

From: Council District 5
Sent: Monday, January 6, 2025 10:54 AM
To: CityClerk
Subject: Fw: Agenda Item 28 Jan. 7, 2025

Follow Up Flag: Follow up
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Good morning,

Our office received the below communication regarding Item 28 on the January 7, 2025, Council Agenda. Forwarding to ensure it is received as public comment. Thank you!

Sincerely,

Your District 5 Team

Office of Councilwoman Megan Kerr

411 W Ocean Blvd, 11thFl. | Long Beach, CA 90802

562-570-5555 | District5@longbeach.gov

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From: Glennis Dolce <glennisd@me.com>
Sent: Sunday, January 5, 2025 1:46 PM
To: Council District 1 <District1@longbeach.gov>; Council District 2 <District2@longbeach.gov>; Council District 3 <District3@longbeach.gov>; Council District 4 <District4@longbeach.gov>; Council District 5 <District5@longbeach.gov>; Council District 6 <District6@longbeach.gov>; Council District 7 <District7@longbeach.gov>; Council District 8 <District8@longbeach.gov>; Council District 9 <District9@longbeach.gov>; Mayor <Mayor@longbeach.gov>
Subject: Agenda Item 28 Jan. 7, 2025

-EXTERNAL-

City Clerk- Please include the following in the official record.Thank you.

Dear Officials,

It's the beginning of a New Year and on any given Tuesday, the LB City Council has the opportunity to listen to residents and make their lives here in LB, better.

Today, the issue of the STR ordinance and the proposed amendments is at hand([Item 28 Jan .7, 2025](#)). I hope this item gets the attention it deserves as well as a lively educated discussion by the council.

After reading it over, many are good additions. However, there are still a number of missed opportunities to improve the clarity, structure, and understanding of the rules for hosting STRs in our neighborhoods.

I was brought to this discussion as a resident of Cal Heights when a particular listing was brought to my attention.

https://www.airbnb.com/rooms/1275584338341396546?viralityEntryPoint=1&unique_share_id=0E9CE96F-FC81-4903-9254-DB83A1E3FF29&slcid=4c448e4de37f485eab100f2b4eeb8da0&s=76&feature=share&adults=16&channel=native&slug=IAdugwNg&source_impression_id=p3_1735932002_P3z-JzbFI-WA75ZC&quests=1

As you can see, this STR is advertising 16+ guests in their ad on AirBNB. On VBRO- it's advertised as 19! So for starters, already violating the rules.

Secondly, it's listed as being in Signal Hill when the real location is actually Cal Heights according to neighbors on Lime Ave. (actual address is 3633 Lime as shown to you below in a screenshot from your own website.) As we know, SH has banned STRs and has no ordinance regulating them, hence no enforcement.

Thirdly, this STR listing does not provide the required Registration number that I can find. Another violation. There are likely others.

I've been told that numerous complaints have been filed on this STR but it still exists there and nothing has changed. The neighborhood is forced into submitting a petition to ban STRs in the Cal Heights neighborhood. All because the city does not enforce its own rules. I believe that this petition will easily pass in Cal Heights due to various activated issues here regarding the airport, the oversized development project on Wardlow, as well as the bike lane on Orange that is being implemented. Residents are outraged by all of this. This will be supported.

I think a complaint should trigger a clear, known enforcement process! This should be public. A public process that is easily followed up on by the community.

By not enforcing the STR rules, you are letting a couple of bad apples ruin the whole barrel. I am not an AirBNB host but I imagine that there are other non-hosted sites in Cal Heights with responsible hosts. Personally, I'm opposed to non-hosted STRs -due to the fact that the city does not seem to follow up or enforce much of anything these days! You are the ones making the rules and then not enforcing them. I have no problem with hosted STRs at this time. There is a sort of self regulation that takes place with the host being on the property.

Also, I'm wondering if you are aware of STR arbitrage? This listing may be one of this type of STR. The City claims that it's ordinance aims to:

"Provide residents an opportunity to generate income".

How does arbitrage fit into this ideal? Arbitrage allows a middleman/woman to sublet a residence for STR use located in the city through a third party in another city or in some cases, even across the globe. This is a misuse of the intended STR ordinance.

You have an opportunity to address this in the revisions you are working on currently.

In case you don't know how STR arbitrage works...

Taking this unit as an example, it may have been rented by the property managers/hosts for \$3K a month and they are charging \$400 a day or \$12k if fully booked. Let's say it is booked 20 days out of the month, which would be a fantastic occupancy rate.

They are spending \$3k in rent + guestimate \$1K in cleaning, maintenance/repairs, laundry to make \$4k, but they may give 25% to a property manager, and a fee for the MSL scrapper who found the unit and worked with the owner or realtor to convince them to allow it to be short term rented. So in this example, they end up with \$3k a month.

Most of the MLS scappers are in Africa and all they do is study the MLS for 15 hours a day and contact owners here, especially in California, and convince them to STR the property., and create a contract They "sell" the entire package to hosts as a turnkey solution.

This is especially appealing to owners here in California because if you have to evict a tenant it can cost \$15-20k in legal fees and take forever.

Because of the failed progressive policies in California that have caused a lack of affordable housing, the fact that new housing takes so long to build here because of many permitting and regulatory hurdles, NIMBYism, and tenant protections, many landlords just turn the property over to arbitrageurs. That way they get their \$3k guaranteed, reduced wear and tear on the property, and don't have to live with the daily stress of possibly having to lawyer up to evict, as the majority of STR guests are just there temporarily, on vacation.

Still, extremely high stakes, though for the arbitrageurs who could have months where they spend \$3 K and get nothing. I know a host who tried it locally and got out because she did not make enough consistently to be profitable after covering expenses.

Remember, 80% of hosts have another job, and pricing, competition review, management, and guest satisfaction is a lot of work, let alone calendar management (especially if you are listed on multiple sites), and cleaning coordination. Many guests expect the Ritz Carlton for \$78 a night and if they see one dust ball or a duster forgotten by a cleaner, they use it as a reason to get a free vacation. This makes it extremely high stress, and I see more and more people go to 31+ days, as these are in demand since local people then don't have to come up with a security deposit.

So, think about it. Is this what you want in exchange for your TOT? Is this what residents want? Is this even what other hosts want? Or is it all about the city collecting its TOT at any cost?

So to end my comment about this particular property-perhaps they submitted a false application. Did they submit a misleading false application and then go along their merry way and just do what THEY wanted? Will you ban these folks? This is from your own site- the listing states 6 maximum and apparently lists only one of the duplex units which is false according to the public listings on AirBNB and VBRO.

SHORT-TERM RENTAL REGISTERED ADDRESSES

Total NON-PRIMARY Units Currently Registered: 689 Total PRIMARY Units Currently Registered: 250 Last Update:   

Registered Address	Registered Unit Number	Registration Number	Max Occupancy
363 Newport Ave, Long Beach, CA 90814, USA	104	PRP24-01891	4
363 Redondo Ave, Long Beach, CA 90814, USA	363-A	NRP23-01255	6
3630 California Ave, Long Beach, CA 90807, USA	Rear unit	PRP21-00374	4
3633 Lime Ave, Long Beach, CA 90807, USA	1/2	NRP24-01733	6
3637 Weston Pl, Long Beach, CA 90807, USA	3637 Weston Pl	PRP22-00788	4

Moving on...to the ordinance amendments-
Like I said earlier- there are lots of positive clarifications in the changes.

A few other things I would address:

-clarity in the actual number of people allowed to rent in a STR-is it eight or ten?

-I can understand allowing a host to remedy a violation or fix something that doesn't comply with the ordinance, but I believe there are some that should never be allowed to STR in the city again- especially after trying to dupe the system. (see issue above!)

- I disagree with the removal of the wording "local" when referring to emergency contacts. Don't you want this contact to be local? Your website states that the goal of the ordinance is to **"Safeguard the residents of Long Beach by ensuring that STR activities do not threaten the character of residential neighborhoods"**. Do you

think that out of town managers, hosts, or arbitragers, really have your ordinance in mind to" ***not become a nuisance, or threaten the public health, safety or welfare of neighboring properties***"? Keep it LOCAL!

Again, I hope this item gets the attention it deserves as well as a lively educated discussion by the council. If not, look forward to many more successful petitions to ban non-hosted STRs in 2025.

Regards,
Glennis Dolce
5th District

From: CityAttorney
Sent: Monday, January 6, 2025 10:21 AM
To: CityClerk
Cc: Karen Baldwin; Alma Valenzuela; Dawn McIntosh
Subject: FW: AGENDA Item 28 January 7, 2025

Follow Up Flag: Follow up
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FYI, from Trina Rufo.

Kathy Apacible
Executive Assistant

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From: Trina Rufo <trinarufo@gmail.com>
Sent: Monday, January 6, 2025 10:14 AM
To: Council District 1 <District1@longbeach.gov>; Council District 3 <District3@longbeach.gov>; Council District 4 <District4@longbeach.gov>; Council District 5 <District5@longbeach.gov>; Council District 7 <District7@longbeach.gov>; Council District 8 <District8@longbeach.gov>; Council District 9 <District9@longbeach.gov>; City Manager <CityManager@longbeach.gov>; CityAttorney <CityAttorney@longbeach.gov>; Mayor <Mayor@longbeach.gov>; Council District 2 <District2@longbeach.gov>; Council District 6 <District6@longbeach.gov>
Subject: AGENDA Item 28 January 7, 2025

-EXTERNAL-

City Clerk – Please include the following in the official record. Thank you.

Dear Council Members,

As we embark on the new year, the Long Beach City Council once again has the opportunity to listen to its residents and make meaningful improvements to the lives of those who call this city home.

Today, the matter at hand is the STR (short-term rental) ordinance and its proposed amendments (Item 28, January 7, 2025). I sincerely hope this issue will receive the attention it deserves, along with an informed and thoughtful discussion by the Council.

After reviewing the proposed amendments, I see that many of them are beneficial. However, there are still several areas where opportunities have been missed to improve the clarity, structure, and understanding of the rules for hosting STRs in our neighborhoods.

I was prompted to address this matter as a resident of Cal Heights, after being made aware of a particular listing. You can view it here: The actual street address is 3633 Lime Ave Long Beach- it is NOT in Signal Hill as they have it advertised.

[STR listing on](#)

[Airbnb. \[https://www.airbnb.com/rooms/1275584338341396546?viralityEntryPoint=1&unique_share_id=0E9CE96F-FC81-4903-9254-DB83A1E3FF29&slcid=4c448e4de37f485eab100f2b4eeb8da0&s=76&feature=share&adults=16&channel=native&slug=IAduqwNg&source_impression_id=p3_1735932002_P3z-JzbFI-WA75ZC&quests=1\]\(https://www.airbnb.com/rooms/1275584338341396546?viralityEntryPoint=1&unique_share_id=0E9CE96F-FC81-4903-9254-DB83A1E3FF29&slcid=4c448e4de37f485eab100f2b4eeb8da0&s=76&feature=share&adults=16&channel=native&slug=IAduqwNg&source_impression_id=p3_1735932002_P3z-JzbFI-WA75ZC&quests=1\)](https://www.airbnb.com/rooms/1275584338341396546?viralityEntryPoint=1&unique_share_id=0E9CE96F-FC81-4903-9254-DB83A1E3FF29&slcid=4c448e4de37f485eab100f2b4eeb8da0&s=76&feature=share&adults=16&channel=native&slug=IAduqwNg&source_impression_id=p3_1735932002_P3z-JzbFI-WA75ZC&quests=1)

As you can see, this STR listing is advertising accommodations for 16+ guests on Airbnb, and 19 on VRBO! This already violates the current rules.

Furthermore, the listing claims to be located in Signal Hill, but it is actually in Cal Heights, according to neighbors on Lime Ave. (The true address is 3633 Lime Ave, as indicated by your own website). As you know, Signal Hill has banned STRs and does not regulate them, making enforcement impossible in this case.

Additionally, this listing fails to provide the required registration number, which is another violation of city rules. There may be other issues as well.

Despite numerous complaints being filed about this listing, nothing has changed. As a result, the Cal Heights neighborhood is now forced to consider a petition to ban STRs in the area due to the city's lack of enforcement. I believe this petition will gain significant support, particularly because of the various local issues—such as concerns about the airport, the large development project on Wardlow, and the new bike lane on Orange—that have already mobilized residents. The frustration is widespread.

A complaint should automatically trigger a clear, publicly accessible enforcement process. The community deserves to be able to easily track the progress of such complaints and see that action is taken. By failing to enforce STR rules, the city is allowing a few irresponsible hosts to tarnish the entire system. While I am not an Airbnb host myself, I believe there are responsible non-hosted STRs in Cal Heights. However, given the lack of enforcement, I am personally opposed to non-hosted STRs at this time. A host on-site creates a form of self-regulation that does not exist when the host is absent.

Additionally, I would like to bring up the issue of STR arbitrage, which may be relevant to this particular listing. The city's STR ordinance is designed to "provide residents an opportunity to generate income." But how does arbitrage fit into this goal? Arbitrage occurs when a middleman rents a property from a landlord, then sublets it as a short-term rental—sometimes without even being physically present in the

city. This is a misuse of the intended purpose of the STR ordinance, and the city should address this issue in the upcoming revisions.

For instance, an arbitrageur might rent a unit for \$3,000 a month and list it on STR platforms for \$400 a night, potentially earning \$12,000 if fully booked. After subtracting expenses like cleaning, maintenance, and management fees, they may still profit, but the system ultimately benefits someone who is not a Long Beach resident. The city needs to consider how this practice fits with its goals for local residents.

I would also like to point out that many landlords in California, due to high eviction costs and the state's housing crisis, are turning their properties over to arbitrageurs. This means they receive a guaranteed monthly payment, while the arbitrageur takes on the risks of managing a short-term rental. However, this system often exacerbates the lack of affordable housing and impacts local neighborhoods.

Now, regarding this specific listing: Is it possible that the host submitted a false application to bypass the rules? I urge you to investigate whether they provided misleading information to get approval, only to ignore the restrictions once they were up and running. If that's the case, will these individuals be banned?

Moving on to the proposed amendments: While there are many positive changes, I would like to raise a few additional points:

1. **Clarity on the maximum number of guests:** Is it eight or ten? Please provide clear guidelines on this issue.
2. **Enforcement for repeat offenders:** I support allowing hosts to correct violations, but I believe some hosts should be permanently banned from operating an STR in the city, especially if they have deliberately attempted to circumvent the rules (as with the example above).
3. **Local emergency contacts:** I disagree with removing the word "local" when referring to emergency contacts. The goal of the ordinance, as stated on the city website, is to "safeguard the residents of Long Beach by ensuring that STR activities do not threaten the character of residential neighborhoods." Local emergency contacts ensure accountability and better responsiveness. I urge you to reconsider removing this provision.

Again, it seems that DISTRICT 5 seems to have a bucket full of MAJOR issues that need serious attention, an ear to truly listen and real help and change from those that have been elected to do just that. The issues with the GA flight schools that have exploded over the past 3 years, the housing building at Cerritos/Wardlow, the Bike Lane on Orange Ave and now this- NON HOSTED STR's . We definitely need to see our elected officials stepping up to benefit the citizens and not the city machine.

In conclusion, I hope this issue receives the attention and thoughtful debate it deserves. If not, expect to see more petitions like the one in Cal Heights in the coming months- and the constituents mobilizing together. We need stronger enforcement and clearer regulations to protect our neighborhoods and residents. It simply cannot continue to be the wild west at the expense of those that live here.

Thank you for your time and consideration.

Trina Rufo

District 5