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PLANNING COMMISSION  
MEETING OF: August 13, 2019  
SEBASTOPOL YOUTH ANNEX  
425 MORRIS STREET

**UNAPPROVED DRAFT MINUTES**

PLANNING COMMISSION  
CITY OF SEBASTOPOL  
MINUTES OF August 13, 2019

SEBASTOPOL YOUTH ANNEX  
425 MORRIS STREET

**PLANNING COMMISSION:**

The notice of the meeting was posted on August 08, 2019.

**1. CALL TO ORDER:** Chair Wilson called the meeting to order at 7:00 p.m.

**2. ROLL CALL:**

**Present:** Chair Wilson, Vice Chair Doyle, and Commissioners  
Glaser, Kelley, Oetinger and Fernandez  
**Absent:** Commissioners Douch and Fritz  
**Staff:** Kari Svanstrom, Planning Director

**3. APPROVAL OF PLANNING COMMISSION MINUTES:** (none)

**4. COMMENTS FROM THE PUBLIC ON ITEMS NOT ON AGENDA:** (none)

**5. STATEMENTS OF CONFLICTS OF INTEREST:**

Commissioner Fritz was absent due to a conflict.

**6. PLANNING DIRECTOR'S REPORT** (Update on Future Agendas, Action of Other Boards and City Council)

Director Svanstrom provided the following updates:

- The City Council approved the Planning Commission's workplan at their meeting on August 6<sup>th</sup>.

- The City Council also approved the 45-day moratorium on any new applications for non-hosted rentals of more than 30 days per year.

**7. CONSENT CALENDAR (PUBLIC HEARING IF REQUESTED):** (none)

**8. PUBLIC HEARING:** (none)

**9. DISCUSSION:**

**A. NON-HOSTED VACATION RENTAL POLICY DISCUSSION**

Director Svanstrom commented that Commissioner Oetinger was the Planning Commission liaison at the last City Council meeting and presented the staff report. After presentation of the staff report, Director Svanstrom provided a brief overview of Council comments.

A member of the public interjected and said that she never received a public hearing notice.

Director Svanstrom responded that the Commission was not currently taking public comments but that she would be happy to talk to her about the issue after the meeting.

Director Svanstrom asked Commissioner Oetinger if she wished to add anything.

Commissioner Oetinger added the following:

- Vice Mayor Slayter mentioned that the City is not radical in that other Cities are looking at this issue as well.
- Councilmember Carnacchi expressed support for hitting pause to allow the Commission the time they need to look at this issue. In addition, he expressed support for involving a consultant to advise the City.
- The economic differences are something to look at.

Hearing nothing further, Chair Wilson asked for questions of Director Svanstrom.

Comments and questions included:

- It would be helpful if the City could know the number of days that a unit has been rented for through collection of the TOT.
- Asked if the permit goes with the property or with the property owner and the property?
- Due to confusion over the definitions; a member of the Commission commented that if a stay is intended to be less than 30 days it is considered 'transient'.
- In terms of definitions; unsure why we have 'transient' and 'semi-transient' as separate definitions. Less than, or more than 30 days is what determines the difference between the types.
- An 'authorized agent' is somebody authorized by the property owner to serve in that capacity.
- The definitions of 'hosted vacation rental' and 'nonhosted vacation rental' may need to be clarified in terms of what is meant by the statement that reads, 'reside at the vacation rental unit,' when referencing the owner or authorized agent.
- Curious to know the number of residential units that are in commercial zoning districts, especially if they're situated in a neighborhood of other residences.
- The City has not received complaints on permitted rentals however, the City has received complaints on a couple of unpermitted rentals.

- Recalled a program, other than SHARE Sonoma County, that was passed some years back that was designed to encourage folks to stay in people's homes rather than staying outside of town. Recalled that it was passed by Sebastopol but that it was part of a broader effort for the west county area and asked staff to look into it.

At the request of Chair Wilson, Director Svanstrom provided an update on the Hotel Sebastopol project.

Chair Wilson opened the public hearing.

Jacob Rich, a resident of Sebastopol, commented:

- Thanked the Commission for discussing this important issue.
- Spoke on his memories of growing up in Sebastopol.
- Spoke on the housing crisis and the cost of living in Sebastopol.
- Spoke on vacation rentals and their impact on the community.
- Spoke on articles on vacation rentals that were published in the Press Democrat as well as the Sonoma West Times & News.
- Suggested that the City of Sebastopol consider the vacation rental exclusion zone effort that has been done in Healdsburg and other places in the Sonoma valley.
- Spoke on Sebastopol's character.
- Thanked the Commission for their time.

Pete Anderson, a resident of Sebastopol, commented:

- Spoke on behalf of Charles Metz.
- Read a prepared statement from Mr. Metz.

Chair Wilson granted Mr. Anderson additional time to read the prepared statement from Mr. Metz.

Mr. Anderson continued:

- Thanked Chair Wilson for allowing him additional time.
- Continued to read the prepared statement from Mr. Metz.
- Thanked the Commission for the opportunity to speak.

A woman named Mary commented:

- It feels like Sebastopol has already decided to transition towards tourism in a commercial sense.
- Vacation rentals seem to be more in keeping with Sebastopol's values than having one or two huge corporate hotels that make all of the money.

Gretchen Chertov, North Main Street, commented:

- As a 68-year-old woman, she has been living in her house for 31 years and has been renting out a back room that she converted to an Airbnb to help support herself in retirement. She also has an ADU that she rents out as a long-term rental.
- As somebody who provides a hosted rental this discussion doesn't apply to her directly, however, she is always thinking of what may happen in the future and how her ability to support herself may be impacted.
- Surprised to hear how many people are not in compliance.
- Agreed with the prior speaker on Sebastopol heading towards a tourist economy.
- Would like to have options in the future to use her property in the way that would best suit her.

Commissioners asked clarifying questions of Ms. Chertov.

Megan Finaly, Eleanor Avenue, commented:

- Read a written statement that she had previously submitted into the public record.
- Thanked the Commission for their time.

Randy Knight, lives in the unincorporated part of Sebastopol, commented:

- Owns a vacation rental management company with his wife and works as a realtor.
- Has lived in the area for more than twenty years.
- Challenges the premise of this in that he does not believe there is a housing crisis/shortage.
- Spoke on current property listings and on the slowness of the housing market at this time.
- Spoke on the number of hosted and non-hosted rentals he found on airbnb.com.
- Understands concern about changing the character of Sebastopol.
- Reached out to quite a few businesses and they overwhelmingly stated that they need tourism to survive, now more than ever.
- Most people aren't getting rich off this.
- Many people could not afford to live here if not for their ability to do this.
- Does not want property owners' options to be limited when it comes to their ability to use their property as a vacation rental.
- Thanked the Commission for their time.

A woman named Kathy who lives in Sebastopol commented:

- Interested in promoting vacation rentals.
- Requests to be allowed to email additional information to staff and the Commission/Council during the 45-day period for the moratorium.
- Airbnb has a lot of data and statistics on the benefits of allowing vacation rentals.
- There are a lot of ordinary people like housekeepers and gardeners that are making a living off vacation rentals too.
- Thanked the Commission for their time.

ila Benavidez-Heaster, Bodega Avenue, commented:

- Supports the moratorium.
- Sebastopol is pretty built out, there isn't a lot of space.
- Respects the need for individuals and families to earn money, but it comes at a price.
- Spoke on gentrification.
- Sees the struggle on this topic.
- Our culture is about using and discarding.
- It's time to reinforce the need for community.
- We don't want to have a ghost town.
- Discernment is required here.
- Thanked the Commission for their town.

Mr. Knight asked if it would be possible for him, and possibly others, to give a presentation to the Commission on their position with regards to vacation rentals.

Chair Wilson responded that that could be done and suggested that he work with Director Svanstrom to coordinate.

Chair Wilson closed the public hearing.

Commissioner Oetinger asked Director Svanstrom about whether she wanted the Commission to provide initial thoughts or save their deliberations for when the consultant is present.

Director Svanstrom requested that the Commission provide their initial thoughts, by category, at this time. Depending on where the discussion goes, the Council has expressed being amenable to hiring a consultant, however, that would need to be approved by Council and would only occur if it was determined to be a need.

Chair Wilson commented:

- The primary focus here is non-hosted but the definition of hosted is quite narrow which means that clarification may be needed.
- A hosted rental is a rental where the owner or authorized agent resides on site.
  - In theory, because the owner or authorized agent resides on site there are fewer problems.

Commissioner Glaser commented:

- Four members of the Commission as it stands today were involved with the original crafting of this ordinance.
- The Commission was trying to ensure that a corporate influx wouldn't occur.
- Sebastopol has a lot in the way of businesses and amenities for a small city thanks to its vacation economy.
- The vacation economy can be supported while protecting its residents at the same time.
- If we want more housing to become available, the City needs to look at its zoning and focusing on getting workman housing available.
- The units that are being used as vacation rentals probably wouldn't fit in the category of being workman housing.
- Disappointed with what the Council did by upholding the appeal because the Commission approved it as an exception in a place that seemed right.
- Wants to support zoning that will allow residents of Sebastopol to support their community in this way, this would apply to hosted and non-hosted vacation rentals.

Chair Wilson responded:

- If people are occupying a short-term rental that could potentially be rented out as a long-term rental for people who want to work here, where will long-term renters be able to live.

Commissioner Glaser commented:

- This can be structured in a way that supports community members that want to invest in our community.
- In doing so, the city is less likely to lose a lot of its housing stock to short-term renters.

Chair Wilson responded:

- Hard to regulate who the purchaser is and what they can or cannot do based on that.

Commissioner Glaser commented:

- Could stipulate that the owner of the facility can only own a certain number of units, and that number could be as low as one or two.
- Regulating based on the number of bedrooms is probably not the best way.

- Suggested regulating based on the number of units.
- Agreed with the goal of getting housing so that people can afford to live here, does not agree with the means.
- People having more income will help with a person's ability to afford to live here.

Commissioner Fernandez commented:

- If a family wants to go on vacation and allow a family to rent their home during that time it should be considered a 'hosted rental' as the family is simply away on vacation. In this case he did not believe it should be considered a 'non-hosted rental'.

Chair Wilson stated:

- Under current code, a non-hosted rental of 30 days or fewer is permissible through an Administrative Permit.

Director Svanstrom responded in the affirmative and commented:

- Families or individuals can do a house exchange, so long as funds are not be exchanged, without the need for City review as it would not be considered a rental.

Commissioner Fernandez commented:

- Supports hosted rentals and wants to make the process of having one as easy as possible.
- Has spoke to people in the community that feel like the current process to have a hosted rental is too onerous and not worth the hassle.

Commissioner Oetinger commented:

- Referred to 17.260.060 A. Criteria 3. which reads, 'The maximum overnight occupancy for vacation rentals shall be up to two persons per sleeping room or guest bedroom, plus two additional persons per property, up to a maximum total of 10 persons per vacation rental.' and commented that the maximum total of 10 persons per vacation rental does not make sense given the City's limitation to two bedrooms.

Commissioner Glaser responded:

- The two-bedroom limitation is for hosted rentals not non-hosted vacation rentals.

Vice Chair Doyle commented:

- Has seen the exact same wording Commissioner Oetinger referred to in other ordinances.
- Doesn't seem the Commission has a whole lot to talk about as there aren't a whole lot of changes proposed for hosted rentals.
- Read the definition of, 'hosted vacation rental' and commented that the reference to the owner or authorized agent residing at the vacation rental unit should be clarified in that the actual practice is for the owner or authorized agent to not necessarily be residing in the vacation rental unit (in the case of an ADU being on the property, etc.).
- Aside from the above, he doesn't see other issues in need of discussion when it comes to hosted rentals.

Director Svanstrom asked Vice Chair Doyle if he would suggest that the definition of 'hosted vacation rental' be revised to read that the owner or authorized agent must live 'at the vacation rental property' rather than 'at the vacation rental unit'.

Vice Chair Doyle responded in the affirmative.

The Commission concurred.

Vice Chair Doyle commented that the revised language wouldn't necessarily work for multi-unit properties.

Director Svanstrom commented that the Commission needs to determine how they want to handle multiple unit properties and also whether this is any difference between single-family, ADUs, duplexes, and properties with more than two units in the case of hosted rentals.

Commissioner Glaser commented:

- Wants to ensure that Sebastopol residents can take advantage of the properties that they own.
- The definition of hosted rentals could be expanded to say that a Sebastopol resident who has a property that they're renting as a vacation rental, and who owns a limited number of properties, could still be considered a hosted rental.
- This would allow a resident to live in a townhouse and rent out a townhouse as hosted, even though they're two separate properties.
- Would like to make the process programmatic in terms of discerning between hosted and non-hosted rentals.

Commissioner Oetinger commented:

- The difference between hosted and non-hosted in her mind is that if hosted, somebody lives onsite.
- Hosted would not be the case where the property owner lives in a townhome and rents out a neighboring townhome which is on a separate property.
- Hosted would not be the case when a house is sitting vacant and is being rented out as a commercial entity.

Commissioner Glaser commented:

- Does not see why two townhouses owned by the same person and a property with a primary dwelling and accessory dwelling on it should be treated differently.

Vice Chair Doyle responded:

- The difference is that the townhouses are on different properties, meaning they can be sold individually. A primary dwelling and an accessory dwelling unit that are situated on one property are integral and cannot be broken up in that way.
- Revising the definition of 'hosted vacation rental' to read that the owner or authorized agent must live 'at the vacation rental property' rather than 'at the vacation rental unit' would work for him.

Director Svanstrom added:

- The difference is also between a property that the homeowner owns versus an investment property where the owner does not live there.

Vice Chair Doyle concurred.

Commissioner Glaser commented:

- Knows of situations where people own their family home here but can't afford to live in it so they use it as a vacation rental until they can afford to move into it. In the meantime, they're living elsewhere in town. We want to make sure that people

in this situation can continue to do so to allow themselves the opportunity to eventually be able to afford to live in their family home.

Chair Wilson asked if a duplex would be considered hosted in the case where the owner lives in one of the units.

Director Svanstrom responded in the affirmative.

The Commission agreed that discussion was needed on the two-bedroom limitation.

Vice Doyle responded:

- The two-bedroom limitation may have arisen from a desire to keep the density down due to State law changing in a way that eliminated the City's ability to require a bunch of things that they used to be able to require such as parking.

Director Svanstrom responded:

- With regards to hosted rentals, the City requires one parking space for the host and one for each bedroom.
- Sebastopol doesn't have a lot of properties with more than three bedrooms.

Commissioner Oetinger commented:

- Asked how overconcentration would be determined.
- Concerned that a lot of our streets are inside the city, but they extend outside to County properties where there are no regulations.
- Asked if adjacent uses outside our city limits should be considered when determining overconcentration?

Director Svanstrom responded:

- Would recommend that it be limited to within city limits as that is what the City can control.

Vice Chair Doyle asked if an analysis of overconcentration was being done for hosted rentals currently.

Director Svanstrom responded:

- An analysis of overconcentration was not being done for hosted rentals currently.
- The Council is supportive of hosted rentals as a way for community members to welcome in folks to the community to supplement their income.
- Agreed that the definition of 'hosted vacation rental' should be clarified.
- The Council's issue with 'non hosted vacation rentals' is taking housing units and converting them to a short-term rental when we have a housing crisis and need to preserve our housing stock for long-term occupants.
- Given the Council's direction for multi-family properties she expressed a concern over allowing a tenant to serve as a manager while converting the other two units to short-term rentals on a full-time basis in the case of a triplex.
- Would like direction from the Commission on the above as she did not believe that would be consistent with the Housing Element on prudent preservation of our existing housing stock.

Commissioner Fernandez commented:

- The other issue to discuss is the two-bedroom limitation.

Vice Chair Doyle commented:

- Suggested changing references from bedroom to, 'entities'.

Commissioner Glaser commented:

- The language should be changed to, 'rental units' as that is more widely recognized and referred to.

Director Svanstrom responded:

- Right now, for hosted rentals, an Administrative Permit is required so long as the host is on-site.
- Changing the word to, 'property' makes sense.
- The Commission could increase it from two-bedrooms to three-bedrooms.
- Historically, the City has considered renting out more than two bedrooms as a Bed and Breakfast which requires a Conditional Use Permit.
- The process for a larger rental is more cumbersome but there are more impacts from them too.
- Changing it from two-bedrooms to three-bedrooms would mean that the more onerous requirements would be triggered for rentals of four-bedrooms or more due to the impacts.
- An ADU and a three-bedroom house would be considered a hosted rental and would not require a Use Permit.

Commissioner Oetinger commented:

- The Use Permit is important in order to determine what kind of parking is available.

Vice Chair Doyle commented:

- The two-bedroom limitation is fine the way it is.

Commissioner Kelley commented:

- The two-bedroom limitation is fine.
- Expressed a concern over impacts to the neighbors.
- Anything more than two-bedrooms would require a Conditional Use Permit.

The Commission was in consensus on leaving the two-bedroom limitation on hosted rentals.

The Commission made the following comments on non-hosted vacation rentals.

Commissioner Oetinger commented:

- If setting limits is being looked at, she suggested that the Commission consider setting different standards for different areas.
- The main reason for doing that would be to protect the character of the neighborhoods and reduce overconcentration.

Director Svanstrom asked Commissioner Oetinger if she was considering overall limits on hosted and non-hosted rentals.

Commissioner Oetinger responded:

- Ideally, she would like to see hosted and non-hosted rentals limited in the interest of preserving community character and the effect vacation rentals of any kind can have on housing.
- Others have done this.

- We should come up with a number and see how that works before we consider increasing the limit.

Commissioner Glaser commented:

- In the case of hosted rentals, he agreed with Commissioner Oetinger in their possibly considering limiting the number of them because a Conditional Use Permit is not currently required.
- In the case of non-hosted rentals, the requirement for a Conditional Use Permit is in place so the community, and the Commission which represents the community, can measure whether the concentration is overly intense. Given this, a finite number should not be assigned.

Commissioner Oetinger commented:

- Understands about the Conditional Use Permit process and the discretion it provides.
- The goal in terms of planning, the General Plan, and Zoning Ordinance is to be proactive and to create what we want.
- What we want is to preserve our neighborhoods, the nature of residential neighborhoods, and the cost of housing so it's not always competing with speculation.
- One way to do that is to come up with some finite numbers so people in the industry know where they stand.

Commissioner Fernandez responded:

- Establishing a finite number can cause artificial demand because people don't want to miss out on the opportunity.

Commissioner Oetinger concurred.

Vice Chair Doyle commented:

- Some of the views that are being expressed feel over regulatory and over complicated.
- Does not support a quota.
- If the process gets too convoluted nobody will participate and everyone will choose to operate under the radar.
- Non-hosted rentals should have a cap on them in terms of the number of days that they can be rented, and they should be reviewed administratively.
- The administrative approval will get them registered, acknowledged and informed of all the rules.
- Establishing a number that is low enough will encourage speculator (someone who is buying the property to maximize their revenue) to rent out units full-time for more revenue and less management hassle when compared to a non-hosted rental that is limited to a finite number of days.
- The above suggestion would require the least administration and would give homeowners the most flexibility.
- They key is to determine the more appropriate cap to discourage speculators from doing an Airbnb and instead, encouraging them to rent their unit out to a full-time tenant.
- That cap could be 120 days, or even 90 days. Petaluma and San Francisco have a cap of 90 days.

Commissioner Glaser commented:

- Likes Vice Chair Doyle's approach.
- Supports the idea of allowing Sebastopol residents that have a second property in town to rent out their second property as well.
- Likes the idea of setting a day limit but wants to allow more time for Sebastopol residents who need the income to pay their mortgage.

Vice Chair Doyle responded:

- The day limit will encourage those people to get a long-term tenant.
- Based on Council direction, the City is trying to encourage full-time residents.
- His suggestion would keep the regulation minimal and will aid in keeping the speculators for short-term vacation rentals out.

Director Svanstrom commented:

- Vice Chair Doyle seems to be heading in the right direction.
- Commissioner Glaser's scenario of the local property owner that has a local investment property is almost the Use Permit that went before Council and was denied on appeal.

Commissioner Kelley commented:

- The applicant in the Use Permit that went to Council on appeal did not live in Sebastopol city limits.

Director Svanstrom commented:

- The applicant lived two blocks out of city limits.
- Does not believe the fact that the applicant lived outside city limits was a deciding factor for Council.

Chair Wilson asked if an Administrative Permit can be subject to appeal.

Director Svanstrom responded:

- An Administrative Permit can be appealed, however, the grounds for appeal if the applicant meets all the requirements is less (usually limited to an administrative error or something along those lines).

Chair Wilson commented:

- Agreed with Vice Chair Doyle on non-hosted in that he is leaning toward administrative review so long as it's not a primary residence with a cap of 90 days.
- That seems to accomplish the goal while giving flexibility.
- A speculator wouldn't find the above suggestion as advantageous and would look instead for a long-term tenant.
- We want to encourage compliance.

Commissioner Fernandez asked if there is a way to allow and applicant to appeal for more than the allowed number of days due to their own extenuation circumstances.

Director Svanstrom responded:

- The City of Los Angeles or another organization does allow for, on top of their initial permit requirement which requires proof of permanent residency, a permit to extend the number of days due to a special circumstance.

Commissioner Fernandez commented that he would be in support of doing something like that.

Commissioner Oetinger commented:

- If 30-days is considered full-time, a person can have a month-to-month lease.
- Likes the 30-day limit.
- 30 days is a long time if you think about it.

Vice Chair Doyle commented:

- Believes it will be more successful if the process is simplified and streamlined.

Commissioner Oetinger commented:

- Could see allowing people to apply for a permit which could allow them to exceed the 30-day limit in the case of special circumstances where they'll be away from their primary dwelling unit for longer than that.

Vice Chair Doyle asked Commissioner Oetinger if the permit would be administrative or if it would require discretionary review and approval by the Planning Commission.

Commissioner Oetinger responded that it could be administrative.

Vice Chair Doyle commented that that feels discretionary for a staff level review.

Chair Wilson commented:

- Reiterated his support for Vice Chair Doyle's suggestion.
- Expressed appreciation for the simplicity of allowing non-hosted for up to 90 days per year period without the need for discretionary review.
- The more complicated we make it the more difficult it will become administratively, and the more unfair people will think we are when we deviate.

Vice Chair Doyle commented:

- If the process is too onerous and complicated people will choose not to comply.

Commissioner Fernandez commented:

- There are other mechanisms in place for people to complain if issues (such as the noise ordinance).

Vice Chair Doyle concurred.

Commissioner Oetinger commented:

- Still feels there should be a cap for non-hosted rentals.
- Could support different caps for different areas such as commercial and residential.
- If developing or redeveloping an existing property that has dwelling unit(s) on it in a commercial area, the City could stipulate the need to replace the dwelling unit(s) when adding rental units to said property.
- This would require developers to maintain an equal or great number of existing homes.
- This could encourage more housing development if the City were to allow the developer to building some short-term rentals into their project when building more dense urban housing in commercial areas.

Commissioner Glaser asked Commissioner Oetinger if the same could be achieved by having different caps in different areas.

Commissioner Oetinger responded:

- Yes, that could be a good start and could help protect residential areas.
- Residential and commercial properties are different types of investments.

Commissioner Kelley commented:

- Doesn't want to treat commercial property differently than residential neighborhood property if there are residential uses in the area such as on Main Street.
- The Commission just turned down a cannabis delivery service because it was a commercial property with residential uses around it and the neighborhood didn't feel they could deal with the impact.
- Commercial and non-commercial should be treated the same unless there is a designation that states that it's not a residential neighborhood.
- Likes keeping the limit at 30-days.
- Could support increasing the limit to 60-days if that was the consensus of the Commission.
- In terms of a cap; she likes the idea but would need more information before being able to determine what the appropriate number might be.

Vice Chair Doyle commented:

- Would like to let the ordinance play out for several years in order to see what direction it's going.
- If saturation becomes an issue the ordinance can be revised.

Commissioner Kelley commented:

- The City is trying to be proactive.
- We know there is interest in having non-hosted rentals.
- We must be very forward-looking.
- We are lacking specifics.
- When we talk about people who own more than one property, we're forgetting the people who cannot even afford to own one home.
- The lack of affordability to own just one home is a huge concern to her.
- Understands need to find a balance.
- Wages do not meet up with the cost to own a home.

Commissioner Fernandez commented:

- Understands and shares Commissioner Kelley's concerns on the affordability of owning just one home and with catering to those who live locally and own an investment property or properties.
- It's important to keep in mind that families look for a short-term vacation rental as a more affordable way to visit an area when comparing to the cost of a hotel.
- We need to ensure that long-term rentals aren't being replaced with short-term ones.
- We want to provide people of lesser means to visit the area economically as well.

Vice Chair Doyle commented:

- Both hotels in Sebastopol require a two-night minimum on weekends and near holidays.
- When his family would come to visit, they wouldn't stay because they didn't want to have to stay two nights.
- Perhaps they would have considered staying in an Airbnb.
- Has stayed in many Airbnbs over the years and has had some nice experiences.

Chair Wilson commented:

- Supports grandfathering in registered non-hosted units.
- At minimum, a change in ownership would trigger complying with the new rules.
- Would like to see people complying with the City's current rules as quickly as possible, especially with something like this.

Vice Chair Doyle commented:

- Currently, the City doesn't allow new ADUs to be used as hosted rentals.
- Read the following paragraph from the staff report, "Currently, a property owner with a single-family home with an ADU is considered a 'hosted' rental as long as the owner lives in one of the units. This means an owner could live in the ADU and rent the main home or, for properties with ADUs building prior to July 1, 2017, they could live in either of the units and rent the other. Currently staff is aware of a couple of properties where this is being done (mainly, living in the ADU and renting the main home). While this could be seen as a reduction in housing stock, generally the ADUs are being built with this purpose in mind as a way to afford to own a home in Sebastopol, and changes to this policy could negatively affect these owners, and / or reduce the number of ADUs being built in the future by those looking to do the same. Since most of these units are done through adding to the housing stock, staff believes this is compliant with the Housing Element Goal B -2 of preserving housing stock, as the units are generally being created through adding new units to the housing stock. Additionally, while these properties may not be increasing the housing stock in the short run, these properties could transition to two long -term dwelling units in the future, thus adding to the housing stock over time."
- Agreed with the above statement.
- The above is an argument for not having that restriction on new ADUs because this is acknowledging a loophole that only people who have two-bedroom houses can take advantage of.
- If the above is okay, it should be okay for all ADUs.

Commissioner Kelley commented:

- The City implemented that due to the rules that changed the City's ability to control ADUs.
- Part of that is that the City is losing some of the impact fees.

Vice Chair Doyle commented:

- The intent was for new ADUs to not be able to be used as a short-term rental.
- Questioned the practical difference of allowing a property owner to stay in their ADU while renting out their primary dwelling as a short-term rental in terms of impact.

Director Svanstrom responded:

- The ADU has lesser setback requirements than the primary dwelling so having the property owner stay in the ADU may have less of an impact on the neighbors for that reason.
- The question is, has the City been interpreting the hosted vacation rental definition incorrectly where it is really meant to be the unit so that if you're creating an ADU you still have to rent the main house although that could be long-term.

Vice Chair Doyle responded that the question on interpretation of the hosted vacation rental definition may be worth additional discussion as well.

Commissioner Glaser commented:

- During a prior discussion Vice Chair Doyle commented on the Commission's concern that ADUs would be built and used for short-term rentals and that the Commission wanted to make sure that ADUs would be used as workforce housing for local folks.

Commissioner Oetinger commented:

- A councilmember suggested taking back the grants and requiring the fees to be paid for ADUs.

Director Svanstrom responded:

- People don't get grants for ADUs.
- Under State law for ADUs, the City can prohibit short-term rentals.
- Under State law for ADUs, the City can't require sewer or water connection fees, fire sprinklers if the main home doesn't have fire sprinklers, etc.
- The last time State law changed, which is reflected in the City's ordinance, the City doesn't require parking for an ADU.
- Under State law an existing structure that is non-conforming in terms of setback can be converted to an ADU. In addition, a second story can be added to it as long as it is setback 5' from the property line.
- The above could have significant neighborhood impacts and under State law the neighbors don't have the opportunity to comment on it, the process is ministerial, and the City must grant it.
- Suspects that State law may move towards prohibition of using ADUs for short-term rentals.

Vice Chair Doyle commented:

- Thanked Director Svanstrom for the explanation.
- Conditional Use Permits usually go with the property without a time constraint.

Director Svanstrom responded:

- A Conditional Use Permit can be limited to a set period.

Chair Wilson asked Director Svanstrom if she'd like direction on multi-unit properties.

Director Svanstrom responded:

- Would like direction on multi-unit properties.
- The Commission will meet on August 27, 2019, one item is on that agenda.
- This discussion could be continued to that meeting.

The Commission expressed being in support of continuing this discussion to their next meeting.

Vice Chair Doyle commented that he would be out of town for the next meeting.

Director Svanstrom commented:

- If there's anything the Commission would like staff to research prior to their next meeting on multi-unit rentals it would be great to hear them now.

Chair Wilson commented:

- Not in favor of multi-units being turned over to short-term rentals.

Commissioners Oetinger and Fernandez concurred with Chair Wilson.

Director Svanstrom asked if the Commission would feel the same about a property with two single-family dwelling units on it, and commented:

- For hotels, her preference would be to require a Conditional Use Permit.

Members of the Commission concurred.

Commissioner Fernandez commented:

- Properties with two units should be treated the same regardless of how they're situated.

Vice Chair Doyle concurred with Commissioner Fernandez.

Commissioner Oetinger commented:

- A duplex, by nature, would be a little more affordable than a single-family unit on a property with another single-family unit on it.

Vice Chair Doyle commented:

- Doesn't want to make the ordinance too long and convoluted.
- Doing so would make enforcement more difficult as well.

Commissioner Oetinger commented:

- Calling out duplexes doesn't feel complicated.

Chair Wilson suggested continuing further discussion of any loose ends at the next meeting.

Director Svanstrom commented:

- If not the next meeting, this discussion could be continued to the first meeting in September.
- Looks like multi-family residential may not be clearly defined, this would be a good time to add that definition.
- The definition of ADU should also be added.

## **10. WRITTEN COMMUNICATIONS:**

### **A. 2019-20 CAPITAL IMPROVEMENT PLAN PARKS UPDATE**

The Commission asked questions of Director Svanstrom.

**11. ADJOURNMENT:** Chair Wilson adjourned the meeting at 10:15 p.m. The next regularly scheduled Planning Commission meeting will take place on Tuesday, August 27, 2019, at 7:00 p.m. at the Sebastopol Youth Annex, 425 Morris Street, Sebastopol, CA 95472

Respectfully Submitted By:

Kari Svanstrom  
Planning Director