

# SUMMARY REPORT

## Agenda Date: 5/16/2023

To: Sonoma County Board of Supervisors Department or Agency Name(s): Permit Sonoma Staff Name and Phone Number: Doug Bush, Planner III (707) 565-5276 Vote Requirement: Majority Supervisorial District(s): Countywide

#### Title:

Sonoma County Vacation Rental Program Update (ORD21-0005)

#### Recommended Action:

Adopt an Ordinance adding Chapter 4 Section VIII to the Sonoma County Code to create a Vacation Rental license program and amending Section 1-7.1 to establish civil penalties for vacation rental violations and find the Ordinance exempt from CEQA (CEQA Guidelines Sections 15307, 15308, 15061(b)(3)) - Second Reading

#### Executive Summary:

On April 24, 2023, The Board of Supervisors adopted a resolution introducing, reading the title of, and waiving further reading of an Ordinance adding Chapter Section VIII and amending Section 1-7.1 of Sonoma County Code. This item is returning on consent for the second reading.

## Discussion:

The attached Ordinance:

- A. Retitles Chapter 4 of the Sonoma County Code to "Amusements and Business Regulations."
- B. Creates Section VIII of Chapter 4 of the Sonoma County Code to establish the Vacation Rental License Ordinance, a business license program for vacation rentals.
- C. Requires that property owners obtain a license prior to operating a vacation rental in the unincorporated county.
- D. Establishes standards that apply to vacation rental license recipients including but not limited to the following:
  - 1. Daytime and nighttime noise standards
  - 2. Lighting standards
  - 3. Prohibition against vacation rentals in residences containing junior accessory dwelling units
  - 4. Prohibition on outdoor burning, as well as possession or discharge of fireworks
  - 5. Emergency preparation requirements
  - 6. Evacuation requirements during emergencies
  - 7. Neighbor notification of approval or renewal
  - 8. Management by a certified property manager
  - 9. Administrative processes for suspension and revocation of a license or certification
- E. Establishes a private right of action for violations of a vacation rental license (Sonoma County Code Section 1-7.2).

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F. Adds escalating fines for vacation rental violations occurring within 1 year set at no more than \$1,500 for first violation, \$3,000 for a second violation and \$5,000 for a third violation (Sonoma County Code Section 1-7.1).

#### Strategic Plan:

Not Applicable

#### **Racial Equity:**

Was this item identified as an opportunity to apply the Racial Equity Toolkit? No

#### **Prior Board Actions:**

April 24, 2023. Board adopted a Resolution introducing, reading the title of, and waiving further reading of this Ordinance.

Resolution 22-0303. Authorizing submittal of amendments to the local coastal program pertaining to vacation rentals.

August 2, 2022. Ordinance 6386. Vacation rental zoning code and local coastal plan amendment.

March 16, 2022. Ordinance 6145. Established current vacation rental regulations and performance standards, special use standards for hosted rentals and bed and breakfast inn and created the Vacation Rental Exclusion ("X") Combining District.

April 15, 2014. Ordinance 6063. Established limited time extension for Vacation Rentals in the Land Intensive Agriculture Zoning District as an economic stimulus measure.

November 9, 2010. Ordinance 5908. Established first Vacation Rental Ordinance with requirement to sunset vacation rentals in the Land Intensive Agricultural Zoning District.

#### FISCAL SUMMARY

| Expenditures                       | FY 22-23<br>Adopted | FY23-24<br>Projected | FY 24-25<br>Projected |
|------------------------------------|---------------------|----------------------|-----------------------|
|                                    |                     |                      |                       |
| Additional Appropriation Requested |                     |                      |                       |
| Total Expenditures                 |                     |                      |                       |
| Funding Sources                    | 500,000             | 500,000              | 500,000               |
| General Fund/WA GF                 |                     |                      |                       |
| State/Federal                      |                     |                      |                       |
| Fees/Other                         | 500,000             | 500,000              | 500,000               |
| Use of Fund Balance                |                     |                      |                       |
| Contingencies                      |                     |                      |                       |
| Total Sources                      | 500,000             | 500,000              | 500,000               |

# Narrative Explanation of Fiscal Impacts:

The new license program will require additional staff resources or contract services to run and monitor the program. The license renewal fee would be the same as, and substituted for, the current Vacation Rental monitoring fee, which would end with the new ordinance, resulting in no new costs to Vacation Rental operators. Staff currently spends time renewing the zoning permit annually and instead would expend the same effort renewing the license annually. The total number of Vacation Rentals is continuously varying but averages between 2,300-2,400, including the coastal zone, and the existing fee structure will generate more than \$500,000 annually. This is anticipated to be adequate to fund staffing and contract services necessary to administer and operate the program and would be subject to fee studies and adjustments in the future. No additional general funds are needed to operate the program.

## Narrative Explanation of Staffing Impacts (If Required):

Not applicable

# Attachments:

Att 1 ORD21-0005 Proposed Vacation Rental License and Civil Penalty Ordinance Att 2 ORD21-0005 Exhibit A Vacation Rental License Ordinance

# Related Items "On File" with the Clerk of the Board:

Not Applicable