

# Sonoma County Planning Commission STAFF REPORT

FILE:ZCE23-0001DATE:March 16, 2023TIME:At or after 1:05pmSTAFF:Gary Helfrich, Project Planner

A Board of Supervisors hearing on the project will be held at a later date and will be noticed at that time.

# **SUMMARY**

Property Owner:	Various					
Applicant:	Sonoma County					
Address:	Various					
Supervisorial District(s):	1, 4, and 5					
APN:	See Attachment A: Draft resolutions with exhibits and maps					
Description:	Add the Vacation Rental Exclusion (X) Combining Zone, Vacation Rental 5% Cap (X5) Combining Zone, or Vacation Rental 10% Cap (X10) Combining Zone as follows:					
	<ol> <li>Apply the Vacation Rental Exclusion (X) Combining Zone to certain parcels within the Gates Road, Glen Ellen, Hughes Chicken Colony, Kenwood, Palmer Avenue, Theodor Lane, and Waldrue Heights neighborhoods within the 1<sup>st</sup> Supervisorial District.</li> </ol>					
	<ol> <li>Apply the Vacation Rental Exclusion (X) Combining Zone to certain parcels within the Armstrong Woods Road, Drake Road, Guernwood Park, and Neeley Road neighborhoods in the 5<sup>th</sup> Supervisorial District.</li> </ol>					
	<ol> <li>Apply the Vacation Rental 5% Cap (X5) Combining Zone to certain parcels within the Chiquita Road and Norton Road neighborhoods in the 4<sup>th</sup> Supervisorial District.</li> </ol>					
	<ol> <li>Apply the Vacation Rental 5% Cap (X5) Combining Zone to certain parcels within the Austin Creek, Hacienda, Monte Rio, Northwood, Rio Dell, Summerhome Park, and Villa Grande neighborhoods in the 5<sup>th</sup> Supervisorial District.</li> </ol>					
	<ol> <li>Replace the current Vacation Rental Exclusion (X) Combining Zone in the Fitch Mountain neighborhood with a Vacation Rental 10% Cap (X10) Combining Zone and expand the rezoned area to include all parcels between the Russian River and the City of Healdsburg in the 4<sup>th</sup> Supervisorial District.</li> </ol>					



CEQA Review:	The recommended rezoning is exempt from review under the California				
	Environmental Quality Act under Section 15301 (Existing Facilities) and				
	Section 15061(b)(3) of the CEQA Guidelines, because the proposed changes would not increase the number of vacation rentals or the potential for negative environmental impacts. The project, if approved, would limit or maintain the current number of vacation rentals in a defined area and thus decrease the potential for impacts from vacation rentals related to noise, the loss of housing stock, transportation, and other environmental impacts.				
General Plan Land Use:	Agriculture and Residential (AR), Diverse Agriculture (DA), Limited Commercial (LC), Rural Residential (RR) and Low Density Residential (R1)				
Specific/Area Plan Land Use:	N/A				
Ordinance Reference:	Sec. 26-28-160 — Lodging: Vacation Rental				
	Sec. 26-79 — X Vacation Rental Exclusion and Cap Combining District				

Zoning: See Attachment A:





#### BACKGROUND

On August 2, 2022 the Board of Supervisors held a public hearing and adopted ordinances prohibiting Vacation Rentals in the Low Density Residential (R1) Zoning District, amending the Vacation Rental Exclusion (X) combining zone to allow establishing 5% or 10% caps on the concentration of Vacation Rentals within specific areas, and amending the Vacation Rental Moratorium to allow processing of Vacation Rental permits submitted on or before May 10, 2022. The Vacation Rental Moratorium will expire on May 9, 2023.

The Board of Supervisors directed staff to return at a later date with recommendations for identifying appropriate areas for applying the Vacation Rental Exclusion and Cap ordinance. The initial phase of this project is the subject of the current recommendation, which is intended to identify neighborhoods where higher than average concentration of Vacation Rentals may impact public safety, neighborhood character, or preservation of housing stock.

To accomplish the first phase of the Vacation Rental Exclusion and Cap Ordinance implementation before the Vacation Rental Moratorium expires, the project is limited to neighborhoods that have been previously studied, such as the lower Russian River, or areas where a clear preference to limit Vacation Rentals has been expressed. In the 5<sup>th</sup> Supervisorial District, this included neighborhoods studied as part of the 2020 Urgency Ordinance that temporarily capped Vacation Rentals in the lower Russian River. In the 1<sup>st</sup> and 4<sup>th</sup> Supervisorial Districts, areas being recommended are neighborhoods where residents have reached out to the Supervisorial District office, and represent requests made by the 1<sup>st</sup> and 4<sup>th</sup> District offices. The 2<sup>nd</sup> and 3<sup>rd</sup> Supervisorial Districts have very few Vacation Rentals outside of the cities and neighborhoods within these Districts are not part of the current recommendation.

It is important to note that Vacation Rental zoning restrictions are not retroactive. Existing permitted Vacation Rentals may continue to operate in zoning districts that no longer allow vacation rentals as well as within Vacation Rental Exclusion and Cap Combining Districts. However, Vacation Rental permits expire on sale of the property and the new owner would be subject to current zoning restrictions.

# CRITERIA FOR APPYING THE VACATION RENTAL EXCLUSION AND CAP COMBINING DISTRICT

From Sonoma County Code Section 26-79:

The purpose of the Vacation Rental Exclusion and Cap Combining District is to exclude or limit concentration of vacation rentals in the following areas:

- 1. Areas where there is inadequate road access or off-street parking;
- 2. Areas where the prevalence of vacation rentals is detrimental to the residential character of neighborhoods;
- 3. Areas where the residential housing stock is to be protected from conversion to visitor-serving uses;
- 4. Areas where, because of topography, access or vegetation, there is a significant fire hazard;
- 5. Areas where residential character is to be preserved or preferred; and
- 6. Other areas where the Board of Supervisors determines that it is in the public interest to prohibit the establishment and operation of vacation rentals.





# **NEIGHBORHOODS PROPOSED FOR REZONING**

Table 1: Neighborhoods Proposed for Rezoning									
Area	Recommendation	Total Parcels	Parcels with SFD	Vacation Rental Permits	Concentration	Acres	Supervisorial District		
First District Recommendations									
Falcon Lane – Theodor Lane	Exclusion	39	34	14	41.2%	13	1		
Gates Road	Exclusion	60	37	5	13.5%	592	1		
Glen Ellen	Exclusion	22	8	3	37.5%	8	1		
Hughes Chicken Colony	Exclusion	71	54	9	16.7%	162	1		
Kenwood	Exclusion	52	40	7	17.5%	51	1		
Palmer Ave/Harrington Dr	Exclusion	91	86	17	19.8%	102	1		
Waldrue Heights	Exclusion	39	17	2	11.8%	27	1		
Fourth District R	ecommendations								
Chiquita Road	5% Cap	86	63	11	17.5%	353	4		
Fitch Mountain	10% Cap	732	332	27	8.1%	495	4		
Norton Road	5% Cap	108	90	13	14.4%	318	4		
Fifth District Rec	ommendations			•	•				
Armstrong Woods	Exclusion	179	143	16	11.2%	65	5		
Austin Creek	5% Cap	503	329	47	14.3%	546	5		
Drake Road	Exclusion	497	352	47	13.4%	144	5		
Guernewood Park/Monte Rosa	Exclusion	1,060	656	93	14.2%	271	5		
Hacienda	5% Cap	395	253	21	8.3%	109	5		
Monte Rio	5% Cap	400	248	30	12.1%	129	5		
Neeley Road	Exclusion	225	146	28	19.2%	141	5		
Northwood	5% Cap	165	111	17	15.3%	45	5		
Rio Dell	5% Cap	587	317	14	4.4%	127	5		
Summerhome Park	5% Cap	174	119	9	7.6%	39	5		
Terraces/Villa Grande	5% Cap	751	362	47	13.0%	197	5		
Countywide	N/A	70,108	41,063	1,847	4.5%	N/A	All		





# **ANALYSIS AND COMMENT**

Table 1 above identifies recommendations and general characteristics of each neighborhood being considered for rezoning.

Separate resolutions have been prepared for each of the 21 areas being recommended for rezoning, allowing the Commission to recommend each area individually.

# Application of Exclusion Zones vs. Caps:

"Exclusion" is a prohibition of any new Vacation Rentals within a specific area. "Cap" is defined as a limit on the percentage of parcels developed with a single family home within a specified area that are being used for Vacation Rentals. For example, a 10% cap on would allow one Vacation Rental for every 10 residentially developed parcels, and a 5% cap would allow one Vacation Rental for every 20 residentially developed parcels.

Generally, Caps are most effective in areas with 150-400 parcels. Averaging Vacation Rentals over a very large area can result in localized concentrations within a larger area, while applying a cap to smaller areas allows so few Vacation Rentals that an Exclusion Zone may better address the neighborhood concerns.

Both Caps and Exclusion areas must be carefully configured to avoid pushing new Vacation Rentals into surrounding areas. However, Exclusion areas can also be used to prevent Vacation Rentals from impacting smaller areas where surrounding land use restrictions may force Vacation Rentals into these areas.

#### First Supervisorial District Recommendations

Note: All  $1^{st}$  Supervisorial District recommendations and area boundaries were identified in meetings with  $1^{st}$  District staff

# Falcon Lane - Theodor Lane

This area in Sonoma Valley is a small pocket of parcels that was not included in the surrounding Vacation Rental Exclusion (X) Combining District. This area now has the highest concentration of Vacation Rentals in Sonoma County.

<u>Recommendation</u>: Vacation Rental Exclusion (X) Combining District to prevent local overconcentration.

#### Gates Road

This area is within a high fire severity zone and the existing private road serving the area does not meet Sonoma County Fire Safe Standards.

Recommendation: Vacation Rental Exclusion (X) Combining District to reduce public safety risk

#### <u>Glen Ellen</u>

This area is in the center of Glen Ellen and covers a group of Limited Commercial parcels that are developed with single family dwellings. Surrounding areas are within the Vacation Rental Exclusion (X) Combining District

<u>Recommendation</u>: Vacation Rental Exclusion (X) Combining District to prevent local overconcentration.

# Hughes Chicken Colony





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This area southwest of the intersection of HWY 12 and Ramal Road has a relatively high concentration (16.7%) of Vacation Rentals that impacts neighborhood character according to residents that have contacted the 1<sup>st</sup> District office.

<u>Recommendation</u>: Vacation Rental Exclusion (X) Combining District to prevent local overconcentration.

# Kenwood

This area is in on the northwest of Greene Street in Kenwood. This area was burned during the Nuns fire, but single family dwellings have been rebuild on most parcels. The surrounding residential area is both zoned R1, which prohibits Vacation Rentals and within the Vacation Rental Exclusion (X) Combining District. <u>Recommendation</u>: Vacation Rental Exclusion (X) Combining District to prevent local overconcentration.

# Palmer Avenue / Harrington Drive

This area South of the City of Sonoma has experienced a significant increase in Vacation Rental concentration since the City banned Vacation Rentals.

Recommendation: Vacation Rental Exclusion (X) Combining District to prevent local overconcentration.

# Waldrue Heights

This area off Sonoma Valley Road is served by a network of private roads that do not meet Sonoma County Fire Safe Standards.

Recommendation: Vacation Rental Exclusion (X) Combining District to reduce public safety risk.

# Fourth Supervisorial District Recommendations

# Fitch Mountain

This area is between the Russian River and the eastern boundary of the City of Healdsburg. Neighbor surveys and input from Fitch Mountain Association (see Attachment 2) support converting the X zone to a 10% cap and expanding the area to include all property between the Russian River and City of Healdsburg. <u>Recommendation</u>: Replace the existing Vacation Rental Exclusion (X) Combining District with a Vacation Rental 10% Cap (X10) Combining District, consistent with neighborhood input.

# Chiquita Road

This area is west of HWY 101 near the City of Healdsburg. Vacation Rental concentration in this area has increased since the City restricted Vacation Rentals and is currently 17.5%. Recommendation: Vacation Rental 5% Cap (X5) Combining District to prevent local overconcentration.

# Morton Rd

This area is north of Dry Creek Road near the City of Healdsburg. Vacation Rental concentration in this area has increased since the City restricted Vacation Rentals and is currently 14.4%.

Recommendation: Vacation Rental 5% Cap (X5) Combining District to prevent local overconcentration.





#### Fifth Supervisorial District Recommendations

Recommendations in the 5<sup>th</sup> Supervisorial District are based on analysis of lower Russian River Communities done as part of the December 2020 Vacation Rental Cap Urgency Ordinance (Attachment 5). While Guerneville, Rio Nido, and Vacation Beach neighborhoods were analyzed and included in the 2020 Urgency Ordinance, all residential development in Rio Nido and Vacation Beach is within the R1 zoning district, which prohibits Vacation Rentals. Guerneville has some single family dwellings between 4<sup>th</sup> and Main (HWY 116) streets. Permit Sonoma staff does not recommend rezoning this area at this time to allow for future consideration of policies that may allow limited Vacation Rental development where necessary to provide lodging associated with the local tourism based economy.

Because the lower Russian River has limited visitor serving lodging and an tourism-dependent local economy, applying a 5% Cap is recommended in most cases rather than an Exclusion Zone.

#### Austin Creek

This area between HWY 116 and Cazadero has limited evacuation routes, it prone to flooding and landslides, and has a relatively high concentration of Vacation Rentals.

<u>Recommendation</u>: Vacation Rental 5% Cap (X) Combining District to reduce public safety risk and prevent local overconcentration.

#### Armstrong Woods

This area north of Guerneville has limited evacuation routes, it prone to flooding, and has a relatively high concentration of Vacation Rentals. Additionally, a significant percentage of parcels are zoned R1, creating potential for overconcentration in other parcels.

<u>Recommendation</u>: Vacation Rental Exclusion (X) Combining District to reduce public safety risk and prevent local overconcentration.

# Drake Road

This area south of Guerneville has limited evacuation routes, it prone to flooding and landslides, and has a relatively high concentration of Vacation Rentals. Additionally, a significant percentage of parcels are zoned R1, creating potential for overconcentration in other parcels

<u>Recommendation</u>: Vacation Rental Exclusion (X) Combining District to reduce public safety risk and prevent local overconcentration.

# Guernewood Park/Monte Rosa

This area between Guerneville and Monte Rio has limited evacuation routes, it prone to flooding and landslides, and has a relatively high concentration of Vacation Rentals. Additionally, a significant percentage of parcels are zoned R1, creating potential for overconcentration in other parcels

<u>Recommendation</u>: Vacation Rental Exclusion (X) Combining District to reduce public safety risk and prevent local overconcentration.

#### <u>Hacienda</u>

This area in Forestville has limited evacuation routes, it prone to flooding and landslides, and has a relatively high concentration of Vacation Rentals.





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<u>Recommendation</u>: Vacation Rental 5% Cap (X) Combining District to reduce public safety risk and prevent local overconcentration.

# Monte Rio

Monte Rio has limited evacuation routes, it prone to flooding and landslides, and has a relatively high concentration of Vacation Rentals.

<u>Recommendation</u>: Vacation Rental 5% Cap (X) Combining District to reduce public safety risk and prevent local overconcentration.

# Neeley Road

This area on the south side of the Russian River has limited evacuation routes, it prone to flooding and landslides, and has a relatively high concentration of Vacation Rentals. Additionally, a significant percentage of parcels are zoned R1, creating potential for overconcentration in other parcels

<u>Recommendation</u>: Vacation Rental Exclusion (X) Combining District to reduce public safety risk and prevent local overconcentration.

# Northwood

Northwood has limited evacuation routes, it prone to flooding, and has a relatively high concentration of Vacation Rentals.

<u>Recommendation</u>: Vacation Rental 5% Cap (X) Combining District to reduce public safety risk and prevent local overconcentration.

# <u>Rio Dell</u>

This area in Forestville has limited evacuation routes, it prone to flooding and landslides, and has a relatively high concentration of Vacation Rentals.

<u>Recommendation</u>: Vacation Rental 5% Cap (X) Combining District to reduce public safety risk and prevent local overconcentration.

# Summerhome Park

This area in Forestville has limited evacuation routes, it prone to flooding and landslides, and has a relatively high concentration of Vacation Rentals.

<u>Recommendation</u>: Vacation Rental 5% Cap (X) Combining District to reduce public safety risk and prevent local overconcentration

# Terraces / Villa Grande

This area down river from Monte Rio has limited evacuation routes, it prone to flooding and landslides, and has a relatively high concentration of Vacation Rentals.

<u>Recommendation</u>: Vacation Rental 5% Cap (X) Combining District to reduce public safety risk and prevent local overconcentration.

# General Plan Consistency





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Because the proposal affects only transient use of existing residential properties with no new development or construction, it is consistent with the Land Use policies of the General Plan. Similarly, the applicable Local Guidelines and the Scenic Resources (SR) overlay have no impact on the proposal because it does not involve or enable any new development.

# Housing Element:

- **Policy HE-1k:** Continue to regulate the use of existing residences on residential lands for vacation rentals.
- Housing Element Program 6: Review Vacation Rental Ordinance: The County will review and consider revisions to the vacation rental ordinance to limit conversion of permanent housing stock and make vacation rental uses more compatible, and to facilitate enforcement when Environmental Analysis

The recommended rezoning is exempt from review under the California Environmental Quality Act under Section 15301 (Existing Facilities) and Section 15061(b)(3) of the CEQA Guidelines, because the proposed changes would not increase the number of vacation rentals or the potential for negative environmental impacts. The project, if approved, would limit or maintain the current number of vacation rentals in a defined area and thus decrease the potential for impacts from vacation rentals related to noise, the loss of housing stock, transportation, and other environmental impacts.

# **NEIGHBORHOOD/PUBLIC COMMENTS**

See Attachment 2 for comments associated with the Fitch Mountain survey. See Attachment 4 for other public comments.

# **RECOMMENDATIONS**

# Staff Recommendation

The Permit Resource and Management Department (Permit Sonoma) recommends the Planning Commission:

- Find the project exempt from review under the California Environmental Quality Act under Section 15301 (Existing Facilities) and Section 15061(b)(3) of the CEQA Guidelines, because the proposed changes would not increase the number of vacation rentals or the potential for negative environmental impacts. The project, if approved, would limit or maintain the current number of vacation rentals in a defined area and thus decrease the potential for impacts from vacation rentals related to noise, the loss of housing stock, transportation, and other environmental impacts.
- Adopt the resolutions found in Attachment 1 recommending the Board of Supervisors apply the Vacation Rental Exclusion (X), Vacation Rental 5% Cap, or replacement of the Vacation Rental Exclusion (X) with the Vacation Rental 10% Cap to parcels as shown in the resolutions.

# ATTACHMENTS

Attachment 1: Draft resolutions with exhibits Attachment 2: Fitch Mountain Vacation Rental Neighborhood Survey Attachment 3: Article 79 Vacation Rentals Attachment 4: Public Comment





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Attachment 5: 2020 Vacation Rental Urgency Ordinance



