

CALIFORNIA COASTAL COMMISSION

SAN DIEGO AREA
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December 8, 2017

Jeff Murphy
Planning Director
City of San Diego
1010 Second Ave., Suite 1100 – MS 413
San Diego, CA 92101

Re: City Council Special Meeting on Short Term Rentals – December 12, 2017

Dear Mr. Murphy,

In the last couple of years, the operation of short-term overnight accommodations has become a topic of interest and generated substantial debate within many communities, both in and out of the coastal zone. As part of our on-going coordination meetings with the City's Planning Department, our office has provided feedback, formal comments and discussed the many issues related to the operation and management of these accommodations in the coastal zone. In our recent coordination meetings, City staff asked this office to review and provide feedback on the proposed regulatory options for short term rentals being presented to the City Council. Separately, this office also received a letter from Councilmember Chris Cate on September 26, 2017 asking for Commission staff to provide guidance on the possible adoption of a three day minimum stay within the coastal zone.

This letter is intended to respond to the Planning Department and councilmembers requests. Previously, the Coastal Commission has provided statewide guidance that was distributed to all coastal jurisdictions in December 2016. In addition, this office sent a letter of comment, dated December 2, 2015, to the San Diego Planning Commission when it was considering this matter. The statewide memo and previous letter of comment are both included in the agenda materials for your reference.

In general, given that short term rentals function as a high priority visitor-serving uses and their regulation represents a change in intensity of use and access to the shoreline, any regulation of short term rentals must occur within the local coastal program and/or be authorized pursuant to a coastal development permit. In addition, this agency has interpreted local zoning ordinances in a broad fashion and found that vacation rentals are a form of residential use, permitted by right, in any residentially zoned area unless such uses are specifically prohibited or otherwise restricted.

This office has reviewed both of the draft ordinances, referenced as "Council District 1-Proposal" and "Four Council Member Proposal" that are being presented to the City Council for consideration. Although there are many similarities in the procedural elements of the two proposals, there are some clear differences relative to a minimum stay specification, maximum limit of stay and whether or not companion units may be used for short term occupancy.

In response to the City Planning Department's and Council Office's inquiries, the Commission itself has not historically supported blanket vacation rental bans and Commission staff would prefer that no minimum or maximum stays be adopted for short term rentals. Commission staff has also provided direction to other coastal communities that a seven day minimum stay was not

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consistent with the Coastal Act given the demand for affordable overnight accommodations. However, a three day minimum stay would, at least, support a long weekend visit and could be accepted within the coastal zone given the extent of the City's coastal jurisdiction and its inventory of visitor accommodations.

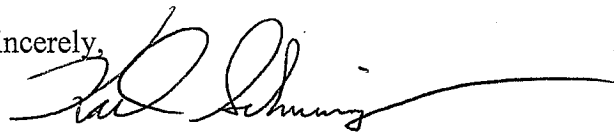
Alternatively, Commission staff would not recommend any adoption of a maximum stay limit and any proposed regulation to that effect would need to address how such a limit does not materially affect the availability and viability of short term rentals as affordable accommodations. Given the moderate climate of Southern California, the adoption of a 90 day limit would likely result in concentrated bookings within the peak summer season while visitation and demand for alternate accommodations extend throughout the year.

With regard to whether or not companion units may be used for short term residential occupancy, be they home share or whole home occupancy arrangements, Commission staff is evaluating this question throughout the County's coastal zone based on the attributes of each community. Again, in the case of the City of San Diego and the extent of its jurisdiction, there is a substantial inventory of visitor accommodations and a range of affordability options such that we would defer to the City on this question.

Finally, we noted and endorse the inclusion of the additional off-street parking provision for home sharing within the beach impact area in the Four Council Member Proposal and would ask for an explanation of why that limited use regulation was not similarly proposed for the whole home option. The beach impact area of the Coastal Overlay Zone is the very narrow two or three blocks along the shoreline within the City where protection of on-street parking supplies for the general public and coastal visitors is a concern.

In summary, this agency is prepared to work with local governments to tailor and adopt reasonable regulations for short term rentals that balance both the protection of affordable accommodations, coastal access opportunities and neighborhoods. We appreciate the City's coordination efforts and will continue to work with you on this important topic. These comments are provided by staff; and, ultimately, it will be the Commission's decision based on the information available and the public process. If you have any questions, please don't hesitate to contact me or Deborah Lee at the above office.

Sincerely,



Karl Schwing
District Director
San Diego Coast District

Cc: Councilmember Chris Cate
Sarah Jarman
Shannon Thomas
Laura Black
City Clerk