



City of Laguna Woods

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Shari L. Horne
Mayor

July 16, 2025

Annie McCary
Mayor Pro Tem

The Honorable Maria D. Hernandez
Presiding Judge of the Superior Court
700 Civic Center Drive West
Santa Ana, CA 92701

Cynthia S. Conners
Councilmember

Pearl Lee
Councilmember

Carol Moore
Councilmember

SUBJECT: City of Laguna Woods' Response to the 2024-2025 Orange County Grand Jury Report, "Long-Term Solutions to Short-Term Rentals"

Christopher Macon
City Manager

Dear Judge Hernandez:

Thank you for the report and for the time and effort involved in preparing it.

Per the Orange County Grand Jury's request, and in accordance with California Penal Code Section 933, please find the City of Laguna Woods' response to the subject report attached. The response was approved by the Laguna Woods City Council on July 16, 2025.

If you have any questions or would like any additional information, please contact Christopher Macon, City Manager, at (949) 639-0512 or cmacon@cityoflagunawoods.org.

Sincerely,

Shari L. Horne
Mayor

Attachment: A – City of Laguna Woods' Response to the 2024-2025 Orange County Grand Jury Report, "Long-Term Solutions to Short-Term Rentals"

cc: Orange County Grand Jury
700 Civic Center Drive West
Santa Ana, CA 92701

ATTACHMENT A

City of Laguna Woods' Response to the 2024-2025 Orange County Grand Jury Report, "Long-Term Solutions to Short-Term Rentals"

CLARIFICATION

The City of Laguna Woods would like to clarify its present regulation of short-term rentals. Table 1 ("STR policies by city") in the Orange County Grand Jury's report incorrectly indicates that the City of Laguna Woods has banned short-term rentals. While the Laguna Woods Municipal Code does not prohibit or explicitly address short-term rentals, our understanding is that most housing units in Laguna Woods are subject to rules or policies established by homeowners' associations or property managers that prohibit rentals of less than 30 days.

FINDINGS

F1. Despite the increasing media coverage of Online Booking Agencies (OBAs), STRs are not a new phenomenon in Orange County.

Response: The City of Laguna Woods agrees with this finding. While the City of Laguna Woods has had limited experience with short-term rentals operating in Laguna Woods, based on our understanding of the subject and experience in other cities, we agree that short-term rentals are not a new phenomenon in Orange County.

F2. The steady growth of STR usage in the last decade raises concerns of potential public nuisance.

Response: The City of Laguna Woods agrees with this finding. While the City of Laguna Woods has had limited experience with short-term rentals operating in Laguna Woods, based on our understanding of the subject and experience in other cities, we agree that the steady growth of short-term rental usage in the last decade raises concerns of potential public nuisance. While some operators are undoubtedly conscientious and comply with local regulations, that experience does not appear to be universal.

F3. Even with robust Code Enforcement, a city's statutory ban on STRs is not enough to keep STRs from operating.

Response: The City of Laguna Woods agrees with this finding. While the City of Laguna Woods has had limited experience with short-term rentals operating in Laguna Woods, based on our understanding of the subject and experience in other cities, we agree that cities have experienced situations in which short-term rentals continue to operate even when such operation is locally prohibited and vigorously enforced.

F12. City leaders have no regular communication with each other concerning STR issues, limiting opportunities to develop strategies and expertise to improve service.

Response: The City of Laguna Woods agrees with this finding. While the City of Laguna

Woods is unaware of any regular (ongoing) communication that exists between all cities concerning short-term rental issues, it has been our observation that cities are generally willing to share their “lessons learned” upon request.

RECOMMENDATIONS

R1. Cities should review and begin to update ordinances to keep up with the rapidly changing nature of court findings and legislation related to STRs, by December 31, 2025, and no less frequently than every three years thereafter. (F4, F12)

Response: This recommendation will not be implemented because it is not warranted. The City of Laguna Woods does not currently have an ordinance regulating short-term rentals and, therefore, does not have an ordinance that requires review or update.

R2. Cities should consider developing a plan for upcoming major events that are expected to create a surge in demand for STRs and its associated Transient Occupancy Tax, by December 31, 2025, and no less frequently than every two years thereafter. (F11)

Response: This recommendation will not be implemented because it is not warranted. The City of Laguna Woods does not expect the 2026 Los Angeles World Cup, the 2028 Los Angeles Olympics, or other upcoming major events to significantly impact Laguna Woods due to the existing rules and policies established by homeowners’ associations and property managers that prohibit the rental of housing units for less than 30 days.

R9. City leaders should have regular discussions with each other to share STR management strategies on a biannual basis commencing no later than January 1, 2026. (F12)

Response: This recommendation will not be implemented because it is not warranted. While the City of Laguna Woods would anticipate participating in the regular discussions recommended by the Orange County Grand Jury, we are not in a position to organize such discussions nor commit the participation of other cities.