

Carly Mayberry, Reporter's Notebook: Fight over vacation rentals raged in 2017

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Editor's note: This week Monterey Herald reporters look back on some of the most memorable and important stories they covered in 2017.

Pacific Grove >> The topic of short-term rentals was front and center in the minds of both city officials and Monterey Peninsula residents in 2017, with passionate voices both for and against allowing them, each with valid viewpoints.

While the cities of Monterey and Carmel came out vehemently opposed to them in 2017 — even taking a hard line against violators through the enforcement of hefty fines and in the case of Carmel, filing a lawsuit against a couple for their illegal use of a rental — Pacific Grove remained the only Peninsula city to legally allow them, which it has since 2010. That decision was likely ultimately made because of the approximately \$1 million in transient occupancy tax the city couldn't pass up earning. But in the case of America's Last Hometown, the choice to continue its short-term rental ordinance after 10 months of meetings did not come without amendments, first readings, second readings, revisions, tearful testimonies and a citizen petition asking that all short-term rentals be owner-occupied.

"We've in a way conducted a seven-year experiment and based on the communication of residents, (short-term rentals) have proven to have just the kind of negative impacts that zoning ordinances are created to prevent," said Councilman Robert Huitt, during a June meeting, which addressed changes to the city's short-term rental program — changes that were meant to make it simpler and control the density of such units. Both Huitt and Councilman Bill Peake remained opposed to the program through its passage in December. Peake noted how the business model of a short-term rental owner has fundamentally changed from renting their home for two weeks around Classic Car Week to renting out a second property all year long. "Is there some middle ground? I realize that's just wishful thinking," he said.

Both of their viewpoints were backed up by stories from P.G. residents about neighborhoods oversaturated with short-term rentals to the point of losing full-time residents because of it. Resident Sarah Boyle described her family "being held hostage in their own home" during Classic Car Week when short-term occupants held loud parties and spewed profanity in front of her children. Others said that short-term rentals were taking away from the very short supply of affordable long-term housing rentals sorely needed on the Peninsula. At the same meeting that Boyle spoke to the council, Pacific Grove Chamber President Moe Ammar for the first time noted publicly the negative impact such rentals have had on the city's inns and hotels, citing a 17 percent decline in bookings over the past year.

But on the other side of the aisle were those that felt the benefits outweighed the costs — especially for those who depend on revenue from a such a rental to keep them afloat in one of the most expensive areas to reside in the country — whether that’s renting out a room in their house or a full unit.

At one meeting, Annee Martin of Sanctuary Vacation Rentals warned of the danger of creating a statute that takes away citizens’ rights.

“The challenge with an ordinance making short-term rentals illegal is that in my opinion, it’s over-inclusive,” said Martin. “It’s a violation of people’s privacy and impedes people’s attempt to support themselves.”

That’s while other residents espoused the educational opportunity when welcoming vacationers for both residents and visitors.

Monterey County Vacation Rental Alliance President Jan Leasure has gone on record to say that Pacific Grove was the one Peninsula city that’s gotten it right by creating an ordinance to regulate vacation rentals that go on regardless of whether they’re legal or not.

Since that time, city officials eliminated a lottery system that would determine which current applicants would receive future licenses in areas already over-saturated with short-term rentals in an effort not to penalize property owners with the intent to rent that property.

That’s while the city has also solidified an agreement with vacation rental site Airbnb for future collection of the residential transient occupancy tax generated from the program.

In contrast, both the cities of Monterey and Carmel have signed on to use Host Compliance, a company that will assist the cities in monitoring short-term rental compliance and enforcement. Overall, Pacific Grove’s newly-revised ordinance, which was finally passed Dec. 20, includes the adoption of a 55-foot zone of exclusion to address density problems and a cap of 250 short-term rentals citywide.

“With good enforcement, everybody can benefit from (short-term rentals),” said Leasure, at one point during the year-long saga. “What P.G. has done — they’ve created a good ordinance with some teeth in it that provides for regulation and enforcement.”

Those residents lucky enough to live along the shoreline among the historic Victorian homes can now only hope she’s right. They are certain to shun the sound of rolling suitcases from late-night visitors in search of their rental for the night and instead want to hear the sound of ocean waves in America’s Last Hometown.

ABOUT THE AUTHOR



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