

CITY OF DANA POINT**AGENDA REPORT****Reviewed By:**

DH	<u>X</u>
CM	<u>X</u>
CA	<u>X</u>

DATE: NOVEMBER 18, 2016

TO: CITY MANAGER/CITY COUNCIL

**FROM: URSULA LUNA-REYNOSA, COMMUNITY DEVELOPMENT
DIRECTOR**

**SUBJECT: RATIFICATION OF COUNCIL DISCUSSION AND ACTION
PURSUANT TO ELECTIONS CODE § 9241: 1) RECONSIDERING
AND RESCINDING ORDINANCE 16-06 AND ORDINANCE 16-07;
ADOPTING A RESOLUTION TO RESCIND RESOLUTION
NUMBERS 16-05-17-02 AND 16-05-17-03; AND 2) PROVIDE
DIRECTION TO STAFF REGARDING HOW TO HANDLE SHORT
TERM RENTAL PERMITS GOING FORWARD**

RECOMMENDED ACTION:

That the City Council 1) adopt a Resolution rescinding Resolution 16-05-17-02 and 16-05-17-03 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE DANA POINT,
CALIFORNIA, RESCINDING RESOLUTIONS ENTITLED:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA
POINT, CALIFORNIA, REGARDING LOCAL COASTAL
PROGRAM AMENDMENT LCPA13-0001 AND REQUESTING
CERTIFICATION BY THE CALIFORNIA COASTAL COMMISSION;
and

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA
POINT, CALIFORNIA, REGARDING LOCAL COASTAL
PROGRAM AMENDMENT LCPA13-0002 AND REQUESTING
CERTIFICATION BY THE CALIFORNIA COASTAL COMMISSION;
and

2) provide direction to staff regarding how to handle short term
rental permits going forward.

DISCUSSION:

On November 15, 2016, the City Council considered issues flowing from the recent referendum related to zoning regulations applicable to short term rental (STR)

uses. By way of background, the Council adopted a Local Coastal Program Amendment (LCPA) with modifications suggested by the Coastal Commission on May 17, 2016 by adoption of Resolutions 16-05-17-02 and 16-05-17-03. It then adopted Ordinances 16-06 and 16-07 to implement the LCPA by making zoning changes that would allow STRs to operate. When presented with the result of the Orange County Register of Voters certification of signatures on a referendum petition related to ordinances 16-06 and 16-07, the Council voted and directed the following actions:

1. Accept the report from the Registrar of Voters on the signature verifications for two petitions entitled, "Referendum Against An Ordinance Passed By The City Council Ordinance No.16-06 and Referendum Against An Ordinance Passed By the City Council Ordinance No.16-07".
2. Reconsider and repeal Ordinance 16-06 and 16-07 by adopting Resolution 16-11-15-04.
3. Adopt a Resolution to rescind Resolution 16-05-17-02 and 16-05-17-03 adopted by City Council May 17, 2016.
4. Direct staff to begin working on a process to allow the Council and community to evaluate a means by which to adopt zoning regulations satisfactory to the community that would allow STRs and which could be submitted to the California Coastal Commission for consideration.
5. Direct staff to continue to allow property owners holding STR permits to operate and renew their permits in the same manner as previously directed by Council, but not issue new STR permits to properties that do not currently hold a permit until all zoning issues related to STRs are resolved.

FISCAL IMPACT:

There is no fiscal impact associated with this action.

ACTION DOCUMENTS:

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- A. [Resolution rescinding 16-05-17-02 and 16-05-17-03](#).....3

ACTION DOCUMENT A**RESOLUTION NO. 16-11-18-XX**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA, RESCINDING RESOLUTIONS ENTITLED:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA, REGARDING LOCAL COASTAL PROGRAM AMENDMENT LCPA13-0001 AND REQUESTING CERTIFICATION BY THE CALIFORNIA COASTAL COMMISSION; and,

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA, REGARDING LOCAL COASTAL PROGRAM AMENDMENT LCPA13-0002 REQUESTING CERTIFICATION BY THE CALIFORNIA COASTAL COMMISSION.

WHEREAS, at its meeting of May 17, 2016, the Dana Point City Council adopted Resolutions 16-05-17-02 and 16-05-17-03 regarding Local Coastal Amendment LCPA 13-0001 and LCPA 13-0002, respectively, and requesting certification thereof by the California Coastal Commission; and

WHEREAS, on October 5, 2016, two referendum petitions were submitted to the City Clerk's Office and a prima facie review of said petitions revealed 3,956 signatures for Ordinance 16-06 and 3,957 signatures for Ordinance 16-07 and requesting that said Ordinances be entirely repealed, or submitted to a vote of the people, as prescribed by law, to determine whether Ordinance No. 16-06 and Ordinance No. 16-07 should take effect; and

WHEREAS, the City Clerk accepted the referendum for filing based on the following facts: 1) the referendum petitions were timely filed within 30 days of the adoption and attesting of Ordinance No. 16-06 and Ordinance No. 16-07, and 2) the number of prima facie signature exceeded 10% of Dana Point's 20,650 registered voters (as last reported by the County elections official to the Secretary of State); and

WHEREAS, the City Clerk delivered the referendum petitions to the Orange County Registrar of Voters office and directed the Registrar's office to examine signatures until such time as 2,065 signatures were determined to be valid on each petition; and

WHEREAS, the results of the referendum petitions were reported to the Dana Point City Council at its regular meeting of November 15, 2016 and Council accepted the certification of the referendum petition and thereafter reconsidered and repealed Ordinance No. 16-06 and Ordinance No. 16-07; and

WHEREAS, the City Council has determined that in the absence of Ordinance 16-06 and Ordinance 16-07 which were intended and necessary to implement critical components of LCPA13-0001 and LCPA13-0002, the most appropriate action to eliminate confusion, and ensure consistency with the law, is to also rescind Resolutions 16-05-17-02 and 16-05-17-03 and thereby clarify it is not adopting LCPA13-0001 or LCPA13-0002, nor requesting that they be certified by the California Coastal Commission.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA, DOES RESOLVE AS FOLLOWS:

Section 1: Resolutions 16-05-17-02 and 16-05-17-03 are hereby repealed in their entirety, and shall be of no further force or effect.

PASSED, APPROVED, AND ADOPTED this 18th day of November, 2016.

JOHN A. TOMLINSON, MAYOR

ATTEST:

KATHY M. WARD, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF DANA POINT)

I, KATHY WARD, City Clerk of the City of Dana Point, California, do hereby certify that the foregoing Resolution No. 16-11-18-XX was adopted at a special meeting of the City Council on the 18th day of November, by the following vote, to wit:

AYES:

NOES:

ABSENT:

KATHY M. WARD, CITY CLERK