

## Stay City Rentals 1819 S Main St. Los Angeles, CA 90015 (866) 688-1228

## To Whom It May Concern:

I am the proud owner of a vacation rental company that responsibly operates primarily in the Los Angeles area. My company Stay City Rentals has strived to excel as an excellent corporate citizen in California- which we all know is not easy as our state has some of the highest taxes and legalities to operate across the country.

It has come to my attention that the vacation rental industry is undergoing much scrutiny in City Hall and the development of local legislature. My company operates roughly 60 rentals within the Los Angeles area and contributes upwards of \$100,000 per year to the City of Los Angeles in Transient Occupancy Tax. Next year with our recent growth we are estimated to have spent over \$250,000 in contributions toward TOT taxes.

Our rentals are strategically selected within primary commercial zones and in buildings that are zoned in commercial zones. Legislation that is not well thought out could not only bankrupt my company but similar companies as well- including housing companies which have partnered with us and other companies. Collectively legislation that is not well thought out could easily unemploy an estimated 5000 workers over night. This is not fair and this should be considered. I'm not sure if the city or state can afford a setback such as this.

I understand that there are many people in Los Angeles who own and operate vacation rentals and that many of them are not paying their portion of TOT revenue to the city. They may be doing this for several reasons, including straight negligence. It is because of this reason that I am for the implementation of TOT collection through hosting websites such as HomeAway, FlipKey, and Airbnb. It is not fair to the industry or city that others are cheating the system by not paying the required taxes for their businesses. If it meant that my taxes may one day be lowered by fair arrangements- I'd even help turn them in on a regular basis.

Los Angeles is an amazing place with an amazing future if local government would just receive the support it needs in order to make that happen. I worry about our city often with the new economy under such siege. California and Los Angeles has always walked a fine line against bankruptcy. Frankly the city and the state has failed to create enough jobs and support the desire for tourist. Companies like uber, home-sharing, vacation rentals, and services apps create jobs and sustain our economy. The housing shortage argument can't be an argument as

affordable housing has not been proven to be limited by studies that are not bias (hotel backing).

Three years ago I was hit by a car, rendering me incapable of sitting for long periods of time and thus incapable of "normal" office type work. I started this company from the floor of my living room with the vision of becoming the best short-term rental company in Los Angeles. We have grown significantly, hosting over 60 apartments, and offering unbeatable standards in terms of service and professionalism. We currently have over 30 employees with benefits packages and opportunities for growth previously unseen in this industry. I did all of this in hopes of never going on unemployment or using public assistance. I survived- and I did it responsibly. Now you are telling me I should have just worked the system?

I am also very curious why the city of Los Angeles doesn't worry more about creating a safe, inviting environment to showcase what it has to offer. Our city thrives on tourism and on "ideas". We are a city of ideas. Unfortunately- that's expensive. We need to understand how to survive the way the world is going to work tomorrow whether we like it or not. And this calls for serious analyzing of zones, tot regulations, fair markets, and to stop just listening to a few people who make a loud noise- like Jane Taguchi who complains about short-term rentals but doesn't have one around her at all. She's in every photo across the news, or mentioned. Her tenants rented their house for 3 months, once while traveling! And now she consistently rallies up people because she has nothing else to do to protest short-term rentals and makes comments as if her life is affected- but the owners have lived in their home again for 9 months. Yet this is not the story we hear. We only hear about once- and with no police report of any bad things that happen. In fact, where are the police reports of Short-term rentals hurting anything? We should be looking at this- because what hurts us more is bar owners who have no regulations of crowd control.

There's bigger fish to fry in Los Angeles- and it's sad if our city council can't see that. We have important fund on the table here. Funds that can make this city better and have less debt. Let's not just make irrational legislation.

I hope that we continue to grow and offer unique experiences to travellers in the Los Angeles area while diversifying the economic footprint from tourism in Los Angeles. Thank you so much for your time and consideration.

Sincerely,

Ronnie Mickle