unequal Accommodations: Protecting Affordable Accommodations Along California's Coast,* https://news.airbnb.com/report-short-term-rentals-can-help-increase-access-to-california-coast/.

in less access to the coast and fewer affordable options in Monterey County. Furthermore, if excess demand persists or grows, it may result in increased numbers of STRs further inland, in areas with lower income populations, more affordable housing stock, and less visitor-serving infrastructure.

7. Recommendations

This report finds that short-term rentals (STRs) are essential to meeting Monterey County's visitor demand for overnight lodging. STRs provide much of the County's capacity, especially for lower-income visitors and those traveling with families, filling gaps left by a hotel sector that is increasingly focused on high-end accommodations.

While Monterey County's hotel market is stable and maintains occupancy rates above 60%, it does not fully meet the needs of today's travel market. Demand in Monterey County is driven heavily by leisure travel, peaking on weekends and during summer months. These patterns pose challenges for traditional hotels, particularly budget hotels that rely on more consistent occupancy. Following the COVID-19 pandemic, the hotel market has shifted decisively toward upper midscale and luxury classes. Since 2019, the County has lost 6% of its economy hotel rooms while gaining significant capacity in more expensive segments.

STRs are better suited to meet the County's seasonal and weekend-focused travel demand. They offer more flexible booking options, kitchens that reduce trip costs, and larger spaces that accommodate families and groups. In areas like Big Sur, where hotel development is severely limited, STRs are often the only available accommodations. On a per-person basis, many STRs meet affordability thresholds under the California Coastal Conservancy's definition of lower-cost coastal accommodations (LCCAs), particularly because they accommodate more guests per unit than hotels.

Restricting STRs under current market conditions would likely reduce the overall supply of affordable accommodations. As the report shows, roughly half of all coastal visitors fall below the California median income. STR restrictions would therefore disproportionately impact lower-income households and undermine the Coastal Act's commitment to maximizing public access.

Options for Monterey County

1. Expand Coastal-Zone Accommodations

Encourage or incentivize the development and permitting of lower-cost hotels, hostels, motels, and STRs within or near the Coastal Zone. This is particularly important in areas underserved by affordable options, including Big Sur and inland visitor corridors.

2. Reform STR Policies to Support Affordability

Simplify STR permitting processes, reduce associated fees, and promote enforcement-oriented Good Neighbor policies. These policies, already in place in cities like Santa Cruz and San Diego, include occupancy caps, 24/7 local contact requirements, neighbor notification, and enforcement for nuisance complaints. They offer a framework to maintain community standards without eliminating access.

3. Incentivize Affordable Lodging

Consider mechanisms such as reduced permitting costs for affordable STRs, in-lieu fees to fund new low-cost accommodations, or set-aside requirements in new developments. For example, developers could be required to include hostel-style lodging or family-friendly lower-cost units. Public or nonprofit subsidies may be needed to support these efforts.

4. Expand Access Programs for Underserved Communities

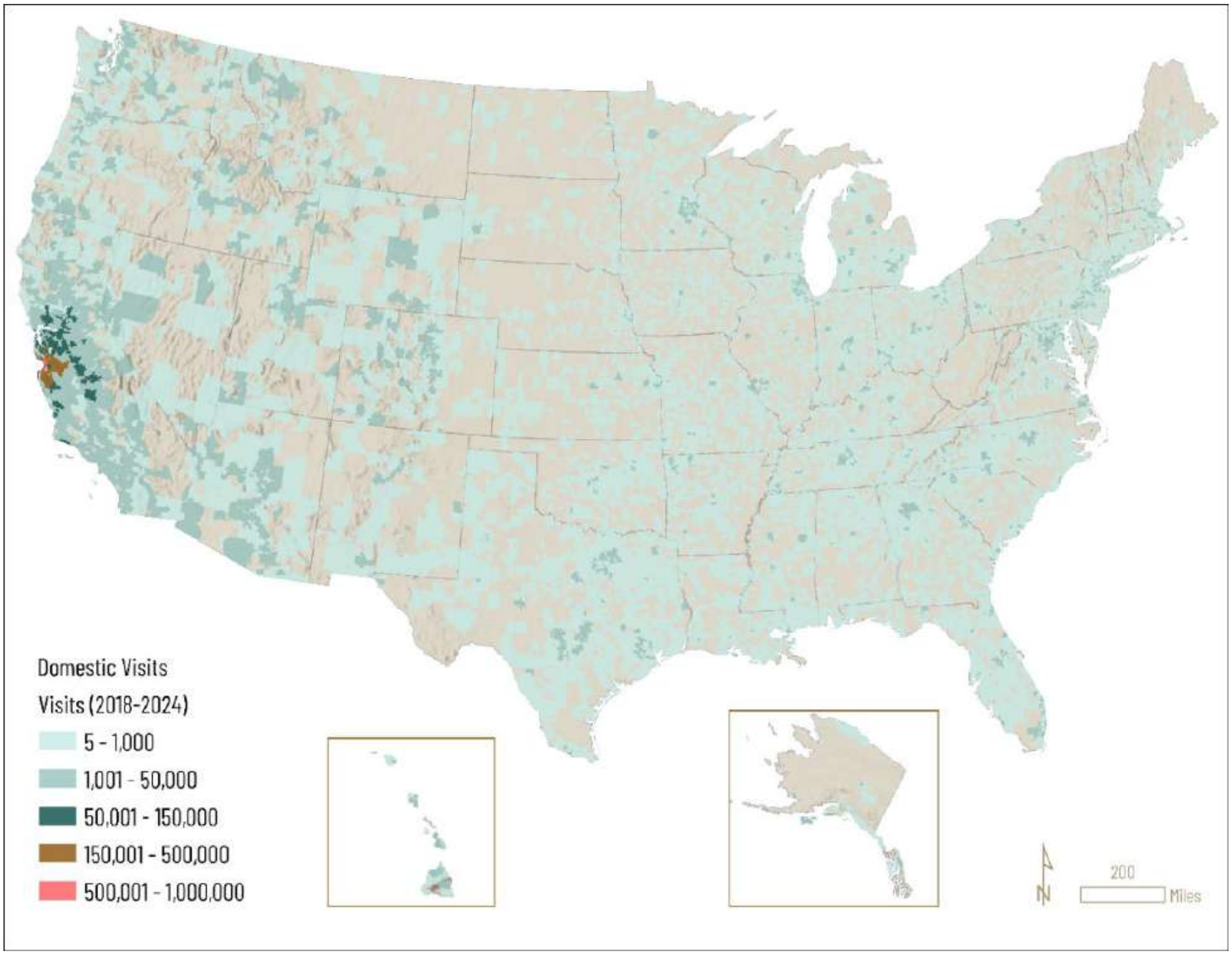
Include STRs as eligible accommodations in State-supported access programs such as "Explore the Coast Overnight," which currently focuses on campgrounds and hotels. Voucher or subsidy-based systems could help broaden access to coastal trips for lower-income Californians.

5. Align Local Coastal Programs with Coastal Act Mandates

Update Local Coastal Programs (LCPs) to recognize and support the essential role STRs play in implementing Chapter 3 of the Coastal Act. Current LCPs are often silent on STRs, despite their significance in providing coastal access for lower- and moderate-income visitors. Public Resources Code § 30210 requires that "maximum access . . . for all the people" be provided to the coast, while § 30213 mandates that lower-cost visitor-serving accommodations be protected, encouraged, and, where feasible, provided. In Monterey County, STRs are filling this need in ways the hotel market no longer can. LCP updates should acknowledge this function and avoid blanket restrictions that reduce availability or affordability. STR-specific policies must be crafted to ensure that lower-cost units, particularly those in the Coastal Zone and proximity corridors, remain accessible to the public.

Appendix A: Domestic Visitation

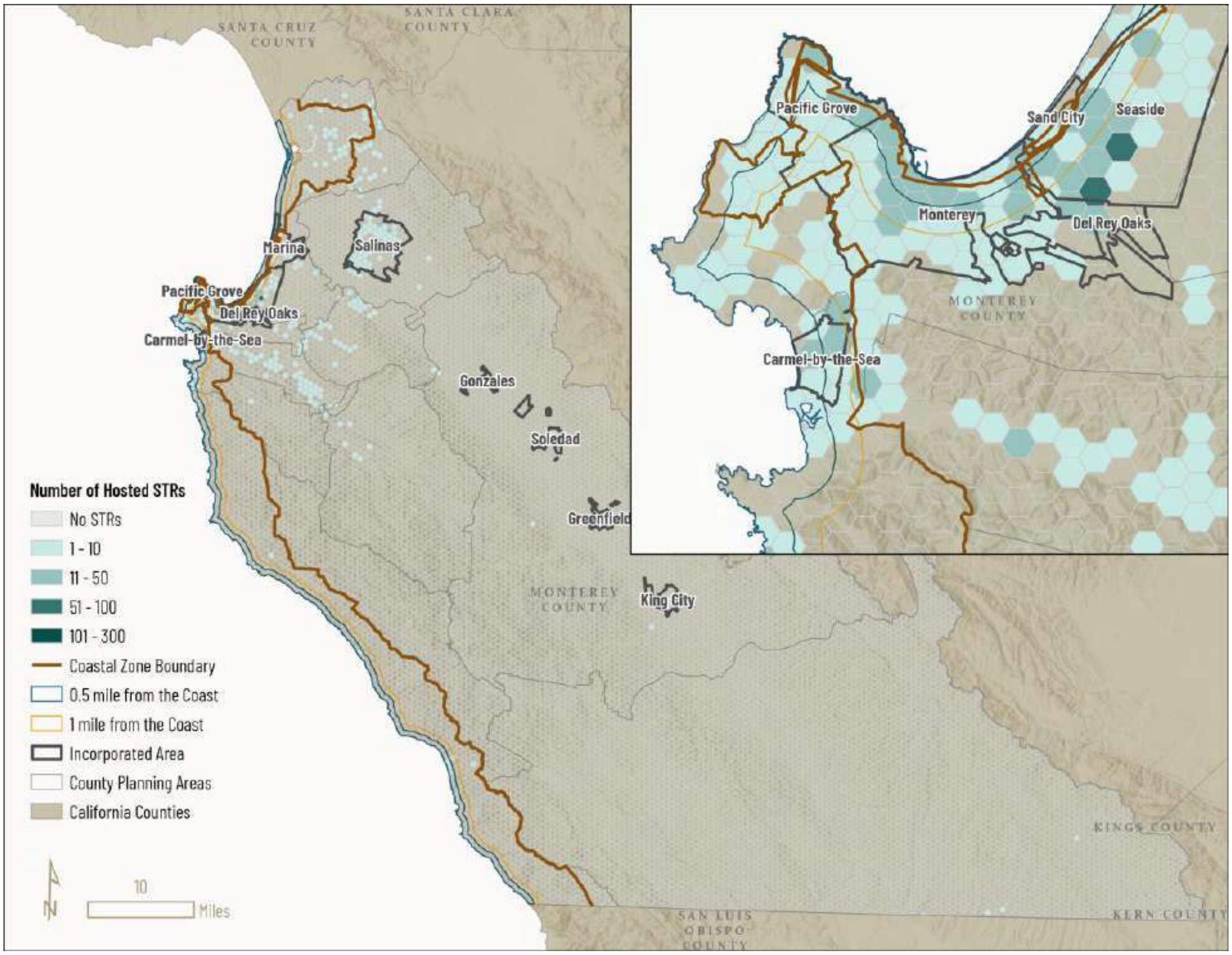
Map A1 below shows domestic visitation to Monterey County coastal areas by zip code. As the map depicts, there is widespread nationwide demand to visit the Monterey County coast. However, the immediate area (pink) contributes the greatest proportion of visitors, over 500,000 per year on average. The nearby counties (brown) similarly contribute a significant share of visitors. While these visitors are unlikely to stay overnight, due to their proximity, the Placer.ai data shows significant demand for visitation from those traveling much further. However, Placer.ai data do not capture demand for non-coastal attractions in Monterey County, such as golf, car shows, Cannery Row, or the Monterey Bay Aquarium.



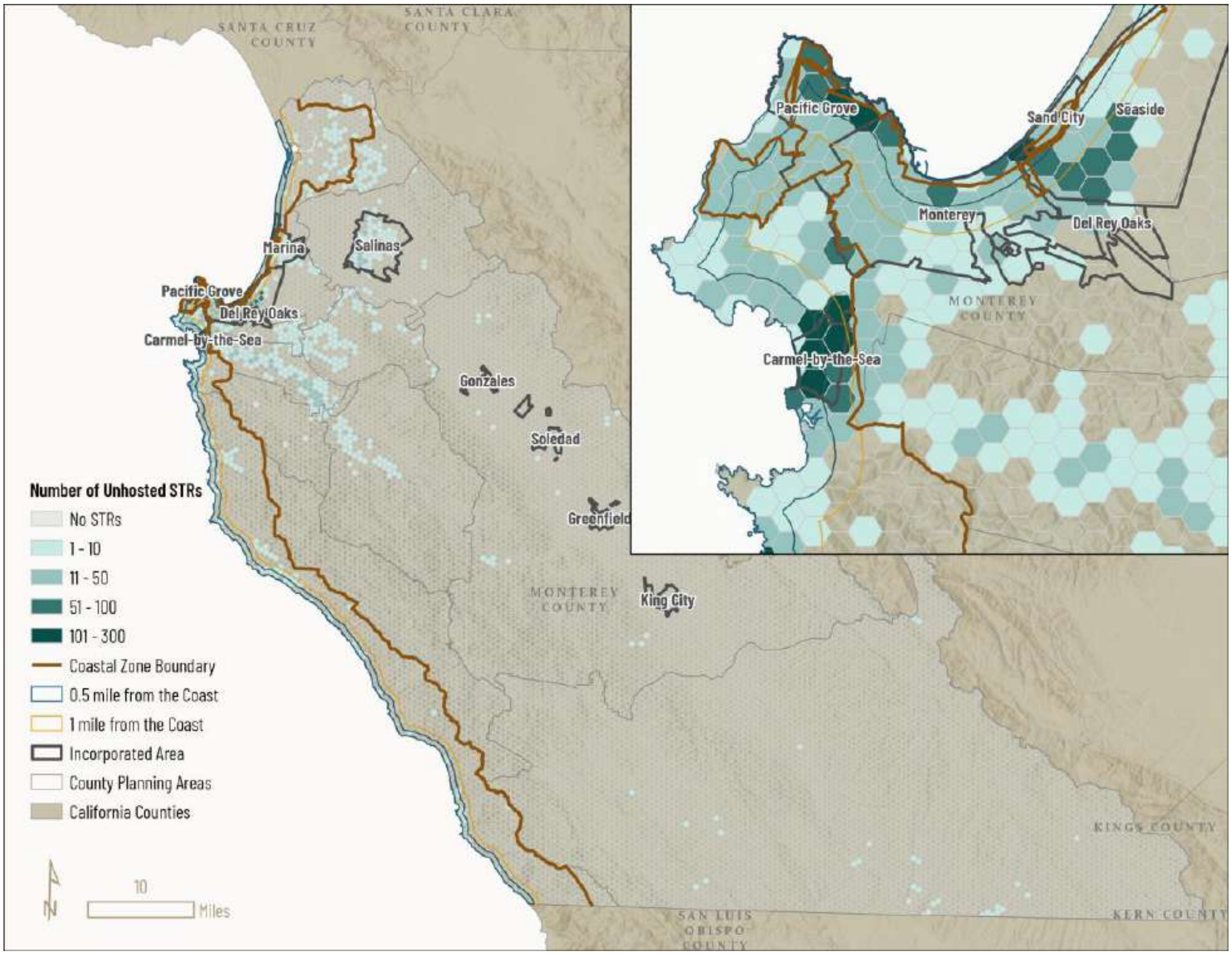
Map A1: Domestic Visitors to Monterey County's Coast by Zip Code, 2018-2024.

This map displays the total number of visits to the Monterey County coastline by U.S. residents, aggregated by zip code of origin over the 2018-2024 period. The strongest concentrations of visitation are from within California, particularly from the San Francisco Bay Area, Central Valley, and Southern California. While national in scope, visitation intensity drops significantly with distance from the West Coast. Zip codes shaded in darker colors represent the highest volumes of travel, with some areas contributing over 150,000 visits.

Appendix B: Hosted and Unhosted STRs



Map B1: Hosted Short-Term Rental Distribution in Monterey County: 0.25 Mile Grid.
The map displays the distribution of hosted short-term rental (STR) properties, defined as those where the operator resides on-site, aggregated within a 0.25 mile (1,320 foot) hexagonal grid across Monterey County. The California Coastal Zone boundary and coastal proximity corridors at 0.5 mile and 1-mile distances from the shoreline are included for reference. Patterns of hosted STR concentrations are especially evident on the Monterey Peninsula and along selected coastal communities, providing important context for understanding the role of hosted rentals in supporting coastal access and neighborhood-scale visitor accommodations.



Map B2: Unhosted Short-Term Rental Distribution in Monterey County: 0.25 Mile Grid.

The map shows the distribution of unhosted short-term rental (STR) properties, defined as entire-unit rentals where no operator resides on-site, aggregated within a 0.25 mile (1,320 foot) hexagonal grid across Monterey County. The California Coastal Zone boundary and coastal proximity corridors at 0.5 mile and 1-mile distances from the shoreline are included for reference. The Monterey Peninsula and selected coastal areas display notable clusters of unhosted STRs, providing insight into the spatial patterns of full-unit visitor accommodations and their relationship to coastal access and land use patterns.

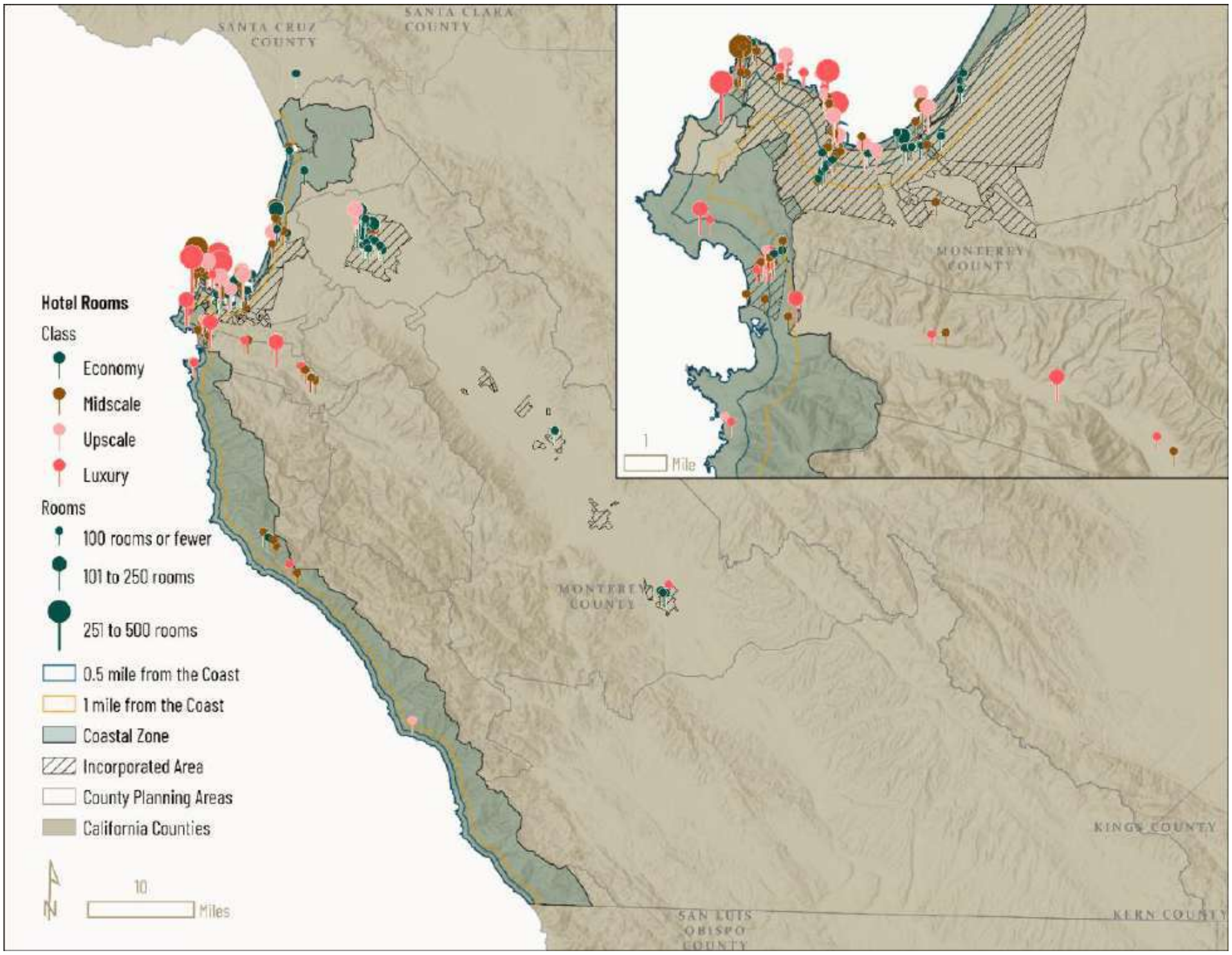
Appendix C: Detailed STR Class Breakdown by Coastal Proximity

		Number of Properties	Percent of Properties	Total Bedrooms	Percent of Bedrooms	Total Guests	Percent of Guests
Within 0.5-mile corridor & in the Coastal Zone		**3,026**	**34%**	**6,354**	**35%**	**15,364**	**35%**
	budget	398	13%	827	13%	1,898	12%
	economy	387	13%	784	12%	1,775	12%
	luxury	772	26%	1,654	26%	4,261	28%
	midscale	442	15%	964	15%	2,217	14%
	upscale	537	18%	1,154	18%	2,709	18%
	unknown	490	16%	971	15%	2,504	16%
Within 1-mile corridor & Coastal Zone		**1,791**	**20%**	**3,646**	**20%**	**8,390**	**19%**
	budget	313	17%	663	18%	1,424	17%
	economy	291	16%	527	14%	1,233	15%
	luxury	331	18%	680	19%	1,572	19%
	midscale	280	16%	572	16%	1,286	15%
	upscale	270	15%	580	16%	1,299	15%
	unknown	306	17%	624	17%	1,576	19%
In the Coastal Zone but not within 1 mile of the coast		**532**	**6%**	**1,074**	**6%**	**2,602**	**6%**
	budget	101	19%	174	16%	384	15%
	economy	70	13%	148	14%	381	15%
	luxury	110	21%	224	21%	566	22%
	midscale	81	15%	167	16%	386	15%
	upscale	105	20%	235	22%	571	22%
	unknown	65	12%	126	12%	314	12%
Outside of the Coastal Zone & corridors		**3,514**	**40%**	**6,983**	**39%**	**17,146**	**39%**
	budget	893	25%	1,576	23%	3,747	22%
	economy	705	20%	1,345	19%	3,261	19%
	luxury	399	11%	980	14%	2,455	14%
	midscale	616	18%	1,169	17%	3,006	18%
	upscale	457	13%	995	14%	2,531	15%
	unknown	444	13%	918	13%	2,146	13%
Total		**8,863**	**100%**	**18,057**	**100%**	**43,502**	**100%**

Table C1: Distribution of Short-Term Rentals by Coastal Proximity and Market Class in Monterey County. *This table summarizes the number of short-term rental (STR) properties, total bedrooms, and estimated guest capacity across four spatial categories:*
(1) within the 0.5-mile proximity corridor and inside the Coastal Zone,
(2) within the 1-mile proximity corridor and inside the Coastal Zone,

(3) inside the Coastal Zone but beyond 1 mile from the shoreline, and
(4) outside both the Coastal Zone and defined proximity corridors.
STRs are also classified by market segment (budget, economy, midscale, upscale, luxury, and unknown). The proximity corridor framework provides a consistent basis for comparing lodging availability in high-demand coastal areas. Approximately 34% of STRs and 35% of guest capacity are located within the 0.5-mile proximity corridor. An additional 20% fall within the broader 1-mile corridor. Only 6% are in inland portions of the Coastal Zone beyond 1 mile, while 40% of STRs are located outside the Coastal Zone and both proximity corridors. This distribution highlights the spatial concentration of STRs near the coast and the range of accommodation types available at varying distances and price points.

Appendix D: Hotel Distribution in Monterey County



Map D1: Hotel Properties by Class and Room Count in Monterey County with Coastal Zone and Proximity Indicators.

This map displays individual hotel properties symbolized by lodging class (economy, midscale, upscale, luxury) and scaled by the total number of rooms per facility. Larger markers represent higher-capacity hotels, grouped into three categories: 100 rooms or fewer, 101 to 250 rooms, and 251 to 500 rooms. The California Coastal Zone boundary, along with the 0.5-mile and 1-mile coastal proximity corridors, is shown to contextualize spatial patterns.

Hotels are strongly concentrated along the Monterey Peninsula and north coast, with a significant share of higher-end and larger-capacity properties located within the Coastal Zone and incorporated areas. Hotels located in non-coastal areas are generally smaller and more likely to fall into the economy or midscale categories. This spatial arrangement reinforces the role of coastal hotels in Monterey County's visitor-serving economy and highlights disparities in lodging class and scale between coastal and non-coastal areas.

Appendix E: Detailed Monthly STR Pricing

Table E1: Monthly Summary of Short-Term Rental Pricing, Occupancy, and Per-Guest Costs in Monterey County (2018–2024).

This table presents monthly averages for all short-term rentals (STRs) in Monterey County from 2018 to 2024 (excluding 2020). It includes average daily rate (ADR), average occupancy rate, average guest accommodation capacity, and average daily rate per guest. The data are reported separately for STRs located within the California Coastal Zone and those in non-coastal areas. These comparisons highlight seasonal variation in pricing and occupancy, as well as spatial differences in affordability between coastal and non-coastal STRs.

Month	Zone	Number of Active Properties (All)	Average Daily Rate (All)	Average Occupancy Rate (All)	Average Guests Accommodation Capacity (All)	Average Daily Rate Per Guest
1	Coastal Zone	4,249	$418.03	38%	5	$84
1	Not in the Coastal Zone	5,635	$261.10	37%	5	$55
2	Coastal Zone	4,134	$451.32	42%	5	$91
2	Not in the Coastal Zone	5,435	$272.14	41%	5	$59
3	Coastal Zone	4,273	$430.08	46%	5	$85
3	Not in the Coastal Zone	5,595	$272.67	46%	5	$59
4	Coastal Zone	4,304	$468.76	52%	5	$92
4	Not in the Coastal Zone	5,795	$310.46	53%	5	$65
5	Coastal Zone	4,453	$480.04	50%	5	$95
5	Not in the Coastal Zone	5,997	$319.05	52%	5	$68
6	Coastal Zone	4,584	$529.76	56%	5	$105
6	Not in the Coastal Zone	6,417	$350.26	58%	5	$73
7	Coastal Zone	4,511	$546.64	64%	5	$106
7	Not in the Coastal Zone	6,251	$360.78	67%	5	$75
8	Coastal Zone	4,836	$610.18	61%	5	$120
8	Not in the Coastal Zone	6,808	$400.87	63%	5	$84
9	Coastal Zone	4,572	$525.52	54%	5	$103
9	Not in the Coastal Zone	6,354	$346.66	55%	5	$74
10	Coastal Zone	4,481	$501.92	49%	5	$99
10	Not in the Coastal Zone	6,166	$310.75	48%	5	$67
11	Coastal Zone	4,442	$501.88	45%	5	$97
11	Not in the Coastal Zone	6,091	$316.96	44%	5	$66
12	Coastal Zone	4,555	$482.67	42%	5	$92
12	Not in the Coastal Zone	6,255	$296.84	42%	5	$61
Average 2018-2024 (excluding 2020)			**$406.89**	**50%**	**5**	**$82**
Average Coastal Zone			**$495.57**	**50%**	**5**	**$97**
Average Not in the Coastal Zone			**$318.21**	**50%**	**5**	**$67**

Table E2: Monthly Summary of One-Bedroom Short-Term Rentals by Coastal Location in Monterey County (2018–2024).

This table provides a monthly breakdown of one-bedroom STRs, comparing those located within the California Coastal Zone to those in non-coastal areas. Key variables include ADR, occupancy rate, average guest capacity, and per-guest cost. Coastal STRs show consistently higher ADRs, and per-guest rates compared to non-coastal units, although occupancy rates remain similar. Across all one-bedroom STRs, Coastal Zone properties average $95 per guest per night, while non-coastal units average $63. These differences underscore the importance of spatial context in evaluating the affordability of smaller STR units.

Month	Zone	Number of Active Properties (Only One Bedroom)	Average Daily Rate (One Bedroom Only)	Average Occupancy Rate (Only One Bedroom)	Average Guest Accommodation Capacity for One Bedroom STRs	Average Daily Rate Per Guest
1	Coastal Zone	1,272	$214.10	39%	2.6	$82
1	Non-coastal	2,291	$128.25	38%	2.5	$52
2	Coastal Zone	1,254	$240.84	45%	2.6	$92
2	Non-coastal	2,190	$144.57	43%	2.5	$58
3	Coastal Zone	1,272	$236.37	48%	2.6	$90
3	Non-coastal	2,287	$139.00	47%	2.5	$56
4	Coastal Zone	1,280	$248.48	54%	2.6	$95
4	Non-coastal	2,341	$157.42	55%	2.5	$63
5	Coastal Zone	1,317	$248.52	52%	2.6	$95
5	Non-coastal	2,437	$164.46	55%	2.5	$66
6	Coastal Zone	1,385	$255.28	55%	2.6	$97
6	Non-coastal	2,567	$168.57	60%	2.5	$67
7	Coastal Zone	1,347	$269.14	61%	2.6	$102
7	Non-coastal	2,559	$178.89	67%	2.5	$71
8	Coastal Zone	1,480	$294.20	60%	2.7	$110
8	Non-coastal	2,770	$193.91	63%	2.5	$76
9	Coastal Zone	1,371	$265.84	55%	2.6	$101
9	Non-coastal	2,660	$173.85	58%	2.5	$68
10	Coastal Zone	1,336	$252.19	50%	2.6	$96
10	Non-coastal	2,523	$161.95	51%	2.5	$64
11	Coastal Zone	1,331	$237.71	45%	2.7	$90
11	Non-coastal	2,481	$151.12	44%	2.5	$60
12	Coastal Zone	1,356	$231.13	42%	2.7	$87
12	Non-coastal	2,556	$136.43	42%	2.5	$54
Average 2018-2024 (excluding 2020)			**$203.84**	**51%**	**2.6**	**$79**
Average Coastal Zone			**$249.48**	**51%**	**2.6**	**$95**
Average Non-Coastal			**$158.20**	**52%**	**2.5**	**$63**

Honey, Julian@Coastal

From: Frank Angel <fangel@angellaw.com>
Sent: Monday, January 26, 2026 8:12 PM
To: Honey, Julian@Coastal
Subject: RE: city of Pacifica

Hi Julian,

As explained in our comment letter, overnight accommodations allowed by the 150-cap are effectively reduced by the new 60-day cap on unhosted STRs.
150 STRs x 60 days (9,000) equals 45,750 fewer days available days than 150 x 365 (54,750), or? You can say the cap remains in place, but the same thing can be said of a weakened, decaying tooth.

Considering occupancy rates of STRs offered in the California coastal zone (higher than in hotel rooms, as Ceto's studies have shown), you're now excluding tens of thousands of annual visitors from a weekend or prolonged weekend on Pacifica's coast, or, for that matter, a one-week or two-week vacation. I find this rather shocking because what's the point of Coastal Commission review of visitor-hostile, exclusionary local zoning ordinances when staff recommends they be waved through without suggesting any modifications.

What about my questions in my email from January 21?

Best,

____

Frank P. Angel | O (310) 314-6433 | C (310) 924-1416
2601 Ocean Park Blvd., Suite 205, Santa Monica, CA 90405
Angel Law
angellaw.com

From: Honey, Julian@Coastal <julian.honey@coastal.ca.gov>
Sent: Thursday, January 22, 2026 9:31 AM
To: Frank Angel <fangel@angellaw.com>
Subject: RE: city of Pacifica

Hi Frank,

Could you please clarify your question? The 150-permit cap which was established in 2024 is remaining in place.

Best,
Julian Honey (He/Him/His)

Honey, Julian@Coastal

From: Frank Angel <fangel@angellaw.com>
Sent: Wednesday, January 21, 2026 4:03 PM
To: Honey, Julian@Coastal
Subject: RE: city of Pacifica

Thank you, Julian, that was fast! I much appreciate the notice, but to a public access advocate (I've helped gain vertical access through litigation and in fine proceedings on Broad Beach, Malibu), this recommendation without a single suggested mod is a huge disappointment. What happened to the 2024 redline for the Commission -- the 150-permit cap? What has changed in this short amount of time to now ignore that cap?

Best,

____

Frank P. Angel | O (310) 314-6433 | C (310) 924-1416
2601 Ocean Park Blvd., Suite 205, Santa Monica, CA 90405
Angel Law
angellaw.com

From: Honey, Julian@Coastal <julian.honey@coastal.ca.gov>
Sent: Friday, January 16, 2026 3:05 PM
To: Frank Angel <fangel@angellaw.com>
Cc: Rexing, Stephanie@Coastal <Stephanie.Rexing@coastal.ca.gov>; Ringuette, Oceane@Coastal <oceane.ringuette@coastal.ca.gov>
Subject: RE: city of Pacifica

Hi Frank,

You should have received a separate email regarding the staff recommendation for the Pacifica STR Ordinance, but I wanted to reach out to you directly and let you know that the recommendation and related materials have been posted on our Commission hearing website for this coming February.

You can review this information by going to https://www.coastal.ca.gov/meetings/agenda/#/2026/2, selecting Wednesday February 4th, and then scrolling down to item 15a – City of Pacifica LCP Amendment No. LCP-2-PAC-25-0079-2 (Short Term Rentals).

I hope you have a great weekend.
Respectfully,

Julian Honey (He/Him/His)
Coastal Planner
North Central Coast District

From:	Jose Alvarado
To:	Honey, Julian@Coastal
Cc:	Charles Watson; Ringuette, Oceane@Coastal; Ted Harris; Rexing, Stephanie@Coastal; Claire Van Zuiden
Subject:	Re: Follow-up - Pacifica STR
Date:	Monday, April 20, 2026 1:58:58 PM
Attachments:	image003.png image004.png image001.png City of Pacifica_Airbnb Data.pdf Pacifica, CA Housing Data (2026).pdf

Hi Julian,

Apologies again for the delay. Had a couple more discussions internally to see what other data we could share.

I am attaching the data we pulled for the Pacifica ordinance. We focused on the percentage of listings and nights that would be impacted by the proposed ordinance.

I have also attached the housing data for Pacifica. This data shows that Pacifica has more vacant homes than dedicated short-term rentals, the small percentage of the housing stock used for dedicated STRs, and demonstrates the negligible impact STRs have on the rental market.

Thanks, Julian! Please let me know if you have any questions about either document or its contents.

Jose

Airbnb Analysis of the Proposed Pacifica Short-Term Rental Ordinance

The City of Pacifica is currently evaluating a comprehensive short-term rental (STR) ordinance that, if adopted, would institute severe and unprecedented restrictions upon the local market. Our analysis indicates that the proposed regulations do not constitute moderate reforms but rather represent a near-total prohibition of the majority of existing STR operations.

Our study has centered on the cumulative impact of the ordinance's three core, overlapping provisions, which collectively establish an economically untenable operational environment for current hosts:

1. **The Primary Residence Requirement:** This clause mandates that eligibility for short-term rental use is contingent upon the property being the host's primary, legally recognized residence. This provision is specifically designed to eliminate non-owner-occupied listings, including second homes, investment properties, and properties utilized seasonally by local residents.
2. **The 60-Night Annual Cap:** This restriction imposes a maximum limit of 60 nights per calendar year during which a short-term rental may be booked or occupied. This measure significantly diminishes the availability of visitors serving overnight accommodations.
3. **The Ban on Multi-Family Listings:** This provision explicitly prohibits short-term rentals within all multi-family structures, such as apartments, condominiums, or duplexes.

The proposed ordinance would lead to a near-total cessation of short-term rentals in Pacifica. It is projected to effectively ban **over 72% of all current short-term rental listings**. Furthermore, when combined with the 60-night annual cap imposed on the remaining 28% of compliant listings, the ordinance is expected to eliminate **95% of all currently booked nights**.

In conclusion, the proposed ordinance does not constitute a balanced attempt at market regulation. By simultaneously implementing a primary residence rule, a restrictive annual nights cap, and a multi-family unit prohibition, the City of Pacifica is proposing a regulatory framework that will virtually eradicate the short-term rental industry as it currently operates.

We have included the data below for you to review.

1) Impact of a Primary Residence Requirement

Metric	Value
Percentage of Booked Listings Impacted	56%
Percentage of Total Nights Impacted	92%

2) 60-Night Cap

Metric	*Value*
Percentage of Booked Listings	53%
Percentage of Total Nights Impacted	91%

3) Ban on no-hosted Multi-Family Units

Metric	Value
Percentage of Total Nights Impacted	16%
Percentage of Nights at Risk	24%

Below is the layered/combined Impact of Pacifica Ordinance:

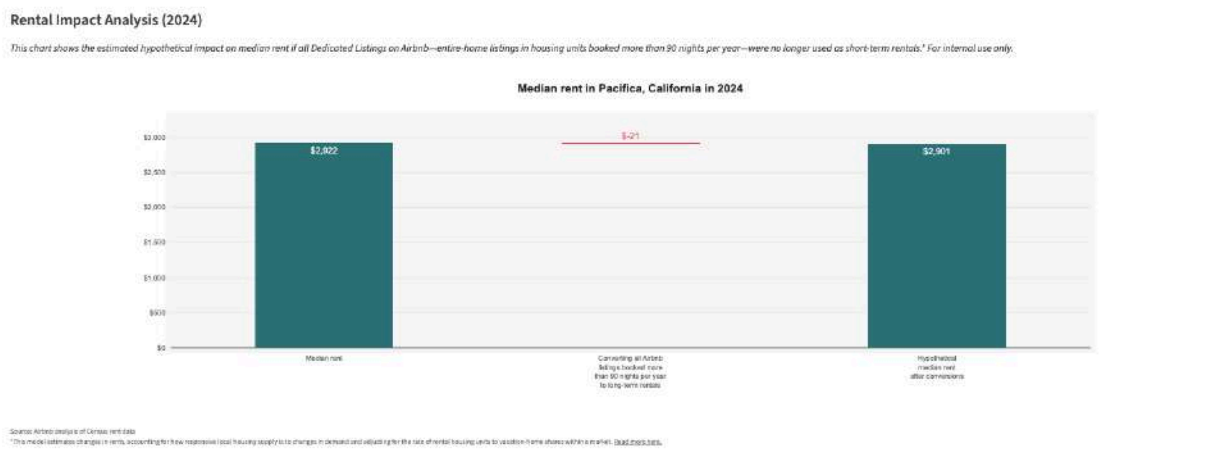
Scenario	Percentage of Total Host	Percentage of Total Nights Impacted
Hit by ANY provision	72%	95%
NOT hit by any provision	28%	5%

Housing Data for Pacifica, CA (2026)

Total Housing Stock = ~14,665
Vacant Seasonal Housing = ~0.8%
Other Vacant = ~1.5%
Total Vacant = ~2.3%
Dedicated Airbnb Penetration = ~0.77%

That means that Vacant homes are 3x more plentiful in Pacifica than dedicated Short-term rentals.

*Housing data included is from the American Community Survey
*Dedicated refers to listings of an entire home for more than 90 nights per year



The graph above shows the impact on monthly rents in Pacifica if every dedicated listing on Airbnb was converted into a long-term rental. This is an upper bound, meaning that the likely impact would be even lower in reality. Many listings would not be long-term rented but would be kept vacant or sold.

The Pacifica city council has mentioned the potential of a property tax increase to cover lost tax revenue from short-term rentals. Such an increase would counter any potential rent decrease theorized in the above graphic.

California Short Term Rental ASSOCIATION

North Central Coast District
455 Market Street
Suite 300, San Francisco, CA 94105
For Electronic Submission

March 6, 2026

RE: Support – Pacifica LCP Amendment (Short-Term Rentals) | Extension of Time for Commission Action

Dear Chair Harmon and Honorable Commissioners:

On behalf of the members of the California Short Term Rental Association (CalSTRA), we write to support the staff recommendation to extend the deadline for Commission action by one year on the City of Pacifica's proposed Local Coastal Program amendment regulating short-term rentals.

As we noted in our prior correspondence, the proposal contains several provisions—including a primary-residence requirement, a 60-night annual cap on unhosted rentals, and restrictions on STR eligibility—that could significantly reduce the supply of short-term rentals in Pacifica's coastal zone. Because STRs frequently serve as lower-cost overnight accommodations for families and middle-income visitors, policies that substantially reduce their availability may have important implications for coastal access.

We appreciate Staff's recognition that the Commission has received substantial correspondence and that additional time is necessary to fully evaluate the impacts of the proposal. Extending the review period will allow staff, the City, and stakeholders to more thoroughly assess how the ordinance may affect visitor-serving accommodations, coastal access, and compliance with the Coastal Act's directive to protect lower-cost overnight lodging opportunities. A careful, data-driven review will help ensure that any final action appropriately balances community concerns with the Coastal Act's mandate to maximize public access to the coast.

For these reasons, CalSTRA respectfully supports the staff recommendation to extend the Commission's review period by one year.

Thank you for your continued commitment to protecting coastal access and ensuring thoughtful coastal planning.

California Coastal Commission
455 Market St, Suite 300
San Francisco, CA 94105
For Electronic Submission

January 30, 2026

RE: Oppose Item 15 | Extend Review of the Pacifica LCP Amendment & Require Data-Driven Review

On behalf of the members of the California Short Term Rental Association (CalSTRA), we are writing to express serious concerns regarding the City of Pacifica's proposed Local Coastal Program amendment and to respectfully request that the Commission adopt staff's alternative recommendation to delay approval and extend the review period.

As currently written, Pacifica's ordinance would impose a primary-residence requirement, cap unhosted rentals at just 60 nights per year, prohibit unhosted stays in multifamily buildings, and retain a rigid 150-permit cap without reserving any minimum share for the coastal zone. Together, these provisions make many coastal STRs economically nonviable and risk eliminating a substantial share of lower-cost visitor accommodations.

Equally troubling is the expedited review process. The ordinance was submitted to the Commission on December 29 and is being rushed forward with minimal stakeholder engagement. Staff's own report acknowledges the lack of supporting data and the city's own analysis shows that this ordinance would severely impact existing short term rentals.

STRs are critical to coastal access statewide and frequently serve families and middle-income visitors who cannot afford hotel prices. The Coastal Act obligates the Commission to protect lower-cost coastal accommodations and ensure that regulatory programs do not unnecessarily restrict public access.

Pacifica’s ordinance also fails to safeguard coastal lodging specifically. Without reserving permits for the coastal zone—as jurisdictions like Long Beach have done—permits could migrate inland, further limiting shoreline access for visitors.

Given the scale of these impacts and the absence of sufficient supporting data, I respectfully urge the Commission to:

• Delay approval of Pacifica’s LCP amendment
• Grant the requested extension of the 60-day deadline
• Require a full, data-driven analysis of coastal access impacts
• Reevaluate provisions that effectively eliminate unhosted rentals and coastal STR supply

A rushed approval risks undermining the Coastal Act’s core mission and reducing affordable access to California’s shoreline and the precedent set here will matter far beyond Pacifica affecting our entire coastal region.

Thank you for your careful consideration and commitment to protecting public coastal access.

YIMBY Action advocates for welcoming communities where everyone can thrive.
Yimbyaction.org

California Coastal Commission

Chair Meagan Harmon

RE: Housing & Access to the Coast

Dear Chair Harmon and members of the California Coastal Commission,

On behalf of the 17 California chapters of YIMBY Action, we write to express serious concern about the Commission's continued focus on short-term rentals as a central explanation for California's high housing costs. This framing is a distraction from the core and long-standing problem: coastal cities have failed, for decades, to produce enough housing to meet demand.

The California Coastal Commission's mission is clear: Protect access to the coastline. As it stands, the Commission is defining "access" as either buying a multimillion-dollar house or driving in a car and using a parking lot. If a resident can't afford the first mode or doesn't want to drive, they have no other options for access. True access means an abundance of housing options, both ownership and rental.

California's housing shortage is not a short-term phenomenon, nor is it driven primarily by the conversion of homes into vacation rentals. It is the predictable result of two generations of severe underbuilding—particularly in coastal communities that benefit from jobs, amenities, and public investment, yet consistently resist new housing.

The Coastal Commission has a long history of actions that have made it harder, not easier, to build housing in these areas. Excessive discretionary review, prolonged timelines, and unpredictable outcomes have functioned as barriers to housing production, even as the state has clearly articulated the need for more homes at all income levels.

State law is explicit about California's obligations. The Housing Element law, RHNA process, and recent housing accountability reforms reflect a clear mandate: cities must plan for and permit substantially more housing. These mandates apply to coastal jurisdictions as well. Housing scarcity in coastal areas does not relieve the state—or the Commission—of responsibility; it heightens it.

Blaming short-term rentals obscures the scale of the problem and delays meaningful solutions. Even eliminating short-term rentals entirely would not come close to addressing the cumulative housing deficit created by decades of exclusionary land-use policies and institutional resistance to growth.

California cannot solve its housing shortage while its most job-rich and opportunity-rich regions continue to underbuild. We urge the Commission to refocus its efforts accordingly.

Sincerely,
YIMBY Action

Best regards,

Sincerely,

Laura Foote
YIMBY Action, Executive Director

Sarah Bell
East Bay YIMBY, Volunteer Lead

David Watson
Mountain View YIMBY, Volunteer Lead

Mike Chen
Northern Neighbors, Volunteer Lead

Jeremy Levine
Peninsula for Everyone, Volunteer Lead

Robert Fruchtman
San Francisco YIMBY, Volunteer Lead

Rafa Sonnenfeld
Santa Cruz YIMBY, Volunteer Lead

Adrian Covert
Santa Rosa YIMBY, Volunteer Lead

Kevin Buchanan
SLOCo YIMBY, Volunteer Lead

Jane Natoli
Grow The Richmond, Volunteer Lead

Cassandra Douglas
Ventura County YIMBY, Volunteer Lead

Andrew Slocum
YIMBY Los Angeles, Volunteer Lead

Ilya Gurin
South Bay YIMBY, Volunteer Lead

Ryan O’Connell
Napa-Solano for Everyone, Volunteer Lead

BETTER NEIGHBORS LA

@better_LA
betterneighborsla.org

January 30, 2026

California Coastal Commission
455 Market Street, Suite 300
San Francisco, CA 94105
NorthCentralCoast@coastal.ca.gov
VIA EMAIL

RE: City of Pacifica LCP Amendment No. LCP-2-PAC-25-0079-2 (Short Term Rentals) - SUPPORT

Dear Honorable Chair Harmon, Vice Chair Hart, and Commissioners,

Better Neighbors Los Angeles ("BNLA") is a coalition of hosts, tenants, housing activists and community members who conduct data analysis and research on the short-term rental ("STR") industry. To balance coastal access and long-term housing needs in the Coastal Zone, BNLA advocates for a regulatory framework centered on true home-sharing through hosted-only rentals.

BNLA supports the staff recommendation to approve Pacifica's Short-term Rental Ordinance without amendment. The legislation developed by the city of Pacifica has involved significant consultation with Pacifica residents and represents a balance between visitor-serving accommodation and the housing needs of coastal communities.

Pacifica Responded to a Mandate For Stronger Regulation

The city of Pacifica has grappled with the issue of STR regulation for roughly eight years. When an ordinance was presented to the Coastal Commission in 2024, multiple Coastal Commissioners expressed disappointment that the city had not taken a stronger position on the issue of STRs. Following that meeting, the city of Pacifica engaged in an in-depth and thorough community engagement process to develop legislation that properly balanced visitor-serving accommodation with the housing needs of residents.

The Majority of Pacifica STRs are Unhosted and Remove Housing Stock

Pacifica has experienced a steady rise of unhosted STRs. Between May 2017 and March 2023, the number of unhosted STRs grew by more than 100 listings, expanding from 67 to 173.[1]

[1] Data on file with BNLA. In May 2017, approximately 67 unhosted short-term rentals existed in Pacifica compared to 173 as of March 2023.

According to the City's 2023-2031 Housing Element, this conversion of residential units into tourist-serving accommodations directly contributes to fair housing concerns: "Pacifica's housing market is influenced by economic pressures to convert a portion of its housing stock to short-term vacation rentals."[2]

These pressures mirror the experiences of other municipalities grappling with the well-documented impacts of STRs on housing availability and affordability, a topic that has been raised repeatedly before the Coastal Commission. During a December 2023 Commission round table on housing, Professor David Wachsmuth of McGill University cited extensive research demonstrating that STR activity removes housing from the long-term market and raises rents.[3]

As noted by the staff report for this item, STR-driven pressure on the housing market also impacts housing availability for the local workforce that supports the visitor-serving economy. Allowing additional conversion of units into unhosted STRs would further erode the city's housing stock, harming both the community and very workforce on which the visitor-serving economy depends.

Pacifica's Unhosted STRS Are Not Affordable Overnight Accommodations

Data from AirDNA shows the average cost for an unhosted STR in Pacifica's Coastal Zone ranges from \$235 to \$495; the average price of a comparable hotel room in one of Pacifica's seven hotels is approximately \$193 per night.[4] Therefore, on average, an unhosted STR is more expensive than a comparable hotel room. In addition, unhosted STRs in Pacifica, on average, do not meet the threshold to be considered Lower Cost Coastal Accommodations.

Pacifica's LCPA Balances Visitor-Serving Accommodation and Housing Needs

The LCPA under consideration thoughtfully balances the competing priorities at play in Pacifica. Its regulatory framework is grounded in Coastal Zone precedent, drawing directly from previously approved LCPAs such as Half-Moon Bay. As the staff report notes, these are "straightforward solutions"[5]— tried and tested regulatory tools that responsibly reconcile visitor-serving needs with the city's urgent housing challenges.

The ordinance goes a long way to address corporate accumulation of STRs by including a requirement limiting STRs to one per natural person who is a permanent resident of the property and by capping unhosted stays at 60 nights. These provisions address the most significant threat to Pacifica's housing stock: the corporatization and commercial conversion of residential units. They also align with the instructions given by the Commission to strengthen STR regulation in the city. Additional provisions of the ordinance, like the establishment of occupancy limits,

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[2] Pacifica 2023-2031 Housing Element, Appendix D: City of Pacifica Assessment of Fair Housing, page 169: https://cityofpacifica.egnyte.com/dl/e1sZRgKp7W.

[3] Professor David Wachsmuth, "Short-Term Rentals and Housing: What Are the Issues and What Should We Do?," December 14, 2023, beginning at 58:45: https://cal-span.org/meeting/ccc_20231214/

[4] Data on file with BNLA. Average daily rate accounts for April 2022-March 2023.

[5] https://documents.coastal.ca.gov/reports/2026/2/W15a/W15a-2-2026-report.pdf

signage requirements, noise monitoring, will limit the impact of STRs on the quality of life of community members.

The staff report raises concerns that these provisions may reduce "public recreational access opportunities" [6] by limiting overnight accommodations. However, the ordinance continues to allow nearly unlimited operation of hosted STRs (with some permitting and licensing requirements), and, as the staff report acknowledges, there are nearly 330 existing hotel and motel rooms in the city that provide a wide variety of different types of accommodation for potential visitors. These concerns rest largely on the concepts that STRs are a "unique" type of accommodation as compared to other types of accommodation available in the City; however, they are largely only unique in being significantly more expensive than existing accommodations.

Conclusion

Pacifica is an example of a coastal city that has done everything "right" in terms of STR regulation: following a mandate from the Coastal Commission, it engaged in a lengthy community consultation to establish comprehensive regulations that balanced visitor and resident needs; it studied and incorporated previously-approved measures throughout the Coastal Zone; it was flexible, adaptive, and fair to all parties in drafting this legislation. Without adopting further measures to regulate STRs, the city will not be able to adequately safeguard long-term residents from the impacts of unhosted STRs, and the unique qualities of this charming coastal community will suffer and dimmish as a result. This regulation is a new gold standard for STR regulation in the Coastal Zone, and we hope that it will guide the Coastal Commission's baseline for STR regulation as other coastal communities look to update their regulations in the future.

Better Neighbors asks that the Commission approve the staff recommendation to pass the LCPA in question without amendment, so that Pacifica can finally resolve this issue and move forward with an appropriate, balanced set of STR regulations. Should you have any questions, please contact Maura O'Neill at maura@betterneighborsla.org.

Sincerely,

/s/
Randy Renick

[6] https://documents.coastal.ca.gov/reports/2026/2/W15a/W15a-2-2026-report.pdf

From: Maura O'Neill <maura@betterneighborsla.org>
Sent: Thursday, February 12, 2026 9:48 AM
To: Christie, Sarah@Coastal <Sarah.Christie@coastal.ca.gov>
Cc: Melanie Luthern Allen <ml@ssdslaw.com>; Thelmy Alvarez <talvarez@betterneighborsla.org>
Subject: Release: Report on Low-Cost Lodging and Housing Data Relevant to Coastal Commission Decisions

Good morning,

Better Neighbors LA is excited to announce we've released a report, *A Balancing Act- Low-Cost Lodging and Affordable Housing along the California Coast*. Authored by Dr. Nicholas DiRago, the report analyzes the (limited) role of short-term rentals in providing low-cost overnight accommodations and their impacts on affordable housing in coastal communities. It also includes a set of recommendations for the Coastal Commission in their efforts to promote low-cost lodging while protecting affordable housing.

The report is attached to this email and can also be found at this link or on our website under the "Enforcement Reports" section:
https://static1.squarespace.com/static/5fc9845732f65217775cb3a5/t/698caa6ae23a3d2bed915836/1770826346451/174360-ML+DIRAGO+REPORT+CLEAN+01.20.26.pdf

Let me know if you have any questions and feel free to circulate!

Maura O'Neill
she/her
Policy Analyst and Advocate
Better Neighbors LA
(213) 355-7475
maura@betterneighborsla.org
BETTER NEIGHBORS LA

A Balancing Act

Low-Cost Lodging and Affordable Housing along the California Coast

Nicholas V. DiRago

for Better Neighbors LA

About Better Neighbors LA

Better Neighbors LA (BNLA) is a coalition of Southern California hosts, tenants, housing activists, hotel workers, and community members who conduct data analysis and research on the short-term rental (STR) industry.

Our mission is to support reasonable short-term rental regulations, conduct research on the short-term rental industry and its impact on affordable housing, gentrification, and coastal communities. We also develop policy to protect housing and neighborhoods impacted by the short-term rental industry. In the Coastal Zone, BNLA works to promote true home-sharing through hosted-only short-term rental policies, which ensure that persons of low to moderate income can access both affordable overnight accommodations and housing in the Coastal Zone.

Web www.betterneighborsla.org

Email info@betterneighborsla.org

Phone (213) 336-5900

Mail 250 East First Street, Suite 1201
Los Angeles, CA 90012

About the Author

Nicholas V. DiRago is an urban sociologist and social demographer specializing in neighborhood inequality, housing, and the nonprofit sector in the United States. Based in Southern California, he is currently a postdoctoral fellow at the Population Research Center at the University of Texas at Austin. He has published research in outlets including *Ethnic and Racial Studies*, *The Journal of Urban Health*, and *The Sociology of Housing: How Homes Shape our Social Lives.*

Doctor DiRago earned his PhD in sociology from the University of California, Los Angeles, and holds degrees from the University of Chicago and Georgetown University. He previously worked in the nonprofit community development sector in Chicago and Newark, New Jersey.

Table of Contents

Executive Summary

This report examines how short-term rentals (STRs) impact two public policy priorities in California's coastal communities: low-cost overnight accommodations (LCOA)and affordable housing. The rise of STRs in the state's hospitality industry has created an inextricable link between tourism regulations and housing policy. Combining original spatial analysis with a close review of the latest research, this report seeks to quantify the relationship between coastal access and housing affordability.

Authorizing STR policies has been the status quo along the California coast. The California Coastal Commission (CCC) is charged with ensuring that coastal tourism, including overnight stays, remains publicly accessible. Coastal lodging can be prohibitively expensive for many Californians. Because STRs purport to be cheaper alternatives to hotels, the CCC regards them as tools for promoting affordable coastal access and thus, historically blocking local efforts to restrict STRs in the Coastal Zone.

Especially in the Coastal Zone, however, STRs provide little low-cost lodging, and their rental costs exceed most Californians' travel budgets. This report finds that less than 10% of unhosted coastal STRs qualify as low-cost according to criteria that coastal authorities themselves have used. Across income levels, the prices of almost all unhosted STRs exceed what California households say they can afford. Unhosted STRs are particularly expensive in coastal tourist destinations. Hosted STRs are more affordable than unhosted STRs, but very few STRs are hosted.

All the while, the coast is the epicenter of California's housing crisis. As many policymakers and advocates work to promote affordability by focusing on increasing the state's stock of units, STRs are one of the few supply-side factors that the CCC can regulate. Policymakers have approached STRs mainly as a tourism and taxation issue, not a housing issue. An increasing body of evidence, however, shows that STRs decisively impact housing markets.

STRs reduce the supply of housing along the coast. This report finds that a consequential share of housing units in California coastal cities are STRs, especially near the ocean and in unincorporated areas. In the Coastal Zone, STRs take up more than five times the housing stock than in inland neighborhoods. Even on the outskirts of the Coastal Zone, STRs are two to four times more common than in more distant neighborhoods.

In turn, STRs increase housing costs, as shown by the ample scientific research reviewed in this report. Rents increase because landlords switch long-term rentals to STRs, reducing the stock of residential units. Sales prices increase because homes become more lucrative investments. They alter housing markets most in places where STRs are most concentrated, including tourist destinations such as the California coast. Increased supply constraints leave coastal residents most vulnerable to cost increases.

Regulating STRs can help turn the tide. Setting parameters on how residential housing units can be rented out as STRs protects housing supply and helps keep costs in check. Local STR ordinances often successfully limit STR numbers and slow or reverse the growth of housing prices—including in California coastal cities such as Los Angeles, San Francisco, and Santa Monica. Just as STRs increase costs more where they and tourists are most concentrated, regulations bring down housing costs most in cities that attract tourists or have more STRs. The stakes of sensible STR regulation are highest in California's coastal communities.

Recommendations

Providing coastal access while promoting low-cost lodging and affordable housing in coastal California is a balancing act:

1. The CCC should refrain from blocking city and county STR regulations, including initiatives to cap or ban unhosted STRs.

2. The State Legislature should resolve the current tension between the Coastal Act's mandate to preserve existing overnight accommodations and the conversion of housing in the Coastal Zone. The Legislature should require the CCC to prioritize the preservation of existing housing stock over the creation of overnight accommodations when the latter is provided through unhosted STRs.

3. Alternatively, the State Legislature should except local actions regulating unhosted STRS from the definition of "development" under the Coastal Act.

4. Coastal cities and counties should adopt policies permitting only hosted STRs. If this is not feasible, then these decision-makers should cap the number of housing units that can be used as unhosted STRs at one percent of housing stock, especially in tourist destinations, unincorporated communities, and other coastal areas where STRs are highly concentrated.

Introduction

Background and Motivation

Most Californians are on common ground about two aspects of life in the Golden State: they cherish opportunities to visit the state's coast[1] and they worry about the cost of living, especially housing prices.[2] Today, policies and regulations in both areas—coastal access and housing—invariably run up against the issue of short-term rentals (STRs). Booked mainly using online platforms such as Airbnb and VRBO, STRs are furnished housing units that owners rent out to guests for much shorter intervals than typical residential lease terms. Over the past 15 years, STRs have grown to occupy a significant share of California's lodging industry and become a steadily larger presence in neighborhoods, especially in coastal tourist destinations.

The rise of STRs has dramatically increased the overlap between the spaces that can host tourists and the spaces that can house residents.[3,4] Some Californians have welcomed this development—including the California Coastal Commission (CCC), which regulates development in California's Coastal Zone. Partly because the STR industry has cultivated a reputation as a lower-cost alternative to hotels, the CCC has viewed STRs as tools for accomplishing a mandate under the Coastal Act to encourage low cost overnight accommodations along the coast. Others are wary of STRs—including many affordable housing advocates, who contend that taking units off the long-term residential market fuels California's housing shortage and affordability crisis.

The term "Coastal Zone" used throughout this report refers to the legislatively defined area under the jurisdiction of the CCC, which is defined as the land and water areas of the State of California from the Oregon border to the border of the Republic of Mexico extending seaward to the state's outer limit of jurisdiction (three miles offshore), including all offshore islands, and extending inland generally 1,000 yards from the mean high tide line of the sea. In significant coastal estuarine, habitat, and recreational areas, it extends inland to the first major ridgeline paralleling the sea or five miles from the mean high tide line of the sea, whichever is less, and in developed urban areas, the zone generally extends inland less than 1,000 yards.[i]

Aiming to protect local housing and residential communities, many local governments are amenable to capping or banning STRs—especially unhosted STRs, in which guests occupy the rental unit absent any host to supervise the guests during their stay. Yet, the CCC has repeatedly discouraged and even struck down STR regulations, citing its authority over coastal development.

This report assesses the impact of unfettered STR proliferation. It examines how STRs impact two public policy priorities in California's coastal communities: low-cost lodging and affordable housing.

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[i] Coastal Act Section 30103.

Combining original spatial analysis with a close review of the latest research, this report seeks to explore how policymakers, regulators, and advocates across California can find balance between coastal access and housing affordability.

Overview

The first part of the report analyzes the link between STRs and the cost of coastal lodging. After a brief overview of the STR and coastal tourism landscapes in California, it evaluates how much STRs are affecting California's stock of low-cost coastal accommodations. It uses two complementary criteria for assessing affordable lodging. The report first compares STR prices to the average daily rate (ADR) of hotels, a benchmark that the CCC has used in past research and policy. It then compares STR prices to Californians' expressed willingness-to-pay (WTP) based on a recent survey of what Californians estimate they could afford to spend to stay at the coast. Throughout, the report distinguishes between hosted and unhosted STRs and between areas of coastal cities that fall within and outside the Coastal Zone (the CCC's jurisdiction).

The second part of the report analyzes the link between STRs and the affordability of coastal housing. It begins by introducing California's housing crisis and the CCC's approach to housing issues over time. As a point of departure for understanding how STRs affect housing stock and affordability, the report proceeds to estimate how many housing units are off the residential market as STRs. To evaluate the consequences of STRs' place in the housing market, the report reviews the increasing body of scientific evidence measuring STRs' impact on rents and housing sale prices. It concludes by investigating whether STR regulations alter this impact.

Last, the report issues a series of recommendations to strike a better balance between providing coastal access and promoting low-cost lodging and affordable housing along the California coast.

Notes on Data and Methods

Data sources for this report included AirDNA, the U.S. Census Bureau (USCB), CCC, Visit California, and the U.S. Bureau of Labor Statistics.

To ensure that figures are comparable across time, all dollar amounts are adjusted for inflation and presented in March 2023 dollars.

A full description of the data and methods begins on page 21.

Short-Term Rentals and Low-Cost Coastal Lodging

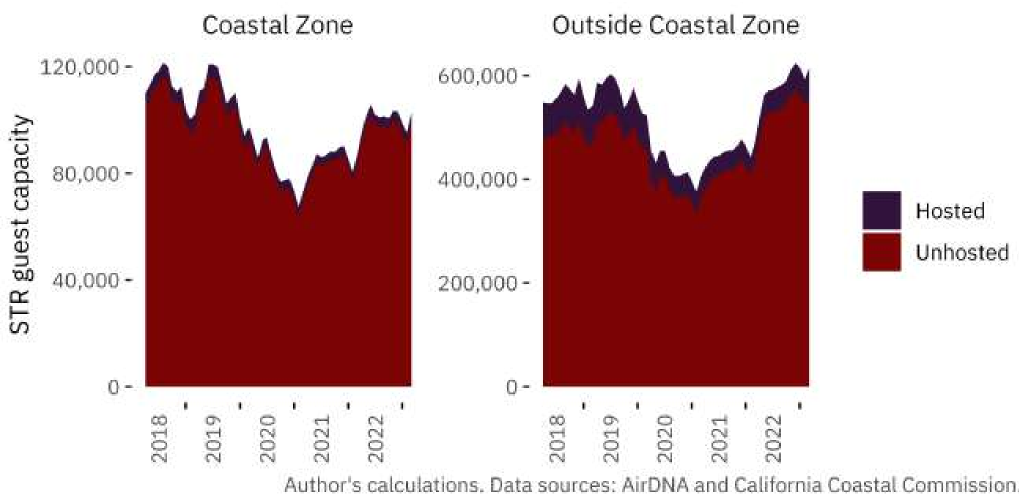
Accommodating Short-Term Rentals: The Status Quo Along the Coast

For five decades, California law has safeguarded public access to the state's coast for recreation and tourism, including overnight stays.[1,5,6] To ensure that low-cost coastal lodging is "protected, encouraged, and, where feasible, provided," the California Coastal Act empowers the CCC to regulate development within a half-mile or so of the Pacific Ocean, an area known as the Coastal Zone.[7]

Despite many regulations and initiatives, lodging along the coast has remained stubbornly expensive.[8-10] State officials openly acknowledge this problem.[6,11] According to recent surveys, the high cost of overnight accommodations is the primary barrier to visiting the California coast for most of the state's population.[1,11]

California tourism has changed with the rise of STRs and the persistent shortage of low cost coastal accommodations. Booked mainly using online platforms such as Airbnb and VRBO, STRs are furnished housing units that owners rent out to guests for much shorter intervals than typical residential lease terms. Some STRs are hosted, meaning guests occupy part of the unit while full-time occupants remain in the home. Most STRs, however, are unhosted, meaning guests are the sole occupants during their stay.

Figure 1: Guest capacity of hosted and unhosted short-term rentals (STRs) in California within and outside the Coastal Zone, April 2018–March 2023



STRs have become ubiquitous in California's hospitality industry. They spread rapidly in the wake of the 2008 economic crisis, achieving a sizable, relatively stable market share within a decade.[3,13] Today, more than one out of five lodging units in California is an STR.[14] In some vacation destinations, STRs outnumber hotel rooms.[15] Unhosted rentals make up the vast majority of STR capacity in California, around 95 percent in the Coastal Zone and 90 percent farther inland (see Figure 1).

Largely because of their reputation as cheaper alternatives to hotels, STRs enjoy considerable support from the CCC, which has historically considered STRs to be important tools for fulfilling its public access mandate.[11,16] The CCC at times limits or strikes down cities' attempts to cap or ban STRs[8] by exercising its purview over development in the Coastal Zone. The CCC's expressed aim is to "work with local governments to accommodate vacation rentals."[17]

The status quo—authorizing STR policies to promote affordable coastal tourism—is due for an assessment. *How much are STRs affecting California's stock of low-cost coastal accommodations?*

Short-Term Rentals Provide Little Low-Cost Coastal Lodging

One way to measure STR affordability is by comparison to the costs of other lodging. Although there is no official standard, the most common definition of low-cost lodging is 75 percent of the statewide average daily rate (ADR) for hotels.[9,10] CCC has used this ADR-based benchmark to assess the availability of "lower-cost visitor-serving overnight accommodations."[6,11]

Based on the 75-percent ADR benchmark, low-cost lodging in California costs no more than roughly $160 per night. The statewide hotel ADR has fallen as low as $156 during the off season and hovered just north of $200 during peak travel season in recent years (see Table 1). In 2022, the corresponding 75-percent ceiling for low-cost lodging ranged from $119 in January to $159 in July.

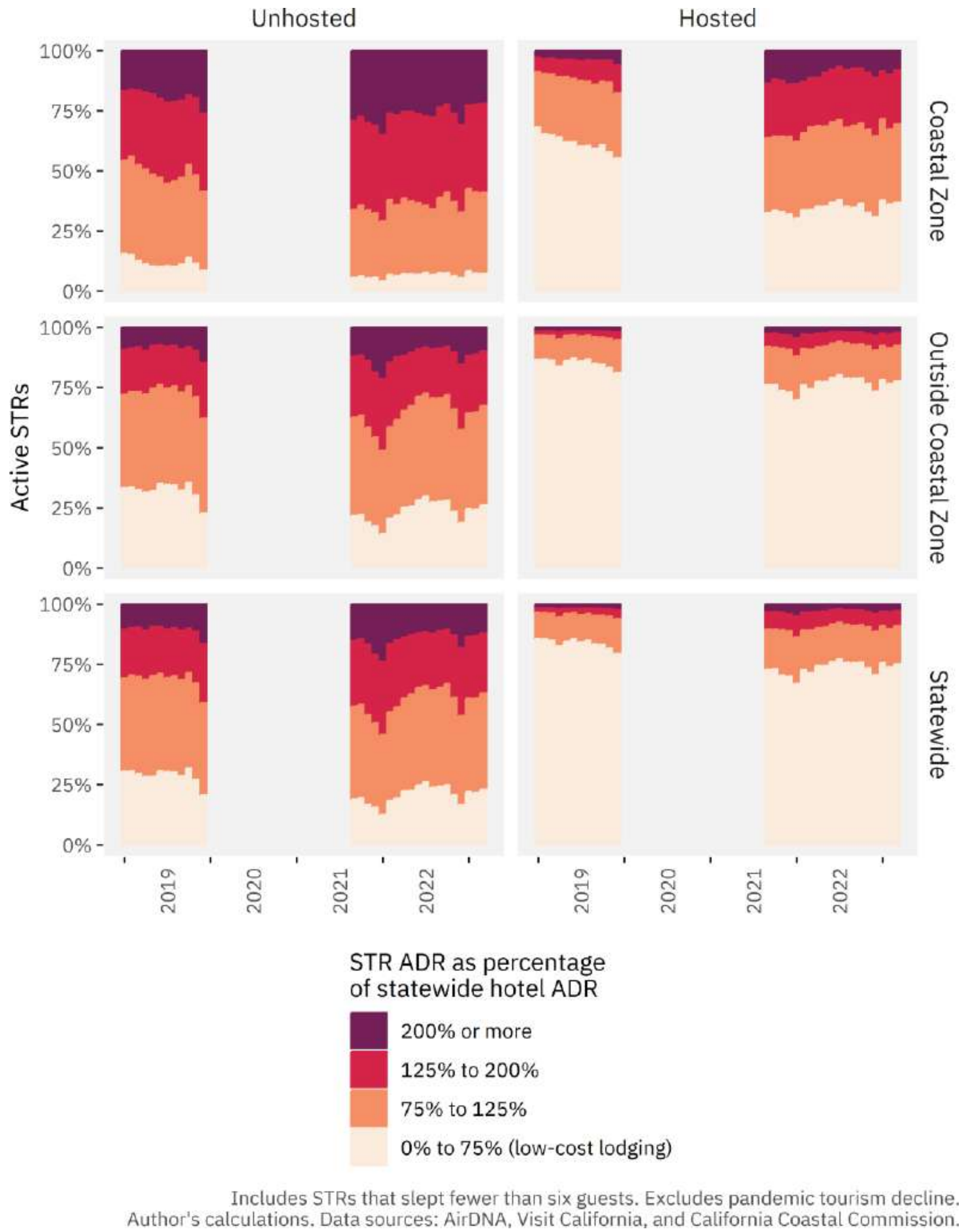
Table 1: Average daily rates (ADRs) of California hotels and 75-percent low-cost thresholds by month, 2019 and 2022

	Statewide ADR		Low-Cost Max.	
	2019	2022	2019	2022
January	195	159	146	119
February	196	182	147	137
March	196	185	147	139
April	194	195	146	146
May	195	194	146	145
June	204	202	153	151
July	209	212	157	159
August	208	201	156	150
September	198	201	149	151
October	202	198	151	148
November	193	185	145	139
December	176	172	132	129

Author's calculations. Inflation-adjusted (March 2023) dollars.
Data sources: Visit California and U.S. Bureau of Labor Statistics.

Applying the ADR standard to going rates for STRs shows that unhosted STRs account for very little low-cost lodging in California, especially in the Coastal Zone (see Figure 2). Within the Coastal Zone from late 2021 through early 2023, the share of unhosted STRs that met the ADR low-cost criterion never reached 10 percent. Statewide during the same period, 15 to 25 percent of unhosted STRs counted as low-cost lodging. Defined according to the conventional ADR benchmark, 90% of unhosted STRs in the Coastal Zone are unaffordable; statewide, at least 75% of unhosted STRs are unaffordable.

Figure 2: Average daily rates (ADRs) of active short-term rentals (STRs) vs. statewide hotel ADR in California within and outside the Coastal Zone by host presence, January 2019–March 2023



Unhosted coastal STRs are particularly expensive in many of California's biggest tourist destinations (see Table 2). In Los Angeles County, which receives nearly 50 million visitors per year,[18] the average nightly cost of an unhosted STR for three to five guests in the Coastal Zone was $339 in the City of Los Angeles, $346 in Santa Monica, and $663 in Malibu from April 2022 through March 2023. Comparable STRs rented for $259 per night in San Francisco, $291 in Half Moon Bay, $299 in San Diego, $336 in Santa Cruz, $359 in Newport Beach, and $384 in Monterey. These rates dramatically exceed the ADR low-cost threshold, which topped out at $159 during the same period. In major hubs for California coastal tourism, typical unhosted STRs are far from being low-cost accommodations.

Table 2: Average daily rates (ADRs) of short-term rentals (STRs) in California coastal cities, within and outside the Coastal Zone by host presence and maximum guest capacity, April 2022–March 2023

	Coastal Zone						Outside Coastal Zone					
	Unhosted max. guests			*Hosted max. guests*			*Unhosted max. guests*			*Hosted max. guests*		
	1–2	3–5	6+	1–2	3–5	6+	1–2	3–5	6+	1–2	3–5	6+
Del Norte County												
Unincorporated	144	215	349	133	190	129	129	162	310	155	166	168
Humboldt County												
Trinidad	265	280	534	–	–	–	–	214	–	–	–	–
Arcata	157	171	239	69	–	–	150	186	300	59	94	–
Eureka	122	266	474	167	–	–	120	172	317	78	117	–
Unincorporated	218	266	431	226	197	230	147	180	352	155	208	265
Los Angeles County												
Los Angeles	223	339	794	133	188	80	169	255	632	91	134	229
Malibu	443	663	1,719	258	368	–	–	–	–	–	–	–
Santa Monica	221	346	1,062	212	310	–	212	307	576	125	229	298
Manhattan Beach	230	381	764	117	693	–	205	495	812	108	–	–
Hermosa Beach	242	337	925	210	325	278	203	287	573	94	–	–
Redondo Beach	227	271	703	148	233	–	186	272	557	112	184	–
Torrance	200	95	784	–	–	–	142	188	430	90	149	435
Long Beach	188	252	527	125	332	–	150	192	319	89	140	220
Palos Verdes Estates	–	–	–	75	–	–	108	457	967	78	–	–
Rancho Palos Verdes	235	536	1,495	248	441	–	110	332	655	94	120	82
Avalon	318	489	654	282	–	73	–	–	–	–	–	–
Unincorporated	241	317	711	146	197	128	148	200	448	67	106	202
Marin County												
Unincorporated	294	397	862	203	312	363	212	300	857	117	145	–
Mendocino County												
Fort Bragg	236	252	682	191	215	394	161	204	431	269	227	193
Point Arena	226	243	247	122	125	–	–	–	–	–	–	–
Unincorporated	258	328	512	222	201	179	190	242	728	109	174	402
Monterey County												
Marina	129	317	342	129	–	270	186	260	433	96	132	–
Pacific Grove	294	441	682	308	375	–	270	354	605	282	202	–
Sand City	–	–	840	–	–	–	–	–	–	–	–	–
Monterey	334	384	1,079	173	472	–	198	555	535	230	306	–
Carmel-by-the-Sea	283	588	943	209	368	–	–	–	–	–	–	–
Unincorporated	342	491	1,114	181	228	373	274	334	916	201	221	–

	Coastal Zone						**Outside Coastal Zone**					
	Unhosted max. guests			*Hosted max. guests*			*Unhosted max. guests*			*Hosted max. guests*		
	1–2	3–5	6+	1–2	3–5	6+	1–2	3–5	6+	1–2	3–5	6+
Orange County												
Seal Beach	188	288	583	150	–	–	–	192	422	100	–	–
Huntington Beach	267	325	716	136	217	658	178	277	512	99	194	335
Costa Mesa	–	332	225	100	–	–	157	204	374	92	150	231
Newport Beach	239	359	742	168	220	367	212	295	605	121	77	640
Aliso Viejo	–	–	–	–	–	–	169	213	392	84	155	–
Laguna Beach	270	420	836	223	277	445	–	151	–	–	–	–
Laguna Niguel	–	198	670	–	–	–	193	273	385	99	158	–
Dana Point	211	359	642	85	242	–	191	276	507	131	309	278
San Clemente	234	306	507	152	208	250	211	255	553	139	190	–
Unincorporated	–	–	1,044	100	104	–	155	261	462	84	113	240
San Benito County												
Unincorporated	–	–	–	–	–	–	174	171	722	127	153	481
San Diego County												
Oceanside	254	262	558	235	315	406	154	211	444	80	118	328
Carlsbad	228	349	609	171	335	307	174	261	476	130	77	435
Encinitas	202	337	756	141	277	–	190	246	671	102	174	–
Solana Beach	211	382	581	132	296	–	–	–	–	–	–	–
Del Mar	260	379	875	107	188	–	–	–	–	–	–	–
San Diego	205	299	694	136	180	214	157	213	478	93	136	248
National City	225	–	415	–	–	–	141	170	405	78	78	58
Coronado	218	286	693	202	341	94	–	–	–	–	–	–
Chula Vista	100	–	–	–	–	118	113	159	522	86	100	220
Imperial Beach	153	229	375	248	225	366	172	277	254	105	–	–
Unincorporated	256	362	2,682	–	–	–	160	204	672	124	171	199
San Francisco County												
San Francisco	187	259	329	132	90	–	196	297	666	131	194	302
San Luis Obispo County												
Morro Bay	186	279	432	203	277	307	–	–	–	–	–	–
Pismo Beach	233	341	535	248	293	374	124	273	727	162	211	–
Grover Beach	–	209	475	95	127	–	143	219	445	112	93	–
Unincorporated	198	297	572	159	193	320	202	253	740	195	168	309
San Mateo County												
Daly City	135	183	383	112	92	–	115	159	390	65	118	154
Pacifica	235	246	495	117	273	–	162	175	500	115	118	–
Half Moon Bay	237	291	570	290	272	–	–	–	–	–	–	–
Unincorporated	242	271	632	202	264	285	197	260	489	104	209	–
Santa Barbara County												
Guadalupe	–	–	–	–	–	–	138	–	422	77	99	–
Goleta	167	228	486	117	–	–	213	253	572	127	219	–
Santa Barbara	304	485	1,087	287	305	–	255	387	802	191	259	529
Carpinteria	247	354	774	129	204	–	–	–	–	–	–	–
Unincorporated	334	595	1,235	136	233	–	247	362	957	155	197	437
Santa Cruz County												
Santa Cruz	227	336	666	164	209	–	188	253	602	119	148	–
Capitola	288	373	591	299	409	413	208	322	398	123	–	–
Unincorporated	269	364	642	186	243	462	182	231	539	145	160	344

	Coastal Zone						Outside Coastal Zone					
	Unhosted max. guests			Hosted max. guests			Unhosted max. guests			Hosted max. guests		
	1–2	3–5	6+	1–2	3–5	6+	1–2	3–5	6+	1–2	3–5	6+
Sonoma County												
Unincorporated	284	402	547	234	245	–	245	347	905	202	225	194
Ventura County												
Ventura	208	275	469	136	125	445	167	247	376	87	143	–
Oxnard	172	385	722	90	–	–	145	199	370	74	108	620
Port Hueneme	149	224	541	58	144	–	118	216	245	58	–	–
Unincorporated	365	549	1,013	100	107	–	191	309	906	121	135	507

Unhosted STRs disproportionately cater to the high end of the hospitality market (see Figure 2). Since the state's tourism industry began rebounding from the COVID-19 pandemic in 2021, more than one quarter of unhosted STRs in the Coastal Zone have rented for at least twice the ADR of a hotel room. Most coastal STRs exceeded the ADR low-cost threshold by at least two thirds. Compared to hosted options, unhosted STRs have been more than twice as concentrated at the top end of the price spectrum in the Coastal Zone. (This hosted-unhosted gap doubles away from the coast, where high-cost hosted STRs are rarer.) Along the California coast today, unhosted STRs increasingly appear as luxury options, often costing much more than public officials would consider low-cost.

Hosted STRs were more likely to satisfy the ADR criterion for low-cost accommodations, but they grew notably less affordable in the Coastal Zone as tourism rebounded in 2021 and 2022 (see Figure 2). Outside the Coastal Zone, two thirds or more of hosted STRs have consistently met the 75-percent ADR low-cost criterion, even in peak travel months. Hosted STRs inside the Coastal Zone were similarly affordable at the beginning of 2019, but they gradually became higher cost in the wake of the pandemic. Even as they became relatively more expensive, however, hosted STRs remained significantly lower cost than unhosted STRs, within and outside the Coastal Zone.

Coastal Short-Term Rentals Exceed Most Californians' Travel Budgets

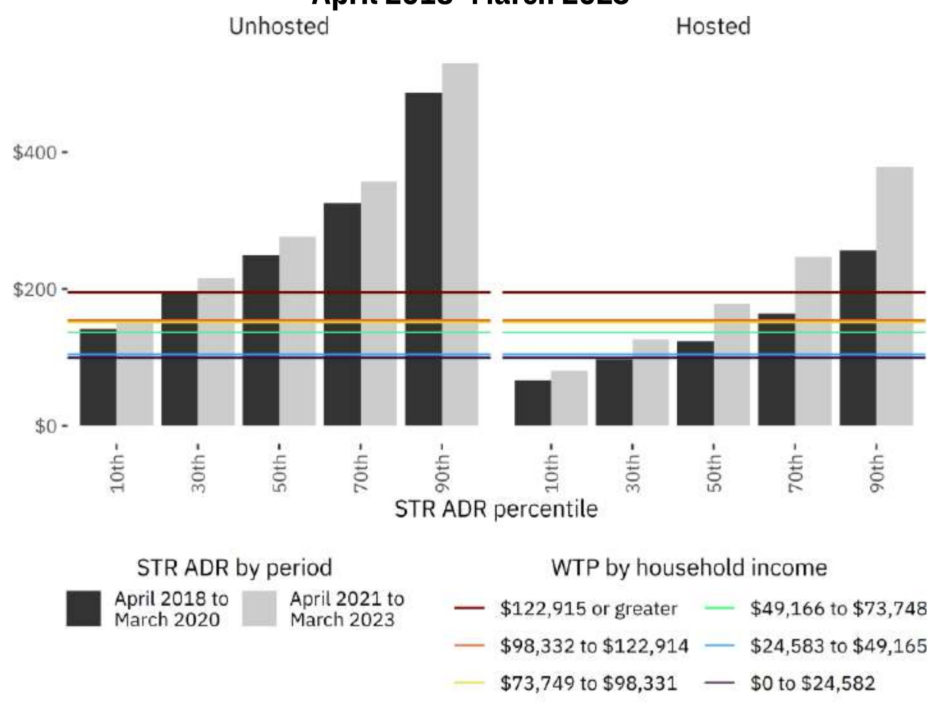
Another way to assess STR affordability is by comparison to how much visitors feel comfortable spending. When asked what would be an affordable nightly rate for overnight accommodations, a survey of California respondents' average willingness-to-pay (WTP) for coastal housing ranges from about $100-$200, depending on their income level.[ii] Households earning less than roughly $50,000 per year were typically uncomfortable paying more than $100 per night. The ceiling for households with incomes between $50,00–$75,000 was closer to $135 per night, compared to about $150 per night for households earning roughly $75,000–$125,000.

Across income levels, the prices of nearly all unhosted STRs exceed everyday Californians' estimates of what they could afford to pay for coastal lodging (see Figure 3). The coastal market for unhosted STRs fails to provide any options at or below average WTP for families earning as much as $73,000,

[ii] Author's calculations. See page 23.

representing more than a third of California households. Even for the highest-income households, less than 30 percent of STRs fit their expressed budget. Based on households' estimates of their finances, low- to moderate-income Californians were all but locked out of coastal STRs. Upper-income Californians fared better but still needed to spend more than their stated WTP. These trends held pre- and post-pandemic. Hosted STRs were more affordable than unhosted STRs by comparison to expressed WTP (see Figure 3). Half of hosted STRs were within reach for about half of California households in the two years before the pandemic and during tourism's rebound starting in April 2021. A smaller share of hosted STRs were affordable even to the lowest-income households in the state. These figures highlight the potential of hosted STRs to create opportunities for affordable coastal stays. Yet, because of distribution of STRs between unhosted and hosted rentals along the California coast (see Figure 1), the contributions of hosted STRs to affordable coastal lodging in California are ultimately few.

Figure 3: Average daily rates (ADRs) of short-term rentals (STRs) vs. average expressed willingness-to-pay (WTP) for coastal lodging by household income in California, April 2018–March 2023



Includes STRs that slept fewer than six guests.
Author's calculations. Data sources: AirDNA, Visit California, and U.S. Bureau of Labor Statistics.

For much of the population, the WTP-based affordability thresholds are consistent with the ADR-based low-cost criterion discussed in the previous section. Both definitions suggest that affordable coastal lodging for California's middle class costs under $160 per night. At the same time, WTP-based thresholds clarify that lodging must be even lower-cost to fit within low-income households' vacation budgets, suggesting that the ADR-based criterion is a somewhat conservative indicator of the accessibility of overnight coastal tourism.

Short-Term Rentals and Affordable Coastal Housing

The Coastal Zone: The Epicenter of California's Housing Crisis

The Coastal Zone is the epicenter of California's housing crisis. The state's most expensive homes—and many of the costliest housing markets in the country—are concentrated in the Coastal Zone, leaving households near the coast especially vulnerable to high housing costs.[2,19-21]

Over decades, California's inequitable property tax system and obstacles to housing construction in high-demand areas have caused a statewide housing shortage and high land prices.[22–25] Today, after historic rent increases in 2021 and 2022, the income of the average California renter falls 20 percent short of affording a typical two-bedroom apartment; the gap between income and rents is widest for Californians of color and coastal households.[26] Housing costs, racism, and a frayed social safety net expose California's most disadvantaged communities to increasing surveillance, eviction, and homelessness.[27–29]

In a 2022 report, the CCC summarized the consequences of exclusionary housing practices across the public and private sectors for the population of coastal California:

> "*California coastal communities are on average wealthier and less diverse than the state as a whole. . . . In other words, by virtue of where they live, wealthy white Californians have disproportionately more access to coastal resources when compared with other communities in the state. On average, people from low-income communities and communities of color must travel further to access the social, economic, scenic, and health benefits of the coast.*"
>
> — California Coastal Commission (2022)[19]

The main subject of affordable housing debates in California today is how to increase housing supply. In practice, these debates revolve around private-sector development because the public sector has largely withdrawn from housing production and supply-side subsidies.[30] Development projects usually proceed at a glacial pace in California due to restrictive zoning and political opposition.[24,25] In addition, researchers and practitioners disagree about the proper role of market-rate development in solving the housing crisis.[31–34] From January 2016 through September 2023, about 9,200 new housing units were permitted per month in California, just 40 percent of the estimated number needed to meet demand in a timely fashion.[iii] California households with incomes below half of the local median face a deficit of 1.45 million affordable rental units.[35] Progress towards an adequate housing supply has been slow overall and continues to leave behind California's poorest families.

[iii] Author's calculations. See page 23.

Despite the acuity of the housing crisis along the coast, the CCC has a limited ability to address housing supply and affordability issues. In the first few years after its inception in 1977, the CCC exercised its authority to encourage or require many coastal housing developments to include units that were affordable for low- and moderate-income families.[36] Beginning in 1981, however, state legislation and court cases eroded the CCC's ability to promote affordable housing. In October 2023, new regulations reduced the CCC's role in reviewing multifamily housing development in coastal cities that have failed to keep pace with state-approved housing development quotas,[37–39] further limiting the CCC's supply-side influence over coastal housing. The CCC has endorsed restoring its authority over housing development, and it acknowledges housing disparities within the Coastal Zone.[19] But at present, the CCC cannot require coastal development projects to include low-cost units or otherwise promote affordable housing.

Short-term rentals are one of the few aspects of housing markets over which the CCC still has considerable regulatory authority. Historically, the CCC has governed in favor of STRs by preempting coastal cities' attempts to cap or ban them, citing its mandate to guarantee overnight access to the coast.[8,11,17] Although the CCC has publicly recognized that STRs may take away from cities' long-term residential housing stock, it has mostly considered STRs as they pertain to coastal tourism. Indeed, the CCC has opted to "work with local governments to accommodate vacation rentals."[17]

By understanding STRs primarily as a tourism issue, the CCC's approach has mirrored wider trends in debates about STRs. When the STR industry first took shape, researchers mainly studied STRs in the contexts of travel and the "sharing economy."[13] Over the past few years, however, more studies have analyzed how housing markets change as STRs expand, recognizing that the short- and long-term housing markets are inextricably linked.[3,4,40]

The result of researchers' broadened view of STRs is an increasingly clear body of scientific evidence about how STRs affect housing stock and housing affordability. As California's housing crisis deepens, especially in the Coastal Zone, understanding STRs' consequences for the housing market is vital to appraising the status quo of accommodating coastal STRs.

Short-Term Rentals Reduce Coastal Housing Supply

STRs take up a substantial amount of housing in California's coastal cities, especially within the Coastal Zone and in unincorporated areas (see Figure 4 and Table 3). While the tipping point varies from place to place, experts will likely be concerned about negative spillovers for tenants and neighborhoods when STRs approach one percent of local housing stock.[41–43] Within the Coastal Zone, at least one percent of housing units were full-time STRs in many cities, both incorporated or unincorporated, in the year starting April 2022. Outside the Coastal Zone, conditions were similar in unincorporated communities, but STRs rarely exceeded one percent of the housing stock in incorporated cities.

Figure 4: Ratio of full-time short-term rentals (STRs) to housing units as compared to 1% of housing stock in California coastal cities, April 2018–March 2023 (average)

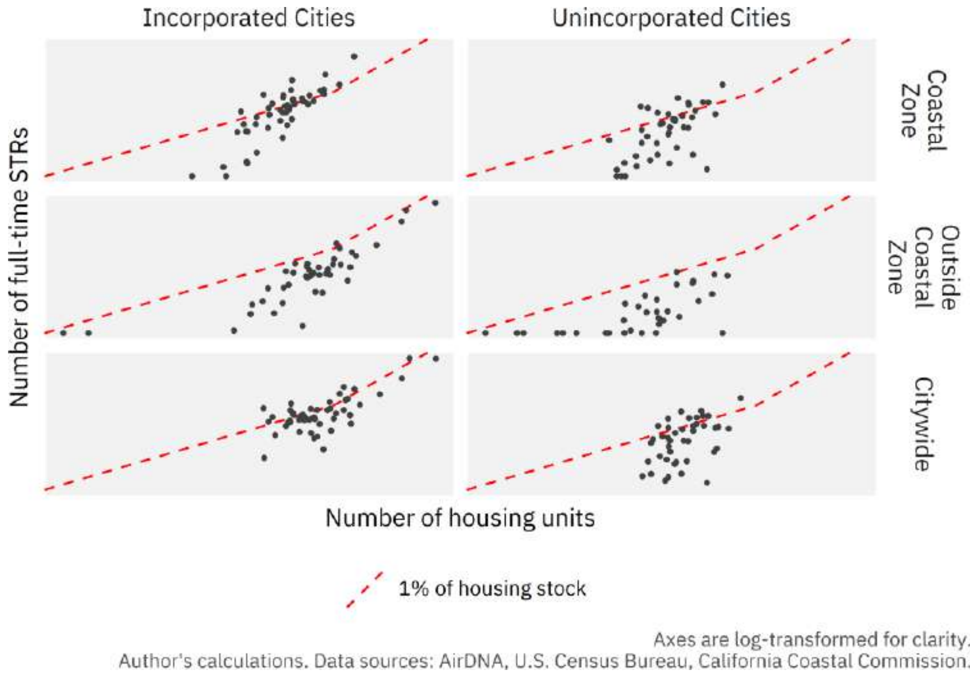


Table 3: Full-time short-term rentals (STRs) as a percentage of total housing units (Units) in California coastal cities, April 2022–March 2023 (average)

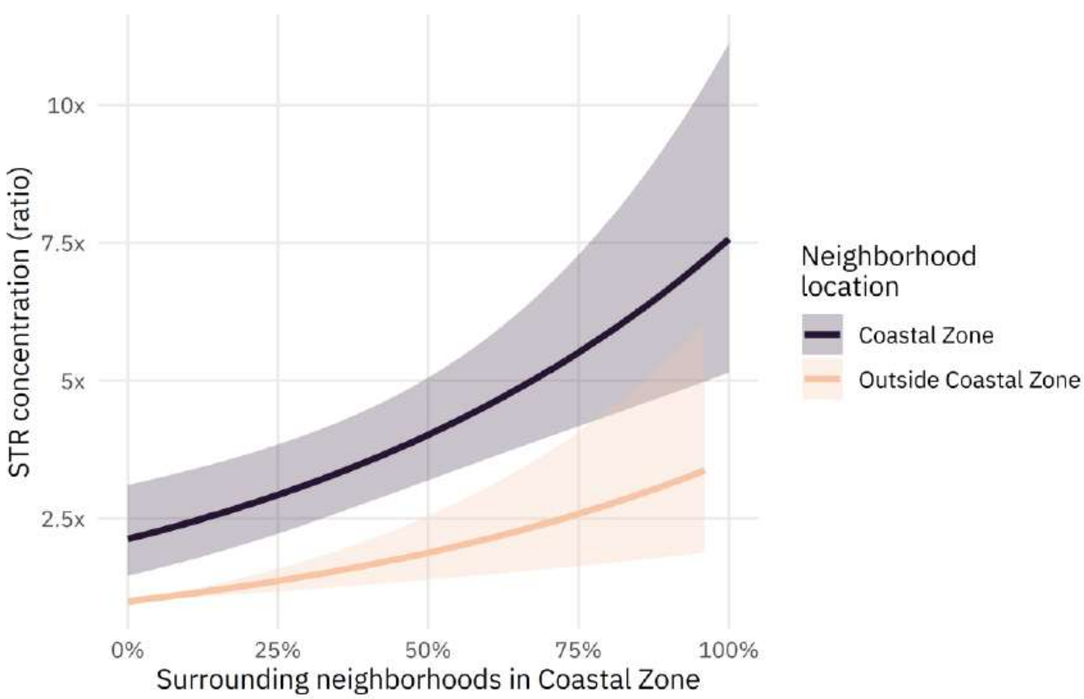
		Coastal Zone			Outside Coastal Zone			Citywide		
County	**City**	*Units*	*Full-time STRs*		*Units*	*Full-time STRs*		*Units*	*Full-time STRs*	
Del Norte	Unincorporated	2,803	79	2.8%	5,515	99	1.8%	8,320	179	2.1%
Humboldt	Trinidad	217	32	14.9%	2	0	0.0%	219	32	14.8%
	Arcata	1,567	35	2.2%	7,043	111	1.6%	8,610	146	1.7%
	Eureka	1,078	21	2.0%	10,926	93	0.9%	12,004	114	1.0%
	Unincorporated	7,715	186	2.4%	19,536	252	1.3%	27,251	437	1.6%
Los Angeles	Los Angeles	37,930	506	1.3%	1,481,745	6,884	0.5%	1,519,675	7,390	0.5%
	Malibu	6,033	349	5.8%	0	0	–	6,033	349	5.8%
	Santa Monica	14,190	163	1.1%	38,590	310	0.8%	52,780	473	0.9%
	Manhattan Beach	4,366	76	1.7%	10,585	46	0.4%	14,951	122	0.8%
	Hermosa Beach	5,476	89	1.6%	4,520	22	0.5%	9,996	111	1.1%
	Redondo Beach	6,194	48	0.8%	24,587	75	0.3%	30,780	123	0.4%
	Torrance	1,126	2	0.2%	57,766	87	0.2%	58,892	89	0.2%
	Long Beach	21,152	264	1.2%	158,298	385	0.2%	179,451	649	0.4%
	Palos Verdes Estates	159	0	0.0%	5,126	7	0.1%	5,285	7	0.1%
	Rancho Palos Verdes	1,141	21	1.8%	15,289	16	0.1%	16,430	37	0.2%
	Avalon	2,082	252	12.1%	0	0	–	2,082	252	12.1%
	Unincorporated	12,820	750	5.9%	36,450	799	2.2%	49,269	1,549	3.1%
Marin	Unincorporated	4,229	345	8.2%	5,966	135	2.3%	10,194	480	4.7%
Mendocino	Fort Bragg	774	20	2.6%	2,511	21	0.8%	3,285	41	1.2%
	Point Arena	223	11	5.1%	0	0	–	223	11	5.1%
	Unincorporated	5,429	436	8.0%	18,163	215	1.2%	23,595	650	2.8%
San Benito	Unincorporated	209	0	0.0%	751	28	3.7%	959	28	2.9%

County	City	Coastal Zone Units	Coastal Zone Full-time STRs		Outside Coastal Zone Units	Outside Coastal Zone Full-time STRs		Citywide Units	Citywide Full-time STRs	
Monterey	Marina	313	3	0.9%	7,956	22	0.3%	8,269	25	0.3%
	Pacific Grove	1,609	55	3.4%	6,524	60	0.9%	8,133	116	1.4%
	Sand City	192	1	0.7%	0	0	–	192	1	0.7%
	Monterey	887	82	9.2%	12,876	49	0.4%	13,763	131	1.0%
	Carmel-by-the-Sea	2,953	139	4.7%	0	0	–	2,953	139	4.7%
	Unincorporated	10,428	200	1.9%	24,696	277	1.1%	35,122	477	1.4%
Orange	Seal Beach	5,209	32	0.6%	9,353	1	0.0%	14,562	33	0.2%
	Huntington Beach	11,498	135	1.2%	72,340	188	0.3%	83,839	323	0.4%
	Costa Mesa	389	1	0.3%	44,193	129	0.3%	44,582	130	0.3%
	Newport Beach	22,201	994	4.5%	22,961	56	0.2%	45,162	1,050	2.3%
	Aliso Viejo	512	0	0.0%	20,170	15	0.1%	20,681	15	0.1%
	Laguna Beach	12,104	241	2.0%	685	0	0.0%	12,789	241	1.9%
	Laguna Niguel	1,112	2	0.2%	26,731	52	0.2%	27,842	54	0.2%
	Dana Point	4,941	114	2.3%	11,306	111	1.0%	16,247	225	1.4%
	San Clemente	9,144	196	2.1%	17,754	52	0.3%	26,898	248	0.9%
	Unincorporated	459	1	0.2%	7,686	187	2.4%	8,145	187	2.3%
San Diego	Oceanside	6,254	684	10.9%	61,351	238	0.4%	67,605	922	1.4%
	Carlsbad	18,423	331	1.8%	30,032	106	0.4%	48,455	437	0.9%
	Encinitas	20,991	362	1.7%	5,489	26	0.5%	26,480	388	1.5%
	Solana Beach	6,513	183	2.8%	0	0	–	6,513	183	2.8%
	Del Mar	2,545	101	4.0%	0	0	–	2,545	101	4.0%
	San Diego	67,145	3,334	5.0%	491,287	4,102	0.8%	558,432	7,436	1.3%
	National City	452	1	0.3%	17,462	86	0.5%	17,915	88	0.5%
	Coronado	9,412	163	1.7%	0	0	–	9,412	163	1.7%
	Chula Vista	104	0	0.1%	89,470	153	0.2%	89,574	153	0.2%
	Imperial Beach	6,942	137	2.0%	3,148	4	0.1%	10,091	140	1.4%
	Unincorporated	1,269	2	0.2%	58,009	1,148	2.0%	59,278	1,150	1.9%
San Francisco	San Francisco	4,393	14	0.3%	410,815	1,922	0.5%	415,208	1,935	0.5%
San Luis Obispo	Morro Bay	6,568	164	2.5%	1	0	0.0%	6,569	164	2.5%
	Pismo Beach	4,461	209	4.7%	1,361	7	0.5%	5,822	216	3.7%
	Grover Beach	983	35	3.5%	4,921	66	1.3%	5,903	100	1.7%
	Unincorporated	14,840	603	4.1%	19,814	852	4.3%	34,656	1,454	4.2%
San Mateo	Daly City	2,488	27	1.1%	31,171	152	0.5%	33,658	179	0.5%
	Pacifica	2,637	65	2.5%	12,037	72	0.6%	14,673	137	0.9%
	Half Moon Bay	4,974	75	1.5%	0	0	–	4,974	75	1.5%
	Unincorporated	5,846	89	1.5%	6,176	34	0.6%	12,022	123	1.0%
Santa Barbara	Guadalupe	134	0	0.0%	2,040	9	0.4%	2,174	9	0.4%
	Goleta	1,646	5	0.3%	11,308	43	0.4%	12,955	48	0.4%
	Santa Barbara	4,519	244	5.4%	33,774	438	1.3%	38,293	683	1.8%
	Carpinteria	5,705	111	1.9%	0	0	–	5,705	111	1.9%
	Unincorporated	10,201	175	1.7%	18,494	339	1.8%	28,695	514	1.8%
Santa Cruz	Santa Cruz	9,915	161	1.6%	14,272	59	0.4%	24,187	220	0.9%
	Capitola	4,017	89	2.2%	1,284	3	0.3%	5,300	92	1.7%
	Unincorporated	17,219	525	3.0%	16,184	306	1.9%	33,403	830	2.5%
Sonoma	Unincorporated	3,339	435	13.0%	37,231	1,354	3.6%	40,571	1,790	4.4%
Ventura	Ventura	4,821	118	2.5%	40,120	103	0.3%	44,941	221	0.5%
	Oxnard	5,255	125	2.4%	52,330	35	0.1%	57,585	160	0.3%
	Port Hueneme	4,014	43	1.1%	4,366	8	0.2%	8,380	50	0.6%
	Unincorporated	2,686	144	5.4%	12,525	165	1.3%	15,211	309	2.0%

The concentration of STRs in the Coastal Zone drove the citywide STR landscape in many coastal municipalities. For example, from April 2022 through March 2023, 1.3 percent of San Diego's housing units were off the long-term market as STRs, compared to five percent in the Coastal Zone; the Coastal Zone accounted for 12 percent of San Diego's overall housing stock but 45 percent of its full-time STRs. Farther north in Monterey, although only six percent of the city's housing units were in the Coastal Zone, the dense concentration of STRs there—9.2 percent of housing units—drove the citywide share to one percent of residential units.

Conditions at the neighborhood level further demonstrate how much more housing is allotted to STRs within the Coastal Zone than elsewhere in California's 15 coastal counties (see Figure 5). Compared to neighborhoods farthest from the coast, STRs take up five to 11 times more of the housing stock in neighborhoods that are inside and surrounded by the Coastal Zone. Even on the outskirts of the Coastal Zone, STRs constitute two to four times more housing than in more distant neighborhoods. STR concentration is especially dense in the Coastal Zone.

Figure 5: Coastal proximity and short-term rental (STR) concentration compared to inland neighborhoods



STR concentration measured as percentage of neighborhood housing stock.
Author's calculations. Estimates and confidence intervals (95% level) shown.
Data sources: AirDNA, U.S. Census Bureau, California Coastal Commission.

Short-Term Rentals Increase Housing Costs

STRs substantially increase housing costs for renters and buyers. According to a 2021 study, one STR platform (Airbnb) was responsible for about 20 percent of rent increases and 14 percent of sales price increases in the United States.[44] An analysis of Los Angeles over a seven-year period suggests STRs drove up rents by 0.34 percent annually.[45] Other coastal cities saw similarly large changes in the housing market due to the growth of STRs: from 2014 to 2019, for each 10-percent increase in the number of STRs, housing prices increased by an estimated 0.9 percent in Long Beach, 2.0 percent in Malibu, 2.1 percent in Redondo Beach, 2.3 percent in Hermosa Beach, and 2.7 percent in Manhattan Beach.[46] In the early stages of Airbnb's growth in Boston, STRs increased rents by as much as three percent within a year.[47] Similarly, research on European housing markets estimates that STRs drove up sales prices by four to five percent and rents by around two percent.[48,49] While some of these price increases may seem small at first glance, they are evidence of major disruptions to residential housing markets—especially in the context of rents, which typically increase by single-digit percentage points each year.[50]

There is growing evidence that STRs alter housing markets most in places where STRs are most concentrated, including top tourist destinations. In Los Angeles County, STRs drove up housing prices several times more in beachside neighborhoods than farther inland.[51] From 2015 through 2017, STRs induced larger reductions in housing supply in American metropolitan areas where STRs were more popular.[52] A similar pattern appears at the neighborhood level in research on European housing markets. In Barcelona, STRs drove up rents three times more in high-tourist areas than elsewhere in the city.[48] In Portugal, STRs' effects made housing prices one quarter higher than prices in the most tourist-dense communities.[49] These findings suggest that many communities along the California coast—where STRs are most popular and tourist attractions are heavily concentrated—are uniquely vulnerable to the supply constraining and price-increasing effects of STRs.

Most studies also agree on the channels through which STRs affect housing prices. STRs raise home values by increasing the potential return on investment in housing. Rents increase because landlords respond to incentives to switch their long-term rentals to more lucrative STRs, reducing the stock of available units for long-term renters.[44,52,53] Because lower-cost rentals are more likely to be switched to STRs,[52] lower-income renters suffer most from the loss of long-term rental housing to STRs. STRs constrict the housing market most where long-term rental units are most similar to STRs and owners are most willing to switch their units between short- and long-term rentals.[52,54,55] Understanding the factors that incentivize property owners to switch is crucial to identifying places where STRs are having the most significant effect on the cost of housing.[iv]

Short-Term Rental Regulations Protect Housing Supply and Lower Costs

STR regulations set parameters on how residential housing units can be rented out as STRs. Common components of STR ordinances include registration requirements for units or hosts, caps on how much

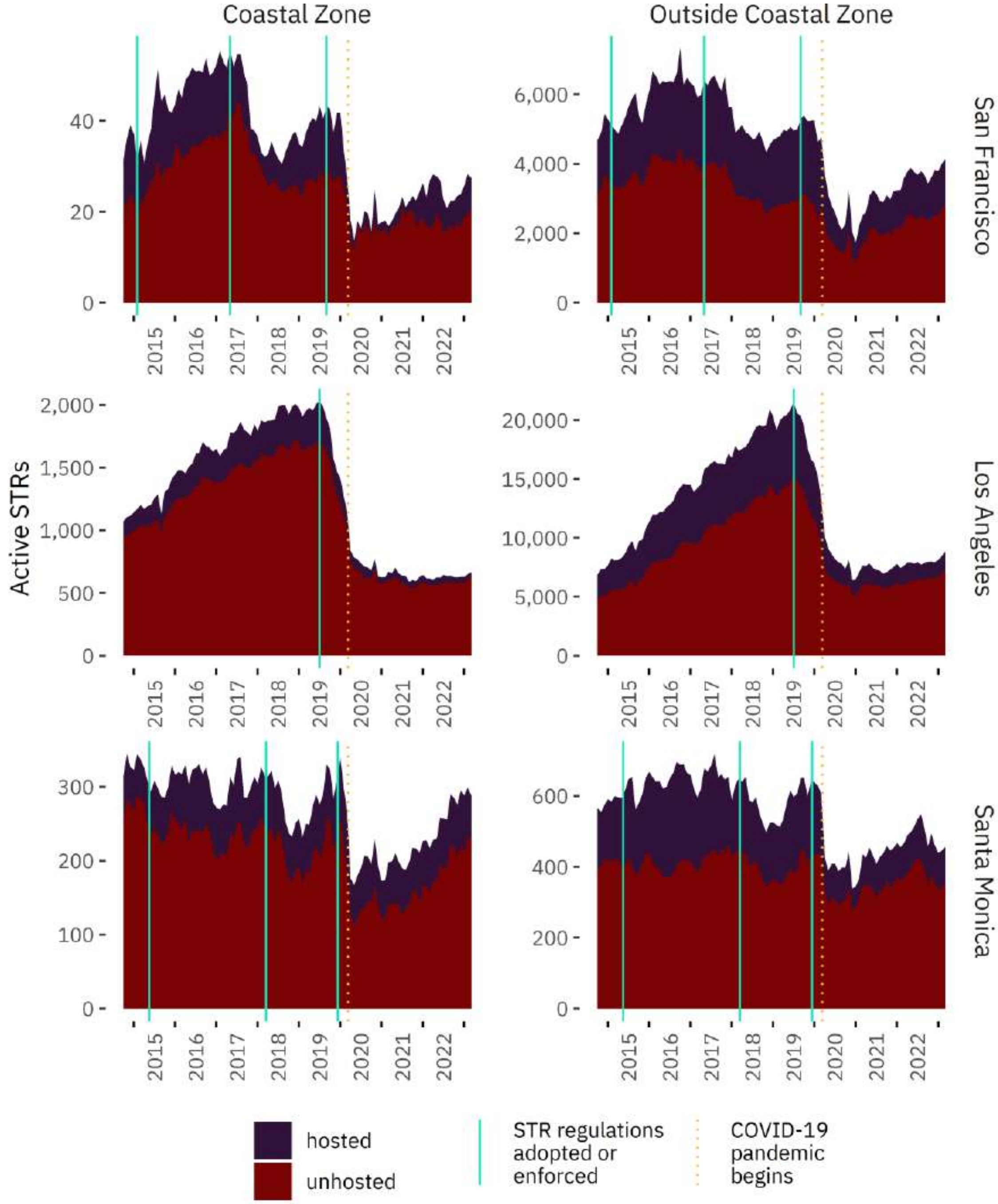
[iv] These factors explain a case that otherwise appears as an exception to the rule: Santa Monica in Los Angeles County, where sales prices rose and rents remained relatively stable as STR numbers declined because owners were unusually hesitant to lease former STRs for longer terms.[46,56]

housing can be used as STRs, limits on the number of days per year units can be used as STRs, and requirements that units be hosted—i.e., that someone live on-site.[57] Many municipalities in California, including some in the Coastal Zone, have enacted or attempted to enact STR regulations. In some cases, the CCC limits or nullifies local STR ordinances.

Local STR ordinances often successfully limit STR growth or density (see Figure 6)and slow or reverse the increase of housing prices. In Los Angeles County, municipal STR ordinances have reduced the number of STR listings by as much as half;[51,53] in Santa Monica, listings decreased by as much 60 percent.[51,56] Listings declined by more than 20 percent after regulations were enacted in San Francisco and Chicago.[58] Local regulations drove down housing prices by two percent in Los Angeles County,[51] three percent in Irvine in Orange County,[54] and up to four percent in San Francisco.[58] New Orleans' regulations were responsible for even larger declines in STR density and home prices.[59] These results show that STR ordinances keep more housing on the long-term market and moderate the cost of housing.

Just as STRs increase costs more where they and tourists are most concentrated, studies of STR regulations have repeatedly found that housing costs decline most dramatically post-regulation in tourist-dense locales and other areas with higher numbers of STRs. A 2021 study estimates that lifting existing STR regulations would increase housing prices by one to three percent in Los Angeles County coastal cities, while enacting new ones where STRs are unregulated would decrease prices by five to 12 percent.[51] These changes would be higher than in cities with a smaller STR sector or fewer tourist attractions. Similarly, in San Francisco and Irvine, regulations brought rents down more in neighborhoods that had more STRs before municipal ordinances were enacted.[54,58] For renters and low-income households struggling with California's high housing costs, the stakes of STR regulation are likely higher in and around the Coastal Zone than anywhere else in the state.

Figure 6: Short-term rental (STR) regulations and monthly active listings in selected coastal California cities, October 2014—March 2023



Figures are seasonally adjusted and adjusted for the number of STR platforms included in the sample

Recommendations: A Balancing Act

This report examines how short-term rentals (STRs) impact two public policy priorities in California's coastal communities: low-cost lodging and affordable housing. STRs ultimately push both goals further out of reach. Today, tourism and housing affordability are inextricably linked because STRs pull from the same housing stock as long-term homes. STRs make housing more expensive and create very little low-cost coastal lodging in return.

STRs are unaffordable lodging options in California, especially along the coast. This is true according to standards that state agencies have used and according to what Californians report they can afford. Coastal STRs are most inaccessible for low-income households, but they are also unaffordable for many middle-class Californians. Hosted STRs are more affordable than unhosted STRs, but hosted rentals are only a sliver of the STR market.

Any negligible contributions to the stock of low-cost lodging from unhosted STRs come at the cost of worsening California's housing crisis. STRs raise rents because long-term rentals are converted to STRs and increase sales prices because homes become more lucrative investments. STRs reduce housing supply most substantially in the Coastal Zone, including in many tourist destinations.

Effective regulations can help turn the tide. They are effective tools for managing STR levels and curbing the growth of housing prices. STR regulations ease housing market strain most where STR concentration and tourist volume are highest. The California Coastal Commission (CCC), however, has often limited cities' ability to enact them.

Providing access to the coast while promoting low-cost lodging and preserving housing for persons of low to moderate income in coastal California is a balancing act:

(Coastal Act Section 30103). Data and Methods

Data Sources

The source of all short-term rental (STR) data was AirDNA, which collects and harmonizes data from STR online platforms. AirDNA furnished a unit-level data set that contained time-invariant characteristics of 867,901 STR properties and a monthly longitudinal data set that contained time-variant rental characteristics for active STRs through March 2023. The data sets included STRs listed on Airbnb since October 2014 and on VRBO (formerly HomeAway) since May 2017. AirDNA used proprietary procedures to deduplicate STRs that were listed on both platforms. Airbnb and VRBO account for the vast majority of STR activity in California,[45] but rentals on smaller STR platforms are missing from the data set. As a result, STR concentration is probably slightly underestimated in the report, especially in localities where smaller STR platforms have a greater market share. Overall, however, the AirDNA data enabled the report to capture a reasonably comprehensive picture of California's STR landscape.

The report used population, housing, and geospatial boundary data from the U.S. Census Bureau (USCB). Population and housing counts were sourced from the 2010 and 2020 decennial censuses and 2017–2021 American Community Survey Five-Year Estimates. The USCB TIGER/Line Shapefiles were the source of the boundaries of California counties, incorporated cities, Census Designated Places (CDPs), Census Block Groups (CBGs), and Census Blocks (CBs).

The boundaries of the Coastal Zone were sourced from the California Coastal Commission.

Historical statewide average daily rates (ADRs) of California hotels were collected from Visit California's April 2022 Lodging Forecast and Monthly Travel Indicators Summaries from November 2022 to August 2023.

Estimates of Californians' willingness-to-pay (WTP) for Coastal Lodging were derived from a 2016 survey by Field Research.[60]

Counts of permitted housing units were obtained from the Federal Reserve of St. Louis and combined with a 2018 study's estimates of the amount of additional housing needed to eliminate California's housing shortage.[61]

For inflation adjustments, the report used the monthly Chained Consumer Price Index for All Urban Consumers: All Items in U.S. City Average (SUUR0000SA0), prepared by the U.S. Bureau of Labor Statistics.

Methods

Table 4 summarizes the procedures used to determine the locality in which an STR observation from the AirDNA data was located. The AirDNA data included a field indicating the city in which each STR was located, but it was unsuitable for analysis for three reasons. First, the geographical coordinates recorded for 88 percent of observations were approximations located within 500 meters (about 0.31 miles) of the STRs' true coordinates, which led to discrepancies between the recorded and actual localities. Second, the localities listed in the data failed to correspond reliably to the USCB locality names; these discrepancies were corrected manually for AirDNA observations for which the recorded locality name did not appear in the USCB locality names. Third, recorded locality names were often not reliable due to incentives for property owners to list their STR in a different locality, especially for properties near the borders of a more lucrative locality or more favorable STR regulatory environment.

Table 4: Summary of procedures used to assign recorded short-term rental (STR) locations to California incorporated cities, Census Designated Places (CDPs), and other unincorporated areas

STR recorded locations and processing	Observations	
Exact coordinates recorded	**107,659**	**12.40%**
Within official locality boundaries	107,380	12.37%
Incorporated city or CDP	98,567	11.36%
Other unincorporated area	8,813	1.02%
Assigned to nearest locality	279	0.03%
0.31-mile radius recorded	**760,242**	**87.60%**
Single possible locality	542,220	62.47%
Multiple possible localities	218,022	25.12%
Assigned by recorded locality name	199,440	22.98%
Assigned by largest overlap	18,582	2.14%
Total	**867,901**	**100.00%**

STRs were designated full-time STRs on a monthly basis if the entire housing unit was made available for an unhosted rental for at least three quarters of the days of the month. Such units are unlikely to be used as primary residences and can reasonably be understood as housing units removed from the long-term residential market for the month.

Monthly estimates of California localities' populations and housing stocks were derived from the 2010 and 2020 decennial censuses. Linear interpolation was used to approximate monthly counts of CBs' populations and housing units based on the growth rate between the censuses. Using areal (overlay) interpolation,[62] CBs' counts were aggregated to derive those of incorporated cities and CDPs.

To visualize trends more intuitively and meaningfully than the raw data allowed, STR counts visualized in Figure 6 were adjusted using X-13ARIMA-SEATS.[63] A seasonal adjustment was applied to smooth out month-to-month variation in demand for tourism. Flags were added for the period of the COVID-19 pandemic to avoid conflating pandemic effects with seasonality. In addition, an upward adjustment was made to observations before May 2017 when VRBO and HomeAway STRs were excluded from the AirDNA data.

Table 5: Summary of spatial generalized linear models of the number of full-time short-term rentals (STRs) in populated California Census Block Groups (CBGs), April 2022—May 2023

Dependent variable:	Number of full-time STRs			
Model:	(1)	(2)	(3)	(4)
	Poisson	Poisson	Neg. Bin.	Neg. Bin.
Explanatory variables				
Coastal Zone	1.485***	0.800***	1.518***	0.758***
	(0.127)	(0.238)	(0.113)	(0.192)
Coastal Zone (spatial lag)		1.165***		1.266***
		(0.334)		(0.309)
Fit statistics				
Log-Likelihood	-59,991.1	-59,013.5	-28,796.2	-28,729.1
AIC	120,014.1	118,060.9	57,624.3	57,492.2
BIC	120,134.9	118,189.2	57,745.1	57,620.5
θ (dispersion)			0.522	0.531

13,988 observations.
All models contain county fixed-effects and offset term (total housing units).
Spatial lag uses distance-weighted nearest-neighbor weights (k = 20).
Clustered (city & census tract) standard-errors in parentheses
*Signif. Codes: ***: 0.01, **: 0.05, *: 0.1*

The model used to generate the estimates visualized in Figure 5 is summarized in the right-most column in Table 5, alongside alternate model specifications for reference. The final model is a negative binomial regression[64] with a binary explanatory variable indicating whether the CBG is located within the Coastal Zone and a spatial lag of that explanatory variable representing the distance-weighted average of the explanatory variable for an observation's 20 closest neighbors. This model specification captures not only whether a CBG is located in the Coastal Zone but also how far inside the Coastal Zone it is located.

Software and Replication Materials

Data were collected, processed, analyzed, and visualized in the R software environment[65] using the following packages:

- tidycensus and tigris for collecting data from the USCB;
- data.table, the tidyverse, Matrix, feather, readxl, scales, and lubridate for processing and analyzing columnar data;
- sf, spdep, rgeoda, units for processing and analyzing geospatial data;
- seasonal for decomposition and seasonal adjustment;

- fixest and car for regression analysis and diagnostics; and
- ggplot2, ggh4x, viridis, ggthemes, extrafont, knitr, and kableExtra for visualizing data.

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March 1, 2026

Dear Esteemed Members of the California Coastal Commission:

My name is Alvin Salehi and I respectfully urge you to protect something that changed the course of my life and my family's future: the ability for visitors to experience Pacifica the way me and my family have.

I grew up in a motel. My parents were immigrants, and like so many families, we lived with uncertainty and worked with our heads down, just trying to build something stable. Through a lot of sacrifice and hard work, I found my way to law school. I went into public service. I devoted my career to building systems that help other people, especially those who start with less.

Then, about a decade ago, something small happened that led to something big.

One summer, I took a short trip and stayed in an Airbnb in Pacifica. It wasn't a luxury experience. It was something more meaningful than that: it was a window into a life and a place I didn't know existed. I woke up to the ocean. I walked the bluffs. I met neighbors. I ate at local restaurants. I felt the calm, the beauty, and the humanity of this town in a way a quick drive-through never could.

And I fell in love with Pacifica.

So deeply that I reorganized our lives to move here. I launched a company in the Bay Area so my family could settle in Pacifica. That company was built around a mission I care about with my whole heart, helping immigrants and refugees earn meaningful income from home with dignity. And with a lot of hard work and a lot of luck, we eventually bought our first home and became part of this community.

Later, after saving for a long time, we had the privilege of buying a home on the coast. It was a dream, and it is still a dream. But it was also a stretch. The honest truth is we could only afford the mortgage by renting it out as a short-term rental.

We poured love into that home because we wanted other families to feel what we felt. We wanted someone else to have that same moment: the moment where Pacifica isn't just a dot on a map, but a place that reaches you. A place you remember. A place you want to return to, and maybe even build your life around.

That is what's at stake here.

I understand the concerns that residents have raised. Noise. Parking. Parties. Quality of life. These are real issues, and the people who live here full time deserve peace, safety, and community. But I believe we can address those concerns without shutting the door entirely on responsible, well-managed short-term rentals, particularly those on the coast that are not in dense residential neighborhoods and that can be regulated with clear rules and real enforcement. We've already banned short-term rentals across the rest of the city, but we don't have to shut down the few remaining homes left on the coast.

A full ban isn't just a policy choice. It's a message.

It says: Pacifica is only for those who already made it here.
It says: the coastline is a private privilege, not a shared wonder.
It says: we are willing to trade sustainable revenue and support for local businesses in exchange for a solution that doesn't distinguish between bad actors and good neighbors.

And Pacifica is better than that.

We all know the local joke: "Don't move here, it's always foggy." I've heard it said to visitors passing through, off hand and with a smile, because we love this place and, in a way, we want to protect it. But the truth is what we all know in our bones: the fog is part of the magic. The sun breaks through more than outsiders realize. The coast here is breathtaking. It restores people. And when visitors come and experience this wonder firsthand, they also contribute to it. They eat in our restaurants. They shop in our stores. They discover local businesses. They bring revenue into a city that, by many accounts, is under financial strain.

And this isn't theoretical. As we know, short-term rental taxes generated more than a million dollars in revenue just a couple years ago. That's real money for city services, public safety, and basic needs. In a moment when every dollar matters, it's hard to understand why we would choose to eliminate a meaningful revenue stream entirely, especially if we can keep the benefits while regulating the harms.

What I am asking for is not "do nothing." It is to choose a balanced approach.

If the city believes broad restrictions are necessary, then I urge you at minimum to preserve a limited, well-regulated path for coastal short-term rentals. Put guardrails in place. Increase enforcement. Cap the number. Require local contact response times. Limit occupancy. Impose escalating penalties for violations. Remove permits from repeat offenders. Protect neighborhood peace aggressively.

But don't erase the very thing that helps people discover Pacifica in the first place.

Because I am living proof of what a single stay can do.

A short trip brought me here. It brought my family here. It led to a company devoted to helping newcomers build stable lives. It led to our roots being planted in this community. It led to us investing in Pacifica, not just financially, but emotionally. We vote here. We contribute here. We raise families here. We are not tourists. We are neighbors.

And there are more people like us out there right now, families who could fall in love with Pacifica the way we did. People who will treat this town with respect, who will support local businesses, who will become part of the fabric of the community.

This is what Pacifica is all about. Nurturing our beautiful community while simultaneously affording the next generation of Pacificans an opportunity to fall in love with it – in the same way that you and I fell in love with it decades ago.

Please don’t close the door behind you. A total ban shuts everyone out. It doesn’t just regulate behavior, it narrows the future.

Choose a compromise that protects residents and preserves opportunity. We’ve already banned most of the homes in Pacifica. Keep a limited number of responsible coastal short-term rentals open, with strong enforcement and clear accountability. Let Pacifica continue to welcome people in a way that is consistent with our values: fairness, balance, and community.

Thank you for your time, and for your service to our city.

Very truly yours,

____
Alvin Salehi

Outlook

RE: PUBLIC COMMENT on LCP Amendment No. LCP-2-PAC-25-0079-2 (Pacifica STRs) – OPPOSITION

From: Anna Tong <anna.l.tong@gmail.com>
Sent: Saturday, May 23, 2026 4:38 PM
To: NorthCentralCoast@Coastal <NorthCentralCoast@coastal.ca.gov>
Subject: PUBLIC COMMENT on LCP Amendment No. LCP-2-PAC-25-0079-2 (Pacifica STRs) – OPPOSITION

To All Members of the California Coastal Commission:

On behalf of the local short-term rental hosts of Pacifica, I am writing to express my strong opposition to Local Coastal Program Amendment No. LCP-2-PAC-25-0079-2. While we share the City Council's commitment to community safety, the extreme regulations proposed—specifically the 60-day cap on unhosted stays and the strict primary residence mandate—will serve to dismantle affordable coastal access and harm our local economy.

Protecting the Coastal Act's Core Mandate of Equitable Access The primary mandate of the California Coastal Commission is to maximize public access for all Californians, regardless of income level. Short-term rentals (STRs) are a critical infrastructure for realizing this mandate in Pacifica. Pacifica relies on a severely supply-constrained commercial lodging market with only eight hotels totaling 317 rooms. Eliminating most of the city's overnight capacity will artificially spike lodging prices, pricing out multi-generational families, working-class visitors, and budget leisure travelers who rely on the shared spaces and full kitchens of vacation homes.

An Invisible Impact on Housing and Neighborhoods Proponents of this amendment frame it as a necessary measure to protect neighborhood character from "party houses" and housing shortages. However, the data simply does not support this narrative. Out of a city of roughly 15,000 properties, active STR permits are legally capped at 150 units—representing a negligible 1% fraction of the total housing stock. Furthermore, neighborhood disruptions are anomalies, not trends; a tiny fraction of properties are responsible for the vast majority of complaints. When requested to identify chronic nuisance properties, municipal records show the city could only provide data on a single problematic listing.

Prudent, Alternate Solutions We strongly oppose broad-force bans that penalize an entire community of responsible property owners for the actions of a few unmonitored bad actors. A truly balanced regulatory model can achieve neighborhood harmony without blocking coastal access. We champion and ask the commission to consider alternate, proven enforcement solutions including:

- **A "Three Strikes" Penalty System:** Automatically suspending or revoking the permit of any operator who accumulates three verified, unappealed citations within a 12-month period.
- **Responsive Local Accountability:** Requiring a registered property contact to be available 24/7 to resolve local issues by phone within 30 minutes or in-person within an hour.
- **Strict Operational Standards:** Enforcing localized quiet hours (10:00 PM to 7:00 AM), bedroom-based occupancy caps, and standard parking requirements.

The Coastal Commission has historically stood against exclusionary zoning tools that privatize public shorelines under the guise of local preservation. I respectfully request that you reject this overly restrictive amendment and preserve the right of everyday families to experience the beauty of the California coast.

Sincerely,

Anna Tong--
Anna Tong
3

Honey, Julian@Coastal

From: brian o'flynn <bmof123@gmail.com>
Sent: Friday, January 30, 2026 4:42 PM
To: Honey, Julian@Coastal
Subject: Fwd: Hearing Date: Wednesday, February 4, 2026 Agenda Item: W15a City of Pacifica LCP Amendment Number LCP-2-PAC-25-0079-2

Brian O'Flynn

Pacifica Property Owner

January 30, 2026

California Coastal Commission c/o Executive Staff 455 Market Street, Suite 300 San Francisco, CA 94105

Via Email: ExecutiveStaff@coastal.ca.gov

RE: URGENT REQUEST FOR POSTPONEMENT

Hearing Date: Wednesday, February 4, 2026

Agenda Item: W15a

City of Pacifica LCP Amendment Number LCP-2-PAC-25-0079-2

Dear Chair and Honorable Commissioners,

I respectfully request a postponement of the hearing and vote on the above-referenced Agenda Item until after November 2026.

1. Conflict with Coastal Act & Historical Identity Pacifica was founded and has historically served as the affordable recreational "backyard" for the greater Bay Area. The Coastal Zone here was never intended to be an exclusive private enclave; it was developed to serve visitors.
The Coastal Act (Section 30222) explicitly prioritizes the use of private lands for "visitor-serving commercial recreational facilities" over private residential use. The proposed legislation ignores this mandate and Pacifica's historical character. By drastically capping Short-Term Rentals—often the only affordable option for families—the City is effectively dismantling the infrastructure that allows working-class Californians to access this coastline, thereby "privatizing" public resources for the benefit of a few residents. This legislation, the most stringent in the state , will reduce the already capped STRs at 150, and unheated rental nights would be reduced by a minimum of 85%.

2. Conflict with Voter Intent (Measure M) Proceeding now would also contravene the will of the electorate. On November 5, 2024, 77% of Pacifica voters passed Measure M, increasing the Transient Occupancy Tax (TOT) to 15%. Voters approved this expecting the revenue—primarily from STRs—would solve the city's deficit.
The Reality: Implementing this legislation will obliterate that financial gain. City staff project a revenue loss of $1.3 – $1.5 million, forcing the city back into deficit and betraying the voters who sought to avoid further tax hikes.

3. The "Pacifica Precedent" – Evidence of Failure Data from Pacifica's inland areas, where this law is already in effect, shows a 50% drop in permit renewals. The legislation does not manage the market; it destroys it. The Pacifica City Managers Memorandum of December 29,2025 confrms this. Pacific is the primary and most direct portal for over 10,000,000 Californias to access the coast. Pacifica has only 330 hotel rooms and these are not affordable to working families . STRs are key to preserve public overnight access to the coast.

Conclusion
The Commission must postpone this item to reconcile the proposed restrictions with the Coastal Act's visitor-serving priorities and the voters' fiscal mandates. We urge you to delay the vote to allow for a full economic analysis of these conflicting directives and to develop a more reasonable, fiscally responsible, balanced plan which which ensure affordable and inclusive public access to the coast and its resources important to all Californians , not just a privileged few.

Sincerely,

Brian O'Flynn

Outlook

FW: Public Comment on March 2026 Agenda Item Wednesday 15a - City of Pacifica LCP Amendment No. LCP-2-PAC-25-0079-2 (Short Term Rentals).

From Travis, Galen@Coastal <Galen.Travis@coastal.ca.gov>
Date Fri 6/5/2026 12:42 PM
To Watson, Mandy@Coastal <mandy.watson@coastal.ca.gov>
Cc Ringuette, Oceane@Coastal <oceane.ringuette@coastal.ca.gov>

From: Cathy Abel <cathyabel@gmail.com>
Sent: Thursday, June 4, 2026 5:46 PM
To: NorthCentralCoast@Coastal <NorthCentralCoast@coastal.ca.gov>
Subject: Public Comment on March 2026 Agenda Item Wednesday 15a - City of Pacifica LCP Amendment No. LCP-2-PAC-25-0079-2 (Short Term Rentals).

To the CCC
We are a family who have rented our house STR short term for several years and had planned on the income for our retirement. Please vote ’NO’ on limiting visitor and public access to our coast.

Guests to our coastal home have been multi-generational families, couples celebrating anniversaries, resting and recovering individuals, and many vacationing folks have returned. We have a couple from Chicago who have returned 9 times. We encourage all our guests to visit local small businesses along Pacifica's Palmetto Ave. corridor as well as local 60-year plus established businesses like Mazzetti’s Bakery, Camelot Fish and Chips, Save More Meats, and Nick’s at Rockaway— all Pacifica heirloom businesses, and they do. Many of our visitors report they’ve got to know the local butcher, the bakers of the cafes, and the owners of the vintage shops, proving that tourist income is being shared back to our Pacifica community.

We are proud to provide families with the opportunity to stay and enjoy Pacifica’s beautiful coast, to wake up to the sound of waves, and to see marine life up close.

Please see our 5-STAR reviews on VRBO (property #1136750) including comments like “Whales, whales, whales, the ocean views and yard outstanding. Thanks a million, we can’t wait to return!”; "Second time staying at beautiful Pacifica property. Wonderful hosts, spotless home, and incredible views.”; "Amazing views right on the ocean above some rocks. Very private. Relaxing sound of waves. Would definitely come back. Very close to SF.”;"I can't wait to go back. It is RIGHT ON THE WATER. It was amazing.”; "The whales and other marine life were quite active making the back yard the main hangout space. Hosts were attentive and great communicators during our stay with pointers on local restaurants and things nearby to do. It was an excellent place to unplug and recover. Would definitely recommend.”

These testaments of the beauty of the ocean and our coast are only a handful of our most recent reviews.
Please do not limit our guests and our horizons. Please vote ’NO’ on limiting visitor and public access to our coast.

Sincerely,
Cathy and Tom Abel

From:	NorthCentralCoast@Coastal
To:	Watson, Mandy@Coastal
Cc:	Ringuette, Oceane@Coastal
Subject:	Fw: Public comment on LPC amendment No. LCP-2-PAC -25-0079-2 Pacifica STRs - OPPOSITION
Date:	Wednesday, June 17, 2026 9:10:57 AM

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From: catherine burton <itscats@yahoo.com>
Sent: Tuesday, 16 June 2026 19:45:47
To: NorthCentralCoast@Coastal <NorthCentralCoast@coastal.ca.gov>
Subject: Public comment on LPC amendment No. LCP-2-PAC -25-0079-2 Pacifica STRs - OPPOSITION

Hello,

I am a local Pacifica resident who deeply values our access to the beach, trails, and surrounding natural beauty. Since I walk my dog several times a day, I often have the pleasure of meeting visitors who are experiencing Pacifica for the very first time.

They come as couples, families, and groups of friends, excited to enjoy our coastline, explore the beaches, and hike places like Mori Point. I always enjoy sharing what I love about Pacifica and seeing others discover the charm of our town. For many of them, Pacifica offers a true retro California beach-town experience that is becoming increasingly rare along the coast.

Every visitor I meet is staying in a short-term rental, and I am grateful that this type of accommodation exists to suit different lifestyles, budgets, and family needs. Short-term rentals also bring important revenue to local businesses and to our city, which continues to face financial challenges.

I enjoy the vibrancy and energy that visitors bring to Pacifica on weekends and throughout the year. People travel here from around the Bay Area and from across the country to experience our beautiful coastal community. I do not believe Pacifica should be reserved only for the few of us fortunate enough to live here full time.

Everyone deserves the opportunity to enjoy a little peace — and a little piece — of our cozy coastal town.

Please allow short-term rentals to continue operating in Pacifica so that families, couples, and friends can keep creating lasting memories and finding a home away from home here year-round.

Thank you for your consideration.

Sincerely,

Catherine Burton

Honey, Julian@Coastal

From: Andrew Meiman <andrew.meiman@gmail.com>
Sent: Wednesday, January 28, 2026 8:44 PM
To: ExecutiveStaff@Coastal; NorthCentralCoast@Coastal
Subject: Support Pacifica's STR Ordinance - Feb 6 meeting, Item 15.a

Commissioners –

I am writing to support Pacifica's new Short Term Rental ordinance. We have spent years as a community working through the issues and perspectives and have arrived at a strong, workable, implementable ordinance that required tough decisions and compromise. I believe this ordinance strikes the right balance between visitor access, economics, and neighborhood preservation. I urge you to support the hard work we've done and its future implementation through Pacifica's LCP Land Use Plan.

Sincerely

Andrew Meiman

Pacifica Resident

Pedro Point, in the Coastal Zone

Honey, Julian@Coastal

From: A Mutti <almutti@gmail.com>
Sent: Tuesday, January 20, 2026 10:26 AM
To: NorthCentralCoast@Coastal
Subject: City of Pacifica short term rentals

Dear Commissioners,

This email is in reference to ITEM NO: W15a, LCP Amendment Number LCP-2-PAC-25-0079-2

I am a resident of Pacifica who lives next-door to a short term rental for the past three years we've lived as hostages to the short term rental we've dealt with loud parties, fights, police interventions, Being woken up by beer bottles thrown over our fence, And threats from the short term rental guests, And damage to our cars From short-term rental guests, The short term rental next to us states that they are a hosted rental when they are not, We find that we have very little recourse as we are the ones that are awoken at 3 AM having to call the police, Trash thrown over our fence, parking issues all Contributes to the disintegration of the Neighbourhood please consider continuing to block short-term rentals in Pacifica to the east of Highway one and also to the west of Highway one. We need to get this under control.

From: Armetta Parker <mettapark@gmail.com>
Sent: Sunday, February 1, 2026 10:44 PM
To: NorthCentralCoast@Coastal
Subject: W15a City of Pacifica LCP Amendment # 2-PAC-25-0079-2 (Short-Term Rentals)

[You don't often get email from mettapark@gmail.com. Learn why this is important at https://aka.ms/LearnAboutSenderIdentification]

District Director Dan Carl
District Manager Stephanie Rexing
District Supervisor Oceane Ringuette
Coastal Planner Julian Honey

Dear Commisioners:

As a 14-year Pacifica resident who endured living next to an unhosted STR owned by an ou-of-town investor, I am writing to urge the California Coastal Commission to make Pacifica whole by adopting and passing the Short Term Rental (STR) ordinance that went into effective in non-coastal zone neighborhoods last year.

Since the non-coastal ordinance was enacted for home owners East of Highway 1, what for many of us had been rotating cycles of overflowing trash, property encroachment and "unneighborly behaviors is ending. However, failure to approve the new ordinance for our neighbors in the coastal zone will make the current two-tiered system of code enforcement permanent. Families will continue to be robbed of housing, Coastal neighborhoods will see rents or home prices rise, and essentially become "businesses" run for the benefit of entities not invested in Pacifica being the great place to live, work and play we value,

I fully support hosted STRs and "room shares" that allow long term neighbors to age in place, keep their homes to pass them on to the children that were raised in these homes. Folks can continue to be a part of the fabric of our city. The new ordinancesupports Pacifica's Age-Friendly initiatives and the intergenerational character of our neighborhoods. Real neighbors that are actual Pacifica residents preserve our residential community, contribute to the safety of everyone, not to the commercialization of our homes.

Please stop the rampant commercialization of our neighborhoods and support quality of life and return community to ALL of Pacifica's neighborhoods. These unhosted STRs on the coastline should not be allowed to continue to operate as "business as usual."

Armetta Parker

Honey, Julian@Coastal

From: Bryan Reinero <breinero@gmail.com>
Sent: Thursday, January 29, 2026 3:00 PM
To: NorthCentralCoast@Coastal
Subject: ITEM NO: W15a, LCP Amendment Number LCP-2-PAC-25-0079-2 (City of Pacifica Short-Term Rentals)

Dear Commissioners,

My name is Bryan Reinero, and I am a founding member of *Pacifica Homes Are Not Hotels*, a community organization representing hundreds of Pacifica residents who have spent more than three years working with our City to responsibly update our Short-Term Rental (STR) ordinance.

The people of Pacifica were deeply gratified when our City Council voted unanimously to adopt this ordinance. It is a balanced and carefully considered response to the very real harms caused by the unchecked proliferation of unhosted STRs—harms that include the depletion of our housing stock, serious risks to visitor safety, and the erosion of neighborhood stability.

Importantly, Pacifica's ordinance is not novel, extreme, or unusually stringent. Each of its core provisions is drawn directly from regulations that have been in place for years in other California cities, including coastal jurisdictions. Most notably, Pacifica's ordinance closely mirrors that of our neighboring city, Half Moon Bay, which has the same 60-day annual limit on unhosted STRs, a primary-residence requirement, and a requirement for an in-person local responder. Across the Bay Area, at least twelve cities require STRs to be operated from a primary residence, ten impose limits on unhosted rental nights, and seven require a locally registered responsible party. Pacifica's ordinance fits squarely within this well-established regulatory framework.

The need for these protections in Pacifica is acute. Historically, Pacifica has been one of the most affordable coastal communities in the Bay Area for both renters and first-time homebuyers. Yet today, Pacifica is the last city in San Mateo County without a fully effective STR ordinance—and the consequences are stark. Pacifica has had more unhosted STRs than Half Moon Bay, Belmont, Atherton, Woodside, Brisbane, Hillsborough, Colma, and Portola Valley combined. Sixty-four percent of these listings are two-bedroom homes or larger—homes well suited for families. Sixty percent are operated by corporate entities with statewide portfolios numbering in the hundreds or thousands of units. During this same period, Pacifica's homeownership rate has declined steadily since 2019 and now stands at 68.5%, compared to 89.9% in nearby Montara.

Unchecked STR proliferation has also created **serious safety risks for visitors**, as profit-driven operators exploit gaps in enforcement. Many unhosted STRs contain unpermitted garage conversions and overcrowded sleeping arrangements that have never been inspected. The STR across the street from my own home advertised accommodations for twelve people in a 1,080-square-foot house with an unpermitted converted garage. These units often lack fire-rated doors, secondary egress, panic hardware, or other basic life-safety features. They are not ADA-compliant, and in an emergency—

particularly involving children, elderly guests, or people with disabilities—the consequences could be tragic. This is not a hypothetical risk; it is a matter of time.

These unsafe operations also undermine legitimate coastal accommodations. Hotels and inns that comply with fire, building, and accessibility standards are placed at a competitive disadvantage by STR operators who cut corners. If allowed to continue unchecked, this dynamic threatens to reduce—not expand—safe and accessible visitor accommodations within the coastal zone.

Pacifica's ordinance directly addresses these issues. It requires building inspections as a condition of permitting, ensures all habitable spaces are code-compliant, establishes reasonable occupancy limits, and restores accountability through local oversight. Since the ordinance has taken effect in non-coastal areas, the benefits are already visible: former party houses are now homes for families, and longtime residents—particularly seniors—report feeling safer in their neighborhoods.

Pacifica welcomes visitors and depends on them. We want our beaches, trails, and businesses to be enjoyed by all. But visitor accommodations must be safe, lawful, and compatible with the long-term health of the community. This ordinance strikes that balance and does so using regulatory tools that the Commission has repeatedly seen and approved elsewhere.

I respectfully urge the California Coastal Commission to certify Pacifica's Short-Term Rental Ordinance and allow our community's three-and-a-half-year effort to responsibly address these challenges to be fully realized.

Thank you for your consideration.

Respectfully,

Bryan Reinero
Founding Member, *Pacifica Homes Are Not Hotels*
President, Pedro Point Community Association

Honey, Julian@Coastal

From:	Cindy Abbott <cala3319@gmail.com>
Sent:	Tuesday, March 10, 2026 3:06 PM
To:	NorthCentralCoast@Coastal
Subject:	Public Comment on March 2026 Agenda Item Thursday 13b - City of Pacifica LCP Amendment No. LCP-2-PAC-25-0079-2 (Short Term Rentals). Time Extension Only.

Dear Chair Harmon and Members of the California Coastal Commission,
I am writing in support of the Time Extension for the City of Pacifica LCP Amendment (LCP-2-PAC-25-0079-2).
Though disappointed that this item was postponed for hearing in February of this year, it is recognized that Coastal staff requested additional time to review the public comments received and potentially update the staff report.

It is my understanding therefore, that a time extension is necessary to keep forward motion. While supporting this need via the request for a time extension, also writing with the hope that the delay in hearing will be very limited in time, and hopefully this item will be heard at the April meeting of the Coastal Commission.

Pacificans east of Highway One, outside of the Coastal Zone, are already experiencing the relief from the Ordinance approved by the Pacifica City Council in 2025. Unfortunately, in the Coastal Zone, our residential neighborhoods are continuing to be impacted by the revolving door of mini-hotels next door. The disruption not only to each day, but overall tearing of the fabric of coastal character and community continues with only minimal relief.

Please approve the time extension along with a request to expedite this item that has been the subject of robust community meetings in Pacifica for many years.
Thank you in advance.
Cindy Abbott
West Sharp Park, Pacifica

Honey, Julian@Coastal

From:	Cindy Abbott <cala3319@gmail.com>
Sent:	Friday, January 30, 2026 4:51 PM
To:	NorthCentralCoast@Coastal
Subject:	California Coastal Commission Agenda Item for Wed, Feb 4, Pacfica Short Term Rental Ordinance (LCP Amendment No. 2-PAC-25-0079-2)

You don't often get email from cala3319@gmail.com. Learn why this is important

Jan 30, 2026

Dear Chair Harmon and California Coastal Commissioners,

After years of disruption, that led to hundreds of community members being engaged through many hours of discussion and compromise*, I'm writing today to ask for your support to move forward the City of Pacifica's Short Term Rental Ordinance and vote to amend the Local Coastal Program Implementation Plan (City of Pacifica LCP Amendment Number 2-PAC-25-0079-2) to allow the provisions of the Ordinance to be applied in Pacifica's Coastal Zone.

It was June 2022, when a Pacifica City Council agenda item — a staff update on the status of the Short Term Rental Ordinance that had first been approved in 2018 —caught my attention. Living in the small coastal neighborhood of West Sharp Park, I had been seeing the modest residential area I'd lived in for 25 years, change:

- Houses that were previously full time residences were being commoditized and the neighborhood was turning into quasi-commercial hotel zone; by example half of the residences on Beach Boulevard had been converted into *UNHOSTED* short term rentals.
- An entire apartment building and many single apartment units were also being converted to short-term-rentals, removing naturally affordable housing from our limited stock.
- Community members were being displaced and neighborly connection was being replaced by a revolving door of strangers who don't volunteer for our nonprofit organizations, go to our schools, or support local stores and services on an ongoing basis.

An article in our local newspaper covered my public comments at that meeting, resulting in outreach from a neighbor who was experiencing extreme and ongoing disruption due to a short term rental immediately adjacent. She reached out to me and to others, and we realized that many neighborhoods in Pacifica were experiencing this change in character and residential use. From this, Pacifica Homes are Not Hotels, a completely local grassroots organization was formed.

It has been a long process, with years of community engagement and public input that has brought us to this point in time. As you know, the Pacifica City Council approved an update to the Ordinance last year, and as of October 2025, it went into effect *outside* of the Coastal Zone. While all of Pacifica is close to the Pacific Ocean and beaches (including walking/biking distance), the predominance of short term rentals began in and has persisted in the Coastal Zone. We are now looking to bring the relief that other neighborhoods in Pacifica have already begun to realize – with the return of families to residential housing -- to the Pacifica Coastal Zone.

While the Coastal Commission staff report calls the proposed provisions "stringent" the Pacifica Short Term Rental Ordinance actually builds on solutions that municipalities throughout California, including in the Coastal Zone, have determined are a reasonable response to finding the balance between long term residential housing, visitor accommodations, and the desire of some property owners to take part in the sharing economy and bring in some extra income by ***hosting*** a short term rental.

Discussion between City and Coastal staff were also incorporated into the Ordinance, including:

- STR permits granted only to "natural persons"(versus corporations);
- Having a primary residency requirement (bolstering community connection);
- Setting parking parameters of one onsite parking space per bedroom (particularly important in the coastal zone to ensure adequate parking for day-visitors); and
- Sets an operating limit on ***unhosted*** STRs to 60 rental nights per year (in keeping with the neighboring community of Half Moon Bay).

Pacificans outside of the Coastal Zone have already begun to feel the relief in their neighborhoods with families purchasing or entering long term lease agreements in houses that had until last year been short term rentals. Note: While, as the Coastal staff includes in the report, the median home price in Pacifica is $1.25 million, this actually compares to a median price of $1.5 - $2 million in other parts of San Mateo County and ranks Pacifica ranking 16th out of 20 in San Mateo County home prices, continuing to reflect Pacifica's historic housing marketplace as more affordable than other areas (and why I was able to purchase my home here 29 years ago).

The revised Ordinance also takes important steps with regard to:

- compliance (requiring platform accountability, signage, and transparency),
- safety of visitors and neighborhoods (adding in inspection requirements and strengthened good neighbor policies); and
- an enforcement and fine structure that should, over time, reduce city administrative expenses.

I've appreciated the time and study the California Coastal Commission has placed on the impact of short term rentals in coastal residential areas, recognizing how short term rentals change the character of neighborhoods, and in many instances are no longer the most affordable option, and lead to increased vacancy rates in local hotels. I hope that you will vote to bring the sound provisions of this revised ordinance to Pacifica's Coastal Zone so that all – visitors and residents – can enjoy the beauty of the coastside.

Sincerely,
Cindy Abbott
West Sharp Park, Pacifica

* Compromises included:

- NOT implementing an all out ban on short term rentals;
- NOT implementing a 30 rental night operating limit, but supporting 60 days;
- NOT implementing caps by neighborhood (though this is something I personally advocated for!); and,
- Supporting HOSTED short term rentals by not putting the operating night limit on those properties.

Honey, Julian@Coastal

From: Cheryl Greene <CherylGreene@gmail.com>
Sent: Tuesday, January 27, 2026 10:12 AM
To: NorthCentralCoast@Coastal
Subject: ITEM NO: W15a, LCP Amendment Number LCP-2-PAC-25-0079-2 (City of Pacifica Short-Term Rentals)

You don't often get email from cherylgreene@gmail.com. Learn why this is important

Overview:

- I am a long-time Pacifica resident who values a close, neighborly community.
- While I welcome visitors, I have experienced repeated problems from **unhosted short-term rentals**, including noise, parking violations, and trespassing.
- These issues rarely occur when the STR host lives on-site.
- I support **hosted STRs** as a responsible, affordable option.
- I appreciate the city's efforts and urge passage of **Ordinance W15a (LCP-2-PAC-25-0079-2)** to protect neighborhoods while allowing tourism.

Dear Commissioners,

I am a resident of beautiful Pacifica. I've lived in West Sharp Park for almost 8 years. It's a dream come true for my husband and me.

We moved to Pacifica from Danville, CA, where we raised four children. As they grew up and moved away from the East Bay, we felt free to move, too. Although we owned our home in Danville for 17 years, it never felt like home to me because I didn't fit in that community. The houses were far apart. The neighbors kept to themselves. My only friends were parents I met from my kids' extracurricular activities, and after they grew up, we had no natural reason to get together. Moving to Pacifica was our answer to that. We wanted to be close to neighbors. Real neighbors.

When we moved in, the neighbors all around us were welcoming. We often saw each other while walking along the ocean. Friendly waves led to sharing about our lives and offering a helping hand when needed. "The kids are coming this weekend, and we need an extra parking space. Can we use one side of your driveway?" Was answered with, "Sure, we'll text you if we need to get out of the garage." And when our TV was bothering our neighbor, they just asked us to turn it down, and we did. But we didn't stop there. When we remodeled our home last year, we installed soundproofing on our shared wall so they wouldn't need to even ask. That's what neighbors do.

Vacationers aren't neighbors.

It's not that we don't want vacationers in our community. We love having people enjoy the coastline. We love to people-watch. It's great seeing multiple generations of families picnic and play together. Fishermen line the pier, many of them coming from outside Pacifica. It's a great community event for so many. We delight in seeing their joy. It's not that we don't want to share the wonders of the coastline.

The problem comes when vacationers park in neighbors' driveways without asking, which happened just last week at the STR two doors down from us. Or when they stay up late and party loudly, which has happened more times than I can count. Or when they trespass on other neighbors' property. Or when they make noise while "checking in" or "checking out" in the middle of the night.

Of course, not all short-term renters are an issue, but even then, we are missing a vital component of our neighborhood -- real neighbors.

None of these problems seems to occur when the STR host lives in the home. It's obvious. They want to get some sleep. They want the courtesies of good neighbors. So they keep the guests in line. Additionally, hosted STRs offer *low-cost vacation* options in Pacifica, which most whole-home rentals do not. We support hosted STRs.

Ever since we moved to Pacifica, the town has been struggling with this issue. We very much appreciate the hard work everyone has put into developing a proposed solution.

We urge you to pass ordinance W15a, LCP Amendment Number LCP-2-PAC-25-0079-2. It provides the protection Pacifica needs *and* opportunities for all to enjoy the wonders of our amazing coastline.

Best,
C~

Cheryl Greene
1983 Beach Blvd, Pacifica
925-639-5517

Honey, Julian@Coastal

From:	Connie <constellation747@comcast.net>
Sent:	Friday, January 30, 2026 11:21 AM
To:	NorthCentralCoast@Coastal
Subject:	ITEM NO: W15a, LCP Amendment Number LCP-2-PAC-25-0079-2 (City of Pacifica Short-Term Rentals)

RE: ITEM NO: W15a, LCP Amendment Number LCP-2-PAC-25-0079-2
(City of Pacifica Short-Term Rentals)

Dear Commissioners,
I am a resident of Pacifica, having resided in Park Pacifica (at the "BOV" = Back of the Valley) for 34 years. In May of 2022, an Investor bought the house across from me and turned it into an unhosted STR "operated" by the Marbella Lane Corporation. An absentee property owner driven solely by profit subjected us to loud parties, speeding vehicles, overflowing garbage bins, overgrown weeds and a parade of inconsiderate strangers who disrupted our once tranquil street. **An indifferent Marbella Lane rarely—and certainly never timely—responded to neighbors' multiple complaints.**
With the assistance of PACIFICA HOMES ARE NOT HOTELS—and the strengthening of Pacifica's STR Ordinance—Sequoia Way has reclaimed its neighborhood! We persisted in our complaints to the city and plastered the court with PACIFICA HOMES ARE NOT HOTELS signs. The Investor got the message and recently sold the house to a nice family with two children. Prospective buyers for a second house for sale on Sequoia Way also heeded our signs and it was purchased by another family with kids.
YES! *Children have returned to Sequoia Way!!* The retirees on our cul-de-sac are overjoyed! (As is our school district, with additional students enrolled in our local elementary school!)
Pacifica residents living near or next to unhosted STRs in the Coastal Zone should not have to wait any longer for Pacifica's STR Ordinance to go into effect to obtain relief. STR renters at homes in Pacifica's Coastal Zone have severely disrupted the peace and quiet (and sanity!) of that once-quiet neighborhood with loud parties, garbage, trespassing, comings and goings at all hours of the night, public urination, etc., etc. At one particular beachfront location, egregious misconduct shockingly escalated to menacing and intimidating behavior by an STR renter, including theft of signs and vandalizing of security cameras affixed to a next door home.
Please, for the physical safety and mental well-being of coastal zone property owners, **PLEASE PASS THE CITY OF PACIFICA'S AMENDMENT TO ITS LCP IMPLEMENTATION PLAN'S SHORT TERM RENTAL PROVISIONS**. Please help these highly impacted residents—at long last—reclaim the quiet, peaceful and safe enjoyment of *their* neighborhood as *my* cul-de-sac successfully did in "BOV" Park Pacifica.
Thank you for your attention to this matter.
Respectfully submitted,
Connie Menefee
Sequoia Way, Pacifica

Honey, Julian@Coastal

From:	Carol Pan <carolleepan@gmail.com>
Sent:	Saturday, January 31, 2026 1:33 PM
To:	NorthCentralCoast@Coastal
Subject:	ITEM NO: W15a, LCP Amendment Number LCP-2-PAC-25-0079-2 (City of Pacifica Short-Term Rentals)

Dear Commissioners,

I'm writing to urge the California Coastal Commission to certify Pacifica's Short-Term Rental (STR) Ordinance for the coastside of Pacifica.

This ordinance has already passed and is working east of Highway 1, and it is even more important that it apply on the coastal side as well. The coastside has been the most impacted area, and without certification, the problems simply shift rather than get solved.

Unhosted STRs take housing away from families who want to live in Pacifica full time. Homes that could house residents instead become de facto hotel rooms, which also means fewer families contributing to our schools and our community. That loss has real consequences for local school funding and long-term neighborhood stability.

STRs also diminish neighborhoods. When homes constantly turn over with short-term guests, neighbors become strangers. We don't know who is coming or going next door, and that undermines the sense of safety and connection that residential neighborhoods are meant to provide.

Finally, zoning laws already apply to other industries and businesses that want to operate in residential neighborhoods. The hotel industry should not be treated differently. If hotels must follow zoning, safety, and operational rules, short-term rentals should as well.

Pacifica welcomes visitors, but we also need to protect housing, neighborhoods, and fairness. Please certify Pacifica's Short-Term Rental Ordinance for the coastside so these protections apply where they are most needed.

Thank you for your time and consideration.

Sincerely,

Carol

carolleepan@gmail.com
+1 650-520-7740

Honey, Julian@Coastal

From: Doreen Adams <petendoreen@sbcglobal.net>
Sent: Friday, January 30, 2026 12:15 PM
To: NorthCentralCoast@Coastal

Subject: Public Comment: ITEM NO: W15a, LCP Amendment Number LCP-2-PAC-25-0079-2 (City of Pacifica Short-Term Rentals)

Dear Commissioners,

Thank you for seeking input for ITEM NO: W15a, LCP Amendment Number LCP-2-PAC-25-0079-2 (City of Pacifica Short-Term Rentals).

We have lived in Pacifica since 2022. Last fall, we purchased our dream home. The address is 1989 Beach Blvd and shares a common wall with 1987 Beach Blvd, an unhosted STR operated by Marbella Lane Vacation Rentals. As part of the purchase disclosures we were told that the adjoining property was a short term rental. We are not against renters or vacationers, and did not consider the matter significant.

Once taking possession of our home, we learned more about some of the concerns our new neighbors have been contending with for several years. We were surprised by the sheer turn over of the property's renters. Sometimes twice a week. Sometimes with more cars than fit on their property. Sometimes arriving very late at night or very early in the morning.

Being an unhosted rental, some concerns we have are recurrent. For instance, although smoking is not "permitted" by the property managers, the non-smoking policy is not enforced and those of us directly impacted must regularly ask the renters to stop. Also, the management company sends cleaners to the home between renters, but they do not pick up the waste that blows off the balcony, falls out of their cars, or overflows from the trash cans.

As we previously mentioned, we are not against renters or vacationers. The cost of housing in California is an issue that cannot be ignored. Rental homes are a part of the much needed mix of housing (in addition to apartments, premanufactured homes, condominiums, and residential home ownership). Unhosted short term rentals to not contribute to the housing supply or to help keep rentals affordable. In contrast, hosted short term rentals utilize idle living space and have many benefits, including affordability and investment from within our community.

Vacationers are we welcome in Pacifica and in our neighborhood. We have a beautiful coast and a friendly community. Hotels and hosted rentals can assure that all visitors are appropriately resourced (e.g., parking, restrooms, trash).

We have heard about concerns regarding the potential fiscal impact of restricting unhosted STRs on the City of Pacifica due to lost Hotel Occupancy Taxes. The Chronicle recently reported on this, and noted that some of this revenue is already lost to property owners who continue to rent without or without renewing the requisite permits. (Should we have similar concerns about the number of unhosted STR that are owned by people outside our community? These profits and related taxes are not supporting Pacifica.)

We urge you to pass the ordinance protecting Pacific's coast and coastal neighborhoods from commercialization. Please help us keep our beaches and neighborhoods safe and accessible.

Thank you for your consideration.

Doreen and Pete Adams
1989 Beach Blvd
Pacifica, CA. 94044

Honey, Julian@Coastal

From: DARCY DUCKENFIELD <darcyduckenfield@hotmail.com>

Sent: Saturday, January 31, 2026 2:58 PM
To: NorthCentralCoast@Coastal
Subject: ITEM NO: W15a, LCP Amendment Number LCP-2-PAC-25-0079-2 (City of Pacifica Short-Term Rentals)

Dear Commissioners,

I am writing as a long-time resident—nearly 15 years—of Pacifica's coastal zone to express my concern about the growing number of unhosted short-term rentals (STRs) operating in our coastal neighborhoods and the lack of sensible restrictions placed upon them.

I can attest firsthand to how unhosted STRs, often operated by corporate or investor owners, have negatively changed the character of my neighborhood. Compared to five to ten years ago, there are far fewer families living here, parking has become increasingly scarce, and quality-of-life issues have worsened. Unhosted STR guests frequently play loud music, leave trash behind, and fail to follow local traffic laws.

The broader Pacifica community has spoken clearly and consistently in favor of a commonsense STR ordinance. My wife and I attended many of the public meetings on this issue over the past eight years, all of which were overwhelmingly well-attended. The consensus at those meetings was clear. To the credit of our community members and city officials, an STR ordinance was ultimately adopted for neighborhoods east of Highway 1 (the non-coastal zone).

However, without a similar ordinance in the coastal zone, my neighborhood—and others like it—remains vulnerable to corporate and individual investors who purchase homes not to live in them, but to add them to portfolios of STR investment properties. These homes are removed from the local housing supply for families who want to live in Pacifica and are instead converted into businesses operating in areas zoned as residential.

I respectfully urge you to do the right thing for Pacifica and adopt a coastal zone STR ordinance that mirrors the already-approved ordinance in the non-coastal zone.

To be clear, I support hosted STRs, where local residents responsibly provide visitor accommodations while earning supplemental income to help pay their bills. What I oppose is the continued presence of unregulated, unhosted STRs that erode our neighborhoods and community fabric.

Pacifica's residents and neighborhoods are counting on you.

Thank you for your time and consideration.

Sincerely,

Darcy Duckenfield

Honey, Julian@Coastal

From: Carol <cafregly@gmail.com>
Sent: Friday, January 30, 2026 3:45 PM
To: NorthCentralCoast@Coastal
Subject: Opposing STRs in Pacifica and on the Coastside

You don't often get email from cafregly@gmail.com. Learn why this is important

Thank you so much for looking closely at the Short Term Rental situation, which has totally grown out of proportion over the past few years.

I am grateful that you understand the potential for problems, especially if non-hosted rentals are allowed to operate with little oversight.

I am hoping that, in the near future, only small-scale, locally managed and locally owned rentals are licensed to operate as STRs as those that are large, unsupervised, and non-resident owned or managed really do not belong on the Coastside.

In addition to the loss of business they inflict on hotels, STRs take houses off the market and limit what is available for truly residential purposes.

Our area has become an extremely desirable location for people wishing to be close to Silicon Valley and South City's biotech center. Young people who could become valuable community members can be easily outbid by buyers with deep pockets who are only interested in making a profitable investment.

I hope that a formal policy will be designed that sets up limits, rules, and conditions and that important information is available to everyone in advance of tourist season.

Also, please know how much the people who live here appreciate your serious consideration of this matter.

Thank you,

Carol Fregly, Coastside resident since 1994
727 Rockaway Beach Avenue
Pacifica, CA 94044

Honey, Julian@Coastal

From: Gary Furlong <garyisanalien@gmail.com>
Sent: Sunday, January 25, 2026 4:52 PM
To: NorthCentralCoast@Coastal
Cc: Gary Furlong

Subject: Item W15a, City of Pacifica LCP Amendment Number 2-PAC-25-0079-2 (Short-Term Rentals)

Commissioners,

In regards to item W15a, City of Pacifica LCP Amendment Number 2-PAC-25-0079-2 (Short-Term Rentals), I would like to make a few comments as someone who has lived in Pacifica's coastal zone for 26 years. Over the last eight years Pacifica has wrestled with the issue of STRs within its boundaries; there have been countless hours of meetings and many, many, many hours of public comment. I have attended most of these meetings and listened to most of these comments. Probably hundreds of letters have been written to the city council in regards to this issue and I believe that I have read them all. Let me be clear at the onset: I do not agree with parts of this revised ordinance, I actually strongly disagree with one section of it: I do not think that any unhosted nights should be allowed. However, I recognize that compromise is essential in order to get on with things and to give a level of certainty to all people involved in this issue. I am willing to accept the balance that this ordinance offers and encourage the commission to give it their approval.

On page 3 the staff report makes reference to "...the City's proposal, while clearly not universally supported by its residents (with fervent supporters and opposition on both sides of the debate), has been based on some eight years of local outreach and study, and the Commission has typically given great weight to that sort of process that leads to what might be considered a negotiated outcome..." In considering the "supporters and opposition" I would like to make a point to the commissioners: To the best of my knowledge, with one exception, every single person that spoke and/or wrote letters in favor of the revisions was someone who lives in Pacifica. In regards to those who have opposed these revisions, it is my recollection that the majority of them are people who not only do not live in Pacifica but many of them live in communities where what they do in Pacifica in regards to STRs is illegal. You'll note that the organization that lays claim to being the face of the opposition is not called "Pacficans for Responsible Tourism" but instead is called "Pacifica For Responsible Tourism".

I have listened to public comments where those opposed to these revisions have explained that owning STRs that are either full time unhosted or are extensively unhosted have allowed them to own additional houses, have allowed them to own larger houses, have allowed them a better lifestyle and have allowed them to take extended European vacations (yes, that was actually said). And I have listened as those in favor of these revisions have talked about the degradation of their quality of life, of losing sleep, of having their own property abused, of the problems with noise, trash, late night coming and goings and rowdy behavior. Of having houses next door to them host corporate events or weddings, receptions and parties. Of the loss of a neighborhood's character that many of them have known for decades. And, at times, I have watched neighbors and friends break down into tears as they describe what their lives are now like in a home they've lived in for many years. This just isn't right.

In my neighborhood most of the streets are narrow and on-street parking is severely limited. However, we also have a significant number of STRs in our neighborhood; many of these STRs have rented out space to numerous people at once, each seems to have their own car. Because of this glut of cars there is little to no parking for those Californians who would like to do day visits from somewhere else in the Bay Area; their access to our beaches is blocked by the abuse of our limited parking by people from these STRs.

Since Pacifica got serious about passing a revised STR ordinance we have started to witness firsthand a change in our STRs as more and more of them return to being housing stock. What used to be full time STRs are now being becoming long term rentals or, in some cases, are actually being sold so that they can once again become homes. Full time STR homes sit vacant much of the time; in one of the council meetings one of the STR providers sent a letter indicating that STRs are generally occupied about 1/3 of the time. As these houses return to being homes we can have families that live here full time; families that will not only enjoy our beaches but also contribute to our community, shop and work in our stores, some of these people will work in and support local tourism, some will send their children to our schools. This isn't theoretical; this is already happening just based on the fact that this STR revision is waiting to come into effect in our coastal zone.

Over the years that I have followed the process of revising this ordinance I have heard from and talked with numerous people that told the council or myself directly that their efforts to buy a house or rent long term were frustrated by people outbidding them, who then immediately converted the house into an unhosted STR. Last year I made a public comment at one of the council meetings where this ordinance was being discussed. At the break one of the people who was working the AV equipment for the meeting came up to me and told of her long search for a home in Pacifica but that every time she and her partner had been blocked by someone who wanted the house for an unhosted STR. Pacifica isn't a remote community in the middle of nowhere; we are a bedroom community of the Bay Area. Over the last several years homes in my neighborhood have been increasingly bought by people who work in San Francisco, San Jose or Palo Alto. For us it's not theoretical that the competition from unhosted, full time STRs effects the price of our housing, it's something we are living with.

I am against all unhosted nights in our STRs, but am willing to accept the compromise that has been laboriously hammered out (I myself have sat at council meetings that went until the wee hours of the morning more than once!). I am for hosted STR visits that meet the conditions of this revised ordinance. I recognize that hosted nights allow us to accomodate more visitors for special events and they allow homeowners to earn extra money which some may need considering our high cost of living.

The compromise that has been negotiated is that hosted STRs have no restrictions on the number of nights they can be rented out. Unhosted STRs are allowed at a residence for 60 nights per year, which is to say two months per year. That means that coastal visitors who prefer to rent an entire house will still have a variety of locations to choose from but it will make it unprofitable for corporations to buy houses and make them into full time mini hotels, thus gutting our neighborhoods (there is an STR in my neighborhood that rents out for $1,300 per night!). As an example of this, at one point in 2025 there was one individual/corporation that owned up to 17 houses in Pacifica for use as STRs. Again, personally I think it's too much to have the next door house occupied by a revolving group of strangers who have not commitment to the neighborhood, who are not part of the rhythm of the neighbor, for up to two months per year but I have reluctantly accepted this as part of a balanced resolution to the problem.

During the hours and hours of meetings and public comment several times I heard some STR owners say that the issue is just a few "bad actors" and the rest should be free to more or less do as they want. Unhosted STRs, by their nature, disrupt neighborhood life and discourage people from buying homes in those areas. It's not a case of "just a few bad actors", it's just the nature of unhosted STRs that they disrupt and change the very nature of the area that they are in, after all, they are really just a hotel operating out of a house. Do you want that for your next door neighbor?

As someone who is deeply committed to preserving the quality of our town, our neighborhood and our coastal areas, I thank you for your consideration of this matter and urge you to give your approval to Pacifica's new STR ordinance.

Regards,
Gary Furlong

Honey, Julian@Coastal

From: George P. Surmaitis <gps@surmaitislaw.com>
Sent: Friday, January 16, 2026 12:28 PM
To: NorthCentralCoast@Coastal; jsurmaitis@surmaitislaw.com
Subject: Public Comment on January

As a Pacifica reident sent who has been affected by STR's in a residential neighborhood, and very familiar with the proposed changes, we respectfully request that Pacifica's proposal be approved. This has taken years with many meetings, input and deliberation.

Honey, Julian@Coastal

From:	Joanne Gold <joannegold@yahoo.com>
Sent:	Wednesday, January 21, 2026 8:01 PM
To:	NorthCentralCoast@Coastal
Subject:	ITEM NO: W15a, LCP Amendment Number LCP-2-PAC-25-0079-2 (City of Pacifica Short-Term Rentals)

Dear Commissioners,

I am a resident of Pacifica, CA and live in the neighborhood of Pedro Point which is within the coastal zone.

I'm writing to respectfully urge your approval of the City of Pacifica's application to amend its certified Local Coastal Program (LCP) to allow implementation of Ordinance No. 901-C.S., which regulates residential short-term rentals (STRs), including those within the coastal zone.

This ordinance was developed through extensive community engagement to address the growing and well-documented impacts of STR operations on residential neighborhoods—while still preserving visitor-serving accommodations, public coastal access, and the character of Pacifica's coastal communities. It reflects a thoughtful effort to balance these interests in a manner consistent with Coastal Act goals.

In recent years, corporate entities and absentee owners—often residing out of town, out of state, and even out of the country—have increasingly purchased single-family homes for use as full-time, unhosted STRs. The result has been a steady conversion of residential neighborhoods into commercial business districts, skirting the zoning regulations and oversight required of legitimate hotels.

These unregulated, pseudo-hotels do NOTHING to increase the availability of affordable access to our local beaches or coastline:

- A brief review of STR listings in the Pedro Point neighborhood shows average weekend rental rates of $1,000–$2,000—more than double the cost of nearby hotels offering a comparable number of beds ($400–$600). And these rates were for the off-season. In summer when demand surges, pricing escalates exponentially.
- STR concentration in the coastal zone also leads to unregulated parking impacts. Renters and their additional guests arrive with multiple vehicles (which I have personally observed), taking up limited street parking in the coastal zone and restricting access for day visitors seeking to reach beaches and coastal trails.

On a personal level I have also experienced firsthand, the negative impacts of unregulated STR activity in my coastal neighborhood, including:

- Excessive noise, late-night parties, litter, and unsanitary behavior (public urination, tooth brushing) in public streets due to the overcrowding of too many guests inside unhosted homes.
- A constant turnover of short-term occupants, maintenance workers, cleaning services - which undermines Neighborhood Watch efforts, reduces community safety, and increases calls for police and city services.

Ordinance No. 901-C.S. directly addresses all of the above impacts through clear, enforceable standards, including a cap limiting STRs to 1% of the city's housing stock. In Pedro Point alone, the current number of STRs exceeds that limit by more than threefold, and 58% of existing STR applications are located within the coastal zone—**underscoring the urgency of regulation in these sensitive areas.**

The provisions of this ordinance were shaped by **substantial public participation and represent a common-sense approach to STR regulation**—one that prioritizes residential livability, public access, and coastal resource protection over speculative business models that circumvent established zoning and land-use regulations.

I strongly encourage the Commission to approve Pacifica's LCP amendment so the City may implement these regulations within the coastal zone without further delay. Doing so would directly support the Commission's core mission: to protect and enhance California's coast for present and future generations through careful planning, sustainable development, robust public participation, and a balanced approach to conservation and access.

Thank you for your consideration and for your continued stewardship of California's coastal communities.

Respectfully,

Joanne Gold
251 Stanley Ave., Pacifica CA
Pedro Point resident since 1999

Honey, Julian@Coastal

From: Kate Chinca <kbcorderacct@comcast.net>
Sent: Thursday, September 11, 2025 12:33 PM
To: NorthCentralCoast@Coastal
Subject: Short Term Rentals

Dear District Director Carl, District Manager Rexing, District Supervisor Ringuette and Coastal Planner Honey,

Thank you for taking the time to read this email.

Recently, our City of Pacifica approved a new ordinance regarding STRs in our City. We have always been a welcoming community to folks who want to visit our City and the beautiful coastline that we share. We are certain that you would like more families to enjoy the beaches here and the ability to visit them as much as we do. Unfortunately, many of the STRs that were adopted into our area as hotels and motels have left our citizens often without good neighbors.

We are not directly living at the beach but we have an STR up the street and it has not been a good partnership. Whether it be garbage on the streets, people having parties until the wee hours of the morning, difficulty parking near our own homes or people coming here to have a great time without concern for those of us who live nearby...urinating at the front of the house, really noisy parties on worknights, etc. We're certain you have heard this before.

Interestingly, the very people who would like to come and visit are NOT the people using all of these homes. Up our street businesses regularly use the house for companies that want to save on cost for their employees to stay. These are not folks who are here to enjoy the beach. Someone we know has a home there at the beach and next door an airline is using the house for the same purposes to save money. The employees are not there long enough to enjoy the beach. Rather, their assignments have them leaving in the wee hours of the morning disrupting the neighbors as they go. Unfortunately, these places are taking away the funds from local businesses like our hotels who would be renting out rooms 3 or 4 at a time for larger profit for our City as well as the visitors not having the need to support our local restaurants for meals.

We know how beautiful it is to live near the coast and we have to drive to get close enough to our beaches, as well. Having said that, if you don't have an STR close to where you live, it is difficult to explain how disruptive they can be. We are certain that those of our community would love to share the save privilege that our East of Highway 1 citizens have been granted by our City Government that you might see your way to allowing all of the citizens of Pacifica to share in our community as one.

And, one last thought...if there are no parking restrictions for the STR homes, it is possible that when we count 8-10 cars using the house on our street, what does that do to the number of visitor parking spaces near the beach for others to come here.

Sincerely,

Gary and Kate Chinca

Honey, Julian@Coastal

From:	Kate Chinca <kbcorderacct@comcast.net>
Sent:	Tuesday, February 3, 2026 7:57 PM
To:	Honey, Julian@Coastal
Cc:	Carl, Dan@Coastal; Rexing, Stephanie@Coastal
Subject:	W15a, LCP Amendment Number LCP-2-PAC-25-0079-2 (City of Pacifica Short-Term Rentals)

Dear Mr. Honey,

I am very concerned that it will be longer than anticipated to bring the STR ordinance to the foreground of your meetings after it was postponed for debate or consideration.

I live on the East side of Hwy 1 and worked very closely with those homeowners living on the West side of the Highway when it comes to STR issues.

Although I am certain you have heard so many of the horror stories that were shared with our City Council this past couple of years and how it affected our neighborhoods as well as the city, itself we are reminded that the situation has not been resolved.

I understand that your concerns are geared toward the coast and the usage of the beaches. However, it is a huge concern to most of us when a neighborhood is no longer residential but is being given over to businesses to benefit financially. We have hotels in Pacifica that are expressly present to attend to the needs of our visitors. We love the coast and would drive to the beaches here in Pacifica when living elsewhere. And, we still do.

Everyone has worked so diligently on this new Pacifica ordinance and presented the case to the City and Staff. It has been exhausting but we have always wanted our city to remain family friendly and not become a hodge podge of party houses. Our City has listened to our concerns and we are very grateful that they heard us. Businesses just don't belong in neighborhoods.

Please note that so many of the houses that have been attached to being an STR do not have enough parking for the cars that arrive. And, if one house needs 7 parking places (as they have in my neighborhood), it leaves very little space for others to park when they come to the beach for a family day together.

Please help us to keep our city a welcoming place for visitors and not a money maker for a few.

We love our beaches here and understand wanting to share the beauty but really resent when companies want to make money off of that same beauty by taking over homes where our families live.

Please help with getting this over the finish line sooner rather than later. It has been an exhausting crusade.

Thank you,

Kate Chinca
Aspen Dr., Pacifica

From:	Lyla Reinero
To:	NorthCentralCoast@Coastal; Honey, Julian@Coastal; Ringuette, Oceane@Coastal
Cc:	Bryan Reinero
Subject:	Public Comment: Agenda Item 13.b (Aug. 12): Support for Pacifica LCP Amendment No. LCP-2-PAC-25-0079-2 (Short-Term Rentals)
Date:	Monday, July 27, 2026 12:36:03 PM

Dear Chair Harmon and Honorable California Coastal Commission Members,

I am writing in advance of your August 12 consideration of Agenda Item 13.b to reiterate my strong support for Pacifica's Short-Term Rental (STR) ordinance as adopted by the City Council. I have previously submitted comments regarding this matter, and I appreciate the Commission's consideration of those views. Given the importance of this issue to our community, I would like to share a few additional observations and respectfully urge the Commission to approve Pacifica's Local Coastal Program amendment as written.

The ordinance represents a thoughtful and balanced approach to protecting both public coastal access and the long-term health of Pacifica's residential neighborhoods. While short-term rentals provide visitors with additional lodging options, they should not come at the expense of housing availability, neighborhood stability, or the quality of life for the residents who make Pacifica a thriving coastal community.

In speaking with several residents who live in Pacifica's non-coastal neighborhoods, I have consistently heard about the positive changes they have experienced as former full-time short-term rental properties have returned to long-term residential use. They have described the benefits of seeing families move into these homes, stronger neighborhood connections, greater community involvement, and a renewed sense of stability. These firsthand conversations have reinforced my belief that restoring housing for permanent residents provides meaningful benefits that extend well beyond the individual households involved.

It is also important to recognize that Pacifica is uniquely situated within the Bay Area and is easily accessible for day trips by millions of Californians. Visitors have a wide range of lodging options throughout the region, including nearby hotels and other accommodations in neighboring communities. Preserving housing for permanent residents in Pacifica does not meaningfully diminish public access to the coast. Instead, it helps ensure that the people who work in our schools, businesses, restaurants, and public services can continue to live in the community that supports California's coastal economy.

The California Coastal Act seeks not only to maximize public access to the coast but also to protect and enhance coastal communities. A healthy coastal community depends on having housing available for the people who live and work there. Pacifica's ordinance recognizes that visitors and residents are not competing interests—they both contribute to the vitality of our city. By establishing reasonable limits on short-term rentals while preserving opportunities for visitor accommodations, the ordinance strikes an appropriate balance between these important objectives.

It also would not make practical sense for Pacifica to operate under two separate short-term rental ordinances—one for the Coastal Zone and another for the rest of the city. Enforcement is already challenging. Creating two different regulatory systems would add unnecessary complexity for residents, property owners, and City staff, making consistent implementation significantly more difficult.

In addition, many residents living in Pacifica's coastal neighborhoods continue to experience the negative impacts of poorly managed short-term rentals, including disruptive party houses, excessive noise, parking issues, and frequent turnover of occupants. These impacts directly affect the quality of life in the very neighborhoods the Coastal Act seeks to protect. Applying a consistent ordinance citywide is an important step toward addressing these ongoing concerns.

I also encourage the Commission to carefully evaluate the claims made in opposition to the ordinance, including those presented in Frank Angel's letter on behalf of Airbnb. As with any advocacy submitted by an interested party, I respectfully ask the Commission to give greater weight to Pacifica's extensive public process, the City's firsthand experience administering short-term rental regulations, and the lived experiences of Pacifica residents than to arguments advanced by organizations with a direct financial interest in expanding short-term rentals.

The City of Pacifica has spent years engaging the public, evaluating community impacts, and crafting an ordinance tailored to its unique local circumstances. The ordinance reflects careful compromise and broad community input. I respectfully ask the Commission to approve Pacifica's ordinance as adopted by the City Council. Doing so will support effective local governance while advancing the Coastal Act's dual goals of protecting public access and sustaining healthy coastal communities.

Thank you for your time, your thoughtful consideration of this matter, and your continued service in protecting California's coast for both current and future generations.

Sincerely,

Lyla Reinero
Longtime Pacifica Resident
415.596.2740

Honey, Julian@Coastal

From: Lyla Reinero <lyla.reinero@gmail.com>
Sent: Saturday, January 31, 2026 4:08 PM
To: NorthCentralCoast@Coastal
Subject: Public Comment on February 2026 Agenda Item Wednesday 15a - City of Pacifica LCP Amendment No. LCP-2-PAC-25-0079-2 (Short Term Rentals).

Greetings Chair Harmon and Honorable Members of the California Coastal Commission,

I am a longtime resident of Pedro Point in Pacifica, writing to respectfully urge the Commission to certify Pacifica's short-term rental (STR) ordinance without further delay.

For years, the people of Pacifica—particularly those of us living in the coastal zone—have endured the damaging and destabilizing effects of the unchecked proliferation of unhosted short-term rentals. During this entire period, residents have acted in good faith, working diligently and patiently with our City Council, participating in public meetings, providing testimony, and expending enormous personal effort to craft an ordinance that balances visitor access with the fundamental right of residents to safety, stability, and peaceful enjoyment of their homes. After years of engagement and compromise, our community is still waiting for relief.

My family, friends, and neighbors continue to live with the daily chaos caused by nearby unhosted STRs. The constant disruptions—excessive noise, second-hand cigarette and marijuana smoke, illegal parking that blocks emergency access, overflowing trash, and property neglect—are exhausting. Even more troubling is the persistent loss of personal safety and security. There are multiple STRs within a 200-foot radius of my home, including a full-time unhosted unit. We have experienced debris thrown toward our house, repeated trespassing by renters misdirected by GPS, and a complete erosion of privacy, including a neighboring STR with a clear line of sight into our home and a telescope pointed in our direction. The fear of an intoxicated guest attempting to enter our property in the middle of the night is not hypothetical—it is a constant concern.

The situation has escalated to intimidation. The out-of-state LLC owners of a nearby unhosted STR retained an attorney who sent us threatening letters simply for calling the police to seek enforcement assistance. Other Pacifica residents have faced even more extreme misconduct, including false emergency calls ("swatting") and targeted harassment of elderly neighbors. Reports of theft, vandalism, and property damage are widespread. This is not isolated; it is systemic.

Living under these conditions for years is emotionally and physically draining. It is frightening, sleep-depriving, and deeply destabilizing, leaving residents feeling helpless in their own homes.

There are also serious public safety implications. As a Pacifica Police CERT certificate holder, I am trained to know my neighbors and understand who may need assistance during emergencies. Unhosted STRs undermine this entirely. We do not know who is occupying these units, if anyone is there at all, or what their needs might be in an emergency. Valuable time and limited emergency resources may be wasted attempting to locate or assist transient guests. These concerns do not apply to hosted STRs, which the ordinance appropriately supports.

Unhosted STRs also erode Pacifica's housing stock, reduce long-term rental availability, increase housing costs, and push families out of our community. This has cascading consequences. Declining full-time residency has directly impacted student enrollment, which local schools depend on for funding*. Pacifica has already suffered the painful closure and consolidation of schools due to declining enrollment—a loss felt deeply throughout our community.

By contrast, we have seen clear success where unhosted STRs have been returned to the housing market. Homes have been sold to families who want to live here, restoring quiet, safety, and the sense of community that neighborhoods depend on.

Coastal zone residents—and Pacificans citywide—have waited patiently and worked tirelessly for years to reach this point. The ordinance before you reflects extensive public input, careful compromise, and a genuine effort to encourage hosted STRs while curbing the well-documented harms of unhosted ones. We strongly urge the Commission to follow the recommendation of Coastal Commission staff and certify the ordinance as presented, without further delay.

Our community has waited long enough. We respectfully ask that you allow Pacifica residents to *finally* experience relief, stability, and the simple benefit of living among actual neighbors again.

Thank you for your time and for considering the lived experiences of our community.

Sincerely,

Lyla Reinero
Founding Member of Pacifica Homes Are Not Hotels
Pacifica Police CERT Member
Concerned Citizen

*More info here:
https://www.pacificahomesarenothotels.org/

Honey, Julian@Coastal

From: Lyla Reinero <lyla.reinero@gmail.com>
Sent: Sunday, March 8, 2026 11:47 PM
To: NorthCentralCoast@Coastal
Cc: Bryan Reinero; Honey, Julian@Coastal
Subject: Public Comment on March 2026 Agenda Item Thursday 13b - City of Pacifica LCP Amendment No. LCP-2-PAC-25-0079-2 (Short Term Rentals). Time Extension Only.
Attachments: Pacificans Pro Ordinance Revision.txt

Greetings, Chair Harmon and Honorable Members of the California Coastal Commission,

I am a longtime resident of Pedro Point in Pacifica, writing again (my apologies for the repeat outreach) to respectfully urge the Commission to certify Pacifica's short-term rental ordinance as soon as possible.

I ask that the Commission not exercise the maximum time extension and delay final action until April 7, 2027. It would be greatly appreciated if this agenda item could be addressed at the planned April 2026 hearing, or at the very latest during the next North Coast meeting scheduled for September of this year.

Residents living within the coastal zone are eagerly awaiting relief from the proliferation of STRs that have increasingly taken over our neighborhoods. It would be unfortunate if pressure from pro-STR interests were to reverse the progress made through these hard-earned, community-driven efforts.

For example, the first 187 of 229 pages in the updated "STR Correspondence v2" packet are from Angel Law, representing a group calling itself "Pacifica for Responsible Tourism." This group opposes the new ordinance restrictions; however, many of its members are real estate or property investors who live in San Francisco rather than Pacifica.

In addition, many STR and vacation rental properties in Pacifica are owned or operated by corporations or real estate investors. Marbella Lane and Daniel Cheng are examples of names that frequently appear when searching for STR listings in our city.

The 187-page submission from Angel Law includes:
• A 90-page Airbnb-produced presentation

(https://news.airbnb.com/wp-content/uploads/sites/4/2020/08/Unequal-Access-CA-Coastal-Report-FINAL-.pdf)
• A 63-page report from Ceto Consulting LLC, which lists Airbnb and short-term and vacation rental agencies among its clients

It is difficult to view reports produced by Airbnb or consultants hired by STR operators as unbiased. For obvious reasons, such materials should be weighed carefully.

The packet also includes a letter from Brian O'Flynn requesting an urgent postponement. Mr. O'Flynn has owned and/or operated at least ten STRs in Pacifica. He purchased multiple beachfront properties, evicted long-term tenants, and converted those units into STR/vacation rentals. According to neighbors, some of these properties continue to operate without permits.

More importantly, the packet also includes 24 letters from community members supporting the ordinance amendment.

I am also attaching a list of Pacifica residents who have publicly spoken at City Council meetings or submitted written comments over the past several years. There are likely many more—please forgive me if I have missed anyone.

Throughout this entire process, Pacifica residents have acted in good faith. Community members have worked diligently and patiently with our City Council—participating in public meetings, providing testimony, and dedicating significant personal time and effort—to help craft an ordinance that balances visitor access with the fundamental right of residents to safety, stability, and the peaceful enjoyment of their homes.

Thank you, as always, for your time and for considering the lived experiences of our community.

Sincerely,
Lyla Reinero
Founding Member, Pacifica Homes Are Not Hotels
Pacifica Police CERT Member
Concerned Citizen and Parent

Cindy Abbott
Doreen Adams
Pete Adams
Rebecca Ayala
Patrick Beatty
Gail Benjamin
Sam Casillas
Cherie Chan
Gary Chinca
Kate Chinca
David Costa
Haroldo Daltin
Marj Davis
Rick De Alba
Victoria Sanchez De Alba
Sue Digre
Darcy Duckenfield
Dian Emerson
Danny Estrella
Carol Fregly
Gary Furlong
Peter Garenani
Kris Geiger
Robert Georges
Joanne Gold
Pat Gonzalez
Alan Greene
Cheryl Greene
Mike Haas
Jen Hansen
Cythnia Harrison
Stephen Heckford
Molly Heggarty
Debi Hirshlag
Ann Hitz
Breck Hitz
Julie Hong
Jeff Jones
Cynthia Kaufman
Patty Kephart
Patty Kepster
Les Kirvin
James Kremer
Summer Lee
William “Leo” Leon
Vincent Ma
Erin Macias
Bud McCloud
Andrew Meiman
Margo Meiman

Connie Menefee
Emil Miland
Suzanne Moore
Al Mutti
Torsten Neilands
Bob O'Donnell
Peggy O'Donnell
Caitlin Quinn
Carol Pan
Armetta Parker
Amber Passanisi
Debbie Passanisi
Nick Passanisi
Pam Raymond
Bryan Reinero
Lyla Reinero
Stephanie Robbins
Lara Ronberg
Nancy Russell
Dianne Seaborg
Ketty Seymour
Brittaney Shade
Pete Shoemaker
Kathleen Shugar
Rebecca Smith-Coggins
Julie Starobin
Mark Stechbart
Dan Stegink
George Surmaitis
Julie Surmaitis
Deanna Taubman
Nancy Tierney
Lisa Warns
Michael Willmancy
Allison West
Deb Wong

Honey, Julian@Coastal

From: Mike Haase <haasem23@gmail.com>
Sent: Tuesday, October 7, 2025 2:33 PM
To: NorthCentralCoast@Coastal
Subject: Pacifica STR Ordinance

[You don't often get email from haasem23@gmail.com. Learn why this is important at https://aka.ms/LearnAboutSenderIdentification]

Dear Commissioners,

I am a resident of Pacifica & strongly urge you to support the Pacifica STR Ordinance.

I personally witnessed many abuses of STR’s by absentee owners. Pacifica citizens worked very hard to achieve this ordinance.

Thank you,

Michael Haase
Sent from my iPhone

Honey, Julian@Coastal

From: Pam Raymond <raymond.pam@gmail.com>
Sent: Thursday, January 29, 2026 4:49 PM
To: Honey, Julian@Coastal; NorthCentralCoast@Coastal

[You don't often get email from raymond.pam@gmail.com. Learn why this is important at https://aka.ms/LearnAboutSenderIdentification]

Dear Commissioners:

I am a long-time resident of Pacifica's coastal zone, and I respectfully urge you to approve the City's proposed short-term rental ordinance.

Our Mayor and City Council spent eight years listening to residents and carefully crafting a balanced approach that reflects the needs of our coastal community. This ordinance represents a thoughtful effort to protect neighborhood stability while continuing to welcome visitors to the coast.

Over my many decades living here, I have witnessed a steady erosion of community caused by unhosted, investor-owned short-term rentals. I live next to a beachfront, two unit STR (which by the way was once an 6-unit building with 6 rentals), owned by out-of-town investors who are absent from the neighborhood. When loud parties spill late into the night, or when trash bins blow down the street in strong coastal winds, there is no on-site host to respond. These impacts fall directly on long-term residents, affecting safety, livability, and our sense of community.

I support visitors enjoying Pacifica's coastline. Day visitors already come from far and wide to walk the Beach Boulevard promenade. However, large-group STRs often bring multiple vehicles, worsening on-street parking congestion and limiting access for both residents and the broader public.

Claims that platforms like Airbnb increase accessibility do not reflect the reality on the ground. A regulated local hotel such as the Coastal Drift Inn, located just two blocks from Pacifica State Beach, offers rooms for approximately $129 per night. In contrast, a former 6-unit apartment building now operating as a luxury, beachfront STR rents for upwards of $2,600 per night. This model serves neither affordability nor equitable coastal access.

Approving this ordinance will help restore balance to our neighborhoods, improve safety, and encourage housing to return to long-term residents who want to make Pacifica their home. Many coastal communities across California have already taken similar steps. Pacifica is overdue.

Please approve the proposed short-term rental ordinance and help ensure our coast remains accessible, livable, and welcoming to both residents and visitors alike.

Sincerely,
Pam Raymond
Pacifica, California

Sent from my iPhone

Honey, Julian@Coastal

From: Pam Raymond <raymond.pam@gmail.com>
Sent: Monday, February 2, 2026 9:53 AM
To: Honey, Julian@Coastal; NorthCentralCoast@Coastal
Cc: dan.carl@coastal.ca; stephanie.rexing@coastal.ca
Subject: Agenda Item Wednesday 15a - City of Pacifica LCP Amendment No. LCP-2-PAC-25-0079-2 (Short Term Rentals).

Dear Coastal Commissioners,

I am writing as a long-time resident and strong supporter of the proposed STR ordinance in Pacifica. I understand that this agenda item was recently removed and postponed from the up-coming hearings this week.
Given that this process took eight years of community effort and careful deliberation, we ask that the Commission re-agendize it as soon as possible.

The stability and future of our coastal neighborhoods depend on this decision. We urge you to not let this hard-won progress slip away.

Thank you for your attention and dedication to protecting our coastline.

Sincerely,
Pam Raymond
Pacifica, CA

Honey, Julian@Coastal

From:	Victoria Sanchez De Alba <vsanchezdealba@gmail.com>
Sent:	Saturday, January 31, 2026 9:47 AM
To:	NorthCentralCoast@Coastal
Cc:	Rick De Alba
Subject:	ITEM: NO: W:15a, LCP Amendment Number LCP-2-PAC-25-0079-2 (City of Pacifica) Short-Term Rentals)

You don't often get email from vsanchezdealba@gmail.com. Learn why this is important

Dear Commissioners:

We support the new Pacifica STR ordinance 100%. The new ordinance has achieved great success throughout the rest of our City when it recently became effective. We now have long-term family renters in the AIRBNB houses that previously turned our residential quiet neighborhoods into commercial homes.

Importantly, the ordinance also advances public safety. Prior to its adoption, these homes operated as de facto commercial properties, with loud parties, garbage carelessly scattered on our sidewalks and streets, and visitors arriving at the AIRBNBs between 1:00am-3:00am in the morning. The constant late-night activity, making loud noises and causing auto and house doors to close loudly, waking us all up in the middle of the night, and lack of accountability created safety concerns for neighbors, families, and first responders.

The new ordinance is needed and should be passed as soon as possible.

Thank you,

Rick and Victoria De Alba
482 San Pablo Terrace
Pacifica, CA 94044

Honey, Julian@Coastal

From: robert odonnell <rjodfc@yahoo.com>
Sent: Thursday, October 2, 2025 12:50 PM
To: NorthCentralCoast@Coastal
Cc: Caitlin Quinn
Subject: Support For Pacifica's New Short Term Rental Ordinance

[You don't often get email from rjodfc@yahoo.com. Learn why this is important at https://aka.ms/LearnAboutSenderIdentification]

To: District Governor Carl, District Manager Remington, District Supervisor Ringuette, Coastal Planner Honey,

My wife and I are residents of Pacifica and have been part of a Citizens Group to rewrite the inadequate 2018 Pacifica Ordinance on Shirt Term Rentals. There is an STR up the street from us and it mirrors the same trouble citizens have endured all over Pacifica for years with the old ordinance: traffic, parking, overcrowding, late night noise, uncontrolled garage in the streets and other issues from these unsupervised properties.

They have been a blight on our neighborhoods that bring profit to absentee landlords and problems for the neighbors who endure these issues. Thankfully, our City Council has heard our pleas and has enacted a strong new ordinance that goes into effect for the non Coastal area of the City.

You will soon review this ordinance for the "Coastal Area" of Pacifica related to this new ordinance. We strongly urge you to adapt and approve this New STR ordinance for the Coastal area in your jurisdiction. The problems mentioned above are even more acute in the Coastal area, as more STR's are concentrated in that area of Pacifica. It is very important that ALL of Pacifica receives the relief that will come from this new ordinance. We trust that this will happen and we look forward to new ordinance protecting all of our neighborhoods in Pacifica. Thank you for your attention to this matter.
Sincerely,
Robert and Jacqueline O'Donnell
1319 Aspen Dr. Pacifica, CA 94044

JacquelineO'Donnell

SUBJECT: February 4, 2026 California Coastal Commission Meeting, ITEM NO: W15a, LCP Amendment Number LCP-2-PAC-25-0079-2 (City of Pacifica Short-Term Rentals)

Dear Commissioners,

I am writing to you as a resident of the Pedro Point portion of Pacifica since 2018, who is concerned with the number of unhosted short-term rentals (STRs) that are operating in our City west of Highway 1 and the lack of sensible restrictions placed upon them. Unhosted STR's are destroying the fabric of our community.

My husband and I live in a home where the two houses nearest to us are owned by out of town investors. There is a constant stream of strangers around our home. It doesn't feel like a community. There are so many unhosted STRs in Pacifica that they have commercialized our neighborhoods. Some of our roads, like Beach Blvd. have turned into rows of unregulated hotels with some STR hosts renting out homes by the hour.

The unhosted STRs have impacted parking in Pacifica. With dozens of cars attached to unhosted STRs, parking spots are being taken from our residents and visitors to our coasts. The parking congestion makes it difficult for emergency vehicles to pass on Pacifica's narrow streets.

It is concerning that many unhosted STRs in Pacifica have illegally converted spaces that are unsafe (garages converted into illegal bedrooms) and lack the ADA accommodations and safety oversight that Pacifica's hotels provide. Plus, these unhosted STRs are known to have too many people crammed into small homes by unhosted STR operators. This puts a strain on Pacifica's environment and infrastructure.

I do support HOSTED STRs (where an actual Pacifica resident "homeshares" a bedroom or other part of their home while they are present), as this is the ONLY form of STR that provides low-cost visitor accommodations without robbing families of housing or raising rents/home prices, and protects neighborhoods from commercialization.

There are two houses on our street that were formerly unhosted STRs and are now long-term rentals and the new neighbors are lovely additions to our community.

Pacifica's new STR ordinance for all of Pacifica east of Highway 1 went into effect in October, 2025. The process to get to this new ordinance has been a very long one...over eight years...with impressive public participation along the way.

The new ordinance that has been adopted for Pacifica (east of Highway 1) is now, among other things, prohibiting full-time unhosted STRs, requiring one off street parting spot per rental bedroom, limiting unhosted renting to 60 nights per year, requiring that the rental space have a safety inspection, limiting the number of guests per bedroom, etc. We would like you to pass this ordinance for coastal Pacifica.

Please do the right thing for coastal Pacifica and vote to pass the STR ordinance, Protect Pacifica's coast and its coastal neighborhoods from over-commercialization and keep our neighborhoods and beaches safe and accessible to all.

Pacifica's residents and its neighborhoods are counting on you.

Thank you,

Rebecca Smith-Coggins, MD

Honey, Julian@Coastal

From: Suzanne Moore <suzyqettu2@gmail.com>
Sent: Tuesday, January 27, 2026 11:33 AM
To: NorthCentralCoast@Coastal
Cc: Suzanne Moore
Subject: City of Pacifica LCP Amendment No. LCP-2-PAC-25-0079-2 (Short Term Rentals).

Honorable Commissioners,

I am a 28-year resident and homeowner in Pacifica, a retired Family Nurse Practitioner from San Mateo County, and a sitting Board Member of San Mateo County's Healthcare for the Homeless and Farmworkers Program. My statement is mine alone.

Upon retirement, I became an advocate for housing stability in my hometown. I recognize that housing stability is necessary for the health and wellbeing of my community as a whole.

Pacifica's recent Housing Needs Assessment identified that our housing rentals are constrained - and short term vacation rentals are implicated. In my neighborhood, I am aware of neighbors forced to move from Pacifica due to a lack of affordable housing. For this reason, I support Pacifica's Short term Rental Ordinance.

There are many stakeholders in support: neighbors who have had their quality of life negatively impacted by STRs, housing advocates concerned about displacement, and local hotels/motels concerned about business impact. This Ordinance addresses complex community needs.

Please support this Ordinance to best assist our residents, our housing, and our community. Thank you.

--
Suzanne Moore
Home 650.557.0867
Cell 650.243.7310

Honey, Julian@Coastal

From:	Stephanie Robbins <slrobbins23@gmail.com>
Sent:	Friday, January 30, 2026 9:55 AM
To:	NorthCentralCoast@Coastal
Subject:	ITEM NO: W15a, LCP Amendment Number LCP-2-PAC-25-0079-2 (City of Pacifica Short-Term Rentals)

Dear Commissioners,

Thank you for taking my comments and concerns seriously. I was born and raised in California and have lived in Pacifica for 26 years, including the past 20 years in West Sharp Park. I moved here as a single mother because it was the only home I could afford, a duplex where having a long-term tenant helped make the mortgage possible. At the time, I knew all of my neighbors, renters and owners alike. We had a close-knit community connected by daily life and by our shared access to the coast.

Our neighborhood houses the pier, with Mori Point walkable due south. Fishermen, hikers, and beachgoers have always been part of the fabric of this place. Access to the ocean isn't theoretical here, it's deeply ingrained in our community culture.

Over the past decade, that fabric has unraveled. As neighbors sold their homes, families stopped moving in. We now see constant turnover of unfamiliar people, disruptive parties, parking congestion, trash issues, and cars driving the wrong way down our one-way streets. What was once a stable, peaceful and connected community is now a row of unregulated hotels housing a constant turnover of strangers, many of whom are not here for our beaches but for other business in the area or parties that cause disruption to our quality of life.

This change is especially troubling given California's housing crisis. Pacifica has long been one of the more affordable communities in the Bay Area, located just minutes from San Francisco. Allowing single-family homes to function as de facto hotels, while families struggle to find housing, feels fundamentally contradictory. Within just two blocks of my home, there are now more than ten unhosted short-term rental units. Some purchased by outbidding families looking to move in.

When my son was younger, it was frightening not to know who was next door in the unhosted short-term rental. When I ran my business from home, it was unsettling to realize that strangers, not neighbors, were watching our comings and goings. We have regulated and licensed hotels, and we allow hosted short-term rentals for visitors seeking alternatives. What we cannot afford is to lose are homes meant for families and long-term residents.

Pacifica already provides ample coastal access: a free parking lot by the pier, public beach access, and trails at Mori Point. Using family homes as vacation rentals should not be considered public access. These homes are meant to house people who live here, contribute here, and care for this community.

Thank you for your consideration.

Stephanie Robbins
Resident of West Sharp Park, Pacifica

Honey, Julian@Coastal

From: scott <usethemuse2@gmail.com>
Sent: Friday, March 13, 2026 9:20 AM
To: NorthCentralCoast@Coastal
Subject: Re: please support efforts to curb unhosted STR's.

You don't often get email from usethemuse2@gmail.com. Learn why this is important

sorry, meant the WEST area.

On Fri, Mar 13, 2026 at 9:16 AM scott <usethemuse2@gmail.com> wrote:

> Hello,
> We are in support of our neighbors in the east area of Pacifica in reigning in the STR's.
>
> We appreciate all you can do to initiate an ordinance to curb these unhosted neighborhood- killing VRBOs and Airbnbs.
>
> Thank you!
> Scott Hill and Jewel Walli
> 1121 Grand Teton Dr.

Honey, Julian@Coastal

From:	scott <usethemuse2@gmail.com>
Sent:	Thursday, March 12, 2026 6:15 PM
To:	NorthCentralCoast@Coastal
Cc:	Honey, Julian@Coastal; Carl, Dan@Coastal; Rexing, Stephanie@Coastal
Subject:	unhosted VRBO STR in violation..

Hello,
We are very concerned about the proliferation of these unhosted STR's in Pacifica.
There is a huge house across the street from us - **1138 Grand Teton Dr** - that states it sleep 20! and it seems to be rented almost every day.
https://vrbo.onelink.me/ItNz/3wcokbit

It's advertised as the Whales Tail. No persons name. Also says "this is our home and our neighborhood" which is untrue, the owners never lived there and it's certainly not their neighborhood.

We believe they could be in violation of the STR ordinance in effect.
Could you please look into this VRBO unhosted STR?

Thank you,
Scott Hill & Jewel Wali

Did you know:
Pacifica has only 2 fewer unhosted STRs than the **combined total** of these 8 cities

-
    - Half Moon Bay
    - Belmont
    - Atherton
    - Woodside
    - Brisbane
    - Hillsborough
    - Colma
    - Portola Valley

Honey, Julian@Coastal

From: T Neilands <veggie247@yahoo.com>
Sent: Friday, January 30, 2026 11:14 AM
To: NorthCentralCoast@Coastal
Cc: T Neilands

Subject: ITEM NO: W15a, LCP Amendment Number LCP-2-PAC-25-0079-2 (City of Pacifica Short-Term Rentals)

Dear Commissioners,

We have been residents in the Pedro Point district west of Highway 1 in Pacifica, within the Coastal Zone, for the past 19 years. Our district, including our street, has a large number of short-term rental (STR) properties, which has increased traffic tremendously in the 19 years we have lived here. The STR located closest to us, two doors down the street from our house, was a source of noise, trash, and trespassers on our land attempting to illegally access the San Pedro Headlands open space located behind our home. When questioned, several of these individuals explained that they were staying at STRs located down the street from us and that their hosts had encouraged them to access the Headlands through our property, which was not only disruptive to us, but also to the wildlife and flora of the Headlands. Additional individuals staying at that STR have been seen attempting to set off illegal and hazardous fireworks in the cul-de-sac directly beneath our house. The STR attracted a lot of additional traffic, not only from guests and their friends, but also DoorDash, Uber Eats, and Uber and Lyft pickups and drop-offs, creating traffic hazards on our narrow, steep street.

This STR was owned by an individual located outside of Pacifica who was not on-site when the STR operated as an STR. More recently, this investor has converted the STR to a longer-term rental house, enabling a family to move in and rent the house. It has been much less noisy and disruptive since this change occurred.

While we philosophically oppose the premises behind all STRs, we want to be clear that Pacifica's rules – which are based in large measure on Half Moon Bay's successful STR rules and policies – pertain primarily to **unhosted** STRs. In contrast, hosted STRs, where actual Pacifica residents share their homes while onsite, are the sole type of STR that offers low-cost, affordable accommodations while not removing housing stock from the market that can go to families, elders, and others who are members of the community and contribute to its longer-term character and fabric. Thus, the proposed Pacifica ordinance is eminently reasonable and very consistent with the approach taken by our nearby coastal neighboring city, Half Moon Bay. We would also like to point out that the proposed Pacifica ordinance has undergone a thorough process spanning 8 years, with extensive public input at multiple key points along the way.

Therefore, we strongly urge the Commission to pass the Pacifica ordinance to protect the Coastal Zone in Pacifica, including its neighborhoods and beaches, and to keep them safe and accessible to all.

Thank you very much for considering our remarks.

Sincerely,

Torsten Neilands

Dianne Seaborg

DATE: January 30, 2026

To: California Coastal Commissioners
Staff Coastal Commission

Via email: NorthCentralCoast@coastal.ca.gov.

RE: **Public Comment Item W15a, LCP Amendment Number LCP-2-PAC-25-0079--2**

Dear Commissioners and Staff, Greetings. My name is William 'Leo' Leon, my wife, Kris Geiger, and I have both participated in Pacifica's Public Hearings and given public comments. Along with many others, regarding the need for an Ordinance with strong regulations to address the negative impacts from unhosted short-term rentals (STR) that have plagued Pacifica’s neighborhoods.

We participated primarily because we experienced the ongoing effects from lack of regulations in our neighborhood. We live on Olympian Way in Pedro Point which is in the Coastal Zone.

In the 40 years I have lived in Pacifica, I have seen an ever-increasing number of neighborhood single family and apartment homes change from residential use to non-residential short-term rental use. This has reduced the housing available to locals and anyone else wanting to live or remain in Pacifica.

We have come to understand that nonresident entities were buying homes and apartments and operating them like unregulated hotels. This has progressed to a point where we feel that our neighborhood and community are in danger of becoming a place full of strangers, not neighbors.

In recent years the problem has grown worse. We experienced an ever-increasing number of unhosted STRs in our neighborhood. As the numbers increased, the lack of controls over parking regulations led to increased congestion on our street. Increasing the potential for public safety and access issues.

Moreover, with the lack of limits on numbers of persons allowed in an unhosted STR, the potential for fire, public safety and the need for building inspections became a concern. When the need to contact a responsible person arose and there was none, it led to concerns that our neighborhood is at risk from a lack of accountability.

In closing, our neighborhoods and community need strong restrictions and controls approved and implemented as soon as possible. We urge you to vote for the approval of Pacifica's LCP Amendment as written.

Respectfully,

William “Leo” Leon & Kris Geiger
111 Olympian Way
Pacifica CA, 94044