



June 12, 2022

Patrick Holub and City Planning Management, Mayor, City Council Members and Planning Committee Members

Dear Patrick,

You and I have been corresponding for some time regarding the house located at 528 Ide Street owned by Patrick and Samantha Cusack I believe.

Within the past two weeks, you informed me that this house had become an approved "Home Stay" residence in March of 2022. You also sent me documentation of this and the requirements for a house to be a Home Stay property. Many months ago, you also confirmed to me that this home could never be an Airbnb as it was within 300 ft of the Airbnb at 506 Ide Street.

You can imagine our surprise last night when we saw on Airbnb, that the house at 528 was listed as a new Airbnb with an immediate availability for occupancy. In fact, after about 24 hours of being listed, several weekends have been reserved by short time vacationers.

This house at 528 is listed as a sleep 5, 2 bed, 2 bath home and 43 photos dramatically show all the amenities. Professional photos are used so this is a well thought out marketing approach. This property is called "Twin Palms" in the Airbnb literature.

The below neighbors on Ide /Cross Streets ask the City of AG to have this Airbnb's advertising removed immediately and the owners be required to comply with Arroyo Grande rules and regulations .

The neighbors on Ide/Cross, listed below, certainly believe in free enterprise but it must be within the law and requirements of the City of Arroyo Grande. We want to see this apparent non legal Airbnb stopped immediately. We look forward to your response prior to the arrival of their first Airbnb vacationers this week.

Most Sincerely,

Peggy and David Coon  
Beth and Ron Bartow  
Lisa Le Sage  
Paul and Linda Wineberg  
Nate and Amy Erickson  
Socorro and BoB Taylor

# **Request Immediate Short Term Rental Moratorium, July 1, 2022**

## **Items to review and consider for implementation**

Review existing short -term rentals for compliance. What are the true numbers of short -term rentals legal and others? The current list of Airbnb owners may be outdated by three+ years.

Convert short-term rentals without permits to permitted properties where appropriate, so true numbers of short- term rentals are known. Once a total number of short-term rentals is known, consider placing a cap. Consider a limit of short- term rentals per owner. Consider increasing the fee for STR 's.

Reconsider 300 ft. spacing between all short -term rentals. What other method should be used? Percent per block? What comprises a block? Some blocks are very short in AG. What if the block already has high density of long -term rentals?

Should something besides a plot plan be required for a home stay to ensure rental rooms are available? How do you confirm owner occupancy?

It appears that short term rental permits are approved from months to a year+ before that status goes live. Consider having proof of habitability and owner occupancy prior to granting permits.

Contact Airbnb to arrange a contract with them to collect transient occupancy taxes or TOT and send directly to the City. Apparently, AG allows short -term rental owners to self-report and relies on good will and trust. Old research indicated that STR owners use a variety of platforms to rent properties. Perhaps a survey of owners will determine if Airbnb is the dominant platform used by owners. Airbnb only charges 3% and we are told the system is easy to use. Airbnb takes the responsibility of sending the documented TOT to the City. Review an updated list of permitted Airbnb's in comparison to listings of rentals on Airbnb site.

**Review and discuss what other small cities are doing during a moratorium. Change the current violation driven review process to a process controlled by the City. (Neighbors do not want to police their neighbors nor neighborhoods.)**

Review minutes from previous Planning Commission Meetings where neighbors surfaced problems in their neighborhoods relating to short term rentals. Consider these requests /results again in light of updated research.

Consider modifying the current STR regs to make available a higher % of long-term rentals in our community to benefit educators, first responders and even new employees for the City and others during this period of extreme housing shortage.

Use this moratorium period to implement expected technology and other tools to upgrade the handling of short -term rentals.

Consider who are the best stewards when it comes to the water crisis that may eventually become dire?

Ide Street should be treated as an anomaly in STR's regs.

Ide Street does not extend from Traffic Way to Garden Streets. Other streets such as Cherry and Allen run the expanse of the village. Decades ago, apartment buildings, duplexes and triplexes were built on Ide Street. Currently there is also an approved ADU and room rentals. There is an active Airbnb and perhaps soon, three additional Homestay properties. When is enough, enough for such a small street with numerous rentals of all types? It is fair to say that Ide has more rentals than any other street in the village. (City Planning can verify this)

The mini block of Ide between Cross and Garden Streets has only 11 properties. Currently, two properties are triplexes, and two others have /will be approved as a home stay property and Airbnb. That means that almost 27% of mini-Ide, will be short- and long-term rentals. Please consider a more reasonable percentage of overall rentals and short- term rentals so that stakeholders are valued, and neighborhoods are not further saturated with rentals. Please review the west end of Ide for a saturation of long- and short-term rentals.

Currently there is no separation requirement between home stay properties and Airbnb's. There is no requirement for home stay owners to notify neighbors. Consider that when a long-standing home status is changed by permit, that notification to neighbors is crucial. Also, consider greater separation of STR's and home stay properties so they are not side by side nor facing each other or saturating a block.

We agree with 2019 statement that "we want the existing character of the neighborhood maintained." Additionally, we request that STR's have no further impact on adjacent properties nor add to the excess in rental load.

We look forward to the implementation of an immediate moratorium to research, review, consider the best path forward to maintain the local charm that is evidenced in Arroyo Grande and a healthy and fair balance between STR's, long term rentals and homeowners.

Ide/Cross Street Neighbors,  
June 21, 2022

P.S Some of the small towns that were considered to develop the above recommendations include:

Carmel By the Sea, no STR's allowed

Monterey, requires \$6,000 fee for STR

Lake Tahoe, in moratorium

Sonora, in moratorium

Pacific Grove, cap numbers of STR's and limits STR's to two per owner, lottery installed.

Ojai

