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Public Comment

From:

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To:

sbcob

Subject:

September 1st Board of Supervisors Meeting Thursday, August 27, 2020 2:33:05 PM

Date: Attachments:

BOS Farmstays Letter.doc



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Dear Clerk of the Board

Attached is a letter I would like you to distribute to the Members of the Board of Supervisors for Santa Barbara County. It addresses two matters that are on the Board's September 1st Agenda (per Notice of Public Hearing). These matters are: Farmstays Ordinance Amendments Project (File #20-00607) and Coastal Short-Term Rental (STR) Briefing (File #20-00613).

Thank you in advance for your assistance. Should you have any questions, please respond to this email. Best regards,

Kelly Rose

Kelly A. Rose P. O. Box 817 Los Olivos, CA 93441

August 27, 2020

Board of Supervisors County of Santa Barbara

Re: Farmstays Ordinance Amendments Project and Coastal Short-Term Rental (STR) Ordinance Briefing

Dear Supervisors,

In light of the Board's review of these two matters, I am writing you to express my concern and frustration over how Homestays are being administered relative to the issuance of permits as well as the enforcement of the current Homestay Regulations (approved by the Board in October 2017, effective October 2018). It is my hope that the Board will address the current failings of the Homestay Regulations as part of the Board's process of reviewing and adopting new regulations for Farmstays and Coastal Short-Term Rentals.

I attended a number of community meetings held by Planning and Development (P&D) staff when the issue of regulating short term rentals was first discussed. I also attended and spoke at several meetings of the Planning Commission and the Board where the proposed regulations were discussed, debated and ultimately approved. During all of these discussions and meetings, one of the critical questions always was enforcement. "Would P&D enforce the Homestay Regulations?" The results since October 2018 strongly indicate that P&D has not made enforcement of Homestay Regulations a priority. This lack of attention has extended to the most basic obligation of ensuring that the required Transient Occupancy Tax (TOT) is being collected. There is no reason to believe that this failure won't also apply to Farmstays and Coastal Short-Term Rentals.

Prior to October 2018, we had a situation in our neighborhood where one property owner was simultaneously renting out two different residences on their property – a principal residence and a detached second residential unit. Both residences were advertised on Airbnb, VRBO and on a local realtor's website. The principal residence was listed as having 3 bedrooms and 3 baths. However, one of these bedrooms and a bath was located in detached accessory building that was separate from the principal residence. This accessory building was a combination garage, workshop and unpermitted bedroom and bathroom.

The property owner's short-term rental business started approximately 5 years ago and the property owner was almost never physically present on the property during the days that the two residences were rented (generally on Friday through Sunday). We also understood that only one TOT certificate was issued for the principal residence – there was no TOT certificate issued for the detached second residential unit. This situation was the subject of a several letters sent to P&D. No response from P&D was ever received.

In October 2018, the property owner applied for and received a Homestay Permit for the property under the new Homestay Regulations. Unfortunately, for the neighbors, the property owner's short-term rental business model did not change. In violation of the Homestay Regulations, both residences were simultaneously rented on the weekends; the owner was generally not present on the property during the times the residences were rented; only one TOT certificate was issued; and the principal residence continued to be advertised on various rental websites as having 3 bedrooms and 3 baths.

The Homestay Regulations provided that Homestay Permits would have to be renewed annually so the neighbors decided to wait until October 2019 to remind P&D of the violations to the Homestay Regulations. As previously noted, these violations included multiple residences being simultaneously rented; the owner not present on the property during the rentals; rental of a unpermitted, illegal bedroom and bathroom located in a detached structure; and TOT being paid on only one of the two Homestays. The owner did not file a request for a renewal of the Homestay Permit until April 2020. Because of COVID-19 issues, P&D did not commence action on the Permit until July 2020. Once we were notified of that a renewal permit had been requested and that P&D was circulating a "Notice of Pending Approval of Land Use Permit" to approve a Homestay on the property, we once again wrote to P&D and outlined all of the violations.

As of now, the only response we received from P&D is confirmation that the bedroom and bathroom located in the detached accessory building was not permitted and was not allowed under the County's Land Use and Development Code. The property owner is a local residential home builder; the decision to build and rent an unpermitted, illegal one-bedroom suite was not an oversight – it was an intentional decision designed to generate more rental income. Despite this, P&D has stated that it is working with the owner to issue a permit changing the designation of the detached separate bedroom and bathroom to a "Pool Cabana". When this process is complete, the principal residence would be advertised as a 2-bedroom, 2 bath home versus a 3 bedroom, 3 bath home. Apparently, P&D does not intend to pursue any unpaid TOT over the past 5 years and is not considering any fines or penalties for operating an illegal Short-Term Rental since 2015 and an illegal Homestay since October 2018.

We do not believe P&D's approach is consistent with the regulations, guidelines and intent of the Board when you approved the Homestay Regulations. It also doesn't send a very strong message to other property owners who are similarly violating the County's Homestay Regulations. What it does send is a message that the regulations can be ignored; that you can run an illegal Homestay; and that you can avoid paying TOT – all without the assessment of penalties, fines or other consequences.

If the Board actions and amendments relative to the proposed Coastal Short Term Rental and Farmstays Regulations don't address the consequences of violations as blatant and obvious as those set forth in this letter, then short term rentals (including Homestays) will continue to be a source of problems in our neighborhoods and will not produce the TOT revenue that the Board anticipated. I suggest that the Board might want to ask P&D the dollar amount of fines and penalties collected from owners who have violated the Homestay Regulations in order to better understand and appreciate the extent of the enforcement and collection problem. I would speculate that the dollar amount of the fines and penalties is de minimis – and not because everyone is complying with the Regulations.

Thank you for considering the concerns set forth in this letter.

Very truly yours, Kelly Rose