

ITEM 11a

Meeting #692

CAPISTRANO BAY DISTRICT
AGENDA REPORT
February 28, 2023

Short Term Rentals

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Short Term Rentals/City Report

(the following is the message sent by the City summarizing the City Council action at their meeting on February 7th):

Last night, the City Council authorized the City Manager to begin implementation of the Short-Term Rental (STR) Program Coastal Development Permit (CDP) issued by the California Coastal Commission for STRs in the Coastal Zone. The City Council also adopted an ordinance to amend Section 5.38 of the Dana Point Municipal Code, which among other things establishes STR Permit requirements and regulations outside the Coastal Zone, and authorized implementation of permit issuance outside the Coastal Zone.

New STR Permits

Later this month, the City will make a new application available and will offer a webinar to review the application requirements. It is anticipated that new applications will be accepted in the spring. Please note that there is no waitlist and no early submissions.

Approved Regulations

A summary of the STR regulations in and out of the Coastal Zone are as follows:

Coastal Zone STR Program

Cap – Maximum 115 permits applies to Non-Primary, Multi-Family, and Mixed Use Parcel STRs

No Cap – Home Stay and Primary STRs are not associated with the STR cap

Cap Adjustment – Each time a Home Stay and Primary STR Permit is issued, the 115 cap is reduced by one (1)

Existing STR Permits - 69

Available new Permits – 46

Outside Coastal Zone STR Program

Cap – Total Cap of 115 for all STR types

Non-Primary Cap – Maximum of 60 Non-Primary STRs

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Phased Implementation – 25 permits will be made available for the initial phase. City Council will evaluate the program after an initial period of operation and thereafter either authorize staff to issue the remaining available permits or revise it further.

Existing Permits – 60

Available new permits for Phase 1 – 25

Potentially available new permits following Phase 1 – 30

Prioritization/Compatibility

STR types that are less likely to result in a nuisance, and can be easily monitored will receive permit prioritization, with priority for permit issuance in and out of the Coastal Zone as follows:

1. Primary STRs and Home Stay STRs
2. Multi-Family Homestays
3. Mixed-Use Parcel STRs
4. Non-Primary STRs