



5.3.18

MANIFEST

Welcome to the Manifest; a quasi-weekly summary that cares more about brevity than grammar, and what is about to or could happen in Seaside than what did or didn't. Contributions to future editions are welcome at cmalin@ci.seaside.ca.us.

- Seaside Creates Open – *“Make no little plans; they have no magic to stir men’s blood and probably themselves will not be realized. Make big plans; aim high in hope and work, remembering that a noble, logical diagram once recorded will never die, but long after we are gone be a living thing, asserting itself with ever-growing insistency. Remember that our daughters and granddaughters are going to do things that would stagger us.* Let your watchword be inclusion, and your beacon, beauty.”* – Daniel Burham (three words amended)

Community planning and economic development has a new home. 656 Broadway is where the future of Seaside gets dreamed, discussed and planned. It’s open from 8 AM to 6PM weekdays, and will host evening and weekend community meetings as well. Stop in and say hello – unless you’re a homeowner who needs a building permit, because homeowners who need permits for work on their home still come to City Hall.

Thanks - all - who helped open the most accessible, transparent planning and economic development office in the region. Use it well.

- Great Moments In City Management, An Occasional (very occasional) Series: So I’m hanging out in the back row at the Neighborhood Improvement Program Committee Meeting Tuesday night and they are doing excellent work deciding the winners of the “Portal Project” which will soon grace the entrance to Seaside. A member is absent and there’s a 3 – 3 split on which proposal should win second place. There’s much discussion, as happens in such circumstances, and each side kinda wants to win.

Discord in the Council Chambers is really not my thing so I look up from the multi-tasking I’m doing, meekly raise my hand and offer a suggestion. “Um, you could declare a tie.”

While recognizing there’s at least a few villages east of here who’ve gotten along just fine as their idiot moved steadily westward, always beware the allure of the false choice, and the division false choices engender.

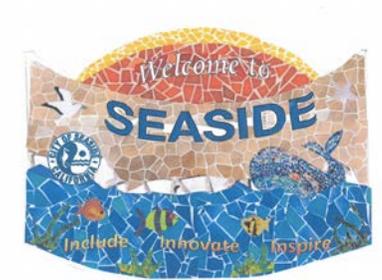
The first, third and two second place finishers are on the next page. Thanks, NIPC.



First Place
Jaafar Kvenild



Second Place (tie)
Emily Lamb



Second Place (tie)
Diane Nielson



Third Place
The Wecker Group

- Admin Happenins' – Other than Seaside Creates, and the Seaside Council Chambers, where's the region-impacting, blood-stirring discussion happening these days? Of all places, the FORA Admin Committee. Yesterday, the Committee moved a recommendation forward to the FORA Board to develop a plan that funds the removal of every remaining derelict building on the former Fort Ord before FORA sunsets in 2020. Because having a base clear of derelict building would be a good (very good) thing.

If that wasn't enough, the Admin Committee's Capital Improvement Program Taskforce formulated a recommendation that will be considered at the next Admin Committee Meeting (process, fun) to recommend the FORA Board advance a Regional Housing Needs Assessment that considers the Base Re-Use Plan's limitations on residential dwelling count.

Here's the reality, folks. Housing affordability has become (beyond a basic regional economic concern) a moral issue, and affordability isn't helped by constraining supply, dysfunctional government regulation or treating a prior century's plan as if it was some immutable law of physics. Every city impacted by the closure of Fort Ord has to look forwards, not backwards. If the largest, youngest-populated city has to lead that effort, so be it. Because (math) our kids have the most at stake.

As FORA faces its sunset, leaving the region with a base clear of derelict / toxic buildings and an updated plan looking forward twenty years, rather than backward twenty years, are the two most important things it can do (my opinion).

On This Evening's City Council Agenda

- Farmer's Market Location – Early polling indicates strong business support for Broadway, on Saturdays. To be updated at the meeting, with the market planned to start next month.
- Econ Development Week Proclamation, Employee Award and three presentations – MPUSD, Youth Violence Prevention Program and “dockless” Bike-Sharing (which may or may not be related to mom telling me not to leave my bike on the sidewalk)
- May 30 Youth Job Fair Fee Waiver, Grant Application For Volunteer Firefighters, Board & Commission Appointments
- Modifying the position control list to add an additional Deputy Chief (beware the false choice, again), delete two Commanders and add a traffic safety officer because traffic safety IS public safety – this one's gonna be pulled by staff for some further review. It should return in mostly similar form in a couple weeks.
- Mayor's Youth Fund Request From Seaside Spartan's Baseball Team (I think this one has a good chance)
- Resolution Calling For An Election On Nov. 6 (again, pretty sure this one will make it)

- Contract For Legal Notices (Weekly wins), 2018 Fireworks Surcharge (non-profits win), OFO Bike-Sharing Agreement (the people who used to steal my bike on the sidewalk lose, or at least get confused)
- Some Muni Code Changes – Technical stuff, which is mostly uninteresting but needs to happen.
- Consistency Reaffirmation – Remember all that stuff (the prior page, stick with me) about an updated Base Re-Use Plan, looking forward? Hopefully that’s the future. The present / past is our zoning ordinance changes since 2004 haven’t formally been deemed consistent with the Base Re-Use Plan and that needs to happen so the FORA Board can – most specifically and proximately – give the go-ahead to the senior living project. Unless you like looking at this:

Also take note – the reaffirmation of consistency vote does not change anything in the zoning code at present. We’ll get to that soon, but the vote on tonight’s agenda doesn’t change anything the City Council has already approved.



- Short Term Rentals – After two Council Meetings late last year and two Planning Commission Meetings this year, an ordinance to regulate Short Term Rentals comes back to the Council for a Public Hearing. None of the policy considerations the Council reviewed over the course of hours last year have substantially changed. There are pros and cons to the growing economy of short-term rentals and varied perspectives on the practice. The Staff Report is attached. The City Attorney provided some recommendations on “grandfathering” current rentals and not specifying where revenue may go in the land-use ordinance itself, and the Planning Commission accepted these recommendations.

Rather than adopting an ordinance on the topic, the Council could place the matter on an upcoming ballot.

- Zoning Ordinance Contract Amendment – Remember that part about getting to changing the zoning ordinance soon? (two paragraphs up, stay with me) Soon is here. The contract amendment would shift responsibility for creating a form-

based zoning ordinance (form matters in the built environment) from one subcontractor to another (Torti Gallas - doing excellent work on the CampusTown plan). A feature of the contract revision is a zoning overlay district that would include all Fort Ord Re-Use Plan land-use policies on former Fort Ord land. Which would be quite handy.

📅 Upcoming Stuff, Here – There’s a bevy of interesting stuff coming up in the next several weeks. To wit:

- Swearing In - Chief Pridgen’s swearing-in ceremony is now scheduled for 10:00 AM on May 29.
- Broadway Opening – “Broadway Bash”, heralding the re-opening of Broadway, starts June 7.
- May 17 Council Meeting – The Oak Woodlands Study returns and we’re expecting to discuss merging the Board of Architecture Review with the Planning Commission. Short-term rentals likely returns, we’ll go over Board and Commission Workplans for the year ahead and talk about whether dogs in parks on leashes is something that should be allowed.
- Special Council Meeting Date tbd? – We’re a city on the go, and two Study Sessions as a Special Meeting might be helpful. A first look at the FORA fiscal study and deciding how many and which roads get fixed would be a good use of an otherwise boring evening.
- June 7 – The Del Rey Oaks road closure as a Study Session, report on fireworks enforcement and first crack at next year’s budget.
- June 21 – The second look at the budget (if necessary), reinforcing fireworks enforcement and – tentatively - an affordable housing Study Session.

📅 Thanks NAACP – Thank you for the invite to say a few words about the City. Thanks also for the goodwill. I’ll try not to screw up the service to citizens is a higher order commitment than transactional taxpayer question next time.

📅 Official Contest – We need a name for the Robert’s Lake Coot mascot. Give it your best shot, here: ow.ly/JFTX30jF3mM

📅 Upcoming Stuff, There – I’m gone next week, returning to Davenport for depositions. \$600+ million a year corporation with 46 daily newspapers on one side of the table. Me on the other. Back the 14th.

 Answer Key

Chicago

Seaside (FL)

Savannah

Davenport

Pittsburgh

Paris

Boston

Washington, DC

San Francisco

Canberra

London

Seaside (CA)



 Hey, an asterisk (from the first page) – the unofficial contest is ... if you can thematically connect the slightly modified Burnham quote to something in the conference room at Seaside Creates (so go there), you win a pie. Answers accepted at through 10:00 AM, May 14 at cmalin@ci.seaside.ca.us

Good luck, and see you at the Council Meeting.



**CITY OF SEASIDE
STAFF REPORT**

Item No.: 9.C.

TO: City Council

FROM: Craig Malin, City Manager

BY: Gloria Stearns, Economic Development Manager
Rick Medina, Senior Planner

DATE: May 3, 2018

SUBJECT: INTRODUCTION OF AN AMENDMENT (FILE No. SMA-17-03) TO CHAPTER 17 OF THE SEASIDE MUNICIPAL CODE (ZONING CODE) TO ADOPT SHORT-TERM RENTAL REGULATIONS WITHIN RESIDENTIAL DWELLINGS.

PURPOSE & RECOMMENDATION

The purpose of this ordinance is to establish regulations for the use of privately owned residential dwellings as short-term rentals to minimize any negative impacts on surrounding properties and to ensure the collection and payment of transient occupancy taxes for said short-term rentals. It is recommended that the City Council:

- Adopt the Initial; Study and Negative Declaration of proposed text amendments related to short term rentals within a residential use.
- Introduce and hold first reading of an Ordinance to add Section 17.52.251 to the Seaside Municipal Code entitled "Short Term Rentals"

BACKGROUND

Short term rental of housing is an issue which has come to the fore given technological innovation and market forces that are largely beyond the capacity of local governments to reverse.

On September 21, 2017 and October 19, 2017, the City Council received an overview regarding the use of residential dwellings as a short-term rental and deliberated whether to pursue an Ordinance regulating this type of land use. The City's current regulations are silent with respect to use of a dwelling as a short-term transient use. A transient use subject to the collection of a transient occupancy tax (TOT) would be from one day to no longer than thirty days. At the October 19, 2017 City Council Study Session, the Council directed staff to return with a draft ordinance that would best mitigate the impact of short term rentals within residential

neighborhoods while balancing the rights of property owners on the use their property.

The Planning Commission conducted its review in making a recommendation to the City Council on the proposed Ordinance on February 14, 2018 and April 11, 2018. The primary issues included:

Positive Benefits

Short Term Rentals will provide job opportunities for plumbers, electricians, landscapers, housekeepers, pest control, painters, appliance repairs and other type of general building maintenance tasks.

Short Term Rentals will attract visitors who will eat at local restaurants, shop in retail, and purchase gas.

Short Term Rentals would enable a financial benefit to private property owners and also provide added revenue to the City through the collection of Transient Occupancy Tax.

Short Term Rentals will serve as a positive attraction of regional visitors

Negative Impacts

Code enforcement actions to address off-street parking and noise disruptions within single family neighborhoods.

Removal of dwelling units from the housing stock.

Impacts on hotels/motels.

After receiving public testimony on the Ordinance and completing its deliberation on the Draft Ordinance and Initial Study, the Planning Commission acted to recommend that the City Council adopt an Ordinance with the following changes:

Removal of the numerical cap on hosted permits and a cap on non-hosted permits to stay at 75;

Allow grandfather permits for non-hosted permits to those who can prove they have been facilitating short term rentals, hosted and non-hosted for the past 12 months starting from April 11, 2018;

That the 50% block face percentage provision be removed from the document.

The financial regulation regarding the TOT be removed from the ordinance and be adopted separately under the Finance Section of the Seaside Municipal Code.

DISCUSSION

Based on the feedback received from the general public and Seaside residents at the City Council Study Sessions and Planning Commission Public Hearings, the public inquiries received at both the public hearings and public notices on short-term rentals, and research of other cities/counties adopted development standards for short-term rentals, the following discussion points have been evaluated in the development of the proposed ordinance:

Economic Impacts

Property owners will receive rental income, which helps with mortgage payments. The City of Seaside will collect transient occupancy tax, which is 12%. The City of Seaside also benefits from additional sales tax generated by the occupants spending money in Seaside. The City of Seaside will collect fees for short-term rental applications, however these are to cover the costs of processing applications and additional management of short-term rentals within Seaside.

Neighborhood Compatibility

Parking availability is a concern for neighboring residents. The intent is the short-term rental unit will maximize the use of their driveway, and information will be posted inside, as well as a Good Neighbor brochure outlining the available on-site parking.

Noise

The City of Seaside Municipal Chapter 9.12 Regulating Noise includes quiet hours from 10 pm to 7 am. The short-term rental owner is required to have a local contact person who will respond within 60 minutes to address complaints. Neighbors will be notified how to reach the local contact person.

Safety

Short-term rentals must be inspected for fire and building safety.

Cultural Enrichment

Short-term rentals, especially hosted, tend to facilitate a sharing of cultures between the visitors and the host.

Affordable Housing

More affordable housing in Seaside is needed, and the 50% of the transient occupancy tax collected will be directed to the City of Seaside Housing Fund.

Water Allocation

The Monterey Peninsula Water Management District does not require any additional water use from a jurisdiction for the use of a dwelling unit being used as a short term rental. The renting of a dwelling or rooms within a dwelling is considered as a standard residential use and would not require a hotel water factor to be applied.

Density and Number of Licenses

The Planning Commission recommended removing the cap for hosted permits and consideration of including a grandfathering clause which would enable residents who can prove to the city that they have been operating a STR at their residence during the last twelve months would automatically qualify for a permit. The Planning Commission stated that by adding these changes the City would then have a better understanding of how many STR's actually exist versus using a numerical cap without any empirical data. Until the actual number of how many STR's exist, the Planning Commission also recommended removing the provision for 50% of a block face. The Planning

Commission stated that creating numerical caps without empirical data could create more problems that do not already exist.

SUMMARY

Regulating short-term rentals is complicated and challenging. It is important to create simple, sensible and enforceable local policies that balance the rights of homeowners and renters, with the interests of neighbors and other community members who may only experience the unintended consequences of short term rentals. Effective short-term rental regulation starts with policy objectives and an understanding of which regulatory requirements can be enforced. It is important to keep it simple for property owners to comply with the regulations. Most property owners want to be in compliance, however, the experiences of other agencies indicates that if the regulations are too complex, property owners do not comply. The proposed ordinance strives to protect neighborhoods, housing stock, and still allow short-term rentals, with appropriate limits.

From the discussion at the City Council study sessions and information obtained from other cities, City staff has drafted a proposed ordinance attached to this staff report (Attachment 1) which seeks to provide a balance between private property owner interests and the protection of the general health, safety, and welfare of the community.

A short-term rental ordinance provides the regulatory framework to legalize and regulate both hosted and non-hosted short-term rentals. It clarifies the transient occupancy tax obligations of short-term rentals. It outlines requirements essential to maintain the character of Seaside neighborhoods and provides for enforcement. The short-term rental ordinance strives to balance the interests of the short-term rentals while maintaining the context of the current Seaside neighborhoods.

An additional option for consideration is the possibility of the City Council or a petition of concerned citizens to place an initiative for regulation of short term rentals on the ballot for the voters of Seaside to decide.

ENVIRONMENTAL REVIEW

In accordance with the California Environmental Quality Act (CEQA), an Initial Study (IS) and an accompanying Negative Declaration (ND) have been prepared for the proposed ordinance. The document was circulated for 20-day public review period between Thursday, January 11, 2018 through Tuesday, January 31, 2018. The IS/ND is provided as Attachment 2. Provided as Attachment 3 are four written comments which were received in response to the City's intent to issue a Negative Declaration on the proposed Ordinance prior to the close of the public review period on January 31, 2018. The written comments speak directly to the land use and public policy impacts of the Ordinance and do not have any comment related to whether the adoption of Short Term Rental regulations would have a direct impact on the environment.

FISCAL IMPACT

The Transient Occupancy Tax from short-term rentals is budgeted at \$50,000 for 2017-18, although the actual amount may be lower, as the fiscal year is ending soon. The fee income will also impact the General Fund positively. Fee is not set at this time, to be determined by Council.

ATTACHMENTS

1. Attachment 1 - Draft Ordinance
 2. Attachment 2 - Initial Study-Negative Declaration
 3. Attachment 2 - Exhibit A
 4. Attachment 3 - Public Comments
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Reviewed for Submission to the
City Council by:



Craig Malin, City Manager