City of Calistoga Staff Report

TO:

Honorable Mayor and City Council

FROM:

Charlene Gallina, Planning and Building Director

DATE:

April 20, 2010

SUBJECT:

Review of the Napa County Vacation Rental Proposal

APPROVAL FOR FORWARDING:

James C. McCann, City Manager

ISSUE: Consideration of and authorization of the submittal of comments on the Napa County Vacation Rental Proposal.

RECOMMENDATION: Review, discuss and authorize comment letter.

BACKGROUND: Public concern was expressed by Norma Tofanelli at the April 6, 2010 City Council meeting regarding the recently adopted Napa County Ordinance No. 1332 which changes regulations regarding dwelling units in the unincorporated area of Napa County. It is our understanding that this new ordinance will become effective in June 2010. At the same time, the Board requested that the planning staff meet with stakeholders who would like to authorize pre-existing and perhaps illegal vacation rentals in the unincorporated area. Ms. Tofanelli requested that the City of Calistoga forward a letter of support for the new ordinance by stating our objection to legalizing vacation rentals and request that the County embark on stringent code enforcement of illegal vacation rentals in the unincorporated areas.

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As a result of this comment, the City Council requested the City Manager to immediately forward a letter to the Napa County Board of Supervisors expressing our initial objection and concerns on this issue. In addition, City Manager informed the City Council that the Planning Director would be presenting this issue to the Planning Commission for review and recommendation to the City Council on April 14, 2010 and then return to the Council on April 20, 2010 for final direction on a comment letter to the County. It is anticipated that the Board of Supervisors will consider this matter on April 27, 2010.

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On April 8, 2010, the City Manager's letter was forwarded to the Board of Supervisors expressing the City's initial objections to any change in County regulations which would

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increase the ability to establish vacation rentals in the unincorporated areas based on the following. (Refer to Attachment 2)

- The cities and the County have agreed through mutually supportative General Plans that development belongs in the cities and the primary purpose of the unincorporated area is for agriculture.
- Vacation rentals of residences are in direct competition with the lodging industry critical to the economic wellbeing of the Napa Valley cities.
- Conversion of residences to lodging facilities will result in a loss of permanent housing in the County.
- Conversion of residences to lodging facilities will create service jobs and create the need for housing, particularly affordable housing.
 - Conversion of residences to lodging facilities will have an overall impact on existing infrastructure systems such as streets, water, sewer and/or septic systems thereby create the need for infrastructure expansion to accommodate increased service demands.

It should be noted that this letter also requested that the Board of Supervisors move forward in enforcing regulations which prohibit illegal vacation rentals and delay any action to expand the ability to establish vacation rentals in the unincorporated areas until such time as discussion with City representatives can occur on this topic.

<u>DISCUSSION</u>: On April 14, 2010, this item was presented to the Planning Commission for their review and confirmation of staff's assessment of this proposal. A copy of the Commission's staff report which includes a detailed assessment of this issue is provided in Attachment 3.

After Commission discussion and public comment, the Commission endorsed staff's assessment of this issue and has recommended to the City Council that another letter be sent to the County that reconfirms strong objection of any changes to allow the ability to establish vacation rentals in the unincorporated area, the strict enforcement of Ordinance No. 1332, and a request to have meaningful discussions with Napa Valley city representatives prior to taking any formal action on this issue.

At this time, staff is requesting the Council discuss this item and authorize staff to finalize and forward the attached letter to the County Board of Supervisors for their next meeting on this issue. (Refer to Attachment 1)

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67 **FISCAL IMPACT**: None.

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ATTACHMENTS:

- 70 1. Draft Comment Letter
- 2. City Manager letter dated April 8, 2010
- 72 3. Public Comment
- a. Norma Tofanelli letter dated April 14, 2010
- 4. Calistoga Planning Commission Staff Report of April 14, 2010 (Abbreviated)
- a. Norma Tofanelli letter dated April 6, 2010
- b. Napa County Board of Supervisors Staff Report of March 23, 2010 (Abbreviated)