From: <u>PlanningBuilding</u>

To: <u>McNamara, Cade</u>; <u>McClenagan, Laura</u>

**Subject:** FW: Proposed revisions to STR draft ordinance 9.15.23

**Date:** Tuesday, October 03, 2023 5:13:18 PM

**Attachments:** Proposed revision of Draft Short-Term Rental Ordinance, 9-15-23.docx

image002.png

Good afternoon,

Attached and below please find additional public comment related to the STRO for Thursday.

Thank you,



Adilah Mafor

Administrative Services Manager Planning and Building Department 3015 H Street | Eureka, CA 95501 Phone: 707-445-7541 | Fax: 707-445-7446

Email: dmoxon@co.humboldt.ca.us

From: Mark Sommer <cocoaquest@gmail.com>

Sent: Tuesday, October 3, 2023 4:56 PM

**To:** Arroyo, Natalie <narroyo@co.humboldt.ca.us>; Madrone, Steve

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<planningclerk@co.humboldt.ca.us>; PlanningBuilding <planningbuilding@co.humboldt.ca.us>

**Subject:** Proposed revisions to STR draft ordinance 9.15.23

**Caution:** This email was sent from an EXTERNAL source. Please take care when clicking links or opening attachments.

## Dear Sirs,

I am a 47-year resident of Humboldt county living in the coastal zone of Westhaven (Loop Place off Sixth Avenue) in a home my wife and I built 27 years ago. For the past eleven years I have rented my home to guests a total of 90-100 nights a year to meet expenses. When I retired in 2012, Social Security became my sole income and covered only a third of my expenses. At age 78 I have no realistic alternative source of income.

I support the planning department's initiative to establish regulations governing the vacation rental market in those parts of the county not

covered by existing ordinances in incorporated zones. I also support the county's efforts to make more housing available to those who wish to rent or buy here. There is an acute shortage of affordable housing here as across the country.

I would ask only that those of us who have rented out our homes parttime for years as our sole means of continuing to live here be granted permission to continue as before. The coastal zone is a special case, where demand for lodging greatly exceeds supply from conventional sources like motels, hotels and b&b's.

I therefore offer the attached proposal to amend the 9.15.23 draft ordinance as you consider revisions to the draft STR ordinance.

Respectfully yours,

Mark Sommer
Transient Occupancy Registration Certificate (TOT) #012154

# Proposed Revision of Draft Short-Term Rental Ordinance Coastal Zone, 9.15.23

The following is a proposed revision of section 61.05.10.3.2 stipulating treatment of STR's currently operating in the coastal zones of unincorporated Humboldt county.

#### **CURRENT DRAFT**

61.05.10.3.2 Neighborhood Quality and Public Nuisance.

D. Neighborhood Concentration. Each Short-term Rental may not exceed the following neighborhood concentration limitations, except within the Shelter Cove Community Plan Area where this standard does not apply. i. Parcels with a Coastal Area Plan density of one (1) or fewer acres per dwelling unit: a. Short-term Rentals shall not exceed 10% of the dwellings on the access road; and b. As the crow flies, the nearest ten (10) dwellings shall not be Short-term Rentals.

#### **REVISE AS FOLLOWS:**

D. Neighborhood Concentration. Each Short-term Rental may not exceed the following concentration limitations:

Parcels within the Coastal Zone will be limited to STR's that have been in operation for one year or more and have not incurred any complaints from neighbors. All STR's that are currently operating under these terms will be allowed to continue to function subject to new county regulations. New first-time applications will be placed on a waiting list and only granted a license to operate if and when existing STR's drop below the established cap, as in ordinances already adopted in incorporated municipalities in the county. Given limited options for other lodging in the high-demand coastal zone, neighborhood concentration limits in the zone will be drawn to conform with arrangements and regulations delineated in the Shelter Cove Community Plan Area.

### RATIONALE FOR PROPOSED REVISION

STR's in the unincorporated coastal zones serve several important purposes and offer numerous benefits to the Humboldt county economy and community at large in addition to providing much-needed income to local residents maintaining these properties.

• STR's provide unique, top quality lodging in high-demand locations where there are few other quality options available to tourists. Motels, hotels and bed-and-breakfasts don't come close to meeting the demand in this coastal region and are often of older, poorer quality. Whole dwellings with 2-4 bedrooms can accommodate several families so that

together they can afford higher quality and more space than they experience in motel rooms. STR's are also generally more affordable than bed-and-breakfasts since guests can prepare their own meals. Their kitchens are equipped with all the amenities and supplies required by travelers, including fully outfitted kitchens like those they enjoy at home.

- Revenue from the TOT tax on STR bookings provides substantial, urgently needed income for underfunded county services.
- Growing numbers of tourists visiting Humboldt county create demand for lodging and other services that are not being met by existing hotels and motels. Given limited commercial parcels in the coastal zone and the high costs of construction, development, and building new motels, hotels and B&B's, the deficit of quality lodging will not be met by those traditional sectors of the travel industry.
- Maintaining STR's at a premium standard of cleanliness and operability employs a wide range of cleaners, electricians, plumbers, landscapers and groundskeepers and other tradespersons. Most STR's must clean their homes every few days whenever guests arrive and leave, generating regular income for locals who would struggle to survive and remain in the county in the absence of STR's. Locals who maintain STR's also shop locally, strengthening the local economy. None of these jobs will ever be replaced by AI.
- The short-term rental industry helps maintain a portion of local housing stock at a higher standard than many homes that have no equivalent source of revenue to invest in maintaining and upgrading their properties.
- Those residents students, low income residents and others who have difficulty finding affordable housing have legitimate concerns that need to be met by a variety of approaches. STR's in the coastal zone would not be affordable for low income individuals to rent long-term. One possibility is to earmark a substantial portion of revenue from the TOT tax for programs to build or repurpose existing buildings, houses and apartments for affordable housing. In this way the high-end STR market could become a steady and significant source of revenue to address an urgent unmet need. If under current arrangements TOT revenues are routed directly into the general fund, from there a significant portion can be earmarked by ordinance or by the Board of Supervisors to finance fresh approaches to the housing deficit.

#### **CONCLUSION**

Viewed and organized in the right way, STR's and affordable housing are not an either-or but a both-and proposition. Since the pandemic, Humboldt county has been "discovered" by a wide range of people seeking a higher quality of life in a less expensive and more appealing environment. Now that they realize they can work from anywhere, they are choosing to move out of cities and into rural communities with a high quality of life and nature still intact. Humboldt county has endured boom-and-bust cycles throughout its history, with timber and natural resource extraction replaced by cannabis. Now that both are fading out, the county urgently needs a legal, sustainable basis for a new economy, with renewable energy (wind and solar),

education (CPH) and tourism the most promising foundations for future prosperity. STR's fit well into this renewable economy as long as the revenues generated by this local economic activity are designated to rectify the county's longstanding unmet needs, especially affordable housing.