

California Officials Revisit Airbnb Rules Amid Pandemic Tourism Boom

San Diego, Marin County, San Bernardino County and more have approved rules this year to restrict short-term rentals.



By **Soumya Karlamangla**
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A new short-term rental property in Joshua Tree, Calif. Two years ago, Somewhere, a property development company, bought this piece of land for \$40,000. The listing is now renting for \$1,031 a night. Credit...Cody James for The New York Times

San Bernardino County officials temporarily stopped issuing permits last month for new Airbnbs and other vacation rentals over concerns that a tourism boom is pricing out locals in trendy desert getaways such as Joshua Tree.

Officials in Marin County instated a two-year moratorium this year on new short-term rentals in its western coastal communities. San Diego also approved a cap that is expected to cut vacation rentals in the city by nearly half.

Restrictions on home-sharing services in California are nothing new. Santa Monica, Sausalito and San Francisco, where Airbnb is based, have had such regulations for years.

But local officials in the Golden State appear to be increasingly revisiting these rules after demand for short-term rentals exploded during the pandemic and Americans chose to rent homes instead of hotels to ensure Covid bubbles or to have more space for remote work and relaxation.

Limits on short-term rentals, usually defined as a stay of 30 days or fewer, are often framed as a way to maintain affordable housing in California. It's a worthy cause in a state that has painfully high rents and that is home to more than half of the nation's unsheltered homeless population.

"Shortage of long-term housing, particularly on the coast, has reached a critical point," said Dennis Rodoni, a Marin County supervisor who represents coastal Marin, according to CBS News. "More and more working families are being displaced."

But the idea that a proliferation of short-term rentals is leading to higher rents for people looking for permanent housing is only partly true, experts told me.

In touristy areas, such as Joshua Tree and Venice Beach, some houses and apartments that were previously rented out for a year at a time have likely been converted to short-term rentals. That shift can limit the number of available long-term rentals and make it difficult for locals to stay in communities where they work and where their children go to school.

"It's a supply-and-demand story," said Richard K. Green, a professor at the University of Southern California and the director of the school's Lusk Center for Real Estate.

But Green warned that it was unclear how many short-term rentals were actually previously leased to local residents. Many short-term rentals listed on sites like Airbnb may have always been vacation rentals, but weren't as easily accessible or centralized before the emergence of these online platforms, he said. Others could be locals making some extra cash by renting out a room in their home or, when they're out of town, the entire space.

Banning home-sharing services could “actually prevent some people from being able to afford living in some places,” Green told me.

In reality, restrictions on short-term rentals are often less about creating affordable housing and more about preserving the culture of cities, experts say. People don’t want their residential streets lined with visitors’ cars or tourists changing the vibe of their neighborhoods.

In Stinson Beach, one of the communities in Marin where new Airbnbs are now banned, locals worry about “the transition of a once hippieish, beachy town into more of an exclusive seaside playground,” The San Francisco Chronicle recently reported.

Indeed, the very communities that are strictly limiting short-term rentals are often the same ones that don’t want to create more housing in their communities, experts say.

If their primary concern was affordability for renters, “there’s a solution to that: build more housing,” said Michael Manville, an associate professor of urban planning at the U.C.L.A. Luskin School of Public Affairs.

“If you believe that the available supply influences the price renters face, the surest way to address that is to build apartments,” Manville told me. “The most uncertain way is to limit short-term rentals.”

That may be possible in urban hot spots. But in some affected vacation areas, it’s not necessarily easy to build a lot more housing.

In Stinson Beach, nestled between the ocean and steep hills, additional development is constrained by coastal protections and a lack of room to build.

In Joshua Tree, environmentalists worry that development is threatening the western Joshua trees themselves. They are pushing to permanently protect the trees as an endangered species, which would make construction more difficult. And because tourist demand is so high, investors are seeing bigger returns from building short-term rentals than other types of housing.