



COUNCILMEMBER JENNIFER CAMPBELL



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FOR IMMEDIATE RELEASE

July 1, 2020

Councilmember Dr. Jennifer Campbell Helps Forge Short-Term Rental Compromise Between UNITE HERE and Expedia Group

Agreement preserves neighborhood quality of life while protecting private property rights

(SAN DIEGO, July 1, 2020): At the request of Councilmember Dr. Jennifer Campbell, representatives from UNITE HERE Local 30 and Expedia Group (the parent company for leading short-term rental brands Vrbo and HomeAway) have agreed to a set of comprehensive rules to regulate the short-term rental (STR) industry in the City of San Diego. The proposal, as outlined in a Memorandum of Understanding between UNITE HERE Local 30 and Expedia Group, would reduce the volume of whole-home STRs while creating legal inventory for STR platforms and local operators that comply with the new rules.

“San Diegans deserve STR regulations that protect our neighborhoods, preserve valuable housing and will stand the test of time,” said Councilmember Dr. Jennifer Campbell. “I promised my constituents I would work for them to tackle the tough issues and that is exactly what happened here. I appreciate the willingness of UNITE HERE and Expedia Group to work with me in the spirit of collaboration. I look forward to discussing their proposal with my colleagues when this issue comes back to council.”

Based on constituent feedback, San Diego City Councilmember Dr. Jennifer Campbell, who represents many of the beach communities, including Mission Beach, Pacific Beach and Ocean Beach, urged the two groups to come together and open a dialogue.

It was important for UNITE HERE, who represents more than 6,000 local hotel, gaming and hospitality workers in San Diego, to establish well-defined rules for the STR industry that balances protecting existing hospitality jobs but preserves the right of homeowners to use their property to help make ends meet.

“The City has debated this issue time and time again without resolution,” said Brigette Browning, UNITE HERE Local 30 President. “This proposal is a fair compromise that protects hotel and hospitality workers and establishes real enforcement mechanisms to remove bad actors. We look forward to the City Council considering this proposal in the near future.”

The agreement would establish four tiers of STRs in the City of San Diego, ranging from home-sharing to whole-home rentals. Highlights of the compromise include:

- Capping whole-home STRs at 0.7 percent of the City’s housing stock (based on SANDAG’s annual Demographic and Socioeconomic Housing estimates), which would equate to 3,750 permits today – reducing whole-home STRs by 70 percent or more based on the City Auditor’s estimation that 16,000 STRs exist today
- Establishing two-night minimum stays for most whole-home rentals
- Allowing residents a maximum of one permit, per person
- Adopting the Mission Beach Town Council’s recommendation to permit up to 30% of the housing units in the community to be used as whole-home STRs (1,086), which will be in addition to the city-wide cap
- Allowing all residents to home-share
- Allowing part-time STR operators to obtain a permit at lower annual fees to accommodate high visitor events such as Comic-Con, Pride or December Nights
- Creating a detailed Good Neighbor Policy with strict enforcement guidelines, a fine structure for violations, and a permit revocation standard for repeated violations

Expedia Group is the world’s travel platform, with travel sites connecting millions of travelers with destinations in over 70 countries. Expedia’s vacation rental brands Vrbo and HomeAway have been responsibly serving San Diego homeowners and managers for 25 years. Expedia Group has been working with the City Council, its customers, and community stakeholders for over four years to find a fair path forward.

“Short-term rentals are a vital part of San Diego’s economy, contributing nearly \$32 million annually to the City’s general fund through local taxes alone,” said Amanda Pedigo, Vice President Government and Corporate Affairs, North America, Expedia Inc. “Yet, for far too long local vacation rental homeowners and managers have been kept in regulatory limbo. This compromise provides our partners with the long-term certainty they need to legally operate in the City. We are hopeful this proposal will be adopted by Council soon.”

A key sticking point for years on this issue relates to developing appropriate rules for Mission Beach, where STRs have existed for nearly 100 years. The California Coastal Commission has repeatedly encouraged communities to protect low cost visitor accommodations that preserve beach access for everyone. Expedia Group and UNITE HERE agreed that proposing the same standards as recommended by the Mission Beach Town Council made the most sense.

“We appreciate that Expedia Group and UNITE HERE worked together to develop and recommend a fair compromise that reflects what Mission Beach believes is right for our community,” said Matt Gardner, Mission Beach Town Council President. “We are encouraged by their collaborative efforts and will urge the City Council to adopt this proposal.”

After nearly five years of vigorous debate and numerous public hearings, the two groups are hopeful that their proposed guidelines may help the City Council move quickly to pass reasonable and bipartisan STR legislation that could go into effect in 2021.

The City Attorney's office has agreed to draft a STR ordinance that can be implemented city-wide based upon input from the parties and community stakeholders. Both UNITE HERE and Expedia Group are urging the Council to direct docket the ordinance for a vote as soon as possible.

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