

Sonoma County Local Coastal Plan Update **Policy Option: Vacation Rentals**

Vacation Rental Policy Recommendation:

The following Implementation Program is recommended to be added to the Land Use Element:

Existing 2019 Public Review Draft Implementation Program:

"Program C-LU-1: Establish standards for the use of existing residences for vacation rentals and hosted rentals. In developing standards consider; requirements for designated property managers, safety, the number of guests allowed for day time and nighttime occupancy, parking, noise, and advertisements."

Revised Implementation Program:

"Program C-LU-1: Establish performance standards for the use of existing residences for vacation rentals and hosted rentals. In developing standards consider; requirements for designated property managers, safety, parking, noise, and number of guests allowed for day time and nighttime occupancy. In addition to performance standards, identify areas where high concentration of vacation rental would impact environmentally sensitive habitat areas, water quality, or coastal access and develop land use policy to avoid these impacts."

Need and Purpose

Vacation Rentals are not regulated in the coastal zone beyond the obligation to pay Transient Occupancy Tax, consistent with California Revenue and Taxation Code Section 7280. There are no land use restrictions on vacation rentals in the coastal zone and absent any permit or license program, it is difficult for Sonoma County to monitor if all vacation rental operators are paying the appropriate taxes on rentals. In addition to lack of land use restrictions, the county lacks a business license program that would allow enforcement of performance standards (noise, trash, parking, etc.) independent of land use regulations. Current practice in the inland portion of the County is regulation by zoning permit.

The Coastal Commission requires that land use regulation of vacation rentals in the coastal zone must occur within the context of your local coastal program (LCP) and/or be authorized pursuant to a coastal development permit. Because vacation rentals are considered an important component of coastal access, the Coastal Commission has not historically supported broad-based limits on vacation rentals in the coastal zone. Guidance provided by the Commission identifies a number of vacation rental land use regulations that have been supported:



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Local Coastal Program
Permit Sonoma

- 1) Limits on the total number of vacation rentals allowed within certain areas (e.g., by neighborhood, by communitywide ratio, etc.).
- 2) Limits on the types of housing that can be used as a vacation rental (e.g., disallowing vacation rentals in affordable housing contexts, etc.).
- 3) Limits on maximum vacation rental occupancies.
- 4) Limits on the amount of time a residential unit can be used as a vacation rental during a given time period.

Additionally, the following performance based regulations are generally considered to be consistent with the Coastal Act and may be implemented without a need to amend the local coastal plan if application of these standards does not otherwise restrict location and concentration of vacation rentals in the coastal zone:

- 1) Requirements for 24-hour management and/or response, whether onsite or within a certain distance of the vacation rental.
- 2) Requirements regarding onsite parking, garbage, and noise (note if the parking requirement reduces the capacity of a vacation rental, this may be seen as restricting coastal access and require certification by the Coastal Commission).
- 3) Signage requirements, including posting 24-hour contact information, posting requirements, and incorporating operational requirements and violation consequences (e.g., forfeit of deposits, etc.) in rental agreements.
- 4) Payment of transient occupancy tax.
- 5) Enforcement of performance standards, including requirements for responding to complaints and enforcing against violations of vacation rental requirements, including providing for revocation of vacation rental permits in certain circumstances.

The revised vacation rental program allows creating separate performance standards and land use regulations. This could allow for creation of a program regulating performance standards that could be applied countywide, as application of these standards does not restrict vacation rentals on the basis of land use. The second phase of the program would allow creating limits on vacation rentals in situations where there is potential to create an adverse impact on environmentally sensitive habitat areas, water quality, or interfere with coastal access.