

MONTEREY COUNTY



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June 16, 2022

Shaun M. Murphy
Slovak Baron Empey Murphy & Pinkney, LLP

Via email only: murphy@sbelawyers.com,

Re: *Committee For Fair And Affordable Housing On The Central Coast v. County of Monterey*; Monterey County Superior Court Case No. 22CV000070.

Dear Counsel:

This estoppel letter is given in recognition of the County's belief that the above-referenced lawsuit may present issues not yet ripe for litigation and adjudication, and that it is therefore in both parties' interest for plaintiff to dismiss the litigation at this time without prejudice to the re-filing of litigation at a later date should plaintiff so choose. In return for such dismissal, the County of Monterey ("County") affirms that it shall maintain the status quo with respect to its code enforcement against short-term rental ("STR") in the coastal zone as follows:

1. All STR owners/operators must register with the County and obtain a Transit Occupancy Tax ("TOT") registration certificate/number to pay TOT on all rentals.
2. All STR owners/operators must timely remit all TOT payments.
3. All STR owners/operators must display their TOT registration number inside in a visible location at the premises.
4. The County may take enforcement action, including the issuance of fines, against any STR owner/operator for any verified nuisance or Code violation pursuant to Monterey County Code. However, enforcement action for simple STR activity alone shall be stayed absent at least three verified nuisance (e.g., noise, trash, parking) violations occurring within any 12-month period.
5. The County shall refrain from treatment of alleged code violations based upon STR activity and/or unverified nuisance complaints as open violation cases negatively impacting a property owner's future permit application, whether such application is related to short-term rentals or not.

The above assurances to maintain status quo shall remain in effect until such time that the County amends its existing zoning ordinance to modify the regulation of STR in the coastal zone pursuant to applicable Coastal Act procedures. In the event litigation is re-initiated, the parties shall be estopped from asserting any claims, counterclaims or defenses based upon timeliness

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due to the passage of time between the filing of the initial lawsuit referenced above and the re-initiated lawsuit.

This letter serves as conclusive evidence that the County and Plaintiff are estopped from contradicting its terms, and shall be effective upon the County's dismissal from this action with no further writings required. In the event a new lawsuit is filed against the County involving the plaintiff and subject matter significantly consistent with the referenced lawsuit, this estoppel letter shall no longer be effective.

Sincerely,

LESLIE J. GIRARD
County Counsel

By:



Michael J. Whilden
Deputy County Counsel