## CITY OF PACIFIC GROVE

## Land Use Plan and Implementing Ordinances

Adopted by
Pacific Grove City Council
On January 15, 2020

Certified by
California Coastal Commission
On March 11, 2020

Community Development Department 300 Forest Ave, Pacific Grove, CA 93950

in a decrease in the available supply of existing lower cost visitor accommodations, or would fail to provide a range of affordability, or fail to use land suitable for lower cost accommodations for that purpose, mitigation shall be required as determined by a project-specific impact analysis.

**PRA-13** Short term vacation rentals are considered a lower cost visitor accommodation and are permitted in the coastal zone so long as such rentals do not adversely impact coastal resources or unduly burden residential neighborhoods.

- a. The expansion, reduction, redevelopment, demolition, conversion, closure, or cessation of any project involving overnight visitor accommodations, with the exception of short-term lodging that is within residential units; or
- b. New or limited use overnight visitor accommodations, including timeshares, fractional ownership, or condominium-hotels.

The impact analysis shall be prepared at the applicant's expense.

- 5. **Impact Defined**. The proposed development would result in any loss in the available supply of existing lower cost visitor accommodations, or would fail to provide lower costs rooms where new accommodations are proposed, or fail to use land suitable for lower cost accommodations for that purpose.
- 6. **Mitigation**. If the review authority determines that the development will impact existing lower cost visitor-serving accommodations, or provide only high or moderate cost visitor accommodations or limited use overnight visitor accommodations such as timeshares, fractional ownership and condominium-hotels, then mitigation commensurate with the impact shall be provided as follows:
  - a. Where development proposes to remove existing lower cost accommodations or replace existing lower cost accommodations with high cost accommodations, replacement of the lost low cost rooms shall be maximized and provided at least on a one-to-one ratio either on site or a suitable off-site location within the City. Where development proposes to remove existing lower cost accommodations or replace existing lower cost accommodations with moderate cost accommodations replacement of lost low cost rooms shall be maximized and provided at a ratio commensurate with the identified impact, taking into consideration the proposed cost increase and any additional amenities that would be provided to serve as a lower-cost option for families. Replacement shall prioritize providing for lower cost accommodations on-site where feasible; where on-site provision is not feasible, off-site provision shall be completed and ready for use prior to occupancy of the new development, as feasible.
  - b. Where development proposes to provide for new higher cost accommodations, the number of lower cost accommodations provided shall be maximized. At a minimum, the number of low cost units shall be equivalent of 25% of the number of high cost accommodations.
  - c. Where it is not feasible to provide all lower cost accommodations as required on-site, an equivalent combination of on-site, off-site, and payment of an in-lieu fee, as described under the In-Lieu Fee Program above, commensurate with the impact shall be provided.
- 7. Rate Control and Income Eligibility Requirements Prohibited. In no event shall a development as mitigation be required:
  - a. To provide overnight room rental be fixed at an amount certain; or
  - b. To establish any method for the identification of low or moderate income persons for the purpose of determining eligibility for overnight room rentals in any such facilities.
- 8. Protection of Short-Term Rentals (Short Term Lodging). Most short-term lodging units meet the low cost definition when maximum occupancy is taken into account. Short-term lodgings can accommodate more people than a typical hotel room. They also provide full-sized, equipped kitchens allowing families or larger groups to reduce the overall cost of a visit by allowing them to prepare meals as an alternative to dining out. The City shall continue to allow short-term lodgings in residential units as a means of providing lower cost overnight visitor accommodations while continuing to prevent conditions leading to increased demand for City services and adverse impacts in residential areas and coastal resources. Short Term Rentals shall be subject to the following standards:
  - a. Short Terms Rentals shall be limited to one per legal parcel and 55-foot zone of exclusion. The zone of exclusion is the distance of 55 lineal feet from an existing short term rental parcel boundary.
  - b. Short Term Rentals shall not be used for auctions, commercial functions, or other similar events.
  - c. Overnight occupants (aged 18 or older) are limited to two persons per bedroom, plus one additional person per site. The maximum number of day time (non-overnight) occupants is limited to 1.5 times the number of overnight occupants. Occupants of Short Term Rentals shall have access to any on-site parking, if available.

Figure 1: Coastal Zone and Planning Areas

