



**STAFF REPORT TO THE MARIN COUNTY  
PLANNING COMMISSION  
Short Term Rental (STR) Ordinance Update Workshop**

**Recommendation:** Conduct a workshop to hear public testimony and provide comments to staff regarding updates to regulations for short term rentals.

**Hearing Date:** October 23, 2023  
**Project Planner:** Kathleen Kilgariff  
**Signature:**

## SUMMARY

Since the Fall of 2022, County staff has been working to update the Short Term Rental (STR) Ordinance for the unincorporated areas of Marin County<sup>1</sup>. The purpose of this workshop is to present draft regulations (Attachment 1), background information and public input to your Planning Commission, and most importantly, to receive feedback from the public and your Commission on the proposed regulations. Based on the feedback provided, staff plans to bring back draft regulations for consideration and a vote on November 13, 2023. Ultimately, both the Marin County Board of Supervisors and the California Coastal Commission must authorize the new regulations, as discussed in this report.

This report is divided into four parts, and organized as follows:

- 1. Background.** This section provides an overview of the STR Ordinance history for the unincorporated areas of Marin, discusses the regulatory documents that inform this Short Term Rental Ordinance work – the Marin County Housing Element and Local Coastal Program, and provides an overview of public outreach conducted to date.
- 2. Regulations.** This section discusses the draft STR regulations circulated for public review, and provides detailed explanations to support the rationale behind the proposed standards.
- 3. Clarifications.** This section outlines proposed changes to the draft STR regulations. These modifications largely include simple text changes to better clarify certain requirements.

<sup>1</sup> Proposed regulations will only apply to unincorporated areas because the cities and towns in the County retain the authority to develop policies and regulations for their own jurisdictions.

4. **Alternatives to Consider.** This section discusses proposed alternatives to the draft STR regulations. While the above noted clarifications are proposed changes, they do not require the same level of discussion and consideration as the policy alternatives presented in this report. Alternatives to consider include 1) exempting agricultural properties from the STR Ordinance, 2) changes to proposed STR caps and, 3) establishing a countywide STR cap.
5. **Additional Project Information.** This section includes a project schedule, equity analysis, Planning Commission recommendation, and report attachments. Important attachments include the proposed STR regulations, public comments, and a California Coastal Act consistency analysis.

This is the second Planning Commission workshop on this topic. Materials from the previous workshop on June 12, 2023 are included in Attachment 2, and provide additional background information and details as part of the overall project record.

## BACKGROUND

### GUIDING PRINCIPLES

The following Guiding Principles provide a foundation of understanding as County staff has worked to update the STR Ordinance. These Guiding Principles were discussed and developed with stakeholders and staff at public meetings in the Fall of 2022 and provide clarity on the commitment from County staff to develop STR policies that reflect the vision and shared values of our communities.

1. Prioritize housing supply and affordability, and consider regulations in light of their effects on the cost and availability of housing within individual communities.
2. Advance equity in access to economic opportunities, services and activities.
3. Recognize that Marin County has historically provided vacation opportunities to the greater Bay Area region and State.
4. Distinguish among types of Short Term Rental operations and operators, e.g., hosted and unhosted, single and multiple ownerships, etc.
5. Consider environmental constraints such as water and sewage capacity.
6. Develop regulations that are clear, affordable, simple, and enforceable (C.A.S.E).
7. Assure that short term rentals are good neighbors considering noise, parking, trash and other neighborhood quality of life concerns.

### KEY TERMS

Proposed regulations include definitions for key terms. While these definitions may change based on feedback provided on the proposed standards, for the purpose of this Staff Report, the following terms are defined as follows:

**Host:** A host is a person identified by a short term rental licensee to reside at the property at which a short term rental is located.

**Hosted Short Term Rental:** A short term rental that is the primary residence of a host, or that is located on the same property as the primary residence of a host.

**Primary Residence:** The dwelling in which a person lives for at least six months each year. A person must demonstrate a property is their primary residence by claiming a homeowner's exemption on the property for the purpose of property tax assessment, or by providing documentation sufficient to establish, as determined by the Agency Director, the required residency, such as motor vehicle registration, driver's license, voter registration, a utility bill, and lease.

**Property owner:** The owner(s) of record of the real property on which the short term rental is operated, and to the extent any such owner is a legal entity, any and all natural persons with an interest in such legal entity.

**Short Term Rental (STR):** A rental of a residential unit, or a portion of a residential unit, for a period of less than 30 consecutive nights. Short term rentals are a residential use of property.

**Unhosted Short Term Rental:** Short-term rental occupancy of a residential unit on a property that does not provide a primary residence for the property owner or a long term tenant.

## **SHORT TERM RENTALS IN MARIN**

### **ORIGINAL SHORT TERM RENTAL REGULATIONS**

On August 7, 2018, the Marin County Board of Supervisors adopted the County's first STR Ordinance (Ordinance No. 3695) with a limited, two-year term. This Ordinance went into effect after a year-long planning process, which included research and analysis on STR regulations and economic considerations (incorporated into an informational document prepared by Lisa Wise Consulting Inc.<sup>2</sup>). The Ordinance requires public notification of STRs be provided to surrounding neighbors, requires operators to provide guests with "Good Neighbor" house rules – which include sharing existing County regulations (for example, noise, parking, trash standards) to ensure that STRs do not adversely impact neighbors, and establishes a short-term rental hotline for complaints, which is currently operated by Host Compliance, the County's third party STR monitor. The Ordinance does not place limits on the type, number, or concentration of properties that can be in STR use and does not otherwise regulate STRs around land use or environmental considerations.

The Marin County Department of Finance requires STR operators register for a Business License and Transit Occupancy Tax (TOT) Certificate, providing accountability and payment of taxes and fees commensurate with the visitor-serving use, in addition to the requirements under the Ordinance. These requirements remain in place regardless of the proposed regulations.

With the pending expiration of the Ordinance No. 3695, on July 28, 2020, the Board of Supervisors approved Ordinance No. 3739 (included in Attachment 2), which maintained all of the "Good Neighbor" policies and notification standards from the original ordinance and made one minor change requiring that the Local Contact Person information must be provided at the time of

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<sup>2</sup> [Short Term Rentals – A Report on Planning and Economic Considerations, dated May 8, 2017](#)

application for a TOT certificate and when reporting TOT, rather than at the time a business license is issued or renewed.

At the time that Ordinance No. 3739 was approved, both staff and the Board acknowledged that a number of public commenters expressed concerns about the impacts of STRs on communities – including housing availability and affordability as well as noise, parking, and quality of life impacts – and requested reevaluation of the County’s STR Ordinance to expand its scope and purpose. Given the COVID-19 pandemic conditions, there were significant obstacles to initiating that effort and being able to conduct adequate public outreach.

No changes to the Short Term Rental Ordinance have been approved since July 2020. Though, the Marin County Board of Supervisors adopted a moratorium on new STRs in West Marin in May 2022, as discussed below. The current Update aims to build upon the initial work done on this program to foster good relations between neighbors and incorporate new regulations to address other planning issues the County is currently facing.

### OVERVIEW OF SHORT TERM RENTALS IN MARIN

While the impacts of STRs are mixed, some residents have described the preponderance of homes being dedicated to STRs in some smaller towns and villages as “hollowing out” local communities, adversely affecting the schools and social fabric enjoyed in these smaller towns and villages. Further, there are growing concerns in Marin communities about impacts of STRs on the availability of housing for workforce, families, and community members as well as the ability to build and maintain the human relationships that form community.

Longstanding challenges such as high housing costs and limited housing availability have continued in Marin County since the most recent STR Ordinance was approved. Of note, there were approximately 480 licensed STRs in the County when regulations were first adopted and there are now 873 STRs in the unincorporated areas of Marin.

A summary of the number of STRs by area is provided in the table below (and further expanded on in the June 12, 2023 Planning Commission staff report, Attachment 2).

<b>Residential Short Term Rental by Area</b>			
<b>Area</b>	<b>Number of STRs</b>	<b>Number of Parcels Developed with Living Units</b>	<b>Percentage of Parcels with Living Units Used as STRs</b>
<b>Coastal Zone</b>	568	3450	16%
<b>West Marin Communities Outside of the Coastal Zone</b>	53	1798	3%
<b>East Marin Communities</b>	252	17805	1%
<b>All of Unincorporated Marin</b>	873	23053	3%

Source: Department of Finance and Assessor-Recorders 2022 Tax Roll

A number of communities in the Coastal Zone have traditionally been popular vacation destinations, with many homes built for and being used as vacation rentals for many years, if not generations. Visitors can have positive effects on local economies by supporting shops,

restaurants, agricultural producers, and other visitor serving businesses. For example, while not solely related to overnight visitors, in 2022, 2.3 million park visitors spent an estimated \$117 million in local gateway regions while visiting Point Reyes National Seashore<sup>3</sup>.

In some instances, local communities accept and encourage STRs as a valuable part of the social and economic fabric of an area. For example, in discussions with Dillon Beach community members, people often shared that Dillon Beach is a vacation community and that, overall, the high percentage of homes used as STRs does not impact affordable long-term housing. Many shared that there are limited resources in the community (low number of jobs, few businesses, limited access to amenities, no grocery store, etc.), making it a more desirable place for visitors than long-term renters. However, it is unclear how any house that is not currently used by long-term residents has no impact to available housing. This is important to consider in light of the current strains placed on the local workforce that support the visitor-serving economy, including low paid workers who may travel far distances to work in Marin.

In the eastern areas of the County, Unincorporated Mill Valley has the highest percentage of STRs – 143 units, or 3% of the roughly 5,600 residentially developed properties, are licensed to operate STRs. There are a higher number of houses along the Highway 101 corridor and lower overall percentage of the housing stock that is dedicated to STRs (a total of 1% of the 17,800 residentially developed properties are licensed as STRs).

According to the American Community Survey, the countywide average for a one-bedroom rental is \$1,869 per month. The flexibility and the income generated by STRs, where nightly rates of rentals advertised online can average around \$550 per night and range up to over \$1,000/night<sup>4</sup>, in comparison to that earned with a long term rental property owners to seek STR use, serving visitors rather than long term renters. Additionally, public comments from STR owners note the fact that long-term rentals do not cover the costs to maintain or cover the mortgage of their homes, as opposed to STRs, which are more likely cover these costs.

## TRANSIENT OCCUPANCY TAX

Transient Occupancy Tax is a tax that all STR owners must charge their guests, and is a cost passed on directly to those who rent a STR. Typically, the online platform through which the STR is rented remits the TOT to the County's Department of Finance (DOF) or STR owner charges guests accordingly and remits the TOT directly to the DOF.

On November 6, 2018, the voters of West Marin passed Measure W to establish the West Marin Transient Occupancy Tax (TOT) area and increased the TOT rate in this area from 10% to 14%. In recognition of the impacts of visitors to the area, the increase in the TOT approved by the measure provides increased funding for enhanced fire/emergency services (2% increase) and long-term community housing (2% increase).

According to the DOF, TOT revenue collected for Fiscal Year 2021-2022 totaled \$8.48 million<sup>5</sup>. This includes approximately \$1.86 million for both enhanced fire/emergency services and long-

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<sup>3</sup> [2022 National Park Visitor Spending Effects – Economic Contributions to Local Communities, States, and the Nation](#)

<sup>4</sup> As provided by Host Compliance, a third party short term rental monitoring service.

<sup>5</sup> [Open Marin County – Transient Occupancy Tax](#)

term community housing (\$928,738 each). This amounted to about 1.3% of all County revenue in that same Fiscal Year.

## COUNTYWIDE PLAN – HOUSING ELEMENT IMPLEMENTATION

As noted above, the County recently undertook the significant work of updating the Housing Element of the Countywide Plan<sup>6</sup>. The Countywide Plan is the comprehensive, long-range general plan that guides land use and development in the unincorporated areas of Marin County. Typically, the Countywide Plan establishes overall objectives through goals, policies, and implementation programs, which is consistent with the framework of the Housing Element.

- **Goal:** An expression of community values and desired outcomes — a sought-after end state that is not quantifiable or time dependent.
- **Policy:** A statement derived from a goal that represents the jurisdiction’s adopted position and guides action by decision-making bodies.
- **Program:** A specific implementation measure to carry out goals and policies of the Countywide Plan.

Public outreach for the Housing Element Update included surveys, public meetings, and focus groups. On top of the dozens of community meetings, there were also 19 publicly noticed meetings with either the Marin County Planning Commission, the Board of Supervisors, or both jointly. The many public meetings provided members of the public an opportunity to share their feedback on the future of Marin County housing and discuss goals to make more housing available for current and future residents of Marin, including renters and homeowners.

As a result of the data analysis included in the Housing Element and public outreach conducted, the Housing Element includes a Goal to meet housing needs through a variety of housing choices responding to the broad range of needs in Marin County by supporting a mix of housing types, densities, affordability levels, and designs (Housing Goal 2). As it relates to STRs, the adopted Housing Element notes this Goal will be achieved through the following policies:

- **Policy 2.6: Preserve Permanent Housing Inventory.** Preserve our housing inventory for permanent residential uses. Discourage or mitigate the impact of short-term rentals and units unoccupied for extended periods of time.
- **Policy 3.3: Research, Monitoring, and Evaluation.** Perform effective management of housing data relating to Marin County housing programs, production, and achievements. Monitor and evaluate housing policies on an ongoing basis and respond expeditiously to changing housing conditions and needs of the population over time.

And finally, this work carries out the goal and policies through the following Program.

- **Program 18: Short-Term Rentals.** The County may explore options for limiting short-term rentals in all areas of the unincorporated County, including West Marin, that currently have a moratorium that is set to expire in 2024, in order to preserve housing units for permanent residential use. Strategies may include:
  - Prohibiting short-term rentals (no less than 30 days allowed)
  - Limiting the number of days the unit can be used for short-term rentals
  - Prohibiting short-term rentals in all multi-unit dwellings

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<sup>6</sup> The Housing Element in its entirety is available on [the County’s website](#):



- Allowing for short-term rentals if the property is the owner's primary residence
- Benchmarking the number of short-term rentals allowed to no more than a specific percentage of the community's rental housing stock

## HOUSING DATA

Included in the Housing Element is a Housing Needs Analysis (Attachment 3), which evaluates and addresses housing needs in the unincorporated areas of Marin County. This chapter also includes data related to the County's current housing landscape, which informs the programs and policies set forth in the Housing Element. The data included in this housing needs analysis is relied upon for this Ordinance Update, including but not limited to Housing Tenure (Table H-2.11), Vacancy Rate Trends, Rental Prices (Tables H-2.26 and H-2.27).

## AFFIRMATIVELY FURTHERING FAIR HOUSING

As outlined in the Housing Element, West Marin is particularly feeling the effects of the growing divide between wealth and poverty in the Bay Area, increasing home prices, increased short-term rentals and second homeowners are forcing people to move further from their communities and areas of employment. These changes emphasize the need to consider STR regulations in relation to affirmatively furthering fair housing.

Assembly Bill 686, which was passed in 2017, necessitates the inclusion of an analysis of barriers that limit access to opportunities and a commitment to take specific, meaningful actions to actively promote fair housing within the Housing Element. AB 686 requires that local governments establish concrete goals to tackle the consequences of systemic problems like residential segregation, housing cost burdens, and disparities in educational or employment opportunities. This requirement extends to addressing these issues in a way that combats and prevents discrimination against protected classes.

The Affirmatively Furthering Fair Housing (AFFH) appendix of the Housing Element (Attachment 4) highlights that, the communities of Central Coastal West Marin and Marin City have the highest percentages of low and moderate income households (62% and 71%, respectively). In addition, both Central Coast West Marin and Marin City have the highest percent of extremely low income households (29% and 40%, respectively). This makes the likelihood of housing cost burden much greater in these areas.

The AFFH Rule Guidebook defines disproportionate housing needs as a condition in which there are significant disparities in the proportion of members of a protected class experiencing a category of housing needs when compared to the proportion of a member of any other relevant groups or the total population experiencing the category of housing need in the applicable geographic area (24 C.F.R. § 5.152). The analysis is completed by assessing cost burden, overcrowding, and substandard housing.

In the unincorporated County, renters are more likely to be people of color and to experience housing instability than owners.

Approximately 38% of households experience cost burdens. Renters experience cost burdens at higher rates than owners (48% compared to 32%), regardless of race. Geographically, cost burdened renter households are concentrated in census tracts in North and Central Marin in Novato and San Rafael. In these tracts, between 60% and 80% of renter households experience cost burdens.

UC Berkeley's Urban Displacement project defines residential displacement as the process in which a household is compelled to move from its current residence or is unable to relocate to a neighborhood they could previously access due to circumstances beyond their control. In the context of this project, researchers have identified populations that are vulnerable to displacement, referred to as 'sensitive communities.' This vulnerability is determined based on various criteria, including:

- The proportion of low-income residents per tract.
- The percentage of renters exceeding 40%.
- A population comprising over 50% people of color.
- A significant number of low-income households experiencing severe rent burdens.
- Proximity to factors that contribute to displacement pressures, which are defined based on median rent increases and rent gaps.

Sensitive communities have been identified in several areas, including unincorporated regions such as Marin City, Strawberry, Northern and Central Coastal West Marin, and Nicasio.

## **THE CALIFORNIA COASTAL ACT**

The Coastal Act guides how the land along the coast of California is developed or protected from development. It emphasizes the importance of the public being able to access the coast, and the preservation of sensitive coastal and marine habitat and biodiversity. The Coastal Act defines the area of the coast that comes under the jurisdiction of the California Coastal Commission, which is called the "Coastal Zone."

The Marin County Coastal Zone is a strip of land and water defined by the California Coastal Act of 1976 that extends along the Pacific Ocean coastline. Each coastal city and county in California is required by that law to prepare and implement a Local Coastal Program (LCP) for its portion of the Coastal Zone to carry out the coastal resource protection policies of the Coastal Act. The villages of Bolinas, Dillon Beach, Inverness, Marshall, Olema, Point Reyes Station, Stinson Beach, Tomales are located within the Coastal Zone. As such, any regulations put forward in these areas must be certified by the California Coastal Commission (CCC) as part of an LCP Amendment.

As required by Coastal Act Section 30500, an LCP comprises of a Land Use Plan, an Implementation Program, accompanying land use and zoning maps, and, where necessary, other implementing actions including those represented in the Appendices. The Land Use Plan contains written policies that indicate which land uses are appropriate in the various parts of the Coastal Zone. The LUP policies and programs also guide how natural resources shall be protected when land is developed, how public access to the coast shall be preserved, and how other coastal resources shall be maintained and enhanced.

## **LOCAL COASTAL PROGRAM - HOUSING**

As indicated in the LCP, housing is a vital component of Marin's coastal communities, and it is important to respond to current and future housing needs in the Coastal Zone, particularly in planning for sustainable communities by supplying housing to the full range of the Coastal Zone's diverse community and workforce.



Provision of affordable and diverse housing opportunities in the Coastal Zone is important to provide decent housing for residents, and local workforce, many of whom work in the tourism industry. The challenge of providing new housing compatible within environmental constraints and resources, is ever-present. At the same time, the County is required to meet federal and state law with respect to providing low- and moderate-income housing, replacement housing, or any other obligation related to housing imposed by existing laws.

Assuring housing choices at prices within reach is also important indirectly in carrying out Coastal Act resource protection goals. The Coastal Act places a high priority on maintaining agriculture and mariculture as viable land uses in the Coastal Zone and encourages provision of visitor-serving facilities including overnight accommodations. These land uses depend on the availability of local labor and pay scales for workers in these industries tend to be relatively low. Provision of housing opportunities for those employed in the Coastal Zone is thus essential if these high-priority land uses are to be maintained.

Because of these factors, the following policy and programs were included in the LCP:

**C-HS-6 Regulate Short-Term Rental of Primary or Accessory Dwelling Units.** Regulate the use of residential housing for short term vacation rentals.

**Program C-HS-6.a Vacation Rental Ordinance:**

1. Work with community groups to develop an ordinance regulating short-term vacation rentals.
2. Research and report to the Board of Supervisors on the feasibility of such an ordinance, options for enforcement, estimated program cost to the County, and the legal framework associated with rental properties.

## **LOCAL COASTAL PROGRAM – ACCESS TO THE COAST**

The Coastal Act places a high priority on the provision of recreation and visitor-serving facilities, especially lower cost and public facilities, including as reflected in Sections 30213, 30220, 30221, 30222, 30223, and 30224 of the Act.

According to the LCP, overnight accommodations are a key element in the provision of coastal recreational opportunities, since many coastal visitors travel long distances to reach the variety of recreation options found throughout the County. By supporting lower cost overnight facilities and public recreation, the LCP ensures that everyone, regardless of economic status, can take advantage of such opportunities.

Commercial visitor-serving facilities provide much of the supply of overnight accommodations throughout the Coastal Zone, and generally consist of small inns and bed and breakfast facilities in villages and rural areas. However, with the growth of online platforms like Airbnb and VRBO, there has been an increase in STR accommodations.

The LCP was significantly overhauled in 2019. Included in this recently updated LCP is an exhaustive inventory of visitor-serving, commercial, and recreation facilities in the coastal zone. While it does not include Short Term Rentals licensed after 2019, it is the most comprehensive list developed to date and is summarized in the below table.

<b>Overnight Accommodations in the Coastal Zone</b>	
Hotel/ Motel/ Inn/ Bed and Breakfast (rooms)	279
Private Rentals (units)	357
Campsites	830
Trailer RV (spaces)	80
Hostel (beds)	56
Capacity (number of people)	4659

Further, there are community specific policies in the LCP, and each community in the Coastal Zone has a policy that requires the maintenance of the existing character of residential and small-scale commercial and visitor-serving development (C-MB-1, C-SB-1, C-BOL-1, C-OL-1, C-PRS-1, C-INV-1, C-ES-1, C-TOM-1, C-DB-1). These policies acknowledge that there is a balance that must be achieved between the residential character of communities and visitor-serving development, which includes overnight accommodations.

### **LOCAL COASTAL PROGRAM AMENDMENT – CONSISTENCY ANYLSIS**

The County must modify its LCP, through a process referred to as an LCP Amendment (LCPA) as part of this STR Ordinance Update. The County must conduct a Coastal Act consistency analysis, specifically related to consistency with the requirements of Chapter 3, as part of this LCPA.

This entire analysis is included in Attachment 5 but in summary the proposed regulations conform to the policies both related to housing and visitor-serving accommodations in the LCP because a ban on STRs is not proposed, and the use will continue. Instead, proposed regulations balance the need for long-term housing by limiting the number of Unhosted STRs and allowing for an unlimited number of Hosted STRs (which are typically more affordable than a whole house).

Further, over-night accommodations are not limited to STRs, and other lodging options include hotels, motels, inns, bed and breakfasts, and campgrounds. As such, the evidence supports that the County can continue to provide the necessary over-night accommodations and preserve existing housing by implementing the proposed STR regulations.

### **SHORT TERM RENTAL MORATORIUM – WEST MARIN**

During the Housing Element outreach efforts, community discussions highlighted concerns that STRs may be impacting the availability and affordability of housing. This issue is particularly pronounced in West Marin communities, which have seen a rise in popularity among homebuyers, yet have a limited number of available homes.

In response to the growing number of STRs in West Marin, on May 24, 2022, the Board of Supervisors adopted an urgency ordinance, establishing a moratorium on new STRs in the West Marin Area (also known as the Measure W or West Marin Transient Occupancy Tax Area). The purpose of the STR moratorium in the Measure W area is to maintain stability in housing supply while County staff and decision makers evaluate policies and contemplate proposals to improve the availability of middle- and lower-income housing in the West Marin Area, while preserving coastal access.

The Board extended the STR moratorium at their regularly scheduled hearing on June 21, 2022 until May 23, 2024 in conformance with State law. At this time, it is expected to be in place until the May 2024 deadline unless new regulations are in place at an earlier date.

## **PUBLIC OUTREACH**

Since the STR moratorium was adopted, staff has continued to work towards updating the existing STR regulations. To date, staff has completed considerable research on STRs, including how they are regulated by other local governments. Staff has conducted extensive public outreach, attended community meetings, and consulted with members of the public, stakeholders, and public agencies about their experiences with STRs. A complete overview of outreach conducted to date is summarized in Attachment 6.

### **JUNE 12, 2023 PLANNING COMMISSION WORKSHOP**

The Marin County Planning Commission hosted a STR workshop on June 12, 2023 as part of the above noted outreach. The purpose of the workshop was to provide the Planning Commission with background information on the STR Ordinance Update, including the project history, outreach and public engagement conducted to date; and to allow for public feedback on the direction of the proposed regulations.

Over 100 written public comments were received and shared with the Commission leading up to the June 2023 workshop. At the workshop, over 40 members of the public shared their feelings about STRs and potential regulations (included in Attachment 2).

Commenters included supporters of STRs and their continued use with limited regulations, owners and property managers of STRs who benefit from the use, and visitors who have enjoyed their visits to Marin, some for many decades. Commenters asked for additional data that supports proposed regulations.

Conversely, other commenters expressed that they feel STRs have adverse impacts on local communities and “hollow out” villages, especially those with a limited number of housing units to begin with, and absentee STR owners create adverse impacts in their neighborhoods.

In response to public input, the Planning Commission provided staff with feedback and requested additional information for consideration at their next meeting (included in this Staff Report), including:

- Given the changes in remote work, and enhancements in technology, more people can live full-time in West Marin. While a community may not have been initially established for long-term residents, it does not mean that it can never be used this way and the County needs to be able to adapt to the changes in how people live.
- Health and safety are of concern and standards related to these topics should be included in the regulations.
- Regulations should be community specific.
- Distinguish regulations between Hosted and Unhosted STRs. Consider financial incentives for Hosted STRs.
- Consider limiting STRs in certain housing types, to preserve what would be considered more affordable housing.

- Consider other ways to promote the development of housing units, including Accessory Dwelling Units (ADUs).
- Housing scarcity in unincorporated Marin is a real problem. Find ways to center affordable housing in this work and consider renters as well.
- Provide data to support regulations. For example, if a STR license should only be limited to a “natural person”, provide data that shows there is a high number of LLCs that currently own and operate STRs.

## **PROPOSED SHORT TERM RENTAL REGULATIONS DISCUSSION**

### **IMPLEMENTATION AND ENFORCEMENT**

It is important to emphasize the relationship between an STR ordinance and its enforcement. There are several approaches that California jurisdictions employ to regulate Short-Term Rentals (STRs). One common strategy involves restricting the total number of STRs allowed in a specific area, as seen in Placer County, the City of Trinidad, Half Moon Bay, and San Diego. Some jurisdictions limit the maximum number of nights per year that an STR owner can operate (San Francisco, San Diego, and Half Moon Bay). Others mandate that STRs must be owned by individuals and cannot be owned by LLCs (San Rafael, Novato, and San Diego). For a more comprehensive list of STR regulations in select California jurisdictions, please refer to Attachment 7.

However, after extensive conversations with both the County’s Code Enforcement Division and County Counsel, it has become evident that certain regulatory approaches are infeasible from a code enforcement perspective. For instance, implementing nightly limits may prove impractical as they cannot be enforced in real-time, given that STR owners would need to report the total number of nights per year after the rentals have already taken place. Additionally, this information would likely rely on self-reporting, which can be inherently unreliable.

As a result, all standards put forward in the draft regulations are designed to be enforceable, although enforcement will likely be difficult, time consuming, and expensive. Substantial additional funding, staff, and resources will be needed to build the capacity for creating and sustaining a STR license program and for initiating and pursuing enforcement of the proposed regulatory framework.

### **LIMITED LIABILITY COMPANIES (LLCs)**

At the June 12, 2023 Planning Commission workshop, the topic of LLCs was mentioned several times, both by members of the public and Commissioners.

Of the 873 STRs in the County 81 are owned by LLCs, about 9% of all STRs. Seventy five of those 81 LLC-owned STRs are in West Marin (approximately 12% of the 621 registered STRs), and 69 are in the Coastal Zone (12% of the 568 registered STRs). Of note, 39 of the registered LLC-owned properties are in Stinson Beach (approximately 48% of all LLC-owned STR properties), and 23 of those 39 are in the Seadrift subdivision. Seven of the 81 LLC-owned properties are agricultural properties, which are further discussed later in this report.

Three LLCs own two registered STR properties, the maximum number of properties owned by an individual LLC. At this time, the ownership data does not indicate that there is a proliferation of LLCs buying multiple residential properties and converting them to STRs. Therefore, the draft

standards do not prohibit ownership by LLCs. However, the draft standards do require LLC owners to list all the natural persons with ownership interests in the LLC, which will clarify ownership patterns. This requirement will support the enforcement of the prohibition on owners holding multiple STRs helping to prevent single ownership groups from owning multiple STRs, regardless of whether they are organized as an LLC.

## **PROPOSED SHORT TERM RENTAL REGULATIONS**

The proposed Short Term Rental Ordinance are discussed in the following Sections. These provisions would replace the existing STR Ordinance text contained in Marin County Code Chapter 5.41 – Notice of Short Term Rentals.

### **EXEMPTIONS**

Proposed regulations do not apply to any commercial lodging use including a hotel, motel, bed and breakfast inn, or campground. This is because these lodging types are regulated under separate Sections of the Marin County Code.

### **SHORT TERM RENTAL LICENSE**

An STR license is established in the regulations, and it would be a ministerial license based on objective criteria that would allow property owners to rent out their homes on a short-term basis under the proposed standards. The STR license would be required to ensure that STR owners operate in compliance with the standards outlined in the draft regulations.

As proposed, advertising or operating a STR without a valid and current STR license issued pursuant to the requirements of the STR Ordinance is prohibited. Only one STR license per property owner would be authorized. Said differently, if someone owned two properties, they would only be able to obtain a STR license for one of the two properties.

STR License priority will be given to those who currently have the required licenses (Business License and TOT Certificate) to operate an STR, so long as they apply for a license before July 1, 2025. Licenses could be issued with conditions to ensure compliance with all regulations. All STR licensees must renew their license every two years.

Administrative procedures for short term rental licenses will be prepared by the Community Development Agency (CDA). These administrative procedures shall set forth the process for which to apply, obtain, maintain, monitor, and renew short term rental licenses.

### **PUBLIC NOTIFICATION**

Under the current STR regulations, the STR property owner is responsible for providing neighbors notification that their property is used as an STR and must provide contact information for someone who can address issues that arise (referred to as the Local Contact Person). This notification can be done by one of the following three methods: 1) Send a letter to property owners within 300-feet of the STR property, 2) Post a door hanger on each property within 300-feet, or 3) Post a sign outside the rental with relevant contact information while the property is being rented.

CDA staff has consistently heard from community members that this public notification sometimes does not occur. Under the proposed regulations, CDA staff would be responsible for notifying the

public once a STR license is approved. Notification would be mailed to all property owners within a 300-foot radius of the property.

Further, each short term rental shall be identified with a single exterior sign, made of durable materials, and located in place that is easily visible to the public. At a minimum, the sign shall be posted while the unit is being used as a short term rental. This is to ensure that people who may have not received the public notice are still able to contact the Local Contact Person or host should any issues arise.

Both the mailed notice from the County and the exterior signage would include the following information:

- The name of the local contact person or host
- The phone number and email address for the local contact person or host
- The street address of the short term rental

## **LAND USES AND STRUCTURES LIMITATIONS**

Proposed regulations limit the use of STRs in certain structures and land uses as outlined and explained as follows.

### **Undeveloped Properties**

A STR is defined as, “A rental of a residential unit, or a portion of a residential unit, for a time period of less than 30 consecutive nights.” If someone has a vacant lot, they do not have a residential unit to rent and therefore, County staff would not be able to issue a STR license for the property.

### **Accessory Dwelling Units and Junior Accessory Dwelling Units**

The State has made many efforts in recent years to increase the production of living units across California. One approach has been to streamline the process for Accessory Dwelling Units (ADUs) – establishing regulations for the ADU permit process, but also reducing development constraints (such as floor area, setbacks, and height) and impact fees.

Because the State wants to promote affordable housing options, current State law prohibits the use of certain ADUs as Short Term Rentals. State law also allows jurisdictions to require that all ADUs be rented for a period of 30-days or more. This blanket requirement is currently included in the County’s Development Code (Section 22.32.120<sup>7</sup>)

However, the County is updating its Accessory Dwelling Unit and Junior Accessory Dwelling Unit standards, separate from the STR Ordinance and may consider alternatives to the existing regulations. These changes could allow for the use of certain ADUs as STRs. The Planning Commission will meet to discuss proposed ADU regulations on October 12, 2023, and a supplemental memo for this STR workshop will be prepared to address the Planning Commission’s feedback on this topic.

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<sup>7</sup> [Marin County Code – Residential Accessory Dwelling Unit Standards](#)



## **Multi-Family Units**

Proposed regulations would not allow STRs to occur in multi-family units or condominiums. A Guiding Principle of this Ordinance Update is to prioritize housing supply and affordability and consider regulations in light of their effects on the cost and availability of housing within individual communities. Program 18 of the recently certified Housing Element specifically states that the Board should consider prohibiting short-term rentals in all multi-unit dwellings.

Generally, multi-family units are typically more affordable than single-family homes, so limiting STRs in this land use would preserve more affordable housing options for community members. Additionally, there are public concerns that multi-family unit apartment buildings would be converted to STRs, and in turn, function more like a hotel than housing.

## **Other Structures (Sheds, Tents, RVs, etc.)**

A STR may not occur within non-residential areas within buildings, recreation vehicles (RVs), including non-motorized travel trailers, and other structures without permanent foundations (like yurts, tents, and treehouses).

These restrictions are consistent with the Marin County Code, which currently does not authorize the habitation of structures that are not on a permanent foundation and hooked up to municipal services (or if not served by municipal services, hooked up to septic systems and water).

County staff may consider regulations related to camping on private land at a later date, separately from the STR Ordinance Update work.

## **HEALTH AND SAFETY**

Two of the Guiding Principles address proposed health and safety standards: 1) Consider environmental constraints such as water and sewage capacity, and 2) Assure that short term rentals are good neighbors considering noise, parking, trash and other neighborhood quality of life concerns.

## **Building Safety**

According to a County STR survey, 66% of the 1,191 respondents who live in the unincorporated areas of the County and 64% of all respondents (2,467 responses in total) agree that STR owners should have to demonstrate that their property meets basic building safety standards, as outlined in Attachment 6.

In response, and because of the County's role in ensuring building health and safety, the proposed regulations require that all STR license applicants shall provide a self-certified building safety inspection upon permit application or renewal. County staff is still working to develop the administrative side of the Short Term Rental program (as discussed below), but self-certification could be similar to the City of San Rafael's building safety checklist<sup>8</sup> for Short Term Rentals in their jurisdiction.

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<sup>8</sup> [City of San Rafael's Short Term Rental Building Safety Self-Inspection](#)

To further ensure the safety of STR guests, a STR should not be rented when there is an open Code Enforcement case open on the property or while the building that would be rented is undergoing any type of construction that would require a Building Permit.

### **Solid Waste**

Proposed regulations related to solid waste reaffirm the requirements of Chapter 7.00 (Solid Waste, Collection, Diversion and Disposal) as they relate to residential properties. Essentially, these regulations ask STR owners to have sufficient solid waste containers (trash, recycle, compost); to properly store and dispose of solid waste; and if the level of service is insufficient for the rental, the County retains the ability to require an increase either to the size or number of the waste containers.

All residential properties in the unincorporated areas must comply with these regulations. These regulations are included in the proposed STR Ordinance so that any STR owner or community member can refer to the STR Ordinance to understand important County related to solid waste rules that apply to the property.

### **Septic**

The County's STR survey found that 70% of respondents who live in the unincorporated areas of the County and 62% of all respondents agree that STR owners should have to show that their property meets basic septic system standards. Proposed regulations require a STR owner to have a septic system that is documented as legal with the Community Development Agency Environmental Health Services Division (EHS) or another appropriate public agency. In most cases, the required documentation will be a copy of the septic permit. If the septic system was developed before septic codes were in place, or there is no septic permit documentation for the property, the septic system must pass an inspection (by an approved licensed professional) and load test for proper operation. This documentation would be required at the time of STR license submittal and at the time of license renewal.

Staff acknowledges that septic system improvements may be required as part of the proposed septic system standards, which in turn, could most impact low-income property owners. As part of the administration of the STR regulations or under a separate effort, staff may explore funding options to support upgrading septic systems.

### **Water**

Despite the recent rainy season of 2023, local water providers are planning for dry months ahead and remain focused on the sustainability of their water systems to be prepared for highly variable climate conditions.

The majority of survey respondents agree that the County should require Short Term Rental owners to have adequate water supply and water conservation measures in place. Of those respondents, 69 percent of those living in unincorporated areas of the County agreed and 62 percent of all respondents agreed.

In response, proposed regulations require STR owners to provide bills for their water use at the time of license application and renewal that demonstrates that the STR water use does not exceed an average of 250 gallons per day, or a lower limit established by the local water provider. If the STR owner provides documentation that shows the rental exceeds 250 gallons per day, the STR

license renewal application shall include strategies to reduce water use to below an average of 250 gallons per day during the next year. If water use is not reduced as required, the license shall not be renewed.

As a point of reference, the existing State standard for indoor water use in California is 55 gpd per person and expected to be lowered by the State Legislature to target rates of 47 gpd/person by 2025 and 42 gpd/person by 2030 (Senate Bill 606)<sup>9</sup>.

Further, If the rental property is served by a private water supply (well or spring), the STR owner must provide proof of a water supply permit with the County's Environmental Health Services Division and potability with a current bacteriological test (a microbiological analytical procedure that uses water samples to determine the concentration of bacteria).

## **EMERGENCY PREPAREDNESS**

If STR owners are welcoming visitors into their houses, the County wants to make sure those visitors are safe while staying in Marin, and that communities can be evacuated smoothly if needed. CDA staff coordinated with Marin County Fire and the Office of Emergency Management to ensure that some basic emergency preparedness requirements are incorporated into the proposed regulations.

Some simple suggestions such as requiring carbon monoxide detectors and smoke detectors are included in the proposed regulations. However, more can be done to make sure visitors are prepared for emergencies as discussed in the following sections.

### **Visible Address**

The California Fire Code establishes specific address requirements aimed at ensuring the safety and accessibility of properties, particularly in wildfire-prone areas. These requirements are designed to help emergency responders locate properties quickly and efficiently during wildfires or other emergencies. The proposed regulations reaffirm these requirements, specifically:

- Each short term rental shall have an address identification.
- The address identification must be maintained and shall be legible, measuring no less than 4 inches in height with a 3/8 width.
- The address identification must be placed in a position that is visible from the street or road fronting the property.
- Whenever the address on the STR will not be clearly visible from the street or access road fronting the property, the address shall also be placed at the public street or access road in a manner that is clearly visible from both directions of travel on the frontage road or street.

### **Fire Preparedness**

Approximately 60,000 acres or 18 percent of the County's land area falls within the Wildland Urban Interface (WUI) where residences and other structures are adjacent to or intermixed with open space and wildland vegetation.

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<sup>9</sup> [California Water Conservation Portal](#)

Marin's unincorporated rural communities are primarily situated within or adjacent to the wildland urban interface, with moderate to dense concentrations of structures. Response times in these communities can present significant challenges to firefighting, as emergency fire access and evacuation egress is sometimes limited by narrow, winding roads lined with dense vegetation. Of note, 718 of the 873 (or 82%) of the County's STRs are located in the WUI.

To ensure that a small fire could easily be extinguished so that it does not spread, each STR shall be equipped a fire extinguisher. If the STR has more than one level, an extinguisher must be mounted within each level.

Similar to the self-certified building safety checklist, staff will develop a self-certified fire safety inspection and a self-certified defensible space inspection. The City of San Rafael also requires a self-certified defensible space inspection, so one could look at the City's document<sup>10</sup> to better understand what this would look like.

## Evacuation Routes

At the same time the County updated its Housing Element, it also updated the Safety Element of The Countywide Plan<sup>11</sup>. Included in the Safety Element is a Goal to support continuing public awareness of hazards, including avoidance, disaster preparedness, and emergency response procedures, while also ensuring readiness in and after emergency situations and create an effective evacuation route network (EHS-2). One way to achieve this is outlined in Policy EHS-2.4, which states:

**EHS-2.4 Effective Emergency Access and Evacuation.** Ensure that first responders have adequate emergency access routes and that County residents, businesses, workers, and visitors can effectively evacuate during or after a disaster.

Thus, the STR owner must provide vehicular evacuation route maps, provided by Fire Safe Marin or the County of Marin, for the rental area. Evacuation routes must be posted near the front door, with a QR code or link to the County's online evacuation map (for those who may have service and are able to access this information), of the short term rental. Further, a vehicular evacuation routes map must be provided as a handout so guests can take the map with them in the case of an emergency.

## Emergency Communications

Emergency communications play a critical role in disaster preparedness and response; timely and accurate information during emergencies is crucial. Effective communication channels provide essential instructions, warnings, and evacuation notices to individuals in harm's way, helping them make informed decisions to protect themselves. The Safety Element acknowledges this fact, and requires the County to maintain and improve channels of communication:

**EHS-2.4.a Maintain and Improve Disaster and Emergency Response Notification System.** Continue to maintain and refine the existing Alert Marin system and the County's Public Emergency Portal for disaster and emergency response notifications. Work to identify and close gaps in the ability of all residents to receive disaster and emergency response notifications and information, such as those without telecommunication devices or internet access.

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<sup>10</sup> [City of San Rafael's Short Term Rental Vegetation Self-Inspection Checklist](#)

<sup>11</sup> [Amended Countywide Plan](#), which includes the updated Safety Element

While visitors can sign-up for notifications on their cellphones through services like Nixle or Alert Marin, many areas in unincorporated Marin do not have adequate cell service. Therefore, the proposed standards require each short term rental to contain a working landline phone, Voice Over Internet Protocol (VOIP), or a National Oceanic and Atmospheric Administration (NOAA) radio as a means of receiving emergency communications.

## **TYPES OF SHORT TERM RENTALS**

The County's STR survey addressed the question of whether Hosted and Unhosted STRs should be treated differently in the proposed regulations. Sixty-four percent of respondents who live in Unincorporated Marin support treating them differently. Conversely, only thirty percent of all respondents support this approach. Due to the majority support of those who live in the places that are most impacted by STRs, and feedback provided by the Planning Commission, staff has explored a few ways to distinguish between the two rental types. Although both Hosted and Unhosted STRs would require STR licenses and must comply with applicable property standards, staff anticipates that there will be different application fees for Hosted and Unhosted STRs.

Fees shall be established by resolution of the Board of Supervisors following a public hearing and are not included in the proposed regulations. The current fee to the Department of Finance for a business license for a STR is \$15 per dwelling unit. Due to the greater administrative and enforcement cost of the proposed regulations, it is anticipated that fees would be considerably higher, in the range of several hundred dollars for a two-year license. Staff will bring forward a resolution related to fees as part of the administrative development of the overall STR program.

### **Hosted STRs**

A Hosted STR requires the primary resident of the property on which the STR is located to be onsite while the property is rented. The Host would need to be present from 10 pm to 5 am and is responsible for responding to any complaint received regarding the conduct of the STR guests or the condition or operation of the short term rental and take any necessary remedial action to resolve violations of Marin County Code requirements in a timely manner.

The host of a hosted short term rental can be either the property owner or a long term tenant of the property. The property must be the primary residence of the host. To prove that the hosted short term rental is the primary residence of the host, the host must provide at least three of the following five types of documents at the time of initial application and renewal application: motor vehicle registration; driver's license; voter registration; a utility bill sent to the subject property; tax documents showing the property as the property owner's primary residence for the purposes of a homeowner's tax exemption; a lease showing that a host other than the property owner is renting a unit on the property on a long term basis.

Hosted STRs are not proposed to be subject to limits, discussed in the "STR Caps" section of this report.

### **Unhosted STRs**

An Unhosted STR does not require an onsite host, but a Local Contact Person meeting the requirements specified in the administrative procedures must be identified. The local contact person shall respond to any complaint received regarding the conduct of the short term rental

guests or the condition or operation of the short term rental and take necessary remedial action to resolve violations of Marin County Code requirements in a timely manner.

Unhosted STRs are proposed to be subject to limits, discussed in the “STR Caps” section of this report.

## **ADDITIONAL “GOOD NEIGHBOR” POLICIES**

### **Noise**

While the number of complaints received from the existing STR hotline is relatively low given the number of STRs in the County, loud parties are a big concern for many. All visitors and residents of Marin must adhere to the County’s Noise Ordinance between the hours of 11pm and 7am. A requirement that the host or Local Contact Person is responsible for making sure that guests follow this regulation is included in the draft STR regulations to ensure that all STR owners are aware of their responsibilities.

### **Parking**

Many streets in Unincorporated Marin are narrow roads, and parking impacts can be acutely felt in a neighborhood. Many have raised concerns about visitors parking incorrectly and blocking emergency access. Sixty-seven percent of the STR survey respondents that live in the unincorporated areas agree that STR owners should be required to provide sufficient onsite parking.

Therefore, a Hosted STR property would need to have one available onsite parking space while the STR is in use and an Unhosted STR would need to provide two onsite parking spaces. Parking locations would be reviewed and approved by the Department of Public Works as part of the STR license application.

The advertisement for the STR would need to include the approved parking plan and indicate how many parking spaces are available so that guests can plan accordingly.

### **Special Events**

Short Term Rentals are meant to provide overnight accommodations for visitors to Marin. They are largely located in residential areas and are not meant to be used for weddings, corporate events, commercial functions, and any other similar event. These types of uses would require conditional use permit approval in residential zones as indicated in the Marin County Development Code or Coastal Zoning Code, depending on the location of the property.

## **SHORT TERM RENTAL CAPS**

The STR survey conducted by County staff included two Likert scale questions (statements of agreement or disagreement) related to limiting the number of STRs in the unincorporated areas: 1) There should be a limit on the number of STR allowed in the unincorporated areas of the County, and 2) There should be a limit on the number of STRs by community.

While there was not a majority agreement from all respondents of the survey, the respondents who indicated that they lived in Unincorporated Marin both supported limiting the overall number



of STRs in the unincorporated area (64%) and limiting the number of STRs by community (57%). This approach is also noted in Program 18 in the Housing Element.

After the results of the survey were presented at the June 12, 2023 Planning Commission workshop, staff was directed to explore community-specific regulations, including limits on the number of STRs. STR limits, often referred to as “caps”, are indicated in the table below. Given the fact that the term community can have different meanings for different people, the caps are based on the map entitled “Townships of the County of Marin” kept on file by the Marin County Community Development Agency (Attachment 8). This is the map used by the County to assign property addresses.

Survey respondents who live in the unincorporated areas also voiced support for different regulations for Hosted vs. Unhosted STRs. Because Hosted STRs have a Host who lives onsite while the STR is in use, the STR is not taking away available housing and renters are more likely to comply with good neighbor policies, like complying with the Noise Ordinance. Therefore, the proposed regulations only place a cap on the overall number of Unhosted STRS.

After the proposed moratorium was publicly noticed on May 5, 2022, the County experienced an increase in the number of STR license applications submitted. Seventy TOT Certificates were issued, in contrast with the average of 10 licenses per month. The proposed regulations would return the County to the pre-moratorium baseline of STRs.

The “Initial Number of Unhosted Short Term Rentals” is the current number of STRs in West Marin that have TOT registrations. The “Ultimate Number of Unhosted Short Term Rentals” are the number of STR licenses that were registered with the County prior to the date when the STR Moratorium was noticed (i.e., the total number of registered STR owners prior to May 1, 2023).

Additionally, the “Initial Number of Unhosted Short Term Rentals” establishes the number of licenses available for issuance for the valid applications submitted before July 1, 2025 (first round licenses). First round licenses are available for all existing, registered STR owners provided they meet the STR standards.

First round licenses may be renewed; however, after these first round licenses are issued, the number of new licenses being issued shall decrease to the “Ultimate Number of Unhosted Short Term Rentals”. The cap on the ultimate number of short term rental licenses in each township shall be eventually achieved as license applications or renewals decline over time.

The reduction over time would be a total of 70 STRs. Areas that remain unchanged in this scenario: Olema (3 STRs, 9%), Petaluma (6 STRs, 4%), Forest Knolls (8 STRs, 3%). All other townships see a 1-4% reduction in STRs. Because the initial number of STRs can largely remain the same, and a 100% vacancy rate will not be achieved across all types of overnight visitor-serving accommodations, there will not be a significant change in the ability to welcome visitors to the County.

Unhosted Short Term Rentals License Caps							
Township	Initial Number of STRS	Number Parcels Developed with Living Units	Percentage of Parcels Used as STRs	Number of TOT Certificates Added Before the Moratorium	Ultimate Number of Unhosted Short Term Rentals	Ultimate Percentage of Parcels Used as Unhosted STRs	Percentage Change
Dillon Beach	125	408	31%	15	110	27%	-4%
Stinson Beach	192	704	27%	18	174	25%	-3%
Marshall	28	110	25%	1	27	25%	-1%
Muir Beach	20	147	14%	1	19	13%	-1%
Bolinas	63	624	10%	9	54	9%	-1%
Inverness	93	939	10%	7	86	9%	-1%
Pt. Reyes Station	32	350	9%	6	26	7%	-2%
Olema	3	33	9%	0	3	9%	0%
Tomales	12	135	9%	1	11	8%	-1%
Nicasio	11	240	5%	3	8	3%	-1%
San Geronimo	10	223	4%	3	7	3%	-1%
Petaluma*	6	163	4%	0	6	4%	0%
Forest Knolls	8	312	3%	0	8	3%	0%
Lagunitas	6	282	2%	2	4	1%	-1%
Woodacre	12	578	2%	4	8	1%	-1%
<b>Total</b>	<b>621</b>	<b>5248</b>	<b>12%</b>	<b>70</b>	<b>551</b>	<b>10%</b>	<b>-1%</b>

\*Including Valley Ford and Fallon  
Source: Department of Finance, Marin County Assessor

The Community Development Agency will maintain STR license wait lists for townships where the number of Unhosted STR license applicants exceeds the number of available licenses. Licenses for qualifying properties on the wait list shall be issued on a first come first serve basis.

Failure to submit a timely application for a renewal of an existing STR license shall result in that license not being renewed. In locations where there is a cap on the number of Unhosted STRs, an unrenewed license will not be reinstated to the property owner unless there are available licenses within the cap. A property owner who fails to renew a license may join the wait list for the next available license under the cap.

### Community Feedback on Caps

Initial feedback on the proposed caps are mixed, with some commenters asserting that the caps are too low or unnecessary, or that they are too high and allow for more STRs than are currently

operating because Unhosted STRs are not included in the cap. The rationale for the caps and the reason for the different standards for Hosted and Unhosted STRs is explained above.

Community sentiment currently varies as it relates to the number of allowed STRs in each township. On one hand, in a community like Bolinas there are a large number of residents who would like the number of STRs limited to primary residences only and support a decrease in the number of Unhosted STRs by approximately 50%. On the other hand, in a community like Dillon Beach, there are many second homeowners who prefer not to have any caps for the area. However, the goal is to strike a balance between long-term residents' needs, the need to provide more housing, and providing sufficient over-night access to the coast through different lodging options at different price points.

The DOF currently collects most of the County's STR data, which includes self-reported information related to the type of STR offered (as shown in the below table). While this is self-reported and more accurate data collection will be included as part of the updated STR program (as part a new administrative process), the current information on file shows that there are not many STR owners that offer just a room; instead, most indicate that they offer their whole house. Of the 621 STRs in West Marin, only 20 STR owners have indicated that they rent a room. That said, 104 of the license holders in West Marin did not provide a response.

<b>Licensed Short Term Rentals by Type in West Marin</b>	
<b>Type</b>	<b>Number</b>
Floating Home	0
Residence	24
Cottage	79
House	394
Room	20
Rental Property Type Not Identified	104
<b>Total</b>	<b>621</b>
Source: Department of Finance, self-reported data	

Additionally, online listings for a room rental on websites like Airbnb show relatively few room rental options and most of those that are available are located outside of West Marin. The majority of room rentals are located in the eastern areas of the County, in communities along the 101 corridor. Overall, there may be more room rentals or what will be considered "Hosted" options, but for the most part, the information available does not indicate that there are a large percentage of Hosted STRs at this time.

## **VIOLATIONS**

Many commenters throughout this STR Ordinance Update process have asked that the Ordinance include penalties for STR owners who violate STR regulations. However, regardless of public sentiment, the County has the responsibility to enforce, and investigate any violations of, the Marin County Code. Proposed regulations include both penalties and citation options:

- Short term rental licenses may be temporarily suspended if the licensee fails to meet the standards set forth in the draft regulations.

- Short term rental licenses shall not be renewed if there have been more than two verified violations of the standards or administrative procedures during the previous two-year licensing period.
- Any violation of the provisions in this Chapter may be enforced through any legal remedies available to correct and/or abate a nuisance or violation of the Marin County Code, as provided in Marin County Code Chapters 1.05 (Nuisance Abatement), 1.06 (Recordation of Notice of Violation), and 1.07 (Imposition of Administrative Fines for Ordinance Violations) as they pertain to violations related to real property. This generally means that \$500 fines would be levied, but consequences could be more severe depending on the pattern of violations.

## STR PROGRAM ADMINISTRATION

Administrative procedures for short term rental licenses will be prepared by the Community Development Agency. These procedures will be developed after the regulations are approved so that they reflect the requirements of the Ordinance, and it is important to note that no STR license application may be submitted until they are in place.

Administrative materials (like fact sheets, information/handouts for STR owners and guests, and application materials) will not be included in the materials for this nor subsequent Staff Report(s), but community members who may want to know what these could look like can review similar documents on CDA's Planning Division website<sup>12</sup>.

Any fees associated with the STR license must be established by Board Resolution. There will need to be some level of cost recovery to administer the STR program, which will be reflected in application cost. Staff will bring forward a separate resolution at a later date to establish fees for this Program.

A fiscal impact estimate of administering the STR Ordinance will be included in the Board of Supervisors meeting materials.

## CORRECTIONS AND CLARIFICATIONS

Subsequent to publishing the draft STR standards, a number of corrections and clarifications were identified, which will be incorporated into the Ordinance being prepared, which are discussed below.

## DEFINITIONS

The following change to the definition of an Unhosted STR to clarify that while a STR may be located in someone's primary residence, if they are not present as a Host while the property is rented, then the STR is still an Unhosted STR.

**Unhosted Short Term Rental:** Short-term rental occupancy of a residential unit on a property that does not have a host onsite while the rental is in use.

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<sup>12</sup> Planning Division – [Applications, Fees, and Resources](#)

## EMERGENCY PREPAREDNESS

Some slight changes to the way certain emergency preparedness requirements are written in the proposed regulations should be changed as outlined here:

- **5.41.050.H.4. Fire Extinguisher.** Each short term rental shall be equipped with one five-pound fire extinguisher, type 3-A:40-B:C, installed at a readily available location near the kitchen. If the short term rental has more than one level, an extinguisher must be mounted within each level. Fire extinguishers shall be inspected at the time of license renewal to ensure the extinguishers are in good working order.
- **5.41.040.D.4.xv** - All short term rental applicants shall provide a self-certified defensible space inspection, conducted within the preceding twelve months, upon permit application or renewal.

## STR CAPS TABLE

Table 1 – Short Term Rental Caps as identified in the draft regulations mistakenly groups the STRs in the townships of Fallon and Valley Ford with those in the unincorporated area of Petaluma. Please note, there are no changes between the “Initial Number of Unhosted Short Term Rentals” and the “Ultimate Number of Unhosted Short Term Rentals” in these townships. The table will be corrected to reflect these two are their own townships and the table will be modified as follows:

Township	Initial Number of Unhosted Short Term Rentals	Ultimate Number of Unhosted Short Term Rentals
Bolinas	63	54
Dillon Beach	125	110
Forest Knolls	8	8
Inverness	93	86
Lagunitas	6	4
Fallon	3	3
Marshall	28	27
Muir Beach	20	19
Nicasio	11	8
Olema	3	3
Petaluma	2	2
Point Reyes Station	32	26
San Geronimo	10	7
Stinson Beach	192	174
Tomaes	12	11
Valley Ford	1	1
Woodacre	12	8
<b>Total</b>	<b>621</b>	<b>551</b>

## **ALTERNATIVE REGULATIONS FOR CONSIDERATION**

Staff recommends that your Commission consider the policy alternatives outlined below. If your Commission favors a particular alternative, then the text of the Ordinance will be drafted to reflect the alternative rather than the standards previously released for public review.

### **ALTERNATIVE 1: AGRICULTURAL EXEMPTION**

This alternative would exempt agricultural properties from the STR Chapter in the Marin County Code.

STR regulations are meant to apply to residential units of property. However, there are approximately 70 STRs that occur on agriculturally zoned lands. Agricultural producers typically have large properties and do not disturb neighbors. Agricultural producers usually live onsite or provide long-term housing for others so that there is a host on the property to address any issues that may arise. Further, because they are commercial businesses, they are insured, inspected by the Fire Department, and must comply with other County and State regulations outside of the STR regulations.

### **ALTERNATIVE 2: CAPS**

This alternative would entail revising the draft regulations to include both the Unhosted and Hosted STRs in the caps. Including both Unhosted and Hosted STRs in the proposed caps would limit the overall number of STRs in the unincorporated areas and would allow for more control over the growth of STRs in the County. That said, including both STR types in the overall caps would minimize the distinguishing factor between Unhosted and Hosted STRs, and the only difference between the two uses would be the number of onsite parking spaces that must be provided.

### **ALTERNATIVE 3: COUNTYWIDE CAP**

This alternative would establish a countywide STR cap, as a means to prevent future proliferation of STRs outside of the Coastal Zone such that they would substantially reduce opportunities for long term rental housing.

While this STR work has largely focused on the Coastal Zone and West Marin as a whole, ultimately, all regulations will apply to the other areas of the Unincorporated County. As proposed, the draft regulations do not establish an overall Countywide Cap on STRs, though this is a regulatory approach that should be considered.

Program 18 of the Housing Element does not distinguish between establishing regulations for just West Marin, and instead proposes limiting the overall number of STRs Countywide. While there are more houses in the eastern areas of the County, housing shortages and lack of affordable housing options are felt throughout the County. For example, three percent of the properties that contain at least one living unit are registered as STRs in Unincorporated Mill Valley.



To prevent the excessive proliferation of STRs across the County, a Countywide cap on STRs, the Planning Commission could limit the initial number of Unhosted STRs to those registered on January 1, 2024, and set the ultimate number of Unhosted STRs would be 873 (the number of STRs in the County when staff began the work on this STR Ordinance).

## **ADDITIONAL PROJECT INFORMATION**

### **PROJECT SCHEDULE**

The moratorium in West Marin expires May 23, 2024, and the objective is to have permanent STR regulations in place prior to this date. However, since any regulations in the Coastal Zone must be certified by the California Coastal Commission, regulations in this area are the first priority.

Your Commission will be asked to recommend that the Board of Supervisors submit a Local Coastal Program Amendment to the California Coastal Commission so that the Coastal Commission can review and certify regulations prior to May 23, 2024 when the moratorium expires. Once the Local Coastal Program Amendment is certified, the Board of Supervisors must adopt the certified regulations. At that time, the regulations would take effect in all unincorporated areas of the County.

### **SOCIAL EQUITY**

As outlined above, a significant theme of the recent housing work in Marin County has been to affirmatively further fair housing based on state mandates and local goals. Affirmatively furthering fair housing means taking meaningful actions that address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. As stated earlier in the staff report, STRs create a strain on the housing market, resulting in less housing available as permanent rental housing. At the same time, some property owners have shared that visitor serving use of residential property allows them the opportunity to maintain a home in Marin, although for some this is not their primary home. Outreach and policy discussions will continue to include the costs and benefits of STRs as it relates to housing choice, access to amenities, and housing security.

### **RECOMMENDATION**

Staff recommends the Planning Commission review the administrative record, conduct a public hearing, consider the alternatives presented, and direct staff to return with a resolution and draft Ordinance.

Attachments:

1. Draft Short Term Rental Regulations, September 2023
2. June 12, 2023 Planning Commission Workshop – Staff Report and Public Comments
3. Housing Element – Chapter 2: Housing Needs Analysis
4. Housing Element –Affirmatively Furthering Fair Housing (AFFH) Appendix
5. Coastal Act Consistency Analysis with Proposed LUP Amendments
6. Short Term Rental Outreach Summary

7. Short Term Rentals – Select California Jurisdiction Comparisons
8. “Townships of the County of Marin” Map
9. Public Communications Received between June 12, 2023 and September 25, 2023
10. Public Communications Received in Response to the Draft Regulations