

Long Term Rental Incentivization Program



Shambhavi Mohan, Sun-Joo Lee, Andrew Yaspan, Regina
Widjaya

Problem

AirBnb comes with its own baggage

- housing stock available for long-term renters (including “affordable” housing - that which costs 30% or less of household income)
- concerns about public health and safety based on the conditions of
- unregulated short-term leases
- impacts on the vitality of neighborhoods
- noise
- civil rights violations (i.e. lessor discrimination) among others.

Jury is out on AirBnB impact on rent but...

Airbnb Probably Isn't Driving Rents Up Much, At Least Not Yet

Airbnb vs Rent: City of Los Angeles

August 30, 2016

NEW FINDINGS SHOW THE IMPACT THAT EVEN A LOW "CAP" ON
HOMESHARING DAYS HAS ON LOS ANGELES NEIGHBORHOODS AND
AFFORDABLE HOUSING

Stock of affordable housing is unquestionably a problem for cities

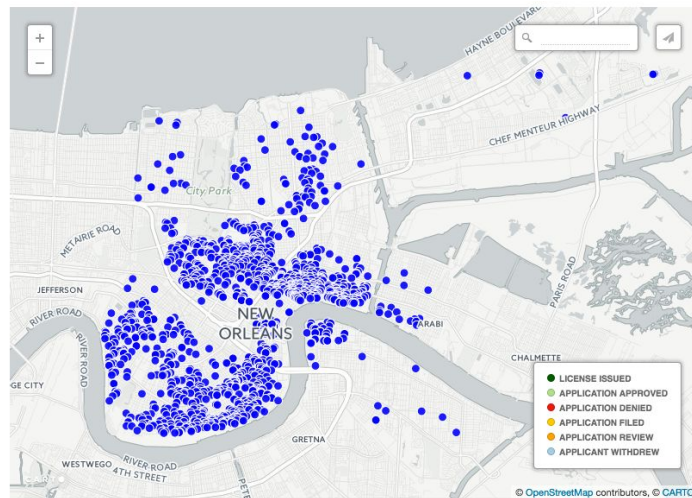
Our theory is that if the rental revenue difference is above or below a certain percentage of the Airbnb revenue, policy-makers should have different responses. For example, people who can earn slightly more through Airbnb may be persuaded with targeted trainings, while people who can earn a lot more may need to be regulated.

Model

- Linear Regression
- Random Forest

Data

- AirBnB
- [Inside AirBnB](#)
- RCC America
- Zillow



Goal

The anticipated impact of the project will be to ease enforcement of city (and sometimes State) policies meant to protect vulnerable renters, as well as public health and safety. This evidence-based approach will enable municipalities in their use of scarce resources to deal with this enormously complex issue.