# Staff Report

Meeting Date: July 6, 2021

To: Siskiyou County Board of Supervisors

From: Kirk Skierski, Planning Director

Subject: Moratorium on Accepting New Short-Term Vacation Rental Applications (Z-21-03)

## Background

Over the past several years, the County has seen an increased number of short-term vacation rental applications as compared to the early 2000s. It is staff’s opinion that this is due to the availability and expansion of online booking platforms. As a result of the increased application submittals for short-term vacation rentals, there also has been an increase in public opposition due to neighborhood compatibility concerns and wildfire risk. In addition, there is public perception that short-term vacation rentals have a direct causation of impacts to housing availability and housing/rental prices. While there may be a correlation between short-term vacation rentals on housing availability and housing/rental prices, in actually, housing is a complex issue with multiple factors that affect how a private property owner wants to utilize their property.

County staff was directed to bring forward to the Board of Supervisors during the March 2, 2021, meeting an Urgency Ordinance that would establish a moratorium on accepting new short-term vacation rental applications countywide. California Government Code Section 65858 grants local governments’ legislative authority to adopt an urgency ordinance by four-fifths vote. However, the March 2, 2021, Urgency Ordinance did not receive the required four-fifths vote to become effective. On April 6, 2021, County staff went to the Board of Supervisors requesting direction for a potential short-term vacation rental moratorium. The Board of Supervisors directed staff to move forward with an Ordinance to establish a moratorium on accepting new short-term vacation rental applications for all properties less than 2.5-acres countywide.

## Analysis

On June 30, 2020, Siskiyou County applied for the State’s Local Early Action Planning Grant Program (LEAP) to request $150,000 in grant funding in order to update the County’s General Plan Housing Element. The County’s LEAP grant application was approved on July 17, 2020, and staff is currently working on releasing a request for proposal (RFP) for a third-party consultant to complete the necessary Housing Element update.

Short-term vacation rentals present opportunities and constraints to each of the County’s communities and rural neighborhoods. It is staff’s opinion that a county-wide short-term vacation rental study should occur as part of the Housing Element update and would be feasible with a grant award of $150,000. The short-term vacation rental study could provide recommended direction and regulations for short-term vacation rentals within Siskiyou County. It is staff’s opinion that a short-term vacation rental moratorium would be appropriate while the County analyzes short-term vacation rentals and considers additional regulations that could affect future short-term vacation rental applications. In addition, staff believes the establishment of a moratorium on accepting new short-term vacation rental applications for all properties less than 2.5-acres countywide to be appropriate metric in that the majority of public opposition to short-term vacation rentals occur when proposed on smaller acreage properties.

## Planning Commission Recommendation

During the May 19, 2021, Planning Commission meeting, staff brought the proposed short-term vacation rental moratorium for all properties less than 2.5-acres countywide to the Commission for their consideration and recommendation. Generally, the Commission felt a short-term vacation rental moratorium was not appropriate nor warranted. The Commission highlighted the importance of short-term vacation rentals and their relationship with tourism and business in the county. In addition, smaller acreage properties tend to be located closer to incorporated cities and unincorporated community centers that heavily rely on tourism for their operations. Establishing a moratorium on these smaller acreage properties could result in short-term vacation rentals moving away from city and community centers towards larger, more rural properties where the use and associated effects can be exacerbated compared to properties close to city and business centers. Essentially, the Commission felt short-term vacation rentals are more appropriate in urban areas opposed to rural areas.

Due to these concerns, the Planning Commission recommended the Board of Supervisor reject the Short-Term Vacation Rental Moratorium.

## Environmental Review

Staff finds that the proposed Short-Term Vacation Rental Moratorium is exempt from the California Environmental Quality Act (“CEQA”) pursuant to Section 15061(b)(3) because it can be seen with certainty that there is no possibility of a significant effect on the environment from the adoption of the moratorium on accepting new short-term vacation rentals for properties less than 2.5-acres countywide. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. In addition, staff further finds that the moratorium is categorically exempt from further review under CEQA Class 8 Categorical Exemption, 14 CCR § 15308, (regulatory activity to assure protection of the environment).

As such, the Board of Supervisors would need to determine the project to be categorically exempt from CEQA prior to adopting the proposed Short-Term Vacation Rental Moratorium Ordinance.

## Fiscal Impact

No direct fiscal impact other than staff time processing this project. Short-term vacation rental study can be included in the Housing Element update, which would be covered by grant monies received by the state. There is potential for indirect fiscal impact relating to prohibition of establishing new short-term vacation rentals while the moratorium is in effect (e.g. application fees; transit-occupancy tax; etc.), however this is speculative in nature.

## Recommendation

The Planning Commission recommended the Board does not adopt the proposed Ordinance establishing a moratorium on accepting new Short-Term Vacation Rental applications for all properties less than 2.5-acres. Should the Board of Supervisors agree with the Planning Commission’s recommendation, the Board could move to deny the proposed Ordinance.

Should the Board of Supervisors find merit in establishing a moratorium, staff recommends the following motion:

I move to take the following actions:

1. Introduce, waive, and approve the first reading of the proposed moratorium on accepting new short-term vacation rental applications for all properties less than 2.5-acres countywide (Z-21-03); and

2. Direct the clerk to schedule a continued public hearing for the second reading.

## Attachments

1. Draft Ordinance, an Ordinance of the Board of Supervisors of the County of Siskiyou, State of California, Establishing a Moratorium on Accepting New Short-Term Vacation Rental Applications for all Properties Less than 2.5-Acres Countywide