

DAVID E. RYU COUNCILMEMBER, FOURTH DISTRICT Date: 09/27/2016

September 27, 2016

Submitted in PLUM Committee Council File No: 12-1824 \$12-1824-51 Item No. 2 Deputy Comm from CM Ryu

Councilmember Jose Huizar Planning and Land Use Management Committee, Chair 200 N. Spring Street Los Angeles, CA 90012

RE: Party Houses Ordinance CF 12-1824 & 12-1824-S1

Dear Councilmember Huizar.

"Party Houses", residential homes used or rented out frequently for parties, are a long-running problem in every council district in Los Angeles. The problem has become so acute, that entire houses are being built for the purpose of hosting weekly parties. Further, the entire process has now become even easier, and thus more harmful, due to the rise of short term rental platforms and the ease with which an individual can now rent a "party house".

Unfortunately, our current enforcement tools (LAMC 41.57, 41.58, 12.27.1, 112.01(b), and 116.01) are not strong enough, as noted in the Police Commission and City Attorney reports on CF 12-1824. Enforcement by LAPD of the City's noise ordinance does not provide the police enough tools to discourage the next offense. Additional tools in our building codes are almost impossible to enforce as there is little to no building inspector availability on a Friday or Saturday night when most unruly parties occur.

However, a path forward to deal with this issue looks promising. In 2013, the LAPD Commission presented a report on actions taken by the Cities of Santa Monica, Malibu, and Newport Beach to deal with Party Houses. A report released in April 2016 by the City Attorney further outlined a path forward.

After countless meetings with the City Attorney's Office (Civil and Criminal), LAPD (CID, Vice, West Bureau), LAFD, FilmLA, and the Departments of City Councilmember Huizar September 27, 2016 Page 2

Planning and Building & Safety we believe there is a consensus to pursue a system of stronger enforcement tools, modeled after Newport Beach's Ordinance which would bring relief to our besieged residential neighborhoods here in Los Angeles.

Further, the current limited enforcement tools we have on the books are resource intensive to implement effectively for the most difficult cases. The end goal is to enable simpler enforcement that will free up valuable law enforcement resources.

The proposed instructions in Attachment A would direct the City Attorney to draft an ordinance based on the meetings we have held and best practices gleaned from other jurisdictions. We ask today that the committee adopt those instructions so that they can be moved forward to Public Safety Committee and the City Council.

Sincerely,

David E. Ryu O Councilmember, 4th District

Attachment A: Proposed Instructions

Councilmember Huizar September 27, 2016 Page 3

Attachment A: Proposed Instructions

INSTRUCT the City Attorney, with assistance from LAPD, to draft an ordinance modeled on the party ordinance in Newport Beach that:

- Defines a series of activities typically found at an unruly party as a 'nuisance per se', including clauses found in the noise ordinance, and all the clauses cited in Newport Beach's ordinance as well as any others as recommended by LAPD;
- Provides for escalating fines for each successive violation to both the tenant/event host and property owner and posting the notice of violation on the property, with an additional fine for removal and criminal charges for excessive numbers of violations;
- Provides for prohibition periods following a violation when the notice of violation must remain posted on the front entrance of the property and a subsequent violation during the notice period would lead to substantially escalated fines and penalties;
- Includes liens on properties for property owners who fail to pay fines;
- Includes recommendations on which portions of this ordinance can be included in the ACE Program;
- Includes additional fines for commercial events or parties held at a residential unit;
- Includes a prohibition on any home-sharing or short-term rental activity during a posted notice of violation period;

How Would This Would Work In Practice:

For any party ordinance to be successful it must be easy to enforce, provide tools to our first responders (LAPD), balance harsh penalties for continual violators while not overly penalizing first time offenders having a once in a while too-loud party at their residence, and effectively target short term rentals which often become the most prolific "party houses." This ordinance, as envisioned, would work as follows:

Step 1: LAPD arrives to a unit reported as having an unruly party.

Step 2: LAPD determines if any loud or unruly conduct is occurring, which could include excessive noise, obstruction of public streets by crowds or vehicles, public drunkenness, the service of alcohol to Minors, fights, vandalism, litter, urinating or defecating in public, etc.

Step 3: LAPD shuts down the gathering, like they would under a normal noise ordinance violation HOWEVER they can now cite the tenant/unruly guest/person in charge of the party with a violation AND cite the OWNER of the property. For a commercial party, higher fines could be implemented.

Step 4: As part of the citation process, LAPD determines if this is a first offence for the property. If so, a pre-printed adhesive notice is affixed to the front door of the property noting the property has been cited. On a first offence, the notice must remain posted (upon penalty of a substantial fine or possibly a misdemeanor tbd) for a set period of days (for example, 30 days for a 1st offence, longer for a 2nd or 3rd offence in a calendar year) during which period no further unruly gathering could occur or else a very large fine and misdemeanor would be issued.

Step 5: Repeat steps 1 through 4 as needed with escalating fines and a misdemeanor if needed.

How This Works in Newport Beach:

http://www.nbpd.org/insidenbpd/services/lugo_dac.asp

Loud and Unruly Gathering Ordinance (LUGO)

It shall be unlawful and constitute a public nuisance for any Owner or Responsible Person to cause or allow a Loud or Unruly Gathering to occur at any Residential Unit within the City. A Loud or Unruly Gathering may be abated by the City by all reasonable means, including, disbanding the Loud or Unruly Gathering at the request of the officer, the issuance of citations, and/or the arrest of any person(s) committing a violation of law under applicable State or local laws.

A "Loud or Unruly Gathering," means a gathering of eight or more persons on any Residential Unit for a social occasion or other activity upon which loud or unruly conduct occurs and results in a public nuisance or a threat to the public health, safety, general welfare, or quiet enjoyment of residential property or nearby public property. Loud or unruly conduct includes, without limitation, any or all of the following:

- a. Excessive noise or traffic;
- b. Obstruction of public streets by crowds or vehicles;
- c. Obstruction of rights of way by people or vehicles;
- d. Public drunkenness;
- e. The service of alcohol to Minors;
- f. Possession and/or consumption of alcohol by Minors;
- g. Assaults, batteries, fights, domestic violence or other disturbances of the peace;
- h. Vandalism;
- i. Litter; or
- j. Urinating or defecating in public.

When a LUGO violation occurs, police officers post the residential unit with a black and white notice. This posting comes on a laminated adhesive backed sheet of paper and includes the following elements:

- 1. The intervention was necessary as a result of a public nuisance caused by a Loud or Unruly Gathering;
- 2. Date of the intervention;
- 3. Notice that any subsequent Loud or Unruly Gathering within 90 days from the date of the posting will result in civil fines for all Responsible Person(s) or other persons present;
- 4. Notice that is it unlawful to remove, alter, tamper with or deface posted tag.

If your residence has been posted keep in mind you are responsible for maintaining the posting. If the posting has been removed, altered, tampered with or defaced both tenants and property owners will be assessed a \$2,000 fine. If you as a tenant or property owner realize that your posting was wrongfully removed or damaged please contact NBPD Dispatch at 949-644-3717 to have an officer respond and repost the house.

If you are a property owner and have removed the problem tenants you must appeal to the Chief of Police in order to have the posting removed from your residence: <u>NBPDChief@nbpd.org</u>. Please include documentation proving that the problem tenants have been permanently removed from the location.

The Fine Schedule for LUGO violations is detailed in the chart below.

Newport Beach Escalation Diagram:



LOCAL / CALIFORNIA

Column Kardashian wannabes party hard and do what they want in the Hollywood Hills



Steve Lopez · Contact Reporter

OCTOBER 4, 2015, 11:25 AM



ou tend to notice when the new neighbors have a caged lion at their housewarming party, dress like Superman and Catwoman and install a mural of themselves on their garage door.

In Los Angeles, home to both abject poverty and unprecedented excess, nothing is really shocking.

Annoying? That's different.

In Bel-Air, a homeowner is using nearly 12 million gallons of water annually while normal people go three days without flushing the toilet.

Article continues below \downarrow

In Beverly Hills, video captured a Qatar sheik's Ferrari dangerously speeding through neighborhood streets; when the police asked the sheik about it, he claimed diplomatic immunity.

In Venice, residents were rattled by what they feared was a midnight terrorist attack at LAX, but it was just a fireworks party on Santa Monica Bay, thrown by the Kardashians.

Article continues below \downarrow

And in the quiet hillside hamlet of Hollywood Dell, people are talking about the couple who moved into a rental mansion in May, tastefully upgraded that garage door and began partying.

The neighborhood's problems date back to the day a developer began carving four garish, roughly 12,000-square-foot behemoths into a hillside near Lake Hollywood. Just when neighbors thought there'd be relief from years of construction noise, a series of renters moved in, kicking off endless party time.

"We've had the streets terribly blocked and I've seen police helicopters coming and telling people to leave the party," said neighbor George Scalpels. The four four-story houses, which look like hotels and have "Hollywood" emblazoned on the wall behind them — lest anyone lose track of where they are — aren't residences so much as event venues and adult playgrounds, according to Scalpels and others.

Neighbors said the biggest house has been used for a Playboy TV show about swingers, and the performers in the glass-walled, fishbowl mansions were neither discreet nor modest.

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Justin Bieber rented one of the houses for a while, I'm told, and he was supposedly one of the quieter tenants.

"You oughta see the lighting at night," said neighbor Jeff Dowden.

With rows of windows and lights on each level changing colors, it's like watching the TV show "Hollywood Squares," he said.

"Basically, it's Las Vegas across the street," Dowden said.

Alexa Iles of the Hollywood Dell Civic Assn. has fielded dozens of complaints from friends and neighbors over the years. She said residents are frustrated because City Hall has all but ignored their pleas for stricter enforcement of parking, party and traffic violations.

"The people using these properties aren't members of the community, and their behavior ... is completely self-absorbed," Iles said.

She describes the offenders' philosophy like this:

"If I have enough money, I can do whatever I want.... The rules don't apply to me because I'm rich."

I called the developer, Danny Fitzgerald, to see what he had to say about his critics, and let's just say the man doesn't need much prompting.

"They're a group of vigilantes ... with nothing better to do," he said, insisting that parties in his houses are rare, shuttles are used to transport guests, and the complainers are a bunch of horrible people who aren't cool enough to live in Hollywood. They should "go to Palmdale where they belong," he said.

"Get out of Hollywood," he repeated. "They don't belong there.... [Blank] those people. I don't care about them."

There goes his shot at Man of the Year honors from the Hollywood Dell Civic Assn.

I asked Fitzgerald if it was true that he attended the housewarming party for his newest tenants,

Bastian and Maria Yotta. He confirmed that he had, and said it was fabulous, with hundreds of guests on hand.

"They had sushi on top of women," Fitzgerald said. "You could eat sushi off of the women."

The wasabi must really have burned.

"They had a lion out front," he said. "A movie star lion in a cage."

That cat needs a better agent.

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"They had models walking around the house, and natural food, and it was very healthy and a very good party," Fitzgerald said, adding that nearby neighbors were invited and had a good time, but the vigilantes saw the movie star lion and called the police.

"So the guy had a lion," Fitzgerald said. "Big deal."

Curiosity got the best of me, so I paid a visit to the party house, even though neighbors said the Yottas are among Fitzgerald's quieter residents in recent years.

"Welcome to the fabulous Yotta life mansion," says the garage door ad, which features Bastian sitting on a throne, hourglass wife Maria next to him.

The first thing you see when you enter the house is a brass pole, and I didn't see a tether ball, so I'm assuming the obvious.

A blond woman ferried me up to the fourth floor, where I met the Yottas.

Bastian, a buff young buck from Germany, told me Arnold Schwarzenegger is an idol.

Maria wore high heels and a white dress so tight it may have cut off circulation in the entire 90068 ZIP Code. If a neighbor kid has lost two basketballs, I think I may know where they are.

Three young women were slinking about in similar get-ups, and the Yottas explained that they invite young women free of charge to stay in their 10-bedroom house, where Bastian teaches them the Yotta life philosophy — "live life to its fullest" — free of charge.

Article continues below \downarrow

I'd say the price is right.

Yotta recently put out an Instagram photo of himself @yotta_life in which he's sitting under a downpour of money and questioning the notion that it never rains in California.

Not that every day feels like a million dollars. But if he's down in the dumps, he said, he takes hold of a sword, stands in front of the mirror and shouts: "I have the power!"

Yotta said he made his fortune in beauty products and technology, but he didn't offer many details.

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He said he and Maria moved to Los Angeles last year from Europe to enjoy life and share their discovery that Mondays can be just as fun as Fridays if you open your mind to the possibility and believe in your dreams.

And lo and behold, he thinks there might be a reality TV show in all of this, so he's talking to some people.

Yotta told me he pays \$34,000 a month for the mansion, which has two gymnasiums and a nightclub, but as he sat on a chair fit for a king, he said he might be moving on one day.

"In my mind I'm dreaming about a Yotta castle," he said.

In my mind, I'm dreaming about what might have happened if that lion had gotten free.

steve.lopez@latimes.com

@LATstevelopez

ALSO

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September 24th, 2016

Councilmember Jose Huizar Planning and Land Use Committee, Chair

Councilmember Mitchell Englander Public Safety Committee, Chair

RE: Council Files 12-1824 and 12-1824-S1

Councilmembers Huizar and Englander

The Outpost Homeowners Association represents the 475 homes in the Hollywood Hills in the area between the Hollywood Bowl and Runyon Canyon Park. Our neighborhood was developed in the 1920's and has many narrow hillside streets that can barely accommodate two cars passing in opposite directions, particularly at times when parking is heavy.

We have had several large houses built in our neighborhood, often on speculation, which have turned into party houses. Some are not owner-occupied and are rented to groups of visitors who regard them as vacation resorts with parties every night. Others are owner-occupied, but the owners rent them for parties, weddings and charitable events, some with paid events and busloads of attendees. These parties often start in the afternoon and last until the wee hours of the morning with loud music ricocheting throughout our canyon neighborhood. The traffic and parking impacts associated with these party houses are serious safety issues as our narrow streets become impassable and unusable by emergency response vehicles.

We do not want to restrict a property owner's right to enjoy his/her property or preclude one's ability to have a birthday party or wedding reception for family members, but some restrictions are required to limit the number of large events at any one address, particularly rental events which turn the homes into special event facilities.

We encourage you to advance the proposed legislation designed to restrict party houses and pass this issue to the full Council. In addition to a serious safety issue, these houses change the very character of single-family residential neighborhoods, negatively impacting the quality of life for Los Angeles residents.

Thank you for the opportunity to submit these comments of the Outpost Homeowners Association Board.

Sincerely ost HOA Michael P. Meyer, President

Cc: Outpost HOA Board David Ryu, CD4

7007 Macapa Drive Los Angeles, CA 90068

September 26th, 2016

Councilmember Jose Huizar Planning and Land Use Committee, Chair

Councilmember Mitchell Englander Public Safety Committee, Chair

RE: Council Files 12-1824 and 12-1824-S1

Councilmembers Huizar and Englander,

We are very pleased that Councilman Ryu, the Council and PLUM are giving serious attention toward crafting a good legislative response to this difficult and protracted problem of party houses.

We live in the Hollywood Hills where the common situation is for people to purchase large houses for the sole purpose of generating a specific kind of income. These are usually not homes that an ordinary family would choose to live in. They are large and built for entertaining. The owners never live in these houses.

There are 4 kinds of problem rentals. <u>In all these cases, they share the common issue that the purpose</u> of these properties is as profit-making businesses in residential neighborhoods.

- Short-term rentals to people who want to live their image of "Hollywood" by putting on parties for their friends with all the loud music, screaming, and inebriated conduct, etc. It is their weekend of debauchery at the expense of family neighborhoods. The house owners seemingly have no oversight and no responsibility, nor do they make any effort to stipulate expected norms of renter behavior or acknowledge that this house is in a neighborhood.
- 2. Short-term rentals to people who are in the business of giving large open-ended parties which are advertised in social media or are staging massive parties to push their businesses like "Marijuana Mike" or pyramid scheme promoters. They often require a cover fee, have people arriving at all hours, they block the narrow canyon roads making them impassable for emergency vehicles and others, disturb the peace, leave bottles, condoms and drug trash all over the streets and so on. These parties do not have any permit guidelines for hours, safety, security etc etc.
- 3. Short-term rentals for un-permited film shoots which shoot through the night with vehicles, crews, lighting and noise.
- 4. Long term rentals to "tenants" who are in the "business" of giving parties." They often bill themselves as "after club party planners". They live in the house but it is used as their base of operations for "after club hours" activities. Landlords collect a lot of rent from them and look the other way. In our experience, police, paramedics and fire trucks have been called to these kinds of rentals frequently.

A few reflections--

The City Attorney's office has done a good review of other cities ordinances and the acknowledgment of the long and difficult enforcement and lengthy process of current LA ordinances like the Nuisance Abatement Procedure. Of the 3 ordinances examined in surrounding cities, only the **Newport Beach LUGO ordinance** seems to cover many of the situations and problems that these rentals generate. It

seems to be less onerous to administrate than what we currently have, is enforceable and has a consequence. The issuance of limited special event permits per property could be helpful if it outlines specific needs and responsibilities, names and contacts of the responsible people, security rules and personnel, time frame, advanced notification of neighbors, etc and is managed by an accountable City agency.

The one thing I don't see in any of these is any accountability and risk to the property owner for the behavior of those they have rented their house to. In our experience, the owner doesn't care who or what the renters do as long as their checks clear. It is only about the money. They do not care what impact their renter's "business" has on the residential community as long as their own rental business makes many. Any legislation passed should also make the landlord/owner fully accountable and fined for failing to vet and check on the activities at their house.

Thank you for your efforts. We hope we will get some tough, workable legislation that will enable curb—stop— this serious quality of life and safety issue in many residential neighborhoods around LA.

Best regards,

Susan W. Mullins President Upper Nichols Canyon Neighborhood Assn.

MORAL MODELAND

September 25, 2016

RE: Council files 12-1824 and 12-1824-S1

Dear Councilmen Huizar and Englander:

Hollywoodland Homeowners Association represents 575 single family hillside homes sited on narrow, substandard ,winding streets. We are surrounded by three sides of park land in a severe hazard fire zone. Because we are juxtaposed adjacent to the Hollywood (land) sign, we have been vulnerable to many illegal, imposing party houses that have jeopardized our residents safety and quality of life. These "party" activities are conducted commercially and by residents who feel they are entitled to "a free for all" because enforcement and regulation is not, in place or monitored in Los Angeles.

We urge you to pass this legislation and encourage you to apply the regulations to all homes, not just properties being rented for commercial purposes.

Hillside topography poises magnified issues for noise, parking and fire. Many canyons have natural acoustic amplification from walls, structures and hillsides. Narrow, substandard streets inhibit emergency vehicles and excessive cars can easily cause traffic gridlock. Open space juxtaposed next to homes is a fire danger.

Please take these issues under consideration when legislation is formalized. We urge you to implement a significant, monetary fine to assure your legislation is effective. A three thousand dollar fine may not be a significant deterrent for someone who feels they are entitled, wealthy and still can make a profit off an event.

Sincerely, Injunue Wyor Ormin

Christine Mills O'Brien VP Hollywoodland Homeowners

Hollywoodland Homeowners Association 2700 N. Beachwood Drive, Los Angeles, CA 90068

Established 1923

Lookout Mountain Alliance

PLUM Committee Attn: Sharon Dickinson

Chairman Huizar Mitch Englander Marqueece Harris Dawson Curren Price Gil Cedillo

Re: CF 12-1824 & 12-1824 – S1

We support Councilman Ryu, Bonin and Huizar's current motion and join with our fellow hillside and flatland communities in their support of this common sense Ordinance to regulate Party Houses in Los Angeles.

Sincerely,

The Lookout Mountain Alliance/Laurel Canyon

Cc: Councilmember David Ryu Nicholas Greif Julia Duncan September 27th, 2016

Councilmember Jose Huizar Planning and Land Use Committee, Chair

Councilmember Mitchell Englander Public Safety Committee, Chair

RE: Council Files 12-1824 and 12-1824-S1

Councilmembers Huizar and Englander,

I am writing you to voice my family's support for Councilman David Ryu's plan for Party House legislation that would help with a problem than has severely affected our neighborhood.

A house on my small street was recently sold to a luxury short-term rental company and our street is now the site of large and very loud parties on a regular basis. Our street is narrow and very steep (we live in the Hollywood hills) and a large number of cars now go up and down all night long. There are visibility issues and an accident is inevitable. The street has erosion issues at the top of the hill and was not designed for this much traffic. The renters stack cars illegally at the dead end of the street, blocking residents into their driveways and garages. The noise is a major problem for residents as well, and parties go on until 5 or 6 am. This neighborhood was not zoned for hotels for a reason and yet there is now a commercial hotel on our formerly safe and quiet residential street.

We urge the council to move the legislation through the committee process for approval and to send it to the City Attorney to draft an ordinance. Thank you for your time and consideration.

Sincerely,

Aretha Sills and David Watkins 6923 Woody Trail Los Angeles, CA 90068 (323) 851-1380

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July 15, 2015

David E. Ryu City Councilman Los Angeles City Hall 200 N. Spring Street Room 425 Los Angeles, CA 90012

Dear Mr. Ryu:

I have lived at 9052 Wonderland Park Avenue, Los Angeles, CA 90046 for 20 years.

Several years ago 9038 Wonderland Park Avenue, 90046 was sold to a non-resident. No one lives in the house and no one has since the last sale in August of 2007. The house is a case study house by Koenig.

It is being used constantly for photo shoots, commercials and films, parties and sales of furniture furnishings and art.

Last month a series of parties have started with loud music, valet parking and catering trucks. There have been 3 parties in the last 60 days. I live next door.

The house is being used as a commercial business.

The following businesses are using this address:

Jacob Koo Linus Adolfsson Design Refined LLC Seomi international Antway Inc. PK Studio Inc.

This is an R-1 neighborhood, not zoned for this use. It is in the Mulholland Corridor.

The base address is 9601 Wilshire Blvd., Suite 500, Beverly Hills, CA 90210 Phone # 310-934-9686. I assume the above businesses are not paying Los Angeles Business Taxes.

My neighbors and I object to this activity and want city action to stop this illegal usage. Thank you.

David Mark Beerman encl.