



@better\_LA  
betterneighborsla.org

August 4, 2023

**VIA E-MAIL**

California Coastal Commission  
45 Fremont Street #2000  
San Francisco, CA 94105  
[SouthCoast@coastal.ca.gov](mailto:SouthCoast@coastal.ca.gov)

RE: Public Comment on August 2023 Thursday Agenda Item 17.a. Revocation No. A-5-DPT-22-0038-REV (City of Dana Point, Dana Point) – DENY

Dear Honorable Chair Brownsey and Commissioners,

Better Neighbors LA urges the Commission to follow staff's recommendation and deny Revocation No. A-5-DPT-22-0038-REV (City of Dana Point, Dana Point) ("Revocation Request") due to the risk of deregulation of short-term rentals ("STRs") that may occur within this jurisdiction's Coastal Zone. We are pleased to see that the Commission is continuing to assess the impact short-term rentals ("STRs") have on access to housing in the Coastal Zone. While we hope you deny the Revocation Request, we believe the agenda item also offers an opportunity for the Commission to provide the City of Dana Point, and any other jurisdiction considering STR regulation, with some guidelines to safeguard both public coastal access and the preservation of existing housing as they evaluate and regulate STRs.

Specifically, we request that the Commission deny the revocation because it would leave the City of Dana Point with no regulation of STRs in the Coastal Zone. That said, we also request that the Commission take this opportunity to (1) incorporate Better Neighbors LA's redlines into its Comprehensive Rubric for Study and Evaluation of City of Dana Point's STR Program (see Attachment 2 ) and (2) encourage the City of Dana Point ("City") to amend Coastal Development Permit No. A-5-DPT-22-0038 approved on November 16, 2022 ("CDP") to include a true 1% cap on Non-Primary Residence STR permits.

### **(1) Add Better Neighbors LA's Redlines to the Rubric**

Special Condition 3 of Coastal Development Permit No. A-5-DPT-22-0038 requires the City to provide specific housing and STR related data to the Commission.<sup>1</sup> While we think the rubric provides a foundation for the City, Better Neighbors believes the Commission should encourage the City to provide additional data in each report deadline as redlined in Attachment 2. We believe the City can achieve providing much of this data by updating their STR Permit Application.<sup>2</sup> The redlines provided by Better Neighbors LA are based upon our organization's experience enforcing the City of the Los Angeles's STR program, our Guiding Principles (Attachment 1), and our experience in analyzing data sets and conducting research related to STRs in the Coastal Zone.

For the information collected on STR permits, we recommend that the Commission also collect data on the zoning designation and geographic zone for each permit, the average number of rooms and number of guests accommodated in each unit, any minimum nights requirements, and an accounting of nuisance complaints from STRs.

For the data related to housing inventory, we recommend that the Commission also collect data on RHNA allocations, vacancy rates categorized by structure type, current and projected demand for existing housing units, availability and geographic location of housing units for low to moderate income residents within the Coastal Zone; impact of STRs on future housing costs for low to moderate income residents; percentage of housing stock utilized as unhosted short-term rentals, categorized by structure type; the number of Ellis Act evictions each year, and the average monthly rental unit price and change in price year over year.

For the data related to overnight accommodations inventory, the Commission should collect information that will enable it to track the average number of guests accommodated per accommodation type; the number of hotel rooms with kitchenettes; and minimum nights requirements.

An expanded rubric will provide a more comprehensive evaluation of the City's CDP to the Commission with the objective of safeguarding both public coastal access and preservation of existing housing.

### **(2) Encourage the City of Dana Point to Amend CDP**

Better Neighbors recommends that the Commission encourage the City to amend its CDP to include a true 1% cap on Non-Primary Residence STR permits. As we outlined in our comment letter last November (see Attachment 3), a 1 % cap on non-primary residences is a tool the City should pursue to ensure the primary use of housing remains long term residential housing.

The City of Dana Point, like many coastal cities and counties throughout California, is grappling with a housing affordability and accessibility crisis. According to the National Low

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<sup>1</sup> City of Dana Point A-5-DPT-22-038, Exhibit 4.

<sup>2</sup> <https://www.danapoint.org/home/showpublisheddocument/36337/63819934751590000>

Income Housing Coalition, the fair market rent for a one-bedroom in Dana Point is \$2,350.<sup>3</sup> In addition, the 6<sup>th</sup> Cycle Housing Element Implementation and Annual Progress Report Dashboard published by the California Department of Housing and Community Development states that the City of Dana Point must produce 530 units by 2029, 147 of which must be very low income.<sup>4</sup> We understand the Commission does not have the authority to amend the CDP at the August 10, 2023 hearing, however, we recommend that Commission encourage the City by whatever means you may deem appropriate to amend their CDP. Other jurisdictions will also take note of the Commission's position in developing their own STR regulations.

### **Conclusion**

Better Neighbors asks the Commission to deny the Revocation Request because it will likely result in a deregulation of STRs within the City's Coastal Zone. For this reason, we ask the Commission to encourage the City to voluntarily take additional steps to protect housing and affordable access to the coast for visitors. The Commission's leadership in this area will also send a message to other jurisdictions currently working on STR regulations. Should you have any questions, please contact [rebecca@betterneighborsla.org](mailto:rebecca@betterneighborsla.org).

Sincerely,

/s/ Randy Renick

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<sup>3</sup> Data reflective of zip code 92629. <https://nlihc.org/oor/zip?code=92624>

<sup>4</sup> <https://www.hcd.ca.gov/planning-and-community-development/housing-open-data-tools/housing-element-implementation-and-apr-dashboard>