

ORDINANCE NO. 605

**AN URGENCY ORDINANCE OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA,
APPROVING EXTENSION OF A CITYWIDE MORATORIUM
ON THE ISSUANCE OF ANY NEW PERMIT, LICENSE, APPROVAL, OR
ENTITLEMENT PERTAINING TO A VACATION RENTALS FOR AN
ADDITIONAL TWENTY-TWO MONTHS AND FIFTEEN DAYS WITHIN THE
CITY OF MORRO BAY AND DECLARING THE URGENCY THEREOF AND
ESTABLISHING ITS EFFECTIVE DATE AS JULY 28, 2016**

**THE CITY COUNCIL
City of Morro Bay, California**

**THE CITY COUNCIL OF THE CITY OF MORRO BAY DOES HEREBY
ORDAIN AS FOLLOWS:**

SECTION 1. The City Council makes the following findings:

- A. The City of Morro Bay (the "City") has adopted a General Plan, including strategies to invigorate the City's prosperous community as well as its well-planned and designed community.
- B. Protection of public health, safety and welfare is fully articulated in the General Plan.
- C. State law requires the City's zoning laws, found in Title 17 of the Morro Bay Municipal Code ("MBMC"), conform with the General Plan's goals and policies.
- D. The City currently has a process for permitting vacation rentals, as defined in MBMC Section 5.47.030, but without any specific regulations as to number, location or other similar use requirements.
- E. The City currently has issued 194 permits for the operation of vacation rentals within the City, and estimates it may have as many as 100 more vacation rentals being operated within the City without required permits.
- F. The communities around the County have enacted stringent regulations applicable to vacation rentals within those communities and other coastal communities within the State have done the same to better protect the public health, safety and welfare issues that can result from vacation rentals.
- G. The City is currently processing a complete update to its General Plan, Local Coastal Program and Zoning Code, which process could include the regulation of vacation rentals but will be a 14- 18-month process.
- H. The public has recently again raised concerns about the negative impact vacation rentals can have on quality of life, access to permanent housing, single-family neighborhoods, which were also part of the reasons other communities adopted more stringent regulations regarding vacation rentals.

- I. The City Council finds the continued operation of vacation rentals without specific regulations regarding number, location and similar issues can change the character of a neighborhood, cause blight and impact quality of life and potentially property values, as well as compromising the public trust in its local government to ensure the public health, welfare and safety are protected.
- J. The City Council finds the MBMC's current provisions regarding vacation rentals must be fully reviewed to ensure the public health, welfare and safety of all persons are properly protected regarding the operation of vacation rental.
- K. The City Council also finds including that review as part of the currently ongoing update to the City's General Plan, Local Coastal Program and Zoning Code is the most cost effective and comprehensive method to be sure all interests regarding vacation rentals are considered and served.
- L. Based on the foregoing, the City Council adopted urgency Ordinance No. 604 to prohibit the proliferation of vacation rentals while it undertakes a review of its current vacation rental regulations in order to determine whether additional regulations are needed to ensure the public health, safety, and welfare remain protected.

SECTION 2. The City Council orders as follows:

- A. The findings and determinations in Section 1 are true and correct.
- B. Based on the foregoing, the City Council finds and declares there is a current, continued and immediate threat to the public health, safety or welfare and upon that basis has determined an extension of the moratorium adopted by Ordinance No. 604, pursuant to Government Code Section 65858, is warranted and, therefore, this Ordinance shall take effect on July 28, 2016.
- C. For a period of twenty-two months and fifteen days from and after the date of July 28, 2016, no permits, licenses, approvals, or entitlements may be issued or applications accepted for the operation of more than 250 vacation rentals within the jurisdiction of the City.
- D. For the purpose of this Ordinance, vacation rentals shall have the same meaning as in Section 5.47.030 of the MBMC.
- E. City staff is directed, as part of the City's current General Plan, Local Coastal Program and Zoning Code update, to study appropriate modifications to the City's vacation rental rules, regulations and law to reduce and mitigate negative secondary effects created by the number, location, and other impacts vacation rentals can causes. Pending the completion of such studies and the adoption of an ordinance to establish appropriate operational and zoning regulations and for the immediate preservation of the public health, safety, and welfare, it is necessary for this ordinance to take effect on July 28, 2016. In the absence of immediate ordinance extending the vacation rental moratorium, uses in the City may be in conflict with regulations or requirements established with respect thereto.

- F. This Ordinance shall not preclude the operation of no more than 250 lawfully operating vacation rentals; provided, that this ordinance does not permit any person to own, operate or maintain any vacation rental within the City without fully and continually complying with all the requirements of Chapter 5.47 of the MBMC and all other provisions of the MBMC.
- G. This Ordinance does not create or grant any vested rights to any person for the continued operation of any vacation rental (i) during the time this ordinance is effective or its effectiveness may be extended, as permitted by law, or (ii) that is not, at all times, in full compliance with any new regulations that may be adopted regarding vacation rentals as part of the process described herein.

SECTION 3. In order to protect the public health, safety and welfare it is necessary to enact this Ordinance as an urgency measure to go into effect on July 28, 2016 upon its adoption, and that to enact this Ordinance after giving notice, holding public hearings and two readings thereof, and thereafter to await thirty days for said Ordinance to become effective, will be detrimental to the public health, safety and welfare, in that during the interim period further vacation rentals may be established without the benefit of proper criteria and regulations. It is, therefore, necessary for this Ordinance to go into effect on July 28, 2016.

SECTION 4. The City Council finds this ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly; rather it prevents changes in the environment pending the completion of the contemplated municipal code review.

SECTION 5. This ordinance is an urgency ordinance enacted under California Government Code Section 65858(a). This urgency ordinance will be effective as of July 28, 2016, and will extend for a period of twenty-two months and fifteen days after that date, at which time it will automatically expire, in accordance with California Government Code Section 65858.

SECTION 6. The City Clerk, or her duly appointed deputy, shall certify to the adoption of this Ordinance and shall cause this Ordinance to be posted as required by law.

THIS URGENCY ORDINANCE NO. 605 WAS DULY PASSED, APPROVED, AND ADOPTED AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, HELD ON July 12, 2016, by motion of Councilmember Johnson, seconded by Councilmember Makowetski, by the following vote:

AYES: Irons, Johnson, Makowetski, Smukler
NOES: None
ABSENT: None
ABSTAIN: Headding


JAMIE L. IRONS, Mayor

ATTEST:


DANA SWANSON, City Clerk


APPROVED AS TO FORM:


JOSEPH W. PANNONE, City Attorney

I, Dana Swanson, City Clerk for the City of Morro Bay, hereby certify that the foregoing urgency ordinance was duly and regularly adopted at a meeting of the City Council on the 12th day of July, 2016, by the following vote, to wit:

AYES: Irons, Johnson, Makowetski, Smukler
NOES: None
ABSTAIN: Headding
ABSENT: None

IN WITNESS WHEREOF I have hereunto set my hand and affixed the official seal of the City of Morro Bay, California, this 13th day of July, 2016.


City Clerk of the City of Morro Bay