

Shayna Sharke

Subject: FW: Appellants' response to July 12 agenda staff report
Attachments: APPELLANTS REPLY TO STAFF JULY 12.pdf; STR Options Proposal 28 June 2022.pdf; July 1 to subcommittee.pdf

Good afternoon, Council members,

In light of the surprising staff report we received regarding the July 12th continued STR appeal hearing, my co-appellant, Mark Zanides and I, along with our larger citizen group, are sharing with you our response to that report. Our response, titled "*APPELLANTS REPLY TO STAFF JULY 12*" is attached below.

As suggested by Council, we, the appellants, along with Paul Wyatt, met with the subcommittee members, Mr. Frost and Mr. Villar, each in separate meetings. It seemed a good faith effort was being made by all parties. It is an understatement to say we were stunned to read the resulting staff report posted on July 7. The possible City liability, impact on housing stock, failure to adopt TOT collection solutions, code enforcement obstacles, disservice to current STR permit holders: these issues and many more are either ignored or hardly addressed in the revised staff report.

Below please find the response referenced above. Also attached:

- our initial proposal submitted to the Council's STR sub-committee prior to their June 29 meeting, "*STR Options Proposal 28 June 2022*" and

- our response to feedback we received describing some outcomes of the June 29 meeting, "*July 1 to subcommittee*"

Sincerely,

Kim Tarantino

Agenda Item No. 1
7/12/22

Mark Zanides
Kim Tarantino

Via email

TO: Honorable Mayor and City Council

FROM: Appellants Kim Tarantino and Mark Zanides

DATED: July 10, 2022

RE: Reply to Agenda Report of City Staff to Appeal of Planning Commission Approval for Coastal Development Permit CDP22-0010 to Establish a Short-Term Rental Program for July 12, 2022 Meeting

A. Background

Pursuant to Section 9.61.110 (a) and (b) of the Municipal Code, on May 23, 2022, Kim Tarantino and I timely filed appeal of the action taken on May 9, 2022 by the Planning Commission whereby it adopted a Resolution approving Coastal Development Permit CDP22-0010, thereby effectively amending and expanding the City's Short Term Rental Program.

On June 21, 2022, this Council continued the hearing on our appeal to July 12, 2022 and appointed Council Members Villar and Frost as a subcommittee to review the proposed STR program in light of "legal issues discussed by the Council in closed session" as well as "concerns which have been expressed by the community." Staff Report (SR) 1. No one has ever identified to us what those "legal issues" are.

We were contacted by Messrs. Frost and Villar who requested separate meetings to see whether we could come to some common ground and agree on an STR program which we would not appeal. We were advised that Mr. Frost and Mr. Villar would meet with the City Attorney and City Manager on Wednesday, June 29 to decide what the new recommendation would be, and that "Patrick was already writing."

Together with Paul Wyatt, who is very knowledgeable about this issue, and in particular about the Coastal Commission's views on STRs, we met with Mr. Frost and Mr. Villar separately. We approached the meetings in good faith, and had frank discussions. With regard to some issues, we believe we had a basis for common ground. At their request, we submitted written proposals to them. See, proposal of June 28, attached.

After their June 29 meeting with the City Attorney and City Manager, we were informed by Councilman Villar that the subcommittee had decided to accept the general structure of our Option 1. We understood it to mean that: the 129 current permits for unhosted STRs will be

grandfathered in as permitted, non-conforming; there will be no new permits for unhosted STRs in residential districts; and that new unhosted STRs will be placed in mixed use districts. We assumed that the subcommittee also would see also the usefulness of the platforms collecting the TOT on behalf of the City, which would enhance collections and assist in enforcement of unregistered STRs.¹ We regarded it as significant progress on those major points. See, our Memo of July 1 to Subcommittee, attached.

Mr. Villar also advised that the subcommittee had proposed changes to our proposal. We put our objections to them in writing. *Id.* Due to time constraints we never got the opportunity to discuss the issues with the subcommittee. Rather, late in the afternoon of July 7, we received the current staff report which details plans for a new STR program which includes a series of “substantive changes proposed by the Subcommittee.” SR 2.

B. The New Program is Deeply Flawed and is Unacceptable

So that we are clear: the proposed STR program is unacceptable to us and will be appealed if passed in its current form. We object on the following grounds, among others.

1. The new proposal sets the goal to have 185 unhosted STRs. This number constitutes a 43% increase in the present number of permits. This number is arbitrary. As far as we can determine, it is untethered to any metric other than it is “consistent with the demand in the City at a time when permits were freely available.” SR 3.² Investor demand is hardly proper metric, since what an investor wants is not necessarily good for the city. In any event, today we have more visitor accommodations per capita than any other coastal California town. The need for STRs is therefore very low. If the CCC was fine with 79 residential STRs in Laguna Beach with the rest in mixed use/commercial, it should be happy with 100 in DP (based on population). If one considers the far greater number of visitor beds in Dana Point, the number required by the CCC would be even lower. The City is attempting to make the CCC the bogeyman that is demanding we sacrifice housing stock for STRs. The staff’s claim that somehow the CCC would require this number, or that the City has an “obligation” to get to 185, much less the higher number that will result (see SR 3,4) is unsupportable. In fact, neither the CCC nor its staff has ever required a specific number.

2. Candidly, we would prefer no STRs in residential districts in Dana Point. However, recognizing that the perfect is the enemy of the good, we proposed to grandfather the existing 129 permits and allow 5 duplex “home stay” STR permits per district, plus STRs in mixed use districts and true homestays. The new staff proposal calls for 60 home stay permits in multi family buildings. We see no principled reason for this increase: 25 is the highest number

¹ Mr. Villar called it a “no brainer” and Mr. Frost had no objection to it in our conversations.

² It was also the number recommended by the Planning Commission, but that Commission had no rational basis for it either.

we can get to which minimizes the impact on housing and residential quality of life. In other words, the number 25 was not intended as a negotiating ploy: 25 was, and is, the highest number we can accept.

3. The staff further claims that the proposed program will “adhere to the Planning Commission’s recommendation of 185 Non-Primary STRs...”while at the same time dispersing them in a manner that addresses community concerns.” SR 3. This is arrant nonsense. There is nothing in this program which requires any dispersment: the notion that reducing the fee by 25% will encourage home stay multi family STRs is fanciful. The simple fact is that removing the cap of 5 per district will virtually guarantee that all 56 of the new STRs will concentrate in Capo Beach and the Lantern District.³ Those districts already have 72% of the registered STRs, not to mention scores of illegal ones.⁴ This is neither fair nor right. Moreover, in the case of Lantern District, it not only removes critical housing units but burdens the district that is home to the most minorities and low income residents.

4. The new proposal provides that “[i]n each 6-month period, if an assumed demand for Multi-Family Home Stay STR Permits is not met, the cap applicable to Non-Primary STRS goes up by 10.” SR 4. Leaving aside the ambiguity of what “if an assumed demand is not met” means, there are two problems with this. First, it ignores that that “Home Stay Multifamily” STRs are arguably less burdensome on neighborhoods, since the owner is required to be on scene. We see no reason to trade a type of hosted STR for an unhosted STR. Second, it will mean that Capo Beach and Lantern Districts may get an additional 56-60 STRs in their neighborhoods. This is simply not fair or right. And it is not acceptable.

5. Adding triplexes and other multi family dwellings to the structure type clearly violates the zoning code. The proposed resolution now proposes that this Council find: “The **Coastal Commission** has determined (which determination was confirmed by court decisions...) that STR uses are the same as any other residential use already permitted by the City’s zoning and LCP, and they are therefore a permitted use in the City’s Residential and Mixed-Use zones.” Proposed Finding 1.⁵ (Emphasis supplied). Note that this is a subtle but significant change from the prior city rationale to the effect that courts had found that STR uses are the same as

³ We were surprised that the district cap was removed: Councilmember Villar expressed to us his support for caps by district. As he is one half of the subcommittee, we do not understand why or how this change occurred.

⁴ To minimize the concentration issue, we also feel strongly that new STRs should be geographically spaced by 1,000 feet to avoid creating tourist zones in residential areas.

⁵ Significantly, the City Attorney does not now cite *Protect our Neighborhoods v. City of Palm Springs* (2022) 73 Cal. App. 5th 667, on which he had previously relied. There, Court observed that “admittedly a short-term rental is not used as a ‘single family dwelling’; neither the owner nor the renter is living there.” *Id.* (Emphasis supplied) His failure to recognize the case does not make it go away.

residential use. More importantly, this legerdemain cannot obscure the fact that the base contention is nonsense: the authorities cited do not establish that the Coastal Commission has ever taken this position in respect of any other city, much less Dana Point.⁶

6. Treating Beach Road as a separate district is extremely unfair both to Beach Road and the rest of Capo Beach. Why isn't Niguel Beach Terrace treated as a separate district within Monarch Beach? It has a long tradition of STRs and actually started the whole controversy. Why is Beach Road treated differently? Did the Capo Bay District agree to this? It leaves Beach Road residents with 18% of their homes as STRs forever. Moreover, leaving Beach Road out of the calculation when mixed use STRs replace residential ones is again completely unfair and discriminatory. Beach Road is further burdened by the fact that multi-unit STRs on the Road will not count toward the 35 cap. Why the special and burdensome treatment for one particular area?

C. The New Proposal is Incomplete and Insufficient to Protect Our City

One council member described the original Planning Commission proposal as a "mess." Indeed it is. We have always said that the Planning Commission proposal could not be fixed.

To be sure, the lawyers have rewritten this one and cleaned up some of the language. But it remains incomplete and is a deeply flawed document. Time has not permitted us to study the document at length, but below are listed some of its inadequacies.

1. There is no provision for the platforms to collect and pay TOT, maintain records and produce them to the City upon request. This is, in the words of Council Member Villar, a "no brainer." The plan does nothing else to prevent illegal units. Today we have 129 STRs but there are about 330 STRs advertising on platforms in Dana Point, many claiming to be 30 day rentals in numbers far in excess of industry norms. What is the plan to handle the inevitable expansion once all these other categories are opened up to illegal activity?

2. Allowing up to 20 visitors to an STR with only 2 parking spots on site is asking for huge parking issues in areas that already have parking issues. Other cities require on site parking only at STR investments. Why can't we do the same?

3. The City does not prohibit permits to those who have been previously cited or fined for illegal STR activity. Even those with records of illegal parties and nuisances will presumably not be denied permits.

4. What steps will the City take to ensure the required \$1 million in insurance coverage is current? (None of the Current STRS had valid insurance coverage on file when we did a recent RA request.)

5. Will inspections of STRs actually occur and will evidence of same be retained by the City? In response to a PRA request, the city could produce no documentation of either initial or ongoing safety or general inspections of STRs.

6. The category called “primary short term rental” essentially creates a “wild west” for illegal STRs: there will be 6,000 days of unhosted rentals permitted. Few cities include these in their ordinances because of their unpopularity and difficulty to enforce. By the very definition, the owner will not be present and available to respond to issues which may arise. Moreover, there are no provisions for auditing that primary homestays are indeed primary homes or that they only rent for a total of 60 days per year (which could be 30 weekends). The enforcement nightmare is unnecessary: we do not believe that such STRs are popular: few residents are comfortable with strangers occupying their principal residences while they are out of town, and they have always been able to rent for 30 days or more outside of an STR ordinance. Thus the category will create an enforcement nightmare but not present good options for legitimate STR use.

7. There is no provision for increased code enforcement, particularly during evening hours when most nuisances occur. Nor is there any provision for exterior posting of contact information which is required in many if not most cities in order to provide neighbors with some guidance when nuisances arise.

D. Adoption of a Resolution Stating That Our Zoning Does Not Prohibit and Has Never Prohibited STRs in Residential Zones is Reckless and Risks Serious Damage

As we have previously stated, it is unnecessary and unwise to proceed by CDP. Indeed, in our view it would be reckless. Were this Council to now adopt the position that our codes have always permitted STRs, it would create two damaging situations. First, the City has required permits, denied permits, and fined and shut down unregistered STR operators and collected TOT which it had arguably had no right to collect. This a serious potential legal exposure to the City.

Second, after an appeal of this CDP, and, we will appeal, until such time as the STR regulations are reviewed and approved by the CCC, all property owners will immediately have the right to operate STRs without restriction or permit. STRs would be wide open, in residential districts and the City would be powerless to stop them, Thus there is a huge potential downside. But there is no benefit whatsoever in proceeding this way. An appealed CDP is no faster than an appealed zone text amendment and LCP amendment.⁷

Surely this is a risk not worth taking especially where there is an alternate path to achieving STR regulation. That path is the one originally taken by the City Attorney in 2016, namely zone text amendment and amendment to the LCPA. If we adhere to the [correct]

position that STRs remain prohibited, no new STRs can be created without City approval which will await the outcome of the appeal. This is the only prudent course to take.

E. The Appeal Should Be Granted in Its Entirety and the Matter Referred to a Citizen/Staff Committee for Drafting of an Acceptable Ordinance

Unfortunately, the Council referred this matter to the Planning Commission, which was not really equipped to deal with this issue. The Planning Commission proposal was unsatisfactory. The Subcommittee's task to try to create a comprehensive STR plan was impossible under the time limits given. What has taken more than five years to address cannot realistically be done well in a week.

Because of the short time allotment, the subcommittee did not have time to circulate a draft, obtain citizen input, and do a thorough and comprehensive job. We are quite confident that we could narrow our areas of disagreement considerably and produce a document for the Council's consideration which would be a far superior product than what is presently before you.

We are mindful of the urgency here: it is clear to us that the Council would like to get something done before the summer recess. But urgency is not emergency. Better to get it right than quickly. If this matter goes over to the fall, the sky will not fall.


An appeal will give the CCC authority over the program, which itself extends to both coastal and non-coastal zones. I think we can all agree it would be far better to work this out ourselves than to invite the Coastal Commission's scrutiny. You will recall that in 2016, in opposing the STR program then before the Council, Council members Viczorek and Mueller quite eloquently expressed their concern about CCC intrusion into city affairs. And as unpleasant as it may be to recall, for very good reason the City does not enjoy a good reputation at the CCC due to the Strandsgate fiasco. For this reason the Coastal Commission scrutiny is likely to be very close and intrusive.

For all of the foregoing reasons, we request that the Council grant our appeal in its entirety,

Respectfully submitted,

Dated: July 10, 2022

s/ Kim Tarantino
Kim Tarantino



Mark Zarnides

MEMORANDUM

TO: STR Subcommittee
M. Villar
M. Frost
P. Munoz
M. Killebrew

FROM: Appellants
Kim Tarantino
Mark Zanides

DATED: June 28, 2022

RE: Proposed CDP 22-0010

Introduction

It is our understanding that the Council has created a subcommittee to review the above captioned STR ordinance proposed by the Planning Commission. Together with Paul Wyatt, we have met with Council members Villar and Frost. It is our understanding that the subcommittee seeks to know what would be acceptable to us in a new STR ordinance such that we would withdraw our appeal.

We have stated that we believe a compromise can be reached on the STR issue and we appreciate the opportunity to share our views.

As you are aware, we object strongly to the proposal whereby the City discards our longstanding interpretation of our ordinances and now take the position that they permit STRs. Therefore, our first proposal is this.

A. The Council should grant our appeal and repudiate all language in the resolutions stating that the City now is taking the position that STRs are permitted in residential zones. The City should affirm that we interpret our zoning to bar STRs in residential zones.

The first reason to grant the appeal is that Planning Commission's proposal is deeply flawed and unfixable. It should be jettisoned. The simplest way to do this is by granting the appeal.

Equally importantly, the resolution and proposed ordinance reverse the city's longtime interpretation of its municipal and zoning codes. This is unnecessary and extremely unwise. It invites litigation from prior applicants who were denied permits. And it will very likely invite people to open STRs without licensing. There is a belief that certain recently decided cases create a danger that this will happen. We disagree with that legal interpretation. But even if someone did open an unlicensed STR, the city should move to shut it down as unlicensed. Litigation could ensue, although we believe that is unlikely; such litigation would be very expensive for an STR owner and would take time.¹ If in the meantime we can craft a well written, thoughtful STR ordinance which would be acceptable not only to us, but other members of the community, the window for lawsuits will be much shorter, since there will presumably be no appeal of whatever action is taken.

Assuming the Council wants to try to draft an acceptable ordinance within two weeks, in our view there are certain features which it must contain.

B. Required Features

1. Non-Negotiable Condition.

If the Council wants to adopt a program whereby new permits will be issued in residential zones, then it must proceed properly by zone text amendment and amendment to the LCPA. We do not and will not agree to a rejection of our current zoning interpretation.

Should the Council proceed by way of CDP, with the exception of adopting our Option 1 below [which we agree could proceed by way of CDP], we will appeal. Depending on the nature of the program adopted, we may seek an initiative.

¹ This assumes that the city has renounced the proposed resolution. If we lost the case, by definition we could issue a CDP barring the new STR. This would not require CCC approval since it would not constitute a development under the Coastal Act, but rather a return to Dana Point's status quo.

C. Very Strongly Desired Features

- 1. Use only two categories of STRs – hosted and unhosted.** More categories make administering and enforcing the regulation difficult. The definitions for hosted and unhosted are included with each option discussed below.
- 2. Expand the definition of Owner to keep LLCs and other such entities from bypassing the one-permit-per-owner restriction.**

Suggestion:

Owner: shall mean the natural person who, alone or with others, hold legal and/or equitable title to the subject dwelling unit. For proof of ownership to suffice, ownership must be held in the name of the natural person applying for the permit. Proof of ownership in the form of a grant deed or current property tax bill must be submitted. If ownership is held by a spouse or domestic partner, then a marriage certificate or an affidavit of domestic partnership must be submitted. If ownership is held through a partnership, LLC, trust, or other entity in which the owner is a member or has an interest, then proof that the owner is authorized to act on behalf of the partnership, LLC, trust, or other entity must be submitted, along with an affidavit setting forth the percentage of ownership interest of each natural person in that entity, and further stating that the partnership, LLC, trust, or other entity does not hold and have not applied for any other short-term rental permits in the City of Dana Point and has not had any STR permits revoked due to violations of the STR Regulations in the City of Dana Point.

- 3. Strengthen the transferability restrictions**

Suggestion:

Transferability

The issuance of a short-term rental permit or any renewal thereof does not give the permittee any vested property rights and is not a covenant that runs with the land.

The short-term rental permit is nontransferable, so that if any interest or title in the short-term rental property identified in the permit is transferred or assigned to another person or business entity in any manner, the short-term rental permit shall be deemed revoked, expired and void, and not renewable as of the date of the property transfer. Any new transferee, assignee, or successor owner of the short-term rental permit shall have no right to use the residential property for transient occupancy. The permittee shall notify the department of planning and community development in writing no later than thirty days prior to any changes in ownership that may affect the validity of the permit. Failure to provide notice to the city has no effect on the city's right to enforce this provision or this chapter.

4. Improve STR permit enforcement and lower the STR Program administration cost by requiring hosting platforms to report all rentals and collect and submit all TOT by permit number.

Suggestion:

Hosting Platform

Definition: "Hosting platform" means a person or entity that participates in the short-term rental business by providing and collecting or receiving a fee for booking services through which an owner may offer a short-term rental unit for transient occupancy. Hosting platforms usually, though not necessarily, provide booking services through an online platform that allows an owner to advertise the short-term rental unit through a website provided by the hosting platform and the hosting platform conducts a transaction by which prospective transient users arrange for transient occupancy and payment, whether the transient pays rent directly to the owner or to the hosting platform.

- 1) All hosting platforms shall provide the following information in a notice to any user listing a short-term rental property located within the city through the hosting platform's service. The notice shall be provided to the user listing the short-term rental property after the effective date of this chapter and shall include the following information: the requirements of this chapter regulating short-term rental property and the transient occupancy tax obligations to the city.
- 2) A hosting platform, if required to collect and remit all required transient occupancy taxes, shall not be relieved of liability related to an owner's

failure to comply with the requirements of Chapter 3.25, Transient Occupancy Tax. A hosting platform shall then be required to maintain a record demonstrating that the taxes have been remitted to the city.

- 3) A hosting platform may provide, and collect a fee for, booking services in connection with short-term rentals for short-term rental property located in the city only when the hosting platform exercises reasonable care to confirm that those short-term rental units are lawfully permitted at the time the short-term rental property is rented for short-term rental. Whenever a hosting platform complies with administrative guidelines issued by the department of planning and community development to confirm that the short-term rental property is lawfully permitted, the hosting platform shall be deemed to have exercised reasonable care for the purpose of this subsection.
- 4) For not less than four years following the end of the calendar year in which the short-term rental transaction occurred, the hosting platform shall maintain and ~~be able~~, in response to a lawful request, to provide to the city for each short-term rental transaction for which a hosting platform has provided a booking service, the following, including, but not limited to:
 - a) The name of the owner who offered a short-term rental unit.
 - b) The address of the short-term rental unit.
 - c) The dates for which the tourist or transient user procured use of the short-term rental unit using the booking service provided by the hosting platform.
 - d) The permit number for the short-term rental unit

C: The Fastest and Cleanest Approach: Option 1

First, the current STR proposal from the Planning Commission must be rejected. Then, the fastest and cleanest approach is to

- **grandfather the current 129 STR permits,**
- **offer new STR permits in mixed use areas, and**
- **expand the definition of home stay to include primary home stay.**

We understand from Mr. Villar that at present there are the following [registered] STRs:

- District 1: non-primary (non-hosted): 25. Primary: 1. Homestay:1

- District 2: non-primary (non-hosted): 5
- District 3: non-primary (non-hosted): 3, Primary: 1
- District 4: non-primary (non-hosted): 39, Primary, 2, Homestays/multi-unit: 2,
- District 5 (including Beach Rd): non-primary (non-hosted):48, Homestay/multi-unit: 1, homestay (traditional definition): 1
- If Beach Road is divorced from the rest of District 5, it alone has 32 of District 5's non-primary (non-hosted).

The staff over the years, and as recently as its two latest staff reports, has stated or implied that the Coastal Commission wants Dana Point to have more STRs. This may have been true in 2016: it is not true now. Dana Point provides more coastal access than any other coastal city; the CCC does not think Dana Point needs more STRs to meet its requirements. CCC staff told this to Paul Wyatt when he was on the subcommittee in 2019. We are informed and believe that Mr. Munoz has stated this as well.

So, STRs are illegal under our code. We don't need any more STRs to meet CCC requirements. Our baseline should be zero STRs in residential areas. The CCC should not have a problem with this.

We recognize that banning them outright at this stage may create some litigation issues and would require CCC approval under *Kracke*. In the spirit of compromise, we suggest that the City grandfather the existing STRs and do not renew those permits as attrition through sale or otherwise occurs. No zoning code change would be necessary: the current grandfathered permits could be deemed legal nonconforming.

Here is a summary.

Option 1

<u>Permit Type</u>	<u>Non-hosted STR in residential neighborhoods.</u>	<u>Non-hosted and hosted STR in mixed-use areas</u>	<u>Hosted: anywhere in city.</u>
Multi-Family Dwellings Included?	Yes, but only those currently permitted	Yes	Hosted-traditional
New permits allowed?	No	Yes	Yes
Cap?	Existing 129 permits grandfathered. As these permits expire, they will not be reissued in residential neighborhoods; will be issued for mixed-use areas. NO NEW STR PERMITS WILL BE ISSUED IN RESIDENTIAL NEIGHBORHOODS. Eventually all non-hosted STRs will be in mixed-use area.	Cap: large number. Include cap as a fail-safe mechanism.	Cap: large number. Include cap as a fail-safe mechanism.

No zoning change would be necessary for the existing 129 permits. Mixed-use STRs would be encouraged: as Town Center and Doheny Village are developed we can expect more STRS there. As a precaution there would be a large cap on these.

We propose a very large cap on traditional hosted. [traditional definition: "Hosted" - A owner shares their primary dwelling unit with a transient occupant for less than 30 days in exchange for payment; and the owner is present in their primary dwelling unit between the hours of 10:00 p.m. to

7:00 a.m. every day that the renter occupies a portion of this same dwelling unit]

As an added fillip, we would be willing to agree to permit:

A maximum of four (4) Homestays: Non-Hosted, (stays in primary residences) up to a maximum of 30 days total, in exchange for payment, is permitted, per permit year. There would be a large cap on these Homestay: Non-Hosted primary residence rentals.

To be considered an owner-occupied short-term rental, one must submit a property tax bill that shows the “homeowner” exemption. If a renter, through permission from a landlord, is operating the STR, a copy of the lease plus written permission to sublet, should be submitted in lieu of a property tax bill. In no instance can an owner-occupied permit holder utilize an on-site camper, RV, or stay in a tent, on the property to qualify for an owner-occupied permit.

This would be acceptable and is by far our preferred option. **It requires no zoning changes so a CDP is an acceptable method for submitting the STR Program to the Coastal Commission.** It will encourage STRs in mixed-use areas. Mixed-use areas already specifically permit hotel uses. These visitor-serving zones are the appropriate location for short-term rentals in Dana Point.

We would not object and we don't think anyone else would either. The city would very quickly get its STR program, approval would likely come relatively promptly from the CCC staff, and the City would be largely protected from lawsuits.

Should the city elect to introduce an entirely new program whereby it issues new STR permits, we would agree to a program as follows.

Option 2

Permit Type	Non-hosted STR in residential neighborhoods.	Non-hosted and hosted STR in mixed-use areas	Hosted: anywhere in city.
Multi-Family Dwellings Included?	Yes	Yes	Yes, if offering Hosted-traditional
New permits allowed?	Yes. This will require a LCPA	Yes	Yes
Cap?	<p>Single-family dwellings: Yes, 20 non-hosted permits per district, in Districts 1 – 4; 30 non-hosted permits in District 5. Total 110 unhosted single family dwellings²</p> <p>Multi-family dwellings: Yes, 5 per district = 25</p> <p>Total: 135 non-hosted STRs</p> <p>New non-hosted permits subject to 1000-foot spacial separation from another non-hosted permit.</p> <p>Current Impact, by district: 1: no new permits 2: 20 new permits 3: 22 new permits 4: no new permits 5: no new permits</p>	<p>Cap: large number. Include cap as a fail-safe mechanism.</p>	<p>Cap: large number. Include cap as a fail-safe mechanism.</p>

² It has been suggested that there be a separate district 6 created for Beach Road. We have carefully considered this suggestion, but on balance believes it would burden district 5 with a disproportionate share of STRs.

Acceptable with conditions.

Zone Text Amendments with corresponding Local Coastal Program Amendments that explicitly permit hotel uses in residential zones must be made for all zones where new STR permits are to be issued.

Option 3 Unhosted Plus ‘hosted expanded’ (duplex)

Permit Type	Non-hosted STR in residential neighborhoods.	Non-hosted and hosted STR in mixed-use areas	Hosted: anywhere in city.
Multi-Family Dwellings Included?	No, not included in this category	Yes	Yes, included in “Hosted-expanded” category.
New permits allowed?	Yes. This will require a LCPA	Yes	Yes
Cap?	<p>Single-family dwellings: Yes, 20 non-hosted permits per district in Districts 1 – 4. 30 non-hosted permits in District 5. <u>110 non-hosted single-family dwellings STRs total.</u> Current Impact, by district: 1: no new permits 2: 15 new permits 3: 17 new permits 4: no new permits 5: no new permits</p>	<p>Cap: large number. Include cap as a fail-safe mechanism.</p>	<p>Cap: ‘hosted’ Duplex/ second dwelling unit on parcel capped at 20, with no more than is 5 per district. New ‘Hosted’ Duplexes limited to 1,000-foot separation from another non-hosted STR (Note: We do not have # of duplexes in City, districts.) Traditional homestays: Large number. Include cap as a fail-safe mechanism.</p>

Acceptable with conditions.

Zone Text Amendments with corresponding Local Coastal Program Amendments that explicitly permit hotel uses in residential zones must be made for all zones where new STR permits are to be issued.

“Hosted Duplex Second Dwelling Unit” - An owner shares their principal dwelling unit or the second dwelling unit in the same duplex with a transient occupant for less than 30 days in exchange for payment; and the owner is present in their principal dwelling unit between the hours of 10:00 p.m. to 7:00 a.m. every day that the renter occupies a portion of this same dwelling unit or the second dwelling unit.

Conclusion

We do not seek to ban all STRs. While we would prefer fewer STRs than these proposals contemplate, even as we recognize that more will be coming in mixed use areas, in the spirit of compromise we can accept a well written ordinance that contains the features set forth in one of the three options, but not all of the options.

Of course we cannot make a final decision unless and until we see the actual ordinance, including resolution(s). We request that the subcommittee circulate to us a draft of the proposed resolution and ordinance. If acceptable, fine. If there are minor or unobjectionable changes, we would have a better chance of avoiding an appeal if we can review it before it is published.

We are ready to respond promptly to any questions the subcommittee may have.

TO: STR Subcommittee
M. Villar
M. Frost
P. Munoz
M. Killebrew

FROM: Appellants
Kim Tarantino
Mark Zanides

DATED: July 1, 2022

RE: Proposed CDP 22-0010

We understand that the subcommittee has decided to accept the general structure of our Option 1. It means we agree that: the 129 current permits for unhosted STRs will be grandfathered in as permitted, non-conforming; there will be no new permits for unhosted STRs in residential districts; and that new unhosted STRs will be placed in mixed use districts. We assume also that you see the usefulness of the platforms collecting the TOT on behalf of the City, which will enhance collections and assist in enforcement of unregistered STRs. This is significant progress, and it is great that we have reached agreement on those major points.

As you know, we proposed to permit 5 duplexes per district as a *specie* of 'home stay'. We have had spirited internal discussions and largely disfavored treating duplexes as home stays: we already have an acute shortage of housing in Dana Point. We also have more coastal accommodations per resident than anywhere in California. We do not need more STRs, and notwithstanding that the nuisance problem may be somewhat reduced in a 'home stay duplex STR ', its effect on the residential character of the neighborhood is not reduced. Moreover, necessarily this this program will dispossess long term duplex tenants.

However, in the spirit of compromise, even though the ‘duplex home stay’ is arguably a stretch in interpretation of our zoning code, we have made the offer in a good faith effort to reach resolution.

We now understand that the subcommittee may intend to modify the home-stay component. Specifically, we understand:

1. the proposal now includes triplexes, not the duplexes we specified;
2. the proposal now contemplates 60 such ‘home stay’ duplexes/triplexes, not the 25 we proposed;
3. the district cap of 5 per district has been removed, thus permitting them throughout the city.

While it may seem to you that these changes are minor, in our view they are not. Rather, each of these changes is creates a serious problem for us.

First, adding triplexes to the structure type clearly violates the zoning code thus requiring a zone-text amendment.¹ Moreover there is no need to add triplexes to this group since there are ample duplexes. (We believe there are somewhere around 2,000 duplexes in the city).

Second, we can see no good reason to increase the number from our proposed 25 to 60: indeed 25 is the highest number we can get to and minimize the impact on housing and residential quality of life. In other words, the number 25 was not intended as a negotiating ploy: 25 was, and is, the highest number we can accept.²

Third, removing the cap of 5 per district will virtually guarantee that the majority of duplex home stays will concentrate in Capo Beach and the

¹ Unless, of course the new ordinance renounces our historically correct interpretation

² Some have contended that there will not be many ‘duplex home stays’. This is a dubious contention, as there are over 2,000 duplexes in Dana Point. Recent passage of CA Senate Bill 9 may substantially increase that number. In any case, if they are right, and there are few such home stays, the cap of 25 will not be burdensome. If they are wrong, the cap will be necessary to protect the city.

Lantern District. Those districts already have two thirds of the registered STRs, not to mention the scores of illegal ones.³

In short, we believe we have gone well beyond our comfort zone to craft this 'home stay' program that could arguably stay within the current zoning and have an acceptable negative impact on affordable housing and residential character of neighborhoods. We really cannot go any further.

We have come a long way toward resolution of the STR issue. The city staff, the Planning Commission, and the undersigned appellants, with our colleagues around the city, have worked hard to reach a good compromise. It would be a shame to waste this progress when we are so close. I think all would agree that it would be great to get past this and move on toward addressing the other important challenges facing the city.

That said, these issues do relate directly to the core of our concerns: we are committed to protecting residential character of our neighborhoods. We really will have no choice but to object. For all of these reasons, we respectfully request that you reconsider these three points.⁴

³ To minimize the concentration issue, we also feel strongly that any duplex home stays should be geographically spaced by 1,000 feet.

⁴ We assume all would agree that an appeal to the Coastal Commission would be unfortunate. The consequences will be significant. First, it will freeze any new STR program for the better part of two years, or until the CCC can hear the appeal. In the interim, no new permits can be issued: the status quo will be maintained. This contest before the Coastal Commission will be costly. Moreover, and even more significantly, the appeal will guarantee Coastal Commission meddling in our affairs. We don't think anyone wants that. Messrs. Viczorek and Mueller based their opposition to the 2016 STR ordinance largely due to these concerns.

Meanwhile, if the Council reverses its historical interpretation of the zoning codes, there could be lawsuits by aggrieved would be STR owners. That, indeed, would be expensive and regrettable.

If you do recommend a grant of our appeal, and then offer a new STR proposal containing the features we have discussed above, we will see the same result. Of course this will delay resolution of these matters for up to two years or more and once again present the risks described above.

We look forward to proceeding along lines we have proposed

Very Truly Yours,

Kimberly Tarantino
Kim Tarantino

Mark Zanides
Mark Zanides

Shayna Sharke

From: Joycelyn Choo <joycelyn.a.choo@gmail.com>
Sent: Monday, July 11, 2022 8:07 PM
To: Comment
Subject: STR

I strongly support the STR program. It is essential to ensure that everyone gets affordable access to the coastal region.

--

Joycelyn Choo
Teacher | Violinist
Joycelynchoo.com

Agenda Item No. 1
7/12/22

Shayna Sharke

From: Marianne Mata <memata555@yahoo.com>
Sent: Monday, July 11, 2022 8:33 PM
To: Comment; STR
Subject: STR use in Dana Point

Dear Dana Point Planning Commission:

I strongly disagree with the ill-conceived approach to allowing more short term rentals in residential neighborhoods currently being proposed by Council member Michael Villar and Mayor Pro Tem Michael Frost. Short term rentals, especially those owned by people or corporations that reside outside of the city, are detrimental to the quality of life of Dana Point residents. Allowing additional short term rentals also unnecessarily drives up the cost of housing for locals while funneling the profits to outside of Dana Point. Non-resident owned short term rentals degrade the Dana Point community and character.

I urge the Planning Commission to listen to the community and not allow the increase of short term rental properties in Dana Point.

Sincerely,
Marianne Mata
24311 Barbados Drive
Dana Point, CA 92629

Agenda Item No. 1
7/12/22

Shayna Sharke

From: Rebecca Mansfield <rebeccamansfield79@yahoo.com>
Sent: Monday, July 11, 2022 9:37 PM
To: Comment
Subject: Short Term Rental Dana Point Meeting

To Whom It May Concern:

We are long time homeowners - with a short term rental in Dana Point, which we also enjoy as a vacation home. We have had many years of positive experiences with the families that have resided in our home while enjoying Dana Point. Our home is a luxury boutique experience for families that want to stay together under one roof and enjoy Dana Point as if they live here. These people want to have the house to themselves, not just rent a room for a night or two. They come for privacy and relaxation. They want to park their car in the garage, get comfortable, settle in and experience beach style living. These are families that patronize restaurants and supermarkets and shops. They want to fill the fridge with goodies for the next week or two. They want to unpack their suitcases and spread out and not worry about the intrusion of maid service. They want the convenience of a washer/dryer for laundry and all those sandy beach towels! And when they leave, you know their suitcases will contain local purchases and souvenirs as reminders of the wonderful time they had. Most of these families would struggle to be able to afford the number of hotel rooms necessary to house them and are able to visit Dana Point only because they save money by staying in a house, where they can also cook some of their own meals and do their own laundry. We feel that the availability of short term rentals captures a unique market niche, different from the hotel market.

Homeowners like ourselves, have invested much time and money into our properties and have worked very hard to carve out a lifestyle we love. Our house is pristine, it is beautiful inside and out, one of the best on the block. That is why we get 5 star reviews. We follow the rules, hold the legal permit and use professional management. And we rely on the rental revenue as a major part of our income which has taken years of work and arranging assets for us to realize.

We feel strongly that the STR permit system is working and should be left in tact

Thank you, Paul and Rebecca Mansfield

Agenda Item No. 1
7/12/22

Shayna Sharke

From: R. Luo <rl_mpc@yahoo.com>
Sent: Monday, July 11, 2022 11:07 PM
To: Comment
Subject: Public Comment re. City Council Meeting 7/12/2022 Public Hearing Item #1 An Appeal of Planning Commission Approval for Coastal Development Permit CDP22-0010

Honorable Mayor and City Council:

Your capable city staff has done an excellent job thoroughly analyzing and responding to each of the 27 issues raised in the appeal letter. As well documented in the staff report, the Coastal Development Permit CDP22-0010 has been adequately analyzed and complies with all provisions of the applicable requirements in the Dana Point Zoning Code, the City Council STR policy direction, and the California Coastal Commission's (CCC) public access requirements. The enhanced STR business regulations adopted by the Planning Commission on May 9, 2022 went through extensive public process and best balances the interests of city residents, the City, businesses located within the city, and visitors to our beautiful city. Therefore, we respectfully urge you to approve your staff recommendation to adopt the resolution denying the appeal and approving Coastal Development Permit 22-0010 to permit the STR Program, allowing for regulations and provisions for the management of STRs in the City.

Thank you for your consideration!

Sincerely,

Sunny Sun

Rongsheng Luo

Monarch Beach Community Residents

Agenda Item No. 1
7/12/22

Shayna Sharke

From: Reza Hosseini <rhosseini06@gmail.com>
Sent: Tuesday, July 12, 2022 7:41 AM
To: Comment
Subject: Public Comment - July 12, 2022 - Item 16

Hello,

I am a homeowner in the Capo Beach neighborhood. My property is currently occupied by a tenant but I would like to convert it to an STR.

While fully supportive of rules and regulations set by the city but at the same time homeowners have rights that can't be overlooked. I hope that the city can come up with a solution that respects homeowner's rights to their property and simultaneously minimizes and controls the impact on neighborhoods by setting regulations on noise, parking and other nuisance.

Thank you.

Hamid Hosseini

Agenda Item No. 1
7/12/22

Shayna Sharke

From: navion2510@gmail.com
Sent: Tuesday, July 12, 2022 8:47 AM
To: Staci Sheaks; Comment
Cc: Mariessa Wolfe
Subject: July 12, 2022 Public Hearing Continued from June 21, 2022

Dear City of Dana Point Council members:

Please accept this letter supporting the City of Dana Point/Coastal Development Permit CDP22-0010 to establish A Short-Term Rental Program and deny the appeal to be presented in tonight's council meeting.

As a long time original permitted Short Term owner we have complied with and have had no issues (34375 Dana Strands Road, unit 2).

For over 5 years this program has been reviewed and vetted. We support the City of Dana Point's approval of the Coastal Development Permit CDP22-0010 on May 9, 2022.

Please accept our comments to uphold the City of Dana Point/Coastal Development Permit.

Thank you.

Mike & Mariessa Wolfe
34375 Dana Strands Road, unit 2
Dana Point, CA 92629

Agenda Item No. _____

1
7/12/22

Shayna Sharke

From: Deanna S <djslocum@gmail.com>
Sent: Tuesday, July 12, 2022 8:56 AM
To: Comment
Subject: Public Comment re STRs in Dana Point

Dear City Council,

I am writing to you about the proposed short term rental program in Dana Point.

I have been hearing from Capo Cares, an organization with a registration address in San Clemente (FWIW), about how short term rentals in Dana Point deplete precious housing stock and are run by greedy investors with little regard for the neighborhoods where the short term rental is located. So, rather than believe a non-resident opinion on our town, I requested the list of current STR permit holders in Dana Point from the City Clerk, and this is what I understand.

- Of the approximately 129 permits in Dana Point today, 112 individuals and families own the underlying property. This means that few people today own more than 1 STR. I did not see any corporations or traditional "investors" on the list. They are owners like me - wanting to keep the property in the family.
- Of those 129 STRs, more than 60% are self-managed, meaning that people like me - the property owner - arrange for the housekeepers (the same team that has cleaned our family's house for 30+ years), tend to the gardening and handle the laundry. An investor would not usually be so hands-on in the maintenance of properties in a portfolio.
- In the neighborhood of my STR, my neighbors on each side and in the back have told me they never even know when the property is occupied since my guests - at my request - are so quiet. One of my neighbors is 97, and I visit with her every day, making sure she has what she needs as she doesn't drive anymore and has no family close by. I would not expect an investor to care for the property's neighbors.
- Of the 50+ letters that were written in advance of the 6/21/22 City Council meeting to discuss the proposed short term rental program, 40+ (75%) wrote to express support for the STR program - to support the freedom to rent property as needed. They were not investors, developers or corporations.
- In 2018, when citizens were surveyed about short term rentals, 92% of the respondents had never called to complain about an STR, 70% lived near an STR, and 74% had no issues or very few issues.
- Last but not least, in the letters from the packet for the 6/21 meeting, a resident by the name of Holly Hadden wrote a scathing letter about an STR nearby on Zarzito, but there are no STRs anywhere close to that address. How much of the Capo Cares-backed anti-STR propaganda is based on questionable facts?

The proposed program should expressly state that the **current STR permit holders are grandfathered**. And, since enforcement numbers show that the current permit-holders know 1

Agenda Item No.

how to run respectful STRs, the 1 permit per household should commence with the new program
- to allow those grandfathered to obtain an additional permit.

The Planning Commission has worked tirelessly with stakeholders on all sides of the issue to create an STR program with strong rules and restrictions. **Please vote to approve the STR program.**

Best regards,
Deanna Slocum

Shayna Sharke

From: Alyssa Hendrie <alyssa.hendrie@gmail.com>
Sent: Tuesday, July 12, 2022 9:26 AM
To: Comment
Cc: Staci Sheaks
Subject: Public Comment for July 12, 2022 Dana Point City Council Hearing Agenda Item #1.

Dear Dana Point City Council,

Please move forward with the proposed STR ordinance, reject the appeal and grandfather in those of us who have permits.

My sister and I have had a permit since the program started and constantly strive to make a positive impact on our guests and the community. We carefully follow the STR guidelines, screen every guest, have always paid our STR taxes on time and feel extremely grateful for the guests that we have in our home. They have taken great care of our house and it's been an abundantly positive experience all around since the STR program began.

We've put a considerable amount of time, effort and money into keeping our property beautiful and feel pride that 10% of our income is going towards the beautification and running of our City that we love so much.

Please Grandfather those of us who have short term rentals in and move forward with the proposed STR Ordinance. We rely on the income for our mortgage and spent years of considerable time, effort and money to make it the best it can possibly be for the community and our guests.

Thank you,

Alyssa Hendrie
Dana Point

Agenda Item No. 1
7/12/22

Shayna Sharke

From: Abby Moller <ajmoller29@gmail.com>
Sent: Monday, July 11, 2022 5:44 PM
To: Comment
Subject: Please allow short term rentals to remain in Dana Point

I visited Dana Point for several years until I finally moved here last fall. The short term rentals I stayed in allowed me a much better environment and experience (vs. hotels which are extremely expensive particularly for a week or two). Short term rentals bring good revenue to the city and allow guests many more options. They are great for when friends come to visit.

Please allow short term rentals to remain in Dana Point.

Thank you.

Regards,
Abby Moller

Agenda Item No. 1
7/12/22

Shayna Sharke

From: Razia Nasiri <razianasiri@yahoo.com>
Sent: Monday, July 11, 2022 9:19 PM
To: Joe Muller; Richard Viczorek; Jamey Federico; Mike Frost; Michael Villar; Comment; Shayna Sharke; Allison Peterson
Subject: Public comment regarding short term rental ordinance 07-12-22 council meeting

Dear Council members,

My name is Razia Nasiri and I am an owner of a duplex in Capistrano Beach. My husband and I bought our duplex in 2017. We live on the one side and rent the other side as a furnished monthly rental. We have been wanting to obtain a short term rental license for the other side of our duplex, however that option hasn't been available to us since we purchased the home. We are a retired couple in our 70's. We are very conscientious of our community and the neighbors. We always screen our monthly renters. The people we welcome into our home are good renters who abide by our city noise ordinance and treat both our home and the surrounding community with respect. We would be good short term rental operators. This would be our full time job as we are retired, and we are always home.

I understand that you will be voting on the short term rental ordinance tomorrow. I respectfully ask that you allow owner occupied duplexes, like us, to be able to obtain a short term rental license. This would be the ideal situation since we as the homeowner are present and will always have a watchful eye. Thank you for your consideration.

Respectfully,

Razia Nasiri

Agenda Item No. 1
7/12/22

Shayna Sharke

From: Hank Thomas <hankthomas2000@gmail.com>
Sent: Monday, July 11, 2022 4:28 PM
To: Comment
Subject: STR's in D.P. / C.B.

City Council Members,
Please consider minimizing STR's within our City.
We the citizens deserve minimal exposure to out of town guests.
The many Hotels, TimeShares, and future Hotels will have adequate accommodations to serve the needs of tourists and guests.
Please respect the needs of our permanent residents. "Tranquility"

Respectfully,

Henry"Hank"Thomas
Resident of Capo Bch since 1968

Agenda Item No. 1
7/12/22

Shayna Sharke

From: Barbara Wilson <barbarawilsonrealty@gmail.com>
Sent: Monday, July 11, 2022 3:02 PM
To: Comment
Subject: STR Ordinance Proposal

Please read this email from the California Coastal Commission into the minutes of tonight's meeting. I am at a loss why our council finds it necessary to change the zoning of our City without just cause. There has been constant community push-back throughout the process. The referendum stopping the 2016 attempt is clear evidence. The 185 short term rental goal is totally arbitrary. There has never been a mandate from the CCC that this must be done. To begin this action during a pandemic and try to present a final draft during the peak of vacation period is just wrong. Clearly the program presented at the last meeting was problematic so why rush an equally undesirable one without more input from residents.

Sincerely,
Barbara Wo;spm
Dana Point Resident

Agenda Item No. 1
7/12/22

----- Forwarded message -----

From: **Pereira, Christine@Coastal** <christine.pereira@coastal.ca.gov>

Date: Tue, Feb 23, 2021 at 8:54 AM

Subject: Re: Dana Point Short Term Rental Pilot Program

To: **Barbarb Wilson** <barbarawilsonrealtv@gmail.com>

Cc: **Vaughn, Shannon@Coastal** <Shannon.Vaughn@coastal.ca.gov>, **Stevens, Eric@Coastal** <eric.stevens@coastal.ca.gov>, **Socorro-Martinez, Carol@Coastal** <carol.socorro-martinez@coastal.ca.gov>, **Sy, Fernie@Coastal** <Fernie.Sy@coastal.ca.gov>

Hi Barbara,

I had a few email exchanges with my colleagues, and I wanted to let you know that the Local Coastal Program Amendment (LCPA) in this staff report: <https://documents.coastal.ca.gov/reports/2016/4/th10a-4-2016.pdf> was never adopted or implemented by the City, so it is not part of the Local Coastal Program (LCP). The City also does not have any short term rental (STR) language in its LCP, so any new regulations (including the pilot program) would require a coastal development permit or an LCPA because this would be changing the way that STRs are allowed/not allowed in the coastal zone in the City.

Thank you,
Christine

Shayna Sharke

From: Carole Weling <weling6659@gmail.com>
Sent: Monday, July 11, 2022 10:51 AM
To: Comment; Capo Cares; Betty Hill
Subject: SHORT TERM RENTALS

ATTENTION ; CITY COUNCIL AND CITY CLERK

Please ensure that our comments are part of the official record on this issue for the next meeting on this vital subject

Members of the community have worked in -- GOOD FAITH ---to propose an acceptable workable solution to this vexing issue. PLEASE do not disregard their proposal. The residents directly involved--- MUST BE HEARD ON THIS ISSUE.

We find it --- troubling----that --- outside money interests---- appear to have such a strong voice on this vital issue of NEIGHBORHOOD PROTECTION.

The CITY COUNCIL must protect those in the community --- who are the true Stakeholders --- not those wishing to change the peace and tranquility of our city for nothing more than MONETARY GAIN.

James and Carole Weling
Capistrano Beach

Agenda Item No. 1
7/12/22

Shayna Sharke

From: Gerald Derloshon <jderloshon@outlook.com>
Sent: Monday, July 11, 2022 12:45 PM
To: Comment
Subject: STRs in Dana Point

July 11, 2022

To: City of Dana Point

Re: Short term rentals (STRs)

In advance of tomorrow's STR meeting, I would like to submit the following:

1. Prior claims by members of the city council of Dana Point that the Coastal Commission has voiced a need for Dana Point to allow more beach access and that STR's would make that possible are grossly inaccurate and totally misleading.
2. Excluding new mixed use high rise rental properties in downtown Dana Point from serving the community as STR's is wrong. The rental apartments are perfectly suited for such a purpose and lifting any restriction on them would address the supposed need for any additional STR's in our city.
3. Mixed use properties should be the only properties where STR's are allowed to operate in the city, and not in any neighborhoods which consist of single family homes.
4. The illegal activity of homeowners who operate STR's without permits in Dana Point needs to be met with swift fines, meaningful penalties and late fees. The city needs to dedicate staff who investigate abuses, issue citations, and oversee collection of fines. Follow up is seriously lacking.
5. Establishing a new STR policy for the city should preserve the stability and aesthetic value of single family neighborhoods which the presence of STRs disrupt.

These notes are submitted by a 20+ year resident of Dana Point who has lived in the same house for that entire time and who has experienced what living next to an illegal STR is like. We chose to buy our home in the community where we are for the quiet enjoyment of a neighborhood free of transient renters and the problems associated with STR's. The city has no right to create mandates and policies that reward investors and cater to short term visitors by diminishing the quality of life of its permanent residents.

Gerald Derloshon
24826 Dana Point Drive
Dana Point, Ca. 92629
Mobile: 949 510 5455

Agenda Item No. 1

7/12/22

Shayna Sharke

From: Danchoomd@gmail.com
Sent: Monday, July 11, 2022 12:59 PM
To: Comment
Subject: STR

I strongly support the STR program. It is essential to ensure that everyone gets affordable access to the coastal region.

Daniel Choo, MD

Agenda Item No. 1
7/12/22

Shayna Sharke

From: denise iger <ddiger@hotmail.com>
Sent: Monday, July 11, 2022 3:25 PM
To: Comment
Subject: Proposed STR Ordinance Comment

I am providing my comments to City Council regarding the proposed short-term rental ordinance.

I am opposed to short-term rentals (STRs) in Dana Point. I am opposed to increasing the number of STRs relative to the 300+ illegal and legal in operating. California is in the midst of a housing crisis. Decreasing the number of available long-term rentals will only drive rental prices up. Continuing to allow STRs contributes to an obvious problem, which is that people are leaving Dana Point in hope of finding more affordable housing elsewhere. We have businesses that are unable to stay open because they have no staff. They have no staff because we have no affordable housing. This has an adverse impact on tourism and the residents.

The CCC has problems with actions that decrease the HISTORICAL use of property. If someone has a history of allowing STRs, the CCC has a problem with that change. Once you increase the STRs, you are giving the CCC the right to dictate your ability to decrease it once you figure out it was a mistake. This decision cannot easily be unraveled once you make it. You are giving the CCC control of the City.

For people that feel that they are protected from STRs because they live in an HOA, you need to do some research. First, California law changed so that no HOA can prevent a 31-day rental. STR landlords get around this by calling rentals a "31-day rental" and then allowing an "early termination." Second, if the HOA does not already have the STR prohibition in the governing documents, it can amend the documents, but it only applies to future owners. All current owners are allowed to have STRs. Further, the HOA will spend tens of thousands of dollars to sue STR landlords to get them to comply (or maybe the STR landlords will just get on the HOA board and stop enforcing the STR prohibition altogether, which has certainly happened in HOAs in Dana Point).

Stop sacrificing the quality of life in Dana Point for money. We have well-established hotels. Hotels have staffs to deal with nuisance renters. Why not support the hotels instead? Invest money to encourage day trippers to Dana Point.

Consider that you are allowing STRs in neighborhoods that house families. Families are kept up late at night. The parking on the street disappears. There are no "neighbors" to rely on in a crisis. In fact, this is the erosion of a "neighborhood."

Denise Iger
Dana Point

Agenda Item No. 1

7/12/22

Staci Sheaks

From: Cox.net <xtolou@cox.net>
Sent: Monday, July 11, 2022 7:02 AM
To: Comment
Subject: STRs

Dear Council, Staff,

So disappointed to think that profit is driving the acceptance of so many short term rentals in Capo Beach. Trees, parks, quality of life....these are things that make a neighborhood pleasant. It seems like the citizens suggestions really should be approved. Aren't leaders supposed to care about the folks that chose them to run our city? After 37 years here in Dana Point, I am sad to see this is catering to the tourist industry. I love traveling....I love being a tourist....and I use STRs when I travel. But I wouldn't like to think it imposes on the communities I visit. That would set up a hostile situation between residents and visitors that ruins the charm and friendliness of a place. Please consider letting the citizens suggestions when adopting the rules pertaining to STRs in our city. And gosh, don't put the majority in just one district! How's that fair?

Christine Maclean
Sent from my iPhone

Agenda Item No. 1
7/12/2022

Staci Sheaks

From: JimmcpPhillips <jimmcpPhillips@cox.net>
Sent: Monday, July 11, 2022 8:13 AM
To: Comment
Subject: STRs

Put this issue to a vote of the people who live in Dana point. What is the council afraid of. We live here and our voices need to be heard and respected.

Sent from my iPhone

Agenda Item No. 1
7/12/2022

Dear Members of the City Council:

I am a resident of Ritz Pointe Estates in Monarch Beach.

I am writing regarding the "Appeal of the Planning Commission Approval for Coastal Development Permit CDP22-0010 to Establish a Short-Term Rental Program," which is agenda item #16 for the July 12, 2022, City Council meeting.

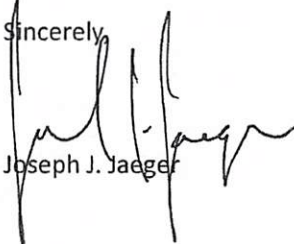
Ritz Pointe Estates, Corniche Sur Mer, and the Monarch Hills Condominiums are part of the Ritz Pointe Master Association.

I would like to point out that Section 5.9 of the Ritz Pointe Master Association CC&R's state that "No lease or rental agreement shall be for a term of less than thirty (30) days."

Any issuance of new STR permits for the Monarch Hills Condominiums by the City of Dana Point would be a clear violation of the Ritz Pointe Estates Master Association CC&R's.

Sincerely,

Joseph J. Jaeger



Agenda Item No. 1
7/12/22

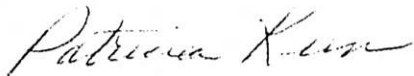
Dear Members of the City Council,

I am a resident of Ritz Pointe Estates in Monarch Beach. I am concerned about the "Appeal of the Planning Commission Approval for Coastal Development Permit CDP22-0010 to Establish a Short-Term Rental Program" on your agenda item #16 for the July 12, 2022, City Council meeting.

As you are probably aware, Ritz Pointe Estates, Corniche Sur Mer, and the Monarch Hills Condominiums are part of the Ritz Pointe Master Association. Section 5.9 of the Ritz Pointe Master Association CC&R's state that "No lease or rental agreement shall be for a term of less than thirty (30) days."

Any issuance of new STR permits for the Monarch Hills Condominiums by the City of Dana Point would be a violation of the Ritz Pointe Estates Master Association CC&R's.

Sincerely,



Patricia Kun

Agenda Item No. 1
7/12/22

July 6, 2022

Joe Muller, President

Dana Point City Council

Dana Point, California

Gentlemen,

I write in support of the City maintaining STRs. I have operated an STR in Dana Point since 2011. I believe, however, the City should only permit those applications where the operator of the STR maintains the STR address as their primary residence.

I live on my property and have never had a problem with any guest as I ensure they know I reside on the property. They have my phone number for easy access to reach me in the event of a concern.

We have too many absentee landlords in the Lantern Village, as it is. Off site managers are too frequently not immediately available to resolve problems. STRs enable middle income property owners to continue to reside in lovely Dana Point. Disallowing STRs altogether would require many to move to less expensive locales. That would be a shame as diversity makes any locale a much richer environment.

Respectfully,

Robin Valles

STR license 022026

Agenda Item No. 1
7/12/2022

Staci Sheaks

From: Kristofer Peterson <krispete1@gmail.com>
Sent: Thursday, July 7, 2022 7:12 PM
To: Staci Sheaks; Comment
Subject: Re: STR CDP22-0010 City Council Continued Hearing 7/12/2022

“Included in the record” doesn’t inspire much confidence that my comments even matter. I already submitted a written comment via email (found again below). It looks like whoever appealed the ruling is now sabotaging it by getting someone to throw some red tape up and act like it didn’t get approved in the first hand, and it’ll probably work because now my comment will be put in a folder for someone to maybe, possibly look at, but probably not.

I am in support of being able to do short term rentals in the city of Dana point and capo beach. Given the uncertainty ahead with the economy I would love to be able to have the option to do a short term rental of my home to subsidize the high cost of living because of where we live as well as rising inflation. I own a small business in town and will be severely affected by an economic downturn as will many other small business owners.

Sincerely,

Kris and Beth Peterson

949.296.5944

(26629 Via Sacramento, Capistrano Beach)

Sent from my iPhone

On Jul 7, 2022, at 5:43 PM, Staci Sheaks <SSheaks@danapoint.org> wrote:

Dear STR Interested Party,

On May 9, 2022, the Planning Commission approved Coastal Development Permit CDP22-0010 to establish the Short-Term Rental Program. The approval was appealed and scheduled to be reviewed by the City Council at their June 21, 2022 meeting. At the June 21st meeting, the City Council continued the public hearing until July 12, 2022, at 6:00 PM in the City Council Chambers at 33282 Golden Lantern, Dana Point, CA 92629.

The July 12, 2022 Agenda Report may now be accessed [through this link](#).

Agenda Item No. 1

7/12/2022

Public comment may be provided in person, electronically, or by mail. City Staff will be coordinating entry to the Council Chambers during public comment and manage available seating capacity throughout the meeting. Alternatively, comments may be submitted in writing via mail to the address above (Attn: City Clerk) or emailed to comment@danapoint.org. To be considered as part of the meeting and provided to City Council prior to the meeting, comments must be received no later than 4:00PM on July 12, 2022. All comments, whenever received, will be shared with the City Council. Emails should include "Public Comment", the date of the meeting in the subject line, and reference to the Agenda Item number (#1). Mailed and emailed comments will not be read by the City Clerk during the meeting but will be included in the record.

Thank you,

Staci Sheaks

Deputy City Clerk

City of Dana Point

33282 Golden Lantern, Dana Point, CA 92629

(949) 248-3506 | ssheaks@danapoint.org

To: Dana Point Planning Commission and City Council

Fr: C.K. Nelson

Re: July 12, 2022 Agenda Item –Short Term Rental Program--Comment

Date: July 11, 2022

Three details, or lack thereof, leap out of the “Recommended Action..” The first is interwoven with both State and City housing intent and is generic to the concept of short term rentals. The second appears to be a “numbers game” played in the program. The third is a matter of functional semantics.

1. Pursuant to the enactment of AB 3182, The City of Dana Point proceeded to codify its own ordinance for Accessory Dwelling Units and Junior ADUs. In June, 2020 the Planning Commission noted, “There is an affordable housing shortage in Orange County. In addition, the City of Dana Point has been given a Regional Housing Need Assessment (“RHNA”) number of 529. To help reach Dana Point’s RHNA numbers, the Planning Commission recommended creating incentives in exchange for deed restricted affordable units.” The intent appears consistent with the State’s desire to create sufficient housing.

In its efforts to revise the STR program in the City, the Planning Commission should keep that State and City goal in mind—to create sufficient housing, particularly affordable housing. To that end ADUs and JADUs built as a result of AB3182 should not become part of the permissible STR program. The Commission should modify permits to read that any ADU or JADU built after 2020 is not eligible for a permit.

2. The STR document initially cites a cap of 185, but in a later section admits the potential of permitting another 100 rentals: “Under the above basic structure, if all available permits are issued, there would be a total of 185 STR Permits between those in the Capistrano Bay District (35), combined with Non-Primary STRs (90), and Multi-Family Home Stay STRs (60) [i.e., 35+90+60= 185]; and potentially an **additional 100 Home Stay** and Primary Residence STRs.” The document should state a specific number and stick to it.

3. Ironically, earlier Planning Commission discussions regarding AB3182 and ADUs cited “numerous inconsistencies in language...” However, the Planning Commission creates its own inconsistency of language in defining housing. In the Planning Commission’s document dated June 16, 2020, the term “multi-family dwelling structure” is used to indicate properties with 2 or more “dwellings” on site and discusses the allowable number of ADUs permitted.

The July 12, 2022, Agenda Report concerning Short Term Rental properties refers to “Multi-Family Properties.” In defining multi-family dwelling structures” for one ordinance and “multi-family properties” for another, there exists potential for mis-interpretation. It behooves the Planning Commission to create exact definitions across the board.

Finally, it is clear that STRs have changed the nature of communities and, in some cases rendered those neighborhoods “party cities.” I am under no illusion that the City will not continue the program. I can only urge that once codified the STR program will be enforced.

Agenda Item No. _____

1
7/12/2022

PUBLIC COMMENT: July 12, 2022 City Council Meeting Agenda Item #16.

Dear Members of the Dana Point City Council:

I am a 20+ year resident of Dana Point and reside in Ritz Pointe Estates.

I am writing regarding the appeal of the Planning Commission's Approval of CDP22-0010.

I am against expanding STR's in Dana Point and would like to highlight two specific issues that I have with the Planning Commission's actions.

First, CDP22-0010 includes no cap on the number of STR permits in condominiums.

Our community has suffered from the large number of permitted and unpermitted STR's in the Monarch Hills condominiums above us. The existing STR's in Monarch Hills have resulted in security, parking, privacy, noise, trash, and potential theft issues in our neighborhood. The Monarch Hill's STR's have changed the character of our neighborhood and are, I believe, in existence despite the restrictions in Section 5.9 of the CC&Rs of our Corniche Master Homeowner's Association.

If the City issues any additional short-term rental permits for the Monarch Hills condos (which are part of the Master Association), that may constitute a clear violation of the Master Association's CC&Rs.

Second, CDP22-0010 reduces the availability of affordable housing for full-time residents and increases the competition for our existing and planned hotels. Increasing STR's will reduce the existing housing stock and raise housing prices and decrease availability for potential permanent residents and workers. Adding more STR's will also provide more competition for our existing and numerous, planned, new hotels and, over time, could put a damper on future success and investments in these properties.

Again, I have been and continue to be against increasing the number of short-term rentals in Dana Point. At a minimum, however, I would like the City Council to address the important issues that I described above.

Respectfully,

William j. Smith
Monarch Beach

Agenda Item No. 1
7/12/2022

Staci Sheaks

From: John Seidensticker <jseidens@bellsouth.net>
Sent: Sunday, July 10, 2022 9:42 AM
To: Comment
Subject: Public Comment"

Dear City Clerk,

I am writing as I may not be able to attend July 12th's meeting on this very important topic to me and our community. I did attend the June meeting but unfortunately the issue was continued and pushed to this up and coming hearing.

The issue of Short Term Rentals is one that I want the commission to approve and allow more access to permits. I own a home on Beach Rd and believe I should allow others to enjoy this great home. Unfortunately I'm one of the few that access to a STR permit is currently not available, yet many others in our community have these which is not fair that I don't have the same rights. We abide by the City's rule and only allow 30+ day rentals but this is at a cost that many can't afford which dramatically limits access. Unlike the perception from others, we are not a corporation looking to destroy the environment, but a family that is blessed to own one of these special homes.

We also respect the rights of our neighbors and are very involved with every tenant making sure they follow the rules and respect the neighborhood.

Respectfully,
John Seidensticker
35697 Beach Rd.

Agenda Item No. 1

7/12/2022

Staci Sheaks

From: Kyle Schleicher <drkyle310@gmail.com>
Sent: Sunday, July 10, 2022 12:06 PM
To: Comment
Subject: My experience with my STR over 12 years and Dana Point....

I started a short-term rental in Dana Point 12 years ago. I called the city to get a license and somebody there told me I didn't need a license. So I managed my STR with no complaints at all. Later around 2016, I wasn't aware that Dana Point started the short-term rental program and that meant that I couldn't continue.

I have always vetted my guests very thoroughly to make sure that they're quiet and respectful of my neighbors and all the citizens of Dana Point. It is so unfortunate for my guests and I to not be able to offer the service again. It's a great service for people who can't afford a hotel but who are very appreciative of the area. It'd be a great opportunity to get a license again for all of those concerned.

Thank you for considering everything, sincerely, Kyle Schleicher 310 871-9443

Agenda Item No. 1
7/12/2022

Staci Sheaks

From: marsebold <marsebold@yahoo.com>
Sent: Sunday, July 10, 2022 8:54 PM
To: Comment
Subject: Public Comment/July 12, 2022/Agenda Item (#16)

Jeana Claypool and Sherri Cuono have been my next door neighbors at 44 Corniche Drive, Dana Point, since 2013.

During that time, Jeana and Sherri have offered their home as a short-term rental to people who want to enjoy all Dana Point has to offer and especially their home's close proximity to the ocean and water and beach activities.

Jeana and Sherri have always been thoughtful and respectful of their neighbors and neighbors' homes and environment. Over the years they have offered their home as a short-term rental they have kept their unit spotless and well maintained. They also have taken great care to thoroughly screen and vet potential guests to be certain they will be a good fit for their neighbors.

As a result of their careful attention to these details, their vacation rental gets top reviews from guests as well as their neighbors. We cannot ask for better or more respectful neighbors than Jeana and Sherri.

Sincerely,

Margaret Sebold

44 Corniche Drive, Unit E
Dana Point 92629

Sent via the Samsung Galaxy S22 5G, an AT&T 5G smartphone

Agenda Item No. 1

7/12/2022

Staci Sheaks

From: Donna Cassano <dmj219sc@gmail.com>
Sent: Sunday, July 10, 2022 9:27 PM
To: Comment
Subject: SHORT TERM RENTAL PROGRAM

Please let it be known and recorded that as a resident of Dana Point I do not agree with the short-term rental program as proposed in the recent Dana Point City Planning Commission's report.

Donna Cassano
20 Saint Kitts
Dana Point 92629

Agenda Item No. 1
7/12/2022

Staci Sheaks

From: Lisa Monson <lakegrl140@gmail.com>
Sent: Sunday, July 10, 2022 9:57 PM
To: Comment
Subject: Short term rentals

Hello.

I used to own a condo @ Ritz point.

It used to be quite, beautiful and very relaxing place to live. I moved my mother who at the time was 79 and now 87 there.

We sold our retirement home because of the constant noise, the badgering from the young adults being drunk and running up and down the stairs all hours of the night. The rental above us was having people there nightly with no permit.

I went to the city, and all we heard was, well, I have to catch them!!! The head of city code did nothing, and really didn't care, and that is not acceptable in any form.

I did written complaints, I went in person over 2 yrs, absolutely nothing happened over a rental that's illegally breaking the law.

In my building alone we had 6 illegal rentals.

We had 12 units per build I believe. Everyone who owned and lived @54 Corniche drive moved in less than 3 months because of the mass rental and disturbances. During the summertime was horrible to say the least.

I never imagined I'd sell my dream home, but we did.

Our HOA which I know is a different subject was and is in investors pockets... So we left!!

Ritz point where I moved in 2009 was a prestigious, beautiful, quiet place to live.

Now, the grounds are terrible, there's people everywhere, people coming and going all hours because they late flights, then we'd have to listen to their baggage going up and down stairs all hours... not to mention the parties for weddings and weekend excursions to drink.

Our town is not changing for the better, people should be able to enjoy their homes without being in a party zone 24-7. Why don't they have zones (private - rentals properties only) away from our regular living? , then that why people can enjoy their life without so much chaos.

Thank you for listening

Lisa Monson
949-728-8858

Lisa Monson 

Agenda Item No. 1

7/12/2022

Shayna Sharke

From: Ariana Keene <arianakeene@gmail.com>
Sent: Tuesday, July 12, 2022 3:37 PM
To: Comment
Subject: Short Term Rental

To Whom It May Concern:

As a property owner in Dana Point for 20 years I'd like share my interest in the short term rental program. The ability to rent out our home in the short term would allow our family to pay the mortgage while being able to utilize the house ourselves. Please take this into consideration.

Thanks,

Ariana Keene
34051 Mazo Drive

Agenda Item No. 1
7/12/22

Shayna Sharke

From: MarilynMiriam Feldman <miriamrita@att.net>
Sent: Tuesday, July 12, 2022 3:18 PM
To: Comment
Subject: STR Ordinance City Council Vote tonight

Dear Council Members,

We have been licensed STR owners since 2015, and live in Lantern Village.

We've never heard a complaint about our Airbnb the entire time. This is our primary home, and we usually rent out one or two bedrooms.

We've invested heavily in our Airbnb, and have come to rely on the income as retirees.

We want the council members to reject the appeal and MOVE FORWARD with the proposed ordinance.

Sincerely yours

Marilyn & Len Gardner
34012 Colegio Drive
Dana Point, CA 92616
949-282-4862

Agenda Item No. 1
7/12/22

To: Dana Point City Council

From: Toni Nelson, Capistrano Beach

Re: Short Term Rental Appeal 7/12/22

I hope you'll recognize that even with the amendments rushed into place in the last two weeks, the STR program you will consider tonight is deeply flawed. It is accompanied by a capitulation and abandonment of the long held stance that short term rentals are not permitted in residential areas. This zoning was inherited from the County of Orange and is still defended by the County in its own districts today. In throwing residential zoning under the bus, you will not only contradict our original zoning, but will call into legal question every citation and fine you have levied in the last decade based on the protective residential zoning you upheld in Dana Point since our incorporation.

Please don't do this. The consequences are far reaching and will expose the city to potential litigation. If you approve this interpretation in the resolution tonight, you'll not easily get this genie back into the bottle.

Rather, why not build on the significant negotiations that took place over the last few weeks. We are so close to finding a solution that everyone can live with – without lengthy waits for a CCC appeal, and without a possible citizen initiative. Surely it's worth another try to find a solution that respects all interests. We've waited years to get the STR program right, isn't it worth a little while longer to find a program that is fair to all interests and something everyone can live with?

I'd also like to point out a significant missed opportunity in Dana Point's mixed use areas. We have empty lots along PCH in Capo Beach and more in the Lantern District. We will eventually have many mixed use developments in Doheny Village. Residents in Capo Beach and Lantern District want their neighborhoods preserved and their zoning protected just like the 42% who enjoy HOA protections. I'm sure you understand that this is pretty universal across our City. If you asked people to volunteer to have an STR next door I doubt you'd get many takers. Investors want to invest in lucrative short term rentals. Why not allow them to invest, within reason, but in appropriate zones? Why not let new STRs open solely in mixed use areas – especially areas where commercial parking requirements have stymied investment? If you are stuck on the 185 magic number (which we dispute) why not simply allow additional STRs in mixed areas only and leave our housing stock and long term rentals alone? Unlike a minor discount on permit fees, which is not much of an incentive, if mixed use is the only opportunity for STR investment, that's exactly where you'll see new investments – and without impacting our current scarce housing stock.

The following is a list of other issues that I hope you'll address before you finalize the STR program. Please consider these concerns and think hard about the impact your decision will have on the type of city Dana Point will become. Protected peaceful neighborhoods can coexist with vibrant mixed use and commercial areas. Dana Point can be a great place to live, visit,

Agenda Item No. 1
7/12/22

shop, and work if we respect zoning and place uses in compatible areas. Please consider the following issues inadequately addressed in the proposed STR program:

- **Allowing 185 STRs in residential areas is a 43% increase – something most residents strongly disapprove. 56 families who live in Dana Point will be displaced or evicted from scarce housing stock to accommodate tourists.** The CCC is highly unlikely to be okay with this even if our Council thinks it's fine.
- **The 185 STR goal is arbitrary and outdated.** It reflects past investor demand which is not a good measure of what is acceptable to residents or good for our City. Since then, many new hotels have been added to DP's visitor accommodations and hundreds more are planned. Today DP has more visitor accommodations per capita than any other coastal CA town. The CCC is focused on low cost access to the coast. Do you really think they'll force Dana Point with all of our accommodations at every price point, to give up our residential areas too? And do we have to provide more STRs than Santa Cruz, Santa Monica and Laguna Beach – all of which have conservative STR programs that protect residents and were approved by CCC commissioners?
- **The City is attempting to make the CCC the bogeyman** that is demanding we sacrifice housing stock for STRs. There is no evidence that this is the case, and recent CCC decisions suggest the exact opposite. Since the CCC was fine with 79 residential STRs in Laguna Beach with the rest in mixed use/commercial areas, it should be happy with 100 in DP (based on population). If one considers the far greater number of visitor beds in DP, the number of STRs required by the CCC for DP would presumably be even lower.
- **Treating Beach Road as a separate district is extremely unfair** both to Beach Road and the rest of Capo Beach. Why isn't Corniche (Ritz Pointe) with 28 STRs, treated as a separate district within Monarch Beach? It similarly has a long tradition of STRs. Or Niguel Beach Terrace which actually started the whole STR controversy? Why is Beach Road treated differently? It leaves Beach Road residents with a permanent 18% of their homes as STRs. Leaving Beach Road out of the calculation when mixed use STRs replace residential ones is again completely unfair and discriminatory. Beach Road is further burdened by the fact that multi-unit STRs on the Road will not count toward the cap of 35 units although it counts in other districts.
- **By not enforcing caps by district, the Council fails to spread STRs throughout the city and unfairly burdens Lantern District and Capo Beach, which have few HOAs and already account for almost 3/4s of STRs.**
- **All 56 of the new STRs will likely end up in Capo and Lantern and worse, 56 families will lose their homes in a scarce housing market.** Districts 4 and 5 will potentially end up with tourist areas, while the rest of Dana Point enjoys quiet neighborhoods. This is unjust. In the case of Lantern District, it not only removes critical housing units but burdens the district with the most minorities and low income residents.

- **60 days per year for 100 Primary rentals can be 30 weekends – considerably disrupting neighborhoods** – potentially 6,000 days of STR rentals throughout the city. There is a huge opportunity for illegal STRs and rampant cheating. It will be very hard to track primary rentals by homeowner effectively. It would have been smart to require a minimum 7 day rental to make it tenable for neighbors or leave out this category completely, as most cities do, since legitimate primary rentals are rare and are usually for 30 days or more.
- **The suggestion that residential STRs will soon be replaced by mixed use units is an empty promise.** This plan increases residential STRs, period. There is a problem with mixed use STR capacity – Doheny Village is not even approved by the CCC as yet. It could be several years before the Village is the kind of place investors would want to put STRs. Also, much of Town Center mixed use prohibits short term rentals (such as Raintree development which would be perfect for STRs). While STRs could and should eventually emerge in mixed use areas, expecting this to happen soon is not realistic.
- **The plan to incentivize mixed use investment in STRs by decreasing the minimal permit fee by 25% is ridiculous.** STRs routinely make hundreds of thousands of dollars annually. Why would a reduced permit fee, an inconsequential cost, incentivize anyone? The best way to incentivize mixed use investment is to allow new STRs only in mixed use areas.
- What is the basis for DPs contention that the CCC's position is that STRs are legally allowed in all residential areas? Dana Point's zoning code in fact expresses the exact opposite. The CCC does not establish residential zoning and has never made such a statement. This is a gross overstatement and **blames the CCC for an expanded, ill-conceived city program.**
- Adding 56 more multi-unit STRs **removes critical housing stock and will evict lower income families.** In a meeting this week on the housing crisis hosted by Family Assistance Ministries, the CEO noted that Orange County is short 75,000 affordable housing units. Do we really need to take 60 more homes away from housing stock in DP? Would the CCC be comfortable with exacerbating the CA housing shortage?
- The fact that there are **no buffers between multi-unit STRs allows tourist zones (potentially party zones) to develop in residential areas.** Capo Beach and Lantern District have whole streets of multi-unit buildings, duplexes, etc. where this is a real risk.
- The resolution **does nothing to prevent illegal units.** Today we have 129 STRs but there are about 330 advertising on platforms in DP. What is the plan to handle the inevitable expansion of illegal activity once all these other categories are opened up?
- **The party prohibition was not reinstated** despite the fact that even Airbnb now prohibits parties, and most residents and existing STR owners wanted such a ban.

- What happened to the common sense suggestion used by many cities to **have platforms collect TOT at the source**, keeping records accurate and collections honest? This “no brainer” solution is nowhere to be found in the revised program.
- The City **does not prohibit permits to those who have been previously cited or fined** for illegal STR activity. Even those with records of illegal parties and nuisances will not be denied.
- Allowing up to 20 visitors to an STR with only 2 parking spots on site is asking for **huge parking issues** in areas that already have huge parking issues. Other cities require onsite parking only at STR investments. Why can't DP do the same?
- There is **no definition of “bedroom”** as many ordinances include, to avoid STR owners potentially converting living areas to “bedrooms”.
- What steps will the City take to ensure insurance coverage is current and provides \$1 million coverage per property? **None of the current STRS had valid insurance coverage** on file when we did a PRA request, and many expired policies were for less than \$1 million.
- Will inspections of STRs actually occur and will evidence of same be retained by the city? In response to a PRA request, the **City could produce no documentation that STRs were ever inspected** for basic safety and fire protections but claimed inspections occurred but were not documented. The issuance of a permit was supposed to be adequate evidence of inspection.
- **The program creates inherent uncertainty.** Residents are left wondering if an STR will pop up next door as City staff reviews status every six months, with a promise to add single family home STRs if enough don't materialize in multi family units. The whole program is open to revision every 5 years and **caps can be changed with no objective formula** for doing so, (such as a formula based on population or number of tourist accommodations).

July 12 2022 comments

Subject Short-Term/Vacation Rentals in the California Coastal Zone.

Referencing 7

07/12/2022 Agenda-and documentation attached to July 12 2022 Agenda . Action Document A Resolution No 22-07-12-xx, Coastal Development Permit CDP 22-0010, CEQA P. 10 No 3. Public Resource Code Section 21000 Not addressed by any data or studies with regard to increasing usage by STR visitors.

3rd party resource city uses to provide TOT collection.

Who is the 3rd party?

According to the Coastal Commission regarding STR's: "In situations where a community already provides ample supply of vacation rentals and where further proliferation of vacation rentals would impair community character or other coastal resources, restrictions may be appropriate." Dana Point is one such area where "restrictions may be appropriate" due to an abundance of the supply of vacation rental rooms and spaces.

Currently in Dana Point there is 2,737 available lodging rooms which collect TOT and the infrastructure is in place

Agenda Item No. 1
7/12/22

to address parking (approved by the California Coastal Commission).

There are 359 places for campground lodging directly located on the sand and approved by the California Coastal Commission. The infrastructure is in place for the least amount of environmental impact.

There are 357 places for lodging located nearby: Already approved by the Coastal Commission and all walkable to the beach by our 1st Nations and Father Junipero Serra -- seems like it would work in the situation also.

Newly built rental units in downtown Dana Point on Del Prado offer 3,000 1-2 bedrooms with kitchens and walkable to the coast or by free trolley. Already approved by the Coastal Commission with ample parking and infrastructure and in a mixed-use area.

When you include the 3,000 apartments there is a grand total of 5,737 available short term lodging units in Dana Point and in close proximity.

Reference:5/9/22 Agenda and CDP 22-0010

Why is there any need to turn residentially zoned areas in Dana Point into lodging? Especially when the city council has had to create addendums to address the

actual facts that our zoning code does not specifically allow for short term lodging or anything that requires a transient occupancy tax which makes it a business in residentially zoned properties.

When we follow the city council's opinions and interpretations regarding the lawsuits in Santa Barbara, Manhattan Beach and Palm Springs, any claims that the courts require all cities to allow STRs is inaccurate.

Original zoning codes specifically in those cities mentioned, allowed short term lodging. When we are comparing our code here in Dana Point to codes elsewhere which specifically allowed for Short Term Lodging -- Manhattan Beach, Santa Barbara and Palm Springs the cities which already had approval for STR in there Zoning Codes: therefore the California Coastal Commission and the courts agreed that there could be no change to the original code. When you drill down again there is information in those codes specifically stating in fact STR's were allowed.

Dana Point zoning code specifically does not allow for STR's.

Here in Dana point when I look all the way back to 2007 we can see that there is nothing specific that directs any

zoning in the city to be used as an STR -- the fact is it remains silent therefore it is not specifically allowed.

Somewhere along this journey this council is taking our community on the wild adventure of getting around the coastal commission and presenting information which has had important details omitted.

**Reference: Municipal Code Section 9.01.090 "D" And
Reference: 7-12 22 Resolution No. 22-07-12-xx.**

The City Council decided that what we needed was a business addendum so that STR's (which are mini- hotels -- a business) could be allowed citing cases that don't compare to Dana Point zoning codes. Because there is a history of something that should not have been allowed to happen doesn't continue to make it a good idea.

There has to be a meeting of the minds somewhere where neighborhoods can remain intact to enjoying their peace and quiet so that you know who your neighbors are next to you so that when something happens there is a community that is fostered by knowing your neighbors, not transients who have no vested interest in the neighborhood.

The National Association of Realtors calls out the fact that stable, non transient neighborhoods where homes are highly desirable is a desired or valued trait with most purchasers who wish to bring themselves into a community of stability and known entities. This does not prohibit a landlord to lease a property to someone for more than 30 days -- providing homes for those seeking to enjoy a neighborhood, community and who may not be able to make that purchase. A long term member of a community is as welcomed as a new owner.

One council member suggested that Short Term Rentals make great neighbors. Neighborhoods include single family detached homes single family attached homes condominiums townhouses manufactured homes. I would agree if we were neighbors at one our hotels, motel, or camping on the beach -- rotating every 2-3 days.

Looking over the agenda for the new STR guidelines it's disheartening to see how the council has backtracked on what they previously published to the community. Previously HOA's which had CC&R's (covenants conditions and restrictions) which are legal documents binding with the land and given to every purchaser of a home in the HOA means that you agree to them.

Reference:Ch 9-01-070 And Section 5.38 of the Business Code NOT APPROVED BY THE CALIFORNIA COASTAL COMMISSION

The City Council has no authority to dictate to any HOA which prohibit businesses within their community and/or sets a minimum rental period of 30 days. And since STR's are paying a transient occupancy tax by your own definition in code it has become a hotel for licensing the use of lodging for a period of time less than 30 days.

The Coastal Commission does not dictate to cities that they must provide STRs when there is ample other properties available to the public with direct access to the coast and beaches.

Fact: Dana Point CA is the only Coastal Town which has ample access to the ocean and has ample properties already approved by the Coastal Commission.

The council has not provided equitable representation for all residents/owners here in Dana point. Dana Point includes the neighborhoods of Monarch Beach and Capistrano Beach.

As I am going back through the history of this council's actions for our city again **it is disappointing to see the city creating a bureaucracy which it cannot afford or**

support when describing what the city will do for residents who live adjacent to STR's.

I will urge the City Council to put this on a referendum vote and allow the actual registered voters who get up every day go to work here and pay taxes here and utilize the beaches and participate in the keeping our oceans healthy and clean and participate in the whale capital of the world, and participate in creating a community that is highly desirable for residents.

These are the true Stakeholders to have a say in this subject through the referendum process.

Again, I urge the council to step away and let the constituents who have put you in office show you what they want. We do not need another focus group which has data that may no longer be relevant.

Thank you for your time.

Deborah Derloshon
Resident Dana Point CA
949-813-4355

Shayna Sharke

From: Carla Moore <carla@itrip.net>
Sent: Tuesday, July 12, 2022 2:08 PM
To: Comment
Subject: PUBLIC COMMENT JULY 12, 2022 - AGENDA ITEM #16 STR
Attachments: PastedGraphic-1.pdf

Dear City Council Members,

I have read the "Recommended Action" Document as it relates to CDP22-0010 and have the following comments:

1. I own a vacation rental company and have 9 STR permits - all in excellent standing and all in the Non-Primary city wide area (none in Capo Beach).
2. Being very tuned into the market and demand for STR's in the area, I feel qualified to say that there where be very little demand for Multi-family and Mixed Used parcels. I'm not sure why so much attention is being placed on pushing for this but it sounds like everyone knows there isn't much demand.
3. The proposed program that is under appeal allowed the new permits to go from about 131 to 185 - that was fair and reasonable and the sub committee spent a great amount of time coming up with this program. I'm in favor of this and denying the appeal without any modifications.
4. The modified proposal calls for increasing the permits from 88 - 90 in city wide area (non Beach Road) - so only adding 2 new permits???? That seems unreasonable.
5. Beach Road permits go from 31 to a cap of 35??? Again, seems unreasonable
6. I see adjustments can be made after 6 months to these caps but why don't we just go back to 185 which is a very fair and low number given the amount of residences in Dana Point.
7. If the Coastal Commission cares about the public having access to the beach, they will be very concerned with this low number of STR's in the City.

I urge the city to deny the appeal and proceed with their original recommendations to take new permits up to 185 for non primary STR's. Given the low number of home stay and primary residence permits that exist now or might exist in the future, its not really significant or worthy of much discussion.

Respectfully

Carla Moore
Sunset Vacation Rentals
949-689-5629
866-803-6669 toll free
carla@itrip.net

Agenda Item No. 7/12/22

Shayna Sharke

From: Linda Androvich <and@wcnet.org>
Sent: Tuesday, July 12, 2022 1:33 PM
To: Comment
Subject: Public Comment - City Council meeting 7-12-2022- Agenda item #1

Attn: City Clerk

Thank you for this opportunity to comment on approval of the STR regulations as revised from earlier approval by the City of Dana Point Planning Commission.

As a holder of an STR permit the last 8 years (Monarch Beach area), I think the Council committee members and City Staff team came up with revised regulations that meet the concerns expressed by those opposed to the earlier program approved by the Planning Commission.

The new regulations seem to strike the right balance between recognizing the overall success and positive nature of the majority of short term rental experiences for guests to the city, while supporting a key source of City revenue and upholding property owner rights.

Please move the STR program forward and approve, so it can be properly regulated and monitored for the citizens of Dana Point.

My husband and I enjoy sharing our condo with others when we cannot be living in the area where we visit with family in Southern California. We look forward to spending more time in Dana Point as we move towards retirement.

Thank you and Best Regards,
Linda Androvich
28 Corniche
Dana Point, CA 92629
landrovich50@gmail.com

Agenda Item No. 1
7/12/22

Shayna Sharke

From: Trent Hofferber <th@trent.occoxmail.com>
Sent: Tuesday, July 12, 2022 1:16 PM
To: Comment
Subject: Str meeting 7/12/22

68 str s is enough in Dana point
Especially in the lantern district as parking is horrible Please do not pass this initiative And enforce the illegal str unit population that causes trouble for all Also there should be only one str unit per property owner There are too many residents here with no housing choices Thanks Trent hofferber
34051 el Encanto Dana point

Sent from my iPhone

Agenda Item No. 1
7/12/22

Shayna Sharke

From: GM Keene <garykeene62@gmail.com>
Sent: Tuesday, July 12, 2022 12:53 PM
To: Comment
Subject: STR

Please count me as a community stakeholder & homeowner in favor of expanding the STRpermits to more individuals, including myself!

Thank you,

Gary Keene
949-677-2469
MAZO Dr.

Agenda Item No. 1
7/12/22

Shayna Sharke

From: Chris Dragomanovich <beachroadcapital@gmail.com>
Sent: Tuesday, July 12, 2022 10:52 AM
To: Comment
Subject: 6pm Short Term Rental Council Meeting

Good evening:

I would like the council members to reject the appeal and MOVE FORWARD with the proposed ordinance. There are many positive benefits to the City, tourists and the homeowner to move forward with the proposed ordinance. It allows my family to stay in a neighborhood Iwe could not otherwise afford. It allows tourists to experience our beautiful city, and it allows Dana Point another revenue stream. I encourage your passing of the current ordinance.

Paul Drag
35157 Beach Road
50 year resident

Agenda Item No. 1
7/12/22

Shayna Sharke

From: 35581 beach <beachroad35581@yahoo.com>
Sent: Tuesday, July 12, 2022 11:41 AM
To: 35581 beach
Subject: Beach Road STR

To whom it may concern,

I am a present owner of a house on Beach Road. As I was not able to come to the meeting regarding STR on beach road, I wanted to voice my opinion. I am for STR on beach road. It brings a great deal of value. As a manager myself, We have put in place a very stringent vetting process as to who can and cannot rent our beautiful place. We are very conscious to our neighbors when renting.

I'm hoping you will find in favor of STR and help the owners and the houses see more value of their property in the long run.

I thank you in advance,

S. Poursalimi

Sent from my iPhone

Agenda Item No. 1
7/12/22

Shayna Sharke

From: Nancy Warner <kauppwarner2000@yahoo.com>
Sent: Tuesday, July 12, 2022 11:13 AM
To: Comment
Subject: Short Term Rentals City Council

The benefits of STR's out weigh any negative impact as they bring money into the community as well as families.

Also the complaints on STR's are minimal if any.

I ask that our city council supports STR's and moves forward on the plan they have approved.

Respectfully,
Nancy Warner

Nancy Warner
Corcoran GLOBAL LIVING
Residential Sales
Vacation Rentals
BRE License #01063840
Cell: 951-205-7637

Agenda Item No. 1
7/12/22

Shayna Sharke

From: Stephanie Harvey <stephanieharvey@bhhsca.com>
Sent: Tuesday, July 12, 2022 12:34 PM
To: Comment
Subject: Public comment- 7/12/2022- Item #1

Thank you for your consideration of a STR program and potentially opening back up the permitting.

I am a local realtor for the last 9 years, plus a homeowner in the Lantern District since 2010. We currently have a rental home on our property, above our garage, has been a rental for us since 2010, plus was designed in the 50s to be a rental. We have successfully rented it long term, but have in the last year remodeled it and rent it out furnished, 30 day min, have had it rented continuously since last Sept 2021.

As a realtor, I have placed many clients in STRs. They are generally people in transition, meaning they have sold a home and next home not ready yet OR are waiting to buy a home or look for a long term lease, but need a temporary living situation. Every tenant we have had has been wonderful, respectful, quiet and respect the property and our neighborhood. They simply want to be able to rent temporarily at the beach, be close to walk to restaurants and shops.

We also live right next door to an apartment building with long term tenants. I can assure you that crowd is noisier and more disruptive than our rental or any other STRs in the area, plus long term tenants are not moving anytime soon. STRs are only there for a short time, have paid a lot higher rent, have paid big deposits and are generally much easier to live around than some long term disruptive tenants.

Our area is wonderful and we need the tourism for businesses to survive and thrive. Offering another means of lodging for people is an added bonus of our beach town. Families or couples can sometimes stay a lot more affordably in STR's than they can in our local hotels. We have a family of five and staying in a STR is a great option for us since we prefer to cook sometimes and have some space, then eat out every meal and squish into a hotel room.

I feel our town is wonderful and to be shared. We have many new restaurants and shops, the harbor is being remodeled soon, having another means of lodging for people is needed, plus allowing us homeowners to make some income off of our properties is a great idea with recession looming and costs increasing all around us.

Thank you for your consideration of this program,
Stephanie and Geoff Harvey

e: stephanieharvey@bhhsca.com
w: <http://www.bhhsca.com>



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