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February 9, 2017

Dan Carl, Central Coast District Director California Coastal Commission Central Coast Regional Office 725 Front Street, Suite 300 Santa Cruz CA 95060-4508

RE: Status Of Short-Term Rental Regulations In Monterey County

Dear Mr. Carl:

I am writing on behalf of the Monterey County Vacation Rental Alliance (MCVRA), to follow up on a letter from Steve Kinsey, who was at that time the Chair of the Commission. Chair Kinsey's letter was dated December 6, 2016, and was addressed to "Coastal Planning/Community Development Directors." He said, among other things, that the Commission "believe[s] that vacation rentals provide an important source of visitor accommodations in the coastal zone." MCVRA strongly agrees!

MCVRA also agrees, as Chair Kinsey said, that there are "legitimate concerns associated with the potential adverse impacts associated with vacation rentals..." As I believe you and the Commission know, MCVRA has been trying to work with Monterey County for over three years, to help develop an ordinance for Monterey County, including areas within the coastal zone, that would meet the tests identified in Chair Kinsey's letter. So far, frankly, there has been little progress; however, we are told that a draft ordinance (hopefully achieving the balance identified by Chair Kinsey) will be presented to the Monterey County Planning Commission in late March. MCVRA hopes that a representative of your office will be able to attend that Planning Commission meeting, to provide the Monterey County Planning Commission with the Coastal Commission's perspective on the provisions that will be contained in the draft ordinance that will be considered by the County Planning Commission.

The main purpose of this letter, beyond our appeal to your office to be as proactive as possible as Monterey County develops a proposed short-term rental ordinance affecting the coastal zone, is to pose several questions stimulated by Chair Kinsey's December 16th letter:

- 1. Did officials in Monterey County, and in the City of Carmel-by-the-Sea, and in the City of Monterey, receive this letter from Chairperson Kinsey?
- 2. Has there been any response from the County, or from the City of Monterey, or from the City of Carmel-by-the-Sea?
- 3. In view of the letter, will the Commission take any action with the City of Monterey, the City of Carmel-by-the-Sea, or Monterey County, affirmatively to move these jurisdictions in the direction of an ordinance that would achieve the kind of balanced approach to vacation rentals that Chair Kinsey's letter advocates?
- 4. Has the Commission had its legal staff evaluate the existing legal and regulatory situation in Monterey County, the City of Monterey, and the City of Carmel-by-the-Sea?

Chair Kinsey's letter was mainly directed, as we read it, to jurisdictions that might be seeking to impose new "bans," or other stringent regulations on short term rentals in the coastal zone, without having such new provisions approved by way of amendments to their LCPs.

It goes without saying that MCVRA is strongly in favor of the approach outlined in Chair Kinsey's letter with respect to any proposed new ordinances or other actions that would impose "bans" on short-term rentals.

There is, however, a slightly different situation in the coastal zone portions of unincorporated Monterey County, and in the City of Monterey, and in the City of Carmel-by-the-Sea. In each of those jurisdictions, there are *existing ordinances* in place that these jurisdictions contend represent a ban on ANY vacation rentals in the coastal zone portions of these jurisdictions. These existing ordinances are based upon longstanding provisions of the applicable codes that MCVRA believes may, in fact, have been approved in connection with earlier Commission action on the local LCPs.

In other words, as noted above, while the County is currently drafting a short-term rental ordinance, the County continues, in the meantime, to cite, fine, and shut down short-term rentals, a practice that flies in the face of the principles articulated in Chair Kinsey's letter, and that also contradicts the advice provided to the County in Coastal Commission Central Coast District Manager Susan Craig's June 23, 2016 letter to Carl Holm, Director of the Monterey County Resource Management Agency.

Similarly, while the City of Monterey might have received Chair Kinsey's letter, it has escalated the enforcement of its existing short-term rental ban with no indication that this ban will be reconsidered.

Finally, while we have been informed that Carmel-by-the-Sea has received the letter from Chair Kinsey, Carmel-by-the-Sea believes that it needs to do nothing in response, in view of the fact that the City won a court case back in 1991 supporting the City's ban on short-term rentals.

Presuming that we understand the situation correctly, with respect to these three jurisdictions, we have a fifth inquiry:

5. Will the Commission take any action with respect to *already-existing provisions* of local zoning codes (as opposed to new proposals) that totally ban any vacation rentals in the coastal zone?

This problem exists not only in the County of Monterey, but in the City of Monterey and the City of Carmel-by-the-Sea, as well. MCVRA hopes that the Commission will do something affirmative to uphold the principles outlined in Chair Kinsey's letter, and focus not only on any new "bans" proposed, but also on *existing* "bans."

Thank you very much for your response to these inquiries, and for your continuing involvement in this important issue for the future of visitor accommodations in the coastal zone.

Very truly yours,

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Gary A. Patton, Attorney Monterey County Vacation Rental Alliance

cc: Dayna Bocho, Current Chair, California Coastal Commission Other interested persons