



AGENDA NO: Public Comment

MEETING DATE: September 1, 2020

**AGENDA CORRESPONDENCE
RECEIVED BY THE PLANNING COMMISSION
FOLLOWING POSTING OF THE AGENDA IS ATTACHED
FOR PUBLIC REVIEW PRIOR TO THE MEETING**

Scot Graham

From: Beth Appel [REDACTED]
Sent: Monday, August 31, 2020 1:48 PM
To: PlanningCommission
Subject: Vacation Rental ordinance

Hello,

My family and I have lived full time in Morro Bay for the last 15 years, and we love the town and the community. For the last 5 years we have rented our house to Airbnb guests when we are away traveling, and it has worked out very well for us. We live on a street where we know our neighbors and we try especially hard to rent to people who will be respectful to the neighborhood. Whenever I check with my neighbors I get support, understanding, and encouragement from them.

I have read the new ordinance and I have a couple suggestions.

1. If vacation rentals are already licensed and functioning, it does not seem fair to take away a license just because the new ordinance now makes them too close to another VR. There should be a way for already existing VRs to continue. My neighborhood is supportive and fine with the VRs in the area, so they should be able to continue. Maybe the existing VRs could be grandfathered in, or could get a waiver in some way.
2. PLEASE collect the taxes through Airbnb or VRBO. I know this wouldn't bring in the taxes from the VRs not listed on these sites, but it would bring in much more revenue to Morro Bay, and it would actually help the Airbnb hosts make more money since the taxes wouldn't come out of the host's fees. San Luis Obispo County does this and it seems obvious Morro Bay should do it too. You would collect the taxes from every VR on those platforms, not just the ones being honest and paying voluntarily. It would add revenue to Morro Bay. (If there is a reason Morro Bay does not do this that I am not aware of, could you let me know? It is a mystery to me why MB doesn't have Airbnb collect the taxes).
3. VRs provide a service that is different from motels and hotels. VRs should be monitored and guests and hosts should be held accountable for their actions, but VRs generally operate without problems and are an excellent option for families and groups. They should be encouraged! They are a revenue generator for the city, which is great! I recommend increasing the number of VRs above 250. If there is a host who is negligent multiple times, action should be taken on this host, but if a VR is being run properly, then the city can accommodate more than 250 VRs.

Thank you for considering these suggestions.

Sincerely,
Beth Appel

Scot Graham

From: betty winholtz [REDACTED]
Sent: Friday, August 28, 2020 2:32 AM
To: Gerald Luhr; Michael Lucas; Joseph Ingrassia; Jesse Barron; Susan Stewart
Cc: Scot Graham
Subject: agenda item b-1

Dear Planning Commission:

Please review my comments and answer my questions during your hearing. I am sending this to you uncharacteristically early in hopes a map will be presented per #2.

Sincerely,
Betty Winholtz

1. Will there be public comment again specifically on B-1, or is public comment closed? If public comment is closed, I assume the public can make comment during general Public Comment at the beginning of the meeting?

2. Both the Planning Commission and the TBID agree on unlimited unhosted rentals in mixed use and commercial zones. (17.41.030C and 17.41.040A) Could you show us a readable map with the boundaries of the zones which will be unrestricted? How many legal short term rentals are currently in these zones?

3. I do not see TBID's recommendations reported in your Staff Report. One topic that the Planning Commission and the TBID seem to have different leanings is how to lower the cap. The discussion at the last Planning Commission meeting revolved around using a lottery. From a business angle, the TBID wants to use attrition. I would venture from a neighborhood's perspective, whichever method brings the number down the quickest is preferred.

4. It was noted in the TBID meeting that since apartments are not restricted from STRs like other stated exclusions in 17.41.030C-E, then they are allowed. Please restrict STRs from apartments and apartment buildings. The reasons for restricting them in these locations would be similar to restricting them in ADUs.

5. On page 11 under NEXT STEPS, the Staff Report states, "An STR ordinance will become part of the City's Local Coastal Program (Implementation Plan) once adopted by City Council but cannot take effect until the Coastal Commission reviews and approves it." Will it be your recommendation that the STR ordinance be sent to the CCC earlier and separately from the LCP or Zoning ordinance? Part of the reason I ask is on page 12 under CONCLUSION, the Staff Report states, "Due to delays experienced with draft zoning code, Council directed staff to move forward with the STR ordinance outside of the zoning code update process." It seems reasonable that if the STR ordinance is not separated out and sent ahead, it defeats the intent of the people and the publicly stated position of the City Council to get this implemented.

6. My impression is this ordinance, reducing the cap, and enforcement will not effectively take place for a minimum of 3 years, even longer depending on when the ordinance is sent to the CCC. This long lapse of time before neighborhoods experience relief from this commercial burden is way too long. This must be significantly shortened.
7. Are current, legal nonconforming units counted within the cap, or are they in addition to the cap? (17.41.050A) The same question applies to ADUs. (17.41.050C3)
8. The section on Inspections (17.41.060B) does not say who in the City is doing the inspection. Is it the Fire Marshall? I question whether self-inspections are appropriate.
9. Can the days in 17.41.060D and E be lowered? Just to clarify, every STR has to go through this process whether it is located in an unlimited zone or residential?
10. What department within the City currently revokes business licenses? Is there currently an appeal process for that? It seems inappropriate to burden the city manager with business licenses and processes. (17.41.080) There is no information about who or from where the Hearing Officer is recruited, even whether s/he are employees or not. This needs to be fleshed out.
11. Fine amounts need to be specified.

Scot Graham

From: Bob Lalor [REDACTED]
Sent: Sunday, August 30, 2020 2:21 PM
To: Council; Dan.Carl@coastal.ca.gov; PlanningCommission
Subject: Upcoming Short Term Rental Decision

To whom it may concern,

I'm writing to you regarding the upcoming meeting about Short Term Rentals in Morro Bay. My family has built a wonderful tradition of spending New Years in Morro Bay for 5 years straight in the same rental. We treat it as a peaceful getaway, filled with walks, beach time, golf, cooking, and more walks. It would be a shame to lose such a thing based off of the voices of a few disgruntled home owners. Instead of looking at a ban, why not focus on how you can make the system work FOR you. Sales Tax revenue from visitors (not like there are that many other options in Morro Bay), occupancy tax, etc. If the short term rentals go away in Morro Bay, it's not going to drive us to find a hotel in town - we simply would find a different beach town. The only people you are harming by banning STRs are yourselves!

Here are some facts I'd like to pass along:

Density of vacation rentals in Morro Bay

- The world today is quickly becoming a sharing economy in many different areas: home sharing, ride sharing, car sharing.
- Many larger urban areas are becoming overrun with hosted and non-hosted vacation rentals. This is not the case in Morro Bay.
- There are **6466 housing units in Morro Bay** and approximately 19% of them are second homes (approximately 1250 living units)
- Morro Bay has currently capped the number of **vacation rental licenses at 250** and per data collected from the city in summer of 2019, **only 153 of those homes were "active", defined as those paying more than \$500 in TOT** (indicating they collected \$5000 or more in rents in the previous year).
- This means that only 4% of all the housing units in Morro Bay hold STR business licenses and **only 2.5% of all housing units have an active vacation rental.**

Conclusion: **Morro Bay does not have too many licensed vacation rentals**, and the city of Morro Bay has been aware of the illegal rentals for 3+ years and only recently began efforts to regulate the illegal VRs

As for nuisances, I hate to be the one to inform you, but Morro Bay isn't exactly a party destination. There is little to no nightlife, absolutely nothing geared towards the 21-40 age group, and vast environmental restrictions on the beaches. Nuisances cannot be a driving factor in getting rid of STRs. I'd bet guests of primary residence homeowners cause far more disruptions than STRs.

In all, please look at other options to drive revenue instead of pushing it away.

Sincerely,

Bob Lalor
Oxnard, CA

Scot Graham

From: Carol Hoppert Hays [REDACTED]
Sent: Monday, August 31, 2020 2:24 PM
To: PlanningCommission; John Headding
Cc: Mark Hays; Terri Hicks; Robert Davis; Marlys McPherson; Dawn Addis; Jeffrey Heller; Scott Collins
Subject: Vacation Rentals

To Whom It May Concern:

We are the owners of a short term vacation rental in Morro Bay at 3273 Tide Avenue and we live in Visalia. We sunk our entire life savings into this house almost five years ago and intend to retire there within five years. The only way we can do that is to rent it out as a vacation rental (as per our original plan) until we move in. We see Morro Bay as our hometown the same as any one who lives there and we want to preserve it's character for ourselves too. We care about the quality of life for all residents. It is an affront to us to be characterized as anything other than members of that community (especially since we are there a large portion of the time).

We believe a vacation rental ordinance is needed. However, we also feel that it is unfair to existing STR owners to threaten the plans they made, in good faith, based on the current policy of the City.

We are adamant that the most essential point of a new policy be that the policy be enforceable and ENFORCED; that the vast majority of the City's effort be expended in the pursuit of illegally rented properties. Many of the complaints of full time residents could be alleviated through the act of enforcing the policies already in place. In our case, we are the only licensed rental for at least a city block in any direction. However, there are some within that circumference that operate as STRs and are NOT licensed (we confirmed this through our knowledge of our neighborhood and the obtaining of a list of all current licenses in the City). It is a waste of time and money to put a new ordinance in place when the existing ordinances are not being enforced and, frankly, an insult to those of us living by the rules.

To that end, for existing STRs:

1. We feel VERY strongly that all current vacation rental licenses must be grandfathered in with the provisions under which they were attained.
2. Our primary concern is that we be able to transfer the license with the house (whether to our children as inheritance or upon sale). We would, however, be amenable to limits on the transfer of existing licenses at a fair level; for example, we could get behind a proposal to allow unlimited **transfers of the license with ownership among family members (as in the case of an inheritance) and a limit of a one time transference of the license upon a sale.**
3. That all existing licenses only be eliminated through natural attrition.
4. That no existing licenses be subject to a lottery.

With regard to the new licenses being issued:

1. We support the limiting of new licenses to 200.
2. We support a limit on the number of licenses for Homestays (although we have no opinion on what that number should be).
3. We support a fair density requirement, however we are not affected by this as our home falls within all of the proposed boundary requirements.
4. We support a seniority provision that allows for the existing licenses to be given a first priority in renewing and not be subject to a lottery.
5. We only support home inspection on a one time basis when a license is acquired and that all existing licenses be exempt from this requirement.

6. We do NOT support the limit on the number of years a home may be licensed. That, once acquired, the license be renewable.
7. We support adequate signage and, ourselves, believe it would be advantageous to put this signage in a prominent spot on the edge of the property (on a fence or via a yard sign) stating who to call in case of emergency or violation of the Good Neighbor policy.
8. We support the requirement of a local contact for every STR.
9. We would propose that all STRs be required to be managed by a professional property manager with a local point contact.

All in all, we know that our home is an asset to our neighborhood and to the City as a whole. Our home is professionally managed, is kept clean and neat and maintained as to all systems, appearance and landscaping. We have, and continue to, improve the aesthetic of our home. We know our neighbors and enjoy neighborly relationships with all of them. Every neighbor has our property manager's contact information and our contact information as well so they can always reach someone with concerns. We have our own contacts within 20 minutes of our home who are available should the need arise. Through technology, we monitor the noise level in our home and advise the tenants when they pass an acceptable level. We have had our rental for almost five years and have had only one complaint and that was handled efficiently and quickly by our property manager (and that group was banned from subsequent visits to our home). We maintain an age requirement and we strictly enforce occupancy requirements to prevent our home from being used in an offensive manner (a party house).

Lastly, we have complied with all rules and requirements of the City. We have supported higher occupancy tax for STRs in fairness to the hotel/motel owners. We have contributed thousands of dollars in occupancy tax to the City. We are conscientious owners who want Morro Bay to continue to be the jewel of the Central Coast.

Sincerely,

Mark and Carol Hays

Scot Graham

From: Beachhouse [REDACTED]
Sent: Saturday, August 29, 2020 11:43 AM
To: PlanningCommission
Subject: Short Term Rental

To: Morro Bay Planning Commission

The current short term rental (STR) proposal uses distance to reduce the number of vacation rentals. A fairer system would be to establish an oversight process that allows complaints to be filed and would monitor the number and severity of complaints. Repeated violations of STR regulations would result in the revoking of their license.

All vacation rentals should not be penalized because of a few bad apples. Problem STRs should be monitored and managed on an individual basis. Using arbitrary distance rules and applying them to *all* vacation rentals, eliminates those STRs that help support our community through tourism dollars.

In addition, using distance rules may not insure that problem properties will be eliminated, in fact it is just as likely that a well managed, tax producing property would be excluded.

If Morro Bay wants to continue to be a tourism destination, it is important that they maintain and manage a significant and well managed supply of short term vacation rentals in today's competitive online, rental market.

Charles and Susan Klose

[REDACTED]

[REDACTED]

Scot Graham

From: Beachhouse [REDACTED]
Sent: Saturday, August 29, 2020 10:30 AM
To: PlanningCommission
Cc: Beachhouse
Subject: Short Term Vacation Rental

To: Morro Bay Planning Commission

We request that the density requirement for Beachcomber Drive and Toro Lane be adjusted to allow for more short term rentals (STR) than other residential neighborhoods in the city, taking into consideration:

- 1. Vacation rentals on Beachcomber Drive and Toro Lane provide a unique experience that attracts renters due to the proximity to the ocean and beach.**
- 2. Under the currently proposed regulations a number of these desirable rentals would be eliminated.**
- 3. Local, small businesses would be affected and tax revenue would be reduced.**
- 4. It conflicts with the Morro Bay Tourism Board's efforts to present Morro Bay as a tourist destination by reducing the number of beach front properties available.**

We have owned our home for over thirty years and been a vacation rental for 15 years, maintaining our property and paying our taxes. More than 50% of our renters return, year after year, due to the view and proximity to the beach. We are retired and income from the

beach house supplements our income. We are in danger of losing our rental income due to two other vacation rentals within the 3-lot minimum.

We are requesting that the proposed density rules be revised to allow current vacation rentals on Beachcomber Drive and Toro Lane, which are in compliance with all other STR regulations, be allowed to retain their licenses.

Susan and Charles Klose

[REDACTED]

[REDACTED]

[REDACTED]

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Scot Graham

Subject: FW: Former SLO alumni

From: Christine Temple-Wolfe [REDACTED]
Sent: Monday, August 31, 2020 12:29 PM
To: Council <council@morrobayca.gov>
Subject: Former SLO alumni

I wanted to express my concern that the city was limiting rentals in morro bay. I graduated in 1989 and try to return twice a year to visit friends and family.
My son graduated from call poly two years ago and we have family vacations in morro Bay. Please don't squash rentals... This is important. Many of us live to support your economy.
I have a good friend who owns a second home in Morro Bay and she survives of it this income.
Don't listen to the voices of a few when it will hurt the community at large

Christine Temple-Wolfe
Samsung Phone
[REDACTED]

Scot Graham

From: Christy Roush [REDACTED]
Sent: Sunday, August 30, 2020 11:06 AM
To: PlanningCommission
Subject: Morro Bay Vacation Rental - 3200 Beachcomber Drive

Dear Distinguished Planning Commission,

I am writing to you today because we are planning to visit Morro Bay from September 8-21, 2020; and hope your proposed regulations will not affect our plans. We've been looking forward to this vacation home in Morro Bay for many months. My husband and I were residents of Morro Bay and owned a home on 325 Arbutus from 2004-2008. My mother and both daughters currently live in Santa Maria and San Jose respectively, so we decided to return to Morro Bay which is centrally located, so we can visit and reminisce about spending time there in the past. It is so beautiful there. We miss it very much.

We are always aware of noise and disruption to a neighborhood, especially since we've been homeowners for 40+ years. We are mature adults and do not go there to "party". We plan to take long walks on the beach with our two little doggies and daughters. We'll be ordering from the local restaurants and having mostly everything delivered due to Covid-19 safety concerns, as we are in our late 60's.

Thanks for your consideration. I hope you find your way to reasonable policies & regulations that everyone can come to a consensus. I realize how difficult this must be for your commission to satisfy all concerned parties.

Sincerely,
Christine & David Roush
[REDACTED]

Scot Graham

From: Cynthia Mauch [REDACTED]
Sent: Friday, August 28, 2020 12:50 PM
To: PlanningCommission
Subject: Vacation Rentals in Morro Bay

Hello!

I am writing regarding the proposed ordinances to restrict and/or disable VRs in Morro Bay. I am a 22 year Morro Bay resident. I co-own, with my brother, a vacation rental here in Morro Bay. It was my parent's home, who are now deceased. Our VR is permitted and is managed by URelax.

We decided to vacation rental this home for many reasons, which include:

It allows us to utilize it for ourselves when needed for friends and family.

It allows us to keep the furniture, mementos, memories of our parents in the home.

It allows us to ensure the home is clean and fully functioning, as it is professionally cleaned between tenants, and any issues with appliances etc are immediately reported and fixed.

I understand that some proponents of the ordinances feel that VRs are a scourge to Morro Bay, bringing rude partiers who don't care about neighbors or about our town, and are loud all night and scatter trash and park illegally. I can firmly tell you that is not the case with my rental. We have had no such complaints, we house primarily families looking to spend some quiet time together in our beautiful seaside community. Moreover, I have had no issues in my own neighborhood (North MB) in terms of neighboring vacation rentals, noise, parking, etc.

I suspect most of the VRs that cause problems are not permitted, but that no longer seems to be a focal point with this issue - the direction has moved to a fight to eradicate all VRs, even the good, legal ones.

I am saddened and appalled that because some residents have had bad experiences in their neighborhood, they want to ban ALL VRs, or limit the number of permits without consideration of grandfathering existing VRs. To take away my permit is to take away supplemental income, and will likely result in having to sell my family's historic home. It is hurtful and unnecessary and I hope you consider individual VR owners like me who may be terribly impacted by unilateral, sweeping, misinformed decisions such as these.

Thank you,

Cynthia Mauch

Scot Graham

From: Daniel Halbert [REDACTED]
Sent: Monday, August 31, 2020 6:27 AM
To: Council; PlanningCommission; da.carl@coastal.ca.gov
Subject: Density of Vacation Rentals in Morro Bay

Please stop trying to prevent decent people from making a living!

Density of vacation rentals in Morro Bay

- The world today is quickly becoming a sharing economy in many different areas: home sharing, ride sharing, car sharing.
 - Many larger urban areas are becoming overrun with hosted and non-hosted vacation rentals. This is not the case in Morro Bay.
 - There are **6466 housing units in Morro Bay** and approximately 19% of them are second homes (approximately 1250 living units)
 - Morro Bay has currently capped the number of **vacation rental licenses at 250** and per data collected from the city in summer of 2019, **only 153 of those homes were “active”, defined as those paying more than \$500 in TOT** (indicating they collected \$5000 or more in rents in the previous year).
 - This means that only 4% of all the housing units in Morro Bay hold STR business licenses and **only 2.5% of all housing units have an active vacation rental.**
 - 120 of the licensed STRs are managed by professional property managers.
 - In the city urgency moratorium document from 2016 that implemented the 250 cap, it was stated that **the city believed there were as many as 100 illegal rentals already in operation!**
- Conclusion:** **Morro Bay does not have too many licensed vacation rentals**, and the city of Morro Bay has been aware of the illegal rentals for 3+ years and only recently began efforts to regulate the illegal VRs.

Nuisances caused by Vacation Rentals

- There are many anecdotal stories about wild parties and out-of-control VR guests, and many of them are probably true. Yet the city has not provided an easy way for neighbors to know who to report the problem to. The city has also never provided an easy way to check if a home is a licensed vacation rental.
- The city has recently hired a company, Host Compliance, to identify illegal vacation rentals (advertising a place for rent but does not have a VR license) and within 1 month, 30 were identified.
- **In Morro Bay city council meetings and community forums, when the question of how many nuisance complaints have been verified with the city and a citation issued, the response was zero.**
- Those arguing to ban short term rentals claim they create extra neighborhood nuisances, such as excessive noise and parking problems, but there's no evidence to back this up. In fact, a research study conducted by The California Economic Forecast, analyzing nuisance reports across the counties of Santa Barbara, Ventura and San Luis Obispo, said:
“We found no statistically significant difference between the nuisance complaint rate for short term rentals and all other homes.”
- The report also concludes:
“The negative allegations aimed at short term rentals could not be substantiated by the statistical evidence.”

Vacation Rentals Negatively Impact Long Term Housing inventory

- The nay-sayers also claim that short term vacation rentals affect long term housing supplies, but this is also false. Another research study, analyzing short term rentals across Santa Barbara county, said:

“We did not find that the supply of housing was significantly affected by the incidence of short-term rentals.”

- This study also stated:

“Very few homes are used as short term rentals full-time and would not be converted to long-term housing under any short term rental ban.”

- The large majority of homes/condos offered as vacation rentals in Morro Bay are owned by owners that spend part of the year here or visit the area frequently and many of those owners plan to eventually retire here. Therefore, even if they could not operate it as a STR, they would not make it available as a long-term rental.
- Many of the STRs in Morro Bay are worth over a million dollars and if offered as a long-term rental, would rent for a price that most people in the county could not afford because of the low incomes earned here.
- Many cities who have outlawed STRs completely now have large numbers of illegal rentals being advertised on VRBO, Homeaway, Airbnb and other OTAs. Yet without regulations to govern these rentals, there is no enforcement mechanism in place to deal with them. These homes did not get converted to long-term rentals – they just operate illegally as STRs

Scot Graham

Subject: FW: STR voice of concern

From: Dina Krull [REDACTED]
Sent: Monday, August 31, 2020 3:04 PM
To: Council <council@morrobayca.gov>
Subject: Fwd: STR voice of concern

Dear Morro Bay City Council,

I have been a Short Term Rental owner in Morro Bay since 2016. Our family has seen 4 children make their way through the Morro Bay school system and each have gone off to study at a university. It has been hard to live in the area but my husband and I both work full time to make it work. I am a local of SLO county and moving back to raise my family was a dream come true. Raising 4 children in Morro Bay is financially challenging enough, and when we were hit hard with the prices of higher education we began to rent out our home while we were traveling in the summers. This added income from renting our residence for a few weeks out of the year helped us get our first child through college. Presently, we have 3 attending university and the short term rental income is very significant for us.

It would crush us to lose this extra income especially since our investments forecasted the possibility to rent in the near future. We refinanced our home last year so that we could make improvements on our home (which we use as a STR). We have done everything legally and in order to get proper permits to remodel our home we had to comply to city guidelines. We paid over \$40,000 for asphalt and concrete work for driveway approaches for us and our neighbor as well as a 40 ft sidewalk because we live on a gathering street. The cost to improve the city property (street and sidewalk) was us as much as the actual house remodel. We did all this because we wanted to improve the property, live in it and be able to leverage its worth by short term renting when we travel for work.

I believe that one big problem is that if there is a nuisance report it is not substantiated in any way. We have a neighbor who lives on the back side of our house who is not an owner. He ramps up the complaints that are not legitimate. We have no way of defending ourselves. For 10 years he has complained about everything and anything. If the police were to come they would see there is no problem whatsoever. We have never been cited or had a visit from law enforcement on any issue. We have no way of defending ourselves because we do not know he is making complaints. The complaining neighbor on Pico does not comply with city ordinances and keeps chickens and grows things in the public right away. It has been unfortunate that his one voice seems like 10. At any given point he has tried to stop us from improving our home and opposes improvements when we seek a permit for them. These type of people are miserable and spend all their time trying to tear others down. Thankfully we have been able to go forward with our permitted improvements but the complaining neighbor made a 1 year process turn into 3!

We have substantially improved the neighborhood and have excellent relationships with all other neighbors.

I believe the best way and most fair way to go about keeping Morro Bay within limits with STR's would be to allow natural attrition to happen, which has been approximately 20% annual turnover. In 2016 the city believed there were as many as 100 illegal rentals already in operation. It would be wise to put time and energy towards shutting down the illegal operations.

And if there is a complaint the city should have a system of receiving them. The California Economic Forecast analyzed nuisance reports across the county of San Luis Obispo and stated,

“We found no statistically significant difference between the nuisance complaint rate for short term rentals and all other homes. The negative allegations aimed at shoring term rentals could not be substantiate by the statistical evidence.”

It is not right to take away the livelihood of so many that depend on the income they have been able to generate from their STR. We pay our rent taxes faithfully and have been able to pour back into our community. Our salary is low to middle class and the opportunity to generate a bit more income every year allows us to go out to local restaurants and take part in local events. The next four years for us will be difficult with college students, being able to rent our home at different points will make all the difference and we rely on it greatly.

Please hear our voice! This is our community too and though the complaints are loud, they are coming from a minority group and not the majority. The majority of people have things to do and do not have time to make relentless negative claims about others.

Thank you for your time,
Dan and Dina Krull

[Redacted signature area]



Scot Graham

Subject: FW: STVR in Morro Bay

From: DJK [REDACTED]
Sent: Sunday, August 30, 2020 3:15 PM
To: Council <council@morrobayca.gov>
Subject: STVR in Morro Bay

I recently learned you are thinking of reducing the number of short term rentals in Morro Bay. Morro Bay is a favorite vacation spot for me and my husband. We have been going ever since we moved to CA 3 years ago and heard about this wonderful community, its restaurants, boat tours and shops from so many of our friends who are regular visitors there. We do often find it difficult to find housing and if more restrictions were passed allowing even fewer rentals, I believe it would mean having to stop our vacations here altogether. Please, don't allow a few bad renters to ruin things for the rest of us. Thank you for your time.

Scot Graham

From: Ellen [REDACTED]
Sent: Sunday, August 30, 2020 8:21 PM
To: PlanningCommission
Subject: STRs in morro bay

Hi folks!

I am an owner of a STR in morro bay. I love the community and love to share it with family and friends, who enjoy spending their time and money in the community.

I am concerned about the current discussions regarding the changes for STR.

Seems that lots of voices have your attention, i understand that, and i hope you have done your homework to understand The Who, what, where and when they complain. Are these properties licensed? Are they professionally managed?

Those are important questions to ask and get answers to before making sweeping changes.

I recognize that the city has hired an independent vendor to look into those who fly under the radar and that is money well spent. Thank you!

Maybe all STRs should be professionally managed....maybe that could be a mandate, rather than punish those who already do that.....just a thought...

Respectfully

Ellen Fetterolf

Ouray Colorado ,

I understand STRs....they are in my backyard

Sent from my iPad

Scot Graham

From: Alt, Eric [REDACTED]
Sent: Monday, August 31, 2020 10:50 AM
To: PlanningCommission
Subject: Vacation Rental Policy

To Whom it May Concern,

We rented a single family home in Morro Bay earlier this year. Our family needed a change in scenery, and Morro Bay delivered exactly what we were looking for. We were not comfortable staying in a hotel given the circumstances, but felt OK in a residence. While we spent nearly all of our time at the property or walking on the beach/in the surf, we were able to visit several local restaurants for take-out (which was delicious) and a handful of local businesses for food and recreation. I hope the city council will continue to make Morro Bay available to visitors like us.

Best,
Eric

Eric Alt
[REDACTED]

DISCLAIMER

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Scot Graham

From: Gail Stoneburg [REDACTED]
Sent: Monday, August 31, 2020 4:13 PM
To: PlanningCommission
Cc: Dan.Carl@coastal.ca.gov
Subject: Fwd: Morro Bay vacation rentals

From: Gail Stoneburg [REDACTED]
Date: August 31, 2020 at 4:04:47 PM PDT
To: Council@morrobayca.gov
Subject: Morro Bay vacation rentals

My family from Fresno vacations in Morro Bay for a week every summer. They share a vacation rental, they eat out, shop and enjoy the quaintness of Morro Bay. If a rental is not available they would stay in one of the other coastal communities where they would spend their vacation dollars. I believe if Morro Bay restricted the number of rentals, the overall financial impact would be significant. Please don't make that mistake.

Gail Stoneburg
[REDACTED]

August 29, 2020

TO: Morro Bay Planning Commission

I thank the Planning Commission, the STR Committee and all others that have participated in the discussion of concerns and solutions around STRs. I appreciate the diligent, thoughtful and open process taking place.

After a careful reading of the draft ordinance and the many thoughtful correspondences from residents and stakeholders, I support mostly all of what is proposed. Following are some thoughts which I respectfully offer.

Incremental Change Based on Data

The best decisions are made with data that backs up claims and anecdotal stories. The data is lacking. Therefore, I encourage a set of policies, fees and enforcement that incorporate and enable data collection. Policies that nearly everyone is in clear agreement on should move forward. Policies that are controversial and potentially litigious should not. Set policies most people agree on, collect data to see how those changes did and did not make improvement, and repeat the process. One such contentious proposed policy is to use a lottery to take away permits. I strongly disagree with the use of a lottery to take away permits granted to compliant and lawful STRs which are truly active STRs.

Policies In Alignment with City & Coastal Commission Goals

The city needs tourism, has policies and programs to encourage tourism, and STRs are an important housing option that supports those goals. The coastal commission wants to ensure affordable access to the coast. STRs (in particular non-hosted complete homes) allow families an affordable option to visit our beautiful coast not available from hotels. Because there will be a small number of non-hosted STR permits, then there should be policies that ensure that permits are only issued to STRs which are substantially contributing to these goals (i.e. only active STRs should have permits renewed). In contrast, there are permits being held with the sole purpose of creating a radius around that home to prevent or eliminate actual operating STRs nearby, and also some are held to reserve the future option. **Severely restricting the number of non-hosted STRs should be accompanied by policies that maximize the contribution toward city and CC goals.**

In the spirit of the above, I offer the following specific ideas:

1. Hosted STRs should have a different permit identifier that is easy to distinguish from non-hosted STRs.
2. Upon adoption of the new ordinance, any non-hosted STR permit which did not rent and remit TOT for 150 nights the prior year or an average of 150 nights the prior two years, shall not have the permit renewed. This removes the permits already being held for reasons not in alignment with city and CC goals. Nights rented can be verified by tax return.

3. Upon adoption of the new ordinance, any STR permits for ADUs shall not be eligible to renew in accordance with state law.
4. Upon adoption of the new ordinance, non-hosted STR permits should have a one time large license fee. This will encourage permit applications by STRs that will substantially contribute to the goals. This will also help immediate funding of enforcement and data collection.
5. After adoption, non-hosted STR permit holders must rent and remit TOT for 150 nights each year to be eligible for renewal. This will additionally help maximize the contribution toward the goals.
6. **The above policies will substantially reduce the number of non-hosted STRs, such that a lottery (which likely will result in expensive class action law suit) should not be needed.** What few distance nonconformances that still exist will resolve fairly by attrition, like has occurred in Cayucos. Furthermore, the ideas above maximize city and CC goal attainment.
7. Should there be a lottery, those permits taken should go to the top of the waiting list.

Regarding the distance between non-hosted STRs, I am in favor of the same distance requirements imposed by Cayucos: *(1) 100 linear feet of a parcel and on the same side of the street as the vacation rental; (2) 100 linear feet of the parcel on the opposite side of the street from the vacation rental; and (3) 50 foot radius around the vacation rental.* This is a proven enforceable method embraced by our community next door.

Sincerely,
Jack Randall

Scot Graham

From: Janet Bean [REDACTED]
Sent: Sunday, August 30, 2020 12:00 PM
To: PlanningCommission
Subject: Proposed Changes to Vacation Rentals

To Whom It May Concern,

I recently became aware of the proposed changes to vacation rentals in Morro Bay. I wanted to voice my opinion that these changes should not be put into place, the voices of a few should not out shadow the wonderful rental properties that we have enjoyed in Morro Bay for many years.

I have been a repeat visitor to Morro Bay yearly on an average of 3 to 4 times a year. We meet friends from other states and bring friends and family an annual getaways. We return to Morro Bay each year because of the availability of rental properties. Our favorites are on Beachcomber drive, but there are others that we enjoy as well. We spend quite a fair amount of money on each visit on groceries, dinners out, taxes to the community on the properties we rent, rental costs, gas, shopping for gifts and enjoying misc. annual events such as the car show and the avocado festival.

If these changes were made to the rental properties, we would no longer visit Morro Bay and that saddens me. It makes me sad that people move to a place, get theirs and then ask for changes to be made so that no one else can enjoy the area. Kind of like people buying near an airport, knowing the noise exists but wanting changes made for them. Please do not let the vocal minority ruin the availability for those of us who love Morro Bay but could never afford to live there. I would never ever come to Morro Bay and stay in a hotel, we would take our vacation expenditures to areas who do not have these restrictions.

Please do not ruin this for us. Please do not penalize those who have saved and scraped money together to buy homes and rent them so they can afford these homes, only to have the voices of those who bought knowing the rental situation spoil this for all.

I live in a beach community so I understand that tourism can be a pain, but without the tourism, our beach town would be pretty defunct. Without the visitors that come to our community, many small Mom and Pop shops would not survive. With the pandemic ruining the economy so badly, the decision to make rentals not available to tourists, would surely bring devastation to many of your local businesses. Please do not add further economic pains to them as well as the property owners.

**Thank you,
Janet Bean**
[REDACTED]

Scot Graham

From: JAMES ALFIERI [REDACTED]
Sent: Monday, August 31, 2020 12:25 PM
To: PlanningCommission
Subject: Limiting Vacation Rentals

Greetings:

It is our understanding that, again, local residents are trying to limit the number of vacation rentals in Morro Bay. We have been coming to this area for 50 years and very much enjoy the community. In fact, we just returned home after a week. We are scheduled to return over the Thanksgiving holiday, a family tradition.

When we come, we visit your stores on the Embarcadero, buy goods, visit the grocery store and also go wine tasting. We feel our excursions provide needed tax revenue to the community. We recycle as requested and always leave a rental clean. In other words, we respect the property and the businesses.

We hope this insight will give the planning commission something to think about.

Sincerely,

Jim & Colleen Alfieri

Scot Graham

From: John Madrid [REDACTED]
Sent: Friday, August 28, 2020 5:27 PM
To: PlanningCommission; John Madrid; Rudy MADRID
Subject: STR's and Zoning
Attachments: USC resume REAL ESTATE.rtf; REVIEW 2 JUDGE BOURNE.docx; MEDIATION REVIEWS web.docx; MEDIATION CERTIFICATE CDC 20200826_091520.jpg; MEDIATION CERTIFICATE COVID 19 20200826_091419 (1).jpg

Dear Morro Bay Planning Committee,

Thank you for the article about "STR Rentals".

The crux of the matter is that some homeowners have circumvented zoning laws. Converting a SFR to a commercial "hotel/VRBO" has set a precedent for anyone wishing to use their property avoiding zoning regulations as per city zoning maps.

To resolve this issue, any VRBO/STR type rental properties should cease and desist. A reasonable time frame would be 12 months in the event that people have made reservations. Any SFR wanting commercial use should simply apply for a zoning change from SFR to Commercial Zoning.

If Morro Bay does not enforce the zoning regulations, then it should be published that the Zoning Ordinances are no longer in effect and anyone can use their personal real estate property for whatever they choose. An example might be using a SFR as a liquor store or "Weed Shop" next door to the elementary and high schools.

Some property owners have enjoyed "STR/VRBO" income, please save our neighborhoods. Failure to not enforce zoning regulations will provide opportunities to use property not in the best interest of the community.

Either way, let me know so that I can invest appropriately, even if it ruins the neighborhood that I don't live in.

If I can be of assistance, please contact me at your convenience.

John TH Madrid
USC Gould School of Law
MDR & ADR

*Resume attached

Scot Graham

From: [REDACTED]
Sent: Sunday, August 30, 2020 7:44 PM
To: PlanningCommission
Subject: Proposed vacation rental ordinance Morro Bay

Dear Planning Commission,

My family and I are residents of Redondo Beach and love to visit Morro Bay. When we go up there we always rent a house. We were informed of the proposed changes to the short term rental property rules by a home owner from whom we have rented. We are worried that we wouldn't be able to rent from him in the future because his house is close to other short term rentals. His house is right by the beach and so is an easy walk for a family with all the beach gear needed when you have kids. We picked his house with this in mind, knowing with all the different nap times we have to balance right now that that was the only way we could visit the beach each day.

I'm also worried about the decrease in home rentals available in Morro Bay. A hotel room stay is not feasible for us. Our kids' bedtimes are 7:30-8 and once they are asleep we need a separate room to relax in. If we shared a hotel room my husband and I would have to quietly read our phones in the dark until we go to sleep around 10pm. A house also allows us to have a kitchen to make meals and snacks. We eat out in Morro Bay a lot while we visit to get oysters and French fries for the kids, but we have 3 kids under 3. So constant eating out would be a bit crazy for us and our kids would just live in French fries.

I can understand the complaints about rentals. We have some rental homes by us in Redondo Beach. Luckily they are used by families and retirees from colder areas of the country in the winter so have never really bothered us. But I can imagine issues with party houses and noisy guests. So I completely understand any rules to cut down on those issues.

Morro Bay is such a great town for families to visit. And I hope to continue to come up there as our kids grow up.

If you have any questions for me please feel free to contact me.

Karin

Scot Graham

From: Laura Ellis [REDACTED]
Sent: Monday, August 31, 2020 1:22 PM
To: PlanningCommission
Subject: Morro Bay vacation rentals

Dear Council Leaders,

My name is Laura Ellis, I have been a Resident in the Morro Bay area for 10 years and I am writing to you regarding the city's proposal to reduce the number of vacation rentals. I am the co-owner of a small cleaning business, servicing vacation rentals in Morro Bay. Since opening the business in 2013, my partner and I have worked tirelessly and incredibly long hours to ensure it's success. We have also employed over 20 local people at various times to help us manage the workload. All of these employees rely on this income in order to support their families and live in this area. We pride ourselves on the quality of our work and have sacrificed a great deal in terms of time, energy and family relationships to keep our business going strong. The proposal to reduce the number of vacation rentals will effectively close our business.

I would urge you to consider the impact on the towns tourist income. The occupancy rate of vacation rentals brings significant income into the town. If holiday makers have no alternative but to stay in a hotel at a significant premium to vacation rentals, tourists will seriously reconsider our town as a viable destination. 3 years ago I got married and both mine and my husbands families visited from out of state to attend. Without access to these rentals this simply would have been unaffordable. In the event many stayed for 2 weeks and spent their time and money exclusively in this area. I sincerely believe from my own anecdotal experience that our business will not be the only one affected. There is a danger that the proposal could create a significant downturn in business leading to closures.

In summary, any decision to reduce the number of vacation rentals will mean that on a personal level my family and I will be unable to continue living in the town we have called home for over a decade. As the main source of income for our household this will mean removing my children from their school with the disruption possibly affecting their social life and academic achievement, I will also be forced to sell my home. My business partner and I will need to find alternative employment at a time when jobs are scarce. This proposal will significantly affect our future and the life chances of our children. Please consider the impact of this decision on my life and that of the many residents who depend on the vacation rental business for their livelihood.

Sincerely,

Laura Ellis.
[REDACTED]

Scot Graham

From: Lynda Struckmeyer [REDACTED]
Sent: Friday, August 28, 2020 4:35 PM
To: PlanningCommission
Subject: Short-Term Rental Ordinance

Dear Planning Commission Members,

We have owned a licensed short term vacation rental in the beach track of Morro Bay since 2016. We bought this house with our retirement savings after carefully investigating the procedures to follow to operate as a STR. We have always had a license and have used a property management team to vet and supervise our guests.

We live directly across the street from our STR property and we can observe three other STR properties from our front yard. There has never been a complaint lodged against our property and our STR has a yard at or above our neighborhood standards. Our neighbors have never complained about our STR.

We feel that it is unfair to punish us for non-specific complaints that come from other areas of Morro Bay. You are proposing to change the rules under which we've made a huge financial investment and this threatens our financial future! We've done nothing wrong to deserve this attack.

Please- we ask you to leave the current permit holders free to operate under the scrutiny of a compliance officer and let natural attrition eventually bring compliance with the proposed density parameters. (Grandfather us in!)

Sincerely,
Tedd and Lynda Struckmeyer

Scot Graham

From: [REDACTED]
Sent: Saturday, August 29, 2020 6:18 PM
To: Council; Scott Collins; Scot Graham; Chris Neumeyer
Cc: brian.O'Neill@coastal.ca.gov; susan.craig@coastal.ca.gov; dan.carl@coastal.ca.gov
Subject: Re: Urgency Ordinance 637 adopted by Morro Bay City Council

To: City Council members, City Attorney, City Manager, Community Development Director and California Coastal Commission members:

I was shocked to find out that at the August 25th, 2020 Morro Bay City Council meeting the Council adopted an Urgency Ordinance to stop the issuance of any more short-term vacation rental (STR) permits. I have signed up with the city to be notified of any board meetings related to STR regulations and I did not receive any notice of this topic being discussed. After the fact, I have read the ordinance and listened to the City Council meeting. I do not feel this ordinance was legal based on the criteria that is stipulated in Government Code 65858, section c) which states "The legislative body shall not adopt or extend any interim ordinance pursuant to this section unless the ordinance contains **legislative findings that there is a current and immediate threat to the public health, safety, or welfare** and that the approval of additional subdivisions, use permits, permits, variances, building permits, or any other applicable entitlement for use which is required in order to comply with a zoning ordinance would result in that threat to public health, safety, or welfare."

As I read the Staff Report for this item, it appears that what the staff is passing off as "legislative findings" to justify this urgency ordinance is:

"Meanwhile, the City continues to grapple with the COVID-19 pandemic and the continuing threat of infection of its residents with a potentially deadly disease that has no vaccine. COVID-19 has an incubation period of up to 14 days, and researchers are finding that a number of people can carry the disease and be asymptomatic, but still pass it on to other individuals. Individuals who travel on vacation without the proper social distancing and adherence to health and safety measures can contribute to the spread of the disease."

How does this even begin to fulfill the definition of legislative findings? Where is the evidence of threats to public health and safety? This is just a thinly disguised effort to implement new STR regulations in advance of due process of the current proposed ordinance. The urgency ordinance presents this justification:

"New facts and circumstances justify the Interim Urgency Ordinance including that in the last couple of years, the popularity of short-term vacation rentals has exponentially increased, thus bringing a much greater number of visitors to the City. Since March of 2020, the State of California has been under varying degrees of shut-downs and stay-at-home orders to limit the spread and impact of COVID-19, as further articulated below, while visitors continue to come to the City for recreation and tourism."

So, if I interpret this correctly and boil it down to what the real driver for this urgency ordinance is, it comes down to the fact that **visitors continue to come to the City for recreation and tourism during this COVID pandemic**. If that is the real driver, then I suggest that the urgency ordinance should have instead funded gates at all entries to the city! There is also the insinuation in the Staff report and ordinance that the new proposed STR ordinance will definitely set density and cap requirements that the issuance of new permits is in conflict with and that this "will reduce the future complication in implementing the new draft ordinance". But you cannot presume that the final ordinance will specify any of this until it is passed and approved by the Coastal Commission.

I am appalled that, after all the work that the committee did to create a comprehensive set of STR regulations to go through the government processes to get approved, the City Council, and specifically Councilperson McPhearson are so impatient that you have circumvented this process with this unfounded Urgency

Ordinance. Show me where COVID cases in Morro Bay can be traced back to a guests staying in an STR. Visitors staying in hotels and day visitors who are out in the public spaces and the local businesses much more are most likely the source of any community spread that Morro Bay has experienced and yet I do not see an urgency ordinance to restrict the issuance of business licenses to new retail shops that might attract tourists. In light of this, I certainly hope that the city stops any further planning or approval efforts for any new hotel projects, for instance the one planned near the high school.

You have homeowners who have purchased homes and have compliantly put their names on the waiting list for an STR license who now have no hope of ever getting one since you are the same governing body that will be ultimately approving the new STR regulations and I am quite sure that you will see to it that the cap is reduced and the density requirements are extreme. I doubt that all of those people who are on the waiting list were notified about this Urgency Ordinance which I believe is your way of suppressing any community pushback. When listening to the proceedings after the fact (again since I was not noticed that this was being discussed) I was very surprised that there was only one public comment on this topic and you all know as well as I do, that had the effected parties been informed, you would have had a large number of public comments against the adoption of this ordinance.

I now realize that all the time I and others spent working on the committee to craft these new regulations was a total waste of time because the City Council is going to modify those rules to be what they wanted them to be anyway. Mayor Headding and Councilperson McPhearson participated in those meetings along with Scott Collins, the city manager. So why are you three not standing up for allowing the proper due course of these regulations to go forward instead of bypassing this work with this urgency ordinance?

The City Attorney confirmed during the session that this Urgency Ordinance also blocks the transfer of an STR license upon sale, which is specifically allowed under the current STR regulations. This is taking of property rights and is yet another move to implement certain regulations in advance of allowing the new proposed ordinance to take its course. We will be working with the local real estate association to determine if there is legal action that should be brought against the city with regards to the legality of this Urgency Ordinance. By excluding the transfer of license upon sale of the property, you have interfered with real estate purchase contracts that were in process which constitutes a Tortious Interference Claim.

Finally, I respectfully ask that the Tourism Business Improvement District be immediately dissolved and all collected monies since March, 2020 be returned to the constituents since, as stated so clearly in this urgency ordinance, you don't want visitors/tourists coming to our city because of the threat they pose to public health and safety!

Maggie Juren

[REDACTED]

[REDACTED]

[REDACTED]

Scot Graham

From: mark graham [REDACTED]
Sent: Friday, August 28, 2020 7:46 AM
To: PlanningCommission
Subject: Concerned Owner Proposed changes STRs

My wife and I are planning on retiring to our home in Morro Bay in the next few years. That's why we purchased when we did and spent the time and additional expense on revamping the old run down termite infested property. I'm not a wealthy man but I know how to work hard and save. While we wait and plan our future the property taxes march on.

I would like to know if the people that are complaining about the STRs are paying \$1,500 -\$2,000 per month for taxes and utilities not to mention mortgage payments of another \$,2,000. per month to have their property sit empty waiting for our opportunity to go over and visit or place, to do maintenance, hopefully once a month maybe more until the day we are permanent residents.

That's a Lot of money every month.

It seems you are considering if we and others have the right to share our dream home with folks that are less fortunate than you and I. Because we can enjoy the beach life any day we want.

Now if that helps me cover the expenses associated with having our dream home and keep the property until we get there permanently or you get property taxes cut down to something reasonable ? Ya that makes good sense.

Unless you've already got your's and your set . Then you can block others from obtaining the same!

Thank you Mark Graham

Scot Graham

From: Mark Wijsen [REDACTED]
Sent: Monday, August 31, 2020 11:23 AM
To: PlanningCommission
Subject: Vacation rental ordinance hearings

To whom it may concern,

I am writing to register my support for vacation rentals in Morro Bay and surrounding communities. Please consider the local cost in jobs and business revenues if local vacation rentals are reduced. Many people including my friends and peers, myself included rely on the income from cleaning and maintaining these residences. As a former vacation rental permit holder I understand how the flexibility to create income from my home can be crucial to ones finances. The City receives direct remittances each time a unit is rented. In this time of reduced revenues by forces we cannot control it would be foolish to limit or restrict our communities incomes and tax base.

Thank you for you consideration
Mark Wijsen
Morro Bay

Scot Graham

Subject: FW: Short term rentals

From: Mike Morillo [REDACTED]
Sent: Sunday, August 30, 2020 10:21 PM
To: Council <council@morrobayca.gov>
Subject: Short term rentals

My name is Mike. My family and I live in Fresno, and years ago my daughter graduated from Cal Poly. We have spent many years enjoying your city, and have memories of birthdays, anniversaries, weddings, graduations and escapes from the valleys heat. And as a cyclist I have seen some of the worlds best bike riders flashing through the streets of Morro Bay. Everytime we have stayed in a rental we have been very careful to follow all of the posted rules. It is sad to think that our stays in your city may be restricted by new regulations. If this does happen we will truly miss our stays there. We know that you will carefully consider all of your options and that ultimately you have an obligation to your citizens. The people of your community have always been kind and polite to my family and I. Good luck with your decision, and our best to your beautiful city. Sincerely, The Morillos - Emily, M'Lissa and Mike

Scot Graham

From: Nancy Reel [REDACTED]
Sent: Sunday, August 30, 2020 1:10 PM
To: PlanningCommission
Subject: Vacation Rentals in Morro Bay Area

Dear planning Comission,

My husband and I are retired. Four years ago we moved back to the Midwest. One condition we set was to get back to Morro Bay at least once a year for an extended stay especially during the winter.

I love the vibe of Morro Bay. It's relaxed and low key but has many nice people living there. While there we eat in your restaurants, and join in the singing group Rockin Ukes at the wine bar. I love to shop in your shops and very often buy gifts there for friends and grands. We love to walk the peaceful Morro strand beach , the Rock and also walk at Montana de Oro! The other pass time of mine is watching and identifying migratory birds as well as Monarchs. I have had relatives golf at your.golf course.

We are very clean and quiet people. We are looking forward to our winter stay at Beachcomber Beauty. Just wanted you all to know how much we love being able to enjoy your town for respite!

Thank you,

Nancy Reel

Sent from my iPhone

Scot Graham

From: Dianne Buquet [REDACTED]
Sent: Sunday, August 30, 2020 12:16 PM
To: Scot Graham; Dana Swanson
Subject: Comments on Short Term Vacation Rental Ordinance

To: Morro Bay Planning Commission

Re: Short Term Vacation Rental Ordinance

*We fully support allowing unlimited hosted VR's, and not including them in the license cap. Guests know when reserving this type of home that the owner is onsite and will enforce parking rules, number of guests and not allow events or parties. They are really the jewel of VR's in Morro Bay.

*Reducing the # of VR licenses will have a financial impact on the City at a time that we need every dollar. If you should choose to reduce the # of VR's we suggest the following method:

1. Allow current licensed vacation rental owners in good standing to continue operating. They have been paying TOT, and now TBID, for years with the understanding from the City that they would have the right to operate their home as a STR as long as they remain compliant with all regulations.
2. Raise the minimum annual TOT contribution per license to \$1,000-2,000 per year. This allows the more active licensees to contribute more into TOT/TBID offsetting any financial impact caused by any reduction in total VR's allowed.
3. We understand there is about a 20% attrition rate in licenses per year. Selecting the attrition method would make it possible for reputable long standing VR owners to remain in business. These remaining VR's would be the ones that currently contribute the largest portion of TOT/TBID per license.

In summary, **we strongly oppose a lottery.** Using attrition to reduce the total # of VR's would achieve the same goal of reducing the max # of VR's at the same time to ensure an optimum flow of TOT/TBID income to the City.

Rich & Dianne Buquet

Scot Graham

Subject: FW: Vacation Rentals

From: Theresa Wall [REDACTED]
Sent: Sunday, August 30, 2020 4:02 PM
To: Council <council@morrobayca.gov>
Subject: Vacation Rentals

We are a very quiet family of five who rent a home in Morro Bay every year for the Andre/Fratus Family Reunion in SLO. The Andre family founder was one of the first settlers of the community, establishing the first grocery and bakery in the 1900s. The Andre Ranch in See Canyon is still used as a cattle ranch since 1919. Many in our large family are still actively involved in the area.

All of us look forward to our stay every year. I'm afraid we can't afford renting hotel rooms for the week, and they would not work for our family. Most of our relatives count on these homes to stay, too! We are extremely considerate of the neighbors, and are very quiet seniors who don't like loud parties!

Please continue to help your voters rent out their property if they need to, and help us spend money in Morro Bay! Please keep open these rentals!

Rick and Therri Wall

Scot Graham

From: Rigmor Samuelsen [REDACTED]
Sent: Monday, August 31, 2020 9:30 AM
To: PlanningCommission
Subject: Fwd: Vacation rentals.

----- Forwarded message -----

From: Rigmor Samuelsen [REDACTED]
Date: Sun, Aug 30, 2020 at 9:32 PM
Subject: Vacation rentals.
To: <council@morrobayca.gov>, <planningcommision@morrobayca.gov>, <mleininger@morrobayca.gov>

My name is Rigmor, close to 80 yrs. old, have paid vac.bus.lic for 2 years, rented a room @\$ 50.00 pr. night a few times, and I am still in the red, but others in the city made some \$ like the restaurants & retailers like Poppys etc.(however I got to enjoy the guests). Morro Bay has different communities, locations and different residents. In my neighborhood, we all like the vacationers. I have a mobile park in front of my house, rental houses on either side, Commercial across the street and most residences are R2. The Beach tract, the heights etc. are different than downtown or properties close to Commercial. The oppositions are quite different. I think hosted should be allowed by anyone who would want it. It is no peace of cake to be a host and I think lots will fizzle out by itself. The non-hosted has put improvements and \$ into their endeavor and should not loose their lic. because lic.holder dies. You call them a business, so my ? is, does the lic. Siren has expire when that person dies ,so that Siren can make space for other bars to get an entertainment license ? I think NOT. We have enough rules , codes and regulations in this small city. Take some time to make it more pleasant. You have the brains. Figure it out. Thanks, rigmor

Scot Graham

From: [REDACTED]
Sent: Monday, August 31, 2020 11:04 AM
To: PlanningCommission
Cc: [REDACTED]
Subject: Comments for Planning Commission meeting 1 Sep 2020

Dear Planning Commission,

I am a part owner of URelax Vacation Rentals, we manage 22 vacation rentals in the city of Morro Bay. I'm writing today to ask you to modify the draft vacation rental ordinance to grandfather all existing licensed vacation rentals, so no owner's license be taken away by a lotter or other means. I believe the other measures in the draft ordinance along with some of the steps taken in the last planning commission will result in a significant improvement in the vacation rental situation without the harsh action of taking licenses away from owners, most of whom have never had a single complaint, always paid TOT and always operated within the rules.

If the current draft plan goes forward as is or with additional restrictions, there will be a loss of 50 to 100 licensed vacation rentals, a dramatic action that would have severe negative effects on all those home owners and the dozens of workers in the vacation rental community, including housekeepers, maintenance personnel, employees of vacation rental management companies, and others. The loss of TOT to the city would mean that the city, already under financial stress, would be in less of a position to return laid off and furloughed employees to work. These city employees provide critical services to the citizens of Morro Bay. It's not an exaggeration to say that dozens of jobs could be lost or severely impacted by this action.

My question to you: has there been enough demonstrated harm to the city and neighborhoods to justify this harsh action? The city has repeatedly stated that there have been very few complaints about vacation rentals and to my knowledge there have not been any verified complaints against a licensed vacation rental. Opponents of vacation rentals will state that this is because neighbors don't know where to file complaints, I don't find that argument particularly valid as many complaints of all different types easily find their way to the city staff and the police. Is it possible that the negative impact to vacation rentals has been exaggerated? Shouldn't we require more evidence of harm before we take action that would result in severe consequences to so many people?

The city has over 1200 second homes and at the last planning commission meeting we were told there were around 34 illegal rentals, along with about 175 active licensed vacation rentals. Is it possible that some of these negative effects come from second homes and illegal rentals? These homes could very well appear to be vacation rentals from the outside, but they do not operate under the same rules as licensed vacation rentals. Is it fair to take action against licensed vacation rentals when we can't say for certain that they are causing the small number of issues that have been brought to the city's attention?

The idea of sunseting vacation rental licenses may sound like a reasonable way to share the ability to operate a vacation rental, but in practice would make it so difficult to operate or manage a vacation rental it becomes almost as severe as the lottery system. It can take up to a year to set up a vacation rental, with equipping, advertising, and many other factors that go into operating a vacation rental along with having to wind down at the conclusion of the time period. It would add so much complexity into the process that it would be effectively impossible to manage and would have similar negative effects to other harsher action. I ask the planning commission to not introduce a sunseting provision into the ordinance.

Considering that there are only around 175 active licensed rentals in residential areas, we understand that the city may want to reduce the 250 cap to something they feel is more reasonable for a city of our size. With a lower cap

and some kind of buffer zone, there would be guarantees to residents that the number and density of vacation rentals will not become overwhelming. Even with the buffer zone in the draft ordinance, about a third of the homes in the beach track area would be non-conforming and it would prevent the introduction of new vacation rentals into that area in almost all cases. With the larger buffer zones, 50% or more of the homes would be non-compliant, we feel that is very severe and unfair to VRs that have been operating under the rules for all these years.

The city stated at the last meeting that they see about 20 licenses per year relinquished voluntarily, a natural attrition rate of over 10% per year compared to active vacation rentals. Some of these are low activity rentals, but many are highly active rentals as many of our owners intend to retire into their vacation home and it is not uncommon for this to happen each year. We have 2 active vacation rentals under management in the beach track that will almost certainly transition this year with owners moving in or selling and both homes will not be vacation rentals going forward. Why not allow this natural attrition to reduce the numbers of vacation rentals instead of forcing people out?

Morro Bay is a coastal tourist town and always has been. Residents of tourist towns will always have some level of resentment towards tourists, even though the city's economy and local business are very dependent on it. We have an obligation to allow a reasonable level of access to the coast for people who don't get to enjoy it on a daily basis like we do and having an attitude of exclusion is unreasonable. It was sad to hear some comments disparaging visitors to the area as valley people or similar negative labels. I am very familiar with our guests; the vast majority are families with children looking to enjoy the coast and don't do any harm to our city. For these guests, their visit to the area might be the highlight of their summer and something they look forward to all year. Vacation rentals are critical to their enjoyment of the coast, a hotel is not going to meet the needs of a family with children and grandparents who want to spend time together.

Again, I have to ask if there's enough evidence to show that licensed vacation rentals cause enough harm to justify the harm to many dozens of home owners, workers, city staff and guests? The money that the vacation rental community provides is more than just money, it provides for dozens of workers and their families, helps people achieve their dreams of having a home by the coast and helps the city provide critical services to the residents of Morro Bay. We also support the local business community; our guests enjoy the restaurants and shops in town and are a critical part of supporting our local community.

I respectfully ask the commission to consider the following:

1. Eliminate the lottery and use natural attrition to reduce the number of vacation rentals.
2. Keep the current buffer zone in the draft ordinance, perhaps with some minimum distance separation for homes on the same street that have very small lots.
3. Do not add in a sunset provision.
4. Consider allowing transfer on sale, or at least to a family member as an inheritance.
5. Cap licensed vacation rentals at a reasonable number not including home shares or rentals in commercial zones. Remove home shares from the density/distance requirement.
6. Do not add in other restrictions that would severely impact existing licensed vacation rentals.

Thank you for your time and consideration. Let's give the increased restrictions and limitations in the draft ordinance a chance to work before we try more severe action, the incremental approach is the correct and fair method.

Robert Elzer

[Redacted]

[Redacted]



Scot Graham

From: Robert Stiffler [REDACTED]
Sent: Sunday, August 30, 2020 5:19 PM
To: PlanningCommission
Subject: No to the lottery.

I believe that restricting the short term rentals will only exasperate your illegal STRs issue. I find it ironic that your local businesses support the tourist industry with outside dollars yet prefer they go home after they have spent their money. 😞 My wife and I have stayed at a monthly rental in July the past five years. It'll be a shame if we have to take our dollars to another coastal town. We love the Morro Bay community.
Robert Stiffler

Sent from my iPad

Scot Graham

From: Roberta Colmer [REDACTED]
Sent: Sunday, August 30, 2020 3:36 PM
To: PlanningCommission
Cc: [REDACTED]
Subject: FW: Tuesday's Vacation Rental Discussions

Dear Commission:

As a citizen of Morro Bay and a business in Morro Bay, I am concerned with your ideas for drastic restrictions to private home vacation rentals. We need tourists in this town. We have experienced a tremendous hit to our economy due to the Pandemic and this is not the time to discourage tourism and reduce income to the City and its businesses. We need to be seeking ways to open our Community (safely) to more visitors and their dollars. Having reasonable rules for the private rentals is fine; cutting their numbers so severely only hurts our City, the business owners and the residents. Taking away renewal registrations from existing owners of permits is not right. Those who have paid for their permits, followed the rules and paid the TOT should be allowed to continue to renew without interruption; they should be grandfathered in. We are all looking at ways to hold on to our homes and some find that renting out their homes for a short term vacationer helps with this goal. While many renters have received some relief from their rent, mortgage companies are not waiving due dates for the mortgagees'. Please rethink this item on the agenda and allow for this income while it is so badly needed. It will also really help our City financially at this time. This Pandemic is going to last a long time and needs to be a big consideration in all factors at this time.

Roberta Colmer
[REDACTED]

Scot Graham

From: Sean Green [REDACTED]
Sent: Monday, August 31, 2020 1:16 PM
To: PlanningCommission
Cc: Council; TBID; Scott Collins; Scot Graham
Subject: 9/1/20 Planning Agenda Item B-1: VR Draft Ordinance

Planning Commission,

I recently read Commissioner Susan Stewart's thoughtful public comment regarding her interest in purchasing a home and not only wish her the best in her pursuit, but also wish to offer a counterpoint for your consideration: my vacation rental permit is the only thing that allows me, a 39-year-old educator, to own a home in Morro Bay.

Here's my circumstance (and I'm not alone):

Back in 2016, knowing that my full-time Cal Poly salary was unlikely enough to buy a home in Morro Bay, I diligently researched the vacation rental permitting policies in place and began doing some math. Given the starter home price points I was looking at, I calculated that I could possibly afford the cheapest home in Morro Bay (literally) if—and only if—I was willing and able to rent it out all summer long and possibly 1-2 weekends per month during the academic year. Fast forward to 2020 and I've done exactly that: vacate my primary residence for roughly 1/3 of the calendar year (each of the last four years), stay with friends and family or travel on a shoestring budget (out of necessity), and consistently remit TOT payments per city guidelines, all without receiving a single complaint.

It's easy and understandable for some folks in our community to think of vacation rentals as huge beachfront businesses, but that's not the norm. Most of us are individuals trying to make ends meet. Further, most of us are individuals who made thoughtful, intentional decisions based on guidelines that you provided us. For Planning Commission and Council to now consider sweeping policy changes based on a handful of bad actors and overlapping lines in neighborhoods that aren't even ours, and to have those changes then be enforced retroactively city-wide against responsible folks whose pre-purchase diligence led us to believe our personal budgets were sustainable, feels not only punitive but inconsistent with the forward-thinking nature of city planning decisions. I mean, what else could I personally have done to protect myself other than become 100% familiar with prevailing city code prior to purchase, 100% compliant with said code along the way, and 100% participatory as a civic voice in every single vacation rental policy discussion since?

As a relatively young, active stakeholder in the Morro Bay community, I don't really want to sell my home and move elsewhere, but the draft ordinance you have before you may leave me no choice. I've fought and fought these past few years—as a public commenter, as a letter writer, as a TBID board member, and as a member of the STVR committee—to protect my ability to safely and responsibly rent my home for part of each year in order to remain a full-time resident of Morro Bay. Perhaps this was a battle I was meant to lose.

I really hope not,

Sean Green
Morro Bay, CA

Scot Graham

From: Shawn Halbert [REDACTED]
Sent: Monday, August 31, 2020 6:29 AM
To: PlanningCommission
Subject: Fwd: Density of Vacation Rentals in Morro Bay

----- Forwarded message -----

From: **Shawn Halbert** [REDACTED]
Date: Mon, Aug 31, 2020, 8:10 AM
Subject: Density of Vacation Rentals in Morro Bay
To: <Council@morrobayca.gov>

Please stop trying to prevent decent people from making a living!

Density of vacation rentals in Morro Bay

- The world today is quickly becoming a sharing economy in many different areas: home sharing, ride sharing, car sharing.
 - Many larger urban areas are becoming overrun with hosted and non-hosted vacation rentals. This is not the case in Morro Bay.
 - There are **6466 housing units in Morro Bay** and approximately 19% of them are second homes (approximately 1250 living units)
 - Morro Bay has currently capped the number of **vacation rental licenses at 250** and per data collected from the city in summer of 2019, **only 153 of those homes were “active”, defined as those paying more than \$500 in TOT** (indicating they collected \$5000 or more in rents in the previous year).
 - This means that only 4% of all the housing units in Morro Bay hold STR business licenses and **only 2.5% of all housing units have an active vacation rental.**
 - 120 of the licensed STRs are managed by professional property managers.
 - In the city urgency moratorium document from 2016 that implemented the 250 cap, it was stated that **the city believed there were as many as 100 illegal rentals already in operation!**
- Conclusion:** **Morro Bay does not have too many licensed vacation rentals**, and the city of Morro Bay has been aware of the illegal rentals for 3+ years and only recently began efforts to regulate the illegal VRs.

Nuisances caused by Vacation Rentals

- There are many anecdotal stories about wild parties and out-of-control VR guests, and many of them are probably true. Yet the city has not provided an easy way for neighbors to know who to report the problem to. The city has also never provided an easy way to check if a home is a licensed vacation rental.
- The city has recently hired a company, Host Compliance, to identify illegal vacation rentals (advertising a place for rent but does not have a VR license) and within 1 month, 30 were identified.
- **In Morro Bay city council meetings and community forums, when the question of how many nuisance complaints have been verified with the city and a citation issued, the response was zero.**
- Those arguing to ban short term rentals claim they create extra neighborhood nuisances, such as excessive noise and parking problems, but there’s no evidence to back this up. In fact, a research

study conducted by The California Economic Forecast, analyzing nuisance reports across the counties of Santa Barbara, Ventura and San Luis Obispo, said:

“We found no statistically significant difference between the nuisance complaint rate for short term rentals and all other homes.”

The report also concludes:

“The negative allegations aimed at short term rentals could not be substantiated by the statistical evidence.”

Vacation Rentals Negatively Impact Long Term Housing inventory

- The nay-sayers also claim that short term vacation rentals affect long term housing supplies, but this is also false. Another research study, analyzing short term rentals across Santa Barbara county, said:

“We did not find that the supply of housing was significantly affected by the incidence of short-term rentals.”

- This study also stated:

“Very few homes are used as short term rentals full-time and would not be converted to long-term housing under any short term rental ban.”

- The large majority of homes/condos offered as vacation rentals in Morro Bay are owned by owners that spend part of the year here or visit the area frequently and many of those owners plan to eventually retire here. Therefore, even if they could not operate it as a STR, they would not make it available as a long-term rental.
- Many of the STRs in Morro Bay are worth over a million dollars and if offered as a long-term rental, would rent for a price that most people in the county could not afford because of the low incomes earned here.
- Many cities who have outlawed STRs completely now have large numbers of illegal rentals being advertised on VRBO, Homeaway, Airbnb and other OTAs. Yet without regulations to govern these rentals, there is no enforcement mechanism in place to deal with them. These homes did not get converted to long-term rentals – they just operate illegally as STRs

Scot Graham

From: Susan Hamman [REDACTED]
Sent: Monday, August 31, 2020 7:14 AM
To: PlanningCommission
Subject: Changes to Vacation Rental Ordinance

We were just made aware of Morro Bay's Planning Commission's intent to review/make changes to the vacation rental ordinance, that will impact the number of homes being allowed permits to be used as vacation rentals. As Washingtonians who have visited and stayed in a Morro Bay VRBO in January for the previous four years, we are deeply concerned that our VRBO may no longer be available to rent under these potential restrictions.

We have always been considerate guests in Morro Bay; we like a quiet lifestyle, always pick up after our dog on our walks, and contribute to the local economy through restaurants, the gym (we get a temporary membership while there), grocery stores, etc. We love being in Morro Bay, which is the reason we've continued to return there. Our VRBO location is ideal, right across from the state park. What has not been ideal has been the cars lined up on the street, all from the overflow of the state park (RV owners who take their cars up on the street to avoid paying additional fees for their cars at the state park). Why not place restrictions on that overflow?!?!?!?

I can understand the concerns of year-round residents (and some owners who are not year-round residents, but still object to rentals). But why go after all VRBOs as a solution? It isn't fair to the VRBO owners who bought these places with intent to rent. I'm sure that most of them, like the owner we rent from, are diligent about making sure their guests understand the rules of the neighborhood. There are always going to be a few rotten apples in the barrel; again, go after those few instead of punishing the many good vacation rental owners.

Since we stay for two weeks (and have considered extending that to stay a month in the future), we would not stay in a hotel at Morro Bay. It is great to be able to come, unpack in a fully furnished house, and be "at home" during our stay in Morro Bay.

If the Planning Commission goes ahead with these restrictions, we may consider finding another community that is more hospitable to spend our time and money in.

Susan and Tom Hamman
Sequim, Washington

Scot Graham

From: Suzie [REDACTED]
Sent: Sunday, August 30, 2020 12:16 PM
To: PlanningCommission
Subject: short term rentals

Hello,

My name is Leaza Ferreria and I own a home at 245 Gilbert in Morro Bay. I was fortunate to find Beachnbay rentals when I decided 6 years ago to use my home as a short time rental. I had purchased the home in hopes that when I retire, I will be able to move to paradise! The only way that I can survive is to rent it out part time until I can retire. I love Morro Bay and hope to make it my home someday. For many years, my family vacationed there and it has always been a dream to live there. I feel that we are very responsible to the community and that Beachnbay is on top of anything if there is a problem. Please do not take this dream away.

Sincerely,

Susie Ferreria

Scot Graham

From: Tami Graham [REDACTED]
Sent: Monday, August 31, 2020 8:14 AM
To: PlanningCommission
Subject: Morro Bay Beach House Rental

To the Morro Bay Planning Commission,

I was made aware of the drastic changes being sought to be put into place for short term vacation rental properties. As the owner of a Morro Bay rental property I want to make sure my voice is heard too. When we were looking for a beach house, for us to eventually move to after retirement, we deliberately looked in Morro Bay because we love this city. We purchased and remodeled the home with the intention of being able to use it as a vacation rental to cover our cost until we were ready to move there full time. With the ordinance that is being proposed, and the possibility of losing our vacation rental license is something we had never considered could happen since we were able to purchase our house, spend money in the community when we remolded our house, and met all of the requirements to obtain a vacation property rental license.

With the financial devastation that many are suffering through, due to the pandemic, I am very surprised that the Planning Commission, would overlook the fact that taking away the opportunity for allowing the current short term vacation rental property license holders to keep their license will add to the financial devastation for many, many people who rely on that income. Enough financial suffering is happening at this time, with no clear end in sight, and I would propose that allowing the current short-term vacation rental property license holders to be allowed to keep their license, thus continue to financially support all involved. Limiting the available amount of future short-term vacation rental property licenses and natural attrition with the current short-term vacation rental property license owners will eventually achieve the outcome sought by the Planning Commission without causing further financial devastation to the home owner and all who rely on these properties for income.

I appreciate you taking the time to hear my concerns. Tami Graham

Scot Graham

From: Tom Link [REDACTED]
Sent: Thursday, August 27, 2020 5:09 PM
To: PlanningCommission
Subject: Short term vacation rental

I purchased a condominium in Morro Bay six years ago and it is managed by a property management company. I am retired and on a fixed income and rely on the income from this rental property for my living expenses. Please do not do away with short term rentals in Morro Bay. I would appreciate you supporting me on this issue. Thank you. Tom Link
1184 Main St., Morro Bay, CA.

Sent from my iPhone

Scot Graham

From: Toni LeGras [REDACTED]
Sent: Monday, August 31, 2020 2:59 PM
To: Marlys McPherson; John Headding; Dawn Addis; Jeffrey Heller; Robert Davis
Cc: Scott Collins; brian.O'Neill@coastal.ca.gov; susan.craig@coastal.ca.gov; dan.carl@coastal.ca.gov; Scot Graham
Subject: STR Urgency Ordinance 637 adopted

Dear City of Morro Bay:

Your passage of this Urgency Ordinance last Tuesday is a blatant abuse of intent of the law.

The Law states:

...the criteria for use of this Law (Government Code 65858, section c) states *“The legislative body shall not adopt or extend any interim ordinance pursuant to this section unless the ordinance contains **legislative findings that there is a current and immediate threat to the public health, safety, or welfare** and that the approval of additional subdivisions, use permits, permits, variances, building permits, or any other applicable entitlement for use which is required in order to comply with a zoning ordinance would result in that threat to public health, safety, or welfare.”*

Your council has not provided any legislative evidence that STRs are an immediate threat to anyone. No code violations. No data tracing Covid to STR travelers, no data period.

It concerns me that your Council could abuse the intent of this law for virtually any situation in which you prefer to circumvent the legal due process for changing existing laws.

In 2016, I objected to the passage of Urgency Ordinance 604 when you used it the first time to place a cap of 250 STRs. No evidence of threats or injuries or public health crisis either were provided then either.

You have had many years since the passing of the first Urgency Ordinance 604 to create a program for collection of relevant code enforcement data and create reasonable viable regulation for STRs in Morro Bay. You have wasted valuable time and are now trying to circumvent the normal legal process by imposing restrictions that should be going through the public and coastal commission review process.

Had you been collecting relevant data in those past years, you would have found that most complaints and issues that are reported, have to do with “unlicensed “ rentals, not properly managed, legally licensed homes. This has been the case at all the community workshops I have attended in San Luis Obispo County.

The quick sort of “under the radar” Passage of this Urgency Ordinance 637 is cowardly and underhanded, especially in light of the great progress and challenging work the STR Committee has done over the past several months. Trust has been compromised.

Intentionally trying to cripple a relevant, long standing industry (STR Holders of legal licenses) with little to no record that they are the source of any real harm is careless.

Short Term Rentals provide unique family access to our coastal regions that are not duplicated with hotels. In addition, they have been blessings for evacuation victims during the annual fires that happen in California.

If you are concerned about the number of Visitors to Morro Bay, you should apply this to all lodging facilities (stop Hotel development, for example) and perhaps invest in barriers at your entrances to monitor those entering the city. Any small amount of research will reveal to you that the % of guests staying in STRs compared to those staying in Hotels, other lodging facilities, or visiting for the day is small. There is no legitimate justification for the passage of this Urgency Ordinance.

Finally, in regards to your intention to use a lottery to eliminate legitimate STR operators with no record of misconduct, you will be shutting down a significant percentage of viable, beneficial income for Morro Bay, and at the same time Morro Bay will continue to have unlicensed activity that will be expensive to chase down. Once you shut down the legal operators or make it impossible to stay in business, you will find diminished TOT and little funding for further code enforcement programs.

I sincerely hope you rethink this and move forward following proper legal protocol.

Urgently,

Toni LeGras



Scot Graham

From: Viktoria Handley [REDACTED]
Sent: Sunday, August 30, 2020 2:09 PM
To: PlanningCommission; Dan.Carl@coastal.ca.gov
Subject: Short Term Vacation Rentals in Morro Bay

To whom it may concern,

My family and I are seasoned vacation rental travelers in California coastal regions spending on average well over \$10,000 annually during our trips to various places. Part if these funds is directly paid into the various jurisdiction's transient occupancy tax revenue as well as the sales tax revenue.

Morro Bay is one of our vacation destinations and we truly enjoy our stays there, but if our family is not able to locate our preferred vacation rentals to enjoy your beautiful city, we will no longer visit Morro Bay.

This has happened in Santa Barbara as well, a place where we truly enjoyed spending our vacations, but we will no longer visit due to their enacted ban on short term rentals.

We are an older family with most of us retired and we always bring our family pets with us. We refuse to stay at local hotels or resorts as that is not the vacation experience we seek. We enjoy a home away from home in a quiet neighborhood, blending in with the locals. All of our hosts have had strict noise and street parking policies in place to respect the local neighborhood which we've always adhered to. Most hosts also will not rent to parties of younger adults and specifically prohibit events that could pose a nuisance to the local residents.

If Morro Bay joins the misguided ordinance to ban or limit short term vacation rentals, it will likely suffer the consequences of reduced tourist revenue. Other jurisdictions which enacted such ordinances have been predominantly driven by hotel union pressure due to perceived loss of tourist income to them. However, as most vacation rental travelers agree with me, if we can't stay in a short term vacation rental then we will stay and spend our money elsewhere.

I hope that the leaders of Morro Bay make a wiser decision and not give into the pressures of unions and the vocal minority to limit short term vacation rentals as other jurisdictions have done.

Sincerely,
Viktoria Handley

Scot Graham

From: Walter Auerbach [REDACTED]
Sent: Sunday, August 30, 2020 12:34 PM
To: PlanningCommission
Subject: Vacation rental ordinance

Dear Planning Commission:

I'm sorry in advance, but this letter is a bit more pointed than my first one.

I listened to the last Planning Commission meeting online. After the public comments, it was disappointing to hear the Commissioners place all their emphasis on the concerns of few vocal critics, and how little you seem to value those of us who operate non-hosted VR's responsibly. You publicly scoffed at the economic benefit that VR owners are providing to the City. You ignored the recommendations of the "community committee", as biased as they already were, to go further into draconian regulation than they had recommended. There was no discussion about going more slowly to make sure you do it without stepping on people's rights, because you believe that the VR permit holders (all tax-paying property owners) have no rights which can't be taken away with a stroke of your pen. You didn't even ask the question about the impacts to people who make their living supporting vacation rentals in so many ways.

You seem ready to take punitive actions against many of us because of a few bad actors. And that the City has ignored those bad actors for so long has made everything worse. I am stunned by the apparent lack of real data about exactly where the alleged offenders are located and what their offenses are. If you accept the recent letters from certain very vocal and persistent critics, some people are living next to properties that are consistently making their lives a living hell. Are they all VR's? Are they all non-hosted VR's? Are any of them second homes being used by their owners or owners friends? Or are any of them long term renters? I have full-time neighbors that often push my boundaries, both in Morro Bay, and in Lake Tahoe. What is the actual nature, frequency and location of the bad actors in Morro Bay? How can you move forward with such extreme actions towards the vast majority of responsible VR operators and property management companies without fully understanding the scope and nature of the problem? Please ask these questions at your next meeting, and please get answers.

There will be much more discussion to come about the direct economic fallout to the City, the sheer randomness of the density discussions and the number of permits that should be issued in total, and how your problems are only the result of non-hosted VR's. These matters need data, not emotion, in order to enact successful policy.

Thank you for your time.

Wally Auerbach



Walter R. Auerbach



TO: Morro Bay General Plan Advisory Committee

CC: Morro Bay Planning Commission

Morro Bay City Council

RE: Vacation Rentals

Date: May 24, 2018

Our property on Beachcomber Drive has been a vacation rental since we bought it in January 2010. We rent it when we are not there because we have to, in order to keep our dream alive of someday living there in the winter months. The house is small, only 1,400 square feet with 2 bedrooms and 2 baths. Although it is dated and in need of significant investment, people who stay there absolutely love it. Historically, our average rental is a family of two adults and two children, often travelling with one pet, and it is a very affordable way for them to enjoy the California coast.

Since we have owned the property, we have hosted over 1,000 guests who have enjoyed Morro Bay using our house as their base camp. We have collected and paid over \$38,000 in TOT taxes during that time. Our guests often stay for less than a week, and spend significantly on restaurants, shopping, and other activities. We do as well, when we are fortunate enough to take time off and visit our coastal home.

We take care of our property to make it attractive to our guests, and to encourage them to return and stay with us. Over the years, we have made significant improvements to the property in terms of landscaping, and are currently planning a larger investment in an interior remodel. None of that would be possible without the rental income.

Lastly, we take it very seriously when there is even a hint of one of our guests disrupting our neighbors. Just because we aren't there doesn't mean we don't care. We care deeply about our neighborhood. We do not allow our guests to have parties, or gatherings of any kind larger than the sleeping capacity of the house plus two people. In the eight years we have owned the property, we had exactly two rentals that I wish I had not made for these reasons, and both of those were in our first year of ownership. Out of a total of over 2,100 days where the property was rented, we had challenging guests for only seven. That's less than one half of one percent.

With the above in mind, it is with real sadness that we have been reading the proposed code and listening to the discussion of the Planning Commission related to VR's. Here are our two primary takeaways from what we are seeing and reading:

- 1) Vacation rentals are detrimental to the community and must be throttled in numerous ways.
- 2) The input of absentee property owners is less meaningful than anyone else who lives in the City whether they own, or rent.

We don't have an issue with common sense regulations and those that are needed to solve a problem. But thus far, we aren't convinced that you have established a problem exists that requires new regulations. We believe that before further regulations on VR's are adopted, the City should conduct (and present to all stakeholders) meaningful analysis of how Morro Bay compares to other communities in terms of their housing stock, percentage of VR's, regulations currently in place, and other related metrics. We'd like data, not emotions, to shape these decisions.

For instance, does the City know how many complaints they have received about VR's? Are there repeat offenders? Are there repeat complainers? How does this compare to other areas with or without regulations? Have there been more problems with VR's that don't have a local property manager? Do you know how many don't have a local property manager?

As we read the minutes and watch the video of the GPAC and Planning Commission meetings leading up to this point, it is very clear there is a negative bias in those groups not only towards VR's, but out-of-town property owners generally. If you treat us like we are second class citizens, how can you advertise that you are welcoming to anyone else?

Is it the City's interpretation of comments from the public that full time residents would rather see a house stay empty than see it used as a responsibly operated VR? And if so, is a policy that promotes more empty homes a policy that the City believes is good for the community long term?

There are many ways in which the character of a residential area is influenced. For instance, the character of the community along Beachcomber Drive north of Java is arguably as much commercial and recreational as it is residential. The presence of the Morro Strand Campground is the largest influence, and their use of the neighborhood streets for parking is the most obvious impact. But let's not forget the public who walk or drive down to Beachcomber to watch sunsets or just gaze at the beach, the surfers who use Beachcomber to scout waves and change into and out of their wetsuits, the designated bike lanes all along the front of the homes which carry people from up and down the coast on their bike rides. All these things define the character of that neighborhood, and at least along Beachcomber Drive, it will never have the purely "residential" qualities that some people feel are being threatened by VR's.

You are certainly aware that some areas in our City, even a few in our neighborhood, have homes with beat up vehicles that don't move, or boats parked in ways that block neighborhood views. Some homes have residents with many more cars than parking spots, or they simply choose to clutter the street with their cars when they have onsite parking. Some homes have nuisances of all kinds associated with them. But by and large these are not vacation rentals.

So in an effort to be clear about what we support and what we can't support, I'll try to wrap this up.

WE SUPPORT:

1. Good behavior rules for EVERYONE (not just VR's) related to parking, number of people at one time, noise, and any other typical nuisances. Just because someone lives in a house doesn't give them rights to create a nuisance that VR's will be penalized for. So let's start with code enforcement for everyone, before we single out VR's.
2. Going slowly with any regulations, whatever they are. Unintended consequences are rampant in this area of planning.

WE DO NOT SUPPORT:

1. Penalizing VR's for making improvements to their properties, like taking away their permit if they expand the habitable area of their house. That is guaranteed to arrest investments in those properties. It certainly will in our case.
2. Terminating permits when properties are sold or transferred or inherited. This will immediately devalue VR's and is patently unfair to those of us who have made investments on the reliance of the current regulations.
3. Putting any existing VR property in a situation of non-conformity through these new regulations. That is also unfair, especially to those of us who have bent over backwards to be good neighbors.
4. Dictating how a VR property is managed and by whom. I have a local property manager, but I am the primary contact for any issues with the house because I own it. The property manager does not.

It is surprising to us that the City chose to move forward with such draconian suggestions without having real data to guide the process and the decision-makers. We suggest the City conduct *facilitated* sessions with ALL stakeholder groups to get the information on the table that is needed to make a decision. No lasting solutions can be possible if the only input received is from like-minded people. Lasting solutions take input and compromise from *unlike*-minded people.

Thank you for your time,



Walter Auerbach

Scot Graham

From: Barbara Kiltz [REDACTED]
Sent: Monday, August 31, 2020 6:57 PM
To: PlanningCommission; Council; Dan.Carl@coastal.ca.gov
Cc: Barbara Kiltz
Subject: Morro Bay Vacation Rentals.

To whom it may concern,

My partner, Shawn, and I love renting vacation rental houses instead of staying in a hotel as we always bring our 2 Boston Terrier dogs with us. We are in our 60's and 70's and appreciate having a home away from home.

We particularly love the Central California coastal regions and travel there at least twice a year where we always stay at our favorite rental house in Morro Bay which is in a very quiet neighborhood and near the ocean.

The fees that we pay to the owner include the occupancy tax for Morro Bay. Additionally, we eat meals out and enjoying shopping in the local stores which generates Sales Tax revenue for the city of Morro Bay. I personally feel that Morro Bay is being very short-sighted in their plan for limiting the number of vacation rentals as it will affect the revenue for not only the City of Morro Bay but also for the restaurants, bars, and shops.

If Shawn and I are not able to stay at our favorite rental house in Morro Bay, we will take our dollars and stay in a nearby town where the tourist revenue is appreciated.

I hope that the leaders of Morro Bay will re-consider their decision to limit short term vacation rentals.

Sincerely,

Barbara Kiltz

Scot Graham

From: Betty [REDACTED]
Sent: Tuesday, September 01, 2020 9:00 AM
To: PlanningCommission
Subject: Short term rentals in Morro Bay

I'd like to encourage you to do all you can to keep this vital program going. I live in SLO and two years ago rented a beautiful home in Morro Bay to celebrate my 80th birthday. My husband and I brought our family out (4 youngish adults) and we had a wonderful time. Each morning the "kids" would wander down to the Esplanade and spend the morning watching the seals, eating and shopping. We'd go out to dinner to a different restaurant each evening and never had a bad meal. I know we contributed a lot to the economy of Morro Bay and were happy to do so.

Please keep this program going!

Thank you.

Betty Bretting

Scot Graham

From: Carolina Garcia [REDACTED]
Sent: Monday, August 31, 2020 6:19 PM
To: PlanningCommission
Subject: vacation rentals family income

I hope this message is read, I am one more person who works hard for the well-being of my family and although I know that you have very strong reasons for wanting to revoke vacation home licenses, I would like you to please think of us families who depend on them income from vacation rentals, I am a mom with 3 children who does not have a babysitter, and this job gives me time to care for my children. I hope and you will work together to find a solution that does not impact our families. Beforehand thank you very much

[Sent from Yahoo Mail for iPhone](#)

Scot Graham

From: Cindy Downey [REDACTED]
Sent: Monday, August 31, 2020 4:22 PM
To: PlanningCommission
Subject: Morro bay vacation rentals

To whom it may concern:

We travel annually to Morro Bay and spend typically 2-3 weeks and sometimes up to a month during the quiet off season. We spend approximately \$10,000 during our visit and obviously a portion of this money goes towards the transient occupancy tax revenue as well as the sales tax revenue. Additionally, a large portion is spent at local restaurants and shops.

We are a retired couple who travel in our vehicle with our dog. We have no desire to go to a hotel, motel or resort and specifically book our favourite vacation home, one that we have a relationship with the owner. We want to be in our favourite vacation home so as to be as comfortable as if we were in our own home and one that will allow our dog to accompany us. It sounds like the lottery system could possibly take away our favorite home and that would break our heart. The owners have spent time and money to create a home that suits us perfectly. If the number of vacation homes is reduced chances are likely the cost of staying there would also increase, simple supply and demand, which would make us consider staying in a different town. Staying in a hotel or motel is also not an option that we would choose. If there are not enough vacation homes available in Morro Bay we will have to find another coastal community that is more welcoming and who would love to have us spend our tourist dollars there.

We are quiet, thoughtful people who appreciate that our host has very strict limitations on the number of people who visit, noise, and parking policies in place and we respect the peaceful neighborhoods we stay in. We have genuinely enjoyed meeting the neighbors who have been friendly and welcoming to both of us.

In Morro Bay, we spend money at the local restaurants, the grocery stores, the farmers market, the fish markets, the local artisan shops, the pet store, the gas stations, and even the barbershop. We can imagine that the local shops and restaurants sincerely appreciate the dollars we are spending particularly in the offseason.

Please keep the vacation homes in Morro Bay available because we want to continue to spend time in your wonderful community.

Regards,
Mike and Cindy Downey

Scot Graham

From: [REDACTED]
Sent: Tuesday, September 01, 2020 7:59 AM
To: PlanningCommission
Subject: Vacation rentals,

I don't like the vacation rental, unless the owner is the host. I live in a residential zone. I think these rentals take away much needed year round rentals.

David Nelson
Morro Bay

K
Sent from Samsung tablet.

Scot Graham

From: Dana Swanson
Sent: Tuesday, September 01, 2020 8:13 AM
To: Scot Graham
Cc: Scott Collins
Subject: FW: Please reconsider your plans to limit short term rentals in Morro Bay

-----Original Message-----

From: Greta Schnetzler [REDACTED]
Sent: Monday, August 31, 2020 8:46 PM
To: Council <council@morrobayca.gov>
Cc: Emmanuel Schnetzler [REDACTED]
Subject: Please reconsider your plans to limit short term rentals in Morro Bay

Dear Council,

We are a California family who has vacationed in Morro Bay for over 10 years. While we have stayed in a variety of accommodations, we have truly enjoyed renting houses and feeling a part of your wonderful beachside town. We come to Morro Bay 2-3 times each year. We are responsible, quiet, and considerate. We always support local small businesses which we have enjoyed discovering. We shop and dine locally. We rent kayaks and paddle boards, buy jewelry and plants and clothing and home decorations.

We truly love Morro Bay and we may be able to live there full time one day, but in the meantime, we would hope that there is room for short term rentals and local residents to co-exist. We believe that this is good for the local economy and that Morro Bay can thrive with reasonable regulation of those visitors and renters who do not play by the rules and who become a negative aspect for locals and responsible visitors alike. Please consider this viewpoint when you consider the current measures before you which go much to far in setting unreasonable limits beyond what is necessary to address the issues.

Best Regards,
the Schnetzler family

Scot Graham

From: Jamie Irons [REDACTED]
Sent: Tuesday, September 01, 2020 10:30 AM
To: Michael Lucas; Jesse Barron; Gerald Luhr; Joseph Ingrassia; Susan Stewart
Cc: Scot Graham
Subject: short term vacation rental ordinance comments
Attachments: Short term Vacation rental definitions.doc

Dear Commissioner,

Thank you for your work on this important document. I have attached definitions that I would ask that you include in this document. The definitions are from the City's zoning ordinance and the California Government Code. The listed definitions in the current draft ordinance are not described but referenced to a certain code number which requires navigating back and forth to understand the intent of the document. I just ask that we make it simple by including every definition.

In addition, as I understand the draft document "Guest Houses" are not allowed as a short term vacation rental. Under the zoning code a "Guest House" cannot have cooking facilities or food preparation or storage and cannot receive compensation for use. Many of the (if not all) "home share rental" are bedrooms in a residence being converted with private access and private bathrooms less cooking or food storage facilities. Its really no different than a guest house. In other words we can apply to have a bedroom in our house as a short term vacation rental but a bedroom that is designated and permitted as a guest house is not allowed to be rented as a short term rental. I ask that the Planning Commission amend the "guest house" ordinance as proposed below, and allow the use of Guest Houses in short term vacation rental ordinance under the "home share rental" clause.

Below are definitions for your reference.

Sincerely,
Jamie and Monica Irons

17.12.300 - Guesthouse (Current)

"Guesthouse" means any attached or detached accessory building which does not have enclosed access directly to the interior of the principal residence, which has any bathroom facility and which does not contain a kitchen, cooking facilities or food preparation or storage facilities, **and where no compensation in any form is received or paid for use thereof.**

(Proposed)

"Guesthouse" means any attached or detached accessory building which does not have enclosed access directly to the interior of the principal residence, which has any bathroom facility and which does not contain a kitchen, cooking facilities or food preparation or storage facilities. **Rental of a Guest House is allowed by permit only under Zoning Ordinance (insert adopted short term vacation rental ordinance number here).**

Government Code 65852.2

"Accessory dwelling unit" means an attached or a detached residential dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same

parcel as the single-family or multifamily dwelling is or will be situated. An accessory dwelling unit also includes the following:

Scot Graham

From: Janet Arroyo [REDACTED]
Sent: Monday, August 31, 2020 10:30 PM
To: PlanningCommission
Subject: We Shine Cleaning Letter

To the Morro Bay Planning Commission and City Council:

I recently found out that the city of Morro Bay is in the process of creating new regulations for vacation rentals and from what I understand, this is being done at the request of local residents who don't want these in their neighborhoods. I understand that you are obliged to address these issues but I want to make sure you are serving ALL the local people, not just those that are opposed to vacation rentals.

I own a housecleaning service, We Shine Cleaning, and I employ seven people. The large majority of my business is cleaning vacation rentals for multiple clients and companies in Morro Bay and Cayucos. Along the Coast of Morro Bay and Cayucos I clean over 40 vacation homes that allow me to employ. All my employees are family including my husband, my mother, 3 sister-laws, and cousins. Any significant reduction in the number of vacation rentals would have a major impact on my business and would result in lost jobs for my employees and myself. All of us live in the county and some live in Morro Bay and we spend our hard-earned money here and it is this employment opportunity that allows all of us to continue to live in this area. At the beginning of the Covid-19 pandemic my girls were panicked because they believed they would lose their job. I have commented on this situation and they have started to question themselves what they would do if I am obliged to shorten staff and with a situation with not enough job options we all know that it will be very hard to sustain their families. The vacation home was my salvation because I was able to keep all my employees including myself during these hard times of Covid-19, of course following the guidelines with 6-foot distance using mask, goggles, gloves, and using disinfectants. I couldn't leave families without a salary. I provided deep cleaning at the vacation rentals, organizing housekeeping closets, laundry, and upgrading quality in each home. Of course my job is to go into these vacation homes after the guests have left and in almost all cases, I find the guests have been very respectful of the property and they frequently leave comments about how much they have enjoyed their visit in Morro Bay and how grateful they are to have had the opportunity to stay in a home where they could easily gather with their family and friends. On many occasions we have had conversations with guests and they show excitement of how beautiful Morro Bay and Cayucos is. These guests are the ones that contribute the most to the City in many aspects. Many of them express a desire to return to the area and to the specific home they have stayed in. I am concerned that if many of these homes are no longer available, it will have a big impact on our city and the business owners who operate here.

Vacation rentals are important to our city and to my business. Please consider those you would hurt with any significant reduction in this type of rental. Thank you for your time in reading and considering my position in your decision. Below I provide an important guest, a reporter from LA TIMES that stayed recently in a vacation home with Beach-N-Getaways giving a great review of the cleaning at the property, locating and experience.

<https://www.latimes.com/travel/story/2020-08-31/airbnb-precautions-made-possible-a-summer-trip-to-morro-bay>

Janet Arroyo
[REDACTED]



Virus-free. www.avast.com

Scot Graham

From: Karen Croley [REDACTED]
Sent: Tuesday, September 01, 2020 8:25 AM
To: Jeffrey Heller; Scot Graham; Dawn Addis; John Heading; PlanningCommission
Subject: Meeting tonight/VR ordinance

QUESTIONS:

With a three lot separation - how would you implement this new ordinance with two already in place within three houses of each other? Or is this for future VRs?

How will you enforce this ordinance and with what resources? I thought the city was under staffed at this point?

How will you compensate for the money lost from the vacation rentals who pay their taxes but who would be banned to continue to operate?

I thought the cap was already in place- so why is this on the list for new ordinances?

Why not rather, implement ordinances on a case by case matter - for VRs that don't receive neighborhood complaints and pay their taxes and are in other ways in good standing? This would be a win-win - city continues to get paid the hundreds of dollars collected each month and the VRs continue to sustain their cost of living here.

One big reason Airbnbs are a business here is because the cost of living is so high in combination with high mortgage payments. Why are Airbnbs being considered the same as vacation rentals when it's an entirely different scenario with hosts/business owner (same thing), is home and in charge of a thriving business that's in good standing with his/her community? Having an Airbnb business makes continuing to live here, affordable for the home owner. Have you considered the differences between Airbnb home owners and other VRs?

Thank you for taking my questions. I'll be listening to the meeting tonight.

Karen Croley

--

Karen C

Scot Graham

From: Lani Colhouer [REDACTED]
Sent: Monday, August 31, 2020 5:02 PM
To: PlanningCommission; Council; Dan.Carl@coastal.ca.gov
Subject: Vacation Term Rental

To whom this may concern,

I wanted to express my concern to the city council considering reducing the number of short term licenses in the city of Morro Bay.

I have been renting our home in Morro Bay for three years now off and on and recently started doing it more often. I have been paying TOT tax the entire time as well as my license fee to make sure I was doing everything the way that we should be. The people that are renting our home are families with grandparents, parents and grandchildren who are eating in the restaurants, horseback riding, golfing etc..

I have neighbors that complain about the visitors and then I have neighbors who say that we have a great group of people that rent and everybody is super respectful.

I also find that the neighbors that tend to complain about the visitors are renters in the area and not home owners so they do not understand the cost of owning a home and paying property taxes in our county.

I would like to see our city council and city government protect those of us that have licenses and pay taxes-we are contributing to you much more than these loud complainers.

--

Lani Colhouer
[REDACTED]

Scot Graham

From: Linda Quach [REDACTED]
Sent: Tuesday, September 01, 2020 11:00 AM
To: PlanningCommission
Subject: Share Morro Bay

Dear Planning Commission for Morro Bay,

My family and I - two kids, two dogs, and grandparents, will be visiting Morro Bay at the end of September. During our trip, we plan to visit Mission San Luis Obispo de Tolosa for our 4th grader and Cal Poly for our middle schooler.

We are excited about our trip to Morro Bay - likely our only vacation this year. My husband's parents will be joining us on our trip. They are excited about the trip to Morro Bay. They're looking forward to visiting the area where my husband's uncle lived and worked for so many years as a Diablo Canyon Power Plant planner.

Because of COVID, we will be keeping to ourselves during our trip. We specifically picked Morro Bay because we will be able to keep our distance from others but still enjoy the area. This trip would not be possible if we didn't have STR options available to us. We considered a resort stay, but with two dogs and seniors traveling with us, a resort would be too costly and restrictive. We want to be able to move freely in our living space without the worry of others.

We are the people that you would be keeping away with the new policy changes for STR.

Illegal rentals are the true issue. Limiting licensed rentals will not solve your residents' problems. It may even exacerbate the issues by increasing the number of illegal rentals. It is unfair for you to punish and adversely affect the livelihood of those who are following the rules because of the issues created by those who are operating rentals illegally.

Do what is right by the people who are contributing to Morro Bay's economy and do the hard work of addressing the true issue of illegal rentals. The changes that are being considered will do nothing to change the problems/complaints of your residents.

Please keep this in your consideration.

Linda Quach
[REDACTED]

Scot Graham

From: Meg Baker [REDACTED]
Sent: Tuesday, September 01, 2020 8:34 AM
To: PlanningCommission
Subject: Ordinance prohibiting short term rentals

I object to this ordinance. My family uses short term rentals to come visit me and would only move to a less convenient town to visit if you pass this ordinance.

Scot Graham

From: [REDACTED]
Sent: Monday, August 31, 2020 4:26 PM
To: PlanningCommission
Subject: Comments for Planning Commission Meeting, September 1, 2020

To: Morro Bay Planning Commission

Re: Proposed Short Term Rental Regulations

My name is Meghan Hamill and I am the Operations Manager for Beach-N-Bay Getaways and URelax Vacation Rentals- operating the most vacation rentals over any other professional manager in Morro Bay. I am also an Estero Bay native. My parents raised me in Baywood Park and I attended Baywood Elementary, LOMS and Morro Bay High School. As an adult I have lived in Los Osos, Morro Bay and Cayucos. I am no stranger to these towns and I could not fit the "small town native" cliché more: I went to high school with the men that you hire to paint your homes and who catch your local fish, I volunteered with family friends and helped build walking trails around our estuary and my father likely took you on a tour of Hearst Castle during his 20+ years as a tour guide there. I have watched our beloved towns and beautiful coastal areas become filled with tourists every single summer of my life. I echo other residents' frustrations and concerns that their neighborhoods, at times, no longer feel like their own; strangers coming and going at a high rate in the peak seasons and not always treating this place as their own- because it just isn't. So to accompany those concerns I also agree that there must be fair regulations in place to protect our home and protect the comfort and livelihood for those of us who live here.

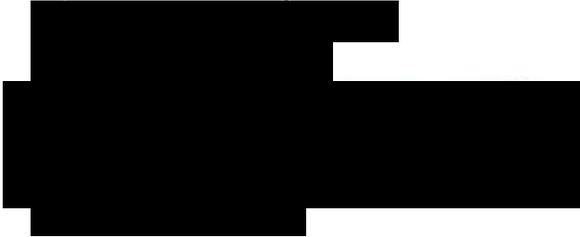
However much I am passionate about preserving our home I also deeply value the privilege we have with sharing our home. I learned to embrace the crazy influx of strangers and have made a career out of it. And not only did I embrace it, I ENJOY it- mostly because I love this place and believe that when people who are not fortunate enough to have been raised here, wish to spend their hard-earned money to visit we should welcome them. For 13 years I managed at local hotels and 2.5 years ago switched gears and left the hotel life and entered into STR management. I have learned so much about this exciting and growing industry, but I feel the most valuable and exciting change is that I now work for approximately 45 different home owners as opposed to just the one hotel owner.

While I was lucky enough to be born into a life of the central coast, so many are not. Each home owner whose property we represent brings a different story, a different reason for having a home on the central coast that they do not or can not occupy full time. Some homes have been inherited from loved ones that have passed, others homes have been purchased with their life savings with the goal to retire here and some have been purchased to pass down to their children in the future. Many homes are owner occupied for at least some portion of the year and almost all have something far greater than just a second home to lose if their vacation license is revoked. And all of them have operated under our professional management, compliant with local rules and guidelines and they all operate as best they can with the community's best interest in mind. This is why I strongly oppose enacting any sort of lottery system that would eliminate current STR licenses, and any other radical change from what the STR subcommittee had worked for months to develop and agree to. I believe that if we allow the other new proposed regulations (increased license fees, minimum annual TOT contributions, new licenses subject to fair density requirements, regulation/penalties against illegal rentals) to take effect and I am certain this agreeable and fair solution will bring many of the changes that the locals are seeking.

There is no doubt that my employers, Nick and Maggie Juren and Robert Elzer, have provided you with the hard facts regarding the irreplaceable TOT that our rentals contribute to the city. I also know that you are aware that STR's were just recently voted to, and now contribute to, the same 3% contribution as hotels to the cities TBID. I'm also sure you are aware of the legal ramifications that the city may face from home owners should their licenses be revoked for no reason other than losing a lottery- that completely law abiding, regulation following, respectful license holders face losing their home that they have worked so hard to financially maintain thanks to their STR license due to a stroke of bad luck. So instead I have used this opportunity to plea to your heart strings. I kindly and respectfully request that you grandfather all existing licenses and that you enact fair changes to the regulations which will allow time for them really create the changes in the city that the affected locals need, but that also maintain and support the homeowners whose homes contribute so much to the city.

My Best,
Meghan Hamill

Meghan Hamill
Operations Manager

A large black rectangular redaction box covers the contact information, including a phone number and an email address, located below the sender's name and title.

Scot Graham

From: Dana Swanson
Sent: Monday, August 31, 2020 4:28 PM
To: Scot Graham
Cc: Scott Collins
Subject: FW: Morro bay vacation rentals

From: Cindy Downey [REDACTED]
Sent: Monday, August 31, 2020 4:23 PM
To: Council <council@morrobayca.gov>
Subject: Morro bay vacation rentals

To whom it may concern:

We travel annually to Morro Bay and spend typically 2-3 weeks and sometimes up to a month during the quiet off season. We spend approximately \$10,000 during our visit and obviously a portion of this money goes towards the transient occupancy tax revenue as well as the sales tax revenue. Additionally, a large portion is spent at local restaurants and shops.

We are a retired couple who travel in our vehicle with our dog. We have no desire to go to a hotel, motel or resort and specifically book our favourite vacation home, one that we have a relationship with the owner. We want to be in our favourite vacation home so as to be as comfortable as if we were in our own home and one that will allow our dog to accompany us. It sounds like the lottery system could possibly take away our favorite home and that would break our heart. The owners have spent time and money to create a home that suits us perfectly. If the number of vacation homes is reduced chances are likely the cost of staying there would also increase, simple supply and demand, which would make us consider staying in a different town. Staying in a hotel or motel is also not an option that we would choose. If there are not enough vacation homes available in Morro Bay we will have to find another coastal community that is more welcoming and who would love to have us spend our tourist dollars there.

We are quiet, thoughtful people who appreciate that our host has very strict limitations on the number of people who visit, noise, and parking policies in place and we respect the peaceful neighborhoods we stay in. We have genuinely enjoyed meeting the neighbors who have been friendly and welcoming to both of us.

In Morro Bay, we spend money at the local restaurants, the grocery stores, the farmers market, the fish markets, the local artisan shops, the pet store, the gas stations, and even the barbershop. We can imagine that the local shops and restaurants sincerely appreciate the dollars we are spending particularly in the offseason.

Please keep the vacation homes in Morro Bay available because we want to continue to spend time in your wonderful community.

Regards,
Mike and Cindy Downey

Morro Bay Planning Commission 9-1-20 Item B-1

Dear Commissioners:

I urge you to focus on the quality and character of the neighborhoods in Residential Zones rather than trying to maximize and placate STR businesses. In every community that they have infected they threaten to sue over restrictions as “takings” and have lost. Their property investment is no greater than the property investment of a neighboring resident. They can still rent their property to long-term renters which would be a much greater value to our community.

At the last meeting a commissioner wondered on hosted STRs about would you want to bring some stranger into your home. Well, that is how it has nearly always been done in Europe. That concept has migrated to the US. The bnb of Airbnb means Bed and Breakfast, vacationing in a hosted house. The expansion of taking over entire properties has become a plague on our neighborhoods.

In the staff report items 2&3, hosted STRs should be counted in the overall total of STR cap.

Item 4, every STR is a commercial operation and should be included in the 150 cap.

No vacation rental business should be grandfathered. All existing permits should expire in one year and allow everyone a fair chance at a lottery that will allow the city to effectively utilize a buffer, ideally of 250 feet.

Permits should have a maximum life of 5 years. Don't inflict these businesses on neighbors indefinitely. Residential zones should be for residents, not commercial investors.

Please, listen to the overwhelming concerns of your community.

Ric Deschler

Scot Graham

From: Samantha Mason [REDACTED]
Sent: Monday, August 31, 2020 5:19 PM
To: PlanningCommission
Subject: Upcoming Planning Commission Meeting 9/1/20

Good Evening,

I heard about the discussion of short term rentals in the Morro Bay community and wanted to quickly offer my opinion as a long standing visitor to the community. Please don't reverse the number of STR in Morro Bay. It would make such a huge negative impact not only on people like myself, who enjoy responsibly visiting beloved Morro Bay, but it would negatively effect responsible upstanding STR property owners. Why would you punish the good/responsible property owners by revoking their STR status? It's would impact the local economy with a major decrease in tourism. Instead, why don't you focus your attention on reprimanding the irresponsible STR owners not paying attention to what is happening during the duration of their negligent renters stay. Set property management requirements/standards. Enforce significant fines to those being irresponsible and disruptive to the community. Please don't punish the good guys.

Thank you for your consideration,
Sam Mason