
A Balanced Approach to Short-Term Vacation Rentals in Hermosa Beach

From Jim Holtz <jimnholtz@gmail.com>
Date Tue 3/11/2025 2:01 PM
To City Clerk <cityclerk@hermosabeach.gov>

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Dear Hermosa Beach City Council Members,

I am writing to express my concerns regarding the proposed **owner-occupied-only short-term vacation rental (STVR) policy**. As a **former STVR operator in Hermosa Beach prior to the 2016 ban**, I have witnessed firsthand the positive impact that well-regulated short-term rentals can have on our community. I believe that the current proposal may not achieve the desired balance between preserving neighborhood character and promoting coastal access. I respectfully suggest an alternative approach that aligns with both community interests and California Coastal Commission (CCC) guidelines.

1. The Coastal Commission's Stance on Owner-Occupied-Only Policies

The CCC has consistently **rejected owner-occupied-only STVR policies** in various coastal cities due to concerns about restricting public access to the coast:

- **Malibu:** The CCC staff recommended denying Malibu's owner-occupied STVR ordinance, stating it would unduly restrict rental opportunities and reduce coastal access for visitors.
- **Laguna Beach:** A broad STVR ban was blocked by the CCC, which required the city to revise its policy to allow short-term rentals with reasonable regulations rather than an outright prohibition.
- **Del Mar:** The CCC struck down strict STVR limits, ruling that the city's approach restricted visitor accommodations and access to the coast.

Implementing a similar owner-occupied-only model in Hermosa Beach risks CCC rejection, potentially leaving the city without an approved Local Coastal Program (LCP) and prolonging legal uncertainties.

2. Impact on Local Events and Tourism

The 2016 STVR ban has led to unintended consequences, including the relocation of events and a decline in tourism-related revenue:

- **Relocation of Events:** Volleyball and surf camps that once thrived in Hermosa Beach—and were reliable staples of my rentals—have moved to neighboring cities like Manhattan Beach, where STVRs are permitted, diminishing our city's cultural and recreational offerings.
- **Accommodation Challenges:** Families seeking accommodations with amenities such as kitchens, laundry facilities, and privacy often cannot find suitable options in Hermosa Beach, leading them to choose other destinations.

3. Misconceptions About STVR Guests

There is a common misconception that STVRs primarily attract party-goers who disrupt neighborhoods. However, the majority of STVR guests are responsible individuals, often **your own family and friends**, who seek:

- **Amenities:** Access to a kitchen for meal preparation and laundry facilities.
- **Privacy:** A private home environment to accommodate family gatherings.
- **Safety:** Accommodations away from areas with active nightlife, such as the bars on Pier Avenue.

Responsible rental owners have a vested interest in maintaining their permits and can effectively screen guests to prevent potential nuisances.

4. Limitations and Risks of Owner-Occupied Rentals

Owner-occupied rentals may not meet the needs of many visitors, particularly families:

- **Privacy and Safety Concerns:** Families may feel uncomfortable sharing a space with the property owner, leading to a lack of privacy. Additionally, parents may have reservations about their children's safety when staying in close quarters with unfamiliar individuals.
- **Accommodation Limitations:** For example, a family with teenage daughters wishing to stay near the beach has limited options other than booking separate hotel rooms, which could place them adjacent to nightlife areas, compromising their comfort and safety.

5. Proposed Solution: Allow STVRs East of Hermosa Avenue

A balanced approach would involve permitting STVRs in specific areas with appropriate regulations:

- **Zoning Adjustment:** Allow STVRs east of Hermosa Avenue, applying the same rules and regulations currently enforced in commercial zones. This includes permit fees, inspections, transient occupancy taxes (TOT), and potential density caps to ensure no more than a specified number of STVRs operate on a single block.
- **Preserving Neighborhood Character:** This strategy would keep short-term rentals out of quieter, more residential neighborhoods further east, thereby minimizing potential disruptions to the traditional family lifestyle.
- **Realistic Expectations:** Residents living on The Strand typically anticipate a more vibrant environment, with owner-occupied and long-term renters often hosting gatherings. Short-term renters, bound by strict no-party rules, may, in fact, contribute less to noise and disturbances compared to long-term residents.

6. Financial Benefits of a Controlled STVR Program

Implementing a controlled STVR program could provide significant financial benefits to the city:

- **Revenue Generation:** I roughly estimate that capping STVRs in the Coastal Zone to 2% of households could generate over \$1.5 million annually in permit fees and transient occupancy taxes.

- **Funding Public Services:** This additional revenue could be allocated to essential services, such as reopening our fire station, enhancing public safety, and improving community amenities, on top of extra revenue from supporting local businesses.

7. Precedent from Imperial Beach

A comparable approach has been successfully implemented in Imperial Beach:

- **Zoning Strategy:** Homes along Seacoast Drive, equivalent to Hermosa Beach's The Strand, are designated within the city's commercial zone, allowing STVRs while restricting them in other beachfront residential areas.
- **CCC Approval:** This zoning plan has been approved by the CCC as part of Imperial Beach's LCP, demonstrating a viable model that balances residential integrity with visitor access.

Conclusion

I urge the Council to consider a balanced and practical approach to STVR regulation that aligns with CCC guidelines and addresses the needs of both residents and visitors. By permitting STVRs east of Hermosa Avenue with appropriate regulations, Hermosa Beach can:

- **Enhance Coastal Access:** Provide accommodations that support public access to our beautiful coastline.
- **Support the Local Economy:** Generate substantial revenue to fund essential public services and boost local businesses.
- **Preserve Community Character:** Maintain the tranquility of residential neighborhoods while accommodating tourism in appropriate areas.

This approach offers a fair and workable solution that benefits everyone involved.

Thank you for your time and consideration.

STR's

From steve lyons <stv_lyons@yahoo.com>
Date Tue 3/11/2025 9:16 AM
To City Clerk <cityclerk@hermosabeach.gov>

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Hello,

My name is Steve Lyons and I'm writing to support and advocate for Short Term Rentals in Hermosa Beach.

Since retirement, I rely on occasionally renting my home for essential income.

Hermosa Beach is a very sought after area for responsible vacationers but 30 day rentals are unrealistic and few and far between.

Thank you,

Stephen Lyons

Sent from my iPhone



March 11, 2025

Hermosa Beach City Council
1315 Valley Drive
Hermosa Beach, CA 90254

Via E-mail: cityclerk@hermosabeach.gov

RE: Comment Letter – Item 17c: Report on the City’s Regulation of Short-Term Vacation Rentals – (25-CA-005)

Dear Mayor Francois and Councilmembers,

Better Neighbors LA (“BNLA”) and UNITE HERE Local 11 write to urge the Council to maintain the current short-term vacation rental (“STVR”) regulations and increase its enforcement efforts. As residents across Southern California continue to face a housing affordability and homelessness crisis, precautions must be taken to protect housing stock for long-term residents. It is crucial to maintain Hermosa Beach’s restriction on STVRs, and in the process, further safeguard housing for long-term residents by continuing to restrict STVRs.

BNLA is a coalition of tenants, housing activists, and community members working to curb illegal STVR activity with the intent of protecting long-term housing.¹ We conduct data analysis and research on the short-term rental industry and its impact on affordable housing. By prohibiting STVRs except in nonconforming residential dwellings on properties zoned C-2, C-3, SPA 7, SPA 8, or SPA 11, the Council can both preserve existing housing and prevent the various problems that STVRs invariably introduce, including nuisance, loss of privacy, potential safety concerns, and enforcement challenges.

Expanding STVRs to residential zones for primary residents, who must live in the home 270 days of the year, would be difficult to enforce. The staff report posits allowing STVRs in residential zones where they are currently prohibited. Code enforcement staff will likely be unable to verify whether a host has met the 270-day primary residency requirement, which opens the City up to an influx of illegal STVRs with no actual primary resident, also known as unhosted STVRs. The staff report references the City of West Hollywood’s short-term rental ordinance as a model for the primary residency requirement; however, West Hollywood only allows hosted-only rentals, where the STVR host must own and reside in the unit during their

¹ <https://www.betterneighborsla.org/>

paying guests' entire stay.² If the Council decides to expand STVRs regulations, a hosted-only STVR requirement is more easily enforceable than the suggested primary residency requirement. Hermosa Beach must take steps to ensure that the City has strong, easily enforceable rules with a low threshold of administrative burden in order to issue citations and maintain the ordinance's effectiveness.

To improve enforcement, BNLA recommends implementing an Electronic Verification System for short-term rental platforms, which will prevent illegal listings from being booked online. This Electronic Verification System has an affirmative verification approach that ensures platforms will check the registration status of a listing before a booking transaction is completed. Hermosa Beach fines \$5,000 for the first violation of its STVR ordinance and \$20,000 for three or more violations. BNLA supports these fines to deter operators of illegal STVRs. Along with an Electronic Verification System, continuing to fine for illegal STVR listings ensures that housing remains on the market for long-term tenants.

While there are only 10 active business licenses for approximately 20 STVRs in Hermosa Beach, BNLA found 171 short-term rental listings in January 2025, indicating there are likely some illegal STVRs.³ Maintaining Hermosa Beach's current STVR restrictions would help preserve long-term housing. For its 6th Cycle Housing Element, Hermosa Beach has been allocated a Regional Housing Needs Assessment (RHNA) of 558 units and remains 494 units shy of reaching this goal.⁴ The illegal STVRs existing in Hermosa Beach represent a portion of these units that, through enforcement of the STVR restrictions, can be returned to the market. Expanding STVRs would likely lead to further loss of units, in contrast to Hermosa's stated goal of conserving existing affordable housing.⁵

Besides removing long-term housing from the market, short-term rentals have also been shown to increase rents. A recent study, published in September 2024 by David Wachsmuth and Cloé St-Hilaire, investigated the impact that short-term rental regulations in British Columbia have on rents in the province. Their research found that short-term rental regulations that reduce short-term rental activity caused rents to fall in subsequent years. Municipal short-term rental regulations across British Columbia have reduced rents by 5.7%, saving renters over \$600 million last year in rent payments.⁶

Many cities in Southern California have passed strong short-term rental regulations to protect long-term housing stock. In April 2024, the City of Santa Ana reconsidered their existing *de facto* short-term rental ban and voted to codify the ban to meet their California Department of Housing and Community Development Regional Housing Needs Allocation requirement.⁷ The

² <https://www.weho.org/city-government/city-departments/community-safety/neighborhood-and-business-safety/business-licensing-and-permits/home-sharing-license>

³ <https://pub-hermosabeach.escribemeetings.com/filestream.ashx?DocumentId=8773>; Data on file with Better Neighbors from Inside Airbnb, <https://insideairbnb.com/>

⁴ <https://www.hermosabeach.gov/home/showpublisheddocument/20457/638585705792100000>

⁵ <https://www.hermosabeach.gov/home/showpublisheddocument/20457/638585705792100000>

⁶ https://upgo.lab.mcgill.ca/publication/bc-str-2024/Wachsmuth_BC_STR_2024.pdf

⁷ <https://www.santa-ana.org/short-term-rentals-ban/>

City Councils of Calabasas, Diamond Bar, Rosemead, Culver City, West Hollywood, San Gabriel, La Habra, La Mirada, Lakewood, Rolling Hills, Redondo, Lawndale, Garden Grove, and Laguna Hills have short-term rentals bans in place.⁸ West Hollywood has strengthened their enforcement further by including a private right of action in their ordinance, which allows affected residents to take legal action against short-term rentals operators and platforms.

BNLA and UNITE HERE Local 11 urge the Council to oppose the expansion of STVR regulations, which will ensure long-term housing, not STVRs, is available for residents. Should you have any questions, please contact Maura O'Neill at maura@betterneighborsla.org.

Sincerely,

Better Neighbors LA & UNITE HERE Local 11

⁸ Calabasas:

https://library.municode.com/ca/city_of_calabasas/codes/code_of_ordinances?nodeId=TIT17LAUSDE_ARTIIIZODIALLAUS_C_H17.12STSPLAUS_17.12.175SHRMREOCPRPREXLAAPHOMOBEBRIN

Diamond Bar: <https://www.diamondbarca.gov/Faq.aspx?QID=314>

Rosemead: https://library.municode.com/ca/rosemead/ordinances/code_of_ordinances?nodeId=900458

Culver City: <https://www.culvercity.org/Have-Your-Say/Short-Term-Rentals>

West Hollywood: <https://ecode360.com/43916115?highlight=rental,rentals&searchId=1904165411732459#43916115>

San Gabriel: [https://www.sangabrielcity.com/1341/Frequently-Asked-Questions#:~:text=Short-term%20rentals%20\(anything%20less,term%20rental%20or%20](https://www.sangabrielcity.com/1341/Frequently-Asked-Questions#:~:text=Short-term%20rentals%20(anything%20less,term%20rental%20or%20)

La Habra: <https://www.lhhcity.org/325/Short-Term-Rentals>

La Mirada:

<https://www.airbnb.com/help/article/2692#:~:text=Short%2Dterm%20rentals%20in%20residential,not%20permitted%20in%20La%20Mirada>.

Lakewood: <https://www.lakewoodcity.org/Business/Short-term-rentals>

Rolling Hills:

https://library.municode.com/ca/rolling_hills_estates/codes/code_of_ordinances?nodeId=TIT17ZO_CH17.47SHMRERE_17.47.020PU

Redondo Beach: <https://www.redondobeachtourism.com/news/airbnb>

Lawndale: <https://ecode360.com/LA4957>

Garden Grove: <https://ggcity.org/code-enforcement/short-term-vacation-rental-detailed-terms>

Laguna Hills: <https://voiceofoc.org/2023/05/hed-laguna-hills-bans-short-term-rentals/>

STR

From Abby Walker <abby@breakwallwest.com>

Date Tue 3/11/2025 10:35 AM

To City Clerk <cityclerk@hermosabeach.gov>

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Hello!

My name is Abby Walker and I am writing to support changing Hermosa Beach short term rental regulations. Short term rentals are an important part of helping to support the community. Please consider making changes to short term rental restrictions.

Thank you!

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Abby Walker

M. 815.212.2748



Short Term Rental Regulations Meeting March 11

From Sanaa Dugan <sanaadugan@gmail.com>

Date Tue 3/11/2025 5:40 PM

To City Clerk <cityclerk@hermosabeach.gov>

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Hello,

I hope my comments are not too late about my thoughts on short term rental regulations. I support short term rentals with regulations in the City of Hermosa Beach. Besides the income it generates to the city and the homeowner, it provides amazing lodging for visitors, families, friends and lets not forget their awesome pets. I am a homeowner in Hermosa Beach, I run a short term rental in the City of Henderson, NV. They have strict regulations, but they allow short term rentals. Some of the regulations are: limit on the number of guests, noise monitors inside and outside, Front security camera, digital locks and an STR certificate from an accredited college (by University of Utah).

I hope this helps,

Thank you

--

Sanaa Dugan

Loan & Real Estate Specialist

310-648-4018

NMLS 367583

DRE 01357356

Beach City Brokers