


# Short Term Rentals



COUNTY OF MARIN

## MARIN COUNTY SHORT TERM RENTAL ORDINANCE COASTAL ACT CONSISTENCY ANALYSIS

### INTRODUCTION

Since the Fall of 2022, County staff has been working to update the Short Term Rental (STR) regulations for the unincorporated areas of Marin. Proposed regulations would apply in the Coastal Zone and therefore would require an amendment to the County's Local Coastal Program (LCP), which is a land use plan for Marin County's Coastal Zone that guides land use and development in accordance with the California Coastal Act.

As noted in the LCP, 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 are included in the LCP, which was certified by the California Coastal Commission (CCC) in 2019:

**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.

To ensure that STR regulations are applicable in the Coastal Zone, the County must modify its LCP, through a process referred to as an LCP Amendment (LCPA). Planning staff will submit the LCPA after the Board of Supervisors has adopted a Resolution authorizing the submission of an LCP amendment application.

The County must conduct a Coastal Act consistency analysis as it relates to Chapter 3 of the Coastal Act, which must be included in local decision-making materials for an LCPA.

In general, Chapter 3 of the California Coastal Act, titled "Coastal Resources Planning and Management Policies," outlines key policies and objectives for the management and protection of California's coastal resources. The chapter emphasizes the importance of preserving and enhancing the natural and scenic beauty of the coastline while promoting sustainable development. It sets forth policies to ensure public access to coastal areas and protect environmentally sensitive habitats.

This Chapter also establishes the CCC as the primary agency responsible for implementing and enforcing these policies. Overall, Chapter 3 of the Coastal Act underscores the state's commitment to responsible coastal development and the preservation of its unique coastal environment.

## **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, and Tomales are located within the Coastal Zone. As such, STR 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 a Land Use Plan, an Implementation Program, accompanying land use and zoning maps, as well as 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.

The Appendices contain elements that are essential to the interpretation and application of Land Use Plan policies. Proposed STR regulations would be included in Chapter 5.41 of the Marin County Code and incorporated into the LCP as an appendix item (as proposed, Appendix 11).

## **CHAPTER 3**

Included in the LCP are specific references to the following Coastal Act sections as they relate to visitor-serving accommodations, which are further addressed in the Consistency section of this document.

**Section 30213 Lower cost visitor and recreational facilities; encouragement and provision; overnight room rentals**

Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred. The commission shall not: (1) require that overnight room rentals be fixed at an amount certain for any privately owned and operated hotel, motel, or other similar visitor-serving facility located on either public or private lands; or (2) establish or approve any method for the identification of low or moderate income persons for the purpose of determining eligibility for overnight room rentals in any such facilities.

### **30220 Protection of certain water-oriented activities**

Coastal areas suited for water-oriented recreational activities that cannot readily be provided at inland water areas shall be protected for such uses.

### **30222 Private lands; priority of development purposes**

The use of private lands suitable for visitor-serving commercial recreational facilities designed to enhance public opportunities for coastal recreation shall have priority over private residential, general industrial, or general commercial development, but not over agriculture or coastal-dependent industry.

## **ROLE OF THE LOCAL COASTAL PROGRAM**

The role of an LCP is to manage and regulate land use and development within a specific coastal zone in accordance with the policies and provisions set forth by the California Coastal Act. The LCP serves as the standard of review because it represents a comprehensive and locally tailored approach to coastal management and land use planning. The LCP was developed in collaboration with the California Coastal Commission, and it is specifically designed to align with the goals and policies of the California Coastal Act while addressing the unique needs and characteristics of the local coastal area.

## **STANDARD OF REVIEW**

The proposed amendment affects the Land Use Plan and Appendices of the LCP only and must be consistent with the policies outlined in the Land Use Plan as described below.

## **CONSISTENCY ANALYSIS**

For the purpose of this analysis, please note that the proposed definition of a Short Term Rental is:

A rental of a residential unit, or a portion of a residential unit, for a time period of less than 30 consecutive nights. Short term rentals are a residential use of property.

Because a STR is defined as a residential use, it is not considered a commercial use or enterprise. As such, certain policies in the LUP that are associated with the typical visitor-serving enterprises and over-night accommodations noted in the LUP are not applicable to this analysis. That said, all residential property owners have the ability to apply for the necessary Coastal Development Permit to turn their property into a Bed and Breakfast, a land use that is specifically called out in the LCP to be protected and encouraged, subject to specific regulations.

## **THE COASTAL COMMISSION AND SHORT TERM RENTALS**

The CCC has recognized that STRs provide a unique and important source of visitor-serving accommodations in the Coastal Zone, especially for larger families and groups, and has found that outright bans are inconsistent with Coastal Act policies prioritizing public access and visitor-serving uses.

However, given the rise of popularity in STRs in recent years and the current housing crisis in the State, the CCC has begun to consider whether unlimited, unregulated STRs are an appropriate use when so many coastal communities are facing housing shortages. In response, The CCC has asked their Housing Subcommittee to further investigate the impact of STRs on available housing for long-term residents and to report back on their findings to better inform policy decisions related to the topic.

Coastal Commission guidance to local governments has emphasized the need to allow, but regulate, STRs in a manner that balances the important public access and visitor-serving benefits of STRs with reasonable regulations to limit adverse impacts on coastal communities.

In response, proposed STR regulations aim to strike a balance between ensuring the continued use of STRs in Marin’s coastal communities, subject to reasonable regulations and limits that will protect the County’s available housing stock for long-term residents.

### SHORT TERM RENTALS IN THE COASTAL ZONE

There are currently 568 registered STRs in the Coastal Zone. This amounts to 16% of the parcels that are developed with living units, meaning a high percentage of the available housing stock in the Coastal Zone is currently used on a short-term basis. While the average is 16%, as shown in the below table, the communities of Marshall, Stinson Beach, and Dillon Beach have much higher percentages (25%, 27%, and 31%, respectively).

Proposed regulations distinguish between Hosted and Unhosted STRs because Hosted STRs have a Host who lives onsite while the STR is in use, and the STR is not taking away available housing. Therefore, the proposed regulations only place a cap on the overall number of Unhosted STRS. Limits on the number of Unhosted Short Term rentals aims to reduce the overall percentage by 5% and limits the overall number of STRs to 510 (11% of the of residentially developed parcels).

Township	Initial Number of STRS	Number of Parcels Developed with Living Units	Percentage of Parcels Used as STRs	Number of TOT Certificates Added Before the Moratorium	Ultimate Number of Unhosted STRs	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%

<b>Pt. Reyes Station</b>	32	350	9%	6	26	7%	2%
<b>Olema</b>	3	33	9%	0	3	9%	0%
<b>Tomales</b>	12	135	9%	1	11	8%	1%
<b>Total</b>	<b>568</b>	<b>3450</b>	<b>16%</b>	<b>58</b>	<b>510</b>	<b>11%</b>	<b>5%</b>

## LAND USE PLAN POLICIES ANALYSIS

The LCP notes that, although Marin County’s coastal communities reflect a long-standing commitment to maintain the characteristics that draw residents and visitors to them, changing economics and land development practices could threaten community character. Achieving a balance between local- and visitor-serving businesses continues to be a challenge in Marin County, as elsewhere along California’s coast. At the same time, the Coastal Act places a high priority on visitor-serving facilities, particularly lower-cost facilities, and visitors as an important part of the local economy.

The policies listed below reaffirm the need to strike a balance between both the residential character of the coastal communities, and the need to welcome visitors to the Coast. All the CCC certified STR regulations in other jurisdictions (for example, San Diego, Half Moon Bay, City of Trinidad, Santa Cruz County, etc.) have been reviewed and the proposed regulations seem to be consistent with past approvals. Proposed regulations conform to the policies listed below as follows:

- No STR ban is proposed.
- Establish a STR License with the following limits:
  - Only one license is permitted per owner and per property. Said differently, if someone has two properties, the County would only issue one license for one of the properties, not both.
  - STR license priority would be given to those who currently have the required licenses (Business License and Transient Occupancy Tax Certificate) to operate an STR.
  - Licenses must be renewed every two years.
  - STR licenses may not be renewed if there are two documented Code violations in the previous two-year license term.
- Limit the number of Unhosted STRs to 510. No limit established for Hosted STRs.
- Ensure basic life and health safety standards for rentals, including basic emergency preparedness requirements.
- Ensure compliance with existing County regulations related to noise, trash, and allowed STR unit types, and administrative penalties.

Further, over-night accommodations are not limited to STRs, and other lodging options include hotels, motels, inns, bed and breakfasts, and campgrounds. Appendix 2 in the LCP contains an exhaustive inventory of visitor-serving, commercial, and recreation facilities in the coastal zone. While it does not include all licensed Short Term Rentals, 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

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.

## LIST OF APPLICABLE LCP POLICIES

### Housing

**C-HS-1 Protection of Existing Affordable Housing.** Continue to protect and provide affordable housing opportunities for very low, low, and moderate income households. Prohibit demolition of existing deed restricted very low, low, and moderate income housing except when:

1. Demolition is necessary for health and safety reasons; or
2. Costs of rehabilitation would be prohibitively expensive and impact affordability of homes for very low, low and moderate income households; and
3. Units to be demolished are replaced on a one-for-one basis with units of comparable rental value on site or within the immediate Coastal Zone area.

**C-HS-6 Regulate Short-Term Rental of Primary or Second 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.

### Community Character

**C-MB-1 Community Character of Muir Beach.** Maintain the small-scale character of Muir Beach as a primarily residential community with recreational, small scale visitor, and limited agricultural use.

**C-SB-1 Community Character of Stinson Beach.** Maintain the existing character of residential, small-scale commercial and visitor-serving recreational development in Stinson Beach. New development must be designed to be consistent with community character and protection of scenic resources.

**C-BOL-1 Community Character of Bolinas.** Maintain the existing character of residential, small-scale commercial and visitor-serving, and agricultural uses in Bolinas.

**C-OL-1 Community Character of Olema.** Maintain Olema's existing mix of residential, small-scale commercial and visitor-serving, and open space land uses and small-scale, historic community character...

**C-PRS-1 Community Character of Point Reyes Station.** Maintain the existing mix of residential and small-scale commercial and visitor-serving development and small-scale, historic community character in Point Reyes Station.

**C-PRS-3 Visitor-Serving and Commercial Facilities.** Encourage development of additional visitor-serving and commercial facilities, especially overnight accommodations. Establish overnight accommodations in the Grandi Building (Assessor Parcel Number 119-234-01) and Assessor Parcel Built Environment 64 Community Development Land Use Plan Amendments Number 119-240-55, located at the junction of Highway One and Point Reyes – Petaluma Road (See also C-PRS-4 below).

**C-INV-1 Community Character of Inverness.** Maintain the existing character of residential and small-scale commercial and visitor-serving development in the Inverness Ridge communities.

**C-ES-1 Community Character of the East Shore of Tomales Bay.** Maintain the existing character of low-density, residential, agriculture, mariculture, visitor-serving, and fishing or boating-related uses. Allow expansion or modification of development for visitor-serving or commercial development on previously developed lots along the east shore of Tomales Bay, provided that such expanded uses are compatible with the small scale and character of existing development along the Bay.

**C-TOM-1 Community Character of Tomales.** Maintain the existing character of residential and small-scale commercial and visitor-serving development in the community of Tomales. No expansion of commercial zoning is recommended since there is adequate undeveloped land zoned for visitor-serving and commercial development for anticipated future needs. Encourage development of overnight accommodations such as a motel, cottages, and a hostel. New development shall reflect the historic character of the town's architecture and shall be set back from the creek which flows through commercially zoned areas.

**C-DB-1 Community Character of Dillon Beach.** Maintain the existing character of residential and small-scale commercial and visitor-serving development in Dillon Beach and Oceana Marin. Dillon Beach Resort, including all properties zoned C-RCR and C-RMPC between Dillon Beach Road and Dillon Creek, would be an appropriate site to consider for new development of a modest scale motel, cafe, delicatessen, or restaurant, and/or day-use facilities. Due to its proximity to the shoreline, the former Pacific Marine Station is an especially suitable area for facilities where many people can enjoy its prime location. The site offers opportunities, for example, for community services, a conference center, and/or a youth hostel. Limited residential development would be appropriate at the Dillon Beach Resort, provided it were developed as a secondary use in conjunction with visitor-serving uses. All development shall demonstrate adequate water supply and sewage disposal, and shall be sited out of sand dunes and other environmentally-sensitive areas. Building heights shall be limited to that which is compatible with the scale and character of the area. Existing CRRC and C-RMPC zoning shall be maintained. Maintain existing C-RCR and C-APZ-60 zoning at Lawson's Landing.

## **Parks, Recreation and Visitor-Serving Uses**

**C-PK-4. Balance of Visitor-Serving and Local-Serving Facilities.** Support a level of local-serving facilities such that an adequate infrastructure can be maintained to ensure the health, vitality, and survival of the visitor-serving segment of the coastal economy.

**C-PK-6 Bed and Breakfast Inns.** Support bed and breakfast facilities in the Coastal Zone as a means of providing visitor accommodations, while minimizing their impacts on surrounding communities. Restrict the conversion of second units and affordable housing to bed and breakfast inns. In addition, support the location of bed and breakfast inns in areas that are easily and directly accessible from usual tourist travel routes and where there is adequate off-street parking for guests and where the problem of nearby residents being inconvenienced by noise and increased transient traffic is minimized. Bed and breakfast inns shall be permitted to host or provide facilities for gatherings, such as weddings, receptions, private parties, or retreats if located in the C-APZ, C-ARP or C-R-A and if such activities are otherwise LCP consistent. Each bed and breakfast inn must be operated by a householder who is the sole proprietor of the enterprise and whose primary residence is on the premises where the inn accommodations are located.

### **Attachment**

1. Proposed Land Use Plan Amendments





## Introduction

The Marin County Local Coastal Program (LCP) is made up of the following documents. These documents are available online at: [www.MarinLCP.org](http://www.MarinLCP.org).

- The “Land Use Plan (LUP)” document includes policies and programs, as well as background and introductory text for each policy section.
- The “Coastal Zoning Code” document is a means of implementing the policies and programs of the LCP Land Use Plan.
- Policy maps and zoning maps for the Coastal Zone.
- Appendices:
  - Appendix 1: List of Recommended Public Coastal Accessways
  - Appendix 2: Inventory of Visitor-Serving, Commercial, and Recreation Facilities in the Coastal Zone
  - Appendix 3: Coastal Village Community Character Review Checklist (Local Coastal Program Historic Review Checklist)
  - Appendix 4: Design Guidelines for Construction in Areas of Special Character and Visitor Appeal and For Pre-1930’s Structures
  - Appendix 5: Seadrift Settlement Agreement
  - Appendix 6: 1977 Wagner Report “Geology for Planning, Western Marin County”
  - Appendix 7: Categorical Exclusion Orders and Maps
    - a. Zoning in effect in Marin County on May 5th, 1981 (Date of approval of E-81-2)
  - Appendix 8: Certified Community Plans
    - Dillon Beach Community Plan
    - Bolinas Gridded Mesa Plan
  - Appendix 9: Hillside Subdivision Design Ordinance (Marin County Development Code Section 22.82.050)
  - Appendix 10: Seismicity (Alquist-Priolo Special Studies Zone Act), which only applies as it relates to Unit I Environmental Hazard Policies

- [Appendix 11: Short Term Rental License Requirements \(Marin County Code Chapter 5.41\)](#)

Because the adopted Marin County Housing Element and Marin County Code include measures such as density bonuses and reduction in site development standards, which affect the intensity of land uses that can be allowed in the Coastal Zone, the LCP contains select housing policies. These policies achieve compliance with housing-related requirements of the Government Code and the Marin Countywide Plan’s Housing Element, and with the Coastal Act requirement to specify the potential density of future development in the Coastal Zone, including residential development.

The LCP provides several measures to address low and moderate income housing needs in the Coastal Zone, such as affordable housing provisions and retention of zoning for small lots of 6,000 to 10,000 square feet. These needs are also addressed by LCP policies that support development of Accessory Dwelling Units and agricultural worker housing where appropriate. To protect existing lower income units, the LCP also limits conditions under which such units can be demolished, although hazardous structures may be demolished even if no replacement housing is built. Finally, it should be noted that the County’s draft Housing Element identifies several sites in the Coastal Zone that could potentially accommodate affordable housing.

## Policies

**C-HS-1 Protection of Existing Affordable Housing.** Continue to protect and provide affordable housing opportunities for very low, low, and moderate income households. Prohibit demolition of existing deed restricted very low, low, and moderate income housing except when:

1. Demolition is necessary for health and safety reasons; or
2. Costs of rehabilitation would be prohibitively expensive and impact affordability of homes for very low, low and moderate income households; and
3. Units to be demolished are replaced on a one-for-one basis with units of comparable rental value on site or within the immediate Coastal Zone area.

**C-HS-2 Density for Affordable Housing.** Allow the maximum range of density for deed-restricted housing developments that are affordable to extremely low, very low or low income households and that have access to adequate water and sewer services.

**C-HS-3 Affordable Housing Requirement.** Require residential developments in the Coastal Zone consisting of 2 or more units to provide 20 percent of the total number of units to be affordable by households of very low or low income or a proportional “in-lieu” fee to increase affordable housing construction.

**C-HS-4 Retention of Small Lot Zoning.** Preserve small lot zoning (6,000 – 10,000 square feet) in Tomales, Point Reyes Station, and Olema for the purposes of providing housing opportunities at less expense than available in large-lot zones.

**C-HS-5 Accessory Dwelling Units.** Consistent with the requirements of California Government Code Section 65852.2 and this LCP, continue to enable construction of well-designed Accessory Dwelling Units in both new and existing residential neighborhoods as an important way to provide workforce and special needs housing. Ensure that adequate services and resources, such as water supply and sewage disposal, are available consistent with Policy C-PFS-1 (Adequate Services).

~~**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.~~

C-H S-6 Short Term Rentals. Short Term Rental regulations are included in Appendix 11, and establish Short Term Rental License requirements for all Short Term Rentals in the Coastal Zone.

C-HS-7 Williamson Act Modifications to the Coastal Zoning Code. Allow farm owners in a designated agricultural preserve to subdivide up to 5 acres of the preserved land for sale or lease to a nonprofit organization, a city, a county, a housing authority, or a state agency in order to facilitate the development and provision of agricultural worker housing. Section 51230.2 of the Williamson Act requires that the parcel to be sold or leased must be contiguous to one or more parcels that allow residential uses and developed with existing residential, commercial, or industrial uses. The parcel to be sold or leased shall be subject to a deed restriction that limits the use of the parcel to agricultural laborer housing facilities for not less than 30 years. That deed restriction shall also require that parcel to be merged with the parcel from which it was subdivided when the parcel ceases to be used for agricultural laborer housing.

C-HS-8 Development of Agricultural Worker Housing Units in Agricultural Zones. Support policy changes that promote development of agricultural worker units in agricultural zones.

*Program C-HS-8.a Administrative Review for Agricultural Worker Housing Units.* Establish an administrative Coastal Development Permit review process for applications for agricultural worker units in order to expedite the permitting process and facilitate development of legal agricultural worker units.

C-HS-9 Density Bonuses. Provide density bonuses for affordable housing in the Coastal Zone consistent with Government Code Section 65915 and Coastal Act Section 30604(f), to the extent that such increases in density are consistent with the provisions of the LCP.