



December 7, 2016

Councilmember Gil Cedillo
Chair, Housing Committee
200 North Spring Street
Los Angeles, California 90012

Date: 12-7-16
Submitted in Housing Committee
Council File No: 14-1635-S2
Item No.: 8
Deputy: CD 4

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

Councilmember Cedillo,

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 commission review the following:

Separate Home Sharing vs. Whole Home 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 is absolutely 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 to instead increase the days allowed for rentals to 120 days across the board 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. I ask that the Committee split home-sharing from whole home rentals, limiting whole home rentals to below 60 days (any more makes the property akin to a vacation rental), and allowing hosts 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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Vacation Rentals

In the CPC's revisions to the draft Ordinance, the CPC recommended adding a provision to allow vacation rentals of a second non-primary residence for up to 15 nights per year. I believe the question of vacation rentals is not one intended to be taken up by this ordinance and that inclusion of this provision will dramatically hamper enforcement. I ask the Housing Committee to remove this provision and return to the original intent of short term rentals being allowed only in one's primary residence.

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 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 Housing Committee