

From: [Lee Christel](#)
To: [Council, City](#)
Subject: Short Term Rentals in Palo Alto add to our housing shortage, and ADU's are not helping
Date: Monday, December 12, 2022 11:47:32 AM

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Dear Council Members,

The short term rental of Palo Alto homes and ADU's has become a lucrative business that negatively impacts our community. The City has accepted tax revenues from short-term rental companies but has not considered the impacts of this business on housing and hotels. The City has done nothing to prevent real estate investors from converting housing stock to vacation rentals. Council must act to preserve existing housing units for long term residents of this town, because newly constructed units will never be more affordable than existing housing. If you do nothing, more property owners will decide this is too lucrative an option to bypass, more housing will become non-resident occupied, and housing prices will be driven up further.

What can the City do? Start with real data. **The City should have a rental database, including the subset of all units on short term rental sites.** Then, require those units not be used for short-term leases more than 60 days of a year. With a hefty fine for violators, and consistent enforcement, hundreds of units will return to the market as long term rentals. This should help drive down rents.

The new City short-term rental database should be shared with the State, as evidence of units that are not currently housing residents. As new City rules are implemented, track how many units/homes are returned to owner occupied, or long-term rental status. The State should count "newly available units" as satisfying part of our "additional housing" requirement.

Currently, the City is counting ADU's toward the State requirement for new housing units, but more oversight is needed. These units are *not* being registered and tracked for occupancy. Allowing short-term leasing of ADU's defies the Council's stated purpose in approving these new units; they were intended to provide housing stock, not vacation homes and home offices. Of all the ADU's permitted after loosening the restrictions, do we *know how many are actually adding housing stock?* Unless the building permit requires a commitment to renting that unit for at least a decade, *and* the City *enforces* this commitment, the ADU contribution to housing stock becomes a farce.

Lastly, home owners who do not "live" in Palo Alto at least 6 mo/year ruin the fabric of our neighborhoods. These properties can easily be identified by neighbors. All the City has to do is ask for them to be reported to a City owned database for investigation. Then, levy fines for properties not inhabited at least 6 mo/year. No exceptions. Increase the fines sharply with each additional month of vacancy and see how fast the owners sell or rent.

If adding more housing purportedly lowers housing costs, these efforts should help. At least they won't raise the cost of living here.

Sincerely,
Amy Christel

From: [Ann Balin](#)
To: [Council, City](#)
Subject: Airbnb
Date: Sunday, December 11, 2022 4:35:36 PM

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Dear Mayor Burt & Council Members,

Thank you for taking a cold fish eye look at policy concerning Airbnb and the impacts currently imposed on our town.

Statistics demonstrate the burden upon neighborhoods and the egregious elimination of housing stock caused by Airbnb in Palo Alto.

Vacant homes are systemic in our town for the above mentioned reason but also because we have many absentee landlords. The largest developer in Santa Clara County, Stanford Land Management - Real Estate has also purchased homes that sometimes for several years remain ghost houses.

We cannot afford to allow a policy that allows a company to deprive the community of desperately needed housing as is the case with Airbnb.

I know of an Airbnb on Princeton Street that was used as a party pad. Trash was left in the gutters in front of the house including beer cans and bottles and paraphernalia. The parties would go on often all night long. I know for a fact that this landlord lives abroad.

A long-term neighbor on Princeton Street informed me that both houses on either side of her house have absentee landlords. This mother said that it is strange to live next to two houses that are unoccupied. I would add that these houses could be a magnet for break-ins as well.

I do not think that the council is indifferent to the serious impacts upon neighborhoods. Please strengthen policy to stop the further fraying of our community.

Lastly, the city cannot afford to ignore the taxes that are missing with Airbnb as hotels will continue to be underutilized if action is not taken.

Respectively,

Ann Lafargue Balin

From: [Stonestroms](#)
To: [Council, City](#)
Cc: [Felice Stonestrom](#)
Subject: CPA Short-Term Rentals
Date: Friday, December 9, 2022 8:56:29 AM

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Honorable Council Members:

My wife and I purchased our two-bedroom house in College Terrace 31 years ago. It is our only property. After we retired, we began renting it out on AirBnB while traveling. We always charge below-market rates because we benefited from two landlords who rented to us at below market when we were a young family struggling to establish ourselves in Palo Alto. We are now paying that forward.

Today, instead of sitting empty when we travel, our home provides folks having short-term housing needs on campus or nearby an affordable place to stay.

This *increases* housing availability for others and puts *downward* pressure on rental rates, alleviating rather than exasperating our painfully tight real-estate market. We have rented our house for periods of time ranging from a few days to a few months mostly to families of visiting professors, research fellows, and individuals having specialized medical procedures at our excellent adult and children's hospitals. AirBnB collects occupancy tax and pays it to the City for rentals of less than 30 days. We pay a neighbor to serve as property manager while we are gone, so there is always a local contact should problems arise. Our neighbors appreciate having our house occupied rather than sitting empty while we are gone.

Some of the more draconian proposals would take our property off the market, with no benefit to anyone.

Some of the analysis being presented to Council on this issue seems deeply flawed. For instance, the statement "*Presumably, every short-term rental unit on the market is potentially a housing unit that someone can be in long-term or permanently*" (<https://www.paloaltoonline.com/news/2022/12/08/citing-housing-shortage-palo-alto-eyes-new-rules-to-limit-airbnb-rentals>) is patently false in our case. If one navigates to our listing, one will see that there are no available dates. But this is because most of the time we are living in our house, not because it is rented out. Any analysis that assumes otherwise is wrong.

We acknowledge and appreciate the need to reign-in abusive short-term rental practices, such as converting residential properties into de-facto, unregulated hotels and the

destruction of community that can happen when neighborhoods become inundated with remote-investor-controlled short-term rental properties. But Palo Alto is neither a tourist nor a party destination, which greatly reduces various categories of problems associated with sort-term rentals elsewhere.

Thanks for considering our situation in legislating a path forward.

David and Felice Stonestrom
College Terrace