

CALIFORNIA COASTAL COMMISSION

SOUTH CENTRAL COAST DISTRICT OFFICE
89 S. CALIFORNIA STREET, SUITE 200
VENTURA, CA 93001
(805) 585-1800



F13a

ADDENDUM

July 6, 2020

TO: Coastal Commissioners and Interested Parties

FROM: South Central Coast District Staff

SUBJECT: **ADDENDUM TO ITEM F13a, CITY OF OXNARD LOCAL COASTAL PROGRAM AMENDMENT NO. LCP-4-OXN-20-0008-1 (SHORT TERM RENTALS) FOR THE COMMISSION MEETING OF JULY 10, 2020**

The purpose of this addendum is to make changes to the staff report and findings, and to respond to public comments received.

I. CHANGES TO STAFF REPORT

After publication of the staff report, City of Oxnard staff requested changes to the grandfathering provision of Suggested Modifications 1 and 2 in order to (1) clarify the City's intent to give priority to grandfather-eligible units with regard to the vacation rental cap, rather than allowing new rentals to fill the quota, and having grandfather-eligible units be additive to the cap's restriction, and (2) shorten the period of time that potential grandfather-eligible units must apply for a permit from the City – 60 days instead of six months from effective date of the ordinance. The requested changes would also clarify that the proposed vacation rental separation requirement would be measured from all property lines and would extend across zoning designations. Commission staff recommends these changes be made to Suggested Modifications 1 and 2 and related findings of the staff report dated June 18, 2020, as follows. Language to be added is shown in **bold double underline**, and language to be deleted is shown in ~~**bold double underline**~~.

- a) **SUGGESTED MODIFICATION 1 (Subsection C (Vacation Rental Permit Cap) of proposed Section 17-53 (Short Term Rental Units)) shall be revised as follows:**

(C) Vacation Rental Permit Cap.

1. The number of vacation rental permits shall be limited by a 5% cap per General Plan neighborhood as established in the City of Oxnard Neighborhood Map

adopted as Figure 3-4 in the 2030 General Plan or its successor document. The number of vacation rental permits shall also be limited to ~~5~~10% in the Residential Beach Front (R-BF) zone. The total number of vacation rental permits issued to residential dwellings ~~in the City and the R-BF zone~~ shall not exceed 5% of the total dwelling units in each neighborhood ~~or zone~~. If no short-term rental permits are available pursuant to the cap on short-term rentals, the Director or designee shall place interested property owners on a waiting list in the order in which they were received. If a permit becomes available, applications shall be accepted and reviewed in the order they are listed on the waiting list, subject to Subsection (K).

2. ~~Notwithstanding any language in this Subsection (C), Subsection (D), or in~~ Subsection (F)(3) to the contrary, if the owner(s) of an existing short-term rental property (i) consistently paid transient occupancy taxes to the City pursuant to Section 13-15 et seq. starting on or before January 1, 2019 (ii) otherwise complies with the requirements of this Section 17-53, and (iii) applies for a vacation rental permit within ~~sixty (60) days six (6) months~~ from the effective date of Section 17.53, then such owner(s) shall be eligible for a short-term rental permit even if the ~~approval of such permit(s) would exceed the vacation rental permit cap~~ has already been reached for the General Plan neighborhood or R-BF zone in which the property is located. During the initial 60-day period from the effective date of this Section 17-53, no applications for a vacation rental permit shall be accepted from any party except from the owner(s) of an existing short-term rental property who consistently paid transient occupancy taxes to the City pursuant to Section 13-15 et seq. starting on or before January 1, 2019 and otherwise complied with the requirements of Section 17-53. If the issuance of permits pursuant to applications filed during the initial 60-day period exceeds the rental permit cap in any General Plan neighborhood or the R-BF zone, then no further permits can be issued in that General Plan neighborhood or RB-F zone as long as the number of valid permits equal or exceed the percentage of permits otherwise allowed in the particular General Plan neighborhood or R-BF zone. If, however, the vacation rental permit for that property is revoked pursuant to Section 17-53(R), said property will be subject to the applicable cap requirement and the owner(s) may reapply for a permit pursuant to this Section 17-53.

b) **SUGGESTED MODIFICATION 2 (Subsection D (Separation Requirement) of proposed Section 17-53 (Short Term Rental Units)) shall be revised as follows:**

(D) Separation Requirement.

1. No Vacation Rental shall be issued a permit when a Vacation Rental permit has already been issued to another property that is either: (i) within 100 feet of the proposed Vacation Rental in the Residential Beach Front (R-BF) zone; or (ii) within 200 feet of the proposed Vacation Rental outside of the R-BF zone in all other areas of the City. The 100 foot and 200 foot feet separation is to be measured horizontally from ~~the all parcel~~ the all parcel lines of property ownership as established by the legal description for the property on record with the County of Ventura.

2. Notwithstanding any language in this Subsection D to the contrary, the 100 and 200-foot separation requirement shall not apply to a dwelling unit within a development:
 - a. That is subject to the Vacation Ownership and Time-share Act of 2004 (Business and Professions Code Section 11210 et seq.); and
 - b. That became subject to the Vacation Ownership and Time-share Act of 2004 on or before January 1, 2019; and
 - c. Whose owner(s) (i) on or before January 1, 2019, consistently paid transient occupancy taxes to the City pursuant to Oxnard City Code Section 13-15 et seq. (ii) otherwise complies with the requirements of this Section 17-53, (iii) and applies for a vacation rental permit within ~~sixty (60) days~~ ~~six (6) months~~ from the effective date of Section 17.53; provided, however, if the vacation rental permit is revoked pursuant to Section 17-53(R), said property will be subject to the applicable separation requirement and the owner(s) may reapply for a permit pursuant to this Section 17-53.

c) **Modify the following sentence on Page 16 (the remainder of the paragraph is unchanged):**

In addition, Suggested Modifications 1 and 2 add a provision that allows properties where STRs were operated on or before January 1, 2019 to not be subject to the neighborhood and R-BF zone vacation rental cap and separation requirements if the owner: (1) consistently paid transient occupancy taxes to the City starting on or before January 1, 2019, (2) otherwise complies with the requirements of the STR ordinance, and (3) applies for an STR permit within ~~six months~~ sixty (60) days from the effective date of the STR ordinance and operates in compliance with the STR permit.

II. CORRESPONDENCE RECEIVED; STAFF'S RESPONSE TO CORRESPONDENCE

Letters from the Seabridge Homeowners Association (David Copper, President) and a resident of the Seabridge community (Robert Chatenever) were received on July 3, 2020 and are included in the Correspondence file for this item. Both letters object to the City's proposed amendment because they believe short term rentals should not be allowed within Seabridge because they have existing Homeowner Association rules that do not allow short term rentals and they assert that their residential neighborhoods are incompatible with short term rental use. Commission staff would note that Seabridge is located within the Channel Islands neighborhood and consists of a 135-acre, water-oriented planned development with a mix of residential, commercial, and recreational land uses, as well as associated marina channels and roadways. There are approximately 708 residential units within Seabridge (276 single-family homes, 42 multi-family units, and 390 residential units in the visitor-serving commercial and mixed use areas).

As noted in the staff report for this item, the City's proposed amendment does not allow short term rentals in mobile homes, affordable housing units, farmworker housing units, accessory dwelling units (ADUs), and two private condominium communities — the "Colony at Mandalay Beach" (440 units in the Oxnard Shores neighborhood) and "Harbour

Island” (129 units in the Channel Islands neighborhood) — in which the City found that short term rental use would be inappropriate for various physical and historic reasons that are specific to those locations. The City’s proposed amendment does not include Seabridge as an excluded area. Commission staff would note that in *Greenfield v. Mandalay Shores Community Assn.* (2018) 21 Cal.App.5th 896, 901-02, the Court of Appeal held that a homeowner association did not have the authority to unilaterally ban short term rentals; rather, “[t]he decision to ban or regulate STRs must be made by the City and Coastal Commission, not a homeowners association.”

In this case, the City decision did not include properties within the Seabridge community in the provision that excludes the consideration of a Vacation Rental Permit in certain housing types or locations (i.e. bans short term rentals). It was for the City to determine the locations where STRs are most appropriate, and the Commission reviews that decision only for LUP conformity. The City had a variety of reasons for choosing to exclude the Colony at Mandalay Beach and Harbour Island, but not other areas like Seabridge. There is no Land Use Plan consistency issue that requires the Commission to suggest a modification to this provision to exclude short term rentals within the Seabridge community. If the Seabridge owners’ association wishes to have its community excluded from the short term rental regulations, it is free to ask the City to amend its Implementation Plan in the future, and the Commission would review any such amendment for conformity with the certified LUP.