

Communication from Public

Name: M Young

Date Submitted: 10/21/2019 03:18 PM

Council File No: 14-1635-S2

Comments for Public Posting: Summary of some of my letter to A Pennington, B Blumenfield and LA Mayor... PDF of full version attached Woodland Hills resident and have been doing STR as an owner/occupier on an extra bedroom in my house for about 5 years. It has provided me with much needed additional income and enabled me to stay in my family home. Mine is not an unusual situation these days. I agree that STR does needs regulation. Corporate operators, those with multiple listings, should be regulated. However, I feel the City's new HSO (Home Sharing Ordinance) is deeply flawed. I won't detail all those flaws here but I will address the ones that directly affect my situation. HSO Fees - The City annual fee of \$89 to register a short term rental for 120 days out of the year. The Planning Dept also wants to collect a nightly fee. The amount has not been set yet - \$5 per night has been proposed. Extended home sharing fee for those who want to rent for more than 120 days a year is \$850! Why is fee so so high? These flat fees create an unfair burden on the small owner/occupiers such as myself. The chart below shows the percentage of total earnings that these fees equate to. STR fee comparison as % of gross earnings: Nightly rate \$40.00 \$75.00 \$125.00 \$150.00 \$400.00 Gross at 240 nights - \$ 9600 18000 30000 36000 96000 Nightly fee x 240 @ \$5 Flat \$5 x 240 fee for all Nightly fee as % of gross 12.5% 6.7% 4% 3% 1.25% Extended home sharing fee Flat \$850 fee for all Registration fee Flat \$89 fee for all Total fees Tot l flat fees for all \$2139 Total fees as % of gross 22.5% 12%. 7% 6% 2% As you can see, each example pays a total of \$2139 in fees, regardless of gross income from the STR. For a rental of \$40 a night, assuming 240 days rental per year, this is 22.5% of gross income. A rental of \$150 a night pays 6% and a rental of \$400 a night pays only 2%. The City needs to make the nightly fee and extended home sharing fee more equitable by implementing a system based on gross income from STR. This is not that difficult to do. It's how business tax is reported and charged and we are having to register for business tax specifically for home sharing. The City Planning Dept wants the nightly fee to help pay for enforcement of the ordinance. The fees quoted above do NOT include the 14% TOT (Transient Occupancy Tax) which has been paid to the City for the past 3-4 years. TOT is a separate amount which goes into the general City fund now. The City Council was previously setting

10% of the TOT aside for Planning's enforcement of the ordinance. 100% of the TOT is now going into the general fund so Planning is going back to home sharers to get additional funds for enforcement. New info from Planning for the PLUM meeting tomorrow, the registration fee is for a calendar year, beginning in January. Hosts have to register again in January 2020. Consequently, for their initial \$89 registration fee, hosts will be covered for 6 months at the most. This fee should be pro-rated - either hosts should get a refund or the amount they owe in January should be adjusted. If you registered in 2019 and therefore are renewing in 2020, the amount owed should be \$44.50, not \$89. They're hitting us up for those fees again! If a host has already reached their 120 after registering, and I know there some have, does the extended home share application and fee also run for a calendar year, with the 120 day 'clock' resetting 1/1/2020? Are they paying \$850 for a 2 month permit? It very much seems like Planning are still figuring out the whole issue of enforcing the ordinance. Neighbor Notification for Extended Home Sharing - Yes, there are some STRs which can be a problem but the vast majority are not. Planning has acknowledged that owner/occupiers generally not a problem. I have been STR-ing a room in my house for five years and I'm certain not one of my neighbors knows that I STR. I value my privacy and my STR activities do not impact any of my neighbors. For Extended Home Sharing Permit, a host has to notify their neighbors. If someone notifies their neighbors and a neighbors is a NIMBY or someone the home owner doesn't get along with and that neighbor decides to make a false complaint, what safeguards does the City have against this? None! City Planning, who is responsible for enforcement of the HSO, has admitted they have no safeguard against and would not be able to investigate this type of situation. This neighbor notification overly complicates the process. FYI - my neighbors have far more cars, people etc visiting their homes than I do! On one side, 4 cars between them & frequent visitors. Neighbor on other side has 4 adult sons still at home, with cars and frequent night-time backyard gatherings. The 2 neighbors in front also have multiple people living there M Young

October 21st, 2019

To: Andrew Pennington
Re: Home Sharing Ordinance in Los Angeles
Cc: Bob Blumenfield

Dear Andrew,

This is an update to the letter I sent you for the meeting on 10/17, updated for the PLUM meeting tomorrow. As I said before, as a CD3 constituent and home share host, I do wish to give my input. I was one of those who met with you on September 4th.

I live in the Walnut Acres area of Woodland Hills and have been doing STR (short term rental) as an owner/occupier on an extra bedroom in my house for about 5 years. It has provided me with much needed additional income and enabled me to stay in my family home. Mine is not an unusual situation these days.

I agree that STR does need regulation. The corporate operators, those with multiple listings throughout the City, should be regulated. However, I feel the City's new HSO (Home Sharing Ordinance) is deeply flawed. I won't detail all those flaws here but I will address the ones that directly affect my situation.

HSO Fees -

The City has imposed an annual fee of \$89 to register a short term rental for 120 days out of the year. The City Planning Dept also wants to collect a nightly fee. The amount has not been set yet but they are proposing \$5 per night. There will also be an extended home sharing fee for those who want to rent for more than 120 days a year. This fee is \$850! Not sure what the justification is for that fee being so high. These are all flat fees which creates an unfair burden on the small owner/occupiers such as myself. The chart below shows the percentage of total earnings that these fees equate to.

STR fee comparison as % of gross earnings					
Nightly rate	\$40.00	\$75.00	\$125.00	\$150.00	\$400.00
Gross at 240 nights - \$	9600	18000	30000	36000	96000
Nightly fee x 240 @ \$5	1200	1200	1200	1200	1200
Nightly fee as % of gross	12.5%	6.7%	4%	3%	1.25%
Extended home sharing fee	850	850	850	850	850
Registration fee	89	89	89	89	89
Total fees	2139	2139	2139	2139	2139
Total fees as % of gross	22.5%	12%	7%	6%	2%

As you can see, each example pays a total of \$2139 in fees, regardless of gross income from the STR. For a rental of \$40 a night, assuming 240 days rental per year, this is 22.5% of gross income. A rental of \$150 a night pays 6% and a rental of \$400 a night pays only 2%.

The City needs to make the nightly fee and extended home sharing fee more equitable by implementing a system based on gross income from STR. This is not that difficult to do. It's how business tax is reported and charged and we are having to register for business tax specifically for home sharing.

The City Planning Dept wants the nightly fee to help pay for enforcement of the ordinance. The fees quoted above do NOT include the 14% TOT (Transient Occupancy Tax) which has been paid to the City for the past 3-4 years. TOT is a separate amount which goes into the general City fund now. The City Council was previously setting 10% of the TOT aside for Planning's enforcement of the ordinance. 100% of the TOT is now going into the general fund so Planning is going back to home sharers to get additional funds for enforcement.

Another troubling point, coming to light from the new info from Planning for the PLUM meeting tomorrow, is that the registration fee is for a calendar year, beginning in January. Hosts will have to register again in January 2020. Consequently, for their initial \$89 registration fee, hosts will be covered for 6 months at the most. This fee should be pro-rated - either hosts should get a refund or the amount they owe in January should be adjusted. If you registered in 2019 and therefore are renewing in 2020, the amount owed should be \$44.50, not \$89. They're hitting us up for those fees again! If a host has already reached their 120 after registering, and I know there some have, does the extended home share application and fee also run for a calendar year, with the 120 day 'clock' resetting 1/1/2020? Are they paying \$850 for a 2 month permit? It very much seems like Planning are still figuring out the whole issue of enforcing the ordinance.

Neighbor Notification for Extended Home Sharing -

It is my understanding this was introduced to the ordinance by Bob Blumenfield. Yes, there are some STRs which can be a problem but the vast majority are not. Planning has acknowledged that owner/occupiers are generally not a problem. I have been STR-ing a room in my house for five years and I'm certain not one of my neighbors knows that I STR. I value my privacy and my STR activities do not impact any of my neighbors. For the Extended Home Sharing Permit, a host has to notify their neighbors. If someone notifies their neighbors and one of those neighbors is a NIMBY (Not In My Back Yard) or someone the home owner doesn't get along with and that neighbor decides to make a false complaint, what safeguards does the City have against this? None! City Planning, who is responsible for enforcement of the HSO, has admitted they have no safeguard against and would not be able to investigate this type of situation. This neighbor notification overly complicates the process.

FYI - my neighbors have far more cars, people etc visiting their homes than I do! On one side, they have 4 cars between them and frequent visitors. The neighbor on the other side has her 4 adult sons still living at home, complete with cars and frequent night-time backyard gatherings. The 2 neighbors in front also have multiple people living in each house, all with cars. I'm certainly not changing the neighborhood with my little STR.

RSO -

One of the ladies at the October 17th meeting, Sheryl Bremer, owns a condo in Brentwood and has been renting out an extra bedroom. One would think the only difference between her situation and mine is that she owns a condo and I own a single family home - shouldn't be a problem there. Wrong! Turns out her condo is RSO so even though she is the homeowner, she will not be able to STR. I have recently met another condo homeowner in the same situation,

here in Woodland Hills. This is a big problem for owner/occupiers and one that needs to be fixed. Enforcing the ordinance as it stands will be a huge hardship for these owner/occupiers.

Some other info I would like the Council Member/City Council to consider -

On the subject of changing the neighborhood which STRs is accused of doing, Cynthia Strathmann, the Executive Director of SAJE (Strategic Actions for a Just Economy), recently spoke on KCRW's AirTalk about STR. Her opinion is that if we are using STR as a way to help with house payments, medical and other expenses, we should move and return our homes to housing stock! If I were to sell my house, let me tell you what would happen; the house would likely be bought by a developer and turned into a million-dollar+ 'McMansion', as is currently happening to several properties on my street and throughout the Walnut Acres area. THAT is changing the neighborhood! How exactly does this kind of development help housing stock and especially affordable housing stock. It doesn't. And, if I sold my house, then what do I do? Housing costs - both purchase and rent - are outrageously expensive so I would become another casualty of the housing crisis. I would have to leave the neighborhood, quit my jobs and then what?? I have worked hard to buy and keep my house and I want to continue to live in it.

The City has also failed to take into account the changing employment landscape. People no longer have job security, employers are reluctant to commit to full-time workers. We have to get creative with our income to survive - STR is a means of doing this. Personally, I have numerous jobs - I'm a part-time art teacher at a local public elementary school, as well as a freelance costume designer and wardrobe supervisor in theatre. Many of my STR guests are traveling workers, particularly in the medical and IT fields. They are coming into the area, from all parts of the country, working on contract for companies such as Kaiser and Farmers Insurance. These are examples of large corporate organizations who are unwilling to commit to employing full-time workers. FYI - these guests can't afford the high hotel prices so look to STRs as affordable accommodation during the time in the our neighborhoods.

City Planning's outreach is too little too late. I believe the reason for this is, as I said before they're still figuring it out. Their recent Twitter afternoon - I'm still waiting for answers to my questions. The informational meetings they have scheduled, some are after the date of enforcement. They are using social media, somewhat, to communicate but there are still a lot of people who are not competent with social media. From information that has reached hosts, there were many discrepancies and new info that was put out in response to questions. Most of the legitimate hosts, the small owner/occupiers not the 'corporate' hosts, do want to do the right thing - be in compliance with the ordinance and the City.

The subject of STR is complex. There are so many different situations under which people STR. There is no way to create a 'one size fits all' ordinance. I understand the City is currently looking at 'vacation rentals', RSO, ADU and other rentals but is still far from writing an ordinance. I urge PLUM and the City Council to delay enforcement of the ordinance until a fair and equitable ordinance can be created, or at the very least, look into making changes to the existing ordinance such as I have listed above.

Thank you again for your time

Yours,

Michèle Young
maydesigner@me.com

Communication from Public

Name:

Date Submitted: 10/21/2019 02:43 PM

Council File No: 14-1635-S2

Comments for Public Posting: I agree with regulation for Short Term Stays. However as it is written it harms small business. I agree that it needs to be amended to include primary properties with 4 or less units and to include RSO homes.

Communication from Public

Name: Robert C Ganser

Date Submitted: 10/21/2019 03:42 PM

Council File No: 14-1635-S2

Comments for Public Posting: I oppose the home sharing ordinance as it is written. I live in my home, and I rent out the 4 extra bedrooms short term. When I bought the property back in 1998, it was a complete tear-down, but it's all I could afford. To build what stands here now, took me over 10 years, and I financed it my getting loans from the banks. I owe close to \$600,000, and am stuck in a lousy loan, with no ability to re-finance into a lower interest rate. For about 12 years, I rented rooms on a month to month basis. However this couldn't cover the mortgage/tax/insurance/utilities/medical payments, and I almost lost my home back in 2011. By switching over to short term rentals, I was able to make my mortgage payments on time, maintain the property, and stay in my home. I understand the home-sharing ordinance was written to stop apartment building owners from kicking people out and turning them into hotels, however I'm doing no such thing! I share my home, my bathrooms, and my kitchen. This new law states that I may only rent ONE BEDROOM AT A TIME to short term renters. I think that is going too far into peoples personal lives. I should be able to determine how many bedrooms I can rent, and to who I share my home with (long or short term). I don't understand why Matthew Glesne, and some people at the planning department believe that it's okay to dictate to me who I live with in my own home. The extra bedrooms in my home are NOT part of the cities housing stock!!! Please amend this law to protect people in my situation who are simply trying to pay our bills so we can keep our homes. Otherwise I will have to sell the house and move out of Los Angles. I don't want to leave. And if this new law is not going to be amended, and I am going to be forced out, can you please delay its implementation so that I can finish certain items, (painting, landscape, some electrical work, etc.), so that in the spring of 2020, I can get a fair price for my house if I have to sell it. Sincerely, Robert C. Ganser