

ATTACHMENT 5

Santa Cruz County Vacation Rental Ordinance

The following analysis summarizes the key components of the County's vacation rental ordinance.

Land Uses Chart: The County has established two levels of vacation rental review: three or fewer bedrooms (Approval Level II Administrative); and four or more bedrooms (Approval Level V Public Hearing Zoning Administrator).

Vacation Rentals:

- (A) Purpose: To establish regulations applicable for dwellings rented as vacation rentals for not more than 30 days at a time.
- (B) Where allowed: In all districts that allow residential use. Prohibits use of habitable and nonhabitable accessory structures, second units, legally restricted affordable housing units as vacation rentals.
- (C) Definitions:
 - a. Vacation Rental: SFD, duplex, triplex units where the owner/operator/contact person does not occupy the dwelling unit while it is rented. (Non-hosted). The following are not considered vacation rentals:
 - i. On-going month to month tenancy
 - ii. One less-than-30-day period per year
 - iii. House exchange with no payment
 - iv. Renting individuals rooms in a dwelling unit while the primary occupant remains on-site.
 - b. Existing vacation rental: established prior to a certain date
 - c. New vacation rental: Not used prior to a certain date or for which a vacation rental permit has not been granted.
 - d. Live Oak Designated Area (LODA): Area delineation described
 - e. Sea Cliff/Aptos Designated Area (SADA): Area delineation described.
 - f. Davenport/Swanton Designated Area (DASDA): Area delineation described.
 - g. Block: Properties abutting both sides of street from one intersecting street to another or terminus.
- (D) Permit Requirements: Vacation Rental permit and TOT registration are required for each residential vacation rental. Permit remains valid as long as the vacation rental operates at least three out of any consecutive five years. EXCEPT in LODA, SADA and DASDA where the permit expires the same month and day five years subsequently.
 - a. Existing Vacation Rental: Permit must be obtained. No public hearing required and no notice of permit application shall be given.
 - i.– v. Application submittal requirements
 - vi. Retroactive TOT payment
 - vii. Number of People (guests) Allowed: Two people/bedroom plus two additional people, except celebrations and gatherings between 8am and

10pm when twice the maximum number of guests allowed. Children under 8 not counted as guest.

- b. New Vacation Rentals: Permit application required. Administrative review for 3 or fewer bedrooms, no public hearing, ten-day notice of proposed action provided. ZA hearing for 4 or more bedrooms.
 - i. 10-day notice of ZA hearing required
 - ii. In LODA, SADA, DASDA no new vacation rentals shall be approved if parcels with permitted vacation rentals on the same block total 20 percent or more of the total parcels on that block that allow residential use. EXCEPT on specifically identified streets and areas, there are no limits on the number of vacation rentals. IN ADDITION, no more than 15 percent of total residential parcels in LODA and SADA may contain vacation rentals; no more than 10 percent total in DASDA.
 - iii. Application submittal requirements
 - iv. Letter of acknowledgement and no objection from all adjacent owners of units sharing common walls.
 - v. Only one vacation rental permitted per parcel
 - c. Renewal of permits in LODA, SADA and DASDA: Permits must be renewed every five years.
 - i. Application submittal requirements
 - ii. Presumption of permit approval based on findings for approval or denial
 - d. Transfer of Property with vacation rental; In LODA, SADA and DASDA, vacation rental permits expire and become nonrenewable at the time of property transfer.
 - e. Expansion of Permitted Vacation Rental: An expansion of square footage of 50 percent or more; or increase in number of bedrooms requires new vacation rental permit.
- (E) Local contact Person: Must have a designated contact person within 30-mile radius, available 24-hours a day to respond to tenant and neighbor questions or concerns. Name, address, telephone numbers of local contact to be provided to Planning Department, the local Sheriff Substation, main Sheriff's Office and local fire agency.
- (F) Signs: All vacation rentals shall have a sign with 24-hour contact information. In LODA, SADA, and DASDA, the sign shall include the beginning and end date of the five-year permit.
- (G) Posting of Rules: Must be posted inside, visible to guests, stating maximum number of guests, number of vehicles allowed, behavior standards including noise, illegal behavior and disturbances, county prohibition of fireworks, and trash management.
- (H) Noise
- (I) TOT Requirements
- (J) Dispute Resolution
- (K) Violation: If more than two documented, significant violations occur within any 12-month period, permit may be reviewed for amendment or revocation.