

91. Schedule a public hearing on August 5, 2025, to consider amendments to the short-term rental regulations, and take related actions ()



County of Santa Cruz Board of Supervisors

Agenda Item Submittal

From: Community Development and Infrastructure

Subject: Short-Term Rental Code Amendments

Meeting Date: June 24, 2025

Formal Title: Schedule a public hearing on August 5, 2025, to consider amendments to the short-term rental regulations, and take related actions

Recommended Actions

1. Schedule a public hearing for August 5, 2025 at 9:00 a.m. or thereafter, regarding amendments to the Santa Cruz County Code sections on short-term rental regulations;
2. Direct the Clerk of the Board to publish a notice of the date and time for the scheduled hearing in the newspaper at least 10 days prior to the hearing date; and
3. Direct the Community Development and Infrastructure staff to mail notice of the date and time for the scheduled hearing to those required by Santa Cruz County Code 18.10.118 and 18.10.119.

Executive Summary

The proposed amendments to Santa Cruz County Code (SCCC) Chapter 13.10 are the outcome of outreach and work done by the Short-Term Rental Ad-Hoc Subcommittee, which was formed by the Board of Supervisors on September 24, 2024. The proposed amendments aim to balance the economic benefits of short-term rentals with the need for neighborhood stability and housing protections. The proposed amendments include revisions to SCCC Use Charts 13.10.312, 13.10.322, 13.10.332, 13.10.352, 13.10.362, and 13.10.372 and Sections 13.10.689, 13.10.690, 13.10.694, and 13.10.700 to repeal the Hosted Rental and Vacation Rental Ordinances and adopt the Short-Term Rental Ordinance. The Board of Supervisors is requested to schedule a public hearing to consider the Planning Commission's recommendation on the item.

Discussion

To address the housing crisis and preserve neighborhood quality of life in Santa Cruz County, while balancing the economic benefits of short-term rentals, the Board of Supervisors formed the Short-Term Rental Ad-Hoc Subcommittee on September 24, 2025. Supervisors Cummings and Koenig were appointed to the Subcommittee, which was tasked with meeting with stakeholders and drafting revisions to the County Code's short-term rental regulations to address issues including but not limited to: regulatory compliance, short-term rental noise violations, cooperation of hosting platforms, ordinance consolidation, saturation of non-hosted rentals (previously known as "vacation rentals"), tenant protections, and cost recovery efforts.

On March 11, 2025, the Short-Term Rental Ad-Hoc Subcommittee presented their findings to the Board of Supervisors. The Subcommittee proposed amendments to the County's Hosted and Vacation Rental Ordinances, which included repealing the two ordinances and adopting a Short-Term Rental Ordinance. The proposed Short-Term

Rental Ordinance consolidated the Hosted Rental and Vacation Rental Ordinances (SCCC Sections 13.10.690 and 13.10.694) and included the following significant revisions to the County's existing regulations: implementation of a county-wide limit on the number of non-hosted rental permits, implementation of short-term rental online hosting platforms responsibility to remove unpermitted listings, enhanced compliance and enforcement measures, and expansion of parcels eligible to be permitted as a hosted rental to include properties with accessory dwelling units and junior accessory dwelling units.

Acting on the Subcommittee's recommendation, the Board directed Community Development and Infrastructure staff to process the proposed amendments to the County Code, present them to the Planning Commission for their recommendation to the Board, and return to the Board with a proposed ordinance to implement the amendments. At its May 14, 2025, meeting, the Planning Commission recommended approval by the Board of Supervisors.

Financial Impact

The amendments to the Santa Cruz County Code modify existing regulations of vacation rentals and hosted rentals to clarify the regulations, set countywide caps and modify designated area caps on the number of rentals, implement a response hotline, and establish guidelines for online advertising platforms, among other revisions. The implementation of a response hotline is estimated to cost \$13,000 a year, which is expected to be offset by adjustments to the short-term rental permit fees.

Strategic Initiatives

Operational Plan - Attainable Housing

Submitted By:

Matt Machado, Deputy CEO / Director of Community Development and Infrastructure

Recommended By:

Carlos J. Palacios, County Executive Officer

Artificial Intelligence Acknowledgment:

Artificial Intelligence (AI) did not significantly contribute to the development of this agenda item.

**Notice of Public Hearing
Before the Board of Supervisors
of the County of Santa Cruz**

NOTICE IS HEREBY GIVEN that the Santa Cruz County Board of Supervisors has scheduled a public hearing for **August 5, 2025, at 9:00am or thereafter**, in the Board Chambers, 701 Ocean Street, Room 525, Santa Cruz, California, **amendments to Santa Cruz County Code (SCCC) Use Charts 13.10.312, 13.10.322, 13.10.332, 13.10.352, 13.10.362, 13.10.372 and Sections 13.10.689, 13.10.690, 13.10.694, 13.10.700 to repeal the Hosted Rental and Vacation Rental Ordinances and adopt the Short-Term Rental Ordinance. The proposed amendments to SCCC Chapter 13.10 are also amendments to the County's Local Coastal Program and will require Coastal Commission certification after County adoption. Consider a recommendation that the project is exempt from further analysis pursuant to the California Environmental Quality Act (CEQA).**

Note: The public may attend the public hearing and/or comment on this matter. This meeting will be held in person at the Government Center Building, 5th Floor, 701 Ocean Street, Santa Cruz, as well as on the Zoom virtual platform. The meeting agenda will be published on the County's website 72 hours prior to the meeting, along with participation instructions at <https://santacruzcountyca.primegov.com/public/portal>, or call 454-2323 (TTY call 711).

Testimony may be presented at the meeting or submitted in written form prior to the hearing and made a part of the hearing record.

If any person challenges an action taken on the foregoing matters in court, they may be limited to raising only those issues raised at the public hearing described in this notice or in written correspondence delivered to the Board of Supervisors at or prior to the public hearing.

The County of Santa Cruz does not discriminate on the basis of disability, and no person shall, by reason of a disability, be denied the benefits of its services, programs, or activities. The Board of Supervisors Chambers is located in an accessible facility. If you wish to attend this meeting and you will require special assistance in order to participate, please contact the ADA coordinator at (831) 454-2323 at least 72 hours in advance of the meeting to make arrangements.

BY ORDER OF THE BOARD OF SUPERVISORS

By: Juliette Rezzato
Clerk of the Board