

Barbara S. Blinderman
1758 Clear View Dr.
Beverly Hills, CA 90210
Tel. and FAX: 310-276-7799
e-mail: bjblinderman@roadrunner.com

September 19, 2015

Councilmember Gilbert A. Cedillo, Chair
Councilmember Filipe Fuentes
Councilmember Jose Huizar
Councilmember Curren D. Price, Jr.
Councilmember Marqueece Harris-Dawson
Los Angeles City Council Housing Committee
200 North Spring Street
Los Angeles, CA 90012

Re: Short Term Rentals CF14-1635-S2

Dear Commissioners:

I attended your September 2 meeting at which you heard comments by many concerned citizens on the motion by Councilmen Bonin, Wesson and Koretz to prepare and ordinance governing short term rentals in the City of Los Angeles. I appreciated both the comments made by residents and representatives of various groups, including those who oppose any amendments to the existing city code, those individual citizens who are fearful of losing income from those with whom they share their lodgings, and business interests unions, and low cost housing advocates who will be negatively impacted by the unfair competition resulting from the explosion of Airbnb and similar short term reservation services. I also appreciated the thoughtful and engaged comments of each of the members of the Commission.

I spoke at the hearing and said that any discussion about short term rentals must consider: Regulation, Registration, Enforcement and Finance. Having thought further about what is really going on I have an even more fundamental concern: Reviewing the memo dated March 19, 2014 from the Deputy Director of Planning Alan Bell to the Council Offices, what is the necessity of any amendment? Short term rentals are permitted, according to the memo, by Conditional Use Permits in appropriate zones. I have enclosed the Bell Memo for your convenience. What the City needs to do is enforce the existing laws, require registration for short term rentals where they are permitted so that violators may be cited and taxes may be collected, just as is required for hotels, bed and breakfasts, and other facilities that accommodate visitors.

It is also disturbing that the City has framed the issue in a manner that denigrates the interests of its residents in order to promote a commercial enterprise whose interests are profit, not the welfare of the city's residents. The mayor has included in his "Back to Basics" priorities the balancing of economic opportunity with "neighborhood quality of life." While your comments at the September 2 hearing showed both your knowledge and concern about all the issues that have been raised, I fear that the framework which has been established to consider short term rentals predetermines a result that will force the city's

BY _____
DEPUTY

CITY CLERK

2015 OCT - 1 PM 3:46

RECEIVED
CITY CLERK'S OFFICE

residents to bear the brunt of the city's decision to cater to commercial interests in pursuit of illusionary goals. This conclusion is reinforced by the "Short Term Rental Questions" questionnaire sent by the Planning Department. The questions were loaded and set forth in a way that will allow the City to claim that it is doing what respondents wanted when it delivers the Amendment to the Council. At a minimum, it is a disingenuous public relations strategy. I can only hope that you will resist the pressures to give lip service to the welfare of the citizenry while pursuing the chimera of an explosion of tourism providing affordable housing for all. It doesn't work that way.

Airbnb is similar in its attraction and potential for abuse to Uber and Bitcoin. On the one hand it offers a service that provides quick, inexpensive alternatives to consumers. On the other hand, it is an invitation to abuses that have been extensively catalogued because it avoids regulatory safeguards. It thrives on avoidance of regulation and its disdain for the ability of government to enforce the rules it claims it doesn't need. It makes lots of money for the creative innovators who thought it up and uses its profits to undermine the stability of the communities in which it operates.

Having said that, and recognizing that the issues have been well analyzed by groups such as:

1. The Venice Neighborhood Council, which spoke from first hand experience on how the short term rental industry has negatively impacted their community;
2. The Los Angeles Alliance for a New Economy, which analyzed, with data, the negative impact of short term rentals on the rental market, both in increasing the costs of rentals and in removing rentals from the market;
3. Keep Neighborhoods First, which detailed some of the abuses that have resulted from illegal short term rentals;
4. The Bel Air-Beverly Crest Neighborhood Council, supporting the position of the Benedict Canyon Association, citing the fire hazards in brush and fire hazard zones and loss of value that results from the intrusion of short term rentals into a stable community;
5. The affordable housing NGO's, which pointed out the fallacy of the proposal to use any taxes from short term rentals to provide a fund for affordable housing. They convincingly showed that the result of allowing short term rentals would be a reduction in affordable housing stock;
6. The hotel union hotel industry representatives who spoke of the unfairness of competition that reduces wages and doesn't have to pay for the stringent rules that are required of hotels to insure public safety.

I would add a few points for your consideration. Believing, like many other residents, that the issue has already been predetermined as City policy they are suggestions of what to require if the city decides to amend the existing Municipal Code:

1. Please do the research before you take action. Why has Santa Monica imposed stringent regulations on short term rentals? Why has West Hollywood banned them? Why has San Francisco proposed restrictions to be voted on by the citizenry? Their actions are

instructive. They have acted to protect the welfare of their constituencies while the City of Los Angeles appears focused on catering to the profiteers.

2. Regulation: The City has a planning code that separates commercial and residential uses. There is a reason for residential zoning. It helps keep communities stable, wherever they are. Introducing commercial uses into R-1 zone is an invitation to chaos. The challenge, of course, is to distinguish a commercial enterprise from a private house sharing arrangement. Advertising on the internet is a no brainer. Commercial enterprises should not be permitted by right in residential zones.

2. Enforcement. Regulation and enforcement are the two fundamental responsibilities of a municipal government. The city isn't very good now at enforcing existing laws. It tends to eliminate inspectors to cut expenses. Any taxes that are imposed on Airbnb's should be used solely to provide enforcement.

3. Registration. Complaints about short term rentals are routinely received by the City with delay, obfuscation and claims of ignorance that any problem exists and an inability to determine if a property is being used as a short term rental. Registration is a first requirement to identify the property owner doing the renting in order to insure that fees and taxes are paid and that a recalcitrant property owner can be held accountable when complaints are made.

4. Use of short term rentals for parties must be prohibited. They are already causing havoc in the canyons and hillside areas where traffic is already overwhelming the streets, fire dangers are present, and noise cascades for miles. They advertise on the Airbnb website as houses that are great for parties. This is clearly illegal now, yet they go on in our canyon without any action by the City. If the City is unable to enforce present laws, how can it be expected to enforce complex regulations if it amends the code to allow short term rentals in residential zones?

5. Airbnb's must be required to properly inform its clients, on its website and in writing, of the rules, regulations, taxes and fees that the landlord will be required to pay. And it is the owner of the property, not a subtenant, that must be added as a responsible party. Additionally, every property owner who contemplates renting his or her property, must be advised to make sure he has sufficient liability insurance coverage. Whether it is the property owner or a lessee who uses Airbnb, when a user tosses a cigarette and a fire ensues there must be sufficient funds available to compensate the neighbors whose homes have been damaged.

These are not all inclusive concerns. They are my reflections on what I believe to be a serious misstep by the City. I thank you for your consideration and hope you will continue to be concerned and involved in the short term rental issue.

Sincerely,



Barbara Blinderman

cc: Mayor Eric Garcetti
City Council



EXECUTIVE OFFICE

City Hall • 200 N. Spring Street, Room 525 • Los Angeles, CA 90012



March 19, 2014

To: Council Offices
Other Interested Parties

From: Alan Bell, AICP *AB*
Deputy Director of Planning

Subject: **Short-Term Rentals**

This memorandum answers frequently asked questions about how the zoning laws in effect today regulate short-term rentals in the City of Los Angeles.

1. What is a short-term rental?

In Los Angeles, short-term rentals include all or any portion of residential buildings that are designed or used for occupancy for a period of 30 consecutive calendar days or less, counting portions of calendar days as full days. While this definition typically applies to hotels or motels, it also applies to any other residential buildings (including one-family dwellings) that are designed or used for occupancy of 30 or fewer days.

2. Where are short-term rentals allowed?

Short-term rentals may be allowed in commercial zones; the RAS4 residential accessory services zone; and the R4 and R5 higher-density multi-family residential zones. The rules governing short-term rentals in these zones are complex. In some cases, short-term rentals are allowed with a Conditional Use Permit. In other cases, no Conditional Use Permit is required. Areas governed by specific plans, overlay zones or other specially zoned areas may have different rules.

3. Where are short-term rentals prohibited?

Short-term rentals are prohibited in agricultural zones; the R1 and other single-family residential zones; the R2, RD and R3 lower-density multi-family residential zones; and the RAS3 residential accessory services zone. Areas governed by specific plans, overlay zones or other specially zoned areas may have different rules.