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August 13, 2025

The Honorable Maria Hernandez
Presiding Judge of the Superior Court
Orange County Grand Jury
700 Civic Center Drive West
Santa Ana, CA 92701

Subject: Response to Grand Jury Report *Long-Term Solutions to Short-Term Rentals*.

Dear Honorable Judge Hernandez:

The City of Aliso Viejo has reviewed the Orange County Grand Jury's Report entitled *Long-Term Solutions to Short-Term Rentals* dated May 16, 2025. In compliance with California Penal Code section 933.05, the City has responded to each of the findings and recommendations as required in the report. Each finding and recommendation is listed below, followed by the City's response.

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 Aliso Viejo agrees with this finding. In 2015, the City of Aliso Viejo adopted Ordinance No. 2015-166, which prohibit short-term rentals in residential districts.

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

Response: The City of Aliso Viejo disagrees partially with this finding. The City of Aliso Viejo recorded 14 STR violations in 2023 and 20 violations in 2024. Although there has been an increase in STR violations year over year, the absence of records from prior years limits the ability to determine a consistent upward trend in STR activity over the past decade.

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 Aliso Viejo agrees with this finding. Although STRs have been prohibited since 2015, violations continue to occur. The City's code enforcement efforts remain active and ongoing to ensure compliance with the ordinance.

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 Aliso Viejo disagrees partially with this finding. While the City of Aliso Viejo is not aware of regular communication among City leaders specifically focused on short-term rental STR issues, various professional organizations convene regularly to discuss regional matters, which may include STR-related topics.

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.

Response: The recommendation has been implemented. The City of Aliso Viejo adopted Ordinance No. 2015-166, which prohibits short-term rentals in residential districts. The City continues to monitor relevant legislation and case law to ensure its Municipal Code remains current and effective.

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.

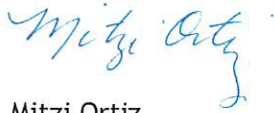
Response: The recommendation has been implemented. The City of Aliso Viejo adopted Ordinance No. 2015-166 to prohibit short-term rentals in residential districts. The City continues to monitor STR activity through ongoing code enforcement proceedings.

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.

Response: The recommendation will not be implemented because it is not warranted. The City of Aliso Viejo adopted Ordinance No. 2015-166 to prohibit short-term rentals in residential districts. While the City does not currently engage in regular discussions focused on STRs, it remains open to participating in such conversations to better understand management strategies and enforcement challenges, should another entity initiate such discussions.

Thank you for the opportunity to respond to the Grand Jury's Report. Should you have any questions or need additional information, please contact me at (949) 425-2510 or by email at city-manager@avcity.org.

Respectfully submitted,

A handwritten signature in blue ink that reads "Mitzi Ortiz". The signature is written in a cursive, flowing style.

Mitzi Ortiz
City Manager

cc: Orange County Grand Jury
City Council, City of Aliso Viejo