



June 13, 2017

Date: 6/13/17
Submitted in PLUM Committee
Council File No: 14-1635-S2
Item No. 7 & 6
Deputy: CD 4

Councilmember Jose Huizar
Chair, Planning and Land Use Management Committee
200 North Spring Street
Los Angeles, California 90012

RE: CF 14-1635-S2 Short-Term Rentals Ordinance

Councilmember Huizar,

Thank you for considering the revised draft ordinance approved by the City Planning Commission and the Department of City Planning's recommendations for regulating short-term rentals. I am supportive of an ordinance that provides reasonable and thoughtful regulations for the home-sharing and short-term rentals industry.

As written, I have some concerns with the current draft, and ask that you and your committee review the following:

Separately Regulate Hosted Rentals vs. Un-Hosted Rentals

There is a large difference between whole home rentals and home sharing. As noted on Page 12 of the Planning Department report, home-sharing where the host is on site is typically not an issue in terms of neighborhood nuisances or the loss of rental units on the market. This has been true in my district where whole home rentals make up almost all of the complaints I receive. I disagree with the Department's assertion that it is "virtually impossible" to differentiate the two types of listings and treating all types of rentals the same will solve none of the problems in my district. Further, the CPC's decision to further increase the number of days to 180 means that whole home rentals can be every weekend of the year or every day throughout the entire travel season, a large burden on neighbors and neighborhoods. I ask that the Committee split hosted home-sharing from un-hosted home rentals, limiting un-hosted whole home rentals to below 60 days (any more makes the property akin to a vacation rental), and allowing hosted rentals the ability to home-share year round. This would eliminate a majority of the problems in my district and reduce the regulatory burden on both the City and our many residents.

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Retain Primary Residence and Rent Stabilized Unit Requirements

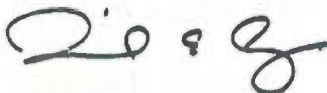
The requirements to ensure only primary residences are allowed to be used for short-term rentals and banning short-term rentals in RSO units is an important component of this ordinance. These requirements ensure that most available rental housing is used for long term tenants, a key facet if the City intends to make headway on its housing affordability crisis. This should include vacation rentals, which were not intended to be taken up by this ordinance and inclusion of which would hamper enforcement. I ask the PLUM Committee to continue keeping vacation rentals out of this ordinance and remaining with the original intent of short term rentals being allowed only in one's primary residence.

Maintain 10% Funding Levels for Proactive Enforcement

I am pleased to see that the Planning Department report advocates using some of the revenue gained from STRs for proactive enforcement, as I requested in my letter to the Department on May 20, 2016 and to the CPC on June 23, 2016. I am also pleased that the CPC concurred and raised the percentage of tax revenue allocated to enforcement from 5% to 10%. We should maintain enforcement funding at no lower than this level. We cannot approve yet another law with rules and restrictions that we do not adequately fund enforcement for.

Thank you again for your work to address this critical issue in the most thorough and effective manner. I look forward to reviewing your recommendations.

Sincerely,



David E. Ryu
Councilmember

CC: Members of the Planning and Land Use Management Committee