June 21, 2022

Honorable Board of Supervisors  
Marin County Civic Center  
San Rafael, CA 94903

SUBJECT: Extension of an interim urgency ordinance placing a moratorium on new short-term rentals (STRs) in the West Marin Area

Dear Supervisors,

RECOMMENDATION:

Adopt the attached ordinance, extending a 45-day interim urgency ordinance that established a moratorium on new short-term rental registrations in the West Marin Area, also known as the Measure W or West Marin Transient Occupancy Tax (TOT) Area, for an additional 22 months and 15 days, and also issue the attached report regarding the County’s efforts to alleviate the conditions identified in the ordinance.

BACKGROUND:

On May 24, 2022, your Board adopted an urgency ordinance establishing a moratorium on new short-term rental use (STR) in the West Marin Area, also known as the Measure W or West Marin Transient Occupancy Tax (TOT) Area, to maintain stability in housing supply while County staff evaluates policies and contemplated zoning proposals to improve the availability of middle- and lower-income housing in the West Marin Area, while preserving coastal access (STR Ordinance). The STR Ordinance has an initial term of 45 days (until July 8, 2022), with a potential extension of up to 22 months and 15 days (until May 23, 2024), for a total of two years.

DISCUSSION

As outlined in the May 24, 2022 Board Letter (Attachment 3), in the time since the most recent STR Ordinance was approved, longstanding challenges such as high costs and limited housing availability have continued in Marin County. With over 10% of properties in West Marin used as STRs, it appears that in the context of labor shortages, increased costs, and demand, STRs are increasingly impacting the health and safety of local communities.

The Board and County staff plan to continue to study and evaluate policies and contemplated zoning regulations on STRs to improve the availability of middle- and lower-income housing in the West Marin Area, while maintaining existing coastal access. However, the addition of new STR operations in the West Marin Area while these policies are being developed would result in further erosion of housing supply
and continue to spur speculative activity, creating particular challenges in the small communities of West Marin where housing supply is scarce, and a high degree of workforce challenges already exist.

Government Code 65858(b) authorizes the Board, by a four-fifths vote following proper notice and a public hearing, to extend an urgency ordinance for up to an additional 22 months and 15 days.

For these reasons, staff is recommending the extension of the moratorium to prohibit the addition of new STRs in West Marin for up to two years in order for the County to consider, develop, and adopt appropriate zoning regulations of STRs in the West Marin Area. In addition, pursuant to Government Code section 65858(d), staff is recommending the Board issue the attached report regarding the County’s efforts to alleviate the conditions identified in the ordinance.

**EQUITY IMPACT:**
Since the Board’s adoption of the first Short Term Rental Ordinance in 2018 (Ordinance No. 3692), an affordable housing shortage for middle- and lower-income working families has continued to worsen in the greater San Francisco Bay Area, impacting the ability of these families to live in or near the communities where they work. Middle- and lower-income families in the West Marin Area are experiencing these housing impacts.

Rental of all or a portion of a property can serve the purpose of providing an income source supporting property owners who might not otherwise be able to buy or retain their home. An extension of the moratorium on new STR registrations would not preclude long term rentals of 30 days or more.

**FISCAL IMPACT:**
The fiscal and staffing impacts related to the proposed Ordinance include the costs of implementation and enforcement for both the Department of Finance and the CDA. Currently, there are no permit fees proposed to offset the workload for the Department of Finance and CDA. Staff will continue to work with the Board subcommittee and the County Administrator to evaluate the appropriateness of offsetting the general fund impacts associated with this moratorium and with the evaluation of potential future policies and regulations.

**REVIEWED BY:**

☐ County Administrator ☑ N/A

☑ Department of Finance ☐ N/A

☑ County Counsel ☐ N/A

☐ Human Resources ☐ N/A
SIGNATURE:

Kathleen Kilgariff

Kathleen Kilgariff
Planner

Attachments
1. Proposed Ordinance
2. Report Regarding the Measures Taken to Alleviate the Condition Which Led to the Adoption of Ordinance No. 3768
3. May 24, 2022 Board Packet
4. Public Comments