CITY OF SANTA ROSA PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT STAFF REPORT FOR PLANNING COMMISSION MAY 11, 2023

PROJECT TITLE

APPLICANT

Carrie Richey

APPEAL OF BRIDGEWOOD DRIVE SHORT-TERM RENTAL PERMIT DENIAL

ADDRESS/LOCATION

6241 Bridgewood Dr

Carrie Richey

PROPERTY OWNER

ASSESSOR'S PARCEL NUMBER

182-060-033

APPLICATION DATES

March 6, 2022

REQUESTED ENTITLEMENTS

N/A

PROJECT SITE ZONING

R-1-6

PROJECT PLANNER

Sachnoor Bisla

FILE NUMBERS

SVR22-020

APPLICATION COMPLETION DATES

March 6, 2022

FURTHER ACTIONS REQUIRED

N/A

GENERAL PLAN DESIGNATION

Low Density Residential

RECOMMENDATION

Denial

Agenda Item #8.1 For Planning Commission Meeting of: May 11, 2023

CITY OF SANTA ROSA PLANNING COMMISSION

TO:CHAIR AND MEMBERS OF THE PLANNING COMMISSIONFROM:SACHNOOR BISLA, CITY PLANNERPLANNING & ECONOMIC DEVEOPMENT DEPARTMENTSUBJECT:APPEAL OF BRIDEWOOD DRIVE SHORT-TERM RENTAL
PERMIT DENIAL

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Planning and Economic Development Department that the Planning Commission, by resolution, deny the appeal and uphold the decision of the Planning and Economic Development Director to deny a non-hosted Short-Term Rental Permit located at 6241 Bridgewood Drive (SVR22-020).

BACKGROUND

1. <u>Project Description</u>

The owner of the property at 6241 Bridgewood Drive submitted an application for a new non-hosted Short-Term Rental permit on March 6, 2022. The existing residence includes four bedrooms, which, if approved, would allow for a maximum of eight overnight short-term renters and four additional daytime guests. Parking for the short-term rental would be provided in the garage (one space) and in the driveway (two spaces), with one additional parking space available on the street in front of the residence.

2. <u>Project History</u>

March 6, 2022	Application Submitted
March 30, 2022	Code violation complaint received for unpermitted short-term rental and large party in violation of the City's Noise Ordinance.
April 12, 2022	City inspection performed.
October 10, 2022	Code enforcement case closed.

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December 13, 2022	Code violation complaint received for unpermitted short-term rental.
December 28, 2022	City inspection performed.
January 3, 2023	Code enforcement case closed.
January 26, 2023	Code violation complaint received for unpermitted short-term rental – case is still open.
January 3, 2023	Notice of Denial Sent to Applicant
January 4, 2023	Application Denied by the Planning and Economic Development Director
January 13, 2023	Appeal Filed by Applicant

ANALYSIS

The 6241 Bridgewood Drive non-hosted Short-Term Rental (STR) Permit application was denied based on Zoning Code Section 20-48.040(B)(3), which states "after December 3, 2021, no non-hosted short-term rentals may be proposed within 1,000 feet from the property line of another existing or proposed non-hosted short-term rental." The subject application was submitted on March 6, 2022, and is located approximately 870 feet from an approved non-hosted STR Permit at 2220 Fremont Drive (see distance map in Attachment 4). The application for 2220 Fremont Drive was submitted on February 17, 2022 and was issued on October 28, 2022.

Below are the grounds for appeal provided by the appellant in the January 13, 2023 Appeal Form (Attachment 1), along with City staff responses to each:

1. The Appellant is an Operator in Good Standing

"Operator in Good Standing" is defined as "a short-term rental operator registered on or before October 27th, 2021 to pay the City's Transient Occupancy Tax (TOT) and Santa Rosa Tourism Business Improvement Area (BIA) assessments and for those operators who were not registered for TOT and BIA assessments before October 7, 2021, has provided proof of prior operation of the short-term rental during 2021" (20-48.030). The appellant has been renting her home on AirBnB since May 2019 and paying TOT taxes, and is therefore an Operator in Good Standing.

Staff Response: <u>Zoning Code Section 20-48.040(B)(1) and (2)</u> state the following with regards to operator status:

 Zoning Code Section 20-48.040(B)(1): "Operators in Good Standing shall submit a Short-Term Rental Permit Application for existing Short-Term Rentals accompanied by the Short-Term Rental Permit Application Fee to Planning and Economic Development within 51 days of the effective date of the ordinance codified in this chapter, by December 3, 2021." • Zoning Code Section 20-48.040(B)(2)(a): "New Operators may not apply for a new Short-Term Rental Permit until after December 3, 2021."

While the appellant did submit information confirming the required Transient Occupancy Tax (TOT) registration, the final day to file an application as an Operator in Good Standing was December 3, 2021. The appellant submitted her non-hosted Short-Term Rental Permit application on March 6, 2022, and therefore was not granted status as an Operator in Good Standing. The appellant is considered a New Operator.

2. Due to Operator in Good Standing Status, the 1,000 foot Rule Doesn't Apply

Zoning Code Section 20-48.040(B)(3) only applies to "New Non-Hosted Short-Term Rentals." Specifically, it reads "New Non-Hosted Short-Term Rentals. After December 3, 2021, no non-hosted short-term rentals may be proposed within 1,000 feet from the property line of another existing or proposed non-hosted short-term rental."

"Operator in Good Standing" are "grandfathered in" under the short-term renal laws. Operators in Good Standing may continue to rent, offer, or advertise an existing short-term rental at the location specified in the Short-Term Rental Permit application while obtaining required City approvals.

Thus, this section only applies to new short-term rentals.

Staff Response: The appellant was not granted status as an Operator in Good Standing due to the application being filed past December 3, 2021 deadline. Therefore, the 1,000-foot distance requirement between non-hosted short-term rentals does apply to this property.

3. Filing a Permit After December 3, 2021 Does Not Affect the Appellant's Operator in Good Standing Status

Zoning Code Section 20-48.030(L) defines New Operators as "A short-term rental owner who has not registered on or before October 27, 2021 to pay the City's Transient Occupancy Tax (TOT) and Santa Rosa Tourism Business Improvement Area (BIA) assessments." The appellant has a Transient Occupancy Tax registration number that was valid prior to October 27, 2021, and therefore cannot be considered a New Operator.

Staff Response: <u>Zoning Code Section 20-48.040(B)(1)</u> states that "Operators in Good Standing shall submit a Short-Term Rental Permit Application for existing Short-Term Rentals accompanied by the Short-Term Rental Permit Application Fee to Planning and Economic Development within 51 days of the effective date of the ordinance codified in this chapter, by December 3, 2021." Even though the

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appellant has a TOT number valid before October 27, 2021, the Code specifies that Operators in Good Standing must submit a STR application by December 3, 2021. If they do not, they are considered a New Operator and are subject to the 1,000 foot rule. As previously stated, the appellant submitted her STR Permit application on March 6, 2022.

In addition to the above noted grounds for appeal, the appellant included a number of other statements in the Appeal Form, including that the 1,000-foot distance requirement is arbitrary and capricious, as well as other statements regarding the legality of the City's Short-Term Rental Ordinance. These statements are not within the purview of the Planning Commission and not related to the action taken on the non-hosted STR Permit application for the property located at 6241 Bridgewood Drive. As a result, staff has not provided responses to these statements.

DENIAL FINDINGS

Pursuant to <u>Zoning Code Section 20-48.040(H)</u>, a Short-Term Rental Permit may be denied if any one of the following findings can be made:

- 1. The application is incomplete; or
- 2. The application is not consistent with the requirements of this chapter; or
- 3. The appropriate application fee has not been received; or
- 4. The application contains a false or misleading statement or omission of a material fact; or
- 5. The application seeks authorization at an address where a Short-Term Rental Permit has been suspended, revoked, or is subject to suspension or revocation proceedings for violation of any of the provisions of this chapter.

On January 3, 2023, the Planning and Economic Development Director denied the requested non-hosted STR Permit based on number two above, Zoning Code Section 20-48.040(H)(2), finding that the application is not consistent with the requirements of Chapter 20-48, Short-Term Rentals. Specifically, the property at 6241 Bridgewood Drive is located less than 1,000 feet from another issued non-hosted short-term rental.

While the appellant submitted information confirming the required TOT registration as identified in Zoning Code Section 20-48.030(O), per Zoning Code Sections 20-48.040(B)(1) and (2)(a), the final day to file an application as an Operator in Good Standing was December 3, 2021. The appellant submitted the non-hosted STR Permit application on March 6, 2022, and therefore is not an Operator in Good Standing. As such, the property is a new non-hosted short-term rental and is subject to the 1,000 foot distance requirement between non-hosted short-term rentals, as required by Zoning Code Section 20-48.040(B)(3).

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Because the property is located approximately 870 feet from the issued non-hosted short-term rental at 2220 Fremont Drive, which was submitted to the City on February 17, 2022 and issued on October 28, 2022, a non-hosted short-term rental permit cannot be issued for 6241 Bridgewood Drive.

FISCAL IMPACT

Action taken on this appeal will not have an effect on the General Fund.

ENVIRONMENTAL IMPACT

The requested Appeal of the Planning and Economic Development Director's determination is exempt from the California Environmental Quality Act pursuant to CEQA Guidelines sections 15061(b)(3) and 15378 in that there is no possibility that the implementation of this action may have significant effects on the environment, and the action will not result in a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

None.

PUBLIC NOTIFICATION

The project was noticed as a public hearing per the requirements of Chapter 20-66 of the City Code. Notification of this public hearing was provided by posting an on-site sign, publishing notice in a newspaper of general circulation, mailed notice to surrounding property owners and occupants, electronic notice to parties that had expressed interest in projects taking place in this geographic area of Santa Rosa, and bulletin board postings at City Hall and on the City website. Pursuant to Government Code Section 65091, where necessary, the City has incorporated notice procedures to the blind, aged, and disabled communities. These procedures include audio amplifier/assistive listening device support at public meetings, closed captioning, and optical character recognition conversion of electronic notices.

ATTACHMENTS

Attachment 1 - Appeal Form, received January 13, 2023 Attachment 2 - Permit Denial Correspondence, dated January 4, 2023 Attachment 3 - Location Map Attachment 4 - 6241 Bridgewood Drive STR Appeal Distance Map Resolution APPEAL OF BRIDGEWOOD DRIVE SHORT-TERM RENTAL PERMIT DENIAL Page 7 of 7

<u>CONTACT</u>

Sachnoor Bisla, City Planner <u>sbisla@srcity.org</u> (707) 543-3223