

June 5, 2017

Councilmember Huizar,

As hotel owners and operators in Council District 14, we look forward to your leadership and direction in taking the next steps to enact responsible and equitable legislation to regulate the short-term rental industry in Los Angeles, eliminating the illegal activity and the curtailing the conversion of invaluable housing stock into ghost hotel rooms.

As you are aware, the hotel industry is supportive of home sharing and the proposed ordinance that includes a 90 day maximum yearly rental cap, which allows the residents of Los Angeles to rent their homes for 45 weekends a year. This cap, which has become the norm for major metropolitan areas, eliminates the incentive for commercial operators to convert valuable housing stock from the long term rental market. Additionally, a 90 day cap ensures that revenues generated by the sharing economy will remain in Los Angeles and benefit homeowners and renters right here in the City, rather than real estate speculators and outside investors.

The proposed ordinance currently allows 180 days of short-term rental activity, which would render the ordinance ineffective at stopping illegal ghost hotels rooms and create a financial incentive for those operating ghost hotels, at the expense of those truly involved in home sharing. The City can then also catch those who violate the law quicker in order to return units back to the long-term market.

We are deeply committed to the economic vitality of Downtown Los Angeles and we strongly support the City's efforts to revitalize the Los Angeles Convention Center, including the development of additional hotels in the downtown area. Without a strong home sharing ordinance, hotel developers and investors will move to other (less risky) destinations, which would stall the significant progress we've made in Council District 14 in relation to the very lucrative conference market.

We support an ordinance with a primary residence requirement, coupled with a 90 day cap, in order to eliminate ghost hotel units once and for all. We believe these terms, along with the other provisions in the draft ordinance, will result in the protection of housing, jobs, business, and neighborhoods for all Angelenos.

Sincerely,

Ace Hotel
Doubletree by Hilton Los Angeles Downtown
JW Marriott Los Angeles LA LIVE
Luxe City Center Hotel
Milner Hotel
Omni Los Angeles Hotel
Ritz-Carlton Los Angeles at LA Live
The Westin Bonaventure Hotel & Suites

Courtyard Los Angeles LA Live
Hilton Checkers Los Angeles
Kawada Hotel
Millennium Biltmore Hotel Los Angeles
Miyako Hotel Los Angeles
Residence Inn Los Angeles LA Live
Sheraton Los Angeles Downtown