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Sent: Tuesday, March 2, 2021 10:16 AM
To: ePublic Comment Group <ePublicComment@scag.ca.gov>
Subject: March 4, 2021 Meeting, Agenda Item 1 Proposed Final 6th Cycle RHNA Allocation Plan

Thank you for this opportunity to address you on this matter.

I am Regina Mundekis, a resident of the City of Orange, in the County of Orange.

While the proposed RHNA allocation plan works to create adequate housing in the southern California region, the plan does not take into account the loss of existing housing to conversion to short term rentals (STRS) and addiction rehabilitation homes. Examples of STR companies are AirBnB and VRBO, among others. An STR or addiction rehabilitation center may look like a house or an apartment building, but it is no longer housing but a business which clients who turn over rapidly.

STRs and addiction rehabilitation centers do not build new buildings for their businesses but use existing housing and rental property to conduct their business. The existing housing and rental property is already included in the counts of existing housing with removal from use as housing reducing the actual number of available housing units. The STR and addiction rehabilitation industries are complicit in the housing shortage.

Examples of the depth of the problem are the cities of Orange and Costa Mesa. STRs, whether legal or not, remove housing units from use as residences by converting to hotel use. The City of Orange is considering legalizing over 350 STRs including conversion of rental properties to STRs. This legalization will remove 350 housing units in a built out city. The 350 housing units need to be replaced just to stay in compliance with the current housing element. Replacement of the 350 units will require areas of the city be rezoned to higher density just to break even.

Problems in the City of Orange and adjacent areas under the County of Orange are further compounded with addiction rehabilitation centers purchasing existing homes in Orange Park Acres. The loss of use as housing by conversion to addiction rehabilitation centers adds to the loss of housing. The buildings still look like a house but the use is no longer housing but a business.

The City of Costa Mesa has battled the several hundred addiction rehabilitation centers within their boundaries for years. Conversion of homes and apartment buildings to addiction rehabilitation centers has created a shortage of housing in Costa Mesa which can only be compensated for by rezoning areas to higher density.

SCAG is requested to study the impact of STRs and the addiction rehabilitation centers on removal of existing housing stock by conversion to STRs and addiction rehabilitation centers. Municipalities need to be required to count STRs and addiction rehabilitation centers and seek ways to replace the housing lost to these business uses.