

CITY OF DANA POINT

**CITY COUNCIL
ADJOURNED
REGULAR
MEETING**



**TUESDAY
JULY 12, 2022
5:00 P.M.**

MINUTES

Location: City Council Chamber, 33282 Golden Lantern, Suite 210, Dana Point, California 92629

Next City Council Ordinance No. 22-04

CALL TO ORDER

The Regular Meeting of the City Council of the City of Dana Point, California, was called to order by Mayor Joseph L. Muller at 5:00 p.m. in the City Council Chambers, 33282 Golden Lantern, Dana Point.

ROLL CALL OF CITY COUNCIL MEMBERS:

Joseph L. Muller, Mayor
Mike Frost, Mayor Pro Tem
Jamey M. Federico, Council Member
Richard A. Viczorek, Council Member
Michael Villar, Council Member

CLOSED SESSION

- A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION, SIGNIFICANT EXPOSURE TO LITIGATION, Government Code § 54956.9 (d)(2), (1 case)

Mayor Muller recessed the meeting into a Closed Session at 5:01 p.m. pursuant to Government Code Section 54957.

RECESS OF CITY COUNCIL MEETING UNTIL 6:00 P.M.

RECONVENE CITY COUNCIL MEETING

Mayor Muller reconvened the meeting at 6:00 p.m. All Council Members were present.

STAFF PRESENT: Michael A. Killebrew, City Manager; Kelly Reenders, Assistant City Manager; Patrick Munoz, City Attorney; Shayna Sharke, City Clerk; Captain Kirsten Monteleone; Brenda Wisneski, Community Development Director; James Shadle, Director of General Services; Jeff Rosaler, Community Development Manager; Johnathan Ciampa, Senior Planner; and Jaimie To, Management Analyst.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Federico.

INVOCATION

There was no Invocation.

PRESENTATIONS AND PROCLAMATIONS

There were no Presentations or Proclamations.

READING OF ORDINANCE TITLES

There were no Ordinance Titles.

CONSENT CALENDAR

There were no Consent Calendar items.

PUBLIC COMMENTS

There were no Public Comments.

PUBLIC HEARINGS

1. AN APPEAL OF PLANNING COMMISSION APPROVAL FOR COASTAL DEVELOPMENT PERMIT CDP22-0010 TO ESTABLISH A SHORT-TERM RENTAL PROGRAM

City Attorney Patrick Munoz and Community Development Director Brenda Wisneski provided a staff report and answered questions of the Council.

Discussion ensued.

Appellant Mark Zanides (Dana Point) spoke regarding Coastal Commission determinations and the risks associated with the CDP and the short-term rental (STR) program. He requested Council grant the appeal and indicated the Appellants will appeal to the Coastal Commission if the appeal is denied by the Council.

Appellant Kim Tarantino (Dana Point) asked the Council to consider the Coastal Commission's objectives of coastal access and affordable options.

Reyna Olivera (Santa Ana) stated she is a hotel worker and spoke in opposition to the recommended action to deny the appeal, and in support of the appeal.

Andrea Martinez (Santa Ana) stated she is a hotel worker and spoke in support of the upholding appeal.

Bridget McConaughy (Orange, Unite Here Local 11) spoke against the CDP and asked that the Council uphold the appeal.

Sherri Cuono (Vista, Dana Point STR Permit Holder) spoke in favor of the CDP and STR Program.

Toni Nelson (Capistrano Beach) spoke against the denial of the appeal and stated that STRs have a negative impact on housing stock and in residential neighborhoods.

Barbara Wilson (Dana Point) spoke against the denial of the appeal and encouraged the Council to table the issue.

Don Russell (Capistrano Beach District) spoke against STRs on Beach Road and suggested that primary STRs along Beach Road be reduced to the current 31.

Steve Stewart (Dana Point) spoke against the CDP and STR Program, stating that STRs drive down housing stock and take away from local opportunities.

Maureen Powers (Dana Point) rents out one duplex unit long-term while living in the other. She spoke about the positive experiences she has had with her renters and indicated she would like access to an STR permit.

Matthew Agren (Capistrano Beach) spoke on behalf of Roger Malcom against the denial of the appeal and detailed the negative effects that clusters of STRs have on parking and access to the coast. He spoke in favor of limiting the density of STRs in town.

Deborah Derloshon (Dana Point) spoke against the denial of the appeal and regarding unpermitted STRs in her HOA and enforcement concerns.

Carol Kelly (Dana Point) urged the Council to uphold the appeal and spoke of the negative impacts of STRs and enforcement concerns. She encouraged the Council to look into programs of other cities.

Kelly Finney (Dana Point) rents her unit for over 30 days and spoke of the benefits of STRs as compared to long-term rentals.

Miriam Rupke (Capistrano Beach, STR Permit Holder) spoke on behalf of STR permit holders of the long process to develop the CDP, and indicated the CDP is restrictive but acceptable.

Joseph McNulty (Capistrano Beach, STR Permit Holder) spoke in favor of the CDP and STR Program and denying the appeal.

Stephanie Harvey (Dana Point) spoke regarding positive experience renting her unit for over 30 days and voiced her support for the CDP, indicating she would apply for an STR if available.

Carla Moore (Irvine) runs a vacation rental company and represents multiple permit holders in Dana Point. She spoke in support of the Planning Commission's approval of the CDP.

Nick Tarantino (Capistrano Beach) spoke of STR nuisances and concerns regarding LLCs and corporate ownership of Dana Point STRs. He spoke against the denial of the appeal.

Kristin Tapia (Dana Point) spoke against the denial of the appeal and voiced concerns of community safety and values.

Brian Jewel (Dana Point) spoke against the denial of the appeal, citing Santa Monica's program and legal cases.

Patty Kindoll (Dana Point) stated there are enough STRs and hotels in Dana Point.

Jo Ellen Larsen (Dana Point) spoke in opposition to expanding the STR Program.

Igal (Iggy) Israel (Dana Point) spoke in favor of denying the appeal and that the STR Program helps families trying to save their homes as the cost-of-living in town increases.

Melissa Spangler (Capistrano Beach, STR Permit Holder) spoke in favor of the CDP and STR Program, referencing Census data and stating that STRs accommodate large families traveling.

Phil Dohrman (Dana Point) spoke of home prices and ways families can afford vacations and live in Dana Point. He spoke in favor of the CDP and STR Program.

Mayor Muller closed the Public Hearing at 8:15 p.m. and recessed the meeting for a five-minute break.

Mayor Muller reconvened the meeting at 8:25 p.m.

IT WAS MOVED BY MAYOR PRO TEM FROST, SECONDED BY COUNCIL MEMBER FEDERICO THAT THE CITY COUNCIL:

1. DENY THE APPEAL IN PART, AND AFFIRM IT IN PART, BY UPHOLDING THE PLANNING COMMISSION'S DECISION TO ADOPT CDP22-0010 FOR THE SHORT-TERM RENTAL (STR) PROGRAM AND REVISING THE STR PROGRAM APPROVED BY THE PLANNING COMMISSION TO ADDRESS COMMUNITY CONCERNS; AND ADOPT RESOLUTION 22-07-12-01, ENTITLED:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA DENYING IN PART, AND AFFIRMING IN PART, THE APPEAL OF THE PLANNING COMMISSION'S APPROVAL OF COASTAL DEVELOPMENT PERMIT CDP22-0010 (THE CDP) TO ESTABLISH A SHORT-TERM RENTAL PROGRAM TO REGULATE THE PERMITTING AND OPERATION OF SHORT-TERM RENTALS IN THE CITY, BY UPHOLDING THE PLANNING COMMISSION'S APPROVAL OF THE CDP AND AMENDING THE PROGRAM APPROVED BY THE PLANNING COMMISSION; AND

2. DIRECT STAFF TO BRING BACK A REVISED STR PERMIT FEE FOR COUNCIL CONSIDERATION THAT WILL ENABLE THE CITY TO RECOVER ITS COSTS RELATED TO THE ISSUANCE OF STR PERMITS.

Discussion ensued.

A SUBSTITUTE MOTION WAS MADE BY COUNCIL MEMBER VICZOREK, SECONDED BY MAYOR MULLER, TO ONLY APPLY COASTAL DEVELOPMENT PERMIT CDP22-0010 TO ESTABLISH A SHORT-TERM RENTAL PROGRAM WITHIN THE COASTAL ZONE

Discussion ensued.

A FRIENDLY AMENDMENT WAS MADE BY MAYOR MULLER TO CAP NON-PRIMARY SHORT-TERM RENTALS WITHIN THE COASTAL ZONE TO 115 AND REMOVE CAP ON PRIMARY AND HOME STAY SHORT-TERM RENTALS, WHICH WOULD BOTH COUNT TOWARDS THE 115 TOTAL.

Discussion ensued.

COUNCIL MEMBER VICZOREK ACCEPTED THE FRIENDLY AMENDMENT.

Discussion ensued.

The substitute motion carried by the following vote:

AYES: Council Member Viczorek, Council Member Villar, and Mayor Muller
NOES: Council Member Federico and Mayor Pro Tem Frost
ABSENT: None

City Attorney Patrick Munoz proposed a thirty-minute break to update Resolution 22-07-12-01 based on the substitute motion that was approved.

Mayor Muller recessed the meeting at 9:25 p.m. for a thirty-minute break.

Mayor Muller reconvened the meeting at 10:19 p.m.

City Attorney Patrick Munoz read the updates made to Resolution 22-07-12-01 based on the substitute motion that was approved and confirmed that the motion was reflected in the changes.

Council Member Viczorek confirmed that the updated Resolution 22-07-12-01 reflects the substitute motion.

Discussion ensued.

City Attorney Patrick Munoz recommended that the Council adopt staff's recommendations and substitute the previous Resolution with the updated Resolution 22-07-12-01 and allow staff to correct minor typographical errors so long as they are not substantive.

A MOTION WAS MADE BY COUNCIL MEMBER VICZOREK, SECONDED BY MAYOR MULLER, TO ADOPT THE RECOMMENDED ACTION AND SUBSTITUTE THE PREVIOUS RESOLUTION WITH THE UPDATED RESOLUTION 22-07-12-01 AND ALLOW STAFF TO CORRECT MINOR, NON-SUBSTANTIVE TYPOGRAPHICAL ERRORS.

The motion carried by the following vote:

AYES: Council Member Viczorek, Council Member Villar, and Mayor Muller
NOES: Council Member Federico and Mayor Pro Tem Frost
ABSENT: None

City Attorney Patrick Munoz clarified that short-term rentals outside of the Coastal Zone will still be subject to the rules and regulations set forth in Dana Point Municipal Section 5.38.

UNFINISHED BUSINESS

There was no Unfinished Business.

NEW BUSINESS

There was no New Business.

COUNCIL REPORTS, INCLUDING CITY RELATED MEETINGS ATTENDED

Council Member Villar turned in his list of meetings attended to the City Clerk.

Council Member Viczorek turned in his list of meetings attended to the City Clerk.

Council Member Federico turned in his list of meetings attended to the City Clerk.

Mayor Pro Tem Frost stated he will turn in his list of meetings attended to the City Clerk.

Mayor Muller turned in his list of meetings attended to the City Clerk and stated that he attended the event Fish for Life and highly recommends it.

STAFF REPORTS

City Manager Michael A. Killebrew stated he had nothing to report.

City Attorney Patrick Munoz stated he had nothing to report.

ADJOURNMENT

There being no further business before the City Council at this session, Mayor Muller adjourned the meeting at 10:34 p.m. He announced that the next Regular Meeting of the City Council will be July 19, 2022, at 5:00 p.m. in the City Council Chamber located at 33282 Golden Lantern, Suite 210, Dana Point, California.



SHAYNA SHARKE
CITY CLERK

APPROVED AT THE MEETING OF SEPTEMBER 20, 2022

Meetings attended since June 22, 2022

Mayor Joseph L. Muller

06/23/2022 TCA
06/23/2022 Chamber of Commerce
06/23/2022 Cal Cities
07/07/2022 OC Parks
07/10/2022 Fish for Life
07/11/2022 OCTA
07/11/2022 Cal Cities
07/11/2022 Chamber of Commerce
07/12/2022 US Conference of Mayors

Mayor Pro Tem Mike Frost

06/23/2022 ACC OC Regular Legislative Meeting
06/23/2022 ACC OC Quarterly Dinner
06/24/2022 Marine Core League – Family Lunch
06/24/2022 HOAG Urgent Care Grand Opening
07/06/2022 Meeting with Winkler Development Team
07/08/2022 Summer Jams Series – Music Preserves
07/10/2022 Fish for Life

Council Member Jamey M. Federico

06/22/2022 OCHFT
06/24/2022 Marine Corps League 2/1 Beach Day
07/03/2022 Chamber of Commerce Trolley Hop
07/07/2022 CASA

Council Member Richard A. Viczorek

06/23/2022 SJHTCA Board of Directors Special Meeting
06/23/2022 OCFA Board of Directors Meeting

Council Member Michael Villar

07/06/2022 STR Subcommittee Meeting