Community Planners Committee

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CPC DRAFT MINUTES FOR MEETING OF OCTOBER 27, 2020

MEMBERS PRESENT

Barry Schultz, Carmel Valley (CV) Eric Edelman, Carmel Mtn. Ranch (CMR) Russ Connelly, City Heights (CH) Nicholas Reed, Clairemont (CLMT) Jose Reynoso, College Area (COL) Nick Russell, Downtown (DWNTN) Linda Godoy, Eastern (EAS) Kathy Vandenheuvel, Golden Hill (GH) Deborah Sharpe, Ken/Tal (KT) Matt Mangano , La Jolla (LJ) Howard Wayne, Linda Vista, (LV) Dike Anyiwo, Midway, (MW) Jeff Stevens, Mira Mesa (MM) Lorayne Burley, Miramar Rnch N. (MRN) Debbie Watkins, Mission Beach, (MB) Michele Addington, Mission Valley (MV) Jim Baross, Normal Heights (NH) Matt Stucky, North Park (NP) Andrea Schlageter, Ocean Beach (OB) Jason Legros, Pacific Beach (PB) Korla Eaquinta, Peninsula (PEN) Vicki Touchstone, Rancho Bernardo (RB) Jon Becker, Rancho Penasquitos (RP) Marc Lindshield, San Pasqual/Lake Hodges (SP/LH) Wally Wulfeck, Scripps Ranch (SR) Myron Taylor, Southeastern (SE) Vince Delpidio, Tierrasanta, (TIRSN) Chris Nielsen, University (UN)

VOTING INELIGIBILITY/RECUSALS: Barrio Logan, Del Mar Mesa, Keamy Mesa, Navajo, Otay Mesa Nestor, San Ysidro, Torrey Hills, Uptown

<u>Guests</u>: Sandra Wetzel-Smith, John Thickstun, Jean Froning, Greg Knight, Liz Shopes, Jim Marshall, Kevin Hastings, Cathy Ives, Cory Briggs. Mark Senseman, Margaret Virissimo, Brian Curry, Chris Brewster, Cindy Heffington, Michelle Sexton.

<u>City Staff/Representatives:</u> Tony Kempton

NOTE: The sign-in sheets provided at the entrance to the meeting are used to list CPC Representatives, guest speakers, and staff present at the meeting.

1. CALL TO ORDER/INTRODUCTIONS:

Chair Wally Wulfeck called the meeting to order at 6:30 pm. Roll Call: CMR, CH, CLMT, CV, COL, DWNTN, EAS, GH, KT, LJ, LV, MM, MB, MRN, MW, MV, NH, NP, OB, PEN, PB, RB, RP, SE, SP/LH, SR, TIRSN, UN.

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2. NON-AGENDA PUBLIC COMMENT: 2 minutes per issue.

Cory Briggs said CPG recommendations should be forwarded to the Planning Commission prior to hearings. He said the recommendations should be inserted into the project approvals, as the CPG's have the most extensive knowledge of their communities. Margaret Virissimo, Peninsula resident, said it is important to vote no on Measure E to protect coastal resources and the coastal height limit. Tom Mullaney, campaign manager for Measure E, said we should not chip away at Proposition D, and to preserve the 30-foot height limit with Measure E. Mandy Havlik, Peninsula Community Board Member, voiced opposition to Measure E. Dike Anyiwo, chair Midway CPG, said Measure E was drafted by the Midway CPG and voiced support for E.

3. MODIFICATIONS AND APPROVAL OF AGENDA.

Approved without modification.

- **4. APPROVAL OF THE MINUTES OF** September 22, 2020. Tom Silva attended for College in September, not Jose Reynoso. On page 3 Debra Watkins abstained on motion regarding street vendors. Emily Whittemore attended for Tierrasanta, not Vince Delpidio. Minutes approved as amended.
- 5. AMENDMENT TO THE CITY'S MUNICIPAL CODE AND LOCAL COASTAL PROGRAM TO IMPOSE A LICENSE REQUIREMENT AND OPERATING REGULATIONS FOR SHORT TERM RESIDENTIAL OCCUPANCY INCLUDING HOSTING PLATFORMS AND REPEAL REGULATIONS FOR BED AND BREAKFAST AND BOARDER LODGING. (Action/Information Item) - 60 min Councilmember Jen Campbell and Venus Molina, Chief of Staff, discussed short-term rental regulations being proposed. Housing is one of the issues that prompted Campbell to run for City Council and Campbell said short-term rentals are a problem. According to a City Auditor report there were 18,000 short-term rentals in the city as of 2018. But, an independent consultant reported 22,000 short-term rentals as of 2019, so the growth has been exponential. Without any regulations the City doesn't know how many are in existence. And without any licensing the City must depend on the honesty of the owners to pay the transient occupancy tax. Currently, there are only 2,500 rentals that pay the TOT tax. Eighty to ninety percent of the units are whole-home, meaning no one lives in them full time. So, if a cap on the number allowed was put in effect it was thought that would increase available housing for citizens seeking rental or for-sale housing. Over three thousand units would be allowed to apply for a whole-home license. Venus Molina said their office is introducing a measure to license short-term vacation rentals for enforcement. Short-term rentals aren't defined in the Municipal Code and so cannot be effectively regulated. If a definition existed, a violator's permit could be revoked. A definition of STRO as vacation rentals of less than one month is proposed. A host would be allowed only one license. Mission Beach is unique in that STRO's are the only short-term accommodations available and would be exempted. A digital license system is proposed, along with code enforcement to regulate the licensed STRO's. The proposed ordinance is

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expected to be effective as of January 1, 2021. STRO licenses will be valid for a two-year period. Previously conforming uses would be allowed to continue.

Board Comment:

Main member themes/issues included:

- Commercial use, represented by STRO's in residential areas should not be allowed
- Lack of input by CPG's on proposed ordinance. Stakeholders consisted of developers not CPG's
- Lottery not equitable and wouldn't ensure a turnover of licenses
- Mission Beach exempted from ordinance though it has highest concentration of STRO's

Members wanted protections against STRO's being concentrated in tourist hot spot areas, specifically on the coast. Many felt the proposed lottery system was not equitable. Staff replied that the Coastal Commission supports STRO's as they represent affordable visitor accommodations on the coast, though the Councilmember's office feels something should be done to regulate them, basically through licensing and Code Compliance. Due to a proposed lottery system, there would be no control over where the licenses will be granted, though it is the most equitable method of licensing. The new regulations are expected to result in a large decrease in the whole-home rentals due to the owner-occupancy requirements. Also, a hotline for complaints is proposed, so there would be no more need to contact the police. It's expected that 70% of whole-home rentals would become available through the proposed program. Another question was what happens to lottery permits after the two-year period. Staff replied that the compliant operators could be renewed. One member complained about Mission Beach with their 30% cap being exempted from the ordinance. Staff replied that the Coastal Commission's support for lowcost visitor accommodations in the coastal zone was a main reason for the exemption A CPG member complained about not being consulted on the process, and how enforcement would take place. The lottery system was termed not equitable, as it would not ensure a turnover of licenses and the costal location of the majority of STRO's is not contributing to underserved communities in San Diego. A member asked if sea level rise could be considered in future regulations. Staff agreed it was a good suggestion.

Public Comment:

Main theme:

• Regs for short-term visitor accommodations already exist. They should be enforced for STRO's, which are prohibited in SD

A guest said that in 2015 the CPCP recommended that short-term rentals should be regulated as visitor accommodations, which would be enforced current law. A guest said crime, trash, rats and cockroaches are a huge problem that is attributable to STRO's. A guest complained about his neighboring STRO and lack of enforcement for noise, etc. and that commercial uses should not be allowed in residential areas. Staff explained that they

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are new to the issue and are aware of the complaints and attempting to address them. A guest said there is currently a prohibition on STRO's and criticized the City Attorney for lack of enforcement of current laws. A guest said the proposed regulation would not return housing to long-term residents but would increase STRO's in the City, not reduce them. Another guest complained of lack of consultation by the council office drafting the ordinance.

Motion:

Chair requested to continue to a future meeting for consideration by members respective CPG's. Request accepted.

6. DSD TRANSITION TO ELECTRONIC NOTICING. (Action Item) - 15 min. J.C Thomas, Assistant Director, Development Services. JC presented the switch from paper noticing to digital/email noticing for development projects. The new system will allow people to submit applications for projects on a 24/7 basis, any time of day or night. This to in part address COVID social distancing recommendations. The new program would include virtual inspections for 26 inspection types, launch a new zoning and parcel portal, conducting virtual hearings for Planning Commission, Historical Resources and Hearing Officer, and virtual counter appointments. Benefits include reducing COVOD risk, streamline ability to send updates, reduce mailing costs, reduce staff time, help meet climate action goals. Participants must have an email address. Feedback is sought on the new changes and implementation is planned for December, 2020.

Board Comment:

Chair mentioned that Planning has a list of all the CPC chairs, alternates and planning groups that could be forwarded to Development Services to facilitate feedback. A member asked if the digitized information is any more useful than that provided by paper noticing. Staff said they would forward that concern to others who write the notices. A member asked if physical address for CPG's would still be necessary if business is to be conducted electronically. Staff replied that this would be decided by Planning management.

7. COMPLETE COMMUNITIES (Action Item) - 30 min.

Chair expressed dissatisfaction with lack of response by Planning Department to CPC concerns and scheduling for Complete Communities hearings prior to elections. Chair requested the program be continued for consideration by a new City Council. Chair said it is difficult to comprehend the proposed changes to the program. Chair urged more public input prior to Council consideration.

Board Comment:

Member requested a strikeoout/underline version of the Complete Communities program for review by the CPG's. Multiple members said there is no need to rush the program though with City Council vote on November 9, 2020. Member noted

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that FAR for Mission Beach was reduced. Chair said CPC wanted to work with the City but they did not want to work with the CPC. Member complained that City received input from a stakeholders group with developers but neglected to involve CPG's. Member recommended that a new City Council consider Complete Communities. One CPG wrote a letter to the office of Mayor requesting more vetting and community review. The member said the letter was acknowledged as received.

Public Comment:

Comment centered on affordability for families and building bigger units to accommodate families. Feedback from developers was not supportive according to members, due to affordability concerns. Farm labor housing was cited as an often-overlooked aspect of housing, which should be included in any future recommendations from the subcommittee. Rehabilitating older housing for affordable and equity sharing were ideas put forward as cost-effective measures. Formation of a subcommittee to consider affordable and market-rate housing was recommended.

8. HOUSING POLICY

9. REPORTS TO CPC:

- Staff Report- None
- Subcommittee Reports- None
- Chair's Report None
- CPC Member Comments None

ADJOURNMENT TO NEXT REGULAR MEETING: NOVEMBER 24, 2020:

The meeting was adjourned by Chair Wally Wulfeck at 9:11 PM.