

**DEPARTMENT OF
CITY PLANNING**

COMMISSION OFFICE
(213) 978-1300

CITY PLANNING COMMISSION

SAMANTHA MILLMAN
PRESIDENT

MONIQUE LAWSHE
VICE-PRESIDENT

MARIA CABILDO
CAROLINE CHOE

ILISSA GOLD

HELEN LEUNG

KAREN MACK

JACOB NOONAN

ELIZABETH ZAMORA

**CITY OF LOS ANGELES
CALIFORNIA**



KAREN BASS
MAYOR

EXECUTIVE OFFICES

200 N. SPRING STREET, ROOM 525
LOS ANGELES, CA 90012-4801
(213) 978-1271

VINCENT P. BERTONI, AICP
DIRECTOR

SHANA M.M. BONSTIN
DEPUTY DIRECTOR

ARTHI L. VARMA, AICP
DEPUTY DIRECTOR

LISA M. WEBBER, AICP
DEPUTY DIRECTOR

October 4, 2023

Los Angeles City Council
c/o Office of the City Clerk
City Hall, Room 395
Los Angeles, California 90012

Attention: PLUM Committee

Dear Honorable Members:

FEASIBILITY OF AMENDING THE HOME-SHARING PROVISIONS TO PROVIDE FOR THE IMMEDIATE SUSPENSION OF A HOME-SHARING REGISTRATION WHEN CRIMINAL ACTIVITY IS FOUND TO HAVE TAKEN PLACE AT THE RESIDENCE; CF 14-1635-S11

On January 19, 2022, the City Council instructed the Department of City Planning (City Planning), with the assistance of the City Attorney and Police Department (LAPD), to report back on the feasibility of amending the Home-Sharing Ordinance (HSO), Ordinance No. 185,931, pursuant to Los Angeles Municipal Code (LAMC) Section 12.22.A.32 to adopt a new provision that would allow for the immediate suspension of a Home-Sharing registration when criminal activity is found to have occurred at a residence while it was being used as a short-term rental (a rental unit, rented in whole or in part, allowing stays of 30 consecutive days or less). The City Council also instructed City Planning to report back on any additional resources, funding and/or staffing needs to effectuate the intent of the initiating motion.

BACKGROUND

Other reports by City Planning submitted to the City Council (see CF 20-0995 and CF 14-1635-S10) detail City Planning's role in the Home-Sharing program. In summary, City Planning administers the Home-Sharing registration system and has authority to approve, modify, suspend, discontinue or revoke registrations. The authority to issue citations, however, is reserved to other City agencies; therefore, City Planning staff coordinates with several City enforcement agencies, each of which plays a specific role in enforcing the HSO as well as violations related to short-term rental activity but not explicitly governed by the HSO (e.g. noise complaints, parking violations).

City Planning can take action against non-compliant Home-Sharing registrations via two key processes. Firstly, registrations can be invalidated if a host accumulates two citations, including administrative and criminal notices. Secondly, the Director of Planning has the authority to modify or revoke registrations through a public hearing process, with registrations remaining valid until a determination is made.

For enforcement, City Planning collaborates with citation-issuing agencies like the Department of Building and Safety (LADBS) and the Housing Department (LAHD). These agencies regularly issue citations for listings lacking valid Home-Sharing registration numbers; however, due to staffing constraints and inherent challenges to obtaining evidence, other ordinance violations are not actively enforced. To streamline enforcement, LADBS, LAHD, and the Office of the City Attorney participate in the Administrative Citation Enforcement (ACE) program, facilitating the issuance of citations and fines for Home-Sharing ordinance violations.

Current Procedure when Criminal Activity Occurs at a Short-Term Rental

The initiating motion summarizes alleged "violent crime" reportedly taking place during the course of short-term rental activity at the following properties:

- **13200 Mulholland Drive** - gunfire resulting in the death of one person and multiple others wounded on August 4, 2020;
- **2219 San Ysidro Drive** - gunfire resulting in the death of one person and another person wounded on August 26, 2020;
- **6347 Maryland Drive** - gunfire resulting in two people wounded on January 2, 2021.

While not mentioned in the initiating motion, another high-profile instance of alleged criminal activity at a purported short-term rental unit took place on January 28, 2023 at 2799 Ellison Drive. This incident involved gunfire resulting in the death of three individuals and at least four others wounded.

It is important to first note that none of the aforementioned properties have ever been legally registered for Home-Sharing with City Planning. In fact, only the property at 6347 Maryland Drive has a record of applications for a Home-Sharing registration, all of which were denied.

City Planning does not have direct access to the LAPD records required for staff to determine whether a crime occurred during the course of a short-term rental stay. It is important to note that the terms "criminal activity" and "violent crime," as referenced in the motion, are not formally defined terms in the Los Angeles Municipal Code. Furthermore, it is the responsibility of the City's enforcing agencies (e.g. the City Attorney's Office and/or LAPD) to determine whether or not criminal activity has occurred on a property while it was being used as a short-term rental and to notify City Planning of such an occurrence.

When City Planning is informed of criminal activity that has taken place at a property allegedly being used as a short-term rental, staff investigates the property records for any evidence of illegal short term rental activity and determines whether a Home-Sharing registration was issued to the subject property. In the case that a Home-Sharing registration was issued, staff will review the host's eligibility for the suspension or revocation of their registration as was previously discussed in this report. When the property does not have a valid registration, the existing ministerial and discretionary processes for suspension or revocation cannot be utilized; instead, City Planning staff determine whether any listings are advertising the property as a short-term rental without a valid registration. If City Planning identifies a non-compliant listing, they refer the property to either LADBS or LAHD, so that a Home-Sharing citation may be issued by the respective enforcement department.

On January 28, 2023, two days before the City Attorney's Office first notified City Planning of the occurrence of criminal activity at 2799 Ellison Drive, City Planning staff proactively identified a non-compliant short-term rental listing and referred the property to LADBS for the issuance of a Home-Sharing citation. The City Attorney's Office notified City Planning on January 30, 2023 of

the occurrence of criminal activity at the Ellison Drive property that they believed was simultaneously being used as a short-term rental unit. City Planning staff contacted LAPD to confirm the alleged criminal activity took place at the property. City Planning staff determined the following on January 30, 2023:

- There was no record of the subject property having been legally registered for Home-Sharing;
- There was no record of any application for a Home-Sharing registration having been submitted for the subject property that would have indicated the property owner's and/or host's intention to use the property as a short-term rental;
- There were no active listings advertising the subject property as a short-term rental on any hosting platforms;
- There was no record of any communications from neighbors regarding short-term rental activity at the subject property prior to the January 28, 2023 gunfire incident;
- The subject property had been previously advertised as a short-term rental on four listings posted to the Airbnb hosting platform, all of which were first posted in 2022. The listings advertising the short-term rental unit claimed it was located outside of the City of Los Angeles boundaries and had a chronic history of having been removed and reposted. Airbnb removed all listings advertising the subject property on its platform on January 16, 2023, nearly two weeks before the incident; and
- A Notice of Code Violation was issued to the property owner on September 6, 2022, informing them of their property's non-compliance with the Home-Sharing regulations.

On February 7, 2023, LADBS staff confirmed the HSO violation for the subject property and authorized the issuance of a Home-Sharing citation. The citation for this property, consisting of ten HSO violations for a total fine amount of \$5,275.60, was sent to the property owner on March 9, 2023.

DISCUSSION

The initiating motion requests City Planning to analyze the feasibility of amending the HSO to implement a new provision allowing for the immediate suspension of a Home-Sharing registration when criminal activity is found to have occurred at a residence while it was being used as a short-term rental. While the initiating motion intends to reduce and/or prevent crime at short-term rental units in the City, it is important to distinguish the effect the proposed provision would have on legal versus illegal short-term rental units. Considering only legal short-term rental units would have an active Home-Sharing registration while illegal short-term rental units would not, the proposed provision would have no effect on illegal short-term rental units as they would not have a Home-Sharing registration to suspend. While it would be possible for the City to implement the proposed provision, there may be other more effective options to achieve the same goal of reducing and/or preventing crime at short-term rental units in the City in general.

Code Amendment

Adding a new requirement to allow for the immediate suspension of a Home-Sharing registration when criminal activity is found to have occurred would require an amendment to the LAMC. Other reports by City Planning submitted to the City Council (see CF 20-0995 and CF 14-1635-S10) describe how, even for relatively simple ordinances, the City's outreach and engagement process for Code amendments requires multiple steps and typically takes longer than one year to complete.

Should the City decide to move forward with amending the Home-Sharing regulations, it will also be necessary to amend other sections of the LAMC in order to newly define “criminal activity” and/or “violent crime.” A wide range of actions constitute “criminal activity,” making it necessary to identify the specific “criminal activity” that might be considered as grounds for the immediate suspension of a Home-Sharing registration. As was previously mentioned in this report, because City Planning is not an enforcing agency, it is not within City Planning’s purview to identify, define, and/or prosecute crime in any manner; therefore, City Planning considers it to be the responsibility of LAPD to develop a definition of “criminal activity” and/or “violent crime” if necessary.

The Code amendment necessary to accomplish the goal of the initiating motion is relatively narrow in scope. Given the effort required to make even a targeted small change in the Zoning Code, there may be opportunities to combine this proposal with other possible amendments to the Home-Sharing regulations pursuant to direction provided through other relevant City Council motions (see CF 20-0995, CF 14-1635-S10, and CF 22-1506).

In addition to a Code amendment, there are also several technical limitations to the existing Home-Sharing digital infrastructure that would need to be addressed in order to successfully accomplish the goal of the initiating motion, including:

Developing new or redeveloping existing systems to allow City staff, including enforcement officers, to immediately identify whether a dwelling unit has a valid Home-Sharing registration;
Developing new or redeveloping existing systems to allow City staff, including enforcement officers, to determine whether a dwelling unit is being used as a short-term rental in real time; and
Developing new or redeveloping existing systems to allow City staff, including enforcement officers, to verify whether criminal activity occurred during the course of a short-term rental stay.

RECOMMENDATION

City Planning finds that it would be feasible to amend the HSO to implement a new provision that would allow for the immediate suspension of a Home-Sharing registration when violent criminal activity is found to have occurred at a residence while it was being used as a short-term rental; however, if the City wishes to pursue this particular HSO amendment, City Planning recommends the City focus on a comprehensive HSO amendment. Another report to City Council (see CF 14-1635-S10) describes in detail a potential comprehensive Code amendment that would collectively take into account the other recently adopted City Council motions directing City Planning to explore other modifications to the HSO regulations. A comprehensive HSO amendment would be a more efficient use of staff resources; additionally, a comprehensive Code amendment would allow for a more coordinated policy approach as opposed to multiple individual Code amendments.

Sincerely,



VINCENT P. BERTONI, AICP
Director of Planning