

“As far as I can tell, this (any link between STVRs and San Diego’s affordable housing crisis) is nothing more than a myth.”

**- Councilmember Chris Cate,
May 3, 2016**

“San Diego has a severe housing shortage that makes it difficult for residents to rent, let alone purchase a home. If we want a future for our children and grandchildren here, we need to move quickly to address this issue. ... My proposal both protects housing stock and allows residents to supplement their income.”

- Councilmember Barbara Bry, August 20, 2017

The impact of STVRs on affordable housing hurts (nearly) everyone in San Diego

Advocates for short-term vacation rentals, like San Diego City Councilmember Chris Cate, refuse to see what is all too painfully obvious to displaced long-term renters, families trying to find a home they can afford in San Diego, business leaders wondering how they can find housing for the new workers they need to hire, and real estate experts such as Dr. Svenja Gudell, Chief Economist for Zillow, the nation’s leading real estate analytical website:

You can’t take thousands of units intended by zoning to be used for residences, convert them to vacation rental businesses, and not have it impact a city in a declared state of emergency since 2002 over a lack of affordable housing. More than half (56%) of the owners of whole-home STVRs paying TOT taxes in San Diego don’t live in the same zip code as their rental.

No one is suggesting STVRs are the only cause of San Diego’s affordable housing crisis. But the renters on the previous page are just one of many stark rebuttals to Cate’s view that their STVR-caused housing woes are some type of a myth. So are a growing number of studies making the link. Here is the key point about affordable housing and STVRs for City Council members to consider:

Every whole-house short-term vacation rental business means one less home for San Diego families to buy or rent long term.

When people can’t find housing in City Council districts 1, 2 and 3 - where most STVRs are located - they move to other areas. That raises housing prices EVERYWHERE in San Diego. That particularly hurts Hispanics and African-Americans. In 2012, these groups could afford 20 percent of the homes on the market. Today, coinciding with the explosive growth of homes converted to STVRs, that figure is down to 5.6 percent, according to Redfin. So, they have less chance of buying a home. And, who benefits? The vacation rental lodging industry investor class, which is violating zoning laws to further drive this housing gap. Again, why are they being protected?

Links made between whole-home STVR, affordable housing

Community, government leaders around the world are speaking out

Santa Barbara:

“No one is talking about the housing crisis,” Mayor Gregg Hart said, referring to the 0.5% rental vacancy rate. “That issue (STVR) is crushing people, and it is different today than it was just a few years ago.”

New York state:

“Airbnb is a marauding army invading a city with no regard for the law or the consequences. We are losing affordable housing, hand over fist. We are just losing them daily,” Linda Rosenthal (D-Manhattan).

Laguna Beach:

“It seems pretty apparent that 75 percent of the existing properties (STVR) are owned by individuals who do not live at the property,” said Ann Larson, assistant director of community development. “We’re a world-renowned destination. We could fill up every single house with tourists.”

Dianne Feinstein

United States Senator for California

I share your belief that strong zoning laws protect residential areas from certain commercial activities and support families. Legislation that allows private homes to be leased out as hotels will blur the line between commercial and residential neighborhoods, and thereby ruin the distinct character of numerous residential areas. **I believe that the growth of short term vacation rentals will also cause the already high cost of living to further increase and exacerbate the shortage of affordable housing, as homeowners and renters will leave their units to rent them out to hotel users.**

Dianne Feinstein,
United States Senator

Vancouver:

“This (STVR) is having a negative effect, there’s no question about it,” said David Hutniak, CEO of Landlord, B.C. “The last thing we need is an even shorter supply of long term housing.”

Dublin, Ireland:

“It seems to have an enormous impact on the number of apartments to rent out there,” Dublin

city councillor Mannix Flynn said at the council’s Housing Strategic Policy Committee. (From the May 17, 2016 Dublin Inquirer)

Portland, Oregon:

“San Francisco has serious concerns about this (STVR) situation depleting the availability of affordable housing,” said Deborah Imse, executive director of Multifamily NW at a City Council meeting July 2nd. “People are taking their units off the market and just doing short-term rentals.”

Alarms are being sounded that impact San Diego

Leaders, economists, media: STVRs worsen already critical housing affordability

“What’s happening is that there’s just so many out-of-town people (investors) who are buying up properties, specifically for turning them into (short-term vacation) rentals. We’re talking out of both sides of our mouths when we say we have a housing crisis, and then we’re allowing unlimited homes to become (short-term vacation) rentals.”

- Lorie Zapf,
City Councilmember,
[PB Monthly, August 2017](#)

“For every unit turned into a short term rental, a San Diego resident loses a home. It makes no sense that we as a city are denying our citizens affordable housing in order to cater to tourists and to line the pockets of commercial operators. San Diego needs to start enforcing its municipal code.”

- Brigette Browning, President,
UniteHere! Local 30; San Diego County
Hotel/Food Service Workers’ Union.
[2016 study](#)

“Thousands of single-family homes that were once bought and sold every few years prior to the recession have now been converted into rental properties by investors, trading hands much less frequently and further contributing to inventory shortages.”
(Zillow reports San Diego’s inventory of homes has dropped 25.5% in a year.)

- Dr. Svenja Gudell,
Chief Economist of Zillow,
[June 22, 2017](#)

I visited half a dozen buildings on or very close to the Boardwalk (in Venice) that have been converted, without permits, from long-term rental apartments to short-term rentals, or — yes — let’s call them what they really are: hotels.

If you are wondering why the rental housing market in a place like Venice Beach is so tight, look no further than your nearest laptop. Fire it up and find dozens of websites advertising hotels and houses “just steps from the sand.”

These places, by the way, are not extra rooms, guest houses or homes offered by the owners who want to cover part of their summer trip to France. They are apartment houses and entire homes that have been converted to short-term rentals by displacing long-term tenants. [Los Angeles Times, August 9, 2017](#)



San Diego

MAGAZINE

Rent Uncontrolled

Dramatic rent hikes are pushing renters out of San Diego

BY WENDY LEMLIN



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Fifty-five percent of renters in San Diego are considered “cost burdened,” spending well over the recommended 30 percent of monthly income on housing. San Diego is the ninth most-expensive rental market in America, but many can’t buy houses because of high prices.

[\(San Diego Magazine, February 26, 2016\)](#)