

Subject: The La Jolla Community Planning Association's response to the proposed ordinance on Short Term Vacation Rentals.

The La Jolla Community Planning Association (LJ CPA) is the Planning Group recognized by the City to advise it on Land Use. The LJ CPA is opposed to short term vacation rentals (STVR) in the Residential Zones for the following reasons:

- They are not a residential use (2);
- They are counter to the SD Municipal Code (1); and,
- They are disruptive to residential quality of life.

Short term vacation rentals also disrupt the local housing market. The *Wall Street Journal* and *LA Times* reported the greatest economic return on residential property is from the STVR. Competition for available housing stock increases the costs of housing and rents for San Diego residents. These market forces further drive the San Diego housing crisis by removing housing units equal to the sum of a small city's housing. The proposed ordinance, coauthored by Expedia (3), does not recognize or address the above issues. It should be rejected.

If the City Council decides to proceed in considering the proposed ordinance, it should be amended to reduce the negative impacts on San Diego residents and the housing crisis in the following ways:

Improve Enforcement. The proposed ordinance requires San Diego Police Department (SDPD) and Code Enforcement verification of complaints. The SDPD lacks sufficient staffing to respond to STVR complaints, while the Code Enforcement staff does not work nights and weekends. Permit fees, therefore, need to cover the full cost of enforcement for whatever method is used to ensure permit compliance. The proposed permits fees are inadequate for this purpose.

Equally allocate permits by Council District. As approved by the San Diego Planning Commission (4), this provision prevents concentrating STVRs in the Coastal areas. It also enables all city neighborhoods to participate in the home-sharing economy.

Separate STVRs by at least 1,000 feet. This prevents concentration in popular neighborhoods to maintain the quiet enjoyment of residential zones.

Set STVR limit at 0.5% of housing stock per Council District. This reduces competition for badly needed housing.

Limit STVR occupancy. To facilitate family-oriented STVRs, and discourage the growing use of STVRs for the huge party venues, occupancy must be limited. Two persons per bedroom, plus two additional persons to that total are a reasonable limit.

Raise the number of rental nights to 6 or more. This would eliminate disruptive weekend parties.

Phase in the ordinance. Starting with the less controversial issues, test the ordinance and its enforcement on a quarterly basis and refine it as the program matures. These include:

- Room rental in owner-occupied houses
- STVRs in Commercial Zones

Strongly contested portions of the ordinance that require more deliberation include:

- Whole house STVRs
- The Mission Beach “carve out”

In conclusion, the La Jolla Community Planning Association is strongly opposed to whole home, non-owner occupied STVRs that are rented for less than a week at a time. These “party houses” have disrupted our quality of life and fueled construction of over scaled mini-hotels in our neighborhoods.

If La Jolla must accept STVRs, we ask that they be located only in commercial zones where, as commercial activities, they can contribute to the city’s TOT income and provide customers to our local businesses. In La Jolla, the Commercial Zone stretches from Bird Rock to the Village to La Jolla Shores--a large, beach-adjacent area equipped with all visitor amenities. This compromise fulfills the Coastal Commission’s interest in affordable tourist accommodations at the beach as well as contributes to our community’s economic well-being.

Sincerely,

Diane Kane, President
La Jolla Community Planning Association

References:

- (1) SD Muni Code 131.0112 (dated 11-2020) 131.0422 **Use Regulations Table for Residential Zones** states “Visitor Accommodations” are “not permitted” (in Residential Zones). The current City Attorney concurs.
- (2) September 22, 2015 the San Diego Community Planners Committee voted 24-3-2 that STVRs are “Visitor Accommodations” and thus are not permitted in residential zones.
- (3) Councilmember Dr. Jennifer Campbell Helps Forge Short-Term Rental Compromise Between UNITE HERE and Expedia Group. **See attached.**
- (4) The San Diego Planning Commission meeting December 3, 2020.