



Hello Neighbor,

Last week, I announced guidelines to finally make progress on one of San Diego's most vexing problems - short-term vacation rentals (STRs).

There have been a lot of misconceptions and falsehoods leveled at these guidelines. To cut through the clutter and speculation, here's what you need to know -

- These guidelines, once passed, will permanently reduce the number of STRs in San Diego by over 70%.
- These guidelines create an actual enforcement mechanism to ensure there are repercussions for bad STR owners.
- Each STR renter may have only one permit for one unit, whether or not it is home sharing or whole home rental.

Since coming into office in 2018, my staff and I have combed through various city regulations, court rulings and ballot measures from here and other cities and counties that have tackled this problem. To get input, we have met with planning group and town council members, community leaders, city staff, Coastal Commissioners, the San Diego County Lodging Association and

dozens of other citizens, non-profits, labor groups and business organizations.

All of this was done to put an end to San Diego's "wild west" STR reality - no enforcement, no regulations, no progress. Despite the increased volume on this issue, we were no closer to a solution than when I decided to run for office after a thirty year career in medicine. That's why I've brokered this compromise - to provide real relief to those looking to put a roof over their head and to have an actual enforcement mechanism to deal with bad actors.

For years, San Diegans have pointed to the impact that STRs have had on our housing crisis. While home sharing represents only about 10% to 20% of the amount of STRs in our city, whole home rentals have taken roughly 16,000 homes off the market, according to a 2019 City Auditor report. These new guidelines limit STR whole home rentals to 0.7% of San Diego's housing stock, according to SANDAG's Regional Housing Needs Assessment Plan.

At the end of June, it was determined that San Diego needs to add over 100,000 new homes in the next decade to address our housing crisis. The immediate impact of removing 10,000 living spaces from the STR market indicates that these STR regulations get the city moving in the right direction on housing.

Two diametrically opposed interested parties of the dozens of people and organizations we met with over the past 18 months were Expedia and the hotel & hospitality union Unite Here Local 30, whose membership includes District 2 residents. They have been some of the most fervent opponents during each and every round of this debate. That is what makes these guidelines so different from everything that has come before. The history of local issues and how we've reached this point are important and should show the stark contrast of what is accomplished by opposite sides coming to the table.

Furthermore, whatever we decide, it must pass legal muster. The first thing we suggested was a complete ban on STRs. But several City Attorney opinions have made it clear that a ban won't legally stand in this case because for many years the city has given some permits, collected transient occupation tax without regulation or enforcement. The new plan provides fees for enforcement, fines and loss of permits for bad actors.

From passing through the City Attorney's office to being in compliance with our Local Coastal Plan by the Coastal Commission to facing down a possible referenda, any regulation of this industry will face endless scrutiny and we must make allowances for what is unique to San Diego.

These guidelines are not perfect, but they create a starting point where the industry is enforceable, accountable, and limited, which creates the stability that our neighborhoods need.

We welcome positive input as we are trying to help our district and our city. I look forward to hearing from you, the City Attorney, the IBA, and my Council colleagues on this issue.