

"A Caring Community"

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August 4, 2025

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

RE: City of La Habra's Response to the 2024-2025 Orange County Grand Jury Report: "Long-Term Solutions to Short-Term Rentals"

Dear Judge Hernandez:

The City of La Habra received the 2024-2025 Orange County Grand Jury Report: "Long-Term Solutions to Short-Term Rentals," on May 16, 2025. As a city with a statutory ban on Short-Term Rentals (STRs), the City of La Habra is required to respond to the findings and recommendations made in this report pursuant to California Penal Code sections 933 and 933.05. Please consider this letter as the City's official response to these findings and recommendations.

## **FINDINGS:**

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

Response: This City AGREES with this finding.

**Explanation:** The City acknowledges that vacation rentals have existed for many decades in Orange County. The rise of Online Booking Agencies has increased the visibility and accessibility of STRs.

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

Response: This City AGREES with this finding.

**Explanation:** The City of La Habra concurs that the growth of STRs can lead to concerns about public nuisance, including noise, parking, and trash. The City's ban on STRs is intended to mitigate such potential nuisances within its residential communities.

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

Response: This City AGREES with this finding.

**Explanation:** The City recognizes the challenge in fully enforcing an STR ban and acknowledges that some unpermitted STRs may continue to operate despite a ban. The City's Code Enforcement efforts are ongoing to ensure compliance with existing ordinances.

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

Response: This City AGREES with this finding.

**Explanation:** The City of La Habra believes that improved communication and collaboration among Orange County cities on STR issues, even for those with bans, would be beneficial for sharing enforcement strategies and addressing common challenges.

## **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: The recommendation has been implemented.

**Explanation:** The City of La Habra maintains its STR ban through its existing municipal code. The City regularly reviews its ordinances and will continue to do so to ensure they align with relevant court findings and legislation.

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: The recommendation will not be implemented because it is not applicable.

**Explanation:** While the City agrees with the finding (F11) regarding potential surges in STR demand during major events, as a city with a ban on STRs and no collection of TOT from them, developing a plan for associated TOT is not applicable to La Habra's operations. The City's focus remains on enforcing its ban.

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: The recommendation has not yet been implemented, but will be implemented in the future.

**Explanation:** The City agrees that regular discussions among city leaders to share STR management strategies would be beneficial, even for cities with bans, to understand evolving challenges and enforcement approaches. The City will consider avenues for participating in such discussions in the future.

Thank you for the opportunity to provide comments on these findings and recommendations related to the Grand Jury Report on "Long-Term Solutions to Short-Term Rentals."

Please contact Jim Sadro, City Manager at (562) 383-4010, should you have additional questions.

Sincerely,

Rose Espinoza

Mayor

cc: Orange County Grand Jury

La Habra City Council

Jim Sadro, La Habra City Manager

Susan Kim, La Habra Director of Community & Economic Development