

# **Correspondence Received**

			The following individu	als submitted comments on agenda item:
Agenda #	Relate To	Position	Name	Comments
37.	72-F,75	Favor	Agueda Dudley- Berrios	
			Alex Dobbs	Dear Honorable Supervisors, my name is Alex Dobbs and I am a constituent from East LA, 90022, district 1. I am also the Community Resource Pastor at Hope Community Church of East LA. I am in full support of regulating short-term rentals because I have seen the rent burden dramatically increase in recent years, and we need to preserve as much long-term housing as possible in residential neighborhoods like East LA. My landlord recently rented out a new two bedroom apartment for \$3,600. On my street on Hoefner and Eagle, the normal rent ranges from \$3000-\$4000 for two bedroom houses, which is extremely unaffordable. My rent increased by \$700 a couple years ago when I moved a mile down the street into a smaller two bedroom. Many of my neighbors live in overcrowded situations because that is what they can afford. I also have friends in my church who are living in a trailer or couch surfing because rent is not affordable with their income. In June 2023, UC San Francisco released a statewide study in California and they found that 70% of the unhoused people they talked with could afford their rent if it was \$300-\$500 cheaper. An Economic Study by Professor David Wachsmuth at McGill University on Short term rentals in LA found that since 2015 2,500 homes have been taken off the long-term rental market, which is responsible for raising rental costs by \$810 per year for the average household.
				We need to do all we can to decrease the rent burden and help families and people who work be able to afford safe housing. The root of our housing crisis is from not having enough supply to meet the demand, and this ordinance will help create more long-term housing supply. I ask that you approve this ordinance.
			Allison Kirste	My name is Allison Kirste, a resident of Supervisor District 3. Studies show short-term rentals contribute to increases in rent and displacement. This Ordinance will place strong regulations on short-term rentals to protect long-term housing for tenants and potential homeowners. As a renter and student in LA County, I believe my elected leaders should be looking out for my interests, not those of absentee landlords and hosts. Unhosted short-term rentals make housing less affordable for us all.

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HILDA L. SOLIS HOLLY J. MITCHELL LINDSEY P.HORVATH JANICE HAHN KATHRYN BARGER



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37.	72-F,75	75 <b>Favor</b>	Andrew Davidov	My name is Andrew Davidov, a resident of Supervisor District 1. According to Better Neighbors LA, there are over 2,600 unhosted short-term rentals across unincorporated LA County. Unhosted short-term rentals take up valuable housing stock that may otherwise be available to long-term residents. The proposed Ordinance will help safeguard housing for our families and friends who want to remain in the LA communities they love.				
			Andrew Good					
			Angel Mortel					
			Angila Romious					
							Ann Dorsey	A part of addressing the homelessness crisis must be preserving housing for long-term use to prevent displacement in the first place. The Short-Term Rentals Registration Ordinance will do just that by ensuring the primary use of housing is housing and protecting rent-restricted units for those who need them the most. Please protect our community members at risk of displacement and approve the Short-Term Rentals Registration Ordinance. Thank you.
			Brady Collins					
			Brian Olney	My name is Brian Olney, a resident of Supervisor District 5. "Studies show short-term rentals contribute to increases in rent and displacement. This Ordinance will place strong regulations on short-term rentals to protect long-term housing for tenants and potential homeowners.  According to Better Neighbors LA, there are over 2,600 unhosted short-term rentals across unincorporated LA County. Unhosted short-term rentals take up valuable housing stock that may otherwise be available to long-term residents. The proposed Ordinance will help safeguard housing for our families and friends who want to remain in the LA communities they love. At least 54 of the 88 incorporated cities across LA County have some form of regulations on short-term rentals. However, residents in unincorporated LA County have no form of relief from the impacts of short-term rentals due to virtually no regulations on the books. I support the Short-Term Rentals Registration Ordinance because it will help protect residents in unincorporated LA County from the threat of displacement due to short-term rentals.				

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37.	12-17,13	72-F,75 <b>Favor</b>	Christina M Dirkes	Hello Supervisors, my name is Christina Dirkes and I volunteer with NoHo Home Alliance, and a resident of District 3 - my supervisor is Lindsey Horvath. I'm a renter in Los Angeles, and I urge the Board of Supervisors to pass the Short-Term Rentals Registration Ordinance because studies show short-term rentals contribute to increases in rent and displacement; my sister is a realtor and I've seen it myself: investors are buying up properties to use as AirBnBs and then the people of LA have nowhere to live. Rent goes up exponentially. No one can buy. This Ordinance will place strong regulations on short-term rentals to protect long-term housing for tenants and potential homeowners. Please safeguard our housing for our long-time community members and vote YES on the Short-Term Rentals Registration Ordinance. Thank you.
			Cornelia Dai	My name is Cornelia Dai, a resident of Supervisor District 5. Without regulation, there is no way to protect the interests of current and prospective homeowners and the general public from the adverse effects of short-term rental activity. Indeed, the data showing the negative effects cannot be disputed. Thus, there is no good reason not to move forward with passing this short-term rental law as has been done in the City of Los Angeles and other jurisdictions.
			David Hannum	I'm David Hannum. I spent two years renting an apartment in Marina del Rey and another eight renting an apartment in Torrance. In that time, my rent has skyrocketed, driven in part by the proliferation of short term rentals throughout Los Angeles County. The majority of residents of LA County are long-term renters and we need economic relief. Short-Term rentals reduce the available stock of housing and allow my landlord to squeeze more dollars from my paycheck every month. Please support the registration ordinance to protect the majority of your constituents.
			Deborah K Lopez	
			Debra Mendez	
			Debra L Mendez	Hello Supervisors, my name is Debra Mendez and I am with Pomona Economic Opportunity Center and a resident of District 1.  As a homeowner and resident of Los Angeles, I urge the Board of Supervisors to pass the Short-Term Rentals Registration Ordinance because studies show short-term rentals contribute to increases in rent and displacement. This Ordinance will place strong regulations on short-term rentals to protect long-term housing for tenants and potential homeowners. Please safeguard our housing for our long-time community members and vote YES on the Short-Term Rentals Registration Ordinance. Thank you.

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			The following individu	als submitted comments on agenda item:
Agenda #	Relate To	Position	Name	Comments
37.	72-F,75	Favor	Denise Overstreet	See attached. Please vote in favor of this ordinance. Short-term rentals are a nightmare for our community.
			Elbert Newton	
			Elizabeth Hernandez	My name is Elizabeth Hernandez, and I am a resident of Supervisor District 1. According to Better Neighbors LA, there are over 2,600 unhosted short-term rentals across unincorporated LA County. Unhosted short-term rentals take up valuable housing stock that may otherwise be available to long-term residents. The proposed Ordinance will help safeguard housing for our families and friends who want to remain in the LA communities they love.
			Esme G Reyna	Hello Supervisors, My name is Esme and I am with Los Angeles Tenants Union. I urge the Board of Supervisors to pass the Short-Term Rentals Registration Ordinance because at least 54 of the 88 incorporated cities across LA County have some form of regulations on short-term rentals. However, residents in unincorporated LA County have virtually no form of relief from the impacts of short-term rentals due to minimal regulations. I support the Short-Term Rentals Registration Ordinance because it will help protect residents in unincorporated LA County from the threat of displacement due to short-term rentals. Please take this important step to preserve housing for long-term residents and approve the Short-Term Rentals Registration Ordinance. Thank you, Esme Germaine Reyna
			Estefany Castaneda	
			Gabriela Ambriz	I support this ordinance because it will help protect residents from the threat of displacement due to short term rentals

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37.	72-F,75	Favor	Griffin Thorne	Hello Supervisors, My name is Griffin Thorne and I am a resident of District 1. You don't need me to tell you that Los Angeles is facing an unprecedented housing affordability crisis. The rapidly rising cost of rent county-wide has increasingly been a growing shadow of pressure and worry in my life. Will I be able to earn enough to live in a modest home? What will I do if my current housing is taken off the market? It feels like my current home is one of a shrinking number of rafts in an ocean. It casts serious doubt that my life will be manageable and sturdy in LA, or that I will be able to call this place home in the future. However, at this time I feel the need to shift the focus off of myself and on to others going through the same or worse hardship. I would say "countless others," were there not numbers to see for ourselves:  A study published this year by the UCLA Latino Policy and Politics Institute Latino Data Hub found that 54% of all renters in Los Angeles County are rent burdened. That is 2.7 million people. The rental market is not working for the majority of us. In addition: just last month, LA County held the 2024 Greater Los Angeles Homeless Count. While results will not be released until later this year, the 2023 count found that over 75,000 human beings across LA County were experiencing homelessness.  Unhosted short-term rentals are only contributing to this rental affordability crisis. Since 2019, the number of unhosted short-term rentals has grown 95%, now totaling 2,681. As more and more housing units are removed from the long-term rental market, fewer units are available to long-term tenants, thus decreasing the supply amidst continued demand. As a renter and resident of Los Angeles, I urge this board to protect our long-term housing stock four our communities, to ensure the primary use of housing is housing, and to protect rent-restricted units for those who need them the most. I urge the board to protect the people who live and rent in our communities as well as our communities' most vul

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37.	72-F,75	Favor	Homeowners In The Santa Monica Mountains North Area	We urge you to reconsider the timing of the STR ordinance and implement it in the Santa Monica Mountains North Area immediately as originally planned. We have already left STRs unregulated in our very high fire severity zone for far too long and waiting even longer raises significant safety and liability concerns for residents and the County.
				Rationale: 1. Topanga currently operates with two very different sets of zoning regulations and policy rules for North Area vs. Coastal zoned residents. This has never been an issue and homeowners simply need to accommodate to what their zone requires if they are building, renovating, boarding horses, landscaping, etc. There is nothing new with different STR regulations across the canyon.
				2. We live in a very high fire severity zone. It is far better to implement a policy that is safer for many of us than wait AT LEAST 1-2 years for a policy to be present in our dangerous area.
				3. Many cities with Coastal zones operate with different sets of policies (Manhattan Beach, Huntington Beach and Santa Barbara to name a few examples) - it does not appear to be a problem while they are pursuing agreed upon ordinances with Coastal coordination.
				4. Finally, we have a deep concern that this will delay any STR regulation at least 2 years and maybe longer. On Nov. 23, 2020, the Malibu City Council adopted Ordinance No. 472, the Hosted STR Ordinance, to establish provisions to regulate the short-term rental of property citywide. The Hosted STR Ordinance regulations cannot go into effect until the associated amendments to the City's Local Coastal Program and Land Use Plan are certified by the California Coastal Commission (CCC). There has been no STR regulation in Malibu whatsoever for over 3 years since the original draft of the plan. This poses a tremendous fire and safety danger to their community and this could well be the situation for Topanga as well.
			Hugo Soto-Martinez	
			Isela Barrios	My name is Isela Barrios, a resident of Supervisor District 2. At least 54 of the 88 incorporated cities across LA County have some form of regulations on short-term rentals. However, residents in unincorporated LA County have no form of relief from the impacts of short-term rentals due to virtually no regulations on the books. I support the Short-Term Rentals Registration Ordinance because it will help protect residents in unincorporated LA County from the threat of displacement due to short-term rentals.

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37.	72-F,75	Favor	Favor	F,75 Favor	72-F,75 <b>Favor</b>	Joan Harper	My name is Joan Harper and a resident of District 5. As a homeowner and resident of Los Angeles, I urge the Board of Supervisors to pass the Short-Term Rentals Registration Ordinance because studies show short-term rentals contribute to increases in rent and displacement. This Ordinance will place strong regulations on short-term rentals to protect long-term housing for tenants and potential homeowners. Please safeguard our housing for our long-time community members and vote YES on the Short-Term Rentals Registration Ordinance. Thank you.
			Joseph D Pepper	Writing IN FAVOR of County ordinances for regulating Short-Term Rentals in the County Unincorporated areas. Sadly?, as a resident of Marina del Rey? (MDR), these ordinances will not immediately apply to the housing stock is? that is concentrated in 17 multi-family residential?projects with over 7,000 rental housing units subject to the Rent Stabilization Ordinance (RSO) of 1979 with the exception of 600 condominium units. Many residents are vexed by abuses of the home-sharing commerce platforms such as Airbnb and VRBO?AS NOT A SINGLE? RESIDENT OF MDR IS ENTITLED?TO OFFER A SHORT-TERM RENTAL of their unit for a period of less than 30 days? that turn the homes into de facto hotel room?s. The reason is that the rent stabilized units cannot offer market rate short-term rentals and the Unit Owners of the 600 condominium units are prohibited by the CC&R's from rentals of less than 30 days.			
				?The short-term online rental unit aggregators including Airbnb and VRBO are the villains in this sad story as they serve as enablers of lease-breaking of rental units and unlawful rentals of condominiums by hiding behind Section 230 - "We didn't know, we leave it to the hosts to color between the lines." At minimum, the behavior of the online home-sharing commerce platforms could be described as tortious interference by offering an online marketplace for short-term rentals that violate the anti-subleasing provisions in standard apartment house leases and the CC&R's of the condominium associations.			
				If the foregoing is correct, then why do platforms such as Airbnb and VRBO show short-term rentals available in the Marina del Rey as I write and even go so far as marking the listings with pins on a map? The behavior of these short-term rental aggregators is reprehensible and the ordinances should go much further.			

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37.	72-F,75	Favor	Joy Langford	Please implenemt this ordinance to stop greedy landlords from displacing hard working long term rental residence in favor of STRs. They are creating blithe in our communities and welcoming crime and illicit behaviors such as littering, drinking alcohol outside, loitering and unsavory people gathering. We are hard working Homeowners and landlords in the area trying to provide long term housing at a fair price to hard working people. STRs are displacing many people illegally since they are being put out of their homes under the guise of Owner Occupied. The owner them rents the unit as a STR. This does not create community, it tears it down. Hotel workers are being displaced as well. When people come to town theychoose to pack too many people in a STR to save money that should go to hotels so that they can pay their stricking workers a living wage.  Ligitimate property owners are begging for relief for the County supervisors. We no longer feel safe living next to these STRs and it's not fair to those of us that actually pay property taxes to live in safe neighborhoods. The amount of money the county would make on the transient tax is not suffice and certainly not fair to property tax payers. WE alsready pay alot in taxes.  Please follow the lead of Hawaii, Italy and may other communities around the globe that find Air BnB and other such services an invasion.
			Julia Glendale Tenants Union	
			Karen Stasevich	The cost of housing, both to people who are trying to buy their own home and renters, is so high, and the inflation of housing costs due to short-term rentals is unconscionable anything and everything must be done to reverse this trend.
			Laura Friedman	
			Maria del Pilar Avalos	
			Maria Lopez	
			Maria E Durazo	

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37.	37. 72-F,75	Favor	Mariana Uribe	Hello Supervisors, my name is Mariana Uribe and I am a resident of City Council District 4. I urge the Board of Supervisors to pass the Short-Term Rentals Registration Ordinance because according to Better Neighbors LA, there are over 2,600 unhosted short-term rentals across unincorporated LA County.  Unhosted short-term rentals take up valuable housing stock that may otherwise be available to long-term residents. The proposed Ordinance will help safeguard housing for our families and friends who want to remain inthe
				LA communities they love. As a longtime resident of Los Angeles County, I ask you vote to approve the Short-Term Rentals Registration Ordinance and keep these property owners in check, for the sake of the city and its inhabitants. Thank you.
			Marissa Ayala	
			Melissa Manousos	I am a renter in Los Angeles and short-term rentals significantly increase rental costs and further push our unhoused neighbors further away from being able to afford housing in the city. I urge the Board of Supervisors to pass the Short-Term Rentals Registration Ordinance because studies show short-term rentals contribute to increases in rent and displacement. This Ordinance will place strong regulations on short-term rentals to protect long-term housing for tenants and potential homeowners. Please safeguard our housing for our long-time community members and vote YES on the Short-Term Rentals Registration Ordinance. Thank you.
			Nancy Hanna	My name is Nancy Hanna and I am a resident of Supervisor District 1-Housing is critical to the health, safety, and well-being of everyone. The County should prioritize housing for residents and not allow units to be used for short term rentals.
			Nancy H Ibrahim	
			Nithya Raman	
			Pamela Agustin- Anguiano	
			Rebecca Ayala	
			Rene C Moya	
			Roberto Garcia- Ceballos	
			Ryan Bell	
			Scarlet Peralta	

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37.	72-F,75	Favor	Shanti Singh	
			sonia Roman	Short term rental ordinance and rules are needed to protect the safety, peace and clean community from any type pf pollution
			Tany Ling	Hello Supervisors,  My name is Tany Ling, and I am a resident of District 1. As a homeowner in Los Angeles, I urge the Board of Supervisors to protect residents and pass the Short-Term Rentals Registration Ordinance. I have lived in the County of Los Angeles for 26 years and love the sense of community and mutual support I have with my neighbors. However, the growing short-term rental industry in LA County has turned thousands of homes into tourist accommodations, and in the process hallowed out our beloved communities. This ordinance will establish strong and balanced regulations to ensure our neighborhoods are filled with NEIGHBORS who have a stake in the community, not tourists who are here for only a few days at a time.  For these reasons, I urge the Board of Supervisors to pass the Short-Term Rentals Registration Ordinance. Thank you.
			Valeria De Gonzalez	My name is Valeria De Gonzalez, a resident of Supervisor District 2. As a homeowner I want to preserve the character and charm of my community. I want to know that my neighbors are invested in keeping the area safe and clean. I don't want to worry about noise, parties, and having conflict with strangers. I am also worried that many of my family and friends have been priced out of buying a home in the area and worry that short term rentals are only going to make the affordability problem worse.
			Victor Gordo	
			Victoria Camacho	My name is Victoria Camacho, a resident of Supervisor District 1. I urge the Board of Supervisors to pass the Short Term Rentals Registration Ordinance because according to Better Neighbors LA, there are over 2,600 unhosted short-term rentals across unincorporated LA County. Unhosted short-term rentals take up valuable housing stock that may otherwise be available to long-term residents. The proposed Ordinance will help safeguard housing for our families and friends who want to remain in the LA communities they love.

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37.	72-F,75	Favor	Zoe J Fried	Hello Supervisors, my name is Zohara Fried and I am a resident of District 5/Kathryn Barger.  As a renter and resident of Los Angeles, I urge the Board of Supervisors to pass the Short-Term Rentals Registration Ordinance because studies show short-term rentals contribute to increases in rent and displacement. This Ordinance will place strong regulations on short-term rentals to protect long-term housing for tenants and potential homeowners. Please safeguard our housing for our long-time community members and vote YES on the Short-Term Rentals Registration Ordinance. Thank you.
		Oppose	Alan T Zorthian	I am voicing my opinion in opposition to the restrictions on short term rentals. There does not seem to be an item for that on this list. The closest one I see is Amending County Code Title 7
			B Citizen	
			Brittany Alex	
			Chujun Wang	
			Chunming Zhang	
			Dillon Wang	
			Floyd Alex	
			Franklin Jameson	Please re-consider in allowing ADU for short-term rentals when the main house is used as a primary residence. I need this additional income to support my family of 4 and to keep our home. We cannot move into our ADU since the space is too small. We would also never rent it to a long-term tenant since we need the flexibility of in-laws visiting to assist with child care. Please consider allowing ADU for short-term renters when the main house is used as a primary residence. Thank you
			Joanne K Kouchi	
			Joanne K Kouchi	Subject: Strong Opposition to Proposed Short Term Rental Ordinance Dear Board of Supervisors, I am writing to express my strong objection to the proposed short-term rental ordinance that aims to eliminate vacation rentals in the unincorporated areas of Los Angeles County. As a dedicated community member and homeowner in this county, I firmly believe that this restrictive ordinance will have severe negative consequences on not only myself and

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other STR hosts but also for countless local businesses in the area that provide food and services for our guests.

First and foremost, vacation rentals have become a significant part of our local economy. By renting out their properties, homeowners can supplement their income and

support their families, as well as contribute to the economic growth of the region. Many

residents rely on the financial benefits from short-term rentals to cover mortgage payments,

property taxes, home improvements and other essential expenses. Eliminating vacation rentals

would leave numerous families in financial distress, burdening them with the prospect of

potential foreclosure or displacement. In addition to economic impacts, vacation rentals attract tourism to our beautiful county. The diverse attractions, including breathtaking landscapes, historical sites, and nearby events, bring visitors from far and wide, boosting local businesses and contributing to job creation in sectors such as hospitality, food services, and transportation. Tourists play a vital role in stimulating our economy, generating tax revenue that helps support essential public services, infrastructure development, and numerous community projects. Furthermore, homeowners who utilize short-term rentals must adhere to a set of regulations and taxation protocols, ensuring that revenues generated from these activities

contribute further to the county's welfare. These taxes play a key role in funding crucial public services, local schools, and infrastructure improvements that benefit both residents and tourists alike.

Rather than imposing a blanket ban on vacation rentals, I encourage the Board to consider an approach that balances the interests of the residents, the tourism industry and the local economy. Introducing reasonable regulations, such as proper licensing,

health and safety inspections, and noise control measures, would allow us to address any

potential concerns without entirely eliminating this valuable economic resource. Collaboration

with existing platforms, such as Airbnb, to implement self-regulation practices and address

problems as they arise, would also be a more effective approach rather than prohibiting

vacation rentals outright. The purpose of this ordinance was to allow for the efficient use and rental of homes and to prevent the erosion of housing stock and I feel this is highly unfair to put this burden on small mom and pop landlords! This ordinance if adopted takes away my livelihood. Vacation rental hosts are not the ones whose responsibility is solving our city's lack of housing problems. Vacation rentals make up only 1% of our state's rental market. These homes are not affordable low cost housing which is what we need to solve our housing shortage. Vacation rental owners are not the ones that will solve the housing shortage! During the Pandemic when I had a long



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	term renter at the home and my renter didn't pay their rent, I felt betrayed by my county when I was legally forced to let them live there without paying rent! Landlords are not all rich and is it fair to place this burden on us to keep people housed? The county's responsibility is being placed on many small mom and pop landlords and it put an extreme financial strain on my family that we still have not recovered from. Turning my home into a vacation rental was a positive solution to earn money to pay back my debts and losses that I incurred during the pandemic including the costs to bring my home back to its beautiful current condition. My short term rental has improved my neighborhood by my consistent maintenance of my home and by bringing people to a place where they can enjoy their vacation often near their relatives or friends who are local residents, where they can enjoy the local farmers markets and businesses, and have a vacation in a private home where they can cook their own meals and enjoy what my lovely community has to offer. I have never had a single complaint by a neighbor for noise or any other matter. My property management company does a fantastic job of vetting guests to ensure that both the host and the guests have a mutually favorable experience. If there was ever a case where a guest was having a party or doing something that affected the neighbors, they would be immediately asked to leave by the management company due to breaking the agreement of their contract. Because they are short term rental guests, they do not have the rights of tenants and cannot be a squatter. Legally they would be trespassing if they do not leave if such an occurrence were to happen. Collectively, I believe we can identify creative solutions that ensure the continued success of our local economy rather than outlawing vacation homes for short-term rentals. In conclusion, I implore you to reconsider the proposed short-term rental ordinance that seeks to end vacation rentals in the unincorporated areas of Los Angele
Julie Howell	As long as units are owner occupied and legal. It brings a tremendous amount of business to our local shops, as there are no hotels operating in Topanga Canyon. A licensing fee is fine, but these restrictions are onerous and why only for unincorporated LA. This will make long term residents have to move because they won't be able to pay the mortgage. So, all we'll have are people wealthy enough to buy 2 million dollar homes. It will ruin the character of this town to restrict rentals.
Kenneth E Gruberman	This ordinance, as currently written, has serious flaws and will hurt people like



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	us: responsible hosts who depend on Airbnb income to stay in our homes! While the Hotel Lobby has bankrolled many people in favor of this measure, we who are opposed are on our own. This is even more infuriating when you consider there are NO hotels or motels in Altadena, where we live! Does it make sense to "alleviate the housing shortage" by throwing us out of our homes? That's what will happen if this ordinance passes without any amendments. I urge you to include Supervisor Horvath's amendment and also consider adding an exemption for people over 70 who reside in their homes full-time while hosting Airbnb guests so they can keep paying their mortgages! With a line item that considers the number of hotels / motels in the area. The wording would be simple and easy to do. No one wants a "party house" in their neighborhoods, us included. We are asking for some common sense when it comes to people like us so we can all avoid the debacle in New York when Airbnb was banned; instead, it was driven underground, and nothing changed. As written, this ordinance will have a similar result. Thank you.
Kennice Pierson	Please do not consider passing this ordinance. It will negatively impact small mom and pop landlords.
Keven Barney	This is an attack on mom and pop landlords. Please do not pass this ordinance.
Kimberly Gustafson	I urge you to vote against the proposed ordinance. This will have a detrimental impact on the community, reducing affordable vacation places in the Santa Monica Mountains for younger people, reducing tourism money spent, reducing the amount of TOT collected, and taking away from residents the joys of the hosting experience!!  If you define "hosted stay" as one where the host is staying in an ADU while guests are in the primary residence, then the reverse MUST be true! If the host is in the primary residence and the guest is in the ADU it must also be considered a "hosted stay". In both situations the host is onsite the same distance from the guests for the same amount of time. There is a greater risk of parties and neighbor complaints in my opinion in the first scenario due to the size of rented space being much larger!!  Please protect your residents who truly strengthen tourism and positive experiences in our area by voting against this ordinance.  Thank you, Kimberly
Lia Pilla	I urge you to reconsider the proposed short-term rental ordinance. Our ability to host directly supports our families, allowing us crucial time with our children and avoiding the strictures of 9-5 jobs. We are committed to our communities, paying significant taxes that benefit the city and making substantial investments—up to \$30,000—in our properties to ensure they are comfortable and safe for guests.  Contrary to outdated beliefs, we do not permit disruptive behavior. Such incidents harm not only our relationships with neighbors but also our financial investment, as dealing with damages is both costly and stressful. We care



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-
deeply about our communities and advocate for responsible hosting protocols that do not limit hosting days. By working with experienced hosts, we can develop guidelines that protect neighborhood harmony while also supporting the economic benefits short-term rentals bring to Los Angeles County. Please consider a balanced approach that allows us to contribute positively to our communities and economy.
This is a terrible idea. People need the income generated from rentals. It will be bad for commerce in Topanga Canyon. Thank you.
This "one size fits all" ordinance will hurt many in Altadena, who rent out small guest houses on their primary residence properties both to earn money and as a valuable service in a town without a SINGLE hotel room. The overnarrow definition of "hosted stay" which doesn't allow people to host on their primary residence property unless it is within the walls of their home is a draconian "taking" and makes no sense. Renting out short term a small back or pool house, or over the garage flat that you would never consider for long term tenants, will have ZERO impact of LA's homelessness problem. Instead, it removes an income stream from mostly elderly couples, widows, and divorces who are able to stay in their homes only with this extra money. These spaces to provide a great service to those visiting family and friends in Altadena, who wish to avoid the 10 mile car trip, pollution, and much more expensive hotel rooms, of Pasadena. I ask the BoS to please work further to create a fair definition of "hosted stays" before passing this terrible affront to property owners' rights in their own homes.
I don't see the monthly payment for the annual registration fee. \$76.00 a month x 12 months is equal to \$912 a year. Low-income: \$60.00 a month x 12 months is equal to \$ 720 a year
I oppose this measure in its restrictive form. Many residents rent out an ADU on their property to supplement their family income. Please consider allowing ADUs.
I am a contractor and many of my jobs are for people who own and run Short term rentals. I find that they improve their community because they keep their properties well maintained. These properties bring many people who travel with children and pets and want a different kind of experience than that of a hotel. STR hosts also employ local house cleaners and yard maintenance companies that rely on their business. I have done work on homes that have been damaged by long term renters and see how Short term renting is favorable for many homeowners. Allowing landlords who rent one home is not the same as big corporations that buy up hundreds of rentals and make them into short term lodging. The STR homes that I personally see are mostly single family homes and they are not the affordable homes that are needed. I don't see how this ordinance can be a solution to our affordable housing shortage/crisis here in the unincorporated LA County. Please do not pass this ordinance, it will be a mistake and harm my business as well as many local



MEMBERS OF THE BOARD

HILDA L. SOLIS HOLLY J. MITCHELL LINDSEY P.HORVATH JANICE HAHN KATHRYN BARGER

#### **Correspondence Received**

Correspondence Received					
	small business owners that are helped by local tourism in places that STR's provide.				
Robin Barton	To Whom It May Concern,				
	I am in opposition to the proposed ordinance for short term rental.				
	In particular the portion making the primary residence the only allowable short term rental. The inability to use a guest house as a short term rental severely impacts an owners ability to make extra income that helps them to continue to live in their home. The majority of owners will never lease their guest house to a long term tenant. It is a guest house so you can have guests when they would like to have guests and not be forced to become a landlord. Being restricted to only using your primary residence for short term rentals means that only the very wealthy who own a 2nd home are able to rent short term without a significant impact to their lifestyle because if you live in your home you have to move out to accommodate the short term renter. In addition, if the property is unhosted, it leaves the property vulnerable to unauthorized parties as no one is around to supervise the rental.				
	I am also against limiting the number of nights stay per year to 90. The marke self dictates the number of nights that are rented and most properties will rent for well less than 40% of available days.				
	Please reconsider these items in your short term rental ordinance, allow guest houses to be used and allow the market to dictate the total number of nights a property is rented.				
	Thank you for your consideration.				
Scott Young	California housing production has not kept pace with the growing population. Between 2010 and 2020, California's population grew by 2.4 million people, but only 660,000 housing units were added. Banning STR of vacation homes will not solve our housing problems and this hurts small mom & pop property owners like me who depend on the income STR's provide. Many local and small businesses also benefit from the local tourism brought in by STR's. Taxes paid by hosts provide needed income to support our local infrastructure as well. Vacation rentals are mostly single family homes and luxury apartments they are not affordable housing that is needed. Please do not pass the STR ordinance it may lead to higher rents as it will not add to the long term housing stock that people are led to believe.				
Susan Dantuono	This ordinance, as currently written, has serious flaws and will hurt people like me: responsible hosts who depend on Airbnb income to stay in our homes! While the Hotel Lobby has bankrolled many people in favor of this measure, we who are opposed are on our own. This is even more infuriating when you consider there are NO hotels or motels in Altadena, where we live!				



MEMBERS OF THE BOARD

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# **Correspondence Received**

Tiffny Barney  Tiffny Barney  This ordinance is not needed. It is an unfair attack on landlords and l'm house cleaning this Caine of business help me to Support my family of 4 persons two in college edge and one on ele school, this business hi me the opportunity of be a útil in this socie a work afther a strong sicknes like cancer,  Zhengxun Wang  Other  Jyoti Drummond  Good day City Council members,  I am writing as an owner and part time resident of Malibu unincorpor county and primary resident of Malibu. In April of 2018 my husband became totally disabled. He has not been able to work since then. I been renting out our primary residence in Malibu during the summer monthly basis when we go out of the country (to stay with family in and the UK) for a few months. We rent out our home in unincorpor county in Malibu short term for no longer than 90 days. We have no regulating short term rentals but if they are going to be limited to on one rental we see no reason why you must add the "must be a prin resident" factor in the ordinance. This will take away any possible fer occupancy taxes the county would be able to charge and we both we valuable and important income that keeps us surviving. We have no any noise/nuisance issues or complaints on either of our rentals. We you can take away this one small requirement so we can make end Otherwise I suppose we'd have to put the other house in my 18 year.	nary ees and vould lose ever had e hope to rent out ds meet.
guests. Maybe add wording that allows ADUs with private guest paths street, size not allowable for parties, etc. Thank you  Tiffny Barney This ordinance is not needed. It is an unfair attack on landlords and I'm house cleaning this Caine of business help me to Support my family of 4 persons two in college edge and one on ele school, this business hi me the opportunity of be a útil in this socie a work afther a strong sicknes like cancer,  Zhengxun Wang	l, Colin, We have er on a Canada ated la o problem
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guests. Maybe add wording that allows ADUs with private guest pa the street, size not allowable for parties, etc. Thank you	mentary ty and get
	I hosts.
Supervisor Horvath's amendment doesn't make sense. While I approximate consideration, I ask why would I want to stay in my ADU when host guest. My ADU is just 10 steps away from my house. What's the consideration I stay in my main house vs the ADU?  I would ask for a grandfather clause or consider adding an exempting people over 70 who reside in their homes full-time while hosting Air	ing a lifference on for bnb

			The following individuals submitted comments on agenda item:			
Agenda #	Relate To	Position	Name	Comments		
72-F.		Oppose	Alan T Zorthian	I am voicing my opinion in opposition to the restrictions on short term rentals. There does not seem to be an item for that on this list. The closest one I see is this one and item 37		
			Carmen G Sanchez			
			herbert simmons	Short term rental regulation impose on our 4th amendment rights under the Constitution for the United States to be safe and secure in our own property, especially when there is a very expensive mortgage to pay. High mortgages and high interest rates forced me to seek additional ways to pay the mortgage when the regular rental market did not support it. I was personally forced me into bankruptcy when I could not pay the note. I was able to save my home and restructure and pay back my debt through short term vacation rental leasing. The proposed regulations are not only are an infringement they will greatly disrupt many homeowner's like myself ability to pay and force us to sell our property overloading and depressing the local real estate values which will further force the local economy into a recession creating the opposite of the affect intended.		
			Jeremiah Small	The proposed ordinance was created to address consumption of affordable housing and nuisance party-houses caused by short term rentals. The proposed ordinance accomplishes this by imposing a de facto ban on short term rentals.  This ordinance is a draconian restriction on small businesses in unincorporated LA County. It is bad for residents and bad for local		
			Juan Zhou	businesses. Please vote no on this unwanted and unnecessary legislation.		
		Other	Alan Eigen	I think your proposed rules are reasonable with two exceptions:		
			_	I support the proposed amendment. To allow hosts to live in an onsite ADU and rent out the main house.		
				2. The proposed cap of 90 days per year is too restrictive. Most just rent weekends. There are 4 weekends per month for a total of 8 weekend days per month. 12 months in a year. That equals 96 Friday and Saturdays in a year. That should be the minimum. It would be nice to be able to accommodate some non weekend rentals so I propose a revised cap of 120 days in a year.		
		Item Total	7			
Grand Total			91			



Feb 29, 2024

Dear LA County Board of Supervisors,

The Eastside LEADS Coalition writes to you in strong support of the proposed amendments to County Code, Title 7 to regulate short-term rentals (STRs). As the state's homelessness crisis continues to worsen, it's vital that the Board of Supervisors (the "Board") take the necessary precautions to protect the housing supply in unincorporated Los Angeles County from conversion to tourist accommodations. The County's proposed Ordinance (the "Ordinance") includes common-sense STR regulations that will protect unincorporated Los Angeles' housing stock and residents; and hold accountable both hosts and platforms for any infractions of the Ordinance. An ordinance regulating STRs is also consistent with the Board's recent efforts to further protections for renters, as renters are some of those most at risk of displacement from STRs.

At Eastside LEADS, our mission is to secure resident control of investment and development decisions in all Eastside communities (unincorporated East LA, Boyle Heights, Lincoln Heights, and El Sereno) without displacing long-time residents.

According to Better Neighbors Los Angeles, data indicates that there are 3,780 STR listings advertised on Airbnb across unincorporated LA County. The County CEO's website estimates that over one million of LA County's residents live in unincorporated parts of the County – about 10% of the population. It's vital that these residents are afforded the same housing protection that residents in other cities within the County receive.<sup>2</sup>

There exists a substantial body of research on STRs indicating that short-term rentals contribute to increased rent and home prices, which can often lead to displacement of residents and community members. For example, Professor David Wachsmuth at McGill University estimates that STRs have raised rents for the average renter by \$810 per year in the City of Los Angeles.<sup>3</sup> Furthermore, an article by Luisa Godinez-Puig and Jorge Gonzalez-Hermoso highlights the clear equity concern associated with rising rents, as Black and Latinx residents are more likely to rent than own.<sup>4</sup> The removal of units from the long-term market at the hands of STRs undoubtedly disproportionately impacts Black and Latinx residents across unincorporated LA County. According to the National Low Income Housing Coalition("NLIHC"), 54% of households in LA County were renter households from 2017-2021. Furthermore, NLIHC's most recent "Out of Reach" report found that, on average, the fair market rent for a two-bedroom in LA County costs \$2,222 per month, requiring a 2.5 minimum wage jobs per household.<sup>5</sup> As the

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County works to strengthen tenant protections, regulating short-term rentals must be viewed as another necessary tool needed to safeguard housing.<sup>6</sup>

While we support the Ordinance as a whole, we would like to express our strong support for a few specific provisions:

Holding Platforms Accountable. Vital to the success of any STR regulation is that hosting platforms are held accountable for facilitating the booking of illegal STRs. The Ordinance allows the County to impose fines of up to one thousand dollars per violation per day on hosting platforms for completing illegitimate booking transactions. The County's enforcement of this provision of the Ordinance will create incentive for platforms to ensure that their users are operating in compliance with local regulations.

Protecting Rent-Restricted Units and ADUs. We additionally support the Ordinance's provisions to protect Accessory Dwelling Units ("ADU"s) and rent restricted units from conversion into STRs. The Los Angeles Homeless Services Authority's (LAHSA) 2023 Annual Homeless Count found that homelessness in LA County increased by 9% over the past year. The County's designated affordable and Section 8 housing, which is already limited in supply, should not be cannibalized so that property owners and developers may make more money. Additionally, prohibiting the use of ADUs as STR accommodation is ultimately consistent with the County's current ADU regulations and with statewide goals of increasing housing supply that inspired the legalization of ADUs.

Eliminating Commercial Operators. Restricting hosts to only one STR within unincorporated LA County will undoubtedly return several rental units to the market, in instances where hosts operate several STRs. According to our data, of the 2,053 hosts that advertise STRs on Airbnb in unincorporated parts of the County, 643 of them advertise multiple STR listings. Thus, if hosts were restricted to operating one STR, up to 1,727 units could be returned to the long-term rental market, reducing the STR population in unincorporated LA County by 9%. These commercial STR operations place additional strains on a region's housing supply and contribute to the increased cost of living that residents may face.

Support regional enforcement against "bait and switch." We believe that implementation of strong STR regulations across unincorporated parts of LA County will help to eliminate a common violation of the City of LA's HSO that Better Neighbors Los Angeles has observed.<sup>7</sup> Because the HSO similarly requires that hosts register their STRs, prohibits hosts from operating several STRs within the City, and restricts the use of housing units subject to the Rent Stabilization Ordinance (RSO) as STRs, unscrupulous hosts have begun to purport that their STRs are located outside of the City of LA. For example, a host with a property in Hollywood may advertise their unit as being located in West Hollywood, a host in Venice may advertise their unit as being in Marina del Rey, and so on. The City's enforcement software is not designed to

<sup>&</sup>lt;sup>6</sup> https://www.latimes.com/california/story/2023-07-11/la-county-new-renter-protections

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evaluate STRs that do not appear to be within City limits on hosting platforms, so hosts are able to falsify the address on the platform and message guests the correct address for their stay upon booking. We are hopeful that the implementation of regulations in unincorporated parts of the County will help to address this violation.

The STR regulations before the Board is an opportunity for the Board to take another step in protecting and preserving housing in unincorporated LA County. We support the Board's adoption of this ordinance, as it reaches a balance of protecting residents across the County from future displacement due to STRs and providing homeowners and renters with opportunities to use their homes for extra income as necessary. Should you have any questions, please contact Pamela Agustin, Eastside LEADS Coalition Director at pamela@eastsideleads.org .

Best,

Eastside LEADS





Feb 29, 2024

Dear LA County Board of Supervisors,

The Eastside LEADS Coalition writes to you in strong support of the proposed amendments to County Code, Title 7 to regulate short-term rentals (STRs). As the state's homelessness crisis continues to worsen, it's vital that the Board of Supervisors (the "Board") take the necessary precautions to protect the housing supply in unincorporated Los Angeles County from conversion to tourist accommodations. The County's proposed Ordinance (the "Ordinance") includes common-sense STR regulations that will protect unincorporated Los Angeles' housing stock and residents; and hold accountable both hosts and platforms for any infractions of the Ordinance. An ordinance regulating STRs is also consistent with the Board's recent efforts to further protections for renters, as renters are some of those most at risk of displacement from STRs.

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County works to strengthen tenant protections, regulating short-term rentals must be viewed as another necessary tool needed to safeguard housing.<sup>6</sup>

While we support the Ordinance as a whole, we would like to express our strong support for a few specific provisions:

Holding Platforms Accountable. Vital to the success of any STR regulation is that hosting platforms are held accountable for facilitating the booking of illegal STRs. The Ordinance allows the County to impose fines of up to one thousand dollars per violation per day on hosting platforms for completing illegitimate booking transactions. The County's enforcement of this provision of the Ordinance will create incentive for platforms to ensure that their users are operating in compliance with local regulations.

Protecting Rent-Restricted Units and ADUs. We additionally support the Ordinance's provisions to protect Accessory Dwelling Units ("ADU"s) and rent restricted units from conversion into STRs. The Los Angeles Homeless Services Authority's (LAHSA) 2023 Annual Homeless Count found that homelessness in LA County increased by 9% over the past year. The County's designated affordable and Section 8 housing, which is already limited in supply, should not be cannibalized so that property owners and developers may make more money. Additionally, prohibiting the use of ADUs as STR accommodation is ultimately consistent with the County's current ADU regulations and with statewide goals of increasing housing supply that inspired the legalization of ADUs.

Eliminating Commercial Operators. Restricting hosts to only one STR within unincorporated LA County will undoubtedly return several rental units to the market, in instances where hosts operate several STRs. According to our data, of the 2,053 hosts that advertise STRs on Airbnb in unincorporated parts of the County, 643 of them advertise multiple STR listings. Thus, if hosts were restricted to operating one STR, up to 1,727 units could be returned to the long-term rental market, reducing the STR population in unincorporated LA County by 9%. These commercial STR operations place additional strains on a region's housing supply and contribute to the increased cost of living that residents may face.

Support regional enforcement against "bait and switch." We believe that implementation of strong STR regulations across unincorporated parts of LA County will help to eliminate a common violation of the City of LA's HSO that Better Neighbors Los Angeles has observed.<sup>7</sup> Because the HSO similarly requires that hosts register their STRs, prohibits hosts from operating several STRs within the City, and restricts the use of housing units subject to the Rent Stabilization Ordinance (RSO) as STRs, unscrupulous hosts have begun to purport that their STRs are located outside of the City of LA. For example, a host with a property in Hollywood may advertise their unit as being located in West Hollywood, a host in Venice may advertise their unit as being in Marina del Rey, and so on. The City's enforcement software is not designed to

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evaluate STRs that do not appear to be within City limits on hosting platforms, so hosts are able to falsify the address on the platform and message guests the correct address for their stay upon booking. We are hopeful that the implementation of regulations in unincorporated parts of the County will help to address this violation.

The STR regulations before the Board is an opportunity for the Board to take another step in protecting and preserving housing in unincorporated LA County. We support the Board's adoption of this ordinance, as it reaches a balance of protecting residents across the County from future displacement due to STRs and providing homeowners and renters with opportunities to use their homes for extra income as necessary. Should you have any questions, please contact Pamela Agustin, Eastside LEADS Coalition Director at pamela@eastsideleads.org .

Best,

Eastside LEADS





Tuesday, December 5<sup>th</sup> 2023

Dear LA County Board of Supervisors,

The Alliance for Community Transit (ACT-LA) writes to you in support of the proposed amendments to County Code, Title 7 to regulate short-term rentals (STRs). As the state's homelessness crisis continues to worsen, it is critical that the Board of Supervisors take the necessary precautions to protect the housing supply in unincorporated Los Angeles County from conversion to tourist accommodations.

The Alliance for Community Transit – Los Angeles (ACT-LA) is a coalition of over 40 organizations, and strives to create just, equitable, sustainable transit systems and neighborhoods for all people in Los Angeles, placing the interest of low-income communities and communities of color first as we create a more sustainable region.

We support the Ordinance as a whole, and would like to highlight a few specific provisions that are critical to meeting our current housing crisis:

Protecting Rent-Restricted Units and ADUs. We support the Ordinance's provisions to protect ADUs and rent restricted units from conversion into STRs. The County's designated affordable and Section 8 housing, which is already limited in supply, should not be lessened in the interest of profits from property owners and developers. Prohibiting the use of ADUs as STR accommodation is ultimately consistent with the County's current ADU regulations and with statewide goals of increasing housing supply that inspired the legalization of ADUs.

Eliminating Commercial Operators. Restricting hosts to only one STR within unincorporated LA County will return many rental units to the market. According to current data, of the 2,053 hosts that advertise STRs on Airbnb in unincorporated parts of the County, 643 of them advertise multiple STR listings. Thus, through this change, up to 1,727 units could be returned to the long-term rental market. These commercial STR operations place additional strains on a region's housing supply and contribute to the increased cost of living that residents may face.

The STR regulations before the Board is an opportunity for the Board to take another step in protecting and preserving housing in unincorporated LA County. We support the Board's adoption of this ordinance, as it reaches a balance between protecting residents across the County from future displacement with providing homeowners and renters with opportunities to utilize their homes for additional income. Should you have any questions, please contact our Policy and Advocacy Coordinator, Marissa Ayala, at mayala@act-la.org



December 31, 2023

Dear LA County Board of Supervisors,

Pasadena Tenants Union writes to you in strong support of the proposed amendments to County Code, Title 7 to regulate short-term rentals (STRs). <sup>1</sup> As the state's homelessness crisis continues to worsen, it's vital that the Board of Supervisors (the "Board") take the necessary precautions to protect the housing supply in unincorporated Los Angeles County from conversion to tourist accommodations. The County's proposed Ordinance (the "Ordinance") includes common-sense STR regulations that will protect unincorporated Los Angeles' housing stock and residents; and hold accountable both hosts and platforms for any infractions of the Ordinance. An ordinance regulating STRs is also consistent with the Board's recent efforts to further protections for renters, as renters are some of those most at risk of displacement from STRs.

The Pasadena Tenants Union is an all-volunteer association of tenants and allies organizing against rising rents, evictions, and gentrification. Because, as tenants, we don't have control over our own housing, we fight together for agency over our communities and homes. We do this by being a part of the movement for tenants rights at the state, regional, and local level.

According to Better Neighbors Los Angeles, data indicates that there are 3,780 STR listings advertised on Airbnb across unincorporated LA County. The County CEO's website estimates that over one million of LA County's residents live in unincorporated parts of the County – about 10% of the population. It's vital that these residents are afforded the same housing protection that residents in other cities within the County receive.<sup>2</sup>

There exists a substantial body of research on STRs indicating that short-term rentals contribute to increased rent and home prices, which can often lead to displacement of residents and community members. For example, Professor David Wachsmuth at McGill University estimates that STRs have raised rents for the average renter by \$810 per year in the City of Los Angeles.<sup>3</sup> Furthermore, an article by Luisa Godinez-Puig and Jorge Gonzalez-Hermoso highlights the clear equity concern associated with rising rents, as Black and Latinx residents are more likely to rent than own.<sup>4</sup> The removal of units from the long-term market at the hands of STRs undoubtedly disproportionately impacts Black and Latinx residents across unincorporated

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LA County. According to the National Low Income Housing Coalition("NLIHC"), 54% of households in LA County were renter households from 2017-2021. Furthermore, NLIHC's most recent "Out of Reach" report found that, on average, the fair market rent for a two-bedroom in LA County costs \$2,222 per month, requiring 2.5 minimum wage jobs per household.<sup>5</sup> As the County works to strengthen tenant protections, regulating short-term rentals must be viewed as another necessary tool needed to safeguard housing.<sup>6</sup>

While we support the Ordinance as a whole, we would like to express our strong support for a few specific provisions:

Holding Platforms Accountable. Vital to the success of any STR regulation is that hosting platforms are held accountable for facilitating the booking of illegal STRs. The Ordinance allows the County to impose fines of up to one thousand dollars per violation per day on hosting platforms for completing illegitimate booking transactions. The County's enforcement of this provision of the Ordinance will create incentive for platforms to ensure that their users are operating in compliance with local regulations.

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Support regional enforcement against "bait and switch." We believe that implementation of strong STR regulations across unincorporated parts of LA County will help to eliminate a

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common violation of the City of LA's HSO that Better Neighbors Los Angeles has observed. Because the HSO similarly requires that hosts register their STRs, prohibits hosts from operating several STRs within the City, and restricts the use of housing units subject to the Rent Stabilization Ordinance (RSO) as STRs, unscrupulous hosts have begun to purport that their STRs are located outside of the City of LA. For example, a host with a property in Hollywood may advertise their unit as being located in West Hollywood, a host in Venice may advertise their unit as being in Marina del Rey, and so on. The City's enforcement software is not designed to evaluate STRs that do not appear to be within City limits on hosting platforms, so hosts are able to falsify the address on the platform and message guests the correct address for their stay upon booking. We are hopeful that the implementation of regulations in unincorporated parts of the County will help to address this violation.

The STR regulations before the Board is an opportunity for the Board to take another step in protecting and preserving housing in unincorporated LA County. We support the Board's adoption of this ordinance, as it reaches a balance of protecting residents across the County from future displacement due to STRs and providing homeowners and renters with opportunities to use their homes for extra income as necessary. Should you have any questions, please contact info@pasadenatenantsunion.org

Best.

R√va⁄n Bell

Kgon Bell

On behalf of the Pasadena Tenants Union

<sup>&</sup>lt;sup>7</sup> https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf

#### VIA Electronic Mail

Supervisor Holly J. Mitchell 500 West Temple Street, Room 866 Los Angeles, CA 90012

Dear Supervisor Mitchell,

We write in support of the County of Los Angeles' proposed Short-Term Rentals Registration Ordinance. As elected officials within your district, we recognize that short-term rental (STRs) regulations must be adopted to safeguard housing during the ongoing housing and homelessness crises.

STR regulations in unincorporated LA County will protect precious housing at this critical juncture. According to recent census data, 53.5% of LA County residents are renters. Professor David Wachsmuth of McGill University found that the proliferation of STRs has caused rents to increase \$810 per year for each rental unit in the City of Los Angeles since 2015. As a result renters are being priced out of the City of Los Angeles and look to rent in more affordable areas leading to a wave of migration across the region.

Renters in LA County, however, are already struggling to make ends meet. According to the National Low Income Housing Coalition, the hourly wage necessary to pay the rent of a typical two-bedroom apartment in unincorporated SD2 - \$2,200 per month - is \$42.31 an hour in LA County.<sup>3</sup> Communities in your district that already struggle with STRs also report above-average housing costs.<sup>4</sup>

STRs are also a significant driver of the homelessness crisis. According to the Los Angeles Homeless Services Authority, in 2022 there were 23,593 individuals experiencing homelessness in Supervisor District 2, the vast majority of which were unsheltered.<sup>5</sup> Residents in the City of Los Angeles have seen how short-term rentals contribute to displacement and homelessness. Professor Wachsmuth of McGill University found that commercial STRs have taken 2,500 homes off the long-term market and are responsible for more than 5,000 extra people experiencing homelessness each night in the City of Los Angeles.<sup>6</sup> Similar displacement is happening County-wide, pricing families and individuals out of their homes. According to an analysis by Better Neighbors LA, there are at least 850 unhosted short-term rentals currently

<sup>&</sup>lt;sup>1</sup> https://data.census.gov/table?q=housing+in+los+angeles+county&tid=ACSST1Y2021.S1101

<sup>&</sup>lt;sup>2</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf

<sup>&</sup>lt;sup>3</sup> https://nlihc.org/oor/state/ca

<sup>&</sup>lt;sup>4</sup> Data associated with zip code 90302, unincorporated Ladera Heights, shows that the hourly wage necessary to pay rent of a typical two-bedroom apartment (\$2,200 per month) is \$42.31 an hour: <a href="https://nlihc.org/oor/zip?code=9030">https://nlihc.org/oor/zip?code=9030</a>

<sup>&</sup>lt;sup>5</sup> https://www.lahsa.org/data?id=53-homeless-count-by-la-county-supervisorial-district-2015-2022

<sup>&</sup>lt;sup>6</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf

active on Airbnb in unincorporated SD2 alone. This means that at least 850 units have been removed from the housing stock just to be used as tourist accommodation. By approving the proposed regulations, you will further protect our communities across unincorporated LA County from displacement.

STRs also give rise to concerns about neighborhood character and quality of life. All around the County, residents must suddenly deal with commercial enterprises in the middle of their neighborhoods, bringing in rowdy parties, parking difficulties, high volumes of trash, loud noise, and guests that have no stake in safeguarding the community. Currently, residents have no course of action to deal with the problem. If passed, the proposed ordinance will address disruptive party houses and nuisance STRs.

The proposed ordinance will also bring the County into alignment with other cities in the region that have adopted reasonable regulations. This includes Los Angeles, West Hollywood, and Santa Monica, each of which have adopted strong regulations to protect residents and housing. Indeed, cities in your district including Carson, Compton, El Segundo, Gardena, Hawthorne, Hermosa Beach, and Inglewood have implemented specific STR restrictions much like those the Board of Supervisors are considering, such as requiring registration, banning unhosted STRs, including a primary residency requirement, protecting ADUs and rent-controlled units from conversion to STRs, and limiting the number of STRs one can operate. Others, including Culver City, Lawndale, Manhattan Beach, and Redondo Beach outright ban all STRs. Unscrupulous STR hosts with regulated units will often misrepresent their location to be in unincorporated LA County to circumvent local enforcement and take advantage of the County's lack of regulation. Implementing strong regulations on the County level will help enforcement in cities in your District, as well as protect the housing stock and communities of unincorporated LA County.

Amid this housing and houselessness crisis, protecting unincorporated LA County residents in your district from displacement due to STRs is an integral part of solving this regional issue. For these reasons, we urge you to pass the Short-Term Rentals Registration

<sup>&</sup>lt;sup>7</sup> Data on file with Better Neighbors LA.

<sup>&</sup>lt;sup>8</sup> Carson, Compton, El Segundo, Gardena, Hawthorne, and Inglewood all have short-term rental regulations. Carson: <a href="https://www.codepublishing.com/CA/Carson/html/Carson09/Carson09010202.html">https://www.codepublishing.com/CA/Carson/html/Carson09/Carson09010202.html</a> Compton: <a href="https://ecode360.com/35622209">https://ecode360.com/35622209</a> El Segundo: <a href="https://www.elsegundo.org/government/departments/community-development/short-term-home-sharing-rental-permit-pilot-program">https://eivyofgardena.org/wp-content/uploads/2023/09/ORD-NO-1854.pdf</a> Hawthorne: <a href="https://library.qcode.us/lib/hawthorne\_ca/pub/municipal\_code/item/title\_17-chapter\_17\_74-17\_74\_020">https://eivyofgardena.org/wp-content/uploads/2023/09/ORD-NO-1854.pdf</a> Hawthorne: <a href="https://library.qcode.us/lib/hawthorne\_ca/pub/municipal\_code/item/title\_17-chapter\_17\_74-17\_74\_020">https://eivyofgardena.org/wp-content/uploads/2023/09/ORD-NO-1854.pdf</a> Hawthorne: <a href="https://chapter\_17\_74-17\_74\_020">https://chapter\_17\_74-17\_74\_020</a> Hermosa

Beach: <a href="https://library.qcode.us/lib/hawthorne\_ca/pub/municipal\_code/item/title\_1/-chapter\_1/\_/4-1/\_/4\_020">https://library.qcode.us/lib/hawthorne\_ca/pub/municipal\_code/item/title\_1/-chapter\_1/\_/4-1/\_/4\_020</a> Hermosa Beach: <a href="https://www.hermosabeach.gov/our-government/city-departments/community-development/short-term-vacation-rentals">https://www.hermosabeach.gov/our-government/city-departments/community-development/short-term-vacation-rentals</a> Inglewood: <a href="https://www.cityofinglewood.org/1638/Short-Term-Rentals">https://www.cityofinglewood.org/1638/Short-Term-Rentals</a>

<sup>&</sup>lt;sup>9</sup> Culver City, Lawndale, Manhattan Beach, and Redondo Beach have banned all STRS in their jurisdiction. Culver City: <a href="https://www.culvercity.org/Have-Your-Say/Short-Term-Rentals">https://www.culvercity.org/Have-Your-Say/Short-Term-Rentals</a> Lawndale: <a href="https://library.qcode.us/lib/lawndale\_ca/pub/municipal\_code/item/title\_17-chapter\_17\_48-article\_iii-17\_48\_115">https://library.qcode.us/lib/lawndale\_ca/pub/municipal\_code/item/title\_17-chapter\_17\_48-article\_iii-17\_48\_115</a> Manhattan Beach: <a href="https://www.manhattanbeach.gov/departments/community-development/planning-zoning/short-term-vacation-rentals">https://www.manhattanbeach.gov/departments/community-development/planning-zoning/short-term-vacation-rentals</a> Redondo Beach: <a href="https://www.redondobeachtourism.com/news/airbnb">https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf</a>

Ordinance. Should you have questions, please email Becca Ayala at <a href="mailto:rebecca@betterneighborsla.org">rebecca@betterneighborsla.org</a>.

# Titles included for identification purposes only.

Estefany Castañeda	
Centinela Valley Union High School District(Lawndale, Hawthorne, Lennox), School Bo Member	arc
Charles Davis	
Compton Unified School District, Trustee	
Hugo Rojas	
Centinela Valley Union High School District, Board President	
Alex Vargas	
Mayor of Hawthorne	
Treddy Puxa	
Culver City Councilmember	
CC:	
Supervisor Holly Mitchell	

Isela Gracian Pamela Leo Caroline Torosis



January 3, 2023

Dear LA County Board of Supervisors,

The Koreatown Immigrant Workers Alliance (KIWA) writes to you in strong support of the proposed amendments to County Code, Title 7 to regulate short-term rentals (STRs).

As the state's homelessness crisis continues to worsen, it's vital that the Board of Supervisors (the "Board") take the necessary precautions to protect the housing supply in unincorporated Los Angeles County from conversion to tourist accommodations. The County's proposed Ordinance (the "Ordinance") includes common-sense STR regulations that will protect unincorporated Los Angeles' housing stock and residents; and hold accountable both hosts and platforms for any infractions of the Ordinance. An ordinance regulating STRs is also consistent with the Board's recent efforts to further protections for renters, as renters are some of those most at risk of displacement from STRs.

Founded in 1992, KIWA organizes immigrant workers in low-wage industries to transform their workplaces and communities. These individuals and their families are also struggling with housing insecurity due to both wage stagnation, wage theft, and the lack of affordable housing.

According to Better Neighbors Los Angeles, data indicates that there are 3,780 STR listings advertised on Airbnb across unincorporated LA County. The County CEO's website estimates that over one million of LA County's residents live in unincorporated parts of the County – about 10% of the population. It's vital that these residents are afforded the same housing protection that residents in other cities within the County receive. [2]

There exists a substantial body of research on STRs indicating that short-term rentals contribute to increased rent and home prices, which can often lead to displacement of residents and community members. For example, Professor David Wachsmuth at McGill University estimates that STRs have raised rents for the average renter by \$810 per year in the City of Los

Angeles. [3] Furthermore, an article by Luisa Godinez-Puig and Jorge Gonzalez-Hermoso



highlights the clear equity concern associated with rising rents, as Black and Latinx residents are more likely to rent than own. The removal of units from the long-term market at the hands of STRs undoubtedly disproportionately impacts Black and Latinx residents across unincorporated LA County. According to the National Low Income Housing Coalition("NLIHC"), 54% of households in LA County were renter households from 2017-2021. Furthermore, NLIHC's most recent "Out of Reach" report found that, on average, the fair market rent for a two-bedroom in LA County costs \$2,222 per month, requiring a 2.5 minimum wage jobs per household. As the County works to strengthen tenant protections, regulating short-term rentals must be viewed as another necessary tool needed to safeguard housing.

While we support the Ordinance as a whole, we would like to express our strong support for a few specific provisions:

Holding Platforms Accountable. Vital to the success of any STR regulation is that hosting platforms are held accountable for facilitating the booking of illegal STRs. The Ordinance allows the County to impose fines of up to one thousand dollars per violation per day on hosting platforms for completing illegitimate booking transactions. The County's enforcement of this provision of the Ordinance will create incentive for platforms to ensure that their users are operating in compliance with local regulations.

Protecting Rent-Restricted Units and ADUs. We additionally support the Ordinance's provisions to protect Accessory Dwelling Units ("ADU"s) and rent restricted units from conversion into STRs. The Los Angeles Homeless Services Authority's (LAHSA) 2023 Annual Homeless Count found that homelessness in LA County increased by 9% over the past year. The County's designated affordable and Section 8 housing, which is already limited in supply, should not be cannibalized so that property owners and developers may make more money. Additionally, prohibiting the use of ADUs as STR accommodation is ultimately consistent with the County's current ADU regulations and with statewide goals of increasing housing supply that inspired the legalization of ADUs.

*Eliminating Commercial Operators*. Restricting hosts to only one STR within unincorporated LA County will undoubtedly return several rental units to the market, in instances where hosts



operate several STRs. According to our data, of the 2,053 hosts that advertise STRs on Airbnb in unincorporated parts of the County, 643 of them advertise multiple STR listings. Thus, if hosts were restricted to operating one STR, up to 1,727 units could be returned to the long-term rental market, reducing the STR population in unincorporated LA County by 9%. These commercial STR operations place additional strains on a region's housing supply and contribute to the increased cost of living that residents may face.

Support regional enforcement against "bait and switch." We believe that implementation of strong STR regulations across unincorporated parts of LA County will help to eliminate a common violation of the City of LA's HSO that Better Neighbors Los Angeles has observed. Because the HSO similarly requires that hosts register their STRs, prohibits hosts from operating several STRs within the City, and restricts the use of housing units subject to the Rent Stabilization Ordinance (RSO) as STRs, unscrupulous hosts have begun to purport that their STRs are located outside of the City of LA. For example, a host with a property in Hollywood may advertise their unit as being located in West Hollywood, a host in Venice may advertise their unit as being in Marina del Rey, and so on. The City's enforcement software is not designed to evaluate STRs that do not appear to be within City limits on hosting platforms, so hosts are able to falsify the address on the platform and message guests the correct address for their stay upon booking. We are hopeful that the implementation of regulations in unincorporated parts of the County will help to address this violation.

The STR regulations before the Board is an opportunity for the Board to take another step in protecting and preserving housing in unincorporated LA County. We support the Board's adoption of this ordinance, as it reaches a balance of protecting residents across the County from future displacement due to STRs and providing homeowners and renters with opportunities to use their homes for extra income as necessary. Should you have any questions, please contact Brady Collins, at <a href="mailto:brady@kiwa.org">brady@kiwa.org</a>



Best,

**Brady Collins** 

Director of Research and Policy

**KIWA** 

[1] https://www.betterneighborsla.org/about-us

<sup>[2]</sup> The City of Los Angeles, City of West Hollywood, and City of Santa Monica all have STR regulations. The City of Los Angeles is in the process of further strengthening current regulations.

<sup>[3]</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth\_LA\_2022.pdf

<sup>[4]</sup> https://www.urban.org/urban-wire/abundance-short-term-rentals-who-wins-and-who-loses

<sup>[5]</sup> https://nlihc.org/sites/default/files/oor/California\_2023\_OOR.pdf

<sup>[6]</sup> https://www.latimes.com/california/story/2023-07-11/la-county-new-renter-protections

<sup>[7]</sup> https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf



Tel: 213-738-9050 Fax: 213-738-1833 www.kiwa.org

- [1] Letter to Los Angeles City Council from Better Neighbors LA. Oct. 17<sup>th</sup>, 2023.
- [2] https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=14-1635-S10
- http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf
- [4] https://www.huduser.gov/portal/sites/default/files/pdf/2023-AHAR-Part-1.pdf
- [5] https://clkrep.lacitv.org/onlinedocs/2014/14-0268-S13 ord\_draft\_02-23-2021.pdf

#### **VIA ELECTRONIC MAIL**

Supervisor Janice Hahn 500 W. Temple Street, Room 822 Los Angeles, CA 90012

RE: Los Angeles County Short-Term Rentals Registration Ordinance – SUPPORT

Dear Supervisor Hahn,

We write in support of the County of Los Angeles' proposed Short-Term Rentals Registration Ordinance. As elected officials within your district, we recognize that short-term rental (STRs) regulations must be adopted to safeguard housing during the ongoing housing and homelessness crises.

STR regulations in unincorporated LA County will protect precious housing at this critical juncture. According to recent census data, 53.5% of LA County residents are renters. Professor David Wachsmuth of McGill University found that the proliferation of STRs has caused rents to increase \$810 per year for each rental unit in the City of Los Angeles since 2015. As a result renters are being priced out of the City of Los Angeles and look to rent in more affordable areas leading to a wave of migration across the region.

Renters in LA County, however, are already struggling to make ends meet. According to the National Low Income Housing Coalition, the hourly wage necessary to pay the rent of a typical two-bedroom apartment - \$2,222 per month - is \$42.73 an hour in LA County.<sup>3</sup> Communities in your district that already struggle with STRs also report above-average housing costs.<sup>4</sup>

STRs are also a significant driver of the homelessness crisis. According to the Los Angeles Homeless Services Authority, in 2022 there were 4925 individuals experiencing homelessness in Supervisor District 4, the vast majority of which were unsheltered.<sup>5</sup> Residents in the City of Los Angeles have seen how short-term rentals contribute to displacement and homelessness. Professor Wachsmuth of McGill University found that commercial STRs have taken 2,500 homes off the long-term market and are responsible for more than 5,000 extra people experiencing homelessness each night in the City of Los Angeles.<sup>6</sup> Similar displacement is happening County-wide, pricing families and individuals out of their homes. According to an

<sup>&</sup>lt;sup>1</sup> https://data.census.gov/table?q=housing+in+los+angeles+county&tid=ACSST1Y2021.S1101

<sup>&</sup>lt;sup>2</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth\_LA\_2022.pdf

<sup>&</sup>lt;sup>3</sup> https://nlihc.org/oor/state/ca

<sup>&</sup>lt;sup>4</sup> Data associated with zip code 90630, unincorporated Lakewood, shows that the hourly wage necessary to pay the rent of a typical two-bedroom apartment (\$2,440 per month) is \$46.92 an hour: <a href="https://nlihc.org/oor/zip?code=90630">https://nlihc.org/oor/zip?code=90630</a>

<sup>&</sup>lt;sup>5</sup> https://www.lahsa.org/data?id=53-homeless-count-by-la-county-supervisorial-district-2015-2022

<sup>&</sup>lt;sup>6</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf

analysis by Better Neighbors LA, there are at least 60 unhosted short-term rentals currently active on Airbnb in unincorporated SD4 alone. This means that at least 60 units have been removed from the housing stock just to be used as tourist accommodation. Meanwhile, over the last three decades, Los Angeles County has been home to the most overcrowded housing in the country, according to a Los Angeles Times analysis published last year. As Los Angeles residents continue to face rising housing costs and overcrowded living conditions, unhosted short-term rentals are valuable housing units currently off the market to long-term tenants or potential homeowners. By approving the proposed regulations, you will further protect our communities across unincorporated LA County from displacement.

STRs also give rise to concerns about neighborhood character and quality of life. All around the County, residents must suddenly deal with commercial enterprises in the middle of their neighborhoods, bringing in rowdy parties, parking difficulties, high volumes of trash, loud noise, and guests that have no stake in safeguarding the community. Currently, residents have no course of action to deal with the problem. If passed, the proposed ordinance will address disruptive party houses and nuisance STRs.

The proposed ordinance will also bring the County into alignment with other cities in the region that have adopted reasonable regulations. This includes Los Angeles, West Hollywood, and Santa Monica, each of which have adopted strong regulations to protect residents and housing. Indeed, cities in your district including Avalon, Long Beach, and Torrance have implemented specific STR restrictions much like those the Board of Supervisors are considering, such as requiring registration, banning all unhosted STRs, and limiting the number of STRs a single host can operate. Many others, including Cerritos, Commerce, La Habra Heights, La Mirada, Lakewood, Lomita, Palos Verdes Estates, Rancho Palos Verdes, Rolling Hills, Rolling Hills Estates, and South Gate outright ban all STRs. Unscrupulous STR hosts with regulated

Lomita: <a href="https://library.municode.com/ca/lomita/codes/code">https://library.municode.com/ca/lomita/codes/code</a> of ordinances?nodeId=MUCO\_TITXIPLZO\_CH1ZO\_PT3REZO\_ART30REZO Palos Verdes Estates:

https://pvestates.granicus.com/MetaViewer.php?view\_id=1&event\_id=522&meta\_id=60948 Rancho Palos Verdes: https://www.rpvca.gov/987/Short-Term-Rentals Rolling Hills:

https://library.municode.com/ca/rolling\_hills/codes/code\_of\_ordinances?nodeId=TIT17ZO\_CH17.16REAGBUZO\_17.16.020PEPRUS\_Rolling\_Hills\_Estates:

https://library.municode.com/ca/rolling\_hills\_estates/codes/code\_of\_ordinances?nodeId=TIT17ZO\_CH17.47SHRM\_RERE\_17.47.020PU\_South Gate: https://www.cityofsouthgate.org/files/sharedassets/public/v/1/business-amp-development/documents/ordinance-2020-01-cc\_executed.pdf

<sup>&</sup>lt;sup>7</sup> Data on file with Better Neighbors LA.

<sup>&</sup>lt;sup>8</sup> https://www.latimes.com/california/story/2022-10-19/packed-in-overcrowded-housing-los-angeles

<sup>&</sup>lt;sup>9</sup> Avalon, Long Beach, and Torrance all have short-term rental regulations. Avalon: https://hchoacatalina.org/Portals/0/Avalon%20Muni%20Code%209-8 %20404%28f%29.pdf Long Beach: https://www.longbeach.gov/lbcd/enforcement/strs/ Torrance: https://www.torranceca.gov/our-city/community-development/planning-division/permits-applications/short-term-rentals

Cerritos, Commerce, La Habra Heights, La Mirada, Lakewood, Lomita, Palos Verdes Estates, Rancho Palos Verdes, Rolling Hills, Rolling Hills Estates, and South Gate have banned all STRS in their jurisdiction. Cerritos: <a href="https://www.codepublishing.com/CA/Cerritos/html/Cerritos22/Cerritos2240.html#22.40.260">https://www.codepublishing.com/CA/Cerritos/html/Cerritos22/Cerritos2240.html#22.40.260</a>

Commerce: <a href="https://library.municode.com/ca/commerce/codes/code">https://library.municode.com/ca/commerce/codes/code</a> of ordinances? <a href="https://nodeId=TIT5BURELI\_CH5.63H">nodeId=TIT5BURELI\_CH5.63H</a> OARRE La Habra Heights: <a href="https://www.lhhcity.org/325/Short-Term-Rentals">https://www.lhhcity.org/325/Short-Term-Rentals</a> La Mirada:

https://www.airbnb.com/help/article/2692#:~:text=Short%2Dterm%20rentals%20in%20residential,not%20permitted %20in%20La%20Mirada. Lakewood: https://www.lakewoodcity.org/Business/Short-term-rentals

units will often misrepresent their location to be in unincorporated LA County to circumvent local enforcement and take advantage of the County's lack of regulation. <sup>11</sup> Implementing strong regulations on the County level will help enforcement in cities in your District, as well as protect the housing stock and communities of unincorporated LA County.

Amid this housing and houselessness crisis, protecting unincorporated LA County residents in your district from displacement due to STRs is an integral part of solving this regional issue. For these reasons, we urge you to pass the Short-Term Rentals Registration Ordinance. Should you have questions, please email Becca Ayala at rebecca@betterneighborsla.org.

#### Titles included for identification purposes only.

Sincerely,	
Ariel Pe	Maria del Pilar Ávalos
Ariel Pe Mayor of Lakewood	Maria del Pilar Avalos Mayor of South Gate
Daisy Lomeli	Ana Valencia
Daisy Lomeli Mayor of Cudahy	Ana Valencia Mayor of Norwalk
Eddie De La Priva	Karina Macias
Eddie De La Riva Mayor of Maywood	Karina Macias Vice Mayor of Huntington Park
Mayra Aguilux	Monica Arroyo
Mayra Aguiluz Mayor Pro Tem of Maywood	Monica Arroyo Bell Councilmember

<sup>11</sup> https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf

Francis de Leon Sanchex	Mireya Garcia
Francis de Leon Sanchez	Mireya Garcia
Bell Gardens Councilmember	Commerce Councilmember
Elixabeth Alcantar	Cassandra Chase
Elizabeth Alcantar	Cassandra Chase
Cudahy Councilmember	Lakewood Councilmember
Juan Muñox	Melissa Piamoso
Juan Muñoz	Melissa Ramoso
Lynwood Councilmember	Artesia Councilmember
Eddie Martinex	Graciela Ortix
Eddie Martinez	Graciela Ortiz

Huntington Park Councilmember

Huntington Park Councilmember

Arturo Flores

Arturo Flores

Eddie Martinez Huntington Park Councilmember

Lynda Johnson

Lynda Johnson Cerritos Councilmember

CC:

Jayme Wilson



February 1, 2024

Dear LA County Board of Supervisors,

Community Power Collective writes to you in strong support of the proposed amendments to County Code, Title 7 to regulate short-term rentals (STRs). As the state's homelessness crisis continues to worsen, it's vital that the Board of Supervisors (the "Board") take the necessary precautions to protect the housing supply in unincorporated Los Angeles County from conversion to tourist accommodations. The County's proposed Ordinance (the "Ordinance") includes common-sense STR regulations that will protect unincorporated Los Angeles' housing stock and residents; and hold accountable both hosts and platforms for any infractions of the Ordinance. An ordinance regulating STRs is also consistent with the Board's recent efforts to further protections for renters, as renters are some of those most at risk of displacement from STRs.

Community Power Collective's mission is to build power with tenants, street vendors, and transit riders in communities of color to create a solidarity economy, gain community control of land and housing, and form dignified public systems to facilitate a culture of radical collective care in Boyle Heights, East Los Angeles and the Los Angeles Metropolitan area.

According to Better Neighbors Los Angeles, data indicates that there are 3,780 STR listings advertised on Airbnb across unincorporated LA County. The County CEO's website estimates that over one million of LA County's residents live in unincorporated parts of the County – about 10% of the population. It's vital that these residents are afforded the same housing protection that residents in other cities within the County receive.<sup>2</sup>

There exists a substantial body of research on STRs indicating that short-term rentals contribute to increased rent and home prices, which can often lead to displacement of residents and community members. For example, Professor David Wachsmuth at McGill University estimates that STRs have raised rents for the average renter by \$810 per year in the City of Los Angeles.<sup>3</sup> Furthermore, an article by Luisa Godinez-Puig and Jorge Gonzalez-Hermoso highlights the clear equity concern associated with rising rents, as Black and Latinx residents are more likely to rent than own.<sup>4</sup> The removal of units from the long-term market at the hands of STRs undoubtedly disproportionately impacts Black and Latinx residents across unincorporated LA County. According to the National Low Income Housing Coalition("NLIHC"), 54% of households in LA County were renter households from 2017-2021. Furthermore, NLIHC's most

<sup>&</sup>lt;sup>1</sup> https://www.betterneighborsla.org/about-us

<sup>&</sup>lt;sup>2</sup> The City of Los Angeles, City of West Hollywood, and City of Santa Monica all have STR regulations. The City of Los Angeles is in the process of further strengthening current regulations.

<sup>&</sup>lt;sup>3</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf

<sup>&</sup>lt;sup>4</sup> https://www.urban.org/urban-wire/abundance-short-term-rentals-who-wins-and-who-loses



recent "Out of Reach" report found that, on average, the fair market rent for a two-bedroom in LA County costs \$2,222 per month, requiring a 2.5 minimum wage jobs per household.<sup>5</sup> As the County works to strengthen tenant protections, regulating short-term rentals must be viewed as another necessary tool needed to safeguard housing.<sup>6</sup>

While we support the Ordinance as a whole, we would like to express our strong support for a few specific provisions:

Holding Platforms Accountable. Vital to the success of any STR regulation is that hosting platforms are held accountable for facilitating the booking of illegal STRs. The Ordinance allows the County to impose fines of up to one thousand dollars per violation per day on hosting platforms for completing illegitimate booking transactions. The County's enforcement of this provision of the Ordinance will create incentive for platforms to ensure that their users are operating in compliance with local regulations.

Protecting Rent-Restricted Units and ADUs. We additionally support the Ordinance's provisions to protect Accessory Dwelling Units ("ADU"s) and rent restricted units from conversion into STRs. The Los Angeles Homeless Services Authority's (LAHSA) 2023 Annual Homeless Count found that homelessness in LA County increased by 9% over the past year. The County's designated affordable and Section 8 housing, which is already limited in supply, should not be cannibalized so that property owners and developers may make more money. Additionally, prohibiting the use of ADUs as STR accommodation is ultimately consistent with the County's current ADU regulations and with statewide goals of increasing housing supply that inspired the legalization of ADUs.

Eliminating Commercial Operators. Restricting hosts to only one STR within unincorporated LA County will undoubtedly return several rental units to the market, in instances where hosts operate several STRs. According to our data, of the 2,053 hosts that advertise STRs on Airbnb in unincorporated parts of the County, 643 of them advertise multiple STR listings. Thus, if hosts were restricted to operating one STR, up to 1,727 units could be returned to the long-term rental market, reducing the STR population in unincorporated LA County by 9%. These commercial STR operations place additional strains on a region's housing supply and contribute to the increased cost of living that residents may face.

Support regional enforcement against "bait and switch." We believe that implementation of strong STR regulations across unincorporated parts of LA County will help to eliminate a common violation of the City of LA's HSO that Better Neighbors Los Angeles has observed. Because the HSO similarly requires that hosts register their STRs, prohibits hosts from operating several STRs within the City, and restricts the use of housing units subject to the Rent

<sup>&</sup>lt;sup>5</sup> https://nlihc.org/sites/default/files/oor/California 2023 OOR.pdf

<sup>&</sup>lt;sup>6</sup> https://www.latimes.com/california/story/2023-07-11/la-county-new-renter-protections

<sup>&</sup>lt;sup>7</sup> https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf



Stabilization Ordinance (RSO) as STRs, unscrupulous hosts have begun to purport that their STRs are located outside of the City of LA. For example, a host with a property in Hollywood may advertise their unit as being located in West Hollywood, a host in Venice may advertise their unit as being in Marina del Rey, and so on. The City's enforcement software is not designed to evaluate STRs that do not appear to be within City limits on hosting platforms, so hosts are able to falsify the address on the platform and message guests the correct address for their stay upon booking. We are hopeful that the implementation of regulations in unincorporated parts of the County will help to address this violation.

The STR regulations before the Board is an opportunity for the Board to take another step in protecting and preserving housing in unincorporated LA County. We support the Board's adoption of this ordinance, as it reaches a balance of protecting residents across the County from future displacement due to STRs and providing homeowners and renters with opportunities to use their homes for extra income as necessary. Should you have any questions, please contact our Director or Organizational Strategy, Carla de Paz at carla@cpcollective.org.

Best,

Community Power Collective

CAPITOL OFFICE 1021 O STREET, SUITE 7530 SACRAMENTO, CA 95814 TEL (916) 651-4026 FAX (916) 651-4926

SENATOR.DURAZO@SENATE.CA.GOV

# California State Senate

SENATOR
MARÍA ELENA DURAZO
TWENTY-SIXTH SENATE DISTRICT



BUDGET SUBCOMMITTEE NO. 5 ON PUBLIC SAFETY, JUDICIARY, TRANSPORTATION & LABOR MEMBER

BUDGET & FISCAL REVIEW
ENERGY, UTILITIES
& COMMUNICATIONS
GOVERNANCE & FINANCE
JUDICIARY

LABOR, PUBLIC EMPLOYMENT & RETIREMENT

Board of Supervisors Los Angeles County Kenneth Hahn Hall of Administration 500 W Temple Street Los Angeles, CA 90012

#### RE: Los Angeles County Short-Term Rentals Registration Ordinance – SUPPORT

Dear Supervisors,

We write in support of the County of Los Angeles' proposed Short-Term Rentals Registration Ordinance. As elected officials within your districts that represent your constituents' interests in the California State Legislature, we recognize that local short-term rental regulations must be adopted to safeguard housing as we continue to address the housing and homelessness crisis at the state level.

In recent years, the Legislature has passed legislation intended to promote the production of housing. However, promoting the production of housing is only one part of the multipronged strategy that must be taken to truly address the affordable housing and homelessness crisis. Inherent in this strategy must be the preservation of housing precisely for housing, and not short-term rentals serving tourists. Cities like the City of Irvine understand that regulations work. In 2019, the City of Irvine completely banned short-term rentals. A recent study published in the American Real Estate and Urban Economics Association Journal has found that in the City of Irvine, the enforcement of this ban on short-term rentals has contributed to a 3% decrease in long-term rents on average, or \$114 per month. Meanwhile, the number of unhosted short-term rentals has only increased in LA County. Since 2019 the average number of unhosted short-term rentals in unincoporated LA County per month has increased 95%, now totaling over 2,800 homes taken off the long-term market throughout your districts. These unhosted short-term rentals have taken up double the housing stock they did just five years ago, and will continue to grow at a rapid rate if left unchecked. These housing units are now no longer available to long-

<sup>&</sup>lt;sup>1</sup> https://www.citvofirvine.org/code-enforcement/short-term-rentals

<sup>&</sup>lt;sup>2</sup> https://onlinelibrary.wiley.com/doi/epdf/10.1111/1540-6229.12440

<sup>&</sup>lt;sup>3</sup> Data on file with Better Neighbors LA.

<sup>&</sup>lt;sup>4</sup> Unincorporated LA County has 296,274 housing units. <a href="https://scag.ca.gov/sites/main/files/file-attachments/unincorporated-los-angeles-county-be-">https://scag.ca.gov/sites/main/files/file-attachments/unincorporated-los-angeles-county-be-</a>

<sup>0421.</sup>pdf?/1620756769#:--text=Unincorporated%20Los%20Angeles%20Co.'s%20housing%20stock%20consists%20of%20296%2C274.in%20the%20SCAG%20region%20overall.

term tenants or potential homeowners. Without regulations in place, it is likely the unhosted short-term rental market will continue to cannibalize housing within unincorporated LA County.

STRs are also a significant driver of the affordable housing and homelessness crisis. According to Professor Wachsmuth of McGill University, short-term rentals have increased rents by \$810 annually and are responsible for more than 5,000 extra people experiencing homelessness each night in the City of Los Angeles. Similar displacement is likely happening County-wide, pricing families and individuals out of their homes. According to the Los Angeles Homeless Services Authority, in 2022 there 65,111 individuals experiencing homelessness throughout the County of Los Angeles, the vast majority of which were unsheltered. By approving the proposed regulations, you will further protect our communities across unincorporated LA County from future displacement and preserve housing for long-term use.

The proposed ordinance will also bring the County into alignment with other cities in the region that have adopted reasonable regulations. This includes Los Angeles, West Hollywood, and Santa Monica, each of which have adopted strong regulations to protect residents and housing. Indeed, 28 cities in your districts have implemented specific STRs restrictions much like those the Board of Supervisors are considering, such as requiring registration, banning unhosted rentals, and not allowing STRs in rent stabilized units. Across the County, 24 cities ban all STRs within at least a portion of their jurisdiction. Unscrupulous STR hosts with regulated units will often misrepresent their location to be in unincorporated LA County to circumvent local enforcement and take advantage of the County's lack of regulation. Implementing strong regulations on the County level will help enforcement in cities in your districts, as well as protect the housing stock and communities of unincorporated LA County.

Amid this housing and houselessness crisis, protecting unincorporated LA County residents in your districts from displacement due to STRs is an integral part of solving this regional issue. For these reasons, we urge you to pass the Short-Term Rentals Registration Ordinance. Should you have questions, please contact (213) 355-7600 or rebecca@betterneighborsla.org.

Sincerely,

María ELENA OURAZO Senator, 26<sup>th</sup> District

FR

<sup>&</sup>lt;sup>5</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth\_LA\_2022.pdf

<sup>6</sup> https://www.lahsa.org/data?id=53-homeless-count-by-la-county-supervisorial-district-2015-2022

<sup>&</sup>lt;sup>7</sup> Cities with STR regulations: Los Angeles, Baldwin Park, Monterey Park, Pomona, Carson, Compton, El Segundo, Gardena, Hawthorne, Inglewood, Agoura Hills, Beverly Hills, Hidden Hills, Malibu, San Fernando, Santa Monica, Westlake Village, West Hollywood, Avalon, Lomita, Long Beach, South Gate, Torrance, Whittier, Glendale, La Verne, and Pasadena.

<sup>&</sup>lt;sup>8</sup> Cities with STR bans within part or all of their jurisdiction: Diamond Bar, Rosemead, San Gabriel, Culver City, Hermosa Beach, Lawndale, Manhattan Beach, Redondo Beach, Calabasas, Cerritos, Commerce, La Habra Heights, La Mirada, Lakewood, Palos Verdes Estates, Rancho Palos Verdes, Rolling Hills, Rolling Hills Estates, Arcadia, Bradbury, Burbank, Claremont, Duarte, and Temple City.

<sup>9</sup> https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf



February 8, 2024

Dear LA County Board of Supervisors,

Fideicomiso Comunitario Tierra Libre writes to you in strong support of the proposed amendments to County Code, Title 7 to regulate short-term rentals (STRs). As the state's homelessness crisis continues to worsen, it's vital that the Board of Supervisors (the "Board") take the necessary precautions to protect the housing supply in unincorporated Los Angeles County from conversion to tourist accommodations. The County's proposed Ordinance (the "Ordinance") includes common-sense STR regulations that will protect unincorporated Los Angeles' housing stock and residents; and hold accountable both hosts and platforms for any infractions of the Ordinance. An ordinance regulating STRs is also consistent with the Board's recent efforts to further protections for renters, as renters are some of those most at risk of displacement from STRs.

**Fideicomiso Comunitario Tierra Libre (FCTL)** strives for the cultivation of space for the most vulnerable members in the neighborhood to be able to have a voice and live in what is being developed in their community. Our work focuses on creating sustainable, healthy, permanent, inclusive, stable, and community controlled neighborhoods.

According to Better Neighbors Los Angeles, data indicates that there are 3,780 STR listings advertised on Airbnb across unincorporated LA County. The County CEO's website estimates that over one million of LA County's residents live in unincorporated parts of the County – about 10% of the population. It's vital that these residents are afforded the same housing protection that residents in other cities within the County receive.<sup>2</sup>

There exists a substantial body of research on STRs indicating that short-term rentals contribute to increased rent and home prices, which can often lead to displacement of residents and community members. For example, Professor David Wachsmuth at McGill University estimates that STRs have raised rents for the average renter by \$810 per year in the City of Los Angeles.<sup>3</sup> Furthermore, an article by Luisa Godinez-Puig and Jorge Gonzalez-Hermoso highlights the clear equity concern associated with rising rents, as Black and Latinx residents are more likely to rent than own.<sup>4</sup> The removal of units from the long-term market at the hands of

<sup>&</sup>lt;sup>1</sup> https://www.betterneighborsla.org/about-us

<sup>&</sup>lt;sup>2</sup> The City of Los Angeles, City of West Hollywood, and City of Santa Monica all have STR regulations. The City of Los Angeles is in the process of further strengthening current regulations.

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<sup>&</sup>lt;sup>4</sup> https://www.urban.org/urban-wire/abundance-short-term-rentals-who-wins-and-who-loses



STRs undoubtedly disproportionately impacts Black and Latinx residents across unincorporated LA County. According to the National Low Income Housing Coalition("NLIHC"), 54% of households in LA County were renter households from 2017-2021. Furthermore, NLIHC's most recent "Out of Reach" report found that, on average, the fair market rent for a two-bedroom in LA County costs \$2,222 per month, requiring a 2.5 minimum wage jobs per household.<sup>5</sup> As the County works to strengthen tenant protections, regulating short-term rentals must be viewed as another necessary tool needed to safeguard housing.<sup>6</sup>

While we support the Ordinance as a whole, we would like to express our strong support for a few specific provisions:

Holding Platforms Accountable. Vital to the success of any STR regulation is that hosting platforms are held accountable for facilitating the booking of illegal STRs. The Ordinance allows the County to impose fines of up to one thousand dollars per violation per day on hosting platforms for completing illegitimate booking transactions. The County's enforcement of this provision of the Ordinance will create incentive for platforms to ensure that their users are operating in compliance with local regulations.

Protecting Rent-Restricted Units and ADUs. We additionally support the Ordinance's provisions to protect Accessory Dwelling Units ("ADU"s) and rent restricted units from conversion into STRs. The Los Angeles Homeless Services Authority's (LAHSA) 2023 Annual Homeless Count found that homelessness in LA County increased by 9% over the past year. The County's designated affordable and Section 8 housing, which is already limited in supply, should not be cannibalized so that property owners and developers may make more money. Additionally, prohibiting the use of ADUs as STR accommodation is ultimately consistent with the County's current ADU regulations and with statewide goals of increasing housing supply that inspired the legalization of ADUs.

Eliminating Commercial Operators. Restricting hosts to only one STR within unincorporated LA County will undoubtedly return several rental units to the market, in instances where hosts operate several STRs. According to our data, of the 2,053 hosts that advertise STRs on Airbnb in unincorporated parts of the County, 643 of them advertise multiple STR listings. Thus, if hosts were restricted to operating one STR, up to 1,727 units could be returned to the long-term rental market, reducing the STR population in unincorporated LA County by 9%. These commercial STR operations place additional strains on a region's housing supply and contribute to the increased cost of living that residents may face.

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<sup>&</sup>lt;sup>6</sup> https://www.latimes.com/california/story/2023-07-11/la-county-new-renter-protections



Support regional enforcement against "bait and switch." We believe that implementation of strong STR regulations across unincorporated parts of LA County will help to eliminate a common violation of the City of LA's HSO that Better Neighbors Los Angeles has observed. Because the HSO similarly requires that hosts register their STRs, prohibits hosts from operating several STRs within the City, and restricts the use of housing units subject to the Rent Stabilization Ordinance (RSO) as STRs, unscrupulous hosts have begun to purport that their STRs are located outside of the City of LA. For example, a host with a property in Hollywood may advertise their unit as being located in West Hollywood, a host in Venice may advertise their unit as being in Marina del Rey, and so on. The City's enforcement software is not designed to evaluate STRs that do not appear to be within City limits on hosting platforms, so hosts are able to falsify the address on the platform and message guests the correct address for their stay upon booking. We are hopeful that the implementation of regulations in unincorporated parts of the County will help to address this violation.

The STR regulations before the Board is an opportunity for the Board to take another step in protecting and preserving housing in unincorporated LA County. We support the Board's adoption of this ordinance, as it reaches a balance of protecting residents across the County from future displacement due to STRs and providing homeowners and renters with opportunities to use their homes for extra income as necessary. Should you have any questions, please contact FCTL Directors Roberto Garcia-Ceballos (roberto@fctl.la) and/or Vanessa Gonzalez (vanessa@fctl.la).

Best,

Fideicomiso Comunitario Tierra Libre

<sup>&</sup>lt;sup>7</sup> https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf



January 6, 2024

Dear LA County Board of Supervisors,

The Glendale Tenants Union writes to you in strong support of the proposed amendments to County Code, Title 7 to regulate short-term rentals (STRs). <sup>1</sup> As the state's homelessness crisis continues to worsen, it's vital that the Board of Supervisors (the "Board") take the necessary precautions to protect the housing supply in unincorporated Los Angeles County from conversion to tourist accommodations. The County's proposed Ordinance (the "Ordinance") includes common-sense STR regulations that will protect unincorporated Los Angeles' housing stock and residents; and hold accountable both hosts and platforms for any infractions of the Ordinance. An ordinance regulating STRs is also consistent with the Board's recent efforts to further protections for renters, as renters are some of those most at risk of displacement from STRs.

Here in Glendale, GTU is a tenant-led organization committed to empowering tenants and supporting the residents in our city and beyond. One of our main goals is organizing to prevent rising rents, evictions, and gentrification from displacing the people living in Glendale. Because of the work we do, our union is deeply familiar with the ways in which current rent prices and the lack of affordable housing keep tenants from being able to have stable, secure places to live long term. We as GTU believe that housing is a human right, and it is important to keep the homes in LA County exactly that – homes, not an opportunity for landlords and property owners to increase their wealth by renting out houses and apartments short term. It is also important for us to stand in solidarity with the rest of the county, as we know all too well that the housing issues we see in Glendale are not unique to our city.

According to Better Neighbors Los Angeles, data indicates that there are 3,780 STR listings advertised on Airbnb across unincorporated LA County. The County CEO's website estimates that over one million of LA County's residents live in unincorporated parts of the County – about 10% of the population. It's vital that these residents are afforded the same housing protection that residents in other cities within the County receive.<sup>2</sup>

There exists a substantial body of research on STRs indicating that short-term rentals contribute to increased rent and home prices, which can often lead to displacement of residents and community members. For example, Professor David Wachsmuth at McGill University estimates that STRs have raised rents for the average renter by \$810 per year in the City of Los

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<sup>&</sup>lt;sup>2</sup> The City of Los Angeles, City of West Hollywood, and City of Santa Monica all have STR regulations. The City of Los Angeles is in the process of further strengthening current regulations.



Angeles.<sup>3</sup> Furthermore, an article by Luisa Godinez-Puig and Jorge Gonzalez-Hermoso highlights the clear equity concern associated with rising rents, as Black and Latinx residents are more likely to rent than own.<sup>4</sup> The removal of units from the long-term market at the hands of STRs undoubtedly disproportionately impacts Black and Latinx residents across unincorporated LA County. According to the National Low Income Housing Coalition("NLIHC"), 54% of households in LA County were renter households from 2017-2021. Furthermore, NLIHC's most recent "Out of Reach" report found that, on average, the fair market rent for a two-bedroom in LA County costs \$2,222 per month, requiring a 2.5 minimum wage jobs per household.<sup>5</sup> As the County works to strengthen tenant protections, regulating short-term rentals must be viewed as another necessary tool needed to safeguard housing.<sup>6</sup>

While we support the Ordinance as a whole, we would like to express our strong support for a few specific provisions:

Holding Platforms Accountable. Vital to the success of any STR regulation is that hosting platforms are held accountable for facilitating the booking of illegal STRs. The Ordinance allows the County to impose fines of up to one thousand dollars per violation per day on hosting platforms for completing illegitimate booking transactions. The County's enforcement of this provision of the Ordinance will create incentive for platforms to ensure that their users are operating in compliance with local regulations.

Protecting Rent-Restricted Units and ADUs. We additionally support the Ordinance's provisions to protect Accessory Dwelling Units ("ADU"s) and rent restricted units from conversion into STRs. The Los Angeles Homeless Services Authority's (LAHSA) 2023 Annual Homeless Count found that homelessness in LA County increased by 9% over the past year. The County's designated affordable and Section 8 housing, which is already limited in supply, should not be cannibalized so that property owners and developers may make more money. Additionally, prohibiting the use of ADUs as STR accommodation is ultimately consistent with the County's current ADU regulations and with statewide goals of increasing housing supply that inspired the legalization of ADUs.

Eliminating Commercial Operators. Restricting hosts to only one STR within unincorporated LA County will undoubtedly return several rental units to the market, in instances where hosts operate several STRs. According to our data, of the 2,053 hosts that advertise STRs on Airbnb in unincorporated parts of the County, 643 of them advertise multiple STR listings. Thus, if hosts were restricted to operating one STR, up to 1,727 units could be returned to the long-term rental market, reducing the STR population in unincorporated LA County by 9%. These commercial STR operations place additional strains on a region's housing supply and contribute to the increased cost of living that residents may face.

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Support regional enforcement against "bait and switch." We believe that implementation of strong STR regulations across unincorporated parts of LA County will help to eliminate a common violation of the City of LA's HSO that Better Neighbors Los Angeles has observed. Because the HSO similarly requires that hosts register their STRs, prohibits hosts from operating several STRs within the City, and restricts the use of housing units subject to the Rent Stabilization Ordinance (RSO) as STRs, unscrupulous hosts have begun to purport that their STRs are located outside of the City of LA. For example, a host with a property in Hollywood may advertise their unit as being located in West Hollywood, a host in Venice may advertise their unit as being in Marina del Rey, and so on. The City's enforcement software is not designed to evaluate STRs that do not appear to be within City limits on hosting platforms, so hosts are able to falsify the address on the platform and message guests the correct address for their stay upon booking. We are hopeful that the implementation of regulations in unincorporated parts of the County will help to address this violation.

The STR regulations before the Board is an opportunity for the Board to take another step in protecting and preserving housing in unincorporated LA County. We support the Board's adoption of this ordinance, as it reaches a balance of protecting residents across the County from future displacement due to STRs and providing homeowners and renters with opportunities to use their homes for extra income as necessary. Should you have any questions, please contact our union at glendaletenantsunion@gmail.com

Best,

Glendale Tenants Union

<sup>&</sup>lt;sup>7</sup> https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf



Jan. 7, 2024

Dear LA County Board of Supervisors,

Pasadena For All writes to you in strong support of the proposed amendments to County Code, Title 7 to regulate short-term rentals (STRs). <sup>1</sup> As the state's homelessness crisis continues to worsen, it's vital that the Board of Supervisors (the "Board") take the necessary precautions to protect the housing supply in unincorporated Los Angeles County from conversion to tourist accommodations. The County's proposed Ordinance (the "Ordinance") includes common-sense STR regulations that will protect unincorporated Los Angeles' housing stock and residents; and hold accountable both hosts and platforms for any infractions of the Ordinance. An ordinance regulating STRs is also consistent with the Board's recent efforts to further protections for renters, as renters are some of those most at risk of displacement from STRs.

Pasadena For All is a mutual aid group that has been doing direct outreach to the unhoused since August of 2020. During that time, the group has gathered weekly donations and supplies, supported a successful rent control campaign in Pasadena, advocated for the city to reinstate its Bad Weather Shelter and called for more funding for the city's housing department.

California's high-cost housing (which is especially expensive in Pasadena) is directly linked to the increasing number of people being forced to live on the street. We support any policy that helps retain housing stock and keeps lower-income Californians in their homes.

According to Better Neighbors Los Angeles, data indicates that there are 3,780 STR listings advertised on Airbnb across unincorporated LA County. The County CEO's website estimates that over one million of LA County's residents live in unincorporated parts of the County – about 10% of the population. It's vital that these residents are afforded the same housing protection that residents in other cities within the County receive.<sup>2</sup>

There exists a substantial body of research on STRs indicating that short-term rentals contribute to increased rent and home prices, which can often lead to displacement of residents and community members. For example, Professor David Wachsmuth at McGill University estimates that STRs have raised rents for the average renter by \$810 per year in the City of Los Angeles.<sup>3</sup> Furthermore, an article by Luisa Godinez-Puig and Jorge Gonzalez-Hermoso highlights the clear equity concern associated with rising rents, as Black and Latinx residents are more likely to rent than own.<sup>4</sup> The removal of units from the long-term market at the hands of

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<sup>&</sup>lt;sup>2</sup> The City of Los Angeles, City of West Hollywood, and City of Santa Monica all have STR regulations. The City of Los Angeles is in the process of further strengthening current regulations.

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STRs undoubtedly disproportionately impacts Black and Latinx residents across unincorporated LA County. According to the National Low Income Housing Coalition ("NLIHC"), 54% of households in LA County were renter households from 2017-2021. Furthermore, NLIHC's most recent "Out of Reach" report found that, on average, the fair market rent for a two-bedroom in LA County costs \$2,222 per month, requiring a 2.5 minimum wage jobs per household.<sup>5</sup> As the County works to strengthen tenant protections, regulating short-term rentals must be viewed as another necessary tool needed to safeguard housing.<sup>6</sup>

While we support the Ordinance as a whole, we would like to express our strong support for a few specific provisions:

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Eliminating Commercial Operators. Restricting hosts to only one STR within unincorporated LA County will undoubtedly return several rental units to the market, in instances where hosts operate several STRs. According to our data, of the 2,053 hosts that advertise STRs on Airbnb in unincorporated parts of the County, 643 of them advertise multiple STR listings. Thus, if hosts were restricted to operating one STR, up to 1,727 units could be returned to the long-term rental market, reducing the STR population in unincorporated LA County by 9%. These commercial STR operations place additional strains on a region's housing supply and contribute to the increased cost of living that residents may face.

Support regional enforcement against "bait and switch." We believe that implementation of strong STR regulations across unincorporated parts of LA County will help to eliminate a common violation of the City of LA's HSO that Better Neighbors Los Angeles has observed. Because the HSO similarly requires that hosts register their STRs, prohibits hosts from operating

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<sup>&</sup>lt;sup>7</sup> https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf

several STRs within the City, and restricts the use of housing units subject to the Rent Stabilization Ordinance (RSO) as STRs, unscrupulous hosts have begun to purport that their STRs are located outside of the City of LA. For example, a host with a property in Hollywood may advertise their unit as being located in West Hollywood, a host in Venice may advertise their unit as being in Marina del Rey, and so on. The City's enforcement software is not designed to evaluate STRs that do not appear to be within City limits on hosting platforms, so hosts are able to falsify the address on the platform and message guests the correct address for their stay upon booking. We are hopeful that the implementation of regulations in unincorporated parts of the County will help to address this violation.

The STR regulations before the Board is an opportunity for the Board to take another step in protecting and preserving housing in unincorporated LA County. We support the Board's adoption of this ordinance, as it reaches a balance of protecting residents across the County from future displacement due to STRs and providing homeowners and renters with opportunities to use their homes for extra income as necessary. Should you have any questions, please contact <a href="mailto:pasadenaforall@gmail.com">pasadenaforall@gmail.com</a> or <a href="mailto:apasadenaforall@gmail.com">apasadenaforall</a> on Instagram.

Best,

Andrew Good and Victor Suarez (and the rest of Pasadena For All)

#### **VIA ELECTRONIC MAIL**

Supervisor Kathryn Barger 500 West Temple Street, Room 869 Los Angeles, CA 90012

RE: Los Angeles County Short-Term Rentals Registration Ordinance – SUPPORT

Dear Supervisor Barger,

We write in support of the County of Los Angeles' proposed Short-Term Rentals Registration Ordinance. As elected officials within your district, we recognize that short-term rental (STRs) regulations must be adopted to safeguard housing during the ongoing housing and homelessness crises.

STR regulations in unincorporated LA County will protect precious housing at this critical juncture. According to recent census data, 53.5% of LA County residents are renters. Professor David Wachsmuth of McGill University found that the proliferation of STRs has caused rents to increase \$810 per year for each rental unit in the City of Los Angeles since 2015. As a result renters are being priced out of the City of Los Angeles and look to rent in more affordable areas leading to a wave of migration across the region.

Renters in LA County, however, are already struggling to make ends meet. According to the National Low Income Housing Coalition, the hourly wage necessary to pay the rent of a typical two-bedroom apartment - \$2,222 per month - is \$42.25 an hour in LA County.<sup>3</sup> Communities in your district that already struggle with STRs also report above-average housing costs.<sup>4</sup>

STRs are also a significant driver of the homelessness crisis. According to the Los Angeles Homeless Services Authority, in 2022 there were 7,413 individuals experiencing homelessness in Supervisor District 5, the vast majority of which were unsheltered. Residents in the City of Los Angeles have seen how short-term rentals contribute to displacement and homelessness. Professor Wachsmuth of McGill University found that commercial STRs have taken 2,500 homes off the long-term market and are responsible for more than 5,000 extra people experiencing homelessness each night in the City of Los Angeles. Similar displacement is happening County-wide, pricing families and individuals out of their homes. According to an analysis by Better Neighbors LA, there are more than 500 unhosted short-term rentals currently

<sup>&</sup>lt;sup>1</sup> https://data.census.gov/table?q=housing+in+los+angeles+county&tid=ACSST1Y2021.S1101

<sup>&</sup>lt;sup>2</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf

<sup>&</sup>lt;sup>3</sup> https://nlihc.org/oor/state/ca

<sup>&</sup>lt;sup>4</sup> Data associated with zip code 91001, unincorporated Altadena: https://nlihc.org/oor/zip?code=91001

<sup>&</sup>lt;sup>5</sup> https://www.lahsa.org/data?id=53-homeless-count-by-la-county-supervisorial-district-2015-2022

<sup>&</sup>lt;sup>6</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf

active on Airbnb in unincorporated SD5 alone. This means that over 500 units have been removed from the housing stock just to be used as tourist accommodation. By approving the proposed regulations, you will further protect our communities across unincorporated LA County from displacement.

STRs also give rise to concerns about neighborhood character and quality of life. All around the County, residents must suddenly deal with commercial enterprises in the middle of their neighborhoods, bringing in rowdy parties, parking difficulties, high volumes of trash, loud noise, and guests that have no stake in safeguarding the community. Currently, residents have no course of action to deal with the problem. If passed, the proposed ordinance will address disruptive party houses and nuisance STRs.

The proposed ordinance will also bring the County into alignment with other cities in the region that have adopted reasonable regulations. This includes Los Angeles, West Hollywood, and Santa Monica, each of which have adopted strong regulations to protect residents and housing. Indeed, cities in your district including Pasadena, Glendale, and La Verne have implemented specific STRs restrictions much like those the Board of Supervisors are considering, such as requiring registration, banning unhosted rentals, and not allowing STRs in rent stabilized units. Many others including Arcadia, Bradbury, Burbank, Claremont, Duarte, and Temple City outright ban all STRs. Unscrupulous STR hosts with regulated units will often misrepresent their location to be in unincorporated LA County to circumvent local enforcement and take advantage of the County's lack of regulation. In Implementing strong regulations on the County level will help enforcement in cities in your District, as well as protect the housing stock and communities of unincorporated LA County.

Amid this housing and houselessness crisis, protecting unincorporated LA County residents in your district from displacement due to STRs is an integral part of solving this regional issue. For these reasons, we urge you to pass the Short-Term Rentals Registration Ordinance. Should you have questions, please email Becca Ayala at <a href="mailto:rebecca@betterneighborsla.org">rebecca@betterneighborsla.org</a>.

City: <a href="https://codelibrary.amlegal.com/codes/templecityca/latest/templecity\_ca/0-0-0-35998">https://codelibrary.amlegal.com/codes/templecityca/latest/templecity\_ca/0-0-0-35998</a> <a href="https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf">https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf</a>

<sup>&</sup>lt;sup>7</sup> Data on file with Better Neighbors LA.

<sup>&</sup>lt;sup>8</sup> Glendale, La Verne, and Pasadena all have short-term rental regulations. Glendale: <a href="https://www.glendaleca.gov/government/departments/community-development/neighborhood-services/licensing/home-sharing">https://www.glendaleca.gov/government/departments/community-development/neighborhood-services/licensing/home-sharing</a> La Verne: <a href="https://www.cityoflaverne.org/DocumentCenter/View/1276/Short-Term-Rental-Permit-Information-PDF?bidId="https://www.cityofpasadena.net/planning/short-term-rental-regulations/">https://www.cityofpasadena.net/planning/short-term-rental-regulations/</a>

<sup>&</sup>lt;sup>9</sup> Arcadia, Bradbury, Burbank, Claremont, Duarte, and Temple City have banned all STRS in their jurisdiction. Arcadia: <a href="https://cms9files.revize.com/arcadia/Shape%20Arcadia/Development%20Services/OrdinanceNo2348.pdf">https://cms9files.revize.com/arcadia/Shape%20Arcadia/Development%20Services/OrdinanceNo2348.pdf</a>
Bradbury: <a href="https://library.municode.com/ca/bradbury/codes/code">https://library.municode.com/ca/bradbury/codes/code</a> of ordinances? <a href="https://www.burbankca.gov/web/community-development/str">https://library.municode.com/ca/bradbury/codes/code</a> of ordinances? <a href="https://www.burbankca.gov/web/community-development/str">https://www.burbankca.gov/web/community-development/str</a> Claremont: <a href="https://claremont-courier.com/latest-news/t34056city-29933/#:~:text=Short%2Dterm%20rentals%2C%20such%20as,the%20City%20Manager%20Jamie%20Earl.">https://claremont-courier.com/latest-news/t34056city-29933/#:~:text=Short%2Dterm%20rentals%2C%20such%20as,the%20City%20Manager%20Jamie%20Earl.</a>
Duarte: <a href="https://library.municode.com/ca/duarte/codes/development">https://library.municode.com/ca/duarte/codes/development</a> code? <a href="https://claremont-codes/development">https://claremont-codes/development</a> code? <a href="https://cda.news/development">https://cda.news/development</a> code? <a href="https://cda.news/development">https://cda.news/development</a> code? <a href="https://cda.news/development">https://cda.news/development</a> code? <a href="https://cda.news/development">https://cda.news/development</a> cod

### Titles included for identification purposes only.

Sincerely,

Victor Gordo	Konstantine Anthony
Victor Gordo Mayor of Pasadena	Konstantine Anthony Mayor of Burbank
Strack	Nick Schultx
Ardy Kassakhian Glendale Councilmember	Nick Schultz Vice Mayor of Burbank
Andrea Alarcon	Jess Prinas
Andrea Alarcon Mayor Pro Tem of Palmdale	Jess Rivas Pasadena Councilmember
Paula Devine	Ara Najarian
Paula Devine Glendale Councilmember and Former Mayor	Ara Najarian Glendale Councilmember
Dan Brotman	Mingfay
Dan Brotman Mayor of Glendale	Nikki Perèz Burbank Councilmember

Tamala Takahashi

Tamala Takahashi Burbank Councilmember

Michael Eacciotti

Michael Cacciotti South Pasadena Councilmember

Jed Leano Claremont Councilmember

CC:

Supervisor Kathryn Barger Anish Saraiya Tyler Cash Roberto E. Álvarez Jason Lyon

Jason Lyon Pasadena Councilmember

Elen Asatryan

Elen Asatryan Glendale Councilmember

Steve Madison

Steve Madison Vice Mayor of Pasadena



November 16, 2023

Dear LA County Board of Supervisors,

Esperanza Community Housing (Esperanza) we strongly supports the proposed amendments to County Code, Title 7 to regulate short-term rentals (STRs). <sup>1</sup> As the state's homelessness crisis continues to worsen, it's vital that the Board of Supervisors (the "Board") take the necessary precautions to protect the housing supply in unincorporated Los Angeles County from conversion to tourist accommodations. The County's proposed Ordinance (the "Ordinance") includes common-sense STR regulations that will protect unincorporated Los Angeles' housing stock and residents; and hold accountable both hosts and platforms for any infractions of the Ordinance. An ordinance regulating STRs is also consistent with the Board's recent efforts to further protections for renters, as renters are some of those most at risk of displacement from STRs.

Esperanza works with low-income communities of color, who live at the intersection of social justice issues affecting South Central Los Angeles's communities – upholding the pillars of health, public health, housing, economic justice, environmental justice, racial and immigrant justice, and supporting local arts and culture – to achieve comprehensive, long-term equitable community development in the Figueroa Corridor of South Central Los Angeles.

According to Better Neighbors Los Angeles, data indicates that there are 3,780 STR listings advertised on Airbnb across unincorporated LA County. The County CEO's website estimates that over one million of LA County's residents live in unincorporated parts of the County – about 10% of the population. It's vital that these residents are afforded the same housing protection that residents in other cities within the County receive.<sup>2</sup>

There exists a substantial body of research on STRs indicating that short-term rentals contribute to increased rent and home prices, which can often lead to displacement of residents and community members. For example, Professor David Wachsmuth at McGill University estimates that STRs have raised rents for the average renter by \$810 per year in the City of Los Angeles.<sup>3</sup> Furthermore, an article by Luisa Godinez-Puig and Jorge Gonzalez-Hermoso highlights the clear equity concern associated with rising rents, as Black and Latinx residents are more likely to rent than own.<sup>4</sup> The removal of units from the long-term market at the hands of STRs undoubtedly disproportionately impacts Black and Latinx residents across unincorporated LA County. According to the National Low Income Housing Coalition("NLIHC"), 54% of households in LA County were renter households from 2017-2021. Furthermore, NLIHC's most recent "Out of

<sup>&</sup>lt;sup>1</sup> https://www.betterneighborsla.org/about-us

<sup>&</sup>lt;sup>2</sup> The City of Los Angeles, City of West Hollywood, and City of Santa Monica all have STR regulations. The City of Los Angeles is in the process of further strengthening current regulations.

<sup>&</sup>lt;sup>3</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf

<sup>&</sup>lt;sup>4</sup> https://www.urban.org/urban-wire/abundance-short-term-rentals-who-wins-and-who-loses



Reach" report found that, on average, the fair market rent for a two-bedroom in LA County costs \$2,222 per month, requiring 2.5 minimum wage jobs per household. As the County works to strengthen tenant protections, regulating short-term rentals must be viewed as another necessary tool needed to safeguard housing. 6

While we support the Ordinance as a whole, we would like to express our strong support for a few specific provisions:

Holding Platforms Accountable. Vital to the success of any STR regulation is that hosting platforms are held accountable for facilitating the booking of illegal STRs. The Ordinance allows the County to impose fines of up to one thousand dollars per violation per day on hosting platforms for completing illegitimate booking transactions. The County's enforcement of this provision of the Ordinance will create incentive for platforms to ensure that their users are operating in compliance with local regulations.

Protecting Rent-Restricted Units and ADUs. We additionally support the Ordinance's provisions to protect Accessory Dwelling Units ("ADU"s) and rent restricted units from conversion into STRs. The Los Angeles Homeless Services Authority's (LAHSA) 2023 Annual Homeless Count found that homelessness in LA County increased by 9% over the past year. The County's designated affordable and Section 8 housing, which is already limited in supply, should not be cannibalized so that property owners and developers may make more money. Additionally, prohibiting the use of ADUs as STR accommodation is ultimately consistent with the County's current ADU regulations and with statewide goals of increasing housing supply that inspired the legalization of ADUs.

Eliminating Commercial Operators. Restricting hosts to only one STR within unincorporated LA County will undoubtedly return several rental units to the market, in instances where hosts operate several STRs. According to our data, of the 2,053 hosts that advertise STRs on Airbnb in unincorporated parts of the County, 643 of them advertise multiple STR listings. Thus, if hosts were restricted to operating one STR, up to 1,727 units could be returned to the long-term rental market, reducing the STR population in unincorporated LA County by 9%. These commercial STR operations place additional strains on a region's housing supply and contribute to the increased cost of living that residents may face.

Support regional enforcement against "bait and switch." We believe that implementation of strong STR regulations across unincorporated parts of LA County will help to eliminate a common violation of the City of LA's HSO that Better Neighbors Los Angeles has observed. Because the HSO similarly requires that hosts register their STRs, prohibits hosts from operating several STRs within the City, and restricts the use of housing units subject to the Rent

 $<sup>^{5}\ \</sup>underline{https://nlihc.org/sites/default/files/oor/California\_2023\_OOR.pdf}$ 

<sup>&</sup>lt;sup>6</sup> https://www.latimes.com/california/story/2023-07-11/la-county-new-renter-protections

<sup>&</sup>lt;sup>7</sup> https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf



Stabilization Ordinance (RSO) as STRs, unscrupulous hosts have begun to purport that their STRs are located outside of the City of LA. For example, a host with a property in Hollywood may advertise their unit as being located in West Hollywood, a host in Venice may advertise their unit as being in Marina del Rey, and so on. The City's enforcement software is not designed to evaluate STRs that do not appear to be within City limits on hosting platforms, so hosts are able to falsify the address on the platform and message guests the correct address for their stay upon booking. We are hopeful that the implementation of regulations in unincorporated parts of the County will help to address this violation.

The STR regulations before the Board is an opportunity for the Board to take another step in protecting and preserving housing in unincorporated LA County. We support the Board's adoption of this ordinance, as it reaches a balance of protecting residents across the County from future displacement due to STRs and providing homeowners and renters with opportunities to use their homes for extra income as necessary.

Respectfully,

Nancy Halpern Ibrahim Executive Director

Name Hall



February 8, 2024

Dear LA County Board of Supervisors,

The Keep LA Housed Coalition writes to you in strong support of the proposed amendments to County Code, Title 7 to regulate short-term rentals (STRs). <sup>1</sup> As the state's homelessness crisis continues to worsen, it's vital that the Board of Supervisors (the "Board") take the necessary precautions to protect the housing supply in unincorporated Los Angeles County from conversion to tourist accommodations. The County's proposed Ordinance (the "Ordinance") includes common-sense STR regulations that will protect unincorporated Los Angeles' housing stock and residents; and hold accountable both hosts and platforms for any infractions of the Ordinance. An ordinance regulating STRs is also consistent with the Board's recent efforts to further protections for renters, as renters are some of those most at risk of displacement from STRs.

**Keep LA Housed** is a coalition of tenants, tenant rights advocates, public interest lawyers, and community based organizations with the goal of protecting tenants against evictions, displacement, and homelessness in the wake of the COVID-19 pandemic in the City and County of Los Angeles.

According to Better Neighbors Los Angeles, data indicates that there are 3,780 STR listings advertised on Airbnb across unincorporated LA County. The County CEO's website estimates that over one million of LA County's residents live in unincorporated parts of the County – about 10% of the population. It's vital that these residents are afforded the same housing protection that residents in other cities within the County receive.<sup>2</sup>

There exists a substantial body of research on STRs indicating that short-term rentals contribute to increased rent and home prices, which can often lead to displacement of residents and community members. For example, Professor David Wachsmuth at McGill University estimates that STRs have raised rents for the average renter by \$810 per year in the City of Los Angeles.<sup>3</sup> Furthermore, an article by Luisa Godinez-Puig and Jorge Gonzalez-Hermoso highlights the clear equity concern associated with rising rents, as Black and Latinx residents are more likely to rent than own.<sup>4</sup> The removal of units from the long-term market at the hands of STRs undoubtedly disproportionately impacts Black and Latinx residents across unincorporated LA County. According to the National Low Income Housing Coalition("NLIHC"), 54% of households in LA County were renter households from 2017-2021. Furthermore, NLIHC's most recent "Out of Reach" report found that, on average, the fair market rent for a two-bedroom in

<sup>&</sup>lt;sup>1</sup> https://www.betterneighborsla.org/about-us

<sup>&</sup>lt;sup>2</sup> The City of Los Angeles, City of West Hollywood, and City of Santa Monica all have STR regulations. The City of Los Angeles is in the process of further strengthening current regulations.

<sup>&</sup>lt;sup>3</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf

<sup>&</sup>lt;sup>4</sup> https://www.urban.org/urban-wire/abundance-short-term-rentals-who-wins-and-who-loses



LA County costs \$2,222 per month, requiring a 2.5 minimum wage jobs per household.<sup>5</sup> As the County works to strengthen tenant protections, regulating short-term rentals must be viewed as another necessary tool needed to safeguard housing.<sup>6</sup>

While we support the Ordinance as a whole, we would like to express our strong support for a few specific provisions:

Holding Platforms Accountable. Vital to the success of any STR regulation is that hosting platforms are held accountable for facilitating the booking of illegal STRs. The Ordinance allows the County to impose fines of up to one thousand dollars per violation per day on hosting platforms for completing illegitimate booking transactions. The County's enforcement of this provision of the Ordinance will create incentive for platforms to ensure that their users are operating in compliance with local regulations.

Protecting Rent-Restricted Units and ADUs. We additionally support the Ordinance's provisions to protect Accessory Dwelling Units ("ADU"s) and rent restricted units from conversion into STRs. The Los Angeles Homeless Services Authority's (LAHSA) 2023 Annual Homeless Count found that homelessness in LA County increased by 9% over the past year. The County's designated affordable and Section 8 housing, which is already limited in supply, should not be cannibalized so that property owners and developers may make more money. Additionally, prohibiting the use of ADUs as STR accommodation is ultimately consistent with the County's current ADU regulations and with statewide goals of increasing housing supply that inspired the legalization of ADUs.

Eliminating Commercial Operators. Restricting hosts to only one STR within unincorporated LA County will undoubtedly return several rental units to the market, in instances where hosts operate several STRs. According to our data, of the 2,053 hosts that advertise STRs on Airbnb in unincorporated parts of the County, 643 of them advertise multiple STR listings. Thus, if hosts were restricted to operating one STR, up to 1,727 units could be returned to the long-term rental market, reducing the STR population in unincorporated LA County by 9%. These commercial STR operations place additional strains on a region's housing supply and contribute to the increased cost of living that residents may face.

Support regional enforcement against "bait and switch." We believe that implementation of strong STR regulations across unincorporated parts of LA County will help to eliminate a common violation of the City of LA's HSO that Better Neighbors Los Angeles has observed. Because the HSO similarly requires that hosts register their STRs, prohibits hosts from operating several STRs within the City, and restricts the use of housing units subject to the Rent Stabilization Ordinance (RSO) as STRs, unscrupulous hosts have begun to purport that their STRs are located outside of the City of LA. For example, a host with a property in Hollywood may advertise their unit as being located in West Hollywood, a host in Venice may advertise their unit as being in Marina del Rey, and so on. The City's enforcement software is not designed

<sup>&</sup>lt;sup>5</sup> https://nlihc.org/sites/default/files/oor/California 2023 OOR.pdf

<sup>6</sup> https://www.latimes.com/california/story/2023-07-11/la-county-new-renter-protections

<sup>&</sup>lt;sup>7</sup> https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf



to evaluate STRs that do not appear to be within City limits on hosting platforms, so hosts are able to falsify the address on the platform and message guests the correct address for their stay upon booking. We are hopeful that the implementation of regulations in unincorporated parts of the County will help to address this violation.

The STR regulations before the Board is an opportunity for the Board to take another step in protecting and preserving housing in unincorporated LA County. We support the Board's adoption of this ordinance, as it reaches a balance of protecting residents across the County from future displacement due to STRs and providing homeowners and renters with opportunities to use their homes for extra income as necessary. Should you have any questions, please contact our Coalition Coordinator, Maria Lopez (maria@keeplahoused.org).

Best,

Keep LA Housed

#### **VIA ELECTRONIC MAIL**

Supervisor Lindsey Horvath 500 West Temple Street, Room 821 Los Angeles, CA 90012

RE: Los Angeles County Short-Term Rentals Registration Ordinance – SUPPORT

Dear Supervisor Horvath,

We write in support of the County of Los Angeles' proposed Short-Term Rentals Registration Ordinance. As elected officials within your district, we recognize that short-term rental (STRs) regulations must be adopted to safeguard housing during the ongoing housing and homelessness crises.

STR regulations in unincorporated LA County will protect precious housing at this critical juncture. According to recent census data, 53.5% of LA County residents are renters. Professor David Wachsmuth of McGill University found that the proliferation of STRs has caused rents to increase \$810 per year for each rental unit in the City of Los Angeles since 2015. As a result renters are being priced out of the City of Los Angeles and look to rent in more affordable areas leading to a wave of migration across the region.

Renters in LA County, however, are already struggling to make ends meet. According to the National Low Income Housing Coalition, the hourly wage necessary to pay the rent of a typical two-bedroom apartment - \$3,330 per month – is \$64.04 an hour in unincorporated Supervisorial District 3.<sup>3</sup> Communities in your district that already struggle with STRs also report above-average housing costs.<sup>4</sup>

STRs are also a significant driver of the homelessness crisis. According to the Los Angeles Homeless Services Authority, in 2022 there were 13,432 individuals experiencing homelessness in Supervisor District 3, the vast majority of which were unsheltered. Residents in the City of Los Angeles have seen how short-term rentals contribute to displacement and homelessness. Professor Wachsmuth of McGill University found that commercial STRs have taken 2,500 homes off the long-term market and are responsible for more than 5,000 extra people experiencing homelessness each night in the City of Los Angeles. Similar displacement is happening County-wide, pricing families and individuals out of their homes. According to an analysis by Better Neighbors LA, there are more than 380 unhosted short-term rentals currently active on Airbnb in unincorporated SD3 alone. This means that over 380 units have been

<sup>&</sup>lt;sup>1</sup> https://data.census.gov/table?q=housing+in+los+angeles+county&tid=ACSST1Y2021.S1101

<sup>&</sup>lt;sup>2</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf

<sup>&</sup>lt;sup>3</sup> https://nlihc.org/oor/state/ca

<sup>&</sup>lt;sup>4</sup> Data associated with zip code 90290, unincorporated Topanga: <a href="https://nlihc.org/oor/zip?code=90290">https://nlihc.org/oor/zip?code=90290</a>

<sup>&</sup>lt;sup>5</sup> https://www.lahsa.org/data?id=53-homeless-count-by-la-county-supervisorial-district-2015-2022

<sup>&</sup>lt;sup>6</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf

removed from the housing stock just to be used as tourist accommodation. <sup>7</sup> By approving the proposed regulations, you will further protect our communities across unincorporated LA County from displacement.

STRs also give rise to concerns about neighborhood character and quality of life. All around the County, residents must suddenly deal with commercial enterprises in the middle of their neighborhoods, bringing in rowdy parties, parking difficulties, high volumes of trash, loud noise, and guests that have no stake in safeguarding the community. Currently, residents have no course of action to deal with the problem. If passed, the proposed ordinance will address disruptive party houses and nuisance STRs.

The proposed ordinance will also bring the County into alignment with other cities in the region that have adopted reasonable regulations. This includes Los Angeles, West Hollywood, and Santa Monica, all within your district and each of which have adopted strong regulations to protect residents and housing. Indeed, other cities in your district including Agoura Hills, Beverly Hills, and Malibu have implemented specific STR restrictions much like those the Board of Supervisors are considering, such as requiring registration, banning unhosted rentals, and capping the number of days rented per calendar year. Others, including Calabasas, outright ban all STRs. Unscrupulous STR hosts with regulated units will often misrepresent their location to be in unincorporated LA County to circumvent local enforcement and take advantage of the County's lack of regulation. In Implementing strong regulations on the County level will help enforcement in cities in your District, as well as protect the housing stock and communities of unincorporated LA County.

Amid this housing and houselessness crisis, protecting unincorporated LA County residents in your district from displacement due to STRs is an integral part of solving this regional issue. For these reasons, we urge you to pass the Short-Term Rentals Registration Ordinance. Should you have questions, please email Becca Ayala at rebecca@betterneighborsla.org.

Agoura Hills: <a href="https://www.agourahillscity.org/department/community-development/planning/short-term-rental">https://www.agourahillscity.org/department/community-development/planning/short-term-rental</a>
Beverly Hills: <a href="https://www.beverlyhills.org/departments/communitydevelopment/shorttermvacationrentals/">https://www.beverlyhills.org/departments/communitydevelopment/shorttermvacationrentals/</a>
Malibu: <a href="https://www.malibucity.org/DocumentCenter/View/27338/Malibu-Ordinance-No-468---Short-Term-Rental-Enforcement-Ordinance">https://www.malibucity.org/DocumentCenter/View/27338/Malibu-Ordinance-No-468---Short-Term-Rental-Enforcement-Ordinance</a>

Santa Monica: <a href="https://www.smgov.net/uploadedFiles/Departments/PCD/Permits/Home%20share%20O-2616.pdf">https://www.smgov.net/uploadedFiles/Departments/PCD/Permits/Home%20share%20O-2616.pdf</a>
West Hollywood: <a href="https://library.qcode.us/lib/west\_hollywood\_ca/pub/municipal\_code/item/title\_19-article\_19\_3-chapter\_19\_36-19\_36\_331">https://library.qcode.us/lib/west\_hollywood\_ca/pub/municipal\_code/item/title\_19-article\_19\_3-chapter\_19\_36-19\_36\_331</a>

Santa Monica: https://www.smgov.net/uploadedFiles/Departments/PCD/Permits/Home%20share%20O-2616.pdf

 $\frac{https://mcclibrary functions.azurewebsites.us/api/ordinanceDownload/16235/881610/pdf? forceDownload=true\#:\sim:text=(A)\%20 The\%20 Calabasas\%20 Municipal\%20 Code, Calabasas\%20 Municipal\%20 Code\%20 Section\%2017\%20.$ 

<sup>&</sup>lt;sup>7</sup> Data on file with Better Neighbors LA.

<sup>&</sup>lt;sup>8</sup> Agoura Hills, Beverly Hills, and Malibu, West Hollywood, and Santa Monica all have short-term rental regulations.

<sup>&</sup>lt;sup>9</sup> Calabasas has banned all STRS in their jurisdiction.

<sup>&</sup>lt;sup>10</sup> https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf

### Titles for identification purposes only.

Deborah Klein Lopex	Penny Sylvester
Deborah Klein Lopez	Penny Sylvester
Agoura Hills Councilmember	Agoura Hills Councilmember
Maria Solorio	Joel Fajardo
Maria Solorio	Joel Fajardo
San Fernando Councilmember	San Fernando Councilmember
Gleam Davis	John M. Erickson PhD
Gleam Davis	John M. Erickson, PhD
Santa Monica Councilmember	Mayor of West Hollywood
Sepi Shyne	Jesse Frwick
Sepi Shyne	Jesse Zwick
West Hollywood Councilmember	Santa Monica Councilmember
Chelsea Byers	
Chelsea Byers	
Vice Mayor of West Hollywood	

CC:

Supervisor Lindsey Horvath John Leonard



## Pomona Economic Opportunity Center Pomona Day Labor Center

December 6, 2023

Dear LA County Board of Supervisors,

Pomona Economic Opportunity Center is writing to you in strong support of the proposed amendments to County Code, Title 7 to regulate short-term rentals (STRs). <sup>1</sup> As the state's homelessness crisis continues to worsen, it's vital that the Board of Supervisors (the "Board") take the necessary precautions to protect the housing supply in unincorporated Los Angeles County from conversion to tourist accommodations. The County's proposed Ordinance (the "Ordinance") includes common-sense STR regulations that will protect unincorporated Los Angeles' housing stock and residents; and hold accountable both hosts and platforms for any infractions of the Ordinance. An ordinance regulating STRs is also consistent with the Board's recent efforts to further protections for renters, as renters are some of those most at risk of displacement from STRs.

The Pomona Economic Opportunity Center (PEOC) is a worker center with a grassroots organizing model. Our mission is to empower low-wage, immigrant workers in Pomona and across the Inland Empire. Our methods of empowerment for our immigrant community members and workers include economic, political and social development and sustainability. As PEOC, we provide opportunities for day laborers, household workers and other low-wage, immigrant workers to find safe work at a fair wage, to organize and advocate for themselves in relation to policies that impact their lives, to obtain new trades and skills that improve their employability and quality of life, and to improve the overall conditions for all immigrant workers.

To achieve these goals the PEOC engages in a variety of activities including labor rights education and employer mediation, job development, health and safety trainings, improving access to resources in the local community, coalition building, providing educational opportunities on workers rights and immigrant rights, vocational trainings, identifying training opportunities in work and language skills, development of strong workers and community leaders through organizing and trainings, immigration document preparation and advocacy to promote or change policies that impact low-wage immigrant workers. In addition to its main site in Pomona, the PEOC organizes day laborers among informal street corners in the Inland Empire in the cities of Rancho Cucamonga, San Bernardino, Corona, Moreno Valley and Riverside.

According to Better Neighbors Los Angeles, data indicates that there are 3,780 STR listings advertised on Airbnb across unincorporated LA County. The County CEO's website estimates that over one million of LA County's residents live in unincorporated parts of the

<sup>&</sup>lt;sup>1</sup> https://www.betterneighborsla.org/about-us



### Pomona Economic Opportunity Center Pomona Day Labor Center

County – about 10% of the population. It's vital that these residents are afforded the same housing protection that residents in other cities within the County receive.<sup>2</sup>

There exists a substantial body of research on STRs indicating that short-term rentals contribute to increased rent and home prices, which can often lead to displacement of residents and community members. For example, Professor David Wachsmuth at McGill University estimates that STRs have raised rents for the average renter by \$810 per year in the City of Los Angeles.<sup>3</sup> Furthermore, an article by Luisa Godinez-Puig and Jorge Gonzalez-Hermoso highlights the clear equity concern associated with rising rents, as Black and Latinx residents are more likely to rent than own.<sup>4</sup> The removal of units from the long-term market at the hands of STRs undoubtedly disproportionately impacts Black and Latinx residents across unincorporated LA County. According to the National Low Income Housing Coalition("NLIHC"), 54% of households in LA County were renter households from 2017-2021. Furthermore, NLIHC's most recent "Out of Reach" report found that, on average, the fair market rent for a two-bedroom in LA County costs \$2,222 per month, requiring a 2.5 minimum wage jobs per household.<sup>5</sup> As the County works to strengthen tenant protections, regulating short-term rentals must be viewed as another necessary tool needed to safeguard housing.<sup>6</sup>

While we support the Ordinance as a whole, we would like to express our strong support for a few specific provisions:

Holding Platforms Accountable. Vital to the success of any STR regulation is that hosting platforms are held accountable for facilitating the booking of illegal STRs. The Ordinance allows the County to impose fines of up to one thousand dollars per violation per day on hosting platforms for completing illegitimate booking transactions. The County's enforcement of this provision of the Ordinance will create incentive for platforms to ensure that their users are operating in compliance with local regulations.

Protecting Rent-Restricted Units and ADUs. We additionally support the Ordinance's provisions to protect Accessory Dwelling Units ("ADU"s) and rent restricted units from conversion into STRs. The Los Angeles Homeless Services Authority's (LAHSA) 2023 Annual Homeless Count found that homelessness in LA County increased by 9% over the past year. The County's designated affordable and Section 8 housing, which is already limited in supply, should not be cannibalized so that property owners and developers may make more money. Additionally, prohibiting the use of ADUs as STR accommodation is ultimately consistent with the County's

<sup>&</sup>lt;sup>2</sup> The City of Los Angeles, City of West Hollywood, and City of Santa Monica all have STR regulations. The City of Los Angeles is in the process of further strengthening current regulations.

<sup>&</sup>lt;sup>3</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf

<sup>&</sup>lt;sup>4</sup> https://www.urban.org/urban-wire/abundance-short-term-rentals-who-wins-and-who-loses

<sup>&</sup>lt;sup>5</sup> https://nlihc.org/sites/default/files/oor/California 2023 OOR.pdf

<sup>&</sup>lt;sup>6</sup> https://www.latimes.com/california/story/2023-07-11/la-county-new-renter-protections



# Pomona Economic Opportunity Center Pomona Day Labor Center

current ADU regulations and with statewide goals of increasing housing supply that inspired the legalization of ADUs.

Eliminating Commercial Operators. Restricting hosts to only one STR within unincorporated LA County will undoubtedly return several rental units to the market, in instances where hosts operate several STRs. According to our data, of the 2,053 hosts that advertise STRs on Airbnb in unincorporated parts of the County, 643 of them advertise multiple STR listings. Thus, if hosts were restricted to operating one STR, up to 1,727 units could be returned to the long-term rental market, reducing the STR population in unincorporated LA County by 9%. These commercial STR operations place additional strains on a region's housing supply and contribute to the increased cost of living that residents may face.

Support regional enforcement against "bait and switch." We believe that implementation of strong STR regulations across unincorporated parts of LA County will help to eliminate a common violation of the City of LA's HSO that Better Neighbors Los Angeles has observed. Because the HSO similarly requires that hosts register their STRs, prohibits hosts from operating several STRs within the City, and restricts the use of housing units subject to the Rent Stabilization Ordinance (RSO) as STRs, unscrupulous hosts have begun to purport that their STRs are located outside of the City of LA. For example, a host with a property in Hollywood may advertise their unit as being located in West Hollywood, a host in Venice may advertise their unit as being in Marina del Rey, and so on. The City's enforcement software is not designed to evaluate STRs that do not appear to be within City limits on hosting platforms, so hosts are able to falsify the address on the platform and message guests the correct address for their stay upon booking. We are hopeful that the implementation of regulations in unincorporated parts of the County will help to address this violation.

The STR regulations before the Board is an opportunity for the Board to take another step in protecting and preserving housing in unincorporated LA County. We support the Board's adoption of this ordinance, as it reaches a balance of protecting residents across the County from future displacement due to STRs and providing homeowners and renters with opportunities to use their homes for extra income as necessary. Should you have any questions, please contact Debra Mendez at dmendez@pomonadaylabor.org.

Best,

Debra Mendez

Debra Mendez

**Housing Justice Coordinator, Pomona Economic Opportunity Center** 

Pronouns: She/Her Pronombre personal: Élla

<sup>&</sup>lt;sup>7</sup> https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf



February 06, 2024

Dear LA County Board of Supervisors,

LA Voice writes to you in strong support of the proposed amendments to County Code, Title 7 to regulate short-term rentals (STRs). As the state's homelessness crisis continues to worsen, it's vital that the Board of Supervisors (the "Board") take the necessary precautions to protect the housing supply in unincorporated Los Angeles County from conversion to tourist accommodations. The County's proposed Ordinance (the "Ordinance") includes common-sense STR regulations that will protect unincorporated Los Angeles' housing stock and residents; and hold accountable both hosts and platforms for any infractions of the Ordinance. An ordinance regulating STRs is also consistent with the Board's recent efforts to further protections for renters, as renters are some of those most at risk of displacement from STRs.

LA Voice is a multi-racial, multi-faith community organization that awakens people to their own power, training them to speak, act, and work together to transform our County into one that reflects the dignity of all people.

We believe all people have power and a voice. Every day we amplify that power by uniting diverse faith voices to stand-up for what their communities need, winning changes that improve the lives of all Angelenos.

LA Voice's organizing presence is based throughout LA County, across 5 county supervisorial districts and 28 strategic cities. Throughout the county, we have 65 congregations, 26 with teams, and 17 of them with teams that can deliver.

According to Better Neighbors Los Angeles, data indicates that there are 3,780 STR listings advertised on Airbnb across unincorporated LA County. The County CEO's website estimates that over one million of LA County's residents live in unincorporated parts of the County – about 10% of the population. It's vital that these residents are afforded the same housing protection that residents in other cities within the County receive.<sup>2</sup>

There exists a substantial body of research on STRs indicating that short-term rentals contribute to increased rent and home prices, which can often lead to displacement of residents and community members. For example, Professor David Wachsmuth at McGill University estimates that STRs have raised rents for the average renter by \$810 per year in the City of Los

<sup>&</sup>lt;sup>1</sup> https://www.betterneighborsla.org/about-us

<sup>&</sup>lt;sup>2</sup> The City of Los Angeles, City of West Hollywood, and City of Santa Monica all have STR regulations. The City of Los Angeles is in the process of further strengthening current regulations.

# > LA Voice

Angeles.<sup>3</sup> Furthermore, an article by Luisa Godinez-Puig and Jorge Gonzalez-Hermoso highlights the clear equity concern associated with rising rents, as Black and Latinx residents are more likely to rent than own.<sup>4</sup> The removal of units from the long-term market at the hands of STRs undoubtedly disproportionately impacts Black and Latinx residents across unincorporated LA County. According to the National Low Income Housing Coalition("NLIHC"), 54% of households in LA County were renter households from 2017-2021. Furthermore, NLIHC's most recent "Out of Reach" report found that, on average, the fair market rent for a two-bedroom in LA County costs \$2,222 per month, requiring a 2.5 minimum wage jobs per household.<sup>5</sup> As the County works to strengthen tenant protections, regulating short-term rentals must be viewed as another necessary tool needed to safeguard housing.<sup>6</sup>

While we support the Ordinance as a whole, we would like to express our strong support for a few specific provisions:

Holding Platforms Accountable. Vital to the success of any STR regulation is that hosting platforms are held accountable for facilitating the booking of illegal STRs. The Ordinance allows the County to impose fines of up to one thousand dollars per violation per day on hosting platforms for completing illegitimate booking transactions. The County's enforcement of this provision of the Ordinance will create incentive for platforms to ensure that their users are operating in compliance with local regulations.

Protecting Rent-Restricted Units and ADUs. We additionally support the Ordinance's provisions to protect Accessory Dwelling Units ("ADU"s) and rent restricted units from conversion into STRs. The Los Angeles Homeless Services Authority's (LAHSA) 2023 Annual Homeless Count found that homelessness in LA County increased by 9% over the past year. The County's designated affordable and Section 8 housing, which is already limited in supply, should not be cannibalized so that property owners and developers may make more money. Additionally, prohibiting the use of ADUs as STR accommodation is ultimately consistent with the County's current ADU regulations and with statewide goals of increasing housing supply that inspired the legalization of ADUs.

Eliminating Commercial Operators. Restricting hosts to only one STR within unincorporated LA County will undoubtedly return several rental units to the market, in instances where hosts operate several STRs. According to our data, of the 2,053 hosts that advertise STRs on Airbnb in unincorporated parts of the County, 643 of them advertise multiple STR listings. Thus, if hosts were restricted to operating one STR, up to 1,727 units could be returned to the long-term rental market, reducing the STR population in unincorporated LA

<sup>&</sup>lt;sup>3</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf

<sup>&</sup>lt;sup>4</sup> https://www.urban.org/urban-wire/abundance-short-term-rentals-who-wins-and-who-loses

<sup>&</sup>lt;sup>5</sup> https://nlihc.org/sites/default/files/oor/California\_2023\_OOR.pdf

<sup>&</sup>lt;sup>6</sup> https://www.latimes.com/california/story/2023-07-11/la-county-new-renter-protections



County by 9%. These commercial STR operations place additional strains on a region's housing supply and contribute to the increased cost of living that residents may face.

Support regional enforcement against "bait and switch." We believe that implementation of strong STR regulations across unincorporated parts of LA County will help to eliminate a common violation of the City of LA's HSO that Better Neighbors Los Angeles has observed. Because the HSO similarly requires that hosts register their STRs, prohibits hosts from operating several STRs within the City, and restricts the use of housing units subject to the Rent Stabilization Ordinance (RSO) as STRs, unscrupulous hosts have begun to purport that their STRs are located outside of the City of LA. For example, a host with a property in Hollywood may advertise their unit as being located in West Hollywood, a host in Venice may advertise their unit as being in Marina del Rey, and so on. The City's enforcement software is not designed to evaluate STRs that do not appear to be within City limits on hosting platforms, so hosts are able to falsify the address on the platform and message guests the correct address for their stay upon booking. We are hopeful that the implementation of regulations in unincorporated parts of the County will help to address this violation.

The STR regulations before the Board is an opportunity for the Board to take another step in protecting and preserving housing in unincorporated LA County. We support the Board's adoption of this ordinance, as it reaches a balance of protecting residents across the County from future displacement due to STRs and providing homeowners and renters with opportunities to use their homes for extra income as necessary.

Best,

Angel Mortel

Lead Organizer, LA Voice

<sup>&</sup>lt;sup>7</sup> https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf

## **Making Housing and Community Happen**

1628 N. Garfield Ave Pasadena CA 91104 Makinghousinghappen.org



December 21, 2023

Dear LA County Board of Supervisors,

Making Housing and Community Happan (MHCH) writes to you in strong support of the proposed amendments to County Code, Title 7 to regulate short-term rentals (STRs). <sup>1</sup> As the state's homelessness crisis continues to worsen, it's vital that the Board of Supervisors (the "Board") take the necessary precautions to protect the housing supply in unincorporated Los Angeles County from conversion to tourist accommodations. The County's proposed Ordinance (the "Ordinance") includes common-sense STR regulations that will protect unincorporated Los Angeles' housing stock and residents; and hold accountable both hosts and platforms for any infractions of the Ordinance. An ordinance regulating STRs is also consistent with the Board's recent efforts to further protections for renters, as renters are some of those most at risk of displacement from STRs.

Making Housing & Community Happen equips congregations, community leaders, and neighbors with practical tools needed to transform their communities to end homelessness, and to stabilize the cost of housing through education, advocacy, organizing, and advisement.

According to Better Neighbors Los Angeles, data indicates that there are 3,780 STR listings advertised on Airbnb across unincorporated LA County. The County CEO's website estimates that over one million of LA County's residents live in unincorporated parts of the County – about 10% of the population. It's vital that these residents are afforded the same housing protection that residents in other cities within the County receive.<sup>2</sup>

There exists a substantial body of research on STRs indicating that short-term rentals contribute to increased rent and home prices, which can often lead to displacement of residents and community members. For example, Professor David Wachsmuth at McGill University estimates that STRs have raised rents for the average renter by \$810 per year in the City of Los Angeles.<sup>3</sup> Furthermore, an article by Luisa Godinez-Puig and Jorge Gonzalez-Hermoso highlights the clear equity concern associated with rising rents, as Black and Latinx residents are

<sup>&</sup>lt;sup>1</sup> https://www.betterneighborsla.org/about-us

<sup>&</sup>lt;sup>2</sup> The City of Los Angeles, City of West Hollywood, and City of Santa Monica all have STR regulations. The City of Los Angeles is in the process of further strengthening current regulations.

<sup>&</sup>lt;sup>3</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf

more likely to rent than own. The removal of units from the long-term market at the hands of STRs undoubtedly disproportionately impacts Black and Latinx residents across unincorporated LA County. According to the National Low Income Housing Coalition("NLIHC"), 54% of households in LA County were renter households from 2017-2021. Furthermore, NLIHC's most recent "Out of Reach" report found that, on average, the fair market rent for a two-bedroom in LA County costs \$2,222 per month, requiring a 2.5 minimum wage jobs per household. As the County works to strengthen tenant protections, regulating short-term rentals must be viewed as another necessary tool needed to safeguard housing.

While we support the Ordinance as a whole, we would like to express our strong support for a few specific provisions:

Holding Platforms Accountable. Vital to the success of any STR regulation is that hosting platforms are held accountable for facilitating the booking of illegal STRs. The Ordinance allows the County to impose fines of up to one thousand dollars per violation per day on hosting platforms for completing illegitimate booking transactions. The County's enforcement of this provision of the Ordinance will create incentive for platforms to ensure that their users are operating in compliance with local regulations.

Protecting Rent-Restricted Units and ADUs. We additionally support the Ordinance's provisions to protect Accessory Dwelling Units ("ADU"s) and rent restricted units from conversion into STRs. The Los Angeles Homeless Services Authority's (LAHSA) 2023 Annual Homeless Count found that homelessness in LA County increased by 9% over the past year. The County's designated affordable and Section 8 housing, which is already limited in supply, should not be cannibalized so that property owners and developers may make more money. Additionally, prohibiting the use of ADUs as STR accommodation is ultimately consistent with the County's current ADU regulations and with statewide goals of increasing housing supply that inspired the legalization of ADUs.

Eliminating Commercial Operators. Restricting hosts to only one STR within unincorporated LA County will undoubtedly return several rental units to the market, in instances where hosts operate several STRs. According to our data, of the 2,053 hosts that advertise STRs on Airbnb in unincorporated parts of the County, 643 of them advertise multiple STR listings. Thus, if hosts were restricted to operating one STR, up to 1,727 units could be returned to the long-term rental market, reducing the STR population in unincorporated LA County by 9%. These commercial STR operations place additional strains on a region's housing supply and contribute to the increased cost of living that residents may face.

Support regional enforcement against "bait and switch." We believe that implementation of strong STR regulations across unincorporated parts of LA County will help to eliminate a common violation of the City of LA's HSO that Better Neighbors Los Angeles has observed.<sup>7</sup>

<sup>&</sup>lt;sup>4</sup> https://www.urban.org/urban-wire/abundance-short-term-rentals-who-wins-and-who-loses

<sup>&</sup>lt;sup>5</sup> https://nlihc.org/sites/default/files/oor/California\_2023\_OOR.pdf

<sup>&</sup>lt;sup>6</sup> https://www.latimes.com/california/story/2023-07-11/la-county-new-renter-protections

<sup>&</sup>lt;sup>7</sup> https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf

Because the HSO similarly requires that hosts register their STRs, prohibits hosts from operating several STRs within the City, and restricts the use of housing units subject to the Rent Stabilization Ordinance (RSO) as STRs, unscrupulous hosts have begun to purport that their STRs are located outside of the City of LA. For example, a host with a property in Hollywood may advertise their unit as being located in West Hollywood, a host in Venice may advertise their unit as being in Marina del Rey, and so on. The City's enforcement software is not designed to evaluate STRs that do not appear to be within City limits on hosting platforms, so hosts are able to falsify the address on the platform and message guests the correct address for their stay upon booking. We are hopeful that the implementation of regulations in unincorporated parts of the County will help to address this violation.

The STR regulations before the Board is an opportunity for the Board to take another step in protecting and preserving housing in unincorporated LA County. We support the Board's adoption of this ordinance, as it reaches a balance of protecting residents across the County from future displacement due to STRs and providing homeowners and renters with opportunities to use their homes for extra income as necessary. Should you have any questions, please contact Bert Newton, 626-993-7958, bert@makinghousinghappen.org.

Best,

Elbert (Bert) Newton

Elfar Teaston

Organizer, Making Housing and Community Happen

### **VIA ELECTRONIC MAIL**

Supervisor Hilda L. Solis 500 West Temple Street, Room 856 Los Angeles, CA 90012

RE: Los Angeles County Short-Term Rentals Registration Ordinance – SUPPORT

Dear Supervisor Solis,

We write in support of the County of Los Angeles' proposed Short-Term Rentals Registration Ordinance. As elected officials within your district, we recognize that short-term rental regulations must be adopted to safeguard housing during the ongoing housing and homelessness crisis.

Regulations for short-term rentals (STRs) in unincorporated LA County will protect precious housing at this critical juncture. According to recent census data, 53.5% of LA County residents are renters. Professor David Wachsmuth of McGill University found that the proliferation of STRs has caused rents to increase \$810 per year for each rental unit in the City of Los Angeles since 2015. As a result renters are becoming priced out of the City of Los Angeles and look to rent in more affordable areas leading to a wave of migration across the region.

Renters in LA County, however, are already struggling to make ends meet. According to the National Low Income Housing Coalition, the hourly wage necessary to pay the rent of a typical two-bedroom apartment - \$2,222 per month - is \$42.25 an hour in LA County.<sup>3</sup> Communities in your district that have reported issues with short term rentals come in above the average. For instance, Hacienda Heights FMR cost is \$2,320 per month necessitating an hourly wage of \$44.62 an hour.<sup>4</sup>

Short-term rentals are also a significant driver of the homelessness crisis. Professor Wachsmuth found that commercial STRs have taken 2,500 homes off the long-term market and are responsible for more than 5,000 extra people experiencing homelessness each night in the City of Los Angeles. Similar displacement is happening County-wide, pricing families and individuals out of their homes. According to an analysis by Better Neighbors LA, there are more than 600 unhosted short-term rentals currently active on Airbnb in unincorporated SD1 alone. This means that over 600 units have been removed from the housing stock just to be used as

<sup>&</sup>lt;sup>1</sup> https://data.census.gov/table?q=housing+in+los+angeles+county&tid=ACSST1Y2021.S1101

<sup>&</sup>lt;sup>2</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf

<sup>&</sup>lt;sup>3</sup> <u>https://nlihc.org/oor/state/ca</u>

<sup>&</sup>lt;sup>4</sup> Data associated with zip code 91745, unincorporated Hacienda Heights: <a href="https://nlihc.org/oor/zip?code=91745">https://nlihc.org/oor/zip?code=91745</a>

<sup>&</sup>lt;sup>5</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf

tourist accommodation.<sup>6</sup> By approving the proposed regulations, you will further protect our communities across unincorporated LA County from displacement.

The proposed ordinance will also bring the County into alignment with other cities in the region that have adopted reasonable regulations. This includes Los Angeles, West Hollywood, and Santa Monica, each of which have adopted strong regulations to protect residents and housing. Indeed, cities in your district have implemented specific restrictions on short-term rentals much like those the Board of Supervisors are considering, such as requiring registration, banning unhosted rentals, and not allowing short-term rentals in rent-protected units. Many others outright ban all short-term rentals. Unscrupulous short-term rental hosts with rental units in cities with regulations often list their units to appear to be in unincorporated LA County to circumvent restrictions and take advantage of the County's lack of regulation. Implementing strong regulations on the County level will help enforcement in cities in your District, as well as protect the housing stock and communities of unincorporated LA County.

Amid this housing and houselessness crisis, protecting unincorporated LA County residents in your district from displacement due to short-term rentals is an integral part of solving this regional issue. For these reasons, we urge you to pass the Short-Term Rentals Registration Ordinance. Should you have questions, please email Becca Ayala at <a href="mailto:rebecca@betterneighborsla.org">rebecca@betterneighborsla.org</a>.

Sincerely,

Titles included for identification purposes only.

Out to

Scarlet Peralta Mayor Pro Tem of Montebello Brian Calderón Tabatabai Mayor Pro Tem of West Covina

Park#:~:text=Short%2DTerm%20Rental%20Permits,%2C%20HomeAway%2C%20and%20similar%20websites; Pomona: https://www.dailybulletin.com/2023/01/31/pomona-hits-short-term-rentals-with-new-regulations/

https://library.municode.com/ca/rosemead/ordinances/code of ordinances?nodeId=900458; San Gabriel:

https://www.sangabrielcity.com/1341/Frequently-Asked-Questions#:~:text=Short-term%20rentals%20(anything%20less,term%20rental%20or%

<sup>&</sup>lt;sup>6</sup> Data on file with Better Neighbors LA.

<sup>&</sup>lt;sup>7</sup> Baldwin Park, Monterey Park and Pomona all have STR regulations implemented. Baldwin Park: <a href="https://www.baldwinpark.com/docssidemenu/public-notices/ordinances/1924-ordinance-1447-rso/file">https://www.baldwinpark.com/docssidemenu/public-notices/ordinances/1924-ordinance-1447-rso/file</a>; Monterey Park: <a href="http://www.montereypark.ca.gov/1466/Starting-a-Business-in-Monterey-">https://www.montereypark.ca.gov/1466/Starting-a-Business-in-Monterey-</a>

<sup>&</sup>lt;sup>8</sup> Diamond Bar, Rosemead, and San Gabriel have banned all STRS in their jurisdiction. Diamond Bar: <a href="https://www.diamondbarca.gov/Faq.aspx?QID=314">https://www.diamondbarca.gov/Faq.aspx?QID=314</a>; Rosemead:

<sup>&</sup>lt;sup>9</sup> https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf

## Jessica XIncona

Jessica Ancona Mayor of El Monte

Angie Jimenex

Angie Jimenez Montebello Council Member

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Adele Andrade Stadler Alhambra Council Member

SB

Sasha Renée Pérez Vice Mayor of Alhambra

Andrew Chou

Andrew Chou Mayor of Diamond Bar

Sandra Armenta

Sandra Armenta Rosemead Council Member



Emmanuel J. Estrada Mayor of Baldwin Park

Sal Melendex

Sal Melendez Montebello Council Member

Gloria Olmos

Gloria Olmos Mayor of South El Monte

Stan Liu

Stan Liu Mayor Pro Tem of Diamond Bar

Manny Acosta

Manny Acosta South El Monte Council Member

Martin Herrera

Martín Herrera Mayor Pro Tem of El Monte Henry Lo

Henry Lo Monterey Park Council Member

CC:

Louisa Ollague Tamela Omoto-Frias Hello Supervisors,

My name is Esme and I am with Los Angeles Tenants Union. I urge the Board of Supervisors to pass the Short-Term Rentals Registration Ordinance because at least 54 of the 88 incorporated cities across LA County have some form of regulations on short-term rentals. However, residents in unincorporated LA County have virtually no form of relief from the impacts of short-term rentals due to minimal regulations. I support the Short-Term Rentals Registration Ordinance because it will help protect residents in unincorporated LA County from the threat of displacement due to short-term rentals. Please take this important step to preserve housing for long-term residents and approve the Short-Term Rentals Registration Ordinance. Thank you,

Esme Germaine Reyna



Councilmember, Thirteenth District

February 12, 2024

#### Re: LA County Short-Term Rental Ordinance

Dear LA County Board of Supervisors,

I write in support of the County of Los Angeles' proposed Short-Term Rentals Registration Ordinance. As the Councilmember for the Thirteenth District in the City of Los Angeles, I recognize that short-term rental (STRs) regulations must be adopted to safeguard housing during the ongoing housing and homelessness crises.

STR regulations in unincorporated LA County will protect precious housing at this critical juncture. According to recent census data, 53.5% of LA County residents are renters. Professor David Wachsmuth of McGill University found that the proliferation of STRs has caused rents to increase \$810 per year for each rental unit in the City of Los Angeles since 2015. As a result renters are being priced out of our districts and look to rent in more affordable areas leading to a wave of migration across the region.

Renters in LA County, however, are already struggling to make ends meet. According to the National Low Income Housing Coalition, the hourly wage necessary to pay the rent of a typical two-bedroom apartment - \$2,222 per month - is \$42.73 an hour in LA County.<sup>3</sup> Communities in your district that already struggle with STRs also report above-average housing costs.<sup>4</sup>

STRs are also a significant driver of the homelessness crisis. According to the Los Angeles Homeless Services Authority, in 2023 there were 75,518 individuals experiencing homelessness across LA County.<sup>5</sup> Residents in the City of Los Angeles have seen how short-term rentals contribute to displacement and homelessness. Professor Wachsmuth of McGill University found that commercial STRs have taken 2,500 homes off the long-term market and are responsible for more than 5,000 extra people experiencing homelessness each night in the City of Los Angeles.<sup>6</sup> Similar displacement is likely happening County-wide, pricing families and individuals out of their homes. According to an analysis by Better Neighbors LA, there are 2,744 unhosted short-term rentals currently active on Airbnb in

<sup>&</sup>lt;sup>1</sup> https://data.census.gov/table?q=housing+in+los+angeles+county&tid=ACSST1Y2021.S1101

<sup>&</sup>lt;sup>2</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf

<sup>&</sup>lt;sup>3</sup> https://nlihc.org/oor/state/ca

<sup>&</sup>lt;sup>4</sup> Data associated with Los Angeles County: https://nlihc.org/sites/default/files/oor/California 2023 OOR.pdf

 $<sup>\</sup>frac{\text{https://www.lahsa.org/news?article=927-lahsa-releases-results-of-2023-greater-los-angeles-homeless-count\#:}{\sim:text=LOS\%20ANGELES\%20\%E2\%80\%93\%20The\%202023\%20Greater_to\%20an\%20estimated\%2046\%2C260\%20people}.$ 

<sup>&</sup>lt;sup>6</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf



HUGO SOTO-MARTINEZ
Councilmember, Thirteenth District

unincorporated Los Angeles County. This means that 2,744 units have been removed from the housing stock just to be used as tourist accommodation.<sup>7</sup> By approving the proposed regulations, you will further protect our communities across unincorporated LA County from displacement.

STRs also give rise to concerns about neighborhood character and quality of life. All around the County, residents must suddenly deal with commercial enterprises in the middle of their neighborhoods, bringing in rowdy parties, parking difficulties, high volumes of trash, loud noise, and guests that have no stake in safeguarding the community. Currently, residents have no course of action to deal with the problem. If passed, the proposed ordinance will address disruptive party houses and nuisance STRs.

The proposed ordinance will also bring the County into alignment with other cities in the region that have adopted reasonable regulations. This includes Los Angeles, West Hollywood, and Santa Monica, each of which have adopted strong regulations to protect residents and housing. Unscrupulous STR hosts with regulated units will often misrepresent their location to be in unincorporated LA County to circumvent local enforcement and take advantage of the County's lack of regulation. Implementing strong regulations on the County level will help enforcement in cities across LA County, as well as protect the housing stock and communities of unincorporated LA County.

Amid this housing and houselessness crisis, protecting unincorporated LA County residents from displacement due to STRs is an integral part of solving this regional issue. For these reasons, I urge you to pass the Short-Term Rentals Registration Ordinance.

Sincerely,

Hoor

Hugo Soto-Martinez

Los Angeles City Councilmember for the Thirteenth District 200 N Spring St, Ste. 480, Los Angeles, CA 90012

<sup>&</sup>lt;sup>7</sup> Data as of December 2023. On file with Better Neighbors LA.

<sup>&</sup>lt;sup>8</sup> City of Los Angeles: <a href="http://clkrep.lacity.org/onlinedocs/2014/14-1635-S2\_ORD\_185931\_07-01-19.pdf">http://clkrep.lacity.org/onlinedocs/2014/14-1635-S2\_ORD\_185931\_07-01-19.pdf</a>; City of West Hollywood:

 $<sup>\</sup>frac{https://www.weho.org/city-government/city-departments/community-safety/neighborhood-and-business-safety/business-licensing-and-permits/home-sharing-license; City of Santa Monica:$ 

https://www.smgov.net/Departments/PCD/Permits/Short-Term-Rental-Home-Share-Ordinance/

<sup>&</sup>lt;sup>9</sup> https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf

#### VIA Electronic Mail

Board of Supervisors Los Angeles County Kenneth Hahn Hall of Administration 500 W Temple Street Los Angeles, CA 90012

## **RE:** Los Angeles County Short-Term Rentals Registration Ordinance – SUPPORT

Dear Supervisors,

We write in support of the County of Los Angeles' proposed Short-Term Rentals Registration Ordinance. As elected officials within your districts that represent your constituents' interests in the California State Legislature, we recognize that local short-term rental regulations must be adopted to safeguard housing as we continue to address the housing and homelessness crisis at the state level.

In recent years, the Legislature has passed legislation intended to promote the production of housing. However, promoting the production of housing is only one part of the multipronged strategy that must be taken to truly address the affordable housing and homelessness crisis. Inherent in this strategy must be the preservation of housing precisely for housing, and not shortterm rentals serving tourists. Cities like the City of Irvine understand that regulations work. In 2019, the City of Irvine completely banned short-term rentals. A recent study published in the American Real Estate and Urban Economics Association Journal has found that in the City of Irvine, the enforcement of this ban on short-term rentals has contributed to a 3% decrease in long-term rents on average, or \$114 per month. Meanwhile, the number of unhosted short-term rentals has only increased in LA County. Since 2019 the average number of unhosted short-term rentals in unincoporated LA County per month has increased 95%, now totaling over 2,800 homes taken off the long-term market throughout your districts.<sup>3</sup> These unhosted short-term rentals have taken up double the housing stock they did just five years ago, and will continue to grow at a rapid rate if left unchecked.<sup>4</sup> These housing units are now no longer available to longterm tenants or potential homeowners. Without regulations in place, it is likely the unhosted short-term rental market will continue to cannibalize housing within unincorporated LA County.

<sup>&</sup>lt;sup>1</sup> https://www.cityofirvine.org/code-enforcement/short-term-rentals

<sup>&</sup>lt;sup>2</sup> https://onlinelibrary.wiley.com/doi/epdf/10.1111/1540-6229.12440

<sup>&</sup>lt;sup>3</sup> Data on file with Better Neighbors LA.

<sup>&</sup>lt;sup>4</sup> Unincorporated LA County has 296,274 housing units. <a href="https://scag.ca.gov/sites/main/files/file-attachments/unincorporated-los-angeles-county-he-">https://scag.ca.gov/sites/main/files/file-attachments/unincorporated-los-angeles-county-he-</a>

<sup>0421.</sup>pdf?1620756769#:~:text=Unincorporated%20Los%20Angeles%20Co.'s%20housing%20stock%20consists%20f%20296%2C274,in%20the%20SCAG%20region%20overall.

STRs are also a significant driver of the affordable housing and homelessness crisis. According to Professor David Wachsmuth of McGill University, short-term rentals have increased rents by \$810 annually and are responsible for more than 5,000 extra people experiencing homelessness each night in the City of Los Angeles. Similar displacement is likely happening County-wide, pricing families and individuals out of their homes. According to the Los Angeles Homeless Services Authority, in 2022 there 65,111 individuals experiencing homelessness throughout the County of Los Angeles, the vast majority of which were unsheltered. By approving the proposed regulations, you will further protect our communities across unincorporated LA County from future displacement and preserve housing for long-term use.

The proposed ordinance will also bring the County into alignment with other cities in the region that have adopted reasonable regulations. This includes Los Angeles, West Hollywood, and Santa Monica, each of which have adopted strong regulations to protect residents and housing. Indeed, 28 cities in your districts have implemented specific STRs restrictions much like those the Board of Supervisors are considering, such as requiring registration, banning unhosted rentals, and not allowing STRs in rent stabilized units. Across the County, 24 cities ban all STRs within at least a portion of their jurisdiction. Unscrupulous STR hosts with regulated units will often misrepresent their location to be in unincorporated LA County to circumvent local enforcement and take advantage of the County's lack of regulation. Implementing strong regulations on the County level will help enforcement in cities in your districts, as well as protect the housing stock and communities of unincorporated LA County.

Amid this housing and houselessness crisis, protecting unincorporated LA County residents in your districts from displacement due to STRs is an integral part of solving this regional issue. For these reasons, we urge you to pass the Short-Term Rentals Registration Ordinance. Should you have questions, please contact 213-355-7600 or rebecca@betterneighborsla.org .

Sincerely,

(Titles for identification only.)

<sup>&</sup>lt;sup>5</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth\_LA\_2022.pdf

<sup>6</sup> https://www.lahsa.org/data?id=53-homeless-count-by-la-county-supervisorial-district-2015-2022

<sup>&</sup>lt;sup>7</sup> Cities with STR regulations: Los Angeles, Baldwin Park, Monterey Park, Pomona, Carson, Compton, El Segundo, Gardena, Hawthorne, Inglewood, Agoura Hills, Beverly Hills, Hidden Hills, Malibu, San Fernando, Santa Monica, Westlake Village, West Hollywood, Avalon, Lomita, Long Beach, South Gate, Torrance, Whittier, Glendale, La Verne, and Pasadena.

<sup>&</sup>lt;sup>8</sup> Cities with STR bans within part or all of their jurisdiction: Diamond Bar, Rosemead, San Gabriel, Culver City, Hermosa Beach, Lawndale, Manhattan Beach, Redondo Beach, Calabasas, Cerritos, Commerce, La Habra Heights, La Mirada, Lakewood, Palos Verdes Estates, Rancho Palos Verdes, Rolling Hills, Rolling Hills Estates, Arcadia, Bradbury, Burbank, Claremont, Duarte, and Temple City.

<sup>&</sup>lt;sup>9</sup> https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf

Jan Jack

Laura Friedman

Assemblymember, 44<sup>th</sup> District

Anthony Rendon

Speaker Emeritus, 62<sup>nd</sup> District

Susan Rubio

Senator, 22<sup>nd</sup> District



Jan. 7, 2024

Dear LA County Board of Supervisors,

Pasadena For All writes to you in strong support of the proposed amendments to County Code, Title 7 to regulate short-term rentals (STRs). <sup>1</sup> As the state's homelessness crisis continues to worsen, it's vital that the Board of Supervisors (the "Board") take the necessary precautions to protect the housing supply in unincorporated Los Angeles County from conversion to tourist accommodations. The County's proposed Ordinance (the "Ordinance") includes common-sense STR regulations that will protect unincorporated Los Angeles' housing stock and residents; and hold accountable both hosts and platforms for any infractions of the Ordinance. An ordinance regulating STRs is also consistent with the Board's recent efforts to further protections for renters, as renters are some of those most at risk of displacement from STRs.

Pasadena For All is a mutual aid group that has been doing direct outreach to the unhoused since August of 2020. During that time, the group has gathered weekly donations and supplies, supported a successful rent control campaign in Pasadena, advocated for the city to reinstate its Bad Weather Shelter and called for more funding for the city's housing department.

California's high-cost housing (which is especially expensive in Pasadena) is directly linked to the increasing number of people being forced to live on the street. We support any policy that helps retain housing stock and keeps lower-income Californians in their homes.

According to Better Neighbors Los Angeles, data indicates that there are 3,780 STR listings advertised on Airbnb across unincorporated LA County. The County CEO's website estimates that over one million of LA County's residents live in unincorporated parts of the County – about 10% of the population. It's vital that these residents are afforded the same housing protection that residents in other cities within the County receive.<sup>2</sup>

There exists a substantial body of research on STRs indicating that short-term rentals contribute to increased rent and home prices, which can often lead to displacement of residents and community members. For example, Professor David Wachsmuth at McGill University estimates that STRs have raised rents for the average renter by \$810 per year in the City of Los Angeles.<sup>3</sup> Furthermore, an article by Luisa Godinez-Puig and Jorge Gonzalez-Hermoso highlights the clear equity concern associated with rising rents, as Black and Latinx residents are more likely to rent than own.<sup>4</sup> The removal of units from the long-term market at the hands of

<sup>&</sup>lt;sup>1</sup> https://www.betterneighborsla.org/about-us

<sup>&</sup>lt;sup>2</sup> The City of Los Angeles, City of West Hollywood, and City of Santa Monica all have STR regulations. The City of Los Angeles is in the process of further strengthening current regulations.

<sup>&</sup>lt;sup>3</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf

<sup>&</sup>lt;sup>4</sup> https://www.urban.org/urban-wire/abundance-short-term-rentals-who-wins-and-who-loses

STRs undoubtedly disproportionately impacts Black and Latinx residents across unincorporated LA County. According to the National Low Income Housing Coalition ("NLIHC"), 54% of households in LA County were renter households from 2017-2021. Furthermore, NLIHC's most recent "Out of Reach" report found that, on average, the fair market rent for a two-bedroom in LA County costs \$2,222 per month, requiring a 2.5 minimum wage jobs per household.<sup>5</sup> As the County works to strengthen tenant protections, regulating short-term rentals must be viewed as another necessary tool needed to safeguard housing.<sup>6</sup>

While we support the Ordinance as a whole, we would like to express our strong support for a few specific provisions:

Holding Platforms Accountable. Vital to the success of any STR regulation is that hosting platforms are held accountable for facilitating the booking of illegal STRs. The Ordinance allows the County to impose fines of up to one thousand dollars per violation per day on hosting platforms for completing illegitimate booking transactions. The County's enforcement of this provision of the Ordinance will create incentive for platforms to ensure that their users are operating in compliance with local regulations.

Protecting Rent-Restricted Units and ADUs. We additionally support the Ordinance's provisions to protect Accessory Dwelling Units ("ADU"s) and rent restricted units from conversion into STRs. The Los Angeles Homeless Services Authority's (LAHSA) 2023 Annual Homeless Count found that homelessness in LA County increased by 9% over the past year. The County's designated affordable and Section 8 housing, which is already limited in supply, should not be cannibalized so that property owners and developers may make more money. Additionally, prohibiting the use of ADUs as STR accommodation is ultimately consistent with the County's current ADU regulations and with statewide goals of increasing housing supply that inspired the legalization of ADUs.

Eliminating Commercial Operators. Restricting hosts to only one STR within unincorporated LA County will undoubtedly return several rental units to the market, in instances where hosts operate several STRs. According to our data, of the 2,053 hosts that advertise STRs on Airbnb in unincorporated parts of the County, 643 of them advertise multiple STR listings. Thus, if hosts were restricted to operating one STR, up to 1,727 units could be returned to the long-term rental market, reducing the STR population in unincorporated LA County by 9%. These commercial STR operations place additional strains on a region's housing supply and contribute to the increased cost of living that residents may face.

Support regional enforcement against "bait and switch." We believe that implementation of strong STR regulations across unincorporated parts of LA County will help to eliminate a common violation of the City of LA's HSO that Better Neighbors Los Angeles has observed. Because the HSO similarly requires that hosts register their STRs, prohibits hosts from operating

<sup>&</sup>lt;sup>5</sup> https://nlihc.org/sites/default/files/oor/California 2023 OOR.pdf

<sup>&</sup>lt;sup>6</sup> https://www.latimes.com/california/story/2023-07-11/la-county-new-renter-protections

<sup>&</sup>lt;sup>7</sup> https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf

several STRs within the City, and restricts the use of housing units subject to the Rent Stabilization Ordinance (RSO) as STRs, unscrupulous hosts have begun to purport that their STRs are located outside of the City of LA. For example, a host with a property in Hollywood may advertise their unit as being located in West Hollywood, a host in Venice may advertise their unit as being in Marina del Rey, and so on. The City's enforcement software is not designed to evaluate STRs that do not appear to be within City limits on hosting platforms, so hosts are able to falsify the address on the platform and message guests the correct address for their stay upon booking. We are hopeful that the implementation of regulations in unincorporated parts of the County will help to address this violation.

The STR regulations before the Board is an opportunity for the Board to take another step in protecting and preserving housing in unincorporated LA County. We support the Board's adoption of this ordinance, as it reaches a balance of protecting residents across the County from future displacement due to STRs and providing homeowners and renters with opportunities to use their homes for extra income as necessary. Should you have any questions, please contact <a href="mailto:pasadenaforall@gmail.com">pasadenaforall@gmail.com</a> or <a href="mailto:apasadenaforall@gmail.com">apasadenaforall</a> on Instagram.

Best,

Andrew Good and Victor Suarez (and the rest of Pasadena For All)

### **VIA ELECTRONIC MAIL**

Supervisor Kathryn Barger 500 West Temple Street, Room 869 Los Angeles, CA 90012

RE: Los Angeles County Short-Term Rentals Registration Ordinance – SUPPORT

Dear Supervisor Barger,

We write in support of the County of Los Angeles' proposed Short-Term Rentals Registration Ordinance. As elected officials within your district, we recognize that short-term rental (STRs) regulations must be adopted to safeguard housing during the ongoing housing and homelessness crises.

STR regulations in unincorporated LA County will protect precious housing at this critical juncture. According to recent census data, 53.5% of LA County residents are renters. Professor David Wachsmuth of McGill University found that the proliferation of STRs has caused rents to increase \$810 per year for each rental unit in the City of Los Angeles since 2015. As a result renters are being priced out of the City of Los Angeles and look to rent in more affordable areas leading to a wave of migration across the region.

Renters in LA County, however, are already struggling to make ends meet. According to the National Low Income Housing Coalition, the hourly wage necessary to pay the rent of a typical two-bedroom apartment - \$2,222 per month - is \$42.25 an hour in LA County.<sup>3</sup> Communities in your district that already struggle with STRs also report above-average housing costs.<sup>4</sup>

STRs are also a significant driver of the homelessness crisis. According to the Los Angeles Homeless Services Authority, in 2022 there were 7,413 individuals experiencing homelessness in Supervisor District 5, the vast majority of which were unsheltered. Residents in the City of Los Angeles have seen how short-term rentals contribute to displacement and homelessness. Professor Wachsmuth of McGill University found that commercial STRs have taken 2,500 homes off the long-term market and are responsible for more than 5,000 extra people experiencing homelessness each night in the City of Los Angeles. Similar displacement is happening County-wide, pricing families and individuals out of their homes. According to an analysis by Better Neighbors LA, there are more than 500 unhosted short-term rentals currently

<sup>&</sup>lt;sup>1</sup> https://data.census.gov/table?q=housing+in+los+angeles+county&tid=ACSST1Y2021.S1101

<sup>&</sup>lt;sup>2</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf

<sup>&</sup>lt;sup>3</sup> https://nlihc.org/oor/state/ca

<sup>&</sup>lt;sup>4</sup> Data associated with zip code 91001, unincorporated Altadena: https://nlihc.org/oor/zip?code=91001

<sup>&</sup>lt;sup>5</sup> https://www.lahsa.org/data?id=53-homeless-count-by-la-county-supervisorial-district-2015-2022

<sup>&</sup>lt;sup>6</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf

active on Airbnb in unincorporated SD5 alone. This means that over 500 units have been removed from the housing stock just to be used as tourist accommodation. By approving the proposed regulations, you will further protect our communities across unincorporated LA County from displacement.

STRs also give rise to concerns about neighborhood character and quality of life. All around the County, residents must suddenly deal with commercial enterprises in the middle of their neighborhoods, bringing in rowdy parties, parking difficulties, high volumes of trash, loud noise, and guests that have no stake in safeguarding the community. Currently, residents have no course of action to deal with the problem. If passed, the proposed ordinance will address disruptive party houses and nuisance STRs.

The proposed ordinance will also bring the County into alignment with other cities in the region that have adopted reasonable regulations. This includes Los Angeles, West Hollywood, and Santa Monica, each of which have adopted strong regulations to protect residents and housing. Indeed, cities in your district including Pasadena, Glendale, and La Verne have implemented specific STRs restrictions much like those the Board of Supervisors are considering, such as requiring registration, banning unhosted rentals, and not allowing STRs in rent stabilized units. Many others including Arcadia, Bradbury, Burbank, Claremont, Duarte, and Temple City outright ban all STRs. Unscrupulous STR hosts with regulated units will often misrepresent their location to be in unincorporated LA County to circumvent local enforcement and take advantage of the County's lack of regulation. In Implementing strong regulations on the County level will help enforcement in cities in your District, as well as protect the housing stock and communities of unincorporated LA County.

Amid this housing and houselessness crisis, protecting unincorporated LA County residents in your district from displacement due to STRs is an integral part of solving this regional issue. For these reasons, we urge you to pass the Short-Term Rentals Registration Ordinance. Should you have questions, please email Becca Ayala at <a href="mailto:rebecca@betterneighborsla.org">rebecca@betterneighborsla.org</a>.

City: <a href="https://codelibrary.amlegal.com/codes/templecityca/latest/templecity\_ca/0-0-0-35998">https://codelibrary.amlegal.com/codes/templecityca/latest/templecity\_ca/0-0-0-35998</a> <a href="https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf">https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf</a>

<sup>&</sup>lt;sup>7</sup> Data on file with Better Neighbors LA.

<sup>&</sup>lt;sup>8</sup> Glendale, La Verne, and Pasadena all have short-term rental regulations. Glendale: <a href="https://www.glendaleca.gov/government/departments/community-development/neighborhood-services/licensing/home-sharing">https://www.glendaleca.gov/government/departments/community-development/neighborhood-services/licensing/home-sharing</a> La Verne: <a href="https://www.cityoflaverne.org/DocumentCenter/View/1276/Short-Term-Rental-Permit-Information-PDF?bidId="https://www.cityofpasadena.net/planning/short-term-rental-regulations/">https://www.cityofpasadena.net/planning/short-term-rental-regulations/</a>

## Titles included for identification purposes only.

Sincerely,

Victor Gordo	Konstantine Anthony
Victor Gordo Mayor of Pasadena	Konstantine Anthony Mayor of Burbank
Strack	Nick Schultx
Ardy Kassakhian Glendale Councilmember	Nick Schultz Vice Mayor of Burbank
Andrea Alarcon	Jess Prinas
Andrea Alarcon Mayor Pro Tem of Palmdale	Jess Rivas Pasadena Councilmember
Paula Devine	Ara Najarian
Paula Devine Glendale Councilmember and Former Mayor	Ara Najarian Glendale Councilmember
Dan Brotman	Mingfay
Dan Brotman Mayor of Glendale	Nikki Perèz Burbank Councilmember

Tamala Takahashi

Tamala Takahashi Burbank Councilmember

Michael Eacciotti

Michael Cacciotti South Pasadena Councilmember

Jed Leano Claremont Councilmember

CC:

Supervisor Kathryn Barger Anish Saraiya Tyler Cash Roberto E. Álvarez Jason Lyon

Jason Lyon Pasadena Councilmember

Elen Asatryan

Elen Asatryan Glendale Councilmember

Steve Madison

Steve Madison Vice Mayor of Pasadena I am strongly urging you to vote against the Proposed Short-Term Rental Ordinance next Tuesday until a solution can be found which prevents abuse of the short-term rental system but supports hosts like myself who give so much and bring so much positive exposure to our local communities.

I am devastated at the possibility of no longer being able to host guests or having restrictions on short-term rentals in my area. I have been doing AirBnB now for over 6 years, have been a Superhost since the beginning and have a 4.93 rating from 221 reviews. My immediate neighbors never even knew I did AirBnB for years until I mentioned it one day! I have paid my Transient Occupancy Tax from Day 1 and have generated \$10,941 for LA County. I would never consider doing long-term rentals as I travel often for work and do not want people staying on my property when I am not home. I love the flexibility of being able to open up my calendar only when I will be available and can be a great hostess.

My husband passed away 6 years ago at the young age of 47. Being a hostess and the experience of meeting so many different people from all over the world was very uplifting during the first couple of years, not to mention the financial assistance. Ensuring that my guests have a wonderful experience and have opportunities to explore this amazing place in which we live in brings me so much happiness when I may otherwise be quite lonely.

I live near access to King Gillette Ranch and Malibu Creek State Park and so I had printed and framed a 6ft wide, high resolution map of the Santa Monica Mountains National Recreation Area to be able to point out trails and other points of interest to my guests (see attached photo). I also provide a guidebook of recommendations for local restaurants, shopping, recreation, and entertainment.

I have hosted guests from all over the world, all over the US, and also from areas as near as downtown LA. Guests who are not from California get an amazing introduction to Southern California and guests who come from areas closer to here are amazed at the beauty that exists so close to them. Visitors would never get this type of experience from staying at a hotel.

Please take a few minutes to read some of my recent reviews:

- If you're looking to get out in nature and spend some time on the trails, I highly recommend Kimberly's place. The sweet little RV is right across from trails and Kimberly is a lovely host who will give you the local scoop on how to access them. From her spot you can hike to state parks and explore the gorgeous landscape. The dogs are super friendly and sweet, and the pool and hot tub are to die for. Would recommend!
- The location is beautiful. You can walk across the street for a short hike with an amazing 360° view and there are tons of beautiful hikes nearby. We really enjoyed our stay.
- Cool mini retreat in the mountains. It's close to hiking trails
- The location is great. It takes only 20 minutes to drive from Malibu. I went to Malibu to surf
  yesterday afternoon. This morning, I was at the entrance of the RV and watched the sunrise while
  eating breakfast.
- We found 'home' at Kimberly's place. It was very comfortable and fascinating for our two young boys. They loved meeting Mac and Chief and the new mare. We enjoyed our conversations with Kimberly, she absolutely earns every part of the super host status. We are already planning our next trip over.

- I had a wonderful stay at Kimberley's for a few days while visiting my daughter at Pepperdine. Malibu/PCH is only a 10 min drive through the canyon which was handy.
- It's always amazing coming back. I look forward to my stay every year, the comfortable bed, atmosphere and country setting. Highly recommended.
- Beautiful stay! Kimberly was such a comforting host. She greeted us in person and informed us of lots of possibilities that we could do during the stay. Her arrival instructions were very clear and so was her guidebook she left inside for us. Amazing view! 10/10 would recommend!
- Me and my fiancé visited for the weekend due to an event at UCLA we had to attend. I lived in LA County in the Valley for two years and absolutely nothing compared to the view from this home. Kimberly was very responsive and helpful. She got the hot tub ready for us one evening while we were out so upon our return it was ready to go. The place was exactly as described. It was a nice little RV for the weekend with everything you'd need. Oh, and the dogs were a great bonus! I would highly recommend this place. The views, the hospitality, and the convenience to PCH shopping and more were well worth it.
- I cannot recommend this Airbnb highly enough. It ticked all the boxes for comfort, tranquility, amenities, and a welcoming host. If you're looking for a cozy, quiet, and rejuvenating retreat in a stunning natural setting, this is the perfect place for you. I can't wait to return and experience its magic once again.
- Kimberly is a warm and friendly person. Even though it was just a weekend visit, Kimberly felt like a friend and family to both my mom and I. Her dogs are the sweetest as well. We absolutely loved being greeted by her sweet dogs every morning! Also, we really appreciated Kimberly taking the time to introduce us to her horses. My mom and I felt right at home and also in heaven at the same time because of Kimberly's hospitality as well as the breathtaking view of the mountains. This was such a memorable weekend for my mom and I, and we'd loved to visit again whenever we get the chance in the future.

Short-term rentals such as mine are a HUGE asset to our community!!! Please vote against the proposed ordinance.

I am happy to discuss further or answer any questions you may have. My cell phone is below.

Kimberly Gustafson Ph 310-902-0988





March 18, 2024

Dear LA County Board of Supervisors,

Tenants Together writes to you in strong support of the proposed amendments to County Code, Title 7 to regulate short-term rentals (STRs). As the state's homelessness crisis continues to worsen, it's vital that the Board of Supervisors (the "Board") take the necessary precautions to protect the housing supply in unincorporated Los Angeles County from conversion to tourist accommodations. The County's proposed Ordinance (the "Ordinance") includes common-sense STR regulations that will protect unincorporated Los Angeles' housing stock and residents; and hold accountable both hosts and platforms for any infractions of the Ordinance. An ordinance regulating STRs is also consistent with the Board's recent efforts to further protections for renters, as renters are some of those most at risk of displacement from STRs.

As a statewide coalition of 60+ renters' rights organizations, Tenants Together has seen firsthand how insufficiently regulated STRs and insufficient enforcement of existing regulations are harming renters across the state and exacerbating our homelessness crisis. We are losing housing affordable to millions of California working families much faster than we can build units to compensate. Communities of many different geographies and housing types are increasingly experiencing common problems with STRs. We support local policy action on STRs wherever possible as, in our experience, the Capitol can be slow to respond to these needs.

According to Better Neighbors Los Angeles, data indicates that there are 3,780 STR listings advertised on Airbnb across unincorporated LA County. The County CEO's website estimates that over one million of LA County's residents live in unincorporated parts of the County – about 10% of the population. It's vital that these residents are afforded the same housing protection that residents in other cities within the County receive.<sup>2</sup>

There exists a substantial body of research on STRs indicating that short-term rentals contribute to increased rent and home prices, which can often lead to displacement of residents and community members. For example, Professor David Wachsmuth at McGill University estimates that STRs have raised rents for the average renter by \$810 per year in the City of Los

<sup>1</sup> https://www.betterneighborsla.org/about-us

<sup>&</sup>lt;sup>2</sup> The City of Los Angeles, City of West Hollywood, and City of Santa Monica all have STR regulations. The City of Los Angeles is in the process of further strengthening current regulations.



Angeles.<sup>3</sup> Furthermore, an article by Luisa Godinez-Puig and Jorge Gonzalez-Hermoso highlights the clear equity concern associated with rising rents, as Black and Latinx residents are more likely to rent than own.<sup>4</sup> The removal of units from the long-term market at the hands of STRs undoubtedly disproportionately impacts Black and Latinx residents across unincorporated LA County. According to the National Low Income Housing Coalition("NLIHC"), 54% of households in LA County were renter households from 2017-2021. Furthermore, NLIHC's most recent "Out of Reach" report found that, on average, the fair market rent for a two-bedroom in LA County costs \$2,222 per month, requiring a 2.5 minimum wage jobs per household.<sup>5</sup> As the County works to strengthen tenant protections, regulating short-term rentals must be viewed as another necessary tool needed to safeguard housing.<sup>6</sup>

While we support the Ordinance as a whole, we would like to express our strong support for a few specific provisions:

Holding Platforms Accountable. Vital to the success of any STR regulation is that hosting platforms are held accountable for facilitating the booking of illegal STRs. The Ordinance allows the County to impose fines of up to one thousand dollars per violation per day on hosting platforms for completing illegitimate booking transactions. The County's enforcement of this provision of the Ordinance will create incentive for platforms to ensure that their users are operating in compliance with local regulations.

Protecting Rent-Restricted Units and ADUs. We additionally support the Ordinance's provisions to protect Accessory Dwelling Units ("ADU"s) and rent restricted units from conversion into STRs. The Los Angeles Homeless Services Authority's (LAHSA) 2023 Annual Homeless Count found that homelessness in LA County increased by 9% over the past year. The County's designated affordable and Section 8 housing, which is already limited in supply, should not be cannibalized so that property owners and developers may make more money. Additionally, prohibiting the use of ADUs as STR accommodation is ultimately consistent with the County's current ADU regulations and with statewide goals of increasing housing supply that inspired the legalization of ADUs.

Eliminating Commercial Operators. Restricting hosts to only one STR within unincorporated LA County will undoubtedly return several rental units to the market, in instances

<sup>&</sup>lt;sup>3</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf

<sup>&</sup>lt;sup>4</sup> https://www.urban.org/urban-wire/abundance-short-term-rentals-who-wins-and-who-loses

<sup>&</sup>lt;sup>5</sup> https://nlihc.org/sites/default/files/oor/California 2023 OOR.pdf

<sup>&</sup>lt;sup>6</sup> https://www.latimes.com/california/story/2023-07-11/la-county-new-renter-protections



where hosts operate several STRs. According to our data, of the 2,053 hosts that advertise STRs on Airbnb in unincorporated parts of the County, 643 of them advertise multiple STR listings. Thus, if hosts were restricted to operating one STR, up to 1,727 units could be returned to the long-term rental market, reducing the STR population in unincorporated LA County by 9%. These commercial STR operations place additional strains on a region's housing supply and contribute to the increased cost of living that residents may face.

Support regional enforcement against "bait and switch." We believe that implementation of strong STR regulations across unincorporated parts of LA County will help to eliminate a common violation of the City of LA's HSO that Better Neighbors Los Angeles has observed. Because the HSO similarly requires that hosts register their STRs, prohibits hosts from operating several STRs within the City, and restricts the use of housing units subject to the Rent Stabilization Ordinance (RSO) as STRs, unscrupulous hosts have begun to purport that their STRs are located outside of the City of LA. For example, a host with a property in Hollywood may advertise their unit as being located in West Hollywood, a host in Venice may advertise their unit as being in Marina del Rey, and so on. The City's enforcement software is not designed to evaluate STRs that do not appear to be within City limits on hosting platforms, so hosts are able to falsify the address on the platform and message guests the correct address for their stay upon booking. We are hopeful that the implementation of regulations in unincorporated parts of the County will help to address this violation.

The STR regulations before the Board is an opportunity for the Board to take another step in protecting and preserving housing in unincorporated LA County. We support the Board's adoption of this ordinance, as it reaches a balance of protecting residents across the County from future displacement due to STRs and providing homeowners and renters with opportunities to use their homes for extra income as necessary. Should you have any questions, please contact me at <a href="mailto:shanti@tenantstogether.org">shanti@tenantstogether.org</a>.

Best.

Thent high

Shanti Singh, Legislative & Communications Director, Tenants Together

<sup>&</sup>lt;sup>7</sup> https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf

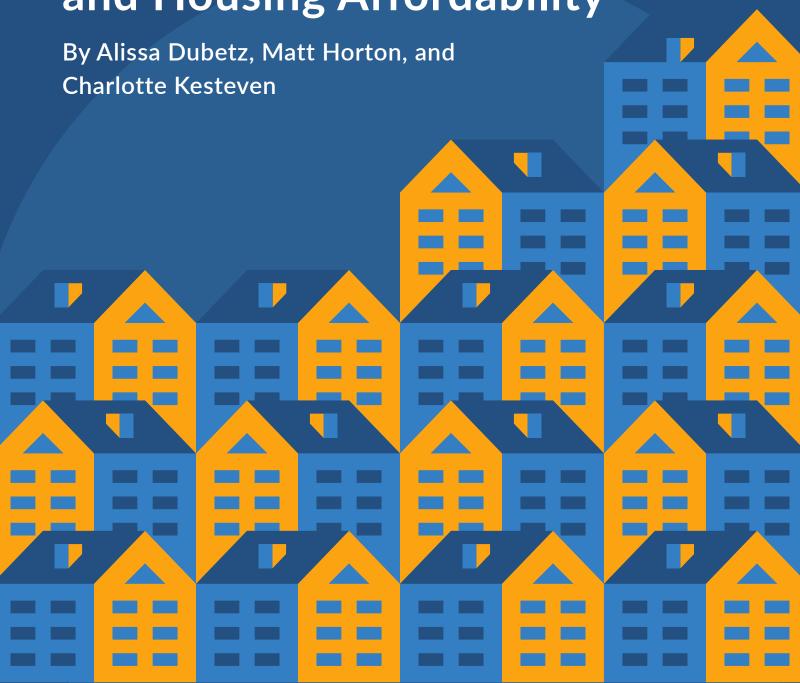
This ordinance, as currently written, has serious flaws and will hurt people like me: responsible hosts who depend on Airbnb income to stay in our homes! While the Hotel Lobby has bankrolled many people in favor of this measure, we who are opposed are on our own. This is even more infuriating when you consider there are NO hotels or motels in Altadena, where we live!

Supervisor Horvath's amendment doesn't make sense. While I appreciate the consideration, I ask why would I want to stay in my ADU when hosting a guest. My ADU is just 10 steps away from my house. What's the difference if I stay in my main house vs the ADU?

I would ask for a grandfather clause or consider adding an exemption for people over 70 who reside in their homes full-time while hosting Airbnb guests. Maybe add wording that allows ADUs with private guest parking off the street, size not allowable for parties, etc. Thank you



Staying Power: The Effects of Short-Term Rentals on California's Tourism Economy and Housing Affordability



## **About the Milken Institute**

The Milken Institute is a nonprofit, nonpartisan think tank. We catalyze practical, scalable solutions to global challenges by connecting human, financial, and educational resources to those who need them.

We leverage the expertise and insight gained through research and the convening of top experts, innovators, and influencers from different backgrounds and competing viewpoints to construct programs and policy initiatives. Our goal is to help people build meaningful lives in which they can experience health and well-being, pursue effective education and gainful employment, and access the resources required to create ever-expanding opportunities for themselves and their broader communities.

## **About the Center for Regional Economics and California Center**

The Center for Regional Economics and California Center produce research, programs, and events designed to inform and activate innovative economic and policy solutions to drive job creation and industry expansion.

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## **EXECUTIVE SUMMARY**

Short-term rentals (STRs) are critical to regional economies, offering unique and affordable experiences to visitors, generating significant tax revenue to support local governments, and providing hosts significant income. In some places where hotel inventory is limited due to land constraints or other development challenges, STRs expand the number of visitors a region can accommodate, helping bring more money into a region. STRs were also more resilient towards the COVID-19 pandemic due to increased preferences for more isolated, home-like stays—helping regions to maintain a level of tourism in a time when the world shut down.

But STRs are often cited as major contributors to growing housing shortages across California, which has led to various regions adopting or proposing strict regulation on STRs, such as permitting caps, zoning restrictions, and bans. Yet STRs account for about only 1 percent of California's housing stock and most are expensive single-family homes that would not otherwise add to needed affordable housing supply. STRs are not a significant driver of increasing housing unaffordability and availability, which is instead driven by decades of underdevelopment, especially of affordable multifamily units. Furthermore, skyrocketing housing costs in large cities like Los Angeles and San Francisco and increased remote work resulting from the pandemic are pushing people out to more affordable, rural communities.

California's vacation destinations—like Big Bear, Lake Tahoe, Sonoma, the Palm Springs Desert, and the High Desert—face unique challenges in deciding short-term rental policy because these are tourism-dependent communities where regulation could have major consequences on their economies. While STRs tend to account for a higher share of housing stock in these regions (23.5 percent in Big Bear, 14.5 percent in Lake Tahoe, 5.8 percent in the High Desert, 5.3 percent in the Palm Springs Desert, and 1.5 percent

in Sonoma), these are also regions where vacation homes have historically accounted for a higher share of regional housing inventory. In vacation destinations, underdevelopment of dense housing coupled with high shares of second homeownership (where homes sit empty for most of the year) are main drivers of housing shortages that prevent the local workforce from living near jobs.

"STRs account for about only 1 percent of California's housing stock and most are expensive single-family homes that would not otherwise add to needed affordable housing supply."

Community leaders have reason to be concerned about housing affordability and availability; however, STRs have a relatively small impact on, and are not the root cause of, the larger problem. Even if the state could convert California's thousands of STR properties into long-term housing, such a measure would not make up for the millions of needed housing units that were never built. In addition, these restrictive STR policies would have a negative impact, especially in tourism-dependent regions like those analyzed in this report. Such policies limit the number of visitors a region can accommodate, reduce tax revenue to support state and local governments, and deprive STR hosts of income from properties that would otherwise sit vacant. There is no evidence that restrictive STR policies could effectively mitigate California's critical housing shortage, especially in regions dependent on tourism. This claim only distracts from the core issue: the need to provide more housing—particularly affordable housing for workers earning below the area median income.

Implementing more impactful and innovative strategies is needed to address housing shortages that lead to sustainable growth. Through extensive research and stakeholder engagement, the Milken Institute recommends the following strategies to increase supply of workforce and affordable housing that do not hinder regional tourism growth:



# Provide incentives for second homeowners to rent their vacation properties that would otherwise sit empty to the regional workforce:

Offer incentives such as paying for deed restrictions or mortgage financing support for second homeowners to rent out their properties that would otherwise sit empty to the regional workforce.

## Allocate portions of new housing development to workforce occupancy:

Establish programs that allocate portions of new housing supply to workforce occupancy through mechanisms such as deed restrictions.

## Provide local incentives to streamline workforce and affordable housing development:

Leverage budget surplus dollars to implement programs and reconsider past initiatives (e.g., SB 795) to develop a bottom-up approach to address these growing needs, targeting households earning at or below 80 percent of area median income by increasing the supply of affordable market-rate and government-assisted multifamily housing units.

Promote regional tourism through investment and development in existing programs to support resiliency needs and growth in tourism destinations:

Scale and adapt existing mechanisms (e.g., Community Economic Resilience Fund, California Competes Tax Credit) and create a coordinated state tourism campaign that promotes regional and cultural events while advocating for needed investment in infrastructure and overall competitiveness of the state's tourism economy.





# The Role of Short-Term Rentals in California's Tourism Industry

California's tourism industry is vital to the vibrancy and strength of the state's economy, accounting for 2.5 percent of California's gross domestic product in 2019, before the COVID-19 pandemic shuttered the industry. Visitors spent \$145 billion at various businesses across the state, including accommodation and transportation, as well as restaurants, retail stores, and attractions, directly supporting 1.2 million jobs.<sup>2</sup>

Short-term rentals (STRs) play a critical role in the state's tourism industry by increasing the supply and variety of tourist accommodation, which makes traveling more affordable and enjoyable. In 2019, STRs accounted for more than 13 percent of the occupied accommodation supply in California. In tourism-dependent communities that have historically used vacation homes to generate economic activity—including Lake Tahoe, Big Bear, Palm Springs, the High Desert, and Sonoma County—STRs play an even larger role. In 2019, STRs accounted for 32 percent of occupied accommodation supply in Sonoma County, 21 percent in the Palm Springs Desert, 45 percent in Tahoe, 51 percent in the High Desert, and 68 percent in Big Bear (see Appendix for regional definitions).<sup>3</sup>

Short-term rentals also provide a significant source of tax revenue for local governments, particularly from revenue collected through transient occupancy tax paid by visitors, which is locally administered and generally ranges from 8 to 14 percent of the lodging unit rate, depending on the jurisdiction.<sup>4</sup> Moreover, STRs provide income for property owners and, for many, the income gained from renting out their property helps them afford the state's high costs of living.

The COVID-19 pandemic and public health crisis, resulting in business shutdowns and travel restrictions, significantly impacted California's travel industry, especially in tourism-dependent communities like those mentioned above. In 2020, travel-related spending contracted by 55 percent to \$65 billion, 316,000 industry jobs were lost, and state and local governments received \$6 billion less in tax revenue generated by travel-related spending.5 STRs helped mitigate the impact, as pandemic lockdowns and restrictions urged cooped-up Californians working from home to travel short distances for needed "staycations." STRs are particularly appealing to in-state travelers<sup>6</sup> and helped attract visitors and continue economic activity in tourism-dependent communities throughout the pandemic.

However, many vacation rental communities have recently adopted or proposed restrictions on STRs. Restrictions include capping the number of STR licenses issued, establishing designated areas for STRs, limiting the number of days a year a property can be rented, or banning STRs entirely. The trend toward STR restrictions follows complaints that the increased volume of STR stays during the pandemic has resulted in community disturbances and growing unaffordability of housing by replacing housing supply with tourist accommodation. While sensible restrictions on STRs are needed to maintain community health and safety (such as occupancy limits, certain licensing requirements, and rules for guests), extreme restrictions (i.e., bans) could challenge the sustainability of these regions' vital tourism industry.

# Short-Term Rentals and Housing Affordability in Vacation Destinations

Community leaders have reason to be concerned about housing affordability and availability; however, STRs have a relatively small impact on, and are not the root cause of, the larger problem. For decades, California has faced an extreme housing shortage, as construction has become more challenging because of zoning restrictions, lengthy permitting times, increasing costs, and community opposition. Together, these challenges disincentivize the development of affordable housing—typically higher density, multifamily units. This is especially true in vacation destinations, where single-family homes account for upwards of 80 percent of housing inventory, and vacation rentals and second homes have historically been part of these communities.<sup>7</sup>

Lake Tahoe and Big Bear are known for their ski resorts and hiking trails, Palm Springs Desert for its sunny weather and natural hot springs, High Desert for hiking and camping in Joshua Tree National Park, and Sonoma County for wineries and historic towns. These communities offer different cultural and recreational experiences than cities do and have historically been places to which people escape. In 2020, vacation homes accounted for 67 percent of housing in Big Bear, 39 percent in Lake Tahoe, and 25 percent in the Palm Springs Desert (compared to 3 percent statewide). These percentages have remained relatively consistent over the last few decades—in the 1980s, vacation homes accounted for a large share of these regions' housing inventory: 68 percent of housing in Big Bear, 25 percent in Lake Tahoe, and 21 percent in the Palm Springs Desert.8

The largest pressures inflating housing costs in these communities are increasing unaffordability in large cities coupled with the growing popularity of remote work and second homeownership in rural places, which showed a vast surge during the pandemic. Although vacation destinations have high housing costs, which have significantly increased as a result of the pandemic buying spree, they are still more affordable than cities. In Los Angeles and San Francisco, for instance, the



"Adopting strict regulation against
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median home sales prices are \$945,000 and \$1.5 million, respectively, compared to \$799,000 in Sonoma County, \$748,000 in South Lake Tahoe, \$730,000 in Big Bear Lake, \$667,500 in Palm Springs, and \$465,000 in Joshua Tree.<sup>10</sup>

Adopting strict regulation against STRs does not solve the housing shortage and could have the unintended consequence of depriving state and local governments of a major source of tax revenue as a result of reduced travel-related spending.

## **Policy Considerations**

A robust housing supply remains a fundamental element in any community development strategy that aims to facilitate social mobility and equity. Yet more than 10 years after the Great Recession, solutions to increase housing accessibility are scarce across the US. California, in particular, has faced an extreme housing shortage for decades. Conditions are most severe in large metros including Los Angeles and San Francisco,<sup>11</sup> and these effects spill over to surrounding communities as people are pushed out of cities. The pandemic and resulting work-from-home environment have only increased the shift in demand.

To better sustain economic growth, bolster regional competitiveness, and reverse recent out-migration trends, regions across the state need to embrace policies and practices that support the development of more affordable housing, enhance equity, and promote economic opportunity. In turn, this will improve affordability in California's vacation destinations and boost tourism.

# THE ECONOMIC IMPACT OF SHORT-TERM RENTALS



Short-term rentals are critical to California's tourism industry, especially in vacation rental communities such as Lake Tahoe, Big Bear, the Palm Springs Desert, the High Desert, and Sonoma County. Short-term rentals increase the supply and variety of tourist accommodation, making travel more affordable, especially for families and groups for whom purchasing multiple hotel rooms can be costly. In places where hotel accommodation is especially limited, increasing the visitor lodging supply is critical.

In January 2022, there were more than 128,000 short-term rental listings and 565,000 hotel rooms in California. Some vacation rental communities—including Big Bear and High Desert—offer more STR

units than hotel rooms, as shown in **Figure 1**. Although there are more hotel rooms than STR units in Sonoma, the Palm Springs Desert, and Lake Tahoe, most STRs are single-family homes with multiple bedrooms that can accommodate more people per unit at lower rates per person.

As shown in **Figure 2**, STRs have higher visitor capacity than hotels across all regions. The data show how the availability of STRs expands the number of overnight visitors these regions can accommodate. While STRs and hotels can substitute for one another, this may not be the case where hotel-room inventory is limited and STRs such as vacation cabins have long been part of the visitor-accommodation landscape.

Sonoma Hotel Lake Tahoe Big Bear Palm **Springs** Desert High Desert 0 2.000 4.000 6.000 8.000 10.000 12.000 14.000 16.000 18.000

FIGURE 1: STR AND HOTEL ROOM INVENTORY, JANUARY 2022

Note: See Appendix for region definitions.

Source: Milken Institute analysis using Costar (2022) and Transparent (2022)

Sonoma **STR** Hotel Lake Tahoe Big Bear Palm Springs Desert High Desert 0 10,000 20,000 30,000 60,000 70,000 80,000 40,000 50,000

FIGURE 2: STR AND HOTEL VISITOR CAPACITY, JANUARY 2022

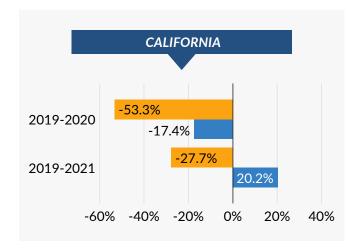
Note: See Appendix for region definitions. Visitor capacity estimates for hotels are based on two persons per hotel room. STR estimates are based on two persons per bedroom based on the median number of bedrooms in each region for every "entire home" STR unit, two persons on one booking for every "private room" STR unit, and two persons on separate bookings for every "shared room" STR unit. It is assumed that STRs that are nontraditional housing units (e.g., glamping and RVs) can accommodate two persons per unit.

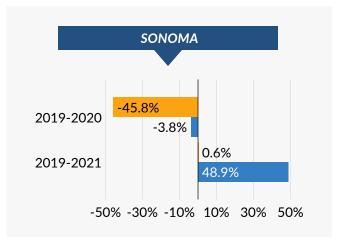
Source: Milken Institute analysis using Costar (2022), Transparent (2022), and US Census Bureau American Community Survey Five-Year Estimates (2019)

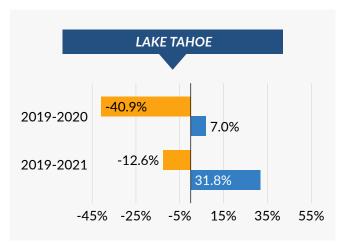
STRs, which are less dependent on business travelers, were not as negatively impacted as hotels during the COVID-19 pandemic. In California, hotel operating revenue declined 53 percent between 2019 and 2020 compared to 17 percent for STRs, as shown in **Figure 3**.<sup>13</sup> Although both hotels and STRs lost international and out-of-state travelers, STRs are especially appealing to in-state travelers, who were generally the only travelers at the beginning of the pandemic.<sup>14</sup> Travelers were looking to escape congested cities to areas that were isolated and surrounded by nature, like the communities analyzed in this report.<sup>15</sup>

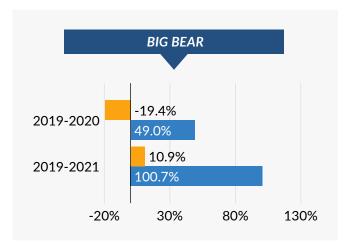
As a result, in some vacation rental communities, STR revenue was even greater in 2020 than in 2019; STR operating revenue grew 57 percent in the High Desert, 49 percent in Big Bear, and 7 percent in Lake Tahoe during this time period. Moreover, STR operating revenue in California was 20 percent higher in 2021 than in 2019, while hotel operating revenue remained 28 percent below pre-pandemic levels. High growth in STR revenue is partly explained by higher growth in average daily rates due to increased demand. These outcomes provide further evidence for the significant role STRs played in mitigating the impact of the pandemic in these regions, not to mention their increasing importance in a post-pandemic world.

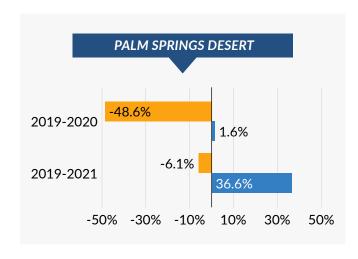
FIGURE 3: PERCENT CHANGE IN STR AND HOTEL OPERATING REVENUE, 2019-2020 AND 2019-2021

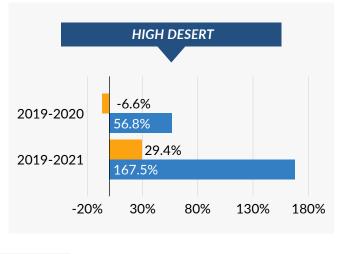












Source: Milken Institute analysis using Transparent and CoStar (2019-2021)

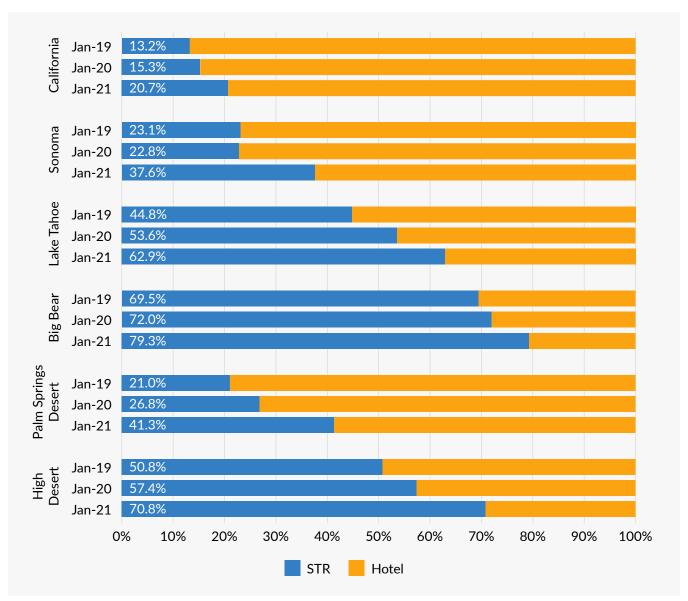
STR

Hotel

Short-term rentals contribute to a growing proportion of these regions' economies. In most regions, the STRs' share of occupied accommodation supply grew year-over-year between January 2019 and January 2021, as shown in **Figure 4**. In California, STRs accounted for 15 percent of occupied accommodation supply in 2020 (up from 13 percent in 2019) and nearly 21 percent in 2021, whereas the hotel sector took longer

to recover.<sup>16</sup> The difference illustrates the greater resilience of STRs during the pandemic and how they helped blunt the impact of COVID-19 in these economies. California's tourism industry is not expected to reach pre-pandemic levels until 2023, as domestic and in-state travelers drive earlier stages of recovery and where STRs will play a pivotal role.<sup>17</sup>

FIGURE 4: STR SHARE OF OCCUPIED ACCOMMODATION SUPPLY



Source: Milken Institute analysis using Transparent and CoStar (2019-2021)



STR-related spending—spending by visitors staying at short-term rentals—generates significant economic activity across California's communities. In addition to accommodation, visitors spend their money at many different businesses, including restaurants, stores, recreational resources, and tourist attractions. As shown in **Table 1**, spending by visitors staying at STRs directly supported more than 175,000 jobs across

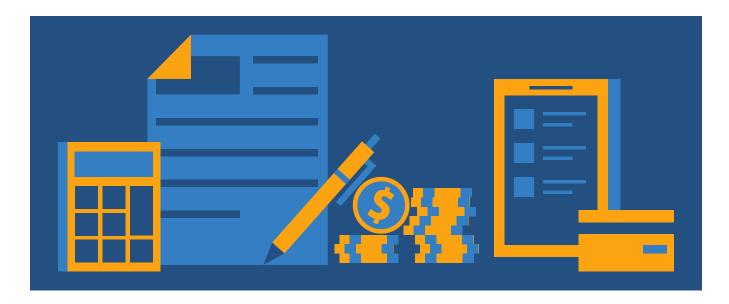
California and generated \$16 billion in economic output in 2019. These impacts ripple throughout the economy, generating additional activity through business supply chains and increased household spending. With the addition of these ripple (or secondary) impacts, STR-related spending supported 246,000 jobs and generated nearly \$30 billion in economic output in California in 2019.

TABLE 1: ECONOMIC IMPACT GENERATED BY STR-RELATED VISITOR SPENDING IN CALIFORNIA, 2019

Impact Type	Employment*	Output (Thousands)
Direct Impact	176,171	\$15,923,502.36
Secondary Impact	69,603	\$13,971,902.07
Total	245,774	\$29,895,404.42

<sup>\*</sup> Includes full-time, part-time, and seasonal jobs.

Note: Monetary values are reported in 2022 dollars. Totals may not be exact because of rounding. Source: IMPLAN; Milken Institute analysis using Transparent and Visit California (2019)



STR visitor purchases also generate significant tax revenue to support state and local governments, as shown in **Table 2**. In 2019, STR-related spending generated \$2.7 billion in state and local tax revenue, most of which (56 percent) supported local governments. For local governments, property taxes and taxes levied on visitor lodging—transient occupancy tax (TOT)—are critical sources of revenue that support various activities, such as infrastructure improvements, public parks, and environmental preservation.<sup>18</sup>

More than 450 jurisdictions in California administer TOT,<sup>19</sup> which is a critical revenue source for vacation destinations. In Indian Wells, Rancho Mirage, South Lake Tahoe, and Big Bear Lake, TOT makes up about 45 percent of general-purpose tax revenues.<sup>20</sup> About \$732 million was generated in TOT revenue as a result of STR-related spending in 2019 in California. For more information on section data and methodology, see Appendix.

TABLE 2: TAX REVENUE GENERATED BY STR-RELATED SPENDING IN CALIFORNIA, 2019

Тах Туре	Local (Thousands)	State (Thousands)	Total (Thousands)
Sales Tax	\$163,021.79	\$515,925.07	\$678,946.86
Transient Occupancy Tax	\$732,032.53	-	\$732,032.53
Property Tax	\$562,286.39	\$26,617.75	\$588,904.15
Income Tax	-	\$442,945.16	\$442,945.16
Other*	\$82,424.39	\$221,391.02	\$303,815.41
Total	\$1,539,765.10	\$1,206,879.00	\$2,746,644.10

<sup>\*</sup> Other includes social security tax, corporate profits tax, motor vehicle license, severance tax, special assessments, and other taxes. Note: Results include direct and secondary effects and are reported in 2022 dollars. Totals may not be exact because of rounding. Source: IMPLAN; Milken Institute analysis using Transparent, Visit California, CoStar, and Dean Runyan Associates (2019)

# SHORT-TERM RENTALS AND HOUSING AFFORDABILITY



Short-term rentals have recently made headlines for allegedly contributing to housing shortages and increasing costs in communities across California. In response, many local jurisdictions, including vacation rental communities, have adopted or proposed strict regulations on STRs. Some have even banned them altogether or are in the process of phasing them out. But the notion that decreasing STR supply will mitigate California's extreme housing shortage is not supported by the evidence. The only solution to California's housing crisis is to provide more housing: specifically denser, more affordable multifamily housing units.

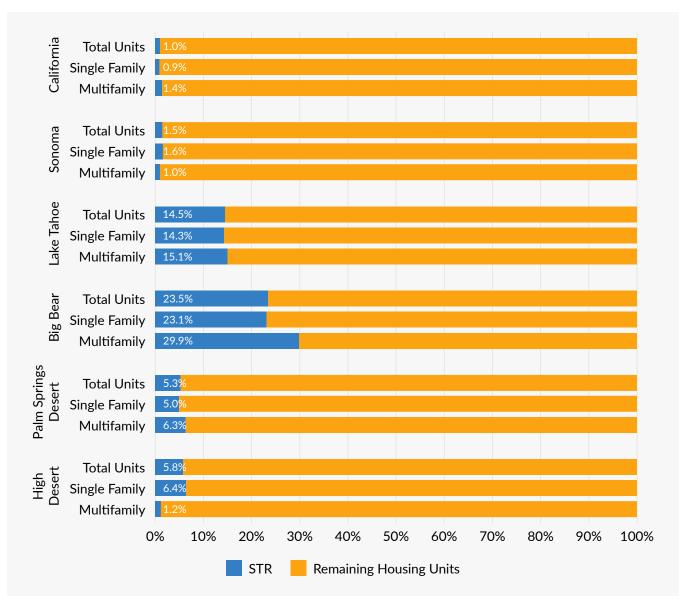


"The only solution to California's housing crisis is to provide more housing: specifically denser, more affordable multifamily housing units."

Short-term rentals make up a small share of housing units, particularly when the broader context of regional markets is considered. As shown in Figure 5, about 1 percent of housing units in California are STRs, but not all STRs are transferable to long-term housing. The share of STRs reported here only includes properties listed as entire homes; it excludes shared- or privateroom listings to control for primary residences that would not translate to additional long-term housing because tenants already live there. Additionally, in California, the share of total housing stock comprising STRs is likely to be overestimated, as a portion of entire-home STR listings is, in fact, primary residences. In Los Angeles and San Francisco, for instance, local laws only allow primary residences to be listed as STRs, yet they are included in the 1 percent figure.<sup>21</sup>



FIGURE 5: STR HOUSING MARKET SHARE BY REGION



Note: STR units include only single-family and multifamily properties listed as "entire homes." Shared and private-room listings are not included to control for primary residences that would not translate to additional long-term housing because tenants already live there. STRs that are nontraditional housing units (RVs, glamping, boats) are also not included because these types of units are not part of total housing stock or considered suitable for long-term housing. California and Sonoma use 2021 data because more recent housing estimates are reported by the California Department of Finance at the state and county level. All other regions use 2019 data from the US Census Bureau.

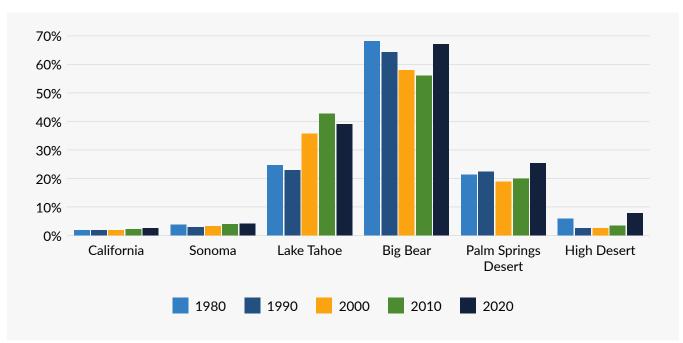
Source: Milken Institute analysis of US Census Bureau American Community Survey Five-Year Estimates (2019), California Department of Finance (2021), and Transparent (2019 and 2021)



The market share of STRs tends to be higher in vacation destinations; however, these communities need to be evaluated in a different context because they are generally places where a large percentage of properties have always been available to visitors as vacation properties. As shown in **Figure 6**, vacation homes have historically accounted for a larger share of housing in vacation rental communities compared to the state as a whole, especially in Big Bear, Lake Tahoe, and the

Palm Springs Desert. Many STRs are second homes, and without the opportunity to capture extra value from short-term renting, many would simply remain vacant rather than be converted to permanent housing. Such is the case in Lake Tahoe, where the majority of homes sit empty for most of the year.<sup>22</sup> STRs provide opportunities to generate more economic activity for cities and property owners through properties that would otherwise be vacant.

FIGURE 6: HISTORICAL SHARE OF VACATION HOMES TO HOUSING INVENTORY



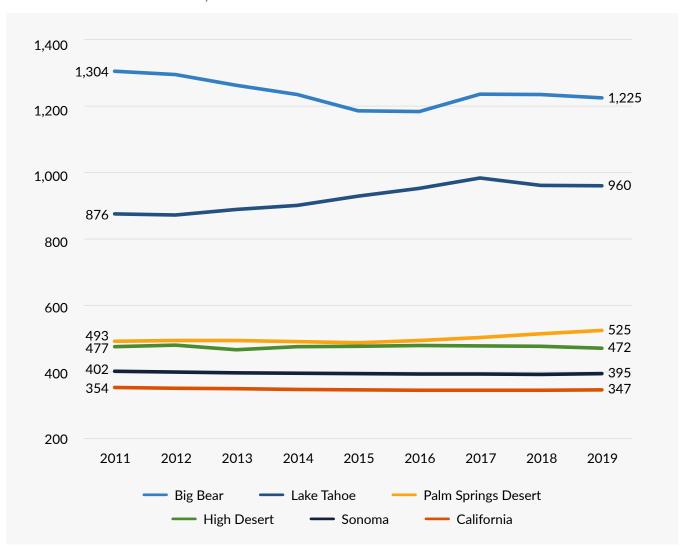
Note: "Vacation homes" are vacant homes for seasonal, recreational, or occasional use as defined by the US Census Bureau.

Source: Milken Institute analysis of US Census Bureau via IPUMS NHGIS, University of Minnesota (1980, 1990, 2000, 2010), and US Census Bureau American Community Survey Five-Year Estimates (2020)

Vacation rental communities with higher shares of STRs also have more housing units per capita, as shown in **Figure 7**. The two regions with the highest shares of STRs (Big Bear and Lake Tahoe) are also the two regions with the most housing units per 1,000 people. In Big Bear, the number of housing units exceeds its population; for every 1,000 people, there are 1,225 housing units.

But California faces a critical housing shortage; the state is short by an estimated 2 million units, ranking above only Utah for lowest housing units per capita, <sup>23</sup> and conditions are not improving. In 2019, California had only 347 housing units per 1,000 people—down from 354 in 2011. In Sonoma County, there were 395 housing units per 1,000 people in 2019, compared to 402 in 2011. The High Desert had 472 housing units per 1,000 people in 2019 and 477 in 2011. These data clearly show that the state's housing supply does not meet the growing demand.

FIGURE 7: HOUSING UNITS PER 1.000 PEOPLE



Source: Milken Institute analysis of US Census Bureau American Community Survey Five-Year Estimates (2011–2019)

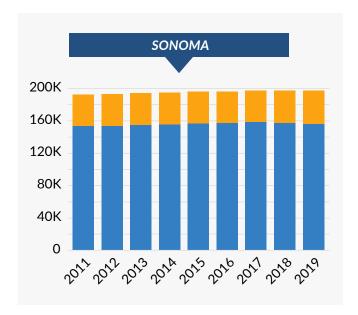
Housing units per capita have fallen in California because housing production has not kept pace with population growth. Between 2010 and 2020, California's population grew by 2.4 million people, but only 660,000 housing units were added. At the same time, rents and home values increased 43 percent and 60 percent, respectively, but wages remained relatively stagnant (when adjusted for inflation).<sup>24</sup>

The median price of a single-family home in California is more than \$800,000,<sup>25</sup> which is out of reach for most Californians. Only 23 percent of California households

can afford a typical single-family home,<sup>26</sup> yet most of the state's housing inventory comprises single-family units (65 percent), and the share has remained relatively unchanged over time, as shown in **Figure 8**. In vacation destinations, this share is even higher: 79 percent in Sonoma, 81 percent in Lake Tahoe, 94 percent in Big Bear, 75 percent in the Palm Springs Desert, and 88 percent in the High Desert. While Palm Springs Desert has experienced high growth in multifamily housing development relative to other regions, it still faces a critical housing shortage.

**FIGURE 8: HOUSING UNITS** 







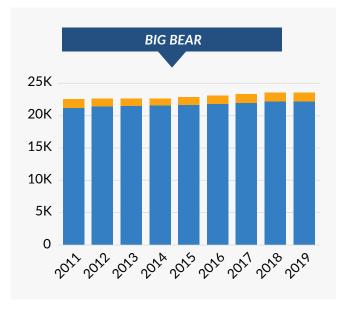
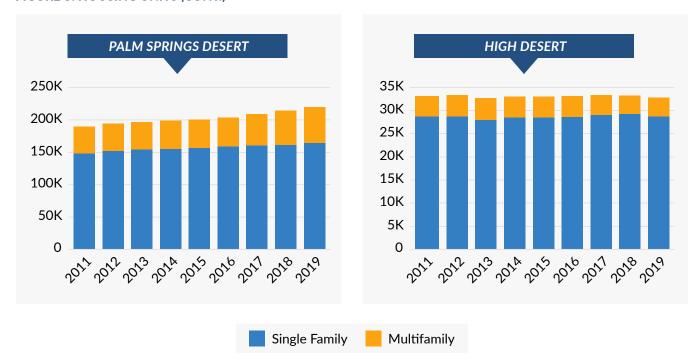


FIGURE 8: HOUSING UNITS (CONT.)



Source: California Department of Finance (2011-2021) and US Census Bureau American Community Survey Five-Year Estimates (2011-2019)

Most short-term rentals are also single-family homes, as shown in **Figure 9**. Compared to multifamily units (which are typically more affordable), the share of single-family homes tends to be even higher in vacation-rental communities. Other types of units,

such as glamping, also make up a significant share of STRs in the High Desert. It is highly unlikely that these types of units would directly translate to long-term rentals and owner-occupied housing if STR restrictions were to be adopted.

FIGURE 9: STR SUPPLY BY PROPERTY TYPE

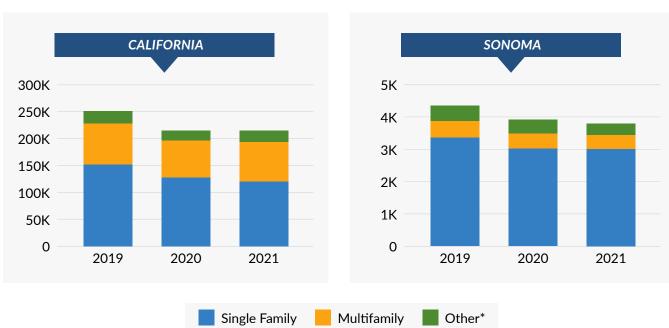
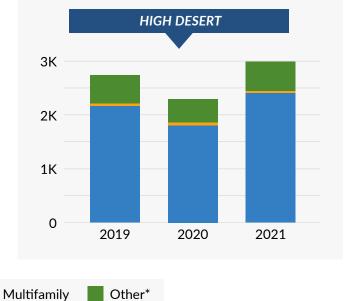


FIGURE 9: STR SUPPLY BY PROPERTY TYPE (CONT.)





2021

2020

2019

6K

4K 2K 0

In particular, most of the regional workforce would not be able to afford such homes. As shown in **Figure 10**, the statewide annual median wage in 2019 was \$40,000. In most vacation destinations, the wage is even lower, around \$30,000. **Figure 10** also shows how vacation destinations are dependent on tourism-related industries, including accommodation and food services; arts, entertainment, and recreation; and retail trade. These industries, however, tend to pay far below the area median wage.

2021

Single Family

<sup>\* &</sup>quot;Other" includes glamping, RVs, boats, and other unique units. Source: Transparent (2019-2021)

#### FIGURE 10: TOP INDUSTRY EMPLOYMENT AND WAGES

CAL	IFA	DAI	IΛ
CAL	IFU	KN	IΑ

Industry	2019 Emp.	Industry Emp. Share	Annual Median Wage
Health care & social asst	2,310,487	12.4%	\$41,800
Retail trade	1,950,499	10.5%	\$26,100
Manufacturing	1,692,820	9.1%	\$50,500
Prof, sci, & tech svcs	1,645,118	8.8%	\$77,800
Educational svcs	1,593,631	8.6%	\$44,200
Accommodation & food svcs	1,432,206	7.7%	\$20,000
Total, all industries	18,591,241		\$40,000

### SONOMA

Industry	2019 Emp.	Industry Emp. Share	Annual Median Wage
Health care & social asst	32,032	12.5%	\$45,300
Retail trade	29,750	11.6%	\$26,900
Manufacturing	24,321	9.5%	\$52,100
Educational svcs	21,681	8.5%	\$42,100
Construction	20,905	8.2%	\$51,600
Accommodation & food svcs	19,960	7.8%	\$18,500
Total, all industries	256,074		\$40,700

### LAKE TAHOE

Industry	2019 Emp.	Industry Emp. Share	Annual Median Wage
Accommodation & food svcs.	4,576	14.8%	\$22,400
Arts, entertain., & rec.	3,743	12.1%	\$32,200
Health care & social asst.	2,970	9.6%	\$53,100
Construction	2,852	9.2%	\$49,500
Retail trade	2,532	8.2%	\$28,300
Total, all industries	30,929		\$32,700

FIGURE 10: TOP INDUSTRY EMPLOYMENT AND WAGES (CONT.)

G		

Industry	2019 Emp.	Industry Emp. Share	Annual Median Wage
Accommodation & food svcs	1,428	18.0%	\$22,000
Health care & social asst	788	9.9%	\$54,600
Construction	770	9.7%	\$41,800
Retail trade	702	8.8%	\$26,600
Educational svcs	662	8.3%	\$35,700
Total, all industries	7,947		\$34,400

#### PALM SPRINGS DESERT

Industry	2019 Emp.	Industry Emp. Share	Annual Median Wage
Retail trade	23,025	13.3%	\$25,400
Accommodation & food svcs	22,546	13.0%	\$22,400
Health care & social asst	21,336	12.3%	\$40,100
Construction	13,199	7.6%	\$32,200
Admin, support & waste mgmt	13,069	7.5%	\$22,800
Total, all industries	173,422		\$29,400

### HIGH DESERT

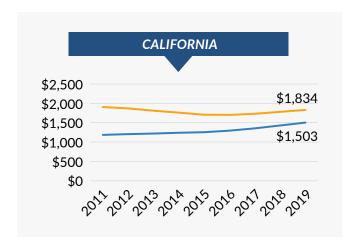
Industry	2019 Emp.	Industry Emp. Share	Annual Median Wage
Health care & social asst.	3,642	16.4%	\$31,400
Retail trade	3,141	14.1%	\$22,700
Public admin	2,377	10.7%	\$43,700
Accommodation & food svcs	2,308	10.4%	\$15,500
Educational svcs	1,996	9.0%	\$47,600
Total, all industries	22,199		\$30,500

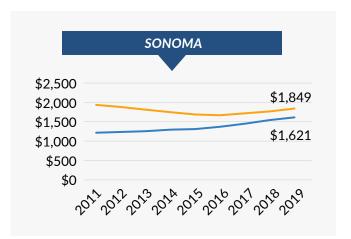
Source: US Census Bureau American Community Survey Five-Year Estimates (2019)

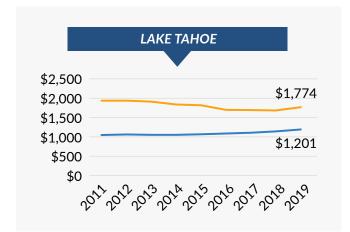
Based on the median monthly housing costs shown in **Figure 11**, the minimum annual wage needed to avoid housing cost burden in 2019 was \$60,100 in California,

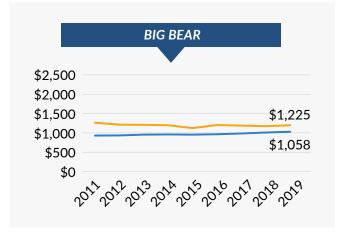
\$64,800 in Sonoma, \$48,000 in Lake Tahoe, \$42,300 in Big Bear, \$46,400 in Palm Springs Desert, and \$35,000 in the High Desert.

**FIGURE 11: MONTHLY HOUSING COSTS** 













— Median Monthly Rent — Median Monthly Owner Costs

 $Source: US\ Census\ Bureau\ American\ Community\ Survey\ Five-Year\ Estimates\ (2011-2019)$ 



Whereas the typical asking monthly rent per unit in California at market rate is more than \$2,100 (as of first-quarter 2022), the typical rent for affordable units—units that are rent-controlled, rent-restricted, rent-stabilized, or rent-subsidized—is \$1,200.<sup>27</sup> Affordable housing units account for 12 percent of multifamily housing inventory, and this share has remained relatively unchanged for the last decade, as shown in **Figure 12**.<sup>28</sup>

Typically, the minimum household income required to qualify for affordable housing is at or below 80 percent of the area median income (AMI). But increased support is particularly needed for households making less than 50 percent of AMI. As shown in **Figure 13**, there are 34 affordable and available units for every 100 renters at 50 percent of AMI and only 24 units for every 100 renters at or below 30 percent of AMI. Not only has California's housing production significantly slowed since the late 1980s, but the types of housing units being built—single-family homes and luxury apartments—are further widening the affordability gap.

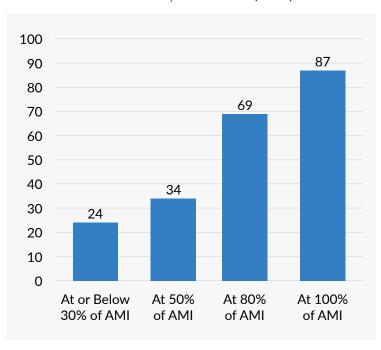
4,000 3,500 3,000 2,500 **Thousands** 2,000 1,500 1,000 500 0 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 Affordable Units Market Rate

FIGURE 12: MULTIFAMILY HOUSING UNITS BY AFFORDABILITY, CALIFORNIA

Source: Milken Institute analysis of CoStar data (2011-2021)



FIGURE 13: AFFORDABLE AND AVAILABLE HOMES PER 100 RENTER HOUSEHOLDS, CALIFORNIA (2019)



As illustrated throughout this report, STRs have a very small impact on the state's housing inventory and cannot be considered a meaningful driver of California's housing shortage. Short-term rentals are particularly valuable to tourism-dependent communities like those analyzed in this report. Reducing STR supply as a way to address California's housing shortage does not solve the issue and, moreover, deprives regions of needed tax revenue to support local governments.

Source: National Low Income Housing Coalition (2019)





Vacation destinations face unique challenges in navigating short-term rental policy and measuring subsequent community impacts. On one hand, communities face shortages in affordable housing supply and increasing housing costs that prevent the local workforce from living near jobs. These factors make attracting workers a challenge and can also lead to longer commutes that further strain California's infrastructure. On the other hand, while regional housing costs continue to rise-driven by housing shortages resulting from decades of underdevelopment-local governments have few tools available to spur housing development in the short-term. As a result of these dynamics, tourismdependent communities face daunting challenges in mitigating the effects of STR policies that can restrict local tourism and small business commerce, obscure needed community related investments (e.g., mobility and housing), and limit the state's overall tourism economy. How can communities balance housing needs and implement STR policy that supports their local tourism economies?

This section provides policy considerations that aim to address how state and local jurisdictions can better support workforce housing needs and enhance regional tourism. Recommendations are drawn from extensive research and engagement between the Milken Institute and public- and private-sector stakeholders in state and regional tourism, housing policy, and economic development.

# **Policy Considerations**

Accelerating affordable and workforce housing development is needed across California, and innovative strategies for increasing this supply needs to be considered to address shortages in the near term and in communities where land for new development is limited. At the same time, tourism was one of the hardest-hit sectors by the COVID-19 pandemic and tourism-dependent communities are still grappling with the impact of reduced visitor spending that affect small business growth and tax revenue generation. The Milken Institute recommends the following considerations to increase supply of workforce and affordable housing that do not hinder regional tourism growth:

# Provide incentives for second homeowners to rent their vacation properties that would otherwise sit empty to the regional workforce

In many vacation destinations, the largest pressure on the local housing market is many units are second homes that sit empty for most of the year. As data shown earlier in this report illustrated (Figures 5 and 6), many housing units in these communities are vacation homes that are not rented short-term. In Big Bear, for instance, over 67 percent of housing inventory was vacation homes in 2020 while only 24 percent of housing inventory was short-term rentals. Offering

incentives such as paying for deed restrictions or offering mortgage financing support for second homeowners to rent out their properties that would otherwise sit empty to the regional workforce will help increase affordable supply.

Vail, Colorado adopted such an innovative policy in 2017 through its Vail InDEED program. Through the program, managed by the Vail Local Housing Authority and funded through the town's general fund, the town pays property owners for deed restrictions on their homes to limit occupancy to individuals working in the county. The deed restriction is in perpetuity and is maintained at the property even if it's transferred to a new owner. The program does not limit the resale or rental price of a home, but because of the occupancy requirements, prices fall to meet the demand of qualifying renters or buyers who are part of the regional workforce, removing the wealthier out-of-towners from the market who normally price them out.<sup>29</sup> Through this program, the town increases its workforce housing supply without lengthy and costly development processes. The average purchase price of a deed restriction is about \$68,000-more cost-efficient than new housing development which is already challenging due to limited land availability.30 In its first four years the town purchased deed restrictions on 165 units.31 Similar programs have been adopted in South Lake Tahoe (Lease to Locals) and Truckee (Truckee Workforce Rental Grant Program), where incentives are provided for second-homeowners to rent out their properties long-term to the regional workforce who meet income criteria.

# Allocate portions of new housing development to workforce occupancy

Although there is a need for more affordable housing in California, much of the state's new production is still geared towards the higher end of the market (single-family homes and ultra-luxury apartments) because these types of developments are significantly more profitable. Like the

previous consideration, local governments should establish programs that allocate portions of new housing supply to workforce occupancy through mechanisms such as deed restrictions.

In addition to purchasing deed restrictions on existing homes, the Vail InDEED program has also done so on new housing developments. The town offered the developer of Solar Vail, a 65-unit apartment building, \$4.2 million (the assessed value of the land) in exchange for deed restrictions on every apartment unit. Opened towards the end of 2019, the building primarily houses seasonal hotel employees but also qualified year-round workers. The town paid only once construction was complete, reducing risk to the public sector by preventing construction delays and unexpected costs.<sup>32</sup>

# Provide local incentives to streamline workforce and affordable housing development

While the first two considerations are shorterterm strategies to alleviate workforce housing shortages, long-term solutions are ultimately needed to further incentivize and streamline production of affordable housing. A bottom-up approach is needed to address these growing needs, first targeting households earning at or below 80 percent of AMI by increasing the supply of affordable market-rate and government-assisted multifamily housing units.

In March 2022, San Diego signed the first part of its "Homes for All of Us" initiative, which aims to produce more affordable housing in the city. The initiative aims to implement state law related to housing development (e.g., Senate Bill 9), align state and city housing programs, incentivize new housing opportunities for all income levels, and amend city development regulations and property use to accelerate housing production. Amendments include allowing new fire stations, libraries, and other civic projects to include workforce housing projects, making it easier

for businesses to build onsite housing for their workers, providing incentives for developers to build larger family units (3+ bedrooms) and units for people with disabilities, and making it easier for developers to use the city's density bonus and build residential projects in commercial zones.<sup>33</sup>

With a budget surplus, California should also reconsider past initiatives, such as funding support for Senate Bill 5, introduced in 2019, which would have established an Affordable Housing and Community Investment program to help cities and counties afford to develop more affordable housing. The bill would have allocated \$2 billion annually over five years for affordable housing projects in proximity to transit. SB 5 was ultimately vetoed due to budget constraints regarding its source of funding through property taxes originally allocated to schools. The legislation was later revised in 2020 as SB 795, which amended the original funding route to pull directly from the state's general fund and thereby alleviating concerns that schools would lose money, but ultimately failed.34

Promote regional tourism through investment and development in existing programs to support resiliency needs and growth in tourism destinations

Although it's clear that tourism has considerable economic benefits for both state and local governments, communities must face other non-housing related tourism externalities like increased congestion that can also lead to community resistance towards STRs. Accordingly, that state has several tools and programs that can be adapted to mitigate these types of community impacts: the Community Economic Resilience Fund, although still in the planning phase, tourism-based growth concerns and needs should be included in regional plans and state funding allocations; the Transformative Climate Communities Program, which aims to reduce greenhouse gas emissions

and local air pollution; and the California Competes Tax Credit, which can help support business formation and jobs in tourism destinations.

Scaling and adapting these mechanisms and providing long-term investment in other types of cultural and recreational tourism destination spots is vital. Creating a coordinated state tourism campaign that promotes regional and cultural events while advocating for needed investment in infrastructure and overall competitiveness of the state's tourism economy is integral for sustainable growth.

## **Final Considerations**

As the overall economy reorients to remote work and faces considerable reductions in travel, jobs and revenue loss, California communities must make a concerted effort to re-capture its pre-pandemic tourism advantages. State and local leaders should take bold steps to incentivize the development of vital housing supplies that support regional economic development and tourism economies.

Identifying more impactful approaches to increasing housing supply that go beyond STR restrictions is essential. As demonstrated throughout this report, STRs do not contribute significantly to housing shortages and rising costs, and aggressive STR regulation restricts regional tourism, which many communities depend on economically. In vacation destinations, the underdevelopment of multifamily housing and the high share of second homeownership resulting in high vacancies are main drivers of continuing housing shortages. Innovative solutions are needed at the state and local levels, such as those recommended above. Enhancing housing supply and policy will create a friendlier environment for STRs to operate in, thereby bolstering regional tourism and economic growth.



# **APPENDIX**

# **Region Definitions**

The regions profiled in the report are defined below. Lake Tahoe, Big Bear, Palm Springs Desert, and High Desert are defined at the zip code level.

Industry	Geography Definition
Sonoma	Sonoma County
Lake Tahoe	96140 (Carnelian Bay), 96141 (Homewood), 96142 (Tahoma), 96143 (Kings Beach), 96145 (Tahoe City), 96148 (Tahoe Vista), 96150 (South Lake Tahoe), 96161 (Truckee)
Big Bear	92333 (Fawnskin), 92315 (Big Bear Lake), 92314 (Big Bear City), 92386 (Sugarloaf)
Palm Springs Desert	92201 (Indio), 92203 (Indio), 92210 (Indian Wells), 92211 (Palm Desert), 92234 (Cathedral City), 92236 (Coachella), 92240 (Desert Hot Springs), 92241 (Desert Hot Springs), 92253 (La Quinta), 92258 (Palm Springs), 92260 (Palm Desert), 92262 (Palm Springs), 92264 (Palm Springs), 92270 (Rancho Mirage), 92276 (Thousand Palms)
High Desert	92252 (Joshua Tree), 92256 (Morongo Valley), 92268 (Pioneertown), 92277 (Twentynine Palms), 92278 (Twentynine Palms), 92284 (Yucca Valley), 92285 (Landers)

# **Data and Methodology**

The economic analysis defines STR-related visitor spending as money spent by guests staying at short-term rentals. Data provided by Transparent—which reports STR data from multiple channels, including Airbnb, VRBO, Booking.com, and TripAdvisor—on annual revenue paid to STR hosts by visitors were used to measure the amount spent on accommodation by visitors staying at STRs in 2019. In addition to STR purchases, data on state spending profiles from Visit California were used to estimate non-lodging spending by STR guests in 2019, such as the amount spent on food, retail, transportation, entertainment, attractions, and recreation. Total STR visitor spending was adjusted

according to the share of in-state and out-of-state travelers reported by Visit California to measure economic activity stemming from new money entering the state.

The IMPLAN modeling system is used to estimate the economic impact of STR-related visitor spending. IMPLAN is an economic modeling system used to predict the likely impact of specific economic changes on a given regional economy or to estimate the effect of past or existing economic activity. IMPLAN estimates direct and secondary effects on regional employment, economic output (total production value of an industry), and tax revenues. Employment includes the number of full-time, part-time, and seasonal jobs supported-new jobs generated and existing jobs maintained or expanded in scope—by STR visitor spending. The direct impact is the initial change in economic activity as a result of STR-related spending. The secondary impact is the additional economic activity further down business supply chains stemming from the initial changes caused by the direct impact and the additional activity resulting from changes in household spending. For example, STR visitors spend money dining at a local restaurant (direct effect), maintaining or increasing demand for the restaurant's food. As a result, the restaurant continues to purchase supplies maintaining or increasing business for the supplier—and pay its workers—maintaining or increasing workers' income that they use to purchase their own goods and services (secondary impact).

The STR revenue data provided by Transparent do not include the amount paid in taxes by STR guests. As a result, TOT revenue was estimated separately using total TOT data by jurisdiction, consolidated by Dean Runyan Associates, and removed from the corresponding IMPLAN results to avoid double-counting. The portion of TOT revenue attributable to STRs was estimated based on corresponding shares of STR and hotel lodging revenue.

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# **Acknowledgments**

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## **About the Authors**

Alissa Dubetz is a senior policy analyst at the Milken Institute's Center for Regional Economics. Her research covers a wide range of regional economic development issues, including those related to infrastructure, housing, small business support, and workforce development. Before joining the Milken Institute, Dubetz was a senior research associate at a Los Angeles-based economic consulting firm, where her research centered on quantifying the economic and fiscal impacts of policy initiatives and legislation, housing development, infrastructure, educational institutions, and industry workforce across California and the United States. Dubetz has also worked in litigation consulting, supporting labor and employment class-action discrimination cases and pay equity analyses. Dubetz holds a master's degree in economics from the University of Southern California, where she focused on macroeconomics and economic development, and a bachelor's degree in economics and Middle East studies (double major).

Matt Horton is a director at the Milken Institute's Center for Regional Economics and California Center. Over the past 15 years, he has worked to identify best practices related to workforce, infrastructure, and housing development to illustrate the dynamic between governance and investment necessary to sustain resilient economics and promote equitable growth. Currently, at the Milken Institute, Horton has established dedicated programming focused on the dynamics shaping the future of work to address not only the growing automation trends that are displacing an underskilled and low-paid workforce but also how local, regional, and state leaders can leverage investments in infrastructure that enhance upward mobility through coordinated place-based investments. Previously, Horton worked for the Southern California Association of Governments, the nation's largest metropolitan planning organization. In this capacity, he served as the primary point of contact for external affairs with elected officials as well as subregional, state, and federal stakeholders in Los Angeles and Orange counties, while helping leaders in Southern California overall develop plans to address growth and improve quality of life through infrastructure planning and development. Horton currently sits on the advisory boards of WorkingNation, Lift to Rise, and the Infrastructure Funding Alliance.

Charlotte Kesteven is a senior policy analyst at the Center for Regional Economics at the Milken Institute. Her research is centered on regional economic development, infrastructure, and workforce. Prior to joining the Milken Institute, Kesteven worked as an economist at the Victorian Government Department of Treasury and Finance in Melbourne, Vic., Australia, where she advised the treasurer and other officials on education policy and workforce development issues. Kesteven has also worked as a consultant, conducting research in economic development, infrastructure, urban planning, and demographic forecasting for local, state, and federal government clients in Australia and New Zealand. Kesteven received her master's degree in economics from the University of New England (Australia) in 2015, where her research focused on the economic impacts of deregulation, particularly in relation to transportation industries. She also holds a bachelor's degree in international business from the Australian National University, majoring in international business and Spanish.







March 18, 2024

Dear LA County Board of Supervisors,

Debt Collective write to you in strong support of the proposed amendments to County Code, Title 7 to regulate short-term rentals (STRs). <sup>1</sup> As the state's homelessness crisis continues to worsen, it's vital that the Board of Supervisors (the "Board") take the necessary precautions to protect the housing supply in unincorporated Los Angeles County from conversion to tourist accommodations. The County's proposed Ordinance (the "Ordinance") includes common-sense STR regulations that will protect unincorporated Los Angeles' housing stock and residents; and hold accountable both hosts and platforms for any infractions of the Ordinance. An ordinance regulating STRs is also consistent with the Board's recent efforts to further protections for renters, as renters are some of those most at risk of displacement from STRs.

Debt Collective is a debtors' union fighting to cancel debts and defend millions of households. In California, we helped develop the Tenant Power Toolkit – a unique legal mutual aid tool that allows tenants in California to prepare an Answer to a Summons & Complaint in an Unlawful Detainer (eviction) action.

#### Impact of Short-Term Rentals on the Housing Market

According to Better Neighbors Los Angeles, data indicates that there are 3,780 STR listings advertised on Airbnb across unincorporated LA County. The County CEO's website estimates that over one million of LA County's residents live in unincorporated parts of the County – about 10% of the population. It's vital that these residents are afforded the same housing protection that residents in other cities within the County receive.<sup>2</sup>

There exists a substantial body of research on STRs indicating that short-term rentals contribute to increased rent and home prices, which can often lead to displacement of residents and community members. For example, Professor David Wachsmuth at McGill University estimates that STRs have raised rents for the average renter by \$810 per year in the City of Los Angeles.<sup>3</sup> Furthermore, an article by Luisa

<sup>&</sup>lt;sup>1</sup> https://www.betterneighborsla.org/about-us

<sup>&</sup>lt;sup>2</sup> The City of Los Angeles, City of West Hollywood, and City of Santa Monica all have STR regulations. The City of Los Angeles is in the process of further strengthening current regulations.

<sup>&</sup>lt;sup>3</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth\_LA\_2022.pdf



Godinez-Puig and Jorge Gonzalez-Hermoso highlights the clear equity concern associated with rising rents, as Black and Latinx residents are more likely to rent than own.<sup>4</sup> The removal of units from the long-term market at the hands of STRs undoubtedly disproportionately impacts Black and Latinx residents across unincorporated LA County. According to the National Low Income Housing Coalition("NLIHC"), 54% of households in LA County were renter households from 2017-2021. Furthermore, NLIHC's most recent "Out of Reach" report found that, on average, the fair market rent for a two-bedroom in LA County costs \$2,222 per month, requiring a 2.5 minimum wage jobs per household.<sup>5</sup> As the County works to strengthen tenant protections, regulating short-term rentals must be viewed as another necessary tool needed to safeguard housing.<sup>6</sup>

While we support the Ordinance as a whole, we would like to express our strong support for a few specific provisions:

Holding Platforms Accountable. Vital to the success of any STR regulation is that hosting platforms are held accountable for facilitating the booking of illegal STRs. The Ordinance allows the County to impose fines of up to one thousand dollars per violation per day on hosting platforms for completing illegitimate booking transactions. The County's enforcement of this provision of the Ordinance will create incentive for platforms to ensure that their users are operating in compliance with local regulations.

Protecting Rent-Restricted Units and ADUs. We additionally support the Ordinance's provisions to protect Accessory Dwelling Units ("ADU"s) and rent restricted units from conversion into STRs. The Los Angeles Homeless Services Authority's (LAHSA) 2023 Annual Homeless Count found that homelessness in LA County increased by 9% over the past year. The County's designated affordable and Section 8 housing, which is already limited in supply, should not be cannibalized so that property owners and developers may make more money. Additionally, prohibiting the use of ADUs as STR accommodation is ultimately consistent with the County's current ADU regulations and with statewide goals of increasing housing supply that inspired the legalization of ADUs.

Eliminating Commercial Operators. Restricting hosts to only one STR within unincorporated LA County will undoubtedly return several rental units to the market, in instances where hosts operate several STRs. According to our data, of the 2,053 hosts that advertise STRs on Airbnb in unincorporated parts of the County, 643 of them advertise multiple STR listings. Thus, if hosts were restricted to operating one STR, up to

<sup>&</sup>lt;sup>4</sup> https://www.urban.org/urban-wire/abundance-short-term-rentals-who-wins-and-who-loses

<sup>&</sup>lt;sup>5</sup> https://nlihc.org/sites/default/files/oor/California\_2023\_OOR.pdf

<sup>&</sup>lt;sup>6</sup> https://www.latimes.com/california/story/2023-07-11/la-county-new-renter-protections



1,727 units could be returned to the long-term rental market, reducing the STR population in unincorporated LA County by 9%. These commercial STR operations place additional strains on a region's housing supply and contribute to the increased cost of living that residents may face.

Support regional enforcement against "bait and switch." We believe that implementation of strong STR regulations across unincorporated parts of LA County will help to eliminate a common violation of the City of LA's HSO that Better Neighbors Los Angeles has observed. Because the HSO similarly requires that hosts register their STRs, prohibits hosts from operating several STRs within the City, and restricts the use of housing units subject to the Rent Stabilization Ordinance (RSO) as STRs, unscrupulous hosts have begun to purport that their STRs are located outside of the City of LA. For example, a host with a property in Hollywood may advertise their unit as being located in West Hollywood, a host in Venice may advertise their unit as being in Marina del Rey, and so on. The City's enforcement software is not designed to evaluate STRs that do not appear to be within City limits on hosting platforms, so hosts are able to falsify the address on the platform and message guests the correct address for their stay upon booking. We are hopeful that the implementation of regulations in unincorporated parts of the County will help to address this violation.

The STR regulations before the Board is an opportunity for the Board to take another step in protecting and preserving housing in unincorporated LA County. We support the Board's adoption of this ordinance, as it reaches a balance of protecting residents across the County from future displacement due to STRs and providing homeowners and renters with opportunities to use their homes for extra income as necessary. Should you have any questions, please contact René Christian Moya at rene@debtcollective.org.

Best,

René Christian Moya Tenant Power Coordinator Debt Collective

<sup>&</sup>lt;sup>7</sup> https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf

Subject: Considerations Against the Proposed Short Term Rental Ordinance

Dear Members of the Los Angeles County Board of Supervisors,

I am writing to you today as a concerned resident and short-term rental host in Los Angeles County. I understand the board is considering implementing new ordinances that could significantly impact the ability of individuals like myself to operate short-term rentals. While I fully acknowledge the importance of regulation in maintaining the character and safety of our communities, I urge you to reconsider or modify the proposed ordinance for several key reasons.

Firstly, short-term rental income is not merely a business venture for many of us; it is a means of supporting our families and enhancing our quality of life. The flexibility afforded by this income stream allows us, hosts, to spend invaluable time with our children and families, significantly contributing to our work-life balance. This aspect of short-term renting is often overshadowed by fiscal discussions, yet it is vital for the well-being of numerous families within the county.

Secondly, we, the hosts, are already committed to contributing our fair share to the community through taxes. The revenue generated from these taxes can be a valuable asset for the city, funding public services and infrastructure improvements. By allowing us to operate, the county does not only benefit from a diversified accommodation market but also from a strengthened economy bolstered by our tax contributions.

Investment in our properties is another point of consideration. Many of us have invested \$20,000 to \$30,000 in furnishing and maintaining our rentals to ensure they meet high standards of comfort and safety for our guests. This significant financial commitment is a testament to our dedication to providing quality accommodations and to the seriousness with which we approach our role as hosts.

Moreover, the perception that short-term rentals invariably lead to disturbances in neighborhoods is outdated and not reflective of the responsible hosting community. The vast majority of us have strict rules in place to prevent parties or any form of disruptive behavior. Such incidents are not only a nuisance to our neighbors but also represent a financial and emotional burden for us as hosts, due to the potential damage to our properties and reputations. We are deeply invested in the well-being of our neighborhoods and are always looking for ways to ensure our operations contribute positively to the community fabric.

In lieu of imposing restrictive measures on the number of days we can host, I propose the establishment of responsible host protocols, developed in collaboration with experienced and top-performing hosts. These protocols could effectively address community concerns while preserving the benefits that short-term rentals bring to both hosts and the wider Los Angeles County. By leveraging the insights and experiences of successful hosts, we can create a framework that enhances neighborhood harmony, ensures guest responsibility, and continues to provide significant economic benefits through taxes and local spending.

In conclusion, while the intentions behind the proposed short-term rental ordinance are understood, I urge you to consider the broader implications on the community and economy. There exists a pathway to regulation that secures the interests of all parties involved - one that fosters responsible hosting, supports local economies, and maintains the fabric of our communities. Let us work together to find a balanced and effective solution.

Thank you for considering my perspective on this matter. I am more than willing to engage in further discussions or participate in efforts to draft more balanced and fair regulations.

Sincerely,

Lia pilla

#### VIA Electronic Mail

Board of Supervisors Los Angeles County Kenneth Hahn Hall of Administration 500 W Temple Street Los Angeles, CA 90012

#### RE: LA County Short-Term Rentals Registration Ordinance – SUPPORT

Dear LA County Board of Supervisors,

We write in support of the County of Los Angeles' proposed Short-Term Rentals Registration Ordinance. As elected officials within your districts, we recognize that short-term rental (STRs) regulations must be adopted to safeguard housing during the ongoing housing and homelessness crises.

STR regulations in unincorporated LA County will protect precious housing at this critical juncture. According to recent census data, 53.5% of LA County residents are renters. Professor David Wachsmuth of McGill University found that the proliferation of STRs has caused rents to increase \$810 per year for each rental unit in the City of Los Angeles since 2015. As a result renters are being priced out of our districts and look to rent in more affordable areas leading to a wave of migration across the region.

Renters in LA County, however, are already struggling to make ends meet. According to the National Low Income Housing Coalition, the hourly wage necessary to pay the rent of a typical two-bedroom apartment - \$2,222 per month - is \$42.73 an hour in LA County.<sup>3</sup> Communities in your district that already struggle with STRs also report above-average housing costs.<sup>4</sup>

STRs are also a significant driver of the homelessness crisis. According to the Los Angeles Homeless Services Authority, in 2023 there were 75,518 individuals experiencing homelessness across LA County. Residents in the City of Los Angeles have seen how short-term rentals contribute to displacement and homelessness. Professor Wachsmuth of McGill University

<sup>&</sup>lt;sup>1</sup> https://data.census.gov/table?q=housing+in+los+angeles+county&tid=ACSST1Y2021.S1101

<sup>&</sup>lt;sup>2</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth\_LA\_2022.pdf

<sup>&</sup>lt;sup>3</sup> https://nlihc.org/oor/state/ca

<sup>&</sup>lt;sup>4</sup> Data associated with Los Angeles County: <a href="https://nlihc.org/sites/default/files/oor/California">https://nlihc.org/sites/default/files/oor/California</a> 2023 OOR.pdf

 $<sup>\</sup>frac{5 \text{ https://www.lahsa.org/news?article=927-lahsa-releases-results-of-2023-greater-los-angeles-homeless-count#:\sim:text=LOS%20ANGELES%20%E2%80%93%20The%202023%20Greater,to%20an%20estimated%2046%2C260%20people.}$ 

found that commercial STRs have taken 2,500 homes off the long-term market and are responsible for more than 5,000 extra people experiencing homelessness each night in the City of Los Angeles. Similar displacement is likely happening County-wide, pricing families and individuals out of their homes. According to an analysis by Better Neighbors LA, there are 2,744 unhosted short-term rentals currently active on Airbnb in unincorporated Los Angeles County. This means that 2,744 units have been removed from the housing stock just to be used as tourist accommodation. By approving the proposed regulations, you will further protect our communities across unincorporated LA County from displacement.

STRs also give rise to concerns about neighborhood character and quality of life. All around the County, residents must suddenly deal with commercial enterprises in the middle of their neighborhoods, bringing in rowdy parties, parking difficulties, high volumes of trash, loud noise, and guests that have no stake in safeguarding the community. Currently, residents have no course of action to deal with the problem. If passed, the proposed ordinance will address disruptive party houses and nuisance STRs.

The proposed ordinance will also bring the County into alignment with other cities in the region that have adopted reasonable regulations. This includes Los Angeles, West Hollywood, and Santa Monica, each of which have adopted strong regulations to protect residents and housing. Unscrupulous STR hosts with regulated units will often misrepresent their location to be in unincorporated LA County to circumvent local enforcement and take advantage of the County's lack of regulation. Implementing strong regulations on the County level will help enforcement in cities across LA County, as well as protect the housing stock and communities of unincorporated LA County.

Amid this housing and houselessness crisis, protecting unincorporated LA County residents in your districts from displacement due to STRs is an integral part of solving this regional issue. For these reasons, we urge you to pass the Short-Term Rentals Registration Ordinance. Should you have questions, please email Becca Ayala at <a href="mailto:rebecca@betterneighborsla.org">rebecca@betterneighborsla.org</a>.

Sincerely,

(Titles for identification only.)

<sup>&</sup>lt;sup>6</sup> http://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth LA 2022.pdf

<sup>&</sup>lt;sup>7</sup> Data as of December 2023. On file with Better Neighbors LA.

<sup>&</sup>lt;sup>8</sup> City of Los Angeles: <a href="http://clkrep.lacity.org/onlinedocs/2014/14-1635-S2">http://clkrep.lacity.org/onlinedocs/2014/14-1635-S2</a> ORD 185931 07-01-19.pdf; City of West Hollywood: <a href="https://www.weho.org/city-government/city-departments/community-safety/neighborhood-and-business-safety/business-licensing-and-permits/home-sharing-license">https://www.smgov.net/Departments/PCD/Permits/Short-Term-Rental-Home-Share-Ordinance/</a>

<sup>&</sup>lt;sup>9</sup> https://www.betterneighborsla.org/s/082022-Enforcement-Report-FINAL.pdf

Nithya Raman
Nithya Raman
Los Angeles City Councilmember, District 4
Katy I Garaslansky

Katy Y. Yaroslavsky

Los Angeles City Councilmember, District 5

Eunisses Hernandex

Eunisses Hernandez

Los Angeles City Councilmember, District 1

Hello Supervisors,

My name is Esme and I am with Los Angeles Tenants Union. I urge the Board of Supervisors to pass the Short-Term Rentals Registration Ordinance because at least 54 of the 88 incorporated cities across LA County have some form of regulations on short-term rentals. However, residents in unincorporated LA County have virtually no form of relief from the impacts of short-term rentals due to minimal regulations. I support the Short-Term Rentals Registration Ordinance because it will help protect residents in unincorporated LA County from the threat of displacement due to short-term rentals. Please take this important step to preserve housing for long-term residents and approve the Short-Term Rentals Registration Ordinance. Thank you,

Esme Germaine Reyna