14-1635-S2
14-1635

Dear Los Angeles City Council,

I am staying, or have stayed, in Los Angeles through the use of a vacation rental during the following dates 11-11-15 to 11-16-15.

I am personally concerned that you would be trying to ban this industry rather than to place fair regulations upon it. Because of my rental I was able to (check all that apply):

- [ ] Travel for business at a fair cost
- [x] Travel for vacation at a fair cost
- [ ] Able to visit family I would normally not be able to visit
- [ ] Attend a city function I wouldn't have normally been able to attend
- [ ] Have more money to spend during my travels
- [ ] Visit Los Angeles for possible re-location

I did also book my rental with a company that has collected Transient Occupancy Tax and has remitted it to you. I feel I am a responsible guest and that I was well informed of my property rules upon my arrival. I was met at the door, I was asked to sign a rental agreement with all property rules, and I was notified of my rentals manager contact information (which was located in the building I am renting).

I do hope you will pass fair regulations for short-term rentals in this grand city.

Traveler Name Printed: Kwon Choi

Traveler Name Signed: [signature]

Date Signed 11/11/15

Additional Notes or Comments for City Council

5 November 2015

To: Los Angeles City Council

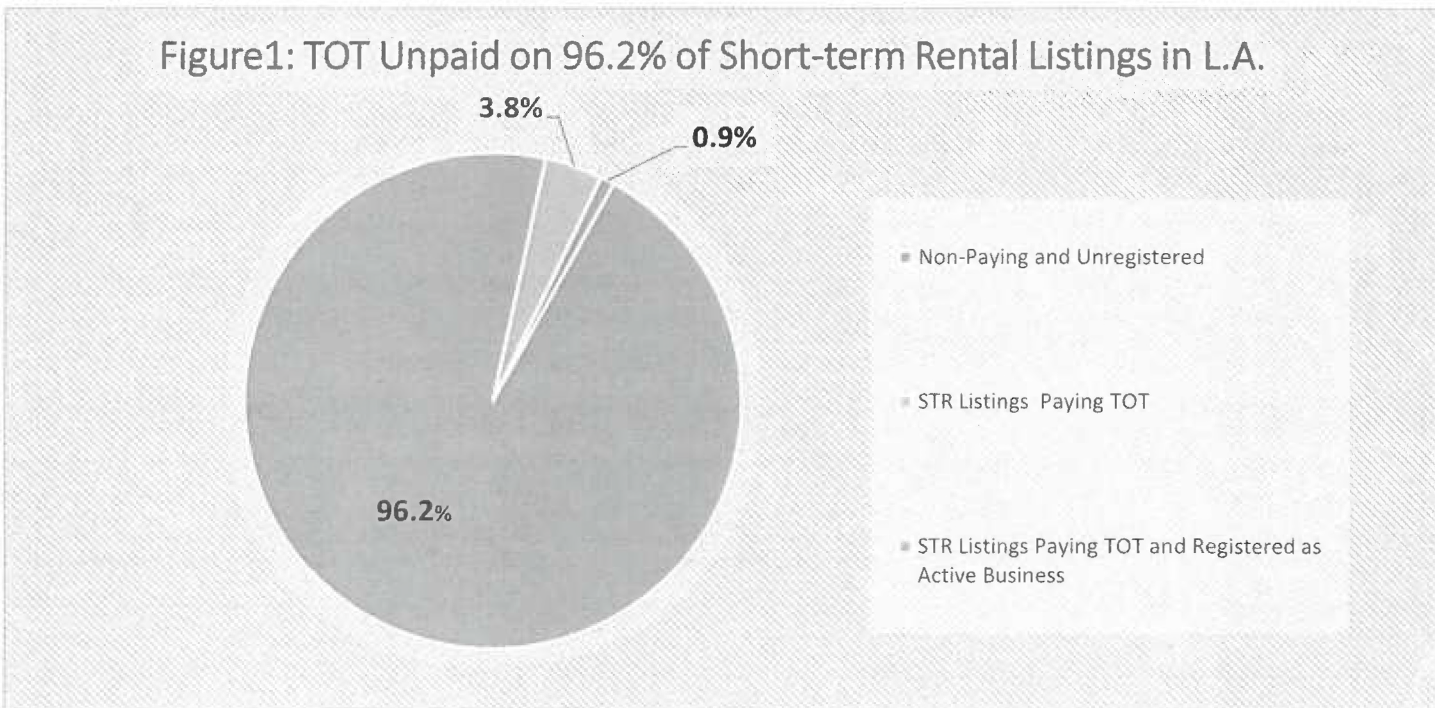
From: Roy Samaan, Research & Policy Analyst, Los Angeles Alliance for a New Economy (LAANE)

RE: Council File: 14-1635-S2 ✓

**Via E-mail and USPS**

As Council draws closer to crafting an ordinance governing the short-term rental industry in Los Angeles, there is broad agreement on the basic framework of that ordinance—limit the industry to primary residences, so as to promote home sharing while preventing commercial operations. The most basic question about how to enforce such a framework is where to place the responsibility—on the host, or on the platform.

To understand what will likely work to ensure illegal hosts to not continue to proliferate, LAANE has gathered data on the compliance of hosts with existing regulations serves to highlight. If most hosts were complying, this would suggest an ordinance focused on hosts would be effective. If most were not complying, it would suggest the need to place responsibility on platforms.




As of July 2015, there were 17,361 short-term rental listings available through at least 19 different platforms. Using data provided by the City of Los Angeles Office of Finance, we have conducted an analysis of all addresses for which *any* TOT was paid over the last three years. We found that 96.2 percent of all short-term rental listings in Los Angeles have not remitted TOT at any time over the past three years.

Even fewer short-term rental sites have registered as an active business with the Office of Finance. Our analysis shows there are just 120 short-term rental operators who have registered as an active business (all those registered as businesses are also paying TOT). These listings represent less than one percent of all short-term rental listings in the City of Los Angeles. These data are summarized in Figure 1.

Some may argue that these numbers will change once an ordinance is put in place. However, a review of other cities suggests that compliance by hosts without platform responsibility is likely to be low. Both Portland and San Francisco have registration requirements in place for STR operators. However, just six percent of hosts have complied in Portland, and only eight percent in San Francisco.

Enforcing registration requirements on 17,361 unknown individuals scattered throughout the city is, to say the least, a challenge, especially when the number of listings grew by 65 percent between May 2014 and September 2015. Enforcing a registration requirement on 19 public platforms, four of which contain 92 percent of all listings, is likely more achievable. To do so, the City could bar platforms from advertising unregistered listings holding both STR operators and platforms accountable to following the law. This would also help ensure proper payment of transient occupancy taxes.

11/10/2015

Andrew Stubinski
10676 Wilkins Ave. #302
Los Angeles, CA 90024

File #14-1635-S2
Los Angeles City Council

**Members and Staff of the City Council of Los Angeles:**

My name is Andrew Stubinski and I have been a resident of the Westwood area since 2007. I am concerned about the restrictions proposed to be placed on home sharing by the WRAC Motion, in particular the cap of thirty nights per year.

I am an advocate of home sharing, I find it to be a very positive experience not only for myself, but for my neighbors as well. I have been a host in the past. I was out of work for a time last year, and home sharing went very far in terms of helping me make ends meet, but that's just my personal story.

I also found it to be very beneficial to the Westwood community. Very frequently, when I had guests staying with me, I would be asked to make recommendations for local businesses (grocery stores, restaurants, dry cleaning, all sorts.) I was able to drive customers into our local businesses with my recommendations

There are many people who rely on the income received from sharing their homes, Their lives are dependent on their ability to be entrepreneurial in the current fiscal climate, and home sharing provides a safe, reliable source of income for them. No doubt, there are even a number of hosts who could not afford to keep their homes if not for home sharing.

I, like most advocates of home sharing support fair and equitable regulation, but a thirty day cap and the lack of protection for our hosts' privacy under the current proposals is debilitating. You may as well seek to ban it outright rather than ask us to accept these limitations.

Please take my opinion and experiences into serious consideration when deliberating the upcoming vote in city council. Myself and all of my fellow hosts in the Westwood area will be very interested in the outcome. Thank you for your time.

Sincerely,

Andrew Stubinski

Etta Armstrong <etta.armstrong@lacity.org>

# The Rise of Airbnb's Full-Time Landlords

2 messages

**jrgposte@aol.com** <jrgposte@aol.com> Tue, Nov 10, 2015 at 9:08 AM

The Rise of Airbnb's Full-Time Landlords
By Prashant Gopal, Heather Perlberg
Bloomberg

More on "investor hosts"... When individuals like Mr. Shatford publicly dismiss city ordinances and people question whether a property is "Airbnb-able," the challenges become clear.
http://www.bloomberg.com/news/articles/2015-11-10/how-airbnb-makes-property-investors-rich-despite-the-neighbors

**Sharon Dickinson** <sharon.dickinson@lacity.org> Tue, Nov 10, 2015 at 12:35 PM
To: Etta Armstrong <etta.armstrong@lacity.org>

--
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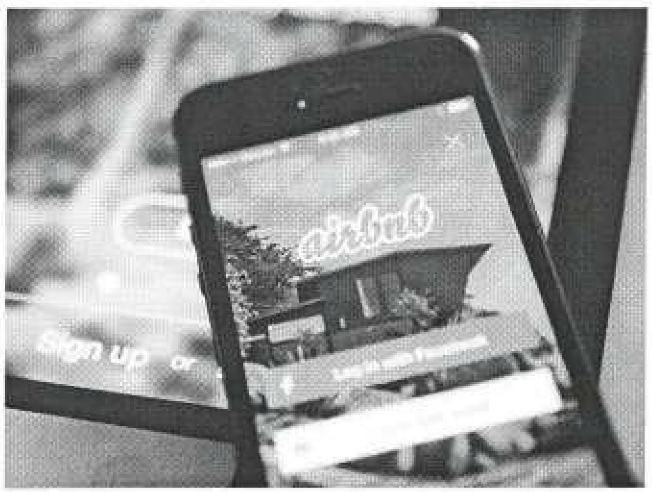
# The Rise of Airbnb's Full-Time Landlords

Prashant Gopal Heather Perlberg
mrgopal HeatherPerlberg
November 10, 2015 — 2:00 AM PST




Photographer: Andrew Harrer/Bloomberg

- Urban short-stay industry attracts full-time hosts, startups
- Investors face pushback from city governments and hotel group

Ryan Scott says traditional landlords are missing out. The real money is in Airbnb Inc.

Scott, 33, figures he brings in half a million dollars a year in revenue from 14 San Diego homes he leases by the night using the short-term rental site. That's a 20 percent profit margin and almost twice the revenue he could get from year-round tenants, he said. Scott owns eight of the houses and manages six others for landlords, and he's able to do it and still keep his day job.

"When I got started a few years ago, it was very easy -- there wasn't a lot of professional competition on Airbnb," Scott said. "Now I think it's going to get much more crowded with professional managers, for better or worse. There's a huge opportunity for bigger companies."

Listings by investor hosts such as Scott, powered by sites like Airbnb, Vacasa and HomeAway Inc., are surging in urban hot spots around the U.S. The rise of full-time hosts is spawning a crop of startups offering support services from housecleaning to key exchange. While the unlicensed lodgings are giving a lift to local restaurants, shops and bars, they're drawing scrutiny from city governments and driving some neighbors crazy.

Airbnb gives investors a chance to scale like never before, said Jake Wegmann, a University of Texas professor who analyzed data scraped from the company's website for San Francisco, Boston, Chicago, Washington and Austin. Listings by hosts with more than one Airbnb property in those cities made up about 40 percent of the inventory last year, unchanged from 2013. Total listings more than doubled in the same period, he said.

Chris Lehane, Airbnb's head of global policy, declined to provide data on the share of listings by hosts with more than one property on the website. He said he questioned the use of scraped data, noting that it could include boutique hotels or neighbors listing their properties for each other. About 75 percent of hosts nationally are families sharing their primary residence, he said.

"Airbnb is a middle-class, people-to-people platform -- for the people, by the people, of the people," Lehane said.

## Home-Sharing Ordinance

Scott Shatford, 35, said he's not concerned about a Santa Monica, California, home-sharing ordinance that took effect in June. It prohibits stays of less than 30 days in homes where the host isn't living, with fines of as much as $500 per day. He said enforcing the ban will be difficult for the city because Airbnb listings don't include addresses.

Shatford said he makes "six figures" annually from his five properties, each one renting for an average of $250 a night — about $150 cheaper than nearby hotels. And he offers something hotels don't: surfboards.

Shatford started Airdna.co, a data analytics firm, to find the most lucrative properties and locations for short stays. He said a low-risk approach to investing in the industry is to build a portfolio by signing yearlong leases instead of buying the properties. The worst that can happen is a landlord who isn't told about the operation can terminate a lease and keep the security deposit. That happened to him in March.

"As soon as I signed the documents saying that I'd be leaving, the landlord asked me how much I would charge to consult for him to list other units on Airbnb," Shatford said.

Troy Flanagan of the American Hotel & Lodging Association says investors have an advantage over hotels because they often don't pay taxes and don't have to comply with safety or zoning regulations.

"The current laws are being flouted," said Flanagan, the group's vice president of state and local government affairs. "The entire industry is operating under loopholes."

Lehane of Airbnb said the company is "happy to have a level playing field and pay our fair share of hotel taxes. We believe we present an incredible value proposition
both for hosts and for guests."

## Hostile Cities

Investors frequently operate in cities that are hostile to their business model. New York Attorney General Eric Schneiderman concluded in a 2014 report that as much as 72 percent of Airbnb reservations in the past several years violated state law. Airbnb, last valued at $25.5 billion, spent $8.4 million to successfully defeat a Nov. 3 San Francisco ballot measure that would have limited short-term rentals to 75 days a year from the current 90 days.

In San Francisco, about 77 percent of entire units are rented for less than 90 nights a year, according to data from Airbnb.

Martin home in Austin Source: Jason Martin

Jason Martin has four homes in Austin, where the city council is considering the suspension of new short-term rental licenses and unhappy neighbors have made it harder for him to do business.

Code officers knocking on the doors in response to neighbors' complaints about loud partying often interrupt guests who were just sleeping or showering, he said.

"Austin is completely under fire," Martin said. "A minority of neighbors are pushing their agenda to get the rentals out."

## Angry Neighbors

Tracy Smith lives two houses down from one of Martin's rentals, a short walk to the popular Rainey Street restaurants and bars. She says she'd rather see kids in the backyard of Martin's property than guys playing beer pong, she said.

"People are making a killing," Smith said. "Homes are taken up for families who'd want to live here."

Angry neighbors haven't slowed the expanding universe of the more than dozen startups that have emerged to serve the alternative travel industry, said Jeremiah Owyang, an industry analyst at Crowd Cos., a Redwood City, California-based research firm.

Companies include Beyond Pricing, which offers software so that owners can vary rates based on supply and demand; Guestprep.com, a turndown service for hosts that replaces towels and sheets and reports back on the state of the property; Airspruce, which links hosts with professional travel writers to pen listing descriptions; and Keycafe, which allows guests to pick up keys from neighborhood cafes.

"There's a real industry here," Owyang said. "It's not just a fad."

Guesty, a Tel Aviv-based startup, provides concierge services, promising to respond to guest inquiries within an hour, said Nathan Tobin, the company's head of growth and marketing. The company now manages about 3,000 listings, primarily for professional hosts.

"There's a huge spike in people asking us whether or not a property is 'Airbnb-able,'" Tobin said. "Suddenly it's on the checklist of whether to buy a property."



## Read this next

- New York Hotels Go on Offensive Against Airbnb Rentals
- Airbnb Unleashes a Clinton-Era Operative to Take On Hometown Foes
- Tax Collectors Are Going After Netflix, Airbnb, and Burning Man

- Airbnb Inc

• Airbnb Inc

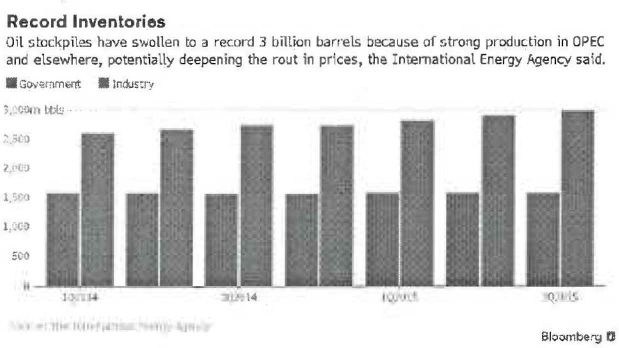
▶ `Massive cushion' gives protection against geopolitical shocks

▶ Non-OPEC supply to decline next year by most since 1992

Oil stockpiles have swollen to a record of almost 3 billion barrels because of strong production in OPEC and elsewhere, potentially deepening the rout in prices, according to the International Energy Agency.

This "massive cushion has inflated" on record supplies from Iraq, Russia and Saudi Arabia, even as world fuel demand grows at the fastest pace in five years, the agency said. Still, the IEA predicts that supplies outside the Organization of Petroleum Exporting Countries will decline next year by the most since 1992 as low crude prices take their toll on the U.S. shale oil industry.

"Brimming crude oil stocks" offer "an unprecedented buffer against geopolitical shocks or unexpected supply disruptions," the Paris-based agency said in its monthly market report. With supplies of winter fuels also plentiful, "oil-market bears may choose not to hibernate."




Crude has dropped about 40 percent in the past year as OPEC defends its market share against rivals such as the U.S. shale industry, which is faltering only gradually despite the price collapse. Oil inventories are growing because supply growth still outpaces demand, the 12-member exporters group said in its monthly report Thursday.

Total oil inventories in developed nations increased by 13.8 million barrels to about 3 billion in September, a month when they typically decline, according to the agency. The pace of gains slowed to 1.6 million barrels a day in the third quarter, from 2.3 million a day in the second, although growth remained "significantly above the historical average." There are signs the some fuel-storage depots in the eastern hemisphere have been filled to capacity, it said.

## Heating Fuel

"The stock buffer is bearish and will probably set a lid on how much higher prices can go in 2016," Torbjoern Kjus, an analyst at DNB ASA in Oslo, said by phone. "There's a sizeable risk that we could run totally full," in terms of storage capacity, he said.

Stockpiles of diesel, used as heating fuel in Europe in the U.S. northeast, were at a five-year high of about 600 million barrels at the end of August. "This could protect the market from a supply crunch should there be a lengthy spell of cold temperatures," the IEA said.

Production outside OPEC will fall by 600,000 barrels a day next year, with an equal-sized decline in U.S. shale oil, the IEA said. That contrasts with an expansion of 2.4 million a day in 2014 in total non-OPEC output. The IEA's 2016 forecast for non-OPEC supply, at 57.7 million barrels a day, is 100,000 barrels lower than in last month's report.

## Demand Growth

Overall, the report shows a stronger outlook for oil markets next year because of the cut to non-OPEC supply and increase in the demand forecast, according to DNB, RBC Capital Markets and Sanford C. Bernstein & Co.

"While 2015 remains oversupplied, the picture for 2016 and beyond is becoming very favorable," analysts at Bernstein including Oswald Clint said in a report.

Faltering non-OPEC supply next year means that the amount of crude needed from OPEC is moving closer to the group's actual output. About 31.3 million barrels a day will be required from the organization in 2016, 460,000 less than it pumped in October.

## Global Demand

Supply from OPEC was little changed last month at 31.76 million barrels a day as declines in Iraq and Kuwait countered gains in Libya, Saudi Arabia and Nigeria, according to the report. Near-record output from the group's Gulf members means the organization's spare capacity is "stretched thin," the IEA said. OPEC ministers will meet on Dec. 4 in Vienna to review their current policy.

Global oil demand will climb by 1.8 million barrels a day this year to 94.6 million amid the strongest growth in India's consumption in more than a decade, according to the agency. Demand growth will ease next year to 1.2 million barrels a day as the stimulus from cheap fuel fades and China's economy remains "problematic."

# Read this next

- Iran Return to Intensify Europe Oil-Price Competition, IEA Says
- Charting the Markets: Global Stocks Continue to Fall

• Oil • Stocks • Crude Oil

From: **attix _** <attix@hotmail.com>
Date: Thu, Nov 12, 2015 at 3:19 PM
Subject: council file number, #14-1635-S2
To: "paul.koretz@lacity.org" <paul.koretz@lacity.org>
Cc: "sharon.dickinson@lacity.org" <sharon.dickinson@lacity.org>

Please find this letter attached as an open office file as well.

Dear Paul Koretz,

As a home owner in the Los Angeles District 5, I was very fortunate to discover Airbnb a few years ago and was able to generate enough income to keep my home. After the financial meltdown of 2008 I had lost some other business I had and almost my home as well. I'm a full time musician now and work can be very up and down in the city so not only has Airbnb allowed me to keep my home but to pursue my passion which is so difficult these days. It really has support the arts as well.

Since I live on the premises I am here to make sure that the guests are well behaved and they most always are. They come to stay with me from all parts of the globe and are very excited to be able to stay in this area which would not be affordable to them otherwise. Hotel averages around here is $250 per night which in not affordable for most people. Also the shops off Melrose really enjoy the extra business that it brings. There are coffee shops and sandwich shops that benefit from the business I send their way.

I can definitely say that if I were to lose my home, a developer would step in and and build a McMansion or apt. building with sky high rents that only the wealthy would be able to afford. I passionately encourage they city to make room for home sharing and which can actually keep the character of the neighborhoods as well as keep middle income people from losing their homes . There are desperate home owners like me who cannot go backwards now.

Sincerely
Chris C

Dear Paul Koretz,

As a home owner in the Los Angeles District 5, I was very fortunate to discover Airbnb a few years ago and was able to generate enough income to keep my home. After the financial meltdown of 2008 I had lost some other business I had and almost my home as well. I'm a full time musician now and work can be very up and down in the city so not only has Airbnb allowed me to keep my home but to pursue my passion which is so difficult these days. It really has support the arts as well.

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Sincerely

Chris C

LA GEECS

Etta Armstrong <etta.armstrong@lacity.org>

# KPCC article: Airbnb has spent more than $200,000 on lobbying efforts in LA

2 messages

**jrgposte@aol.com** <jrgposte@aol.com> Sun, Nov 8, 2015 at 12:28 PM

http://www.scpr.org/news/2015/11/06/55492/airbnb-has-spent-more-than-200-000-on-lobbying-in/

**Airbnb has spent more than $200,000 on lobbying efforts in LA**

Here in Los Angeles Airbnb has also spent money to influence local government. As local lawmakers are thinking about regulating the industry, **Airbnb has spent about $226,000 since 2012 on lobbying, according to official documents from the L.A. City Ethics Commission.**

The company makes about **$35.5 million** a year in L.A. according to their own estimates from 2014. But Levinson said the amount of money the company spends doesn't necessarily translate to influence.

**"A group's level of influence over elected officials depends on a number of factors. Not just the amount of money they spend on a lobbyist, but also the knowledge and expertise of the lobbyist and the connections that lobbyist has, and popularity and propriety of the issue being lobbied," she said.**

http://www.scpr.org/news/2015/11/06/55492/airbnb-has-spent-more-than-200-000-on-lobbying-in/

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**Sharon Dickinson** <sharon.dickinson@lacity.org> Mon, Nov 9, 2015 at 7:37 AM
To: Etta Armstrong <etta.armstrong@lacity.org>

--
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Store.
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LEGACY L A

October 22, 2015

Honorable Councilmember Jose Huizar
Chair, Planning Land Use Management Committee

Members Planning Land Use Management Committee
via email

RE: Clean Up Green Up Ordinance (CF# 11-0112 and CF#15-1026)

Dear Members of Planning Land Use Management Committee,

On behalf of Legacy LA, I respectfully submit this letter in support of the Clean Up Green Up Initiative Ordinance, which we understand will be heard by the Planning Land Use Management Committee in October. The youth leaders living in Ramona Gardens worked to support this land use change efforts because it directly impacts their health and quality of life.

We strongly support the proposed new development standards for the three pilot Green Zones of Boyle Heights, Pacoima/Sun Valley and Wilmington because they provide much needed local regulatory tools to address issues arising from the proximity of incompatible land uses – largely industrial uses close to homes, schools, parks and other places where vulnerable populations gather. The standards also deal with the cumulative adverse impacts that result from concentrations of certain uses close to such sensitive uses.

In addition, we support the Los Angeles Collaborative for Environmental Justice (Communities for a Better Environment, Coalition for a Safe Environment, Pacoima Beautiful & Union de Vecinos) in their effort to monitor the ordinance as it moves forward for passage by the full city council to ensure the ordinance contains the strongest local regulatory and land use tools possible, especially regarding the proposed conditional use permit for oil refineries and asphalt manufacturers.

We eagerly anticipate the passage of the Clean Up Green Up policies and we look forward to the success of the three pilot zones, which will lead the way to economic innovations and a healthier, safer and greener Los Angeles.

Sincerely,

MLCalanche

Maria Lou Calanche, Executive Director

Cc:
Councilmember Marqueece Harris-Dawson
Councilmember Gil Cedillo
Councilmember Mitchell Englander
Councilmember Felipe Fuentes

City Clerk

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