



COUNTY OF SANTA CRUZ

PLANNING DEPARTMENT

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KATHLEEN MOLLOY PREVISICH, PLANNING DIRECTOR

November 22, 2010

Agenda Date: November 29, 2010

Planning Commission
701 Ocean Street
Santa Cruz CA 95060

SUBJECT: Vacation Rental Draft Proposed Ordinance

Dear Commissioners:

Introduction

On November 10, your Commission heard testimony from the public on the subject of a proposed ordinance to regulate vacation rentals. You continued the item to today's agenda with direction to Planning staff to return with responses to several issues and with a single recommended ordinance that incorporates the discussion and concerns of your Commission.

Process

In June of this year, the Board of Supervisors directed staff to prepare a draft ordinance regulating vacation rentals (see copy of Supervisor Leopold's letter, Exhibit I). Staff drafted an ordinance and brought it to the Housing Advisory Commission (HAC) for review. Based on the HAC's review, staff drafted another ordinance that the HAC recommended to the Board. On November 10, staff presented your Commission with three alternative versions of a vacation rental ordinance: the one recommended by the HAC; one drafted by staff based on staff's understanding of the Board's direction last June; and a staff-developed alternative to the HAC recommended ordinance giving the County more ability to regulate vacation rentals.

The ordinance before your Commission today, along with a resolution recommending it to the Board, is attached as Exhibit A. Once your Commission acts on a draft ordinance, that version will be forwarded to the Board of Supervisors for their consideration. The version recommended by the HAC will also be forwarded to the Board for their consideration.

Number of vacation rentals

In order to determine whether or not the number of vacation rentals has increased in the recent past, your Commission directed staff to research the number of vacation rentals that existed in the year 2000. Previous Planning Department research into the number of vacation rentals occurred in 1990 and again in 2002. According to a review of vacation rentals done in June, 1990, there were then a total of 189 vacation rentals, distributed as follows: 46 in Live Oak, 72 in Aptos, 7 in La Selva, 55 in Rio del Mar, and 9 in Seascapes. It appears that only those areas were surveyed. It is unknown how many more vacation rentals there were at the time in other areas. In addition, the source(s) of the data is not fully documented. For these reasons, the total of 189 vacation rentals must be considered a minimum.

A letter to the Board of Supervisors from their March 19, 2002, meeting states "staff identified 448 – 504 vacation rentals in the unincorporated area of the County." Once again, there is a lack of information on data sources and collection methods. Currently, staff has identified about 570 vacation rentals in the unincorporated area of the County. This is also known to be a minimum, as it does not capture vacation rentals that do not pay Transient Occupancy Tax (TOT).

Assuming that the 189 vacation rentals identified in 1990 were the total in the unincorporated area, there has been an increase of about 381 vacation rentals or 200 percent since 1990. Using the 2002 figure, the increase in vacation rentals in the last eight years ranges from 66 to 122, which is an increase between 13 and 27 percent. Whichever time period is being considered, the margin of error in each of these reported totals should be factored into the analysis. An accurate total will not be available until a registration system for vacation rentals is in place.

Issues Considered by the Commission

After discussing various issues, your Commission directed staff to return with an ordinance that has three tiers (or different combinations) of regulation: Special Consideration Areas, where the regulations include only a ministerial permit plus other straightforward requirements such as signs and a local contact person; the area of the Harbor neighborhood and Live Oak between East Cliff and Portola Drives and the Pacific Ocean, where the most stringent rules would apply; and the remainder of the unincorporated portion of the County, where lesser requirements would apply than in the designated portion of Live Oak and where there would be no limit on the number or percentage of vacation rentals. An analysis of the specific issues follows.

Location and Concentration

Your Commission discussed the issue of limiting the concentration of vacation rentals, particularly in Live Oak. Your Commission directed staff to explore the concept of a maximum number of vacation rentals overall in the Live Oak area, expressed as a percentage of all residential lots, coupled with a maximum percentage of vacation rentals on any given block. It was suggested that the maximums apply in the above-described portion of Live Oak.

For the purpose of analyzing concentration in Live Oak, staff recommends looking at the geographic area bounded by East Cliff Drive and Portola Drive on the north, 41st Avenue on the east, and the Yacht Harbor on the west as one unit. This unit is referred to as the "Designated Area" of Live Oak. The Designated Area is slightly larger than the area of the Live Oak Parking Program, as it "fills" gaps in the interior of the parking program area. Regarding the northern boundary, only four of the known vacation rentals in Live Oak lie north of East Cliff Drive and Portola Drive. Regarding the east boundary, in the Opal Cliffs area, from 41st Avenue to the City of Capitola, there are eight known vacation rentals out of about 150 residential parcels (about 5.3 percent vacation rental concentration).

Currently, there are about 266 known vacation rentals in the Designated Area, out of about 2206 residential parcels, which equates to a 12 percent vacation rental concentration overall. The highest concentration of vacation rentals on any one block occurs along 12th Avenue from Prospect Street south to the beach, a distance of about 800 feet. In that area there are 39 parcels and 9 known vacation rentals, or 23 percent known vacation rentals¹.

¹ Along the north side of East Cliff Drive between 20th and 21st Avenues there is one block that is 80 percent (four parcels out of five) vacation rentals. This high percentage is an anomaly due to a total block length of only 200 feet.

Staff is recommending the maximum percentage for any given block be 25 percent. This is very near the estimated existing 23% as found along 12th Avenue. Also, the result is similar to that if a 200-foot separation was used. Based on frontages of 40 or 50 feet, at a 200-foot minimum separation there would be about one vacation rental for every four to five parcels, or 20 to 25 percent. In at least one jurisdiction, San Luis Obispo County, a minimum 200-foot separation was given credence by the Coastal Commission. Also, intuitively, one in four could be below the point where major impact on neighborhood integrity of a given street would be expected, as the neighborhood identity would remain primarily residential.

In the Designated Area as a whole, to allow for the fact that some blocks have existing vacation rentals exceeding 20 percent, and the fact that more vacation rentals may be permitted by grandfathering than we account for in our current statistics, the maximum percentage is recommended to be 20 percent. The specific percentage is a policy decision; there is no one percentage that is correct. The draft ordinance uses a figure of 20 percent to take into consideration what the Coastal Commission has accepted, and that currently it is estimated that from 12-13% of the units in the Designated Area are vacation rentals. The 20% figure would allow for new vacation rentals. However, your Commission may wish to set a different maximum percentage for the Designated Area; a 15% cap could be an alternative.

A second unique grouping is the Special Consideration Areas. As discussed at the November 10th Planning Commission meeting, the Special Consideration Areas include Pot Belly Beach Road, Las Olas Drive, that portion of Rio del Mar Flats zoned RM-2.5 and RM-3, Beach Drive, Via Gaviota, Trestle Beach, Place de Mer, Sand Dollar Beach, Canon del Sol, Sunset Beach, and Pajaro Dunes; as depicted in Exhibit E. Special Consideration Areas are unusual in that topography, setting or distance make them separate and distinct from the residential neighborhoods closest to them, and because of this the vacation rentals have less potential to affect neighbors than vacation rentals in locations that are more integrated within their neighborhoods. Homes on Pot Belly Beach Road, Las Olas Drive, and Beach Drive, for example, are below the tall coastal bluffs and topographically separate from surrounding homes. The Pajaro Dunes development is separate because of its relative isolation, long distance from other homes and the fact that it was developed with a single development permit, as were Place de Mer and Sand Dollar Beach, for example. Special Consideration Areas tend to "face" outward and be oriented toward the beach, rather than into or toward a surrounding neighborhood. No maximums are proposed for these areas for the reasons discussed above.

Permitting

Based on your Commission's direction to have different areas be subject to different levels of regulation, the draft ordinance sets out four scenarios of regulations and permits, as follows:

1. Existing and new vacation rentals in Special Consideration Areas. Each vacation rental in Special Consideration Areas would be required to obtain a ministerial permit. No notice of the application would be required; there would be no public hearing, no requirements or restrictions on parking or number of renters.
2. Existing vacation rentals everywhere in the unincorporated portion of the County (these are the "grandfather" provisions). Each existing vacation rental would be required to obtain a discretionary use permit with mailed notice to neighbors, but no public hearing and no requirements or restrictions on parking or number of renters.

Existing vacation rentals in these areas would have 90 days after the ordinance is certified by the Coastal Commission to apply for a permit. Ninety days is suggested as long enough to provide a fair opportunity for property owners to exercise their grandfathered status and short enough to not overly extend that status or prevent new applications in the Live Oak area from being processed. A program to publicize the 90-day window would be undertaken, as well.

3. New vacation rentals in the Designated Area of Live Oak. Each new vacation rental in the Designated Area of Live Oak would require a discretionary use permit with mailed notice to the neighbors and a public hearing by the Zoning Administrator. The occupancy would be restricted to two renters per bedroom plus two additional renters, with children under 12 not counted. Visitors would be allowed to park up to two vehicles on the street. These applications would be subject to the maximum percentage allowed per block and to the maximum percentage overall in the Designated Area. Because existing vacation rental owners would have up to 90 days to apply for a permit, no new vacation rental permits would be processed for at least 90 days after certification of the ordinance by the Coastal Commission. Until then, staff would not know how many vacation rentals there are on each block.
4. New vacation rentals outside of Special Consideration Areas and the Designated Area of Live Oak. Each new vacation rental outside of Special Consideration Areas and the Designated Area would require a discretionary use permit with notice to neighbors and a public hearing by the Zoning Administrator, would be restricted to two renters per bedroom plus two additional renters (children under 12 not counted), and visitors would be allowed to park up to two vehicles on the street.

Other standard regulations, such as external signs, posting of regulations, and designation of a local contact apply in each of the four scenarios.

All permits would run with the land. This is typically how land use permits are treated and there typically is no required renewal or review of the permit. One drawback is that this could prevent new opportunities for property owners to enter the vacation rental market in the Designated Area of Live Oak where the maximum percentage of vacation rentals is limited. The General Plan – Local Coastal Program and County Code have provisions for non-conforming commercial uses that state that if a use is abandoned for a certain period of time, the legal non-conforming status is lost and the use must meet current standards if it is re-activated. Your Commission may want to establish a similar sort of requirement such that a property issued a vacation rental permit would have to show ongoing use as a vacation rental, perhaps for three out of the previous five years, or risk losing the permit. This would ensure that vacation rental permits that are not being utilized could be made available to other property owners. If your Commission wishes to proceed with such a requirement, you can so advise the Board and staff will develop appropriate language for the Board hearing.

Application Process

The basic application process will vary depending on the location of the property. For existing vacation rentals and new ones in a Special Consideration Area, we anticipate a fee of approximately \$250.00. This represents about two hours of staff time, commensurate with similar services, such as parking certification for replacement mobile homes in mobile home parks.

The cost for new vacation rentals, due to the requirement for a public hearing, would be higher and we anticipate that these applications would be processed “at cost” subject to a

deposit toward a total cost of approximately \$2500.00. Any funds not used would be returned to the applicant and additional staff time would be billed to the applicant. Most discretionary use permits are processed in this manner.

New vacation rentals in the Designated Area of Live Oak would not be processed until 90 days after an ordinance is certified by the Coastal Commission and existing concentrations are established. Outside of the Designated Area, there would not be a waiting period for new vacation rental applications.

Law Enforcement Issues

The Sheriff's Office is charged with enforcing the law, including the County's noise ordinance, in the unincorporated area. Currently, the Sheriff's Office does not specifically track deputies' responses to complaints received from neighbors about vacation rental renters' noise, etc. Staff has supplied the Sheriff's Office with a list of the known vacation rental addresses to match the addresses to records of responses to complaints; the result of that matching is not yet available. Ultimately, as part of a vacation rental regulatory system, we plan to work with the Sheriff's Office and the Tax Collector to establish a useful registration and tracking system to, among other things, enable better enforcement of regulations where there are problem rentals.

According to the Sheriff's Office, when deputies respond to a complaint at a vacation rental, a warning about obeying the law, rather than a citation, is the typical result. Often, the dispatch call is not specific as to identifying that the problem is at a vacation rental and once on scene, the deputy may not be aware that the residence is a vacation rental. Citations can be and are issued when the deputy believes it is appropriate. The citation is written to the renters, not the property owner. The Sheriff's Office can bill for costs of responding if there is a second response in 12 hours. The billed rate is \$76.94 per hour per deputy.

Any regulatory system can be abused by a disgruntled neighbor. For example, someone could call the Sheriff's Office or the Planning Department with multiple complaints that are not valid. Although that activity could be subject to court action, it is difficult and time consuming to enforce. Recognizing that no regulatory system is free from such potential abuse and yet agencies must respond to valid complaints, there must be substantial evidence that a vacation rental is a public or private nuisance as defined in California Civil Code Sections 3479, 3480, and 3481, or substantial evidence that the particular vacation rental is in repeated violation of County Code before a review of the permit for possible revocation would occur.

Requested Clarifications

Your Commission requested clarification of the issue of parcels with greater than one single-family dwelling. Any single family dwelling may be used as a vacation rental, as long as there are no more than three dwellings on one parcel and the dwelling is not a manufactured home in a mobile home park. In addition, to clarify the issue of "hybrid" rentals, there is nothing in the ordinance that would prevent a property owner from renting to a mix of transient, vacation, and longer-term renters. A nine month long term rental may alternate with summer vacation rental.

Notice to buyers

If the proposed concentration limits are approved by your Commission, we plan to follow-up with a zoning district overlay for parcels in the Designated Area of Live Oak. The overlay would serve to provide notice that a property in that area is subject to the maximum percentages of vacation

rentals in the area and on the block and overall and that due diligence is required to determine if the potential new owner is precluded from pursuing a vacation rental permit.

Environmental Review

Staff has circulated the Initial Study and proposed Negative Declaration for public review, as required under the California Environmental Quality Act (CEQA). The public review and comment period ends on November 28. At your Commission's meeting on November 29th, we will report on any comments received on the Initial Study.

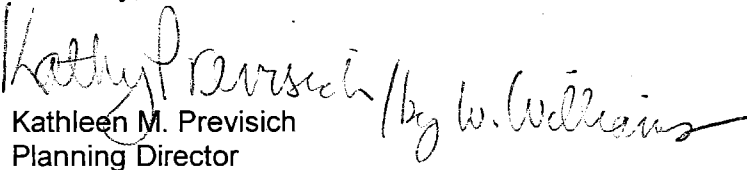
Conclusion and Recommendation

Vacation rentals are an important part of the economy of the County. Many vacation rental owners depend on the income from the rentals. A percentage of vacation rentals do generate complaints from neighbors about noise, parking, and other issues. In high concentrations, vacation rentals can alter the feeling and fabric of residential streets and neighborhoods. Based on the direction given by your Commission, staff has developed an ordinance that we believe is consistent with and addresses the issues raised by your Commission on November 10, 2010.

Therefore, it is RECOMMENDED that your Commission take the following actions:

1. Re-open the public hearing and take public testimony on this item.
2. Adopt the attached resolution (Exhibit A) recommending that the Board of Supervisors certify the environmental determination and adopt the proposed ordinance (Attachment 1 to Exhibit A) to add Section 13.10.326 to the County Code and to add a definition to Section 13.10.700-V of the County Code.

Sincerely,


Kathleen M. Previsich
Planning Director

- Exhibits
- A. Resolution with strike-through copy of ordinance
 - B. Clean copy of ordinance
 - C. California Environmental Quality Act Notice of Determination
 - D. Live Oak Designated Area map
 - E. Special Consideration Area maps
 - F. Comparison of other jurisdictions vacation rental regulations
 - G. Housing Advisory Commission agendas, minutes and correspondence
 - H. Correspondence received after Planning Commission meeting of November 10, 2010.
 - I. Letter of Supervisor Leopold, dated June 15, 2010
 - J. Vacation rentals and residential parcels

BEFORE THE PLANNING COMMISSION
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA

RESOLUTION NO. _____

On the motion of Commissioner
duly seconded by Commissioner
the following is adopted:

PLANNING COMMISSION RESOLUTION RECOMMENDING ADDITION OF SECTION
13.10.326 AND AMENDMENT OF EXISTING SECTION 13.10.700-V OF THE SANTA
CRUZ COUNTY CODE ESTABLISHING REGULATIONS FOR VACATION RENTALS

WHEREAS, since at least 2004, the County's Housing Element has contained language directing the Planning Department and the Board of Supervisors to explore options and develop policies for regulating vacation rentals; and

WHEREAS, the County's current Housing Element was adopted by the Board of Supervisors on January 12, 2010, and certified by the state Housing and Community Development Department on May 5, 2010; and

WHEREAS, current Housing Element Goal 4 is to preserve and improve existing housing units and expand affordability within the existing housing stock; and

WHEREAS, Program 4.13 of the current Housing Element is one of the programs intended to implement Goal 4; and

WHEREAS, Program 4.13 states that the County is to "Develop Policies for regulating the conversion of existing housing units to vacation rentals in order to limit the impact of such conversions on the stock of housing and on the integrity of single-family neighborhoods"; and

WHEREAS, on June 22, 2010, the Board of Supervisors directed the Planning Department to draft an ordinance for the regulation of vacation rentals; and

WHEREAS, the Planning Commission held duly noticed public hearings on November 10, 2010, and on November 29, 2010, and has considered the proposed amendments, and all testimony and evidence received at the public hearing; and

WHEREAS, the Planning Commission finds that the proposed amendments to the Santa Cruz County Code will be consistent with the policies of the General Plan and Local Coastal Program and other provisions of the County Code; and

WHEREAS, on November 29, 2010, the Environmental Coordinator preliminarily determined that the proposed vacation rental regulations would not have a significant impact on the environment; and

WHEREAS, Chapter 13.10 of the County Code is an implementing ordinance of the Local Coastal Program (LCP) and the proposed new Section 13.10.326 and the proposed amendment to Section 13.10.700-V constitute amendments to the Local Coastal Program; and

WHEREAS, the proposed amendments are consistent with the California Coastal Act.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission recommends the proposed new Section 13.10.326 and the proposed amendment to County Code Section 13.10.700-V, as shown in Attachment 1 to Exhibit A of this resolution, and the CEQA Notice of Determination be approved by the Board of Supervisors and submitted to the California Coastal Commission as part of the next Local Coastal Program Round.

PASSED AND ADOPTED by the Planning Commission of the County of Santa Cruz, State of California, this _____ day of _____, 2010 by the following vote:

AYES: COMMISSIONERS
NOES: COMMISSIONERS
ABSENT: COMMISSIONERS
ABSTAIN: COMMISSIONERS

Rachel Dann, Chairperson

ATTEST:

Cathy Graves, Secretary

APPROVED AS TO FORM:

COUNTY COUNSEL

ORDINANCE ADDING SECTION 13.10.326 AND ADDING A DEFINITION TO SECTION 13.10.700-V OF THE SANTA CRUZ COUNTY CODE RELATING TO THE REGULATION OF VACATION RENTALS

The Board of Supervisors of the County of Santa Cruz ordains as follows:

SECTION I

The Santa Cruz County Code is hereby amended by adding Section 13.10.326 to read as follows:

13.10.326 Vacation Rentals.

(a) The purpose of this section is to establish regulations applicable to structures on residentially zoned parcels that are rented as vacation rentals for periods of less than thirty days at a time. These regulations are in addition to all other provisions of this Title.

(b) For the purposes of this section, the following terms have the following stated meanings.

(1) A new vacation rental is a vacation rental that was not in operation before the adoption of this ordinance by the Board of Supervisors.

(2) An existing vacation rental is a vacation rental that was in operation before the adoption of this ordinance by the Board of Supervisors.

(3) The Live Oak Designated Area means the Yacht Harbor Special Community as described in the General Plan – Local Coastal Program and depicted on the General Plan – Local Coastal Program map and that portion of Live Oak that lies south and east of East Cliff Drive and Portola Drive from the intersection of 9th Avenue and East Cliff Drive to the intersection of Portola Drive and 41st Avenue, as depicted in Figure DA1.

(4) Special Consideration Areas means Pot Belly Beach Road, Las Olas Drive, that portion of Rio del Mar Flats zoned RM-2.5 and RM-3, Beach Drive, Via Gaviota, Trestle Beach, Place de Mer, Sand Dollar Beach, Canon del Sol, Sunset Beach, and Pajaro Dunes, as depicted in Figures SCA 1 - 11.

(5) Block means the properties abutting both sides of a street and extending from one intersecting street to another or to a bluff, watercourse, or other physical or human made barrier to the continuity of development, or to a municipal boundary.

(c) Permit requirements. A permit and Transient Occupancy Tax registration are required for each residential vacation rental. To be considered a legal use, all vacation rentals existing before the approval of this ordinance by the Board of Supervisors shall apply for a permit within 90 days after the certification of this ordinance by the California Coastal Commission.

(1) Existing and new vacation rentals in Special Consideration Areas. No notice or public hearing shall be required. An application shall be processed by the Planning Director or his or her designee. These permits are not subject to appeal.

A permit shall be issued after the applicant provides the following to the Planning Department:

(A) Completed application form

(B) Non-refundable application fee as established by the Board of Supervisors, but no greater than necessary to defer the cost incurred by the County in administering the provisions of this Chapter

(C) Copy of a blank rental/lease agreement, which shall include rules about noise, illegal behavior and disturbances, and trash management (e.g., trash to be stored in covered containers only).

(D) Proof of registration to pay County of Santa Cruz Transient Occupancy Tax on the operation of the vacation rental

(2) Existing vacation rentals not in a Special Consideration Area. A permit shall be obtained and the owner shall demonstrate that a dwelling unit was being used as a vacation rental before the adoption of this ordinance by the Board of Supervisors and was in compliance with all State and County land use and planning laws. Notice of the application and action shall be provided pursuant to County Code Section 18.10.222. No public hearing shall be required and a decision on the application shall be rendered by the Planning Director or his or her designee. Appeals of these permits shall be pursuant to County Code Section 18.10.320.

Applicants shall provide the following to the Planning Department:

(A) Completed application form

(B) Non-refundable application fee as established by the Board of Supervisors, but no greater than necessary to defer the cost incurred by the County in administering the provisions of this Chapter

(C) Copy of a blank rental/lease agreement, which shall include rules about noise, illegal behavior and disturbances, number of renters, and trash management (e.g., trash to be stored in covered containers only).

(D) Proof that a dwelling unit was being used as a vacation rental before adoption of this ordinance by the Board of Supervisors. Such proof may consist of, among other things, the following items:

(i) The owner paid County of Santa Cruz Transient Occupancy Tax on the operation of the vacation rental; or

(ii) The owner had transient guests occupy the subject property in exchange for compensation and the applicant furnishes reliable information, including but not limited to, records of occupancy and tax documents, reservation lists, and receipts, showing payment and dates of stay.

(E) For those who provide adequate documentation, but have not registered and paid Transient Occupancy Tax, proof of retroactive payment of the

Transient Occupancy Tax amount due to the County for the time during which a dwelling unit was being used as a vacation rental, up to a maximum of the three prior years, shall be submitted.

(3) New vacation rentals not in a Special Consideration Area. Action on these applications shall be by the Zoning Administrator at a noticed public hearing. Notice shall be pursuant to County Code Section 18.10.223. Appeals of the decision of the Zoning Administrator shall be pursuant to County Code Section 18.10.330.

(A) In the Live Oak Designated Area, no new vacation rental shall be approved if parcels with existing vacation rentals on the same block total 25 percent or more of the total residential parcels on that block. In addition, no more than 20 percent of all of the parcels in the Live Oak Designated Area may contain vacation rentals.

(B) Applicants for a permit for a new vacation rental not in a Special Consideration Area shall provide the following to the Planning Department:

(i) Completed application form

(ii) Non-refundable application deposit as established by the Board of Supervisors. Applications for a permit for a new vacation rental not in a Special Consideration Area shall be charged on an at-cost basis.

(iii) Plans drawn to scale including the following:

I. Plot plan showing property lines, all existing buildings, and dimensioned parking spaces

II. Floor plan showing all rooms with each room labeled as to room type

(iv) Copy of a blank rental/lease agreement, which shall include rules about noise, illegal behavior and disturbances, number of renters, and trash management (e.g., trash to be stored in covered containers only).

(v) Copy of a County of Santa Cruz Transient Occupancy Registration Certificate for the purpose of the operation of a vacation rental.

(C) Number of people allowed. The maximum number of tenants allowed in a new individual residential vacation rental not in a Special Consideration Area shall not exceed two people per bedroom plus two additional people, except for celebrations and large gatherings not exceeding 12 hours in duration, during which time the total number of people allowed is twice the allowed number of renters. Children under 12 are not counted toward the maximums.

(D) On-site parking required. Parking associated with a new residential vacation rental not in a Special Consideration Area shall be entirely onsite, in the garage, driveway or other on-site parking area, except that up to two additional vehicles associated with the vacation rental may be parked on the street. New vacation rentals not in a Special Consideration Area shall provide the minimum on-site parking required at the time the structure was permitted.

(d) Local contact person. All vacation rentals shall designate a contact person within a 20-mile radius of the particular vacation rental. The contact person shall be available 24 hours a day to respond to tenant and neighborhood questions or concerns. Where a property owner lives within a 20-mile radius of the vacation rental, the property owner may designate himself or herself as the local contact person.

The name, address and telephone number(s) of the local contact person shall be submitted to the Planning Department, the local Sheriff Substation, the main county Sheriff's Office, the local fire agency, and supplied to the property owners within a 300 foot radius. The name, address and telephone number(s) of the local contact person shall be permanently posted in the rental unit in a prominent location(s). Any change in the local contact person's address or telephone number shall be promptly furnished to the agencies and neighboring property owners as specified in this subsection.

(e) Signs. All vacation rentals shall have a sign identifying the structure as a permitted vacation rental and listing a 24-hour local contact responsible for responding to complaints and providing general information, which shall be placed in a front or other window facing a public street or may be affixed to the exterior of the front of the structure facing a public street. If the structure is more than 20 feet back from the street, the sign shall be affixed to a fence or post or other support within 20 feet of the front property line. The sign may be of any shape, but may not exceed 216 square inches. The view of the sign from the public street shall be unobstructed and the sign shall be maintained with legible information.

(f) Posting of rules. Rules about noise, illegal behavior and disturbances, number of renters (where applicable), and trash management (e.g., trash to be stored in covered containers only) shall be listed in the Rental Agreement and shall be posted inside the vacation rental in an open and conspicuous place readily visible to all renters and guests.

(g) Noise. All residential vacation rentals shall comply with the standards of Chapter 8.30 of the County Code (Noise) and a copy of that chapter shall be posted in an open and conspicuous place in the unit and shall be readily visible to all tenants and guests. No vacation rental is to involve on-site use of equipment requiring more than standard household electrical current at 110 or 220 volts or activities that produce noise, dust, odor or vibration detrimental to occupants of adjoining dwellings.

(h) Transient Occupancy Tax. Each residential vacation rental unit shall meet the regulations and standards set forth in Chapter 4.24 of the County Code, including any required payment of transient occupancy tax for each residential vacation rental unit.

(i) Dispute resolution. By accepting a vacation rental permit, all vacation rental owners agree to engage in dispute resolution and act in good faith to resolve disputes with neighbors arising from the use of a dwelling as a vacation rental. Unless an alternative dispute resolution entity is agreed to by all parties involved, dispute resolution shall be conducted through the Conflict Resolution Center of Santa Cruz County.

(j) Violation. It is unlawful for any person to use or allow the use of property in violation of the provisions of this section. The penalties for violation of this section are set forth in Chapter 19.01 of this Title (Enforcement). If more than two documented,

significant violations occur within any 12-month period a permit may be reviewed for possible amendment or revocation. Documented, significant violations include, but are not limited to: copies of citations, written warnings, or other documentation filed by law enforcement; or copies of Homeowner Association warnings, reprimands, or other Association actions.

(l) It is unlawful to make a false report to the Sheriff's Office regarding activities associated with vacation rentals.

SECTION II

Section 13.10.700-V of the Santa Cruz County Code is hereby amended by adding a definition for "Vacation rental" following the definition of "VA" to read as follows:

Vacation Rental. A single-family dwelling unit, duplex, or triplex (including condominium and townhouse units, but not including apartments or manufactured homes in a mobile home park), rented for the purpose of overnight lodging for a period of not more than thirty (30) days other than (a) ongoing month-to-month tenancy granted to the same renter for the same unit, (b) one less-than-thirty day period per year, or (c) a house exchange for which there is no rental payment. Habitable accessory structures, non-habitable accessory structures, second units constructed under the provisions of County Code Section 13.10.681, and legally restricted affordable housing units shall not be used as vacation rentals.

SECTION III

This ordinance shall take effect on the 31st day after the date of Final Passage, or upon certification by the California Coastal Commission, whichever date is later.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz this _____ day of _____, 2010, by the following vote:

AYES: SUPERVISORS
NOES: SUPERVISORS
ABSENT: SUPERVISORS
ABSTAIN: SUPERVISORS

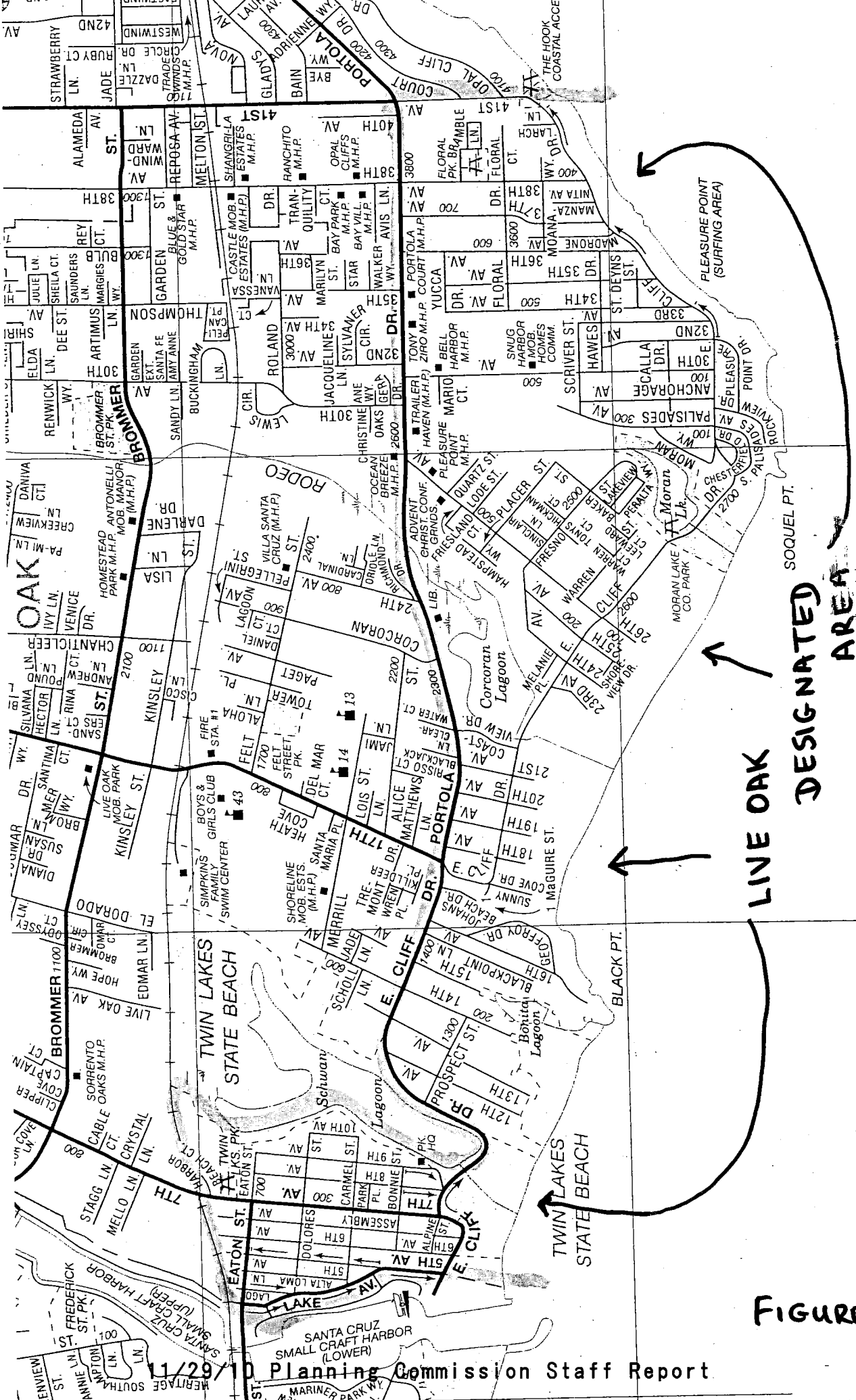
CHAIRPERSON, BOARD OF SUPERVISORS

ATTEST: _____
Clerk of the Board

APPROVED AS TO FORM:

County Counsel

Copies to: Planning
County Counsel
Coastal Commission



LIVE OAK DESIGNATED AREA

FIGURE DA1

