# SAUSALITO PLANNING COMMISSION Wednesday, May 9, 2012 Approved Summary Minutes

#### **Call to Order**

Chair Keegin called the meeting to order at 6:30 p.m. in the Council Chambers of City Hall, 420 Litho Street, Sausalito.

Present: Chair Stafford Keegin, Vice Chair Joan Cox (arrived during Item 1),

Commissioner Stan Bair Commissioner Richard Graef,

Commissioner Bill Werner

Absent: Vice Chair Joan Cox (until arrival during Item 1).
Staff: Community Development Director Jeremy Graves

Associate Planner Heidi Burns,

Assistant Planner Alison Thornberry-Assef, City Attorney Mary Wagner

## **Approval of Agenda**

Commissioner Werner moved and Commissioner Graef seconded a motion to approve the agenda. The motion passed 4-0.

Public Comments On Items Not on the Agenda

6 None.

## **Approval of Minutes**

April 25, 2012

Commissioner Werner moved and Commissioner Graef seconded a motion to approve the minutes, as submitted. The motion passed 4-0.

## **Public Hearings**

#### Declarations of Public Contacts

Commissioner Werner disclosed that he had visited 640 Sausalito Boulevard regarding Item 1 and 2350 Marinship Way regarding Item 2 and spoke to no one.

Commissioner Graef disclosed that he had visited 640 Sausalito Boulevard regarding Item 1 and 2350 Marinship Way regarding Item 2 and spoke to no one.

1. DR/NC/EA 05-03, Design Review Permit, Hales, 640 Sausalito Blvd.
Amendment of a Design Review Permit for renovations of an existing residence at 640 Sausalito Boulevard (APN 065-163-01).

The public hearing was opened.

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Assistant Planner Thornberry-Assef presented the Staff Report.

## Vice Chair Cox arrived at 6:40pm.

The public testimony period was opened.

Presentation was made by Stan Hales, the owner and applicant.

### Commission questions to Mr. Hales:

 What color will the house be painted? Mr. Hales responded they intend to approximate the house's original off-yellow color, although it may be a bit lighter.

Comments were made by the public.

Chuck Ruby, 654 Sausalito Boulevard, indicated the following:

- He lives three houses down from the subject property.
- This is a historical house, which is good for the neighborhood, and there is a lot
  of interest in the neighborhood as to what is going on with the project.
- It would be helpful if the parking area on Sunshine Avenue can be developed early so that the contractors can park there during construction because of the lack of parking on the street.
- It is approximately 25 feet from the walkway to the rock wall on the north side.
   People park against that rock wall, leaving not much space for traffic to get by.
   The curb should be painted red to leave more space for the traffic to flow equally, because there will be a bottleneck there.

## Applicant responses:

- They will try their best to at least put some stone paving down for parking in the Sunshine Avenue entrance.
- They have three-car parking now at the guest cottage area, which they will encourage the contractors to use.
- The rock wall Mr. Ruby referred to belongs to their neighbors on the other side of the street. The parking there is used by the residents as well as sometimes the contractors, however they will now ask those contractors to use the new parking by the guest cottage and by the dumpster. If the curb were painted red it would probably upset the adjacent homeowners.

#### Commission questions to Mr. Hales:

- How much workforce do you anticipate having up there for the majority of your construction days? Mr. Hales responded it would vary, anywhere from four to eight people. When more of the demolition is complete they will no longer need the dumpster, which will free up a lot of parking off Sunshine Avenue.
- If this project is approved what is your anticipated duration? *Mr. Hales responded he has been told probably a year, maybe nine months.*

The public testimony period was closed.

Commission comments:

- Everything presented to the Commission is an improvement over what was presented the last time and the project should be approved.
- The neighborhood outreach is impressive. All the letters from neighbors are in favor of the project, which is a rarity.
- Accommodations should be made for construction traffic to be off-road since the project will take nine months to a year to complete and will impact the neighbors.

Commissioner Werner moved and Commissioner Graef seconded a motion to approve an amendment to a Design Review Permit for 640 Sausalito Boulevard. The motion passed 5-0.

The public hearing was closed.

2. DR 11-378, Design Review Permit, Landfried, 2350 Marinship Way. Design Review Permit to allow the reconstruction of an existing houseboat located in the Sausalito Shipways Marina at 2350 Marinship Way, Slip A114 (APN 063-120-02).

The public hearing was opened.

Associate Planner Burns presented the Staff Report.

Commission questions to staff:

- The allowable percentage of the second level relative to the lower level is supposed to be 80-percent but looks like it is considerably greater than 100percent. Staff responded the architect has provided numbers stating the floor area is 80-percent on the upper and lower floors. The upper level deck appears to be covered, but it does not meet the covered limitations.
- So the deck does not count? Staff responded the deck does not count.

The public testimony period was opened.

Presentation was made by Robert Hayes, the architect and applicant.

Commission question to Mr. Hayes:

• What is the height of the finished floor on the upper level to the top of the ceiling, and what is the plate height of the edge? Mr. Hayes responded it is approximately 11 feet, maybe 10 feet, six inches, from finished floor of the upper floor and maybe a little less than that to the top of the bare wall. Not to the plate height, but to the top of the bare wall, because it is 18 feet from the waterline to the very top, and from the waterline down it is approximately 3.5 feet to finished floor, so four feet to finished floor. It will probably have a plate height of 8 foot, six inches or nine feet at the outside wall. A ceiling of nine feet inside is a good size in order to give the houseboat a quality space that it needs.

No comments were made by the public.

The public testimony period was closed.

#### Commission comments:

- It would be preferable to have the houseboat be a little shorter.
- Having the houseboat a little on the taller side allows for more glass and penetration of sunlight for a brighter interior.
- The roofline on the outside gives the structure some interest and helps to break up some of the mass.
- It is a good design.

Commissioner Werner moved and Commissioner Bair seconded a motion to approve a Design Review Permit for 2350 Marinship Way. The motion passed 5-0.

The public hearing was closed.

3. ZOA 12-061, Short Term Vacation Rental Regulations. Ordinance to amend the Zoning Ordinance to allow short-term vacation rentals in residential zoning districts during 2012 and 2013.

The public hearing was opened.

Associate Planner Burns presented the Staff Report.

Commission questions and comments to staff:

- Under Special Events it lists outdoor events. Would a barbeque on a balcony constitute an outdoor event for which a Minor Use Permit would be required? Staff responded not unless it is a major party.
- For outdoor events it should be quantified as to how many people would constitute an outdoor event. Staff responded instead of quantifying it, staff could identify the provisions in the Temporary Use Permit section, because there are thresholds that trigger those types of permits.
- What is the percentage of the Transient Occupancy Tax? Staff responded it is 12-percent.
- What is the turnaround time in obtaining a Vacation Rental Permit? If a person
  presents their application at the counter and staff verifies they are a customer
  in good standing with Bay Cities Refuse and they do not have a failing or
  deficient sewer connection, then the permit will be issued then and there? Staff
  responded yes.
- What is the turnaround for a Minor Use Permit if a person wants to have a party while renting a house? Staff responded they turn Minor Use Permits around quickly if it is a reasonable and straightforward project. In the instance of a special event there is a ten-day notice. Staff should be able to schedule a zoning administrator hearing within two to three days of receipt of a completed application with a hearing in not more than two weeks. If one is having a barbeque at their home and there are people on the deck, a Minor Use Permit would not be required, but it would be if one had a major lawn party with 150 people, it would be.

• The special events standard should be deleted or be clarified because it is non-quantifiable and because it would impose a restriction on rental occupants that do not exist with respect to residents. Staff clarified that it would be the same application for a resident or a vacation rental occupant. People simply are not aware of when a permit is needed or not. Staff suggested shifting the wording to an advisory brochure.

The public testimony period was opened.

Russ Irwin indicated the following:

 If someone is renting their house for \$1000/day he does not believe the penalties are enough to discourage people from renting their homes illegally.

The public testimony period was closed.

Commission questions and comments to staff:

- How do the penalties for illegal rentals relate to the penalties that are defined in 3.12.110 in the Transient Occupancy Tax, which are percentages of how much one owes, which are quite different? Two separate ordinances are being tied together in a way that if the person that is renting their home does not have the proper paperwork they can be fined for every day that they do not have the proper paperwork, yet they theoretically are also supposed to be paying their Transient Occupancy Tax, and if they do not do that then it is ten-percent of the total that they owe and it goes on and on. There is one ordinance saying one thing about penalties and another saying something else, and the whole business of how is it enforced essentially makes informants out of every resident in Sausalito. Staff responded that the existing Transient Occupancy Tax regulations have their own enforcement procedures, and the proposed Vacation Rental Regulations would be enforced by the existing Administrative Citation procedures. If a person is in violation of one or both of these regulations, they would be subject to enforcement of the respective enforcement procedure.
- How does the ten days to comply juxtapose with the \$100 penalty for the first offense and then a second offense occurring on Day 2? Staff responded when a potential violation comes to staff's attention a Courtesy Notice is typically sent. If staff believes the violator is well aware of the violation staff can go directly to the Compliance Order. The number of days in the Courtesy Notice provided to correct the violation is at staff's discretion. After the term of the Courtesy Notice expires the first required step is to provide a Compliance Order giving the property owner ten days to take action. After the Compliance Order staff can issue the first Administrative Citation, which carries \$100 fine. On Day 2 or sometime thereafter staff can issue the second Administrative Citation, which is a\$200 fine. On the third day or the third time staff determines that an Administrative Citation should be issued within the same 12 months it is a \$500 fine. Every day is a separate violation.
- What if a homeowner had a vacation rental for five days in Week 1, they
  receive a citation and the renters are out within ten days, and then another fiveday rental in Week 2 with another citation and again the renters are out in ten

- days? It is a different violation each week. Staff responded it is the same violation. It may be a different party that is renting the home, but the property owner is violating the same section of the City's regulations.
- Is the Transient Occupancy Tax application outsourced? Staff responded they do not believe the Transient Occupancy Tax application is outsourced, although they are not completely certain. A property owner owes TOT whether they have a Vacation Rental Permit or not, so technically being in violation of the Zoning Ordinance does not excuse them from their obligation to pay TOT, which happens when they rent property for less than 30 days.
- What is the turnaround time for the TOT application? Staff responded that is handled by Administration, but they anticipate the turnaround would be prompt.
- Can someone move forward with their vacation rental before they have received the endorsed TOT? Staff responded the way they have written the TOT Ordinance is, "The owner shall receive a Transient Occupancy Tax certificate consistent with Chapter 3.12 of the Municipal Code and remain current."
- The TOT standard also says, "... and shall list the certificate number on all contracts and agreements." If there is an expedited turnaround time at the counter for the administrative permit process there should be a comparable process for the TOT certificate. Staff responded it is after the fact. The way the TOT regulation is drafted the property owner has 30 days from commencing business to get their certificate. Staff understands a property owner cannot wait 90 days to get their certificate number when the rental period already ended. If a property owner does not have their certificate number and cannot put it on their contract, staff will figure that out.

#### Commission comments:

- This ordinance is trolling for money in the guise of allowing short-term rentals.
- The reason for the ordinance is to maintain standards such as garbage pickup and functioning sewers while a home is being rented, but this ordinance should not disappear the day the America's Cup is over. If the City is really concerned about the violation of the ordinance that exists they should not to be fixing it under the guise of an expedient way of collecting money because we are going to have an influx of people for the America's Cup. Staff responded the reason the City is interested in doing this is not to collect the Transient Occupancy Tax. Planning staff is advocating this ordinance to protect the residential character of the neighborhoods. Rentals can occur whether there are regulations or not, so staff believes it better to have regulations so there is protection for neighbors near these rentals. The reason for not allowing vacation rentals in residential neighborhoods after the America's Cup is again for the protection of the neighborhoods and neighbors who would not want to live next door to a vacation rental.
- It would be helpful to have the ordinance be a standalone ordinance so that whoever reads it understands that they are going to get fined and how much instead of making reference to other provisions of the Zoning Ordinance that some people may be challenged to find. Staff responded they are planning on making it a standalone document. Staff would rather not put the fines in the ordinance but in the informational brochure.

Vice-Chair Cox moved and Commissioner Werner seconded a motion to continue the public hearing regarding Short Term Vacation Rentals Regulations to the meeting of May 23, 2012. The motion passed 5-0.

## Old Business

None.

**New Business** 

None.

#### **Staff Communications**

• The City Council is currently in the process of ranking the list of priority projects and will reveal the ranking at their next meeting.

## Adjournment

The meeting was adjourned at 8:23 p.m.

Submitted by

Jeremy Graves, AICP

Community Development Director

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Approved by Stafford Keegin Chair