

COUNTY OF SANTA BARBARA PLANNING AND DEVELOPMENT

MEMORANDUM

TO: Santa Barbara County Planning Commission

FROM: Matt Schneider, Deputy Director

Long Range Planning Division

DATE: February 17, 2016

RE: Short-term Rentals on Agricultural Zoned Lands

February 24, 2016 Planning Commission Hearing

1.0 Summary

At the December 9, 2015 hearing, the County Planning Commission considered the use of Short-term Rentals (STRs) and received testimony from the public. The Commission continued the hearing to February 24, 2016 and directed staff to return with further information on a regulatory approach for STRs on agricultural zoned lands and research how other jurisdiction's ordinances address STRs on agricultural zoned lands. The Commission also directed staff to draft an ordinance prohibiting STRs in residential zoning districts and bring back an ordinance package for Article II, the Land Use Development Code (LUDC), and the Montecito LUDC (MLUDC) to that effect at a later date. This memo provides information on:

- County Agricultural Policies, Zoning Intent, and Allowed Uses;
- Agricultural Preserve Contracts and Uniform Rules;
- Other Jurisdiction Approaches;
- Current Statistics of STRs on Agricultural Lands;
- Agriculture Permit Streamlining;
- Recommendation of the Agricultural Advisory Committee (ACC);
- Recommendation of the Agricultural Preserve Advisory Committee (APAC);
- Recommendations and Possible Regulatory Approaches; and
- Next Steps.

2.0 County Agricultural Policies, Zoning Intent, and Allowed Uses

The County of Santa Barbara has a strong policy framework promoting agriculture and agricultural uses and the protection of lands for long-term agricultural use. These policies are implemented, in part, through the County's zoning ordinances. The agricultural zones in both the LUDC and Article II are restrictive with respect to allowable uses. Allowed uses are generally related to or support agricultural production. Commercial and non-agricultural uses are often not allowed only with a conditional use permit (CUP).

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In reviewing a regulatory framework specific to agricultural zone districts it is important to evaluate the purpose and intent of each zone district. Below is language from the LUDC and Article II regarding agricultural zone districts:

Article II

AG-I - Agricultural I

The purpose of the Agricultural I zone is to designate and protect lands appropriate for long-term agricultural use within or adjacent to urbanized areas, and to preserve prime agricultural soils.

AG-II - Agricultural II

The purpose of the Agricultural II zone is to establish agricultural land use for large prime and non-prime agricultural lands in the rural areas of the County (minimum 40 to 320 acre lots) and to preserve prime and non-prime soils for long-term agricultural use.

LUDC

AG-I - Agricultural I

The AG-I zone is applied to areas appropriate for agricultural use within Urban, Inner Rural, Rural (Coastal Zone only), and Existing Developed Rural Neighborhood areas, as designated on the Comprehensive Plan maps. The intent is to provide standards that will support agriculture as a viable land use and encourage maximum agricultural productivity.

AG-II - Agricultural II

The AG-II zone is applied to areas appropriate for agricultural land uses on prime and non-prime agricultural lands located within the Rural Area as shown on the Comprehensive Plan maps. The intent is to preserve these lands for long-term agricultural use.

Traditional transient lodging uses (e.g. guest ranches, hotel, hostel, resort hotel, and bed and breakfasts) (see Attachment A for definitions) are allowed primarily in commercial zone districts and generally prohibited in agricultural zone districts (Attachment B) with the following exceptions:

- Hostels are allowed with a CUP in the AG-II zone inland area; and
- A guest ranch is allowed with a CUP in the AG-II zone throughout the County.

3.0 Agricultural Preserve Contracts and Uniform Rules

Transient lodging uses are not specifically identified as a compatible use on lands in agricultural preserve contracts per the *Santa Barbara County Uniform Rules for Agricultural Preserves and Farmland Security Zones* (Uniform Rules). The Uniform Rules is the set of regulations used to implement the Williamson Act within the County and to determine appropriate uses of land subject to Agricultural Preserve Contracts. The Uniform Rules define eligibility requirements and qualifying uses that each participating landowner must adhere to in order to receive a reduced property tax assessment. Often the Uniform Rules are more restrictive than the underlying agricultural zone district requirements. The Uniform Rules detail that land under contract is to be used primarily for commercial agricultural production; however, it may be appropriate to allow secondary uses on contracted land that are either incidental to, or supporting of, the agricultural operation on the property. For a secondary use to be allowed on contracted

land, it must be both permitted by the zoning ordinance and found to be compatible under the Williamson Act and the Uniform Rules. The Uniform Rules set forth a number of specific uses determined to be compatible, several that are determined not to be compatible, as well as Compatibility Guidelines to be used to determine if an unlisted proposed use is compatible with the Agricultural Preserve program. The County of Santa Barbara's agricultural preserve program has a high level of participation, covering approximately 550,000 acres, representing approximately 75% of all privately held agricultural lands in the County.

Planning and Development staff requested that the Department of Conservation comment on the compatibility of STRs on properties under agricultural preserve contracts. In a November 18, 2015 letter (see Attachment C), the DOC Division of Land Resource Protection manager stated:

"The Department recommends that any short term vacation rentals of the principle residence be limited in scope, and be allowable only if the landowner is on site to manage the agricultural operations. Short-term rentals, with examples such as Airbnb or VRBO, take on a number of forms, including partial and full house rentals. A limited use arrangement would be analogous to a bed and breakfast, with the renter having a specified footprint within the house. The overall number of days that the rental can occur should be restricted so as to ensure it remains incidental to the agricultural uses on the property."

4.0 Other Jurisdiction Approaches

Santa Barbara County is rather unique in the State of California in that it is a coastal tourist destination, also containing a significant amount of agricultural zoned lands. The regulatory framework used across the state varies and many counties that have agricultural lands have yet to address the use of STRs. Below is a summary of other jurisdictions' regulations for STRs on agricultural lands:

Mariposa County

The County of Mariposa does not allow STRs on agricultural zoned lands. It does allow "Agricultural Homestay", with approval of a permit subject to regulations on parking, noise, and trash removal. Requirements for this use also include the guests being educated about and actively participate in the on-site agricultural activities. Agricultural Homestays must be located in the residence of the property owner or accessory dwelling. This use of an Agricultural Homestay is similar to the State Agricultural Homestay Bill (AB 1258).

Napa County

The County of Napa does not allow STRs in agricultural or residential zone districts.

Sacramento County

The County of Sacramento allows STRs across all zone districts, including the four

agricultural zone districts, as well as on lands in agricultural preserve contracts¹, with the approval of a land use permit and subject to regulations on parking, noise, and occupancy.

San Luis Obispo County

The County of San Luis Obispo has separate regulations for the inland and coastal zone and is in the process of reviewing the ordinance for STRs in both areas. In the inland area, STRs are not allowed on lands in agricultural preserve contracts². On other agriculturally zoned lands in the inland area, STRs are allowed with approval of a business license and no additional regulations are currently required.

In the coastal area, STRs are not allowed on lands in agricultural preserve contracts³. On other agricultural zoned lands, in the coastal area, STRs are allowed with approval of a zoning clearance granted by the zoning administrator (no public hearing required) and subject to regulations regarding density, number of tenancy days, number of occupants, traffic, parking, noise, and providing a local contact person.

Sonoma County

The County of Sonoma allows STRs on lands in agricultural zone districts with approval of a zoning permit, subject to standards on parking, noise, and occupancy. STRs are not allowed on lands in agricultural preserve contracts.

Monterey County

The County of Monterey is updating its STR ordinance. Currently, STRs are allowed on agricultural land (including lands in agricultural preserve contracts⁴) in the inland areas with a discretionary permit (including a public hearing) and not permitted in the Coastal Zone. The County has not contemplated having different standards for STRs in agricultural zone districts compared to non-agricultural zone districts.

Ventura County

Currently, the use of STRs is not defined in the Ventura County Code. The County started the public process to create an ordinance in Winter 2015.

City of St. Helena

The City of St. Helens allows STRs in its one agricultural zone and its winery zone subject to standards including a limit of one STR per parcel, a limit of 25 STR permits issued (including commercial zones), and subject to regulations on parking, noise, and occupancy. The use is not permitted on lands in agricultural preserve contracts.

^{1,2,3,4} Although regulations regarding the use of STRs are not specifically called out in these County zoning codes, Santa Barbara staff communicated with County staff to obtain the information in regards to how the use is treated on properties subject to agricultural preserve contracts.

Jurisdictions across the state vary in their approach addressing STRs on agricultural zoned lands. Five of the jurisdictions researched do not allow STRs on lands in agricultural preserve contracts; one does not allow the use in residential or on agricultural lands; and one allows the use with the approval of a land development permit across all zones. The permit path required by jurisdictions also varies ranging from requiring a business license with no regulations (San Luis Obispo County), a zoning permit with regulations (Sonoma County), and requiring a discretionary permit with conditions (Monterey County). Examples of possible regulations that have been used are attached (Attachment D).

Table 1

		20020 2		
	Lands not in A	Agricultural Preserve	Lands in Agri	cultural Preserve
	Inland	Coastal	Inland	Coastal
Mariposa County	No	N/A	No	N/A
Napa County	No	N/A	No	N/A
Sacramento County	Yes	N/A	Yes	N/A
SLO County	Yes	Yes	No	No
Sonoma County	Yes	Yes	No	No
Monterey County	Yes	No	Yes	No
Ventura County	-	-	-	-
City of St. Helena	Yes	N/A	No	N/A

5.0 Current Statistics of STRs on Agricultural Lands

The County of Santa Barbara Treasurer-Tax Collectors office, through the taxation portion of the County code, collects Transient Occupancy Tax (TOT) for STRs. Since July 2015, 457 TOT certificates had been issued in the County. This data is a tool to review where operators are currently paying the tax on existing STRs. The table below delineates the location of existing issued TOT certificates on agricultural lands. The attached maps (Attachment E) show the spatial extent of all TOT certificates for STRs across the County, both in agricultural zones and non-agricultural zones.

Table 2

Transient Occupancy	Γax (TOT) Certificates
	TOT Certificates
Total Issued since July 2015	457
AG-I Zone	82
AG-II Zone	24
Agricultural Preserve Contracts	13

There are two zone districts for agricultural lands: AG-I and AG-II. The AG-I designation applies to prime and non-prime farmlands and agricultural uses which are located within Urban, Inner-rural, and Rural neighborhood areas. The AG-II designation applies to agricultural lands and uses in the Rural areas.

Outside of the Inner-rural areas, AG-I zoned parcels are primarily located in Existing Developed Rural Neighborhoods (EDRNs) and rural coastal zone lands in the Carpinteria Valley. An EDRN

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is a land use boundary created around rural neighborhoods that have historically smaller lots than those found in the surrounding Rural or Inner Rural lands. The purpose of the EDRN boundary is to keep pockets of rural residential development from expanding onto adjacent agricultural lands. The distribution of the existing issued TOT certificates in agricultural zone districts across the County are shown on the attached maps (Attachment F).

6.0 Agriculture Permit Streamlining

The Gaviota Coast Plan "Agricultural Tiered Permit Structure" and Agricultural Permit Streamlining project are two planning efforts which have been initiated by the Board of Supervisors over the last several years to evaluate potential zoning ordinance amendments which would broaden and expand allowable uses (both agricultural support and non-agricultural uses) on agricultural land. The Gaviota Agricultural Tiered Permit Structure would allow landowners to attempt new small-scale uses (both agricultural support and non-agricultural uses) with a lower permit level in order to increase flexibility and support and encourage regional agricultural operations. The scale of the proposed new use (e.g. small-scale guest ranch) is regulated by the permit level. Restrictions are in place to ensure the use is incidental to the primary agricultural use and will not significantly compromise the long-term productive agricultural capability or natural resources of the subject property.

The Gaviota Coast Plan proposes a new agri-tourism lodging opportunity by allowing a small-scale guest ranch\farmstay with a land use permit\coastal development permit (Attachment G). The proposed scale of the use and requirements are patterned after the California Agricultural Homestay Bill (AB 1258), which encourages overnight stays on farms and ranches where agricultural production is the primary source of income.

The Agricultural Permit Streamlining project will evaluate the ordinance amendments and new uses proposed in the Gaviota Coast Plan Area and consider applying the amendments countywide both within the coastal zone and inland area.

The Planning Commission may wish to consider these efforts to allow a process for new agritourism lodging in the Gaviota Coast Plan and Agricultural Permit Streamlining project as an alternative approach toward addressing appropriate lodging and tourism activities in the agricultural zone districts.

7.0 Recommendation of the Agricultural Advisory Committee (ACC)

This item was presented to the AAC on January 6, 2016. On February 3, 2016, the committee discussed the item and a letter outlining the recommendation is attached (Attachment H). The AAC recommended supporting the use of STRs on both AG-I and AG-II zone districts across the County. The committee spoke to the need for regulations to mitigate the impacts of STRs. They suggested that, in ordinance development, staff review the tools presented in the previously proposed Good Neighbor Special Events ordinance from 2012. The AAC highlighted the need for strong enforcement and encouraged the Planning Commission to look outside normal zoning protocol for other means of enforcement. The AAC decided not to make a recommendation on lands in agricultural preserve contracts until the APAC had reviewed the use of STRs on agricultural preserve contracts and the AAC had the chance to review the APAC recommendation.

8.0 Recommendation of the Agricultural Preserve Advisory Committee (APAC)

On February 5, 2016, the APAC reviewed and considered the use of STRs on lands in agricultural preserve contracts and submitted a letter to the County Planning Commission outlining their recommendation on February 8, 2016 (Attachment I). The APAC unanimously voted that STRs are not a compatible use on contracted lands according to the Uniform Rules. The APAC is concerned that a commercial, non-agricultural use such as STRs can result in temporary increases in population and agricultural/urban conflicts impacting on-site and adjacent agricultural operations. The APAC is also concerned about potential impacts of allowing STRs on non-contracted agricultural lands since the potential economic return could be an incentive for landowners to non-renew their agricultural preserve contracts to pursue this use on noncontracted lands. The APAC recommends that the Planning Commission consider new agritourism lodging uses on agricultural land as part of the Gaviota Coast Plan and the Agricultural Permit Streamlining projects instead of in isolation as part of the STR ordinance. It is important to note that if the Planning Commission determines to allow the use on agricultural preserve lands, through a Land Development Permit or Coastal Development Permit, the permit would still have to go through the APAC for a recommendation of use compatibility with the Uniform Rules.

9.0 Recommendations and Procedures

Based on the above information staff is requesting Planning Commission direction on possible regulatory approaches for STRs on agricultural zoned lands. Options for the approach are:

- 1. Direct staff to draft an ordinance that would prohibit STRs on all agricultural zoned lands and consider appropriate tourism and lodging activities as part of the Agricultural Permit Streamlining project.
- 2. Direct staff to draft an ordinance that would allow STRs on agricultural zoned lands, but not in lands in agricultural preserve contracts.
- 3. Direct staff to draft an ordinance that would allow STRs on all agricultural zoned lands, including land in agricultural preserve contract.
- 4. Direct staff to draft an ordinance that would allow STRs on Agricultural I zoned lands, including land in agricultural preserve contract.
- 5. Direct staff to draft an ordinance that would allow STRs on Agricultural I zoned lands, excluding land in agricultural preserve contract.
- 6. Direct staff to draft an ordinance that would allow STRs on Agricultural II zoned lands, including land in agricultural preserve contract.
- 7. Direct staff to draft an ordinance that would allow STRs on Agricultural II zoned lands, excluding land in agricultural preserve contract.

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8. Direct staff to draft an ordinance that would consider Homestays as a separate use from STRs on agricultural zoned lands and provide direction to staff on which agricultural zone districts the use of Homestays are appropriate in.

Next Steps

Following the February 24, 2016 County Planning Commission hearing staff will prepare a draft ordinance package amending the LUDC, MLUDC, and Article II for both the County and Montecito Planning Commissions' consideration at a future hearing date in 2016. The draft ordinance will be based on the Commission's recommendation to date including:

The Montecito Planning Commission

- Directed staff to develop an ordinance for the MLUDC that prohibits STRs in all zone districts where other transient lodging uses are prohibited.
- Recommended that the County Planning Commission take the same action for the coastal portion of the Montecito Community Plan.

The County Planning Commission

- Directed staff to develop an ordinance that prohibits STRs in residential zones, including Homestays.
- Pending direction regarding STRs in agricultural zones.

Attachments

- A. Lodging Definitions
- B. Transient Lodging Land Use Table
- C. Letter from the Department of Conversation
- D. Sonoma County Regulations Example
- E. Maps of issued TOT certificates for STRs in the County
- F. Maps of STRs on Agricultural Zoned Lands in the County
- G. Guest ranch/Farmstay Proposed Changes
- H. Letter from the AAC
- I. Letter from the APAC

ATTACHMENT A

Lodging and other Applicable Definitions Article II – Coastal Zoning Ordinance

Agricultural Employee Housing. Not defined.

Dwelling: A room or group of rooms having interior access between all habitable rooms, including permanent provisions for living, sleeping, eating, cooking, bathing and sanitary facilities, constituting a separate and independent housekeeping unit, occupied or intended for occupancy by one family on a non-transient basis and having not more than one kitchen. Boarding or lodging houses, dormitories, and hotels shall not be defined as dwelling units.

Dwelling, Multiple: A building or portion of a building, designed for and occupied exclusively by three or more families, and containing three or more dwellings including apartment houses, apartment hotels, condominiums, and flats, but not including fraternities, sororities, trailer courts or camps, motels, hotels or resort type hotels.

Guest House: Living quarters of permanent type of construction without kitchen or cooking facilities of any kind, intended and used primarily for temporary guests of the occupants of the main dwelling on the lot on which such guest house is located, and not rented or otherwise used as a separate dwelling.

Guest Ranch: A vacation resort, generally a farm or ranch, which derives all or part of its income from the use of its facilities by paying visitors or guests, and provides food, lodging, and recreational activities.

Hostel: Overnight sleeping accommodations which provide supervised and inexpensive lodging for travelers, and may provide kitchen and eating facilities. Occupancy is generally of a limited duration.

Hotel: A building or group of buildings containing six or more sleeping rooms occupied, intended or designed to be occupied as the more or less temporary abiding place of persons who, for compensation, are lodged with or without meals, but not including a trailer court or camp, sanitarium, hospital, asylum, orphanage or building where persons are housed under restraint.

Bed and Breakfast. Not defined.

Boarding or Rooming House. Not defined.

Motel. An establishment providing transient accommodations containing six or more rooms with at least 25 percent of all rooms having direct access to the outside without the necessity of passing through the main lobby of the building.

Resort Hotel. Not defined.

Principal Structure: A structure in which is conducted the principal use of the lot on which it is situated. In any residential, agricultural or estate district, any dwelling shall be deemed to be the principal structure on the lot on which it is situated.

Residential Second Unit. A dwelling unit on a permanent foundation that provides complete, independent living facilities for one or more persons in addition to the principal one-family dwelling. The residential second unit may either be an attached residential second unit or a detached residential second unit. The residential second unit shall not be sold or finances separately from the principal dwelling but may be rented or leased. It shall contain permanent provisions for living, sleeping, eating, cooking, water and sanitation, and shall be located entirely on the same lot that contains the principal dwelling.

Residential Structure. Not defined.

ATTACHMENT A (cont.)

Lodging and other Applicable Definitions Land Use Development Code (LUDC)

Agricultural Employee Housing. A dwelling occupied by an agricultural employee including family members.

Dwelling. A room or group of rooms with interior access between all habitable rooms, including permanent provisions for living, sleeping, eating, cooking, bathing and sanitary facilities, constituting a separate and independent housekeeping unit, occupied or intended for occupancy by a family on a non-transient basis and having not more than one kitchen. Boarding or rooming houses, dormitories, and hotels are not dwellings.

Dwelling, Multiple. A building or portion of a building, designed for and occupied exclusively by three or more families, and containing three or more dwellings. Includes triplexes, apartment houses, apartment hotels, condominiums, community apartment projects, flats, rowhouses, and townhouses, but does not include organizational houses, trailer courts or camps, motels, hotels or resort type hotels.

Guesthouse. Detached living quarters of a permanent type of construction without kitchen or cooking facilities, used primarily for temporary guests of the occupants of the principal building on the lot, and not rented or otherwise used as a separate dwelling.

Lodging.

- **1. Bed and Breakfast.** A residential structure with one or more bedrooms rented for overnight lodging, where meals may be provided subject to applicable County health regulations.
- **2. Boarding or Rooming House.** A residence or dwelling other than a hotel, where the business of keeping boarders is generally carried on and which is held out by the owner or keeper as a place where boarders are kept.
- **3. Guest Ranch.** A vacation resort, generally a farm or ranch, that derives all or part of its income from the use of its facilities by paying visitors or guests, and provides food, lodging, and recreational activities.
- **4. Hostel.** Overnight sleeping accommodations that provide supervised and inexpensive lodging for travelers, and may provide kitchen and eating facilities. Occupancy is generally of a limited duration.
- **5. Hotel.** A building or group of buildings containing six or more sleeping rooms occupied, intended or designed to be occupied as the more or less temporary abiding place of persons who, for compensation, are lodged with or without meals, but not including a trailer court or camp, sanitarium, hospital, asylum, orphanage or building where persons are housed under restraint.
- **Motel.** A transient lodging establishment containing six or more rooms with at least 25 percent of all rooms having direct access to the outside without the necessity of passing through a main lobby.
- **7. Resort Hotel.** A hotel which serves as a destination point for visitors. A resort generally provides recreational facilities for persons on vacation. A resort shall be self-contained and provide personal services customarily furnished at hotels, including the serving of meals. Buildings and structures in a resort should complement the scenic qualities of the location in which the resort is situated.

Principal Dwelling. A detached dwelling that is the principal residential use of the lot.

Residential Second Unit. A dwelling unit on a permanent foundation that provides complete, independent living facilities for one or more persons in addition to the principal dwelling on the same lot. The residential second unit may either be an attached residential second unit or detached residential second unit.

Residential Structure. A structure containing one or more dwelling units, except for a mixed use building.

ATTACHMENT B

LAND USE							RESID	ENTIAL						
	RR	RR CZ	R-1/E- 1	R-1/E- 1 CZ*	EX-1	EX-1 CZ*	R-2	R-2 CZ*	DR	DR CZ*	MR-O	PRD	PRD CZ*	SLP
Lodging - Hostel	CUP	_	CUP		_	_	CUP	_	CUP	_	_	CUP	_	P
Lodging - Hotel or motel	_	_	_	_	_	_	_	_	_		_	_	CUP	_
Lodging - Bed and breakfast	_	_	_	_	_	_	_	_	_	_	_	_	_	_
Lodging - Guest ranch	_	-	_	_	_	_	1	_	_	1	_	1	1	_
Lodging - Resort	_	_	_	_	_	_	_	_	_	_	_	_	_	_

LAND USE							COI	MMERC	IAL						
	CN	C-1	C-1	C-2	C-2	C-3	C-S	CH	CM-	C-V	C-V	SC	PI	PI	MU
			CZ*		CZ*				LA		CZ*			CZ*	
Lodging - Hostel	CUP	CUP	P	CUP	_	CUP	CUP	CUP	P	CUP	_	CUP	CUP	_	P
Lodging - Hotel or motel	_	CUP	CUP	P	P	P	_	P	P	P	P	_	_	_	P
Lodging - Bed and breakfast	_	P	P	MCU	MCU	MCU	_	_	P	_	_	_	_	_	_
				P	P	P									
Lodging - Guest ranch	_	_	_	_	_	_	_	_	_	P	P	_	_	_	_
Lodging - Resort	_	_	_	_	_	_	_	_	P	P	P	_	_	_	_

LAND USE		AGRIC	CULTURE	
	AG-I	AG-I CZ*	AG-II	AG-II CZ*
Lodging - Hostel	_	_	CUP	CUP
Lodging – Hotel	_	_	_	_
Lodging – Bed and breakfast	_	_	_	_
Lodging - Guest ranch	_	_	CUP	CUP
Lodging - Resort	_	_	_	_

E	Allowed use, no permit required (Exempt)
Р	Permitted use, Land Use Permit required
MCUP	Minor Conditional Use Permit required
CUP	Conditional Use Permit required
S	Permit determined by Specific Use Regulations
_	Use Not Allowed

Commercial		Agriculture	
CN	Neighborhood Commercial	AG-I	Agriculture I
C-1	Limited Commercial	AG-II	Agriculture II
C-2	Retail Commercial	Residential	
C-3	General Commercial	RR	Rural Residential/Residential Ranchette
C-S	Service Commercial	R-1/E-1	Single-Family Residential
СН	Highway Commercial	EX-1	One-Family Exclusive Residential
CM-LA	Community Mixed Use - Los Alamos	R-2	Two-Family Residential
C-V	Visitor Serving Commercial	DR	Design Residential
SC	Shopping Center	MR-O	Multi-Family Residential - Orcutt
PI	Public and Institutional	PRD	Planned Residential Development
MU	Mixed Use	SLP	Small Lot Planned Development

1

ATTACHMENT B (cont.)

*CZ Coastal Zone

LAND USE	SPF	ECIAL PURPOSE	ZONE
	OT-R	OT-R/ LC	OT-R/ GC
Lodging - Hostel	P	P	P
Lodging – Hotel	_	_	_
Lodging – Bed and breakfast	_	_	_
Lodging - Guest ranch	_	_	_
Lodging - Resort	_	_	_

LAND USE		RESC	OURCE PROTECTION	ZONES	
	MT- GOL	MT-TORO	MT-TORO CZ*	RMZ	RMZ CZ*
Lodging - Hostel	P	P	_	P	_
Lodging – Hotel	_	_	_	_	_
Lodging – Bed and breakfast	_	_	_	_	_
Lodging - Guest ranch	_	_	_	_	_
Lodging - Resort	_	_	_	_	_

Resource Protectio	n Zones
MT-GOL	Mountainous - Goleta
MT-TORO	Mountainous - Toro Canyon
RMZ	Resource Management
*CZ	Coastal Zone
Special Purpose Zo	ones
OT-R	Old Town - Residential
OT-R/	Old Town - Residential/Light Commercial
LC	Old Town - Residential/Elght Commercial
OT-R/	Old Town - Residential/General
GC	Commercial

E	Allowed use, no permit required (Exempt)
Р	Permitted use, Land Use Permit required
MCUP	Minor Conditional Use Permit required
CUP	Conditional Use Permit required
S	Permit determined by Specific Use Regulations
_	Use Not Allowed



State of California • Natural Resources Agency
Department of Conservation

Division of Land Resource Protection

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Edmund G. Brown Jr., Governor John M. Lowrie, Assistant Director

November 18, 2015

VIA EMAIL: GRUSSELL@CO.SANTA-BARBARA.CA.US

Mr. Glenn S. Russell, PhD., RPA
Director, Planning and Development
President California County Planning Directors Association
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Dear Mr. Russell:

SHORT TERM "VACATION RENTALS" AS COMPATIBLE USE ON WILLIAMSON ACT CONTRACTED LAND

Santa Barbara County (County) has asked the Department of Conservation (Department) to comment on the issue of vacation rentals as a "compatible use" on land restricted under Williamson Act contracts. Specifically the request is in regard to renting of the main dwelling on an agricultural property. The Department offers the following discussion on compatible use as it relates to the Williamson Act.

In recent years there have been expanding opportunities for farmers and ranchers to utilize their land for adjunct non-agricultural commercial uses, as a means of broadening their income base. These uses are typically in addition to their agricultural and open-space uses. While some of these opportunities may be compatible with agricultural and open space use of the land, many proposed uses have the potential to displace or impair the property's agricultural productivity or open space character. The County's concern with short term vacation rentals is an example of one of the recent issues regarding compatible uses on Williamson Act contracted lands.

In summary, a use is compatible with a Williamson Act contract only if it does not compromise, displace or impair the agricultural use of the land or otherwise interfere with the land's devotion to agricultural use. However, the Williamson Act affords cities, counties and landowners latitude in determining whether a use is compatible with Williamson Act contracted land. Consequently, determining compatibility is a highly fact-specific analysis that encompasses a variety of factors.

Government Code § 51242 enables local governments to enter into Williamson Act contracts on land that is devoted to agricultural use and located in an area designated as an agricultural preserve. In return, restricted parcels are assessed for property tax purposes at a rate consistent with their actual agricultural and/or open space use, as opposed to potential market value. Because the Williamson Act provides a preferential tax assessment on contracted land in exchange for limiting the land to agricultural uses, any use other than the agricultural or open space use for which the property was placed under contract must be found to be compatible.

Typically, compatible uses are divided between activities that are clearly related to agricultural operations (such as vineyards or animal grazing), and those that require a special use permit (such

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as permanent roadside stands or wine tasting venues). The latter examples promote the sale of agricultural products produced on-site (such as wine and cheese), and are commonly termed 'agritourism'. The potential of an educational opportunity for consumers regarding where their food and fiber comes from may exist if agritourism uses are executed with sensitivity.

The Department supports the activities of an agribusiness venture on land under a Williamson Act contract as long as the marketing events support and promote the agriculture commodity being grown on the premises. Once events begin to overtake the main venture, or feature products not produced on the property, they no longer reflect the agricultural intent of the Williamson Act and become incompatible with the statute.

The level of discretion that counties have in regard to agritourism on Williamson Act enrolled land has not been settled and remains open to interpretation. The Department takes a conservative approach, recommending partial nonrenewal for land that would house the infrastructure hosting large events or those where questions regarding the source of the items for sale could occur. This would distinguish that the tax benefits to the landowner for the production of food or fiber, and the conservation of agricultural land, are not extended to uses that could occur in nonagricultural settings.

In regard to the exclusive use of a principle residence as a "vacation rental," the Department's interpretation of compatible use is reflected in Santa Barbara County's Uniform Rules for Agricultural Preserves and Farmland Security Zones, where it states:

Uniform Rule 2: Compatible Uses within Agricultural Preserves

Land enrolled in the Agricultural Preserve Program is to be used principally for commercial agricultural production, with the exception of land enrolled for open space or recreational purposes. However, the Board recognizes that it may be appropriate to allow secondary uses on contracted land that are either incidental to, or supportive of, the agricultural operation on the property. This Rule provides guidance and criteria for evaluating these uses on land under Williamson Act and Farmland Security Zone contracts in terms of their compatibility and consistency with the purpose and intent of the Williamson Act. It is the goal of this County that, through application of the principles of compatibility in the Act, compatible uses allowed on contracted land will be beneficial to and inherently related to the agricultural use of the land.

In 1999 the Legislature spoke to the limitations upon compatible uses. In un-codified language adopted in Chapter 1018 of the statutes of 1999, the Legislature declared: "The latitude provided by the Williamson Act to participating local governments is not, and has never been, so great as to make uses that are not inherently related to, or beneficial to, the agricultural or open-space character of contracted land permissible under the compatible use provisions of the Williamson Act."

Department Recommendations and Conclusions

The Department recommends that any short term vacation rentals of the principle residence be limited in scope, and be allowable only if the landowner is on site to manage the agricultural

Mr. Russell November 18, 2015 Page 3 of 3

operations. Short term rentals, with examples such as Airbnb¹ or VRBO², take on a number of forms, including partial and full house rentals. A limited use arrangement would be analogous to a bed and breakfast, with the renter having a specified footprint within the house. The overall number of days that the rental can occur should be restricted so as to ensure it remains incidental to the agricultural uses on the property.

The Department cautions that if the primary residence is rented for most or all of the year, the connection between its use and the agricultural operation is lessened to the point that a determination of compatibility is highly unlikely. Although the landowner could file for nonrenewal or partial cancellation for the portion of the property where the residence is located, that outcome may open the door for landowners to request additional conditional uses that future diverge from the surrounding agricultural operation. For this reason, the Department recommends that any allowance for vacation rental of the primary residence remain limited in scope and duration.

Thank you for giving us the opportunity to comment on compatible use as it relates to the Williamson Act. Please provide this Department with notices of any future hearing dates as well as any staff reports pertaining to this project. If you have any questions regarding our comments, please contact Farl Grundy, Environmental Planner at (916) 324-7347 or via email at Farl.Grundy@conservation.ca.gov.

Sincerely,

Molly A. Penberth, Manager

Division of Land Resource Protection

Conservation Support Unit

¹ www.airbnb.com

² http://www.vrbo.com/

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ATTACHMENT D

Sonoma County Regulations

26-88-120. Vacation Rentals.

- (a) Purpose. This Section provides standards for the operation of vacation rentals. These standards are intended to ensure that vacation rentals are compatible with and do not adversely impact surrounding residential and agricultural uses.
- (b) Applicability. The provisions of the Section shall apply to all vacation rentals except where there is a primary owner in residence. As used in this section, "primary owner" does not include residences or condominiums owned as a timeshare, Limited Liability Partnership or Corporation, or fractional ownership of six (6) or more interests. Vacation rentals shall not be permitted in non-habitable structures or on lands under a Williamson Act Contract. Vacation rentals shall also not be permitted within structures or dwellings with covenants or agreements restricting their use, including but not limited to affordable housing units, agricultural employee units, second dwelling units, farmworker housing, or farm family units.
- (c) Permit Requirements. Vacation rentals that meet the standards outlined in this Section shall be allowed as provided by the underlying zoning district, subject to issuance of a Zoning Permit. Vacation rentals that exceed the standards in this Section may be permitted, subject to the granting of a Use Permit.
- (d) Term of Permit. Zoning Permits shall run with the landowner and shall automatically expire upon sale or transfer of the property. Use Permits shall run with the land but may be issued for limited term, as specified by the decision-maker. Both types of permits may be revoked for failure to comply with adopted standards, subject to the administrative and revocation procedures of Article 92 unless otherwise specified by this Section
- (e) Property Development Standards. Vacation rentals not utilizing existing structure(s) shall conform to all property development standards of the zoning district and combining zones in which they are located, including limitations on activities and vegetation removal along the Russian River or within any Biotic Resource (BR) Combining Zone, except as modified by these performance standards.
- (f) Performance Standards.
 - 1. **Maximum Number of Guestrooms.** Vacation rentals may have a maximum of five (5) guestrooms or sleeping rooms. Vacation rentals with more than

- five (5) guestrooms or sleeping rooms may only be allowed if adequate sewage disposal capacity exists and neighborhood compatibility can be demonstrated, subject to the granting of a Use Permit.
- 2. Maximum Overnight Occupancy. Maximum overnight occupancy for vacation rentals shall be up to a maximum of two (2) persons per sleeping room or guestroom, plus two (2) additional persons per property, up to a maximum of twelve (12) persons, excluding children under three (3) years of age. For homes on a conditional septic system, the maximum overnight occupancy for vacation rentals shall be equal to the design load of the septic system. Vacation rentals with larger overnight occupancies may only be allowed subject to the granting of a Use Permit.
- 4. Maximum Number of Guests and Visitors. The maximum number of total guests and visitors allowed at any time in a single vacation rental shall not exceed the maximum overnight occupancy plus six (6) additional persons per property, or eighteen (18) persons, whichever is less, excluding children under three (3) years of age. Vacation rentals with larger numbers of guests and visitors may only be allowed subject to the granting of a Use Permit. Nothwithstanding, maximum guest limits may be exceeded on the following national holidays: Easter, Memorial Day, 4th of July, Labor Day, Thanksgiving, Christmas Eve and Christmas, so long as the holiday event does not otherwise trigger the requirement for a Special or Cultural Events Permit.
- 5. Per Parcel Limit on Number of Residences or Structures. Only a single residence, and legally established guest house meeting current standards shall be used as a vacation rental. Only one (1) tenant shall be allowed onsite at any given time: second residences or accessory structures shall not be leased, subleased, rented or sub-rented separately from the main dwelling. Parcels containing multiple residences or habitable structures may only be used as vacation rentals subject to the granting of a Use Permit, except that two residences or structures may be used when the total number of guestrooms does not exceed five (5.) Tents, yurts and RVs are not allowed as a part of a vacation rental.
- 6. Required On-site Parking. Parking shall be provided as set forth in 26-90: one (1) on-site parking space for a vacation rental with up to two (2) guestrooms or sleeping rooms; two (2) on-site parking spaces for a three (3) or four (4) guestroom vacation rental. Larger vacation rentals must demonstrate adequate parking with a minimum of three (3) spaces. Onstreet parking may be considered.
- 7. **Noise Limits.** All activities associated with the vacation rental shall meet the General Plan Noise Standards contained below. Quiet hours shall be from 10:00 p.m. to 9:00 a.m.

Hourly Noise Metric ¹ , dBA	Activity hours 9:00 a.m. to 10:00 p.m.	Quiet Hours 10:00 p.m. to 9:00 a.m.
L50 (30 minutes in any hour)	50	45
L25 (15 minutes in any hour)	55	50
L08 (5 minutes in any hour)	60	55
L02 (1 minute in any hour)	65	60

¹ The sound level exceeded n% of the time in any hour. For example, the L50 is the value exceeded 50% of the time or 30 minutes in any hour; this is the median noise level. The L02 is the sound level exceeded 1 minute in any hour.

If the ambient noise level exceeds the standards above, adjust the standard to equal the ambient level, up to a maximum of 5dBA above the standard, provided that no measurable increase (i.e. 1.5 dBA or more) shall be allowed.

Reduce the applicable standards above by 5 dBA for simple tone noises, noises consisting primarily of speech or music, or for recurring impulsive noises, such as dog barking.

- **8. Amplified Sound.** Outdoor amplified sound shall not be allowed at any time associated with a vacation rental unless specifically permitted by a Cultural or Special Event Permit, or Use Permit.
- 9. Cultural or Special Events. Occasional special events, parties, weddings or other similar activities over the maximum daytime occupancy (indoors or outdoors) may be permitted only with a Cultural or Special Event Zoning Permit up to four (4) times per year for a maximum one (1) year, or by Use Permit, except in the RR (Rural Residential) and R1 (Urban Residential) zoning districts where special events, outdoor events, lawn parties, weddings or similar activities associated with a vacation rental are not allowed at any time.
- **10. Pets.** Pets shall be secured on the property at all times. Continual nuisance barking by unattended pets is prohibited.
- Trash and Recycling Facilities. Recycling and refuse storage bins shall not be stored within public view unless in compliance with neighborhood standards.
- **12. Septic Systems and Sewer Connections.** The owner shall maintain a properly functioning septic system or sewer connection. In some cases, a per-room sewer fee may be applied.
- 13. Transient Occupancy Tax. The vacation rental owner or authorized agent shall maintain a Transient Occupancy Tax License and remain current on all required reports and payments. Owner or authorized agent shall include the license number on all contracts or rental agreements, and in any advertising or websites.
- 14. Designated Representative. Applicant shall provide a current 24-hour working phone number of the property owner, property manager or other designated representative to all neighbors within a 100' radius of the subject property boundaries, and to the Sonoma County Permit and Resource Management Department, and any change shall also be reported and noticed

to neighbors within 30 days. Said property owner or designated representative must be available during the rental period within a one-hour drive of the subject property.

- **15. Emergency Access.** Any vacation rental located behind a locked gate or within a gated community shall provide gate code or a lockbox with keys ("Knox Box" or similar) for exclusive use by the Sheriff and Emergency or Fire Services Departments.
- 16. Posting of Standards. The owner shall post these standards in a prominent place within the vacation rental and include them as part of all rental agreements. All advertising handouts, flyers, or any other information provided for vacation rentals shall conform to the approved occupancy limits and standards as stated on the vacation rental permit. Advertising may only be conducted for properties operating under a valid permit.

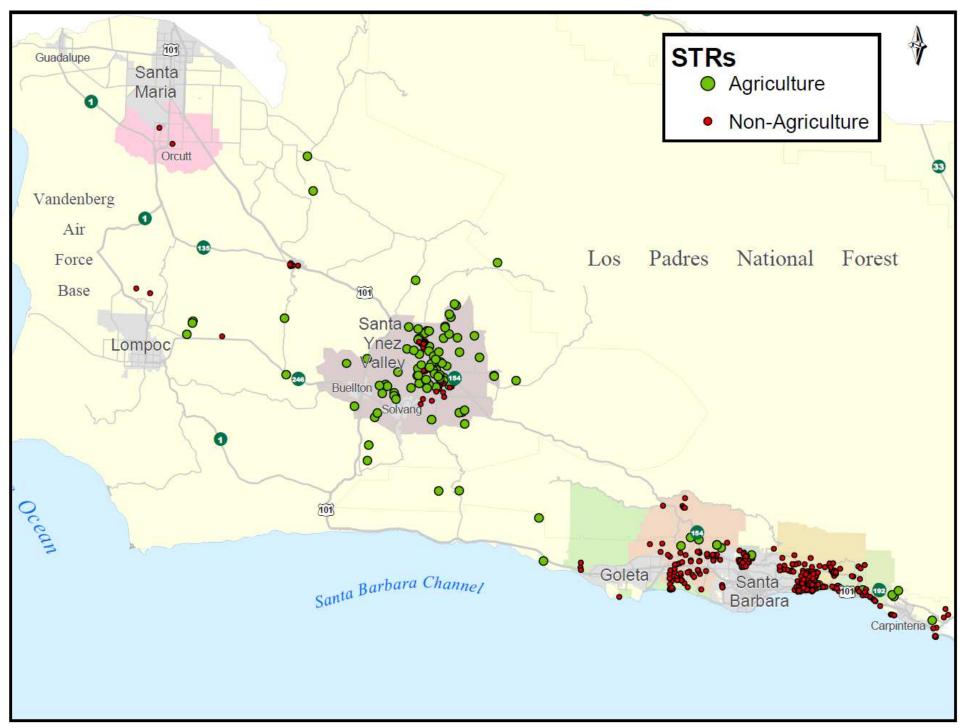
(g) Enforcement Process.

Initial complaints on vacation rentals shall be directed to the contact person identified in the Zoning Permit or Use Permit, as applicable. If the issue reoccurs, the complaint will be addressed by PRMD Code Enforcement Section who shall conduct an investigation to determine whether there was a violation of a Zoning or Use Permit condition. Code Enforcement may accept neighbor documentation consisting of photos, sound recordings and video to support proof of a violation. If Code Enforcement verifies that a Zoning or Use Permit condition violation has occurred, a Notice of Violation shall be issued and a penalty may be imposed in accordance with Chapter 1 of the Sonoma County Code.

At the discretion of the Code Enforcement Officer, the Zoning Permit or Use Permit may be scheduled for a revocation hearing with the Board of Zoning Adjustments. If the permit is revoked, a Zoning or Use Permit for a vacation rental may not be reapplied for or issued for a period of at least one (1) year.

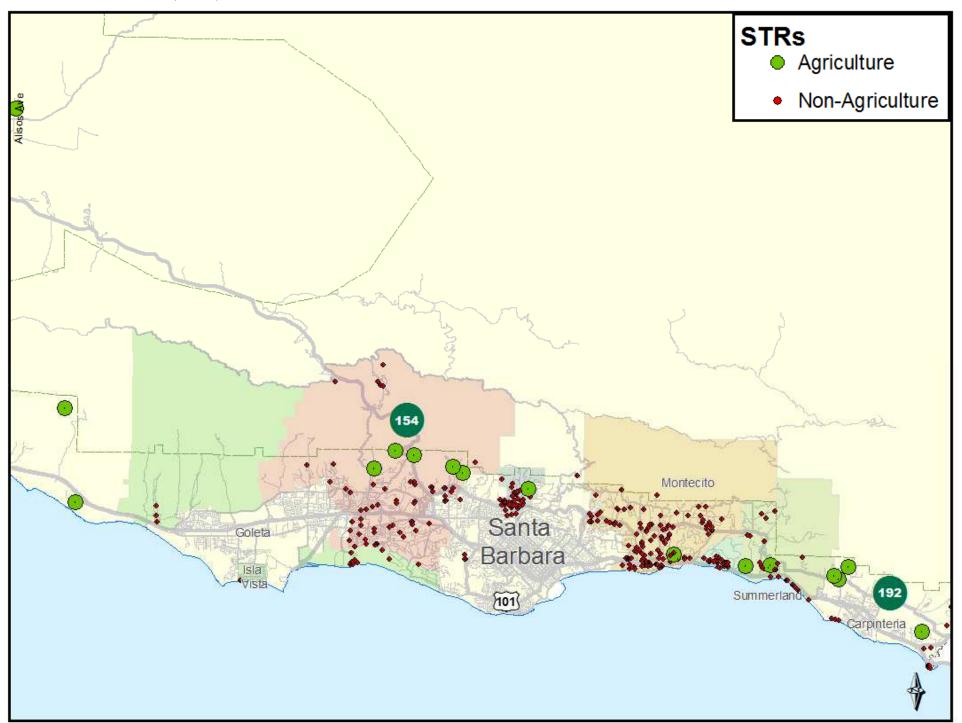
2. An annual fee may be adopted by the Board of Supervisors and collected by PRMD or the Sonoma County Tax Collector to pay for monitoring and enforcement of vacation rentals.

ATTACHMENT E



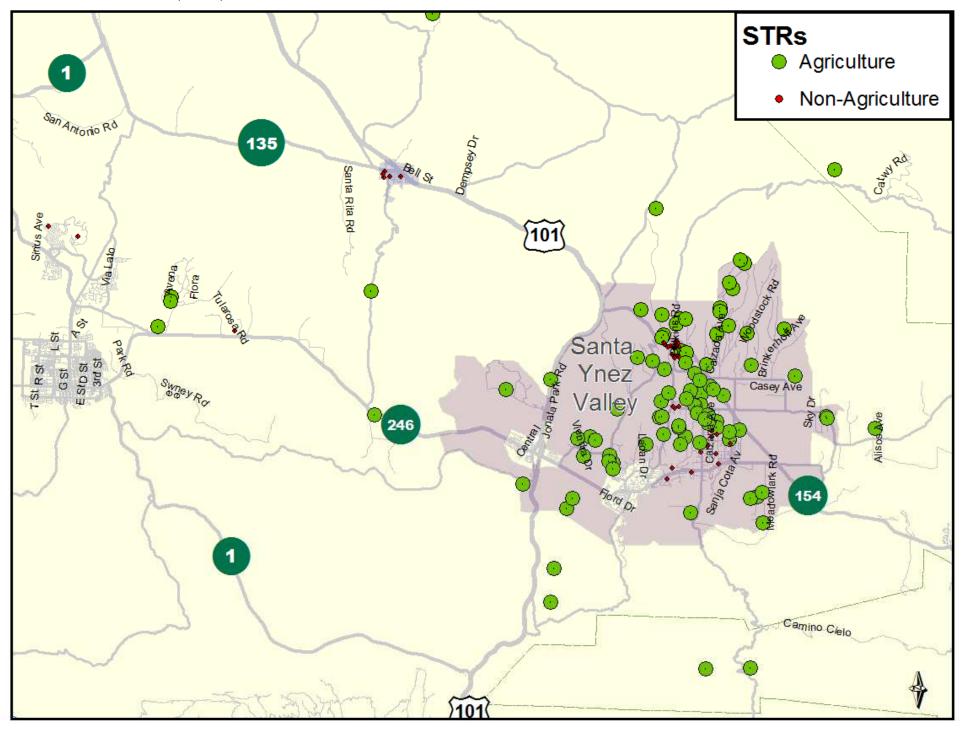
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ATTACHMENT E (cont.)

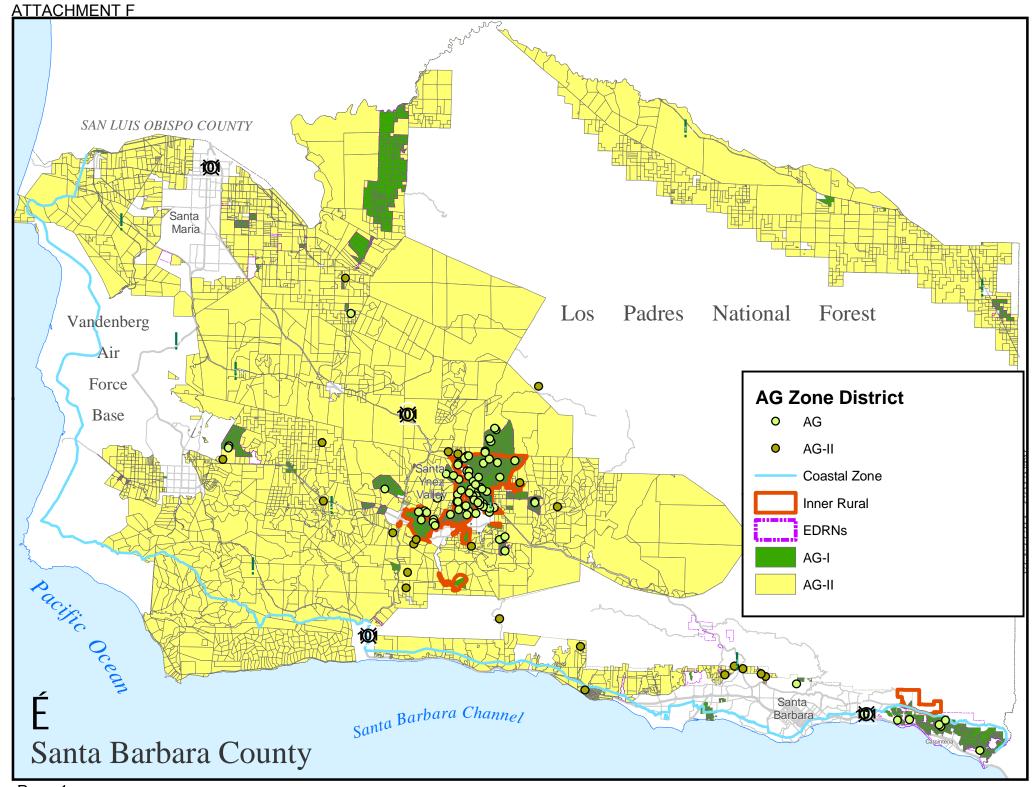


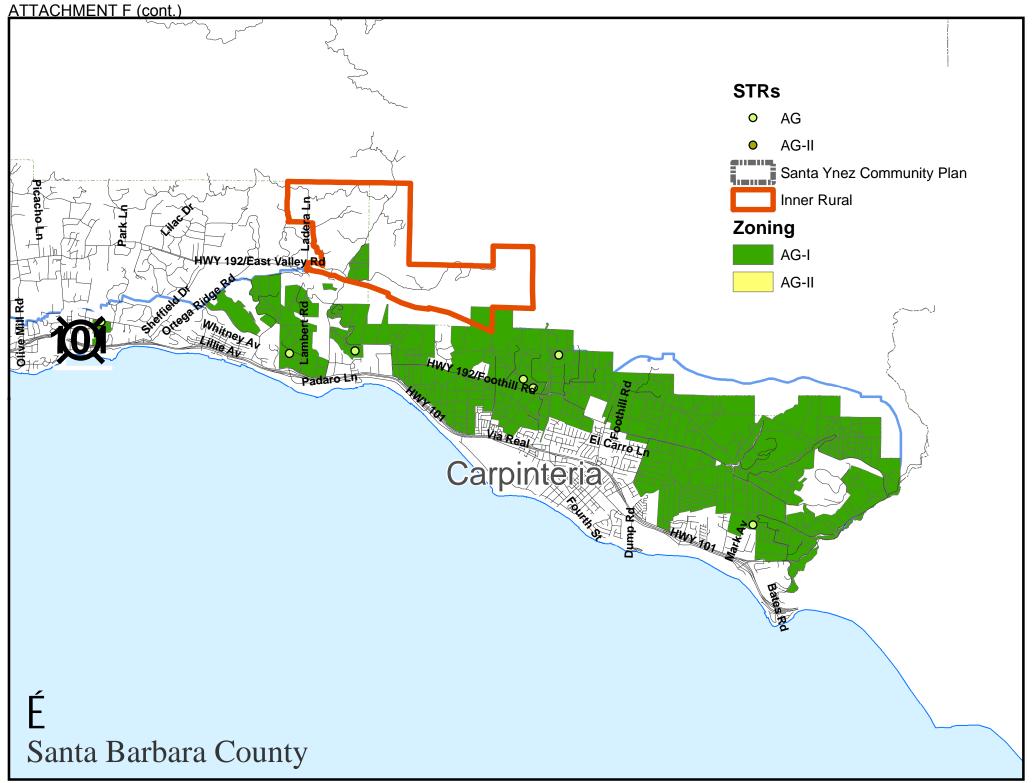
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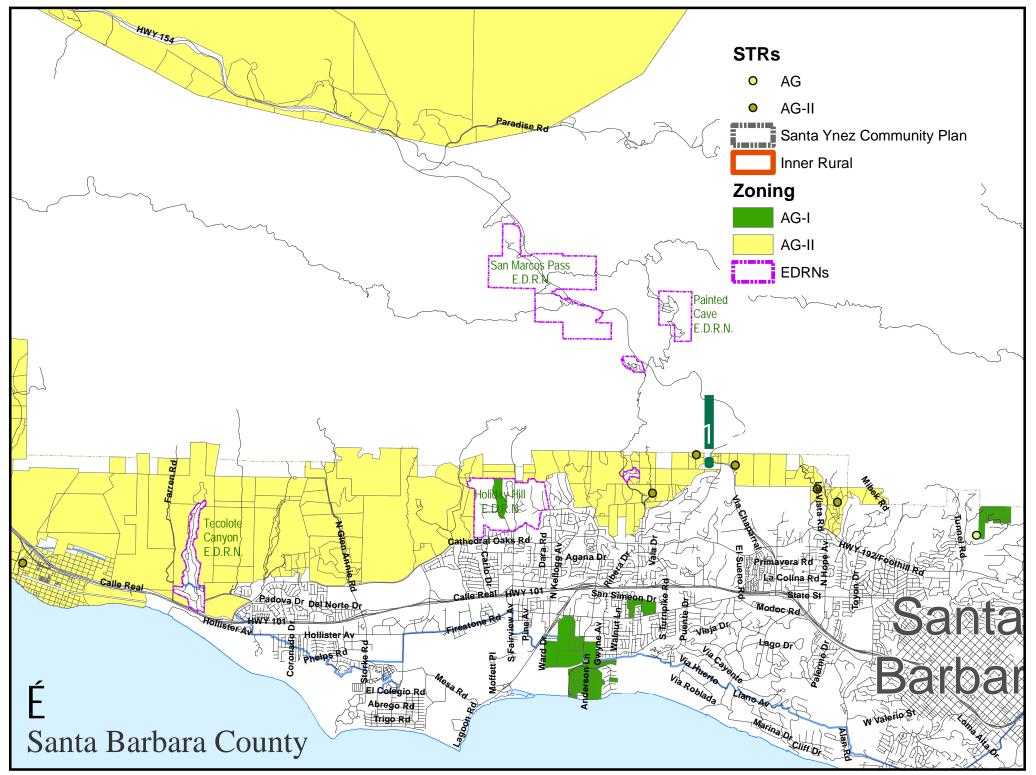
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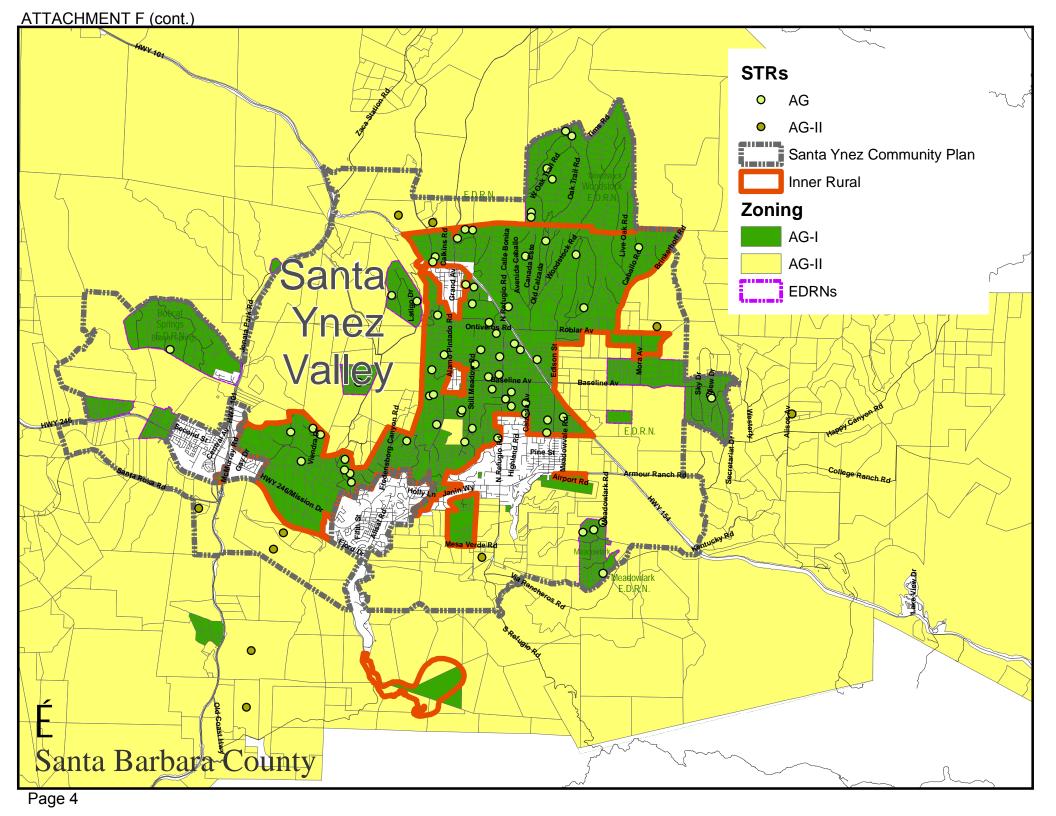


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ATTACHMENT G

Small Scale Guest ranch/Farmstay changes in the draft Gaviota Coast Plan (Proposed)

- 3. Small Scale Guest ranch/Farmstay.
 - a. A small scale guest ranch/farmstay operation may be allowed with a Coastal Development Permit issued in compliance with Section 35-169 (Coastal Development Permits) provided the operation complies with the following development standards:
 - 1) The operation is located on a single lot of 40 acres or greater and the entire lot is located in the AG-II zone. Only one guest ranch/farmstay operation may be allowed on a lot.
 - 2) The operation is housed in a single existing permitted or nonconforming habitable residential structure.
 - 3) The maximum number of guests that can be accommodated shall be 15 per night and they shall be accommodated in no more than six bedrooms.
 - 4) The operation shall be consistent with the compatibility guidelines set forth in Uniform Rule Two (Compatible Uses within Agricultural Preserves) of the County Uniform Rules for Agricultural Preserves and Farmland Security Zones.
 - 5) Food service is only available to registered guests of the operation, and the cost of any food service is included in the total price for accommodation and not be charged separately.
 - 6) The operation is located on, and be part of, a farm or ranch operation that produces agricultural products, and the operation does not constitute the principal land use of the premises.
 - 7) The operation will not significantly compromise the long-term productive agricultural capability or natural resources of the subject lot or adjacent lot(s).
 - b. A small scale guest ranch/farmstay operation that may not be allowed in compliance with Subsection K.3.a, above, above, may be allowed in compliance with a Major Conditional Use Permit approved in compliance with Section 35-172 (Conditional Use Permits).

COUNTY OF SANTA BARBARA AGRICULTURAL ADVISORY COMMITTEE

February 8, 2016

Honorable Larry Ferini, Chair County of Santa Barbara Planning Commission 123 East Anapamu Street Santa Barbara, CA 93101 Sent via email to dvillalo@co.santa-barbara.ca.us

RE: Short Term Rentals

Dear Chair Ferini and Honorable Members of the Commission

On February 3, 2015 the Agricultural Advisory Committee (AAC) discussed Short Term Rentals at the request of Planning and Development staff. We appreciate the opportunity to comment on this important issue.

After lengthy discussion, the AAC voted 8 in favor and 2 opposed to express its general support of permitting short term rentals on Ag I and Ag II zoned land, with conditions to mitigate potential impacts on neighboring properties and with sufficient enforcement mechanisms including consideration of the approach to mitigation of impacts as outlined in the previously proposed "Good Neighbor Special Events Ordinance."

We realize that there are additional issues surrounding Short Term Rentals on contracted lands that will need to be addressed. However, the AAC would like to consider the recommendations of APAC regarding those issues before making a final recommendation on that aspect of the matter.

Again, thank you for the opportunity to comment on this issue, and we look forward to continuing to work with Planning and Development as a Short Term Rental ordinance is developed.

Sincerely,

Sharyne Merritt, Chair

Committee Members

Bradley Miles
Ron Caird
Sharyne Merritt
A.J. Cisney
Ruth Jensen
Chrissy Allen
Claire Wineman
Paul Van Leer
June Van Wingerden
Morgan McLaughlin

Andy Mills

Jason Sharrett

Representing

1st District Supervisor, Salud Carbajal 2nd District Supervisor, Janet Wolf

3rd District Supervisor, Doreen Farr

4th District Supervisor, Peter Adam 5th District Supervisor, Steve Lavagnino

California Women for Agriculture

Grower-Shipper Vegetable Association Santa Barbara County Farm Bureau

Santa Barbara Flower & Nursery Growers' Association

Santa Barbara Vintners

Santa Barbara County Cattlemen's Assn. California Strawberry Commission

COUNTY OF SANTA BARBARA

Debbie Trupe Chair



123 E. Anapamu St. Santa Barbara, CA 93101 Telephone: (805) 568-2000

AGRICULTURAL PRESERVE ADVISORY COMMITTEE

February 8, 2016

Santa Barbara County Planning Commission 123 East Anapamu Street Santa Barbara, CA 93101

Re: Short Term Rentals on Agricultural Preserve Contracted Land

On February 5, 2016, the Agricultural Preserve Advisory Committee (APAC) unanimously voted that Short Term Rentals (STRs) are not a compatible use on contracted lands according to the Santa Barbara County Uniform Rules for Agricultural Preserves and Farmland Security Zones (Uniform Rules). Land enrolled in the Agricultural Preserve Program must be principally used for commercial agriculture, and compatible activities should be supportive to that agriculture. The APAC is concerned that a commercial, non-agricultural use such as STRs can result in temporary increases in population and agriculture/urban conflicts impacting onsite and adjacent agricultural operations. Additional concerns include the lack of enforcement to monitor and enforce potential restrictions (e.g. limiting the number of rental days and owner requirements to be on the premises during the rental period) to ensure the short term rental remains incidental to the principal agricultural use of the land.

The APAC is also concerned about potential impacts of allowing STRs on non-contracted agricultural lands. STRs can be very lucrative and the potential economic return could be an incentive for landowners to non-renew their agricultural preserve contracts to pursue this use on non-contracted lands.

The APAC recognizes that opportunities exist for additional revenue streams that could be supportive of the primary agricultural use of the land. If the County Planning Commission is interested in new agri-tourism lodging uses on agricultural land, the APAC recommends the County consider these uses as part of the Gaviota Coast Plan and Agricultural Permit Streamlining projects instead of in isolation as part of STR ordinance.

The Gaviota Coast Plan Agricultural Tiered Permit Structure and Agricultural Permit Streamlining project are two planning efforts which would broaden and expand allowable uses

(both agricultural support and non-agricultural uses) on agricultural land. Both projects propose a new agri-tourism lodging opportunity to allow a small-scale guest ranch\farmstay to encourage overnight stays on farms and ranches where agricultural production is the primary source of income.

Truly yours,

Debbie Trupe, Chair,

Agricultural Preserve Advisory Committee

Cc: Agricultural Preserve Advisory Committee members