

From: **Paul black** <paulblack626@hotmail.com>

Date: Tue, Oct 24, 2017 at 12:02 AM

Subject: SUBJECT: HOUSING COMMITTEE HEARING LETTER IN SUPPORT OF HOME SHARING. CF#14-1635-S2

To: "councilmember.krekorian@lacity.org" <councilmember.krekorian@lacity.org>, "councilmember.blumenfield@lacity.org" <councilmember.blumenfield@lacity.org>, "david.ryu@lacity.org" <david.ryu@lacity.org>, "paul.koretz@lacity.org" <paul.koretz@lacity.org>, "councilmember.martinez@lacity.org" <councilmember.martinez@lacity.org>, "councilmember.fuentes@lacity.org" <councilmember.fuentes@lacity.org>, "councilmember.harris-dawson@lacity.org" <councilmember.harris-dawson@lacity.org>, "councilmember.price@lacity.org" <councilmember.price@lacity.org>, "councilmember.wesson@lacity.org" <councilmember.wesson@lacity.org>, "councilmember.bonin@lacity.org" <councilmember.bonin@lacity.org>, "councilmember.englander@lacity.org" <councilmember.englander@lacity.org>, "councilmember.ofarrell@lacity.org" <councilmember.ofarrell@lacity.org>, "councilmember.huizar@lacity.org" <councilmember.huizar@lacity.org>, "councildistrict15@lacity.org" <councildistrict15@lacity.org>, "councilmember.cedillo@lacity.org" <councilmember.cedillo@lacity.org>
Cc: "etta.armstrong@lacity.org" <etta.armstrong@lacity.org>, "Sharon.dickinson@lacity.org" <Sharon.dickinson@lacity.org>

To whom it may concern:

I am a home sharing host. I welcome strangers into my home from all over the world. I live in West Hollywood. I am opposed to the portions of proposed ordinance that limit what people can do within their own primary residence. I am particularly concerned about the limiting of the number of days people can home share and how many listings within their home they can have active at one time. Also of concern are the clauses that would prohibit hosts from other work related activities and the limitations on rent controlled units within primary living spaces. I also oppose the prohibitions against home sharing in residences that have been converted to single family dwellings and that such restrictions should not apply unless a tenant was removed by the current owner via an Ellis Act eviction.

I am also opposed to the criminalization of home sharing as proposed in the ordinance. Making home sharing a misdemeanor offense is an outrageous misappropriation of the court system and a violation of basic human rights.

I depend on home sharing to pay my mortgage during the times between jobs, and to make improvements to my home that I otherwise wouldn't be able to afford. Working in the film industry has given me so many opportunities, but one drawback is the lack of prolonged stable work. I have used homesharing to make money for improvements to my home and then as a means to support myself. Additionally Having someone in my home when I went on location this past May saved my home from what would have been a catastrophic leak in the unit above me.

If this ordinance were enacted it would mean that I may not be able to afford to live in the neighborhood that I have lived in for the last ten years. It would greatly reduce the disposable income that I am then able to spend with my community, hiring people to work on my condo or buying things for my home.

Homesharing enriches the lives of not just the individual who's primary residence is being rented but also a whole cast of people. For me that includes my local co-host who I give 20% of my booking fees to, the cleaning person who I pay \$100 sometimes twice a week. The handy man who comes to fix problems, and in general the entire community that instead of losing my dollars as I go out of town for work, end up gaining high spending vacationers, eating at the local restaurants and shopping at local stores. By taking guests out of the big hotels where they are squeezed for as much money as possible, from the overpriced minibar, the \$30 a night parking, and the hermitting effect that hotels try to accomplish, thereby keeping all spending on site, homesharing allows a distribution of that money throughout the community. Furthermore it brings the ability to visit otherwise unattainable locales to guests who never would have come if homesharing weren't an option.

Home sharing keeps people in their homes, provides jobs and stimulates the rest of the economy. We all benefit from this enterprise and it should be supported. As a union member of Local 705, Motion Picture Costumers I believe that homesharing is choice and right of the home owner and that whatever abuses that have occurred can be curtailed other ways than restricting the use of my own home as I so choose. As a strong democrat i cannot believe that anyone would be attempting to rob me of my ability to make money in these difficult times when it feels the ability to gain wealth and get ahead in life is being taken from every angle. This is clearly a money grab by the wealthy hotel industry taking it right out of the hands of struggling Angelenos who use this platform to scratch their way up. I sincerely hope you do not allow this corporate pandering ordinance to pass.

Paul Black
West Hollywood

CF 14-1635-S2: Home-sharing ordinance -new concern over the 180 day cap proposal

Sylvie Shain

Oct 24, 2017 1:25 AM

Posted in group: **Clerk-PLUM-Committee**

Please submit the following email to the council file including the attachment.

Thank you,
Sylvie Shain

----- Forwarded message -----

From: **Sylvie Shain** <sylvie@sylvieshain.com>

Date: Mon, Oct 23, 2017 at 5:05 PM

Subject: Home-sharing ordinance -new concern over the 180 day cap proposal

To: Clare Eberle <clare.eberle@lacity.org>, shawn.kuk@lacity.org, Kevin Ocubillo <Kevin.Ocubillo@lacity.org>

Cc: Matthew Glesne <matthew.glesne@lacity.org>

Hi Clare/ Shawn/ Kevin,

I've recently learned that Airbnb is now partnering with developers to build "shareable" units and wanted to make sure that Chair of PLUM, Councilmember Huizar, was aware of this prior to tomorrow's hearing. Please read this article, dated Oct 13:

<http://fortune.com/2017/10/13/airbnb-florida-niido-apartments/>

The concern is that the current proposed cap of 180 days for short-term rentals does nothing to stop new apartment construction from catering to the short-term rental industry, instead of the housing market since it is a far more profitable model.

I recognize that the aim to only allow this type of use in primary residences aims to reduce abuse, but the 180-day cap makes it economically viable for people to sign leases in order to rent out their apartments...almost like a sort of time-share situation and Airbnb's foray into development validates this concern. We stand to lose even more RSO buildings to this type of new development unless that cap is reduced to de incentive the construction of housing for this type of rental use

The average Airbnb rental rate which in 2015 was around \$150/night. This means that someone could generate close to \$27,000 a year renting to occupants for less than 30 days. With the added demand for "extended stays"(1-3 months)...this still means that this is housing that will not be available to long-term residents.

With respect to the economic benefits of the sharing economy, a lot of these short-term rentals are just displacing existing hotel stays away from traditional hotels. While I understand the desire to want to cater to new consumption habits, it is extremely important to recognize that this is not necessarily to the benefit of the city's coffers which would get more TOT from traditional hotels, since studies have shown that many of these stays would be at higher rates in a hotel counterpart...driving an industry that provides fairer labor standards, ADA compliance, and non-discrimination policies.

Additionally, the downsides of losing of desperately needed housing, costs the city coffers far more in terms of emergency response to an ever-increasing homeless population.

Please, let's get ahead of the negative impacts of short-term rentals with sound, carefully crafted policy that not only responds to current impacts but with consideration of future ones by limiting the cap to 90 days.

Thank you,

Sylvie Shain
Housing Rights Advocate

FORTUNE

Airbnb Apartment Complex In Florida Is Designed For Homesharing. But That Means Sharing Profits, Too.

Your new home, "powered by Airbnb."

By **David Meyer** October 13, 2017

Airbnb may be best known for turning existing homes into occasional hotels, but now it's going a step further with a partnership around new, branded apartments.

The partner is the Miami-based Newgard Development Group, with which Airbnb will be working on a 324-unit apartment complex in Kissimmee, Florida. It will bear the name, "Niido Powered by Airbnb."

While Airbnb rentals often provide an annoyance for neighbors, the tenants in this building should have no reason to complain — their annual leases explicitly allow them to "homeshare" their apartments in whole or part for up to 180 days a year.

Each property will have a so-called "MasterHost" who, when asked through a special Airbnb-linked app, will help with things like check-in and cleaning. Rooms will have keyless doors and secure storage, to meet the needs of guests.

However, in exchange for this permissive and even helpful attitude toward short-term rentals, tenants participating in the scheme will share the proceeds with their landlord.

"The Niido model will provide additional income to landlords and tenants while enhancing the experience for Airbnb guests," said Newgard chief executive Harvey Hernandez. "This venture represents the first co-branded, all-inclusive partnership with Airbnb."

Hernandez [told the *Financial Times*](#) that the plan was to build 2,000 units over the next couple years.

While inching Airbnb closer towards being a hotel company of sorts, the move may also be intended to carry a subtle policy message. In Florida, as elsewhere, local politicians and regulators have [cracked down](#) on Airbnb and platforms like it, because of the nuisance for neighbors and the effect on housing availability.

A development such as "Niido Powered by Airbnb" not only provides new, purpose-built residences, but it also implies that anyone living there should know what to expect.

Council File 14-1635-S2

TomLu...@sbcglobal.net

Oct 24, 2017 4:03 AM

Posted in group: **Clerk-PLUM-Committee**

Dear Councilmembers,

I am an 82-year-old widow with physical handicaps and have lived in the same home for 51 years. For about the last ten years, a house next-door has been a short-term rental. The owner does not live there. I never know who is on that property, and I am terrified that a short-term occupant will break into my home again.

I am writing to oppose strongly the City Planning Commission recommendation to allow short-term rentals of up to 180 days/year/property.

Short term rentals where residents are not present destabilize neighborhood security, with strangers coming and going at all hours. True homesharing has been overtaken by those who run short-term rental businesses, turning homes into hotels throughout Los Angeles, aided by online platforms such as Airbnb and VRBO. These platforms are heavily lobbying City Hall and have only to gain should the City pass an ordinance legalizing short-term rentals operated by absentee landlords over long periods of time (such as the proposed 180 days).

If short-term rentals are to be allowed, city support should be given for as short a period of time as possible. Legally responsible people must be present at all times!!!!!! Otherwise, the City Council is responsible for whatever happens, even accidents that result in death (not too far-fetched, considering that many of the renters are young, impaired, use the swimming pool . . . and the street is narrow, steep, and winding).

Thank you,
Donna Hurst
Woodland Hills (Blumenfield's District)

Short Term Rental Ordinance

Elizabeth Anne Bagasao

Oct 24, 2017 8:08 AM

Posted in group: **Clerk-PLUM-Committee**

Dear Mayor and City Council:

It's been over two years since I first wrote you about the plight of my mother and the unchecked abuse of Airbnb and their guests in her community of Angeleno Heights.

I've appeared before members of this body and a commission twice. I've shed tears in front of a chamber full of strangers. I've done interviews and video testimonials on our experience and the failure of the City officials to act.

My mother died in her bed after several months in hospice while Airbnb guests partied feet from her window. This was a year after the first time I begged you to do something about the illegally operated resort hotel in her historic neighborhood. I came to you again right after her death to ask you take action in favor of residents, like my mother, who are being terrorized night after night by the guests in illegally operated single resident full time vacation rentals in our neighborhoods. And the best you could do, is come back with a proposal for 180 days of allowable bookable nights. That is six months out of every year.

To be honest, I've all but given up any hope that you will do the right thing. So let me try putting it to you like this...I ask you, Mayor Garcetti and the members of this council, if your it was your mother who had to endure those conditions for six months out of every year, what would you do for her? I would hope you would be fighting for her rights just as fervently I fought for my mothers. Since you refused to act on my mother's behalf, would you act on behalf of yours?

If you don't pass a better ordinance, it could be your parent, or aunt or even you that is subjected to the intolerable conditions which my mother faced during the last years of her life.

For the last time, I beseech you City of Los Angeles, please join the other great cities of the world and pass an ordinance that puts our neighborhoods and our neighbors first.

Sincerely,

Council File 14-1635-S2

Emily Russell

Oct 24, 2017 11:06 AM

Posted in group: **Clerk-PLUM-Committee**

Dear Councilmembers,

I agree with the canned statement included in this email. I would like to supplement that with the fact that as of this date a random friend from college emailed me to say that he was staying at the property in question. This building is being used as an airBnB and their illegal behavior should be penalized, not rewarded. I have lived in Venice for 3 years. In that time I have seen prices double. You cannot find a studio for less than 2500. There is nothing on the market. The reason I'm looking is because my landlords have been harassing me and reducing services because they want to do the exact same thing that the people proposing changing this buildings zoning are doing.

Emily Russell

I am writing to oppose the City Planning Commission recommendation to allow short term rentals of up to 180 days/year/property. I am concerned that too many permanent housing units are being and will be converted into short-term rentals which take full houses and apartments off an already tight rental housing market. Short term rentals where residents are not present also tend to destabilize neighborhood security with strangers coming and going at all hours. True homesharing has been overtaken by those who run short-term rental businesses turning homes and apartments into hotels throughout Los Angeles aided by online platforms such as Airbnb, VRBO. These platforms are heavily lobbying City Hall and have only to gain should the City pass a liberal ordinance legalizing short-term rentals operated by absentee landlords over long periods of time (such as the proposed 180 days). If short-term rentals are to be allowed, support should be given for as short a period of time possible: 30 days/year. Thank you, (name) (city or district)

--

Emily R. Russell
413-695-4884
EmilyRussellActress.com

Sent from Gmail Mobile

Council File 14-1635-S2

Jay Patterson

Oct 24, 2017 11:30 AM

Posted in group: **Clerk-PLUM-Committee**

Dear Councilmembers,

I am writing to oppose the City Planning Commission recommendation to allow short term rentals of up to 180 days/year/property. I am concerned that too many permanent housing units are being and will be converted into short-term rentals which take full houses and apartments off an already tight rental housing market.

Short term rentals where residents are not present also tend to destabilize neighborhood security with strangers coming and going at all hours. True homesharing has been overtaken by those who run short-term rental businesses turning homes and apartments into hotels throughout Los Angeles aided by online platforms such as Airbnb, VRBO. These platforms are heavily lobbying City Hall and have only to gain should the City pass a liberal ordinance legalizing short-term rentals operated by absentee landlords over long periods of time (such as the proposed 180 days).

If short-term rentals are to be allowed, support should be given for as short a period of time possible: 30 days/year.

Thank you,
Jay Patterson
Venice, CA

Jay Patterson



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Home Sharing Ordinance

Celina Fuentes

Oct 24, 2017 2:29 PM

Posted in group: **Clerk-PLUM-Committee**

To whom it may concern:

Having heard the report from Matthew Glesne, one factor becomes glaringly apparent: Host Compliance, who has routinely been touted as a self-appointed, private, unaccountable, self-policing organization, is the main, if not sole provider of the data used when presenting to council.

To wit:

http://www.straca.org/the_false_hope_of_easy_enforcement_that_host_compliance_peddles

This is unaccountable and wildly biased information and if that's the basis of enacting a Home Sharing Ordinance, we should be looking elsewhere for accountable, unbiased information.

Thank you for your time,
Celina

Oct. 24, 2017

To: PLUM members and City Council members

From: Jane Taguchi

In regards to: Council File Number: 14-1635-S2

Short-Term Rentals / Preparation of Ordinance / Home Sharing Ordinance

I agonized over what to tell you today about the problem of Airbnb and their illegal short term rentals here in Los Angeles. In May 2014, I had no idea what Airbnb was when the house across the street from me became a major Airbnb vacation rental with NO FULL TIME RESIDENT living there. I estimate that she earned about \$200k from her two full time Airbnb house rentals that first year. Over the past three years, I have spoken at EVERY SINGLE City Council and/or City Committee meeting to tell you that Airbnb-type rentals are disruptive to our residential neighborhoods. They destroy the true character of an area. Besides being illegal, they are not enforced. What is a law abiding resident like myself to do? Airbnb Hosts who need extra money can rent out to full time tenants which is NOT illegal. I told you of my bad experience with the Airbnb host, Melody Shahbazian. She took me to civil court and lied. She perjured herself, as did the witnesses who wrote declarations for her restraining order case against me. It was vengeance and intimidation against me and my neighbors for reporting her illegal Airbnb rental. We reported every violation that we could. Finally, earlier this year, she had a full-time tenant. I was so happy and relieved that peace was returned to my street. I was stuck in the middle with Airbnb worth \$10 billion in 2014 and now \$31 billion and the Airbnb Host worth at least \$10 million on one side, and the City of Los Angeles on the other side who decided not to prosecute Ms. Melody. I was stuck in the middle between Airbnb and the City of Los Angeles and spent \$3820 for an attorney to help me with the court case which was dismissed, thank god.

So enough of my sad story. After three years, I have learned a lot more about the Airbnb problem. So I will help to educate you on this. See the following pages filled with articles. It's ironic that Airbnb hosts attack and intimidate law abiding neighbors when they themselves are the ones breaking the law.

Note: after writing this, I discovered that "Melody" has listed the house across the street from me on Airbnb again. I am not sure what is going to happen to her long term tenant. But my heart is broken again. I am not looking forward to more battles on my street.

Sincerely,
Jane Taguchi, 1963 Redesdale Ave.,
Los Angeles, CA 90039, 323-360-1781

In San Francisco, Airbnb paid back TOT tax to the tune of tens of millions of dollars. The City of Los Angeles should also get back TOT tax in the millions. Airbnb only started paying TOT tax to LA in August 2016. What about BEFORE August 2016?

<http://www.sfgate.com/bayarea/matier-ross/article/M-R-Airbnb-pays-tens-of-millions-in-back-6087802.php>

Require Airbnb to pay back taxes!

SFGATE LOCAL NEWS SPORTS BUSINESS A&E FOOD LIVING TRAVEL REAL ESTATE OBITUARIES CARS JOBS CLASSIFIEDS CHRONICLE

Airbnb pays tax bill of 'tens of millions' to S.F.

By Phillip Matier & Andrew Ross Updated 8:48 pm, Wednesday, February 18, 2015

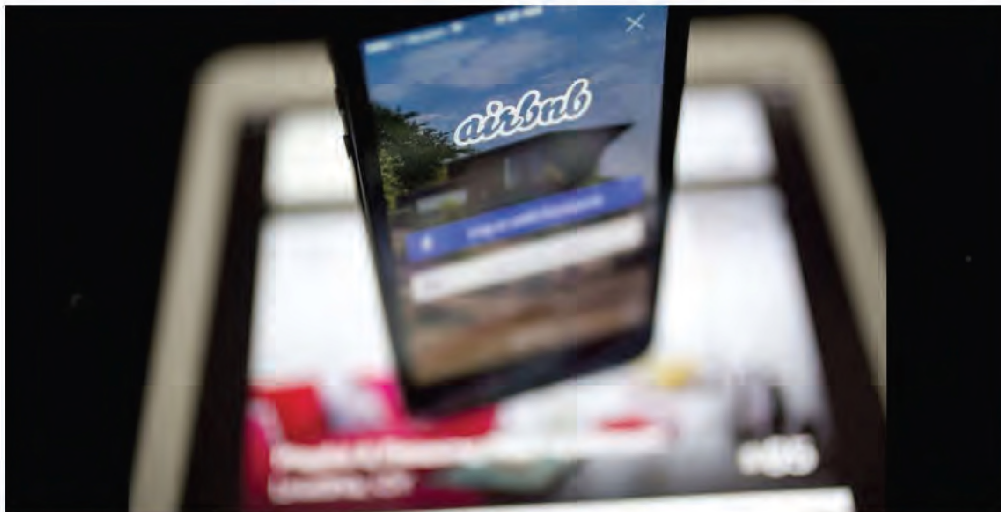


Photo: Andrew Herrer / Bloomberg

Critics say Airbnb, which facilitates short-term housing rentals, undermines S.F.'s rental laws.

The short-term housing rental service Airbnb gave in Wednesday to mounting pressure from San Francisco City Hall, disclosing it had paid "in full" a back-tax bill that officials said ran into the millions of dollars.

Airbnb's failure to pay the city's 14 percent hotel tax even as it grew to a lodging powerhouse was threatening to turn into a major political issue, with the company's critics and allies alike saying the firm ran the risk of becoming a focus of the November mayoral and supervisorial elections if it didn't act.

On Wednesday, Airbnb said that although it had "concerns about this assessment," it had paid taxes on short-term rentals going back several years, along with penalties for not having collected the hotel tax all along. A source familiar with the tax case said Airbnb had paid "tens of millions of dollars" in all.

Officials had estimated that Airbnb owed the city as much as \$25 million. A company spokesman declined to specify the exact amount it had paid, saying the privately held firm's revenue and tax records are confidential.

The company's announcement was hailed as "a major victory" by Supervisor **David Campos**, a persistent critic of Airbnb who had promised to bring the back-taxes issue before the **Board of Supervisors** this year.

References: <https://vimeo.com/172115062>
<https://vimeo.com/airbnbwatch/videos>
<http://airbnbwatch.org/>

AirbnbWATCH presents
The Airbnb Community CON

**In November 2015,
Airbnb made a pledge
to help cities crack
down on illegal hotels...**

**Airbnb is
conning us!**

In November 2015, Airbnb created a “Community Compact” to demonstrate how they want to work with cities and show their commitment to cities to **make their data transparent and open**, said Chris Lehane of Airbnb. He said that he is the first one to say that illegal hotels are bad, we don’t want them on our platform.

**Illegal hotels
are bad, we don't
want them on our
platform.**

But they were **not very good at telling the truth** when it came to illegal hotels. Story after story in the media tells of “commercial landlords hoarding in on the action exploiting online platforms like Airbnb to operate what amounts to illegal hotels”.

**Well, it is pretty
hard to stop...
[Airbnb sublets]**

Brian Chesky is asked if someone is not supposed to be running a business, if someone is subletting an apartment for example, and they’re **not supposed to be re-subletting and they are on Airbnb**, how do you stop that? His answer: “Well, it is pretty hard to stop...”

**FACT: 40% OF AIRBNB'S
REVENUE in 14 major
U.S. cities comes from
“hosts” who list more
than one home for rent.**

From 2016 Report: From Air Mattresses to Unregulated Business:
An Analysis of the Other Side of Airbnb

Don’t believe the propaganda from Airbnb. Truth is that the **real money that Airbnb** gets is from the commercial hosts who are not stopped, ordered to comply, or prosecuted. They are the major problem. And **neighbors like me suffer** in more ways than one.

<http://www.tornosnews.gr/en/tourism-businesses/villa-rentals/27331-airbnb-study-we-generated-6-5-billion-boost-for-local-restaurants-globally.html>

You cannot believe an Airbnb report commissioned by Airbnb. Tourist money would have come to the city anyway. This is a flawed study.

Tourists come to the many cities of the world anyway, and will patronize nearby restaurants, etc. It is not a BOOST, it is a HORIZONTAL MOVE of money that would have come to the cities anyway. Local cities are losing out on the potential bed taxes and permits, etc. that the Airbnb hosts often do NOT pay. These fees are paid by real HOTELS as they are required to do. Airbnb affects the loss of residential housing and the price of housing is going higher and higher and what is their part in that.



HOME | BUSINESSES | VILLA RENTALS

Airbnb study: We generated \$6.5 billion boost for local restaurants globally

TornosNews.gr 24.09.2017 | 16:20



Airbnb note that the fact that their sharing service shifts the pattern of where tourists stay from central to more residential neighborhoods means that local restaurants are also being benefitted.

According to the recently published report by leading tourism rental platform Airbnb, guests contributed some 6.5 billion dollars to restaurants in cities around the World in the last year alone. London was particularly affected, with spending rising by 79 million pounds since September 2016, from 443 million to 522 million.

Airbnb note that the fact that their sharing service shifts the pattern of where tourists stay from central to more residential neighborhoods means that local restaurants are also being benefitted, and not just those around hotel districts.

Quoted in Breaking Travel News, James McClure, General Manager of the company's Northern Europe section, clarified: "We've always known that guests using Airbnb to travel are not only looking to live like a local through the homes they stay in, but also in the things that they do and the places that they eat." According to Mr. McClure, "Local businesses are getting a huge boost in guest spending whenever Airbnb guests are in town."

According to the statistics presented in the report, 43% of spending done by Airbnb guests was in the neighborhood that they were staying in. Airbnb guests are spending more in local business than they ever have before, coming out of restaurants with their pockets 40-100 dollars lighter on average. Over half of tourists who economized by staying with Airbnb used the money they saved to buy groceries from neighborhood shops, further aiding local economies.

According to the statistics presented in the report, 43% of spending done by Airbnb guests was in the neighborhood that they were staying in. Airbnb guests are spending more in local business than they ever have before, coming out of restaurants with their pockets 40-100 dollars lighter on average. Over half of tourists who economized by staying with Airbnb used the money they saved to buy groceries from neighborhood shops, further aiding local economies.

This report coincides with the launch of the new Airbnb app, which includes a booking app Resy. The app, which is available in over 100 cities, provides the traveler advice on local restaurants and bars, and allows for bookings during bookings. Customers will now be able to book directly through the Airbnb app."

The chart below shows what Airbnb guests spent annually in restaurants in major European cities ...

City	2016	2017	YOY Growth
Amsterdam	\$137	\$163	\$26
Barcelona	\$243	\$385	\$142
Berlin	\$117	\$142	\$25
Copenhagen	\$126	\$219	\$93
Dublin	\$45	\$72	\$27
Lisbon	\$129	\$224	\$95
London	\$561	\$661	\$100
Paris	\$430	\$602	\$172
Prague	\$16	\$35	\$19
Rome	\$209	\$282	\$73
Total	\$2B	\$2.8B	\$770M

RELATED TOPICS: Greece, Greek tourism news, Tourism in Greece, Greek islands, Hotels in Greece, Travel to Greece, Greek destinations , Greek travel market, Greek tourism statistics, Greek tourism report

This is a flawed study. Tourist income would have come to Los Angeles and every other global city anyway!

Airbnb cannot state that they generated a \$6.5 billion boost to local economies.

Airbnb must cooperate and be transparent with the City and provide necessary information to ensure proper enforcement and taxation.

Anonymous data is not acceptable. In London, the uncooperative Uber is being banned for such activity. The same should happen with Airbnb for its actions in Los Angeles.



OWN OPERATE TECH DESIGN PROCURE

London's Uber ban a warning to Airbnb

by *Jena Tesse Fox* | Sep 22, 2017 5:27pm



Photo courtesy IakovKalinin.

In a blow to the tech-heavy sharing economy, London's transportation regulation agency Transport for London deemed Uber "unfit" to run a taxi service on Friday and stripped it of its license to operate in the city. The rule will take effect on September 30 in what *Reuters* is calling "a major blow" to the ride-sharing service and its 3.5 million users in the UK's capital. The company has 21 days to appeal in Britain's courts—it immediately **vowed to do so**—and will be allowed to continue operating in the city during the appeal process.

"Uber's approach and conduct demonstrate a lack of corporate responsibility in relation to a number of issues which have potential public safety and security implications," TfL said, citing Uber's approach to reporting "serious" criminal offenses, background checks on drivers and software that could be used to block regulators from gaining full access to the app.

In a Friday tweet, Uber CEO Dara Khosrowshahi made a plea to the city to work with the car-ride service.



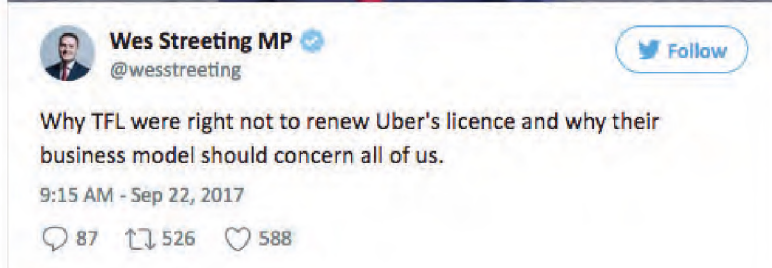
A Growing Trend

If limiting a sharing service in London sounds familiar, it should. In January, Airbnb started **banning London-based hosts** from renting out entire homes for more than 90 days per year without official consent from city councils, part of a move to "mollify" regulators. The rule had been in place since 2015, but was rarely enforced. In the nine months since the ban went into effect, Airbnb has reported a two-thirds reduction in London bookings of over 90 nights.

As noted in last week's **UK Insights Report**, the city's presence on the home-sharing site is still going strong with 64,000 listings, and London is still the site's top destination for international visitors to the UK: Between July 1, 2016 and July 1, 2017, more than two million guests stayed in those London rooms, a 49-percent increase over the previous year.

But those numbers might be cold comfort for sharing services in the face of TfL's announcement. The Uber ruling could be considered the continuation of a "slippery slope" that began with the Airbnb limits earlier this year, and should put the company on high alert. Just as Airbnb challenged traditional hotel models, Uber has challenged traditional taxis—and in London, at least, traditional taxis are winning.

Airbnb may have an advantage over Uber, however: The home-sharing service has worked with London regulators to keep the city council happy, while the ride-sharing service famously flouts laws and pays fines rather than appeasing government officials. In this case, Uber's disregard for rules may have been its undoing.



Tourism Growth

Perhaps coincidentally, the announcement came just as the UK's **Office for National Statistics** reported a record four million international visits to the country in July, a 6-percent increase compared to July 2016 and a record for a month's numbers. International visitors spent £2.7 billion on their UK visits that month, an increase of 3 percent over July 2016. From January to July, 23.1 visitors came to the country, an 8-percent increase over the same period in 2016 and (again) a record high.

Tourism is worth **£127 billion** per year to the UK economy, and it seems unlikely that the country would do anything to hurt those numbers. It will be a challenge, then, for government regulators to balance the new sharing economy (and demand from the powerful millennial demographic) with the needs of established industries like traditional taxis and hotels.

TfL's decision on Uber has, predictably, sparked a **variety of responses**. David Leam, of London First (which campaigns for business in the capital) said that the city needs to be open to new ideas, business and services. "This will be seen as a Luddite decision by millions of Londoners and international visitors who use Uber, and will also hit London's reputation as a global tech hub."



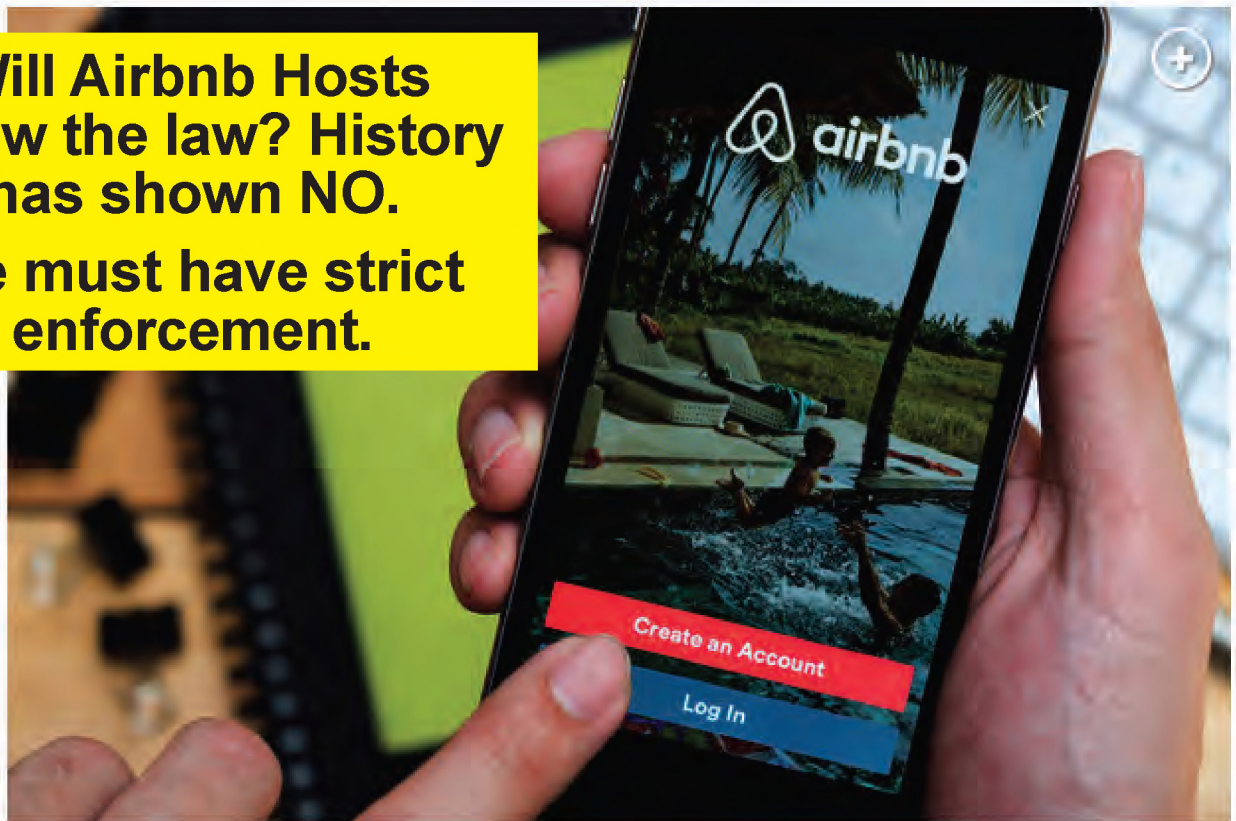
METRO

City smacks landlord with lawsuit for illegal Airbnb rentals

By [Julia Marsh](#)

May 14, 2017 | 9:34pm | Updated

Will Airbnb Hosts follow the law? History has shown NO. We must have strict enforcement.



Shutterstock

The city just unleashed its biggest ever crackdown on a landlord illegally using Airbnb.

Lower East Side building owner Rose King has been slammed with a \$1.2 million lawsuit by city lawyers alleging she illegally rented a slew of units in three buildings through the short-term rental service.

King has been hiding behind a middle man and at least nine aliases to create a network of transient hotels at 536 E. 14th St., 123 Ludlow St., and 127

Rivington St., according to the Manhattan Supreme Court suit.

And one of the building's permanent residents told city officials that King is trying to evict rent-stabilized tenants from her properties to convert even more units into cash-cow Airbnbs, sources said.

The city will ask a judge in an emergency hearing Monday to shut down King's alleged operation.

"It's outrageous, it's illegal, and we will stop bad actors from hurting our neighborhoods," Mayor de Blasio said. "New Yorkers can't afford to see affordable homes turned into hotels."

King's operation is run "with coordinated efficiency to maximize profits" through cohort Bryan Chan, documents say.

Chan "is openly and deceptively using at least nine different identities and 33 distinct Airbnb accounts" to advertise 12 units in the three buildings, according to court papers.

Chan goes by different first names on Airbnb but uses the same photo for at least two of his host profiles under the names "Ryan" and "Sam," the suit says.

The rentals are described as "cozy studios" and "comfy and cozy apartment in LES" and go for around \$85 a night.

The multiple aliases violate Airbnb's "one host, one home" policy for the Big Apple, the suit notes.

It also is illegal in the city to rent out a place for fewer than 30 days without being properly licensed as a hotel or bed and breakfast or another similar business.

SEE ALSO



Cuomo signs bill that deals huge blow to Airbnb

At 123 Ludlow Sunday, two tourists from California told The Post they had reservations for a one-bedroom there through Wednesday. They lamented they had been waiting outside for two hours with their luggage to meet up with the person renting the pad.

King and Chan did not return messages for comment.

Airbnb said in a statement, "We have zero tolerance for illegal hotels on our platform in New York and have removed these listings while we investigate this situation."

Additional reporting by Gina Daidone

**In City after City, the problems are the same.
We, in Los Angeles, must learn from the
experience of these Cities.**

It is like a broken record.

Neighbours Not Strangers

Short-Term Lets Have No Place in Our Homes

NSW (New South Wales, Australia)

Residential Housing is for the housing of residents.

Property Owners and Tenants choose to live in Residential Dwellings and Residential Areas

A NSW Parliamentary Hearing Committee has recommended that despite having purchased or rented a home or apartment we should all now live in unregulated quasi-Hotels and Transit Zones

Endless drunken parties, higher levies, taxes, insurance premiums, security risks etc

And Tenants and First Home Buyers must forever compete with Investors for a foothold in the housing market and a place to call home

San Francisco

New York

Palm Springs

Hollywood Hills

Newport Beach

Santa Monica

New Orleans

Anaheim

London

Barcelona, Spain

New South Wales, Australia

See the entire article at:

https://www.washingtonpost.com/business/economy/obama-tried-to-give-zuckerberg-a-wake-up-call-over-fake-news-on-facebook/2017/09/24/15d19b12-ddac-4ad5-ac6e-ef909e1c1284_story.html?hpid=hp_hp-top-table-main_facebookzuck-825pm-1%3Ahomepage%2Fstory&utm_term=.4a0655e5f016

Facebook's role in the 2016 election is different than Airbnb's impact on housing, cities and neighborhoods. The arrogance, however, is identical.

"There's been a systematic failure of responsibility" on Facebook's part, said Zeynep Tufekci, as associate professor at the University of North Carolina at Chapel Hill who studies social media companies' impact on society and governments. "It's rooted in their overconfidence that they know best, their naivete about how the world works, their extensive effort to avoid oversight, and their business model of having very few employees so that no one is minding the store."



Business

Obama tried to give Zuckerberg a wake-up call over fake news on Facebook



Facebook announced on Sept. 21 that it would turn over copies of 3,000 political ads brought by Russian accounts during the 2016 election, after previously showing some to congressional investigators. (The Washington Post)

By Adam Entous, Elizabeth Dwoskin and Craig Timberg September 24 at 8:44 PM

Nine days after Facebook chief executive Mark Zuckerberg dismissed as “crazy” the idea that fake news on his company’s social network played a key role in the U.S. election, President Barack Obama pulled the youthful tech billionaire aside and delivered what he hoped would be a wake-up call.

For months leading up to the vote, Obama and his top aides quietly agonized over how to respond to Russia’s brazen intervention on behalf of the Donald Trump campaign without making matters worse. Weeks after Trump’s surprise victory, some of Obama’s aides looked back with regret and wished they had done more.

How to ease housing affordability and shortage? Build, build, build. And stop the short-term rentals that are taking over our residential neighborhoods.

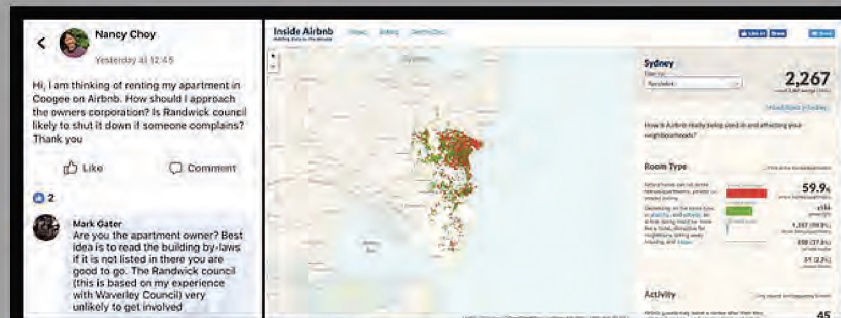
How long will it take Randwick Council to build thousands of more homes, replacing those lost to short-term rentals and wher will they fit them?

Los Angeles has lost over 10,000 of residential units to Airbnb. This has to be returned before we are able to build more housings.

Neighbours Not Strangers ***Short-Term Lets Have No Place in Our Homes***

THE ANSWER APPEARS TO LIE IN THE REALM OF THE 'NEVER NEVER'

September 23, 2017 | <https://www.insideairbnb.com/neighboursnotstrangers/>



Question: How does one ease our housing affordability crisis?
Answer (supposedly): Build more housing; supply, supply, supply.

Question: How long will it take Randwick Council to build thousands of more homes, replacing those lost to short-term rentals, and where will they fit them?
Answer: Let's say that this lies in the realm of the 'Never Never'.

(Figures for Randwick Council 03APR17 is for Airbnb listings only. Source: Inside Airbnb)

Back in June we wrote to the Mayor of Randwick Council, bringing to his attention a particular residential building in Arden Street Coogee, which enjoys good access to the public transport that commuters/shift workers, students etc rely on. One tenant remained; all other apartments in the building were rented through short-term rental platforms with Airbnb championing the 'clean out'.

Most of the apartments in said building – many of them studios – were being advertised at upwards of \$150/night, or \$1,050+ per week. The last remaining tenant described the situation as that of living in "an unlicensed hotel with no centralised management team" and asked, "is there any clearer example that Airbnb pushes actual residents out?"

Randwick's Mayor didn't reply to us. We did receive a note from one Councillor asking us what strategy we would like to see Council implement. One other Councillor wrote: "At the moment, as a Council there is very little we can do." Strange, given that there are case law records online providing clear templates of what can be done, plus council is obviously using ratepayers' monies to fund Planning and Enforcement Staff, so why aren't these Staff Members working for their money?

Meanwhile, the one remaining tenant in the Arden Street property fears eviction when the lease period finishes, and other Randwick residents continue to flip homes onto Airbnb. Appears the advice they're getting from commercial landlords of residential housing (see photo) is pretty correct: "The Randwick council (this is based on my experience with Waverley Council) very unlikely to get involved."

Homes not Hotels Communities not Transit Zones People before Profits Neighbours not Strangers

It is a broken record heard all around the world. Airbnb Hosts flout the law.

≡ WILLAMETTE WEEK



5 Astonishing Airbnb Listings Show Portland's Rules Being Openly Flouted

It's easy to spot short-term rentals on the company's website that break the city's rules or seem to mock the housing crunch.



By Rachel Monahan | Published September 6, 2016 • Updated October 3, 2016

As Portland rents continue to climb, short-term rental companies have turned 1,000 affordable homes into hotel rooms for tourists, the Portland Housing Bureau estimated last week.

As *WW* reported last month, that's because the city's rules for companies like Airbnb are so [laxly enforced](#) that a [company manager](#) could flout them [without consequences](#).

The number of units taken off the rental market aren't nearly enough to put a dent in the city's rental crunch, but they stand out because they operate in defiance of city rules—and because the city has yet to fine Airbnb.

Airbnb says it has shut down 44 illegal listings in the city, reviewed other listings with possible violations, and provided education on city rules to its hosts. "We are committed to working with the city to protect Portland's long-term housing stock," says Airbnb spokeswoman Laura Rillos.



(Emily Joan Greene)

Neighborhood: Arbor Lodge

Units: Five tents

Cost per night: As low as \$20 for a tent

Why it's illegal: No permit. Also, tent camping isn't allowed in the city.

Owner response: Scott Davison of the nonprofit Vocoform runs the Arbor Lodge Urban Farm on a lot on North Interstate Avenue. "It was a way to get people to the property to volunteer, and to make a little money," he says. The tent camping will vanish next summer, he says. The nonprofit Central City Concern will start building affordable housing on the site within the next year.



(Joe Riedl)

Neighborhood: Sunnyside

Unit: Two-bedroom Craftsman

Cost per night: \$157 for full house

Why it's illegal: No permit—and it's operating against the will of the building's owner. Elisabeth Jacobs, a doctor in Seattle, found out her tenant had listed the house for use for up to seven people, and complained to Airbnb. The company declined to remove the listing. "We've gotten to the point where Airbnb is big enough they can do whatever they damn please," says Jacobs.

Renter response: The tenant, Aaron Liss, took down the listing before press deadlines.



(Joe Riedl)

Neighborhood: Alberta

Units: Two in the same house. Two bedrooms on the main floor, two bedrooms in the basement.

Cost per night: \$125 for the main floor, \$75 for the basement

Why it's illegal: No permit, exceeds maximum rooms, and neighbors have complained. The city has issued a \$707 fine, but neither owner Sean Robbins nor Airbnb has removed the listing.

Owner response: "The first I heard of the permit process was when I received a letter from the city," says Robbins. "Airbnb does not prompt you to fill out your permit app when you post an ad in Portland." He says he sent in his application Friday, after *WW* contacted him.



(Emily Joan Greene)

Neighborhood: Lloyd District

Units: Three two-bedroom apartments

Cost per night: Up to \$345 a night

Why it's illegal: It might be legal—but the context makes it shocking. Last year, renters paid less than \$1,450 a month (or less than \$50 a night) for the two-bedroom apartments. A new owner came in and hiked rents to \$1,800 despite complaints from tenants about the building's conditions ("Power Goes Out. Rent Goes Up," *WW*, Dec. 1, 2015). After the rent hikes, three tenants left and owner Mike Nuss turned the units into Airbnbs.

Owner response: Nuss says the city's regulations for Airbnbs only apply in residential neighborhoods. (That's true, but the city has no record of him requesting the necessary permit.) "There's nothing wrong with fixing up the properties," he adds.



(Joe Riedl)

Neighborhood: Mount Tabor

Unit: Two-bedroom house

Cost per night: \$118 for full house

Why it's illegal: No permit. Mel Hignell, 39, owns a company that manages Airbnb listings in Portland, Bend and New Orleans. She personally rents out properties —like her Tabor ranch house—in Portland and San Francisco, despite requirements by both cities that listers live in the units being rented. Hignell's company White Spider manages the rentals for 35 Portland homes, only one of which lists having a city permit, according to data from the website Inside Airbnb.

Owner response: Hignell, who declined to comment, took down her San Francisco listing. A White Spider representative says the company tells owners to get a permit, but it doesn't consider it the company's responsibility to check.

TECH

The Secret Math of Airbnb's \$24 Billion Valuation

Home-rental site's revenue projected to top more than \$900 million



Airbnb is not a profitable company. They are venture capitalized and the investors are hoping for an IPO one day.

Airbnb is soon to close a funding round that values it at \$24 billion. PHOTO: ANDREW HARRER/BLOOMBERG NEWS

By [Rolfe Winkler](#) and [Douglas MacMillan](#)

49 COMMENTS

June 17, 2015 3:15 p.m. ET

Home-rental site Airbnb Inc. has given potential investors in a \$1 billion funding effort an ambitious revenue forecast to justify a richer valuation than hotel giant [Marriott International Inc.](#)

MAR -0.16% ▼

Airbnb representatives in recent months told prospective investors the startup expects \$850 million in revenue this year, according to people who viewed the projections. That would be more than triple the recorded revenue of \$250 million in 2013.

Airbnb recently raised that projection to more than \$900 million after its site performed better than expected in the first quarter, said a person familiar with the matter.

The company's revenue is then expected to grow to \$10 billion in 2020, said the people who viewed the projections.

The forecasts also show Airbnb's business becoming profitable, reaching \$3 billion of earnings before interest, taxes, depreciation and amortization in 2020, according to these people. For the moment, the company is burning cash to expand, and forecasts an operating loss of about \$150 million this year.



The home-rental site's revenue is expected to top \$900 million this year, up from \$250 million in 2013. PHOTO: JENS KALAENE/DPA/ZUMA PRESS

The projections assume that Airbnb's online marketplace can seize a notable share of the hospitality industry from hotel operators and booking sites such as [Priceline Group Inc.](#), while also fending off continuing battles with city regulators over taxes and lodging laws.

Within the month, Airbnb expects to close a \$1 billion funding round at a \$24 billion valuation, according to people familiar with the matter. It isn't clear which investors are taking part in the newest round.

Marriott, which manages more than 4,000 hotels and last year had \$13.8 billion in revenue, is valued at about \$21 billion.

Airbnb's value would also eclipse that of rival travel site [Expedia Inc.](#) by nearly two times. Airbnb arguably commands a premium valuation due to its higher growth rate—roughly 90% projected over the past two years compared with 17% expected for Expedia, which analysts expect will have \$6.5 billion of revenue this year.

On the other hand, Expedia's business makes money. Analysts forecast it will have earnings before interest, taxes, depreciation and amortization of \$1.1 billion this year.

The current leader in hospitality, Priceline, has a market value of about \$61 billion, and expects to generate \$9 billion in revenue this year, according to analyst estimates, about 10 times Airbnb's projection. Priceline's expected Ebitda for the year is \$3.6 billion.

Airbnb's new round would make mutual fund giant [T. Rowe Price](#) and private-equity firm TPG look savvy, at least for now. Just 14 months ago, those investors led a funding round for Airbnb at a \$10 billion valuation.

It is quite an ascent for a website that began in 2008 as a way to help people rent spare couches and beds to travelers. In those early days, co-founders Brian Chesky and Joe Gebbia and Nate Blecharczyk sold novelty cereal to keep the startup afloat. Now they will soon most likely be billionaires on paper.

Their website had nearly 1.4 million listings as the end of May, according to YipitData, a research firm that tracks Web data for institutional investors. That was more than double the 600,000 listings the company said it had as of February 2014. The listings include modest apartments, exotic beach homes and quirky properties such as a windmill on the Aegean Sea.

Airbnb generates revenue by taking a 3% cut of each booking along with a 6% to 12% service fee from guests.

To meet its lofty revenue targets, Airbnb would need to increase its share of the global lodging market from 1% to as much as 10% over the next five years, according to Douglas Quinby, an analyst with research firm Phocuswright.

“We’re still very much in the early days of travelers being aware of and considering Airbnb for their next trip,” said Sean Hennessey, industry consultant with Lodging Advisors LLC. “They could achieve a sizable amount of market share as the market grows and as their mind-share grows.”

Still, Airbnb’s revenue is getting pinched by regulators in some big cities.

New York, one of Airbnb’s largest markets, has been particularly inhospitable. The state’s attorney general last year issued a report citing “widespread illegality” among Airbnb hosts in New York City. Airbnb later said it removed some 2,000 listings.

Other cities from Santa Monica, Calif., to Berlin have either proposed or passed regulatory restrictions on short-term rentals. Hotels complain that Airbnb hosts don’t pay the same taxes and aren’t held to the same fire and safety standards.

At the same time, Airbnb could face tough competition as it plans to expand into the professional vacation-rental market, where rival [HomeAway Inc.](#) dominates. Priceline and others are also moving onto Airbnb’s room-sharing turf.

—*Telis Demos contributed to this article.*

Write to Rolfe Winkler at rolfe.winkler@wsj.com and Douglas MacMillan at douglas.macmillan@wsj.com

Airbnb and their hosts have operated illegally for so long, they have difficulty following the new laws that have been passed.

WSSM opposes CPC recommendations on Short-Term Rental Ord - CCF Number 14-1635-S2

Barbara Broide

Oct 24, 2017 4:17 AM

Posted in group: **Clerk-PLUM-Committee**

Please share the attached letter from Westwood South of Santa Monica Blvd. Homeowners Association (WSSM) supporting a STRONG and enforceable Short-Term Rental Ordinance with Councilmember Huizar and all members of the PLUM Committee.

We do not support the CPC recommendation to permit short-term rentals of up to 180 days/property. Our concerns were outlined in our June 2016 letter to the CPC which is also attached for your reference.

We have great concerns related to the City's desire to generate funds to help balance the deficit in the General Fund budget. Those needs should not drive this public policy discussion -- especially when one considers the fact that many of the Airbnb collected TOT dollars would have been collected by Los Angeles hotels and motels.

The homeless crisis, affordable housing crisis and the need to prevent Angelenos from becoming homeless should be the driving forces behind consideration of any short term rental policy --- not the gains to be made by the short term rental platforms and those who have broken the law to benefit from renting on these platforms.

Thank you,

Barbara Broide, President
Westwood South of Santa Monica Blvd. HOA

Westwood South of Santa Monica Blvd
Homeowner's Association
Incorporated November 8, 1971
P. O. Box 64213
Los Angeles, CA 90064-0213

October 23, 2017

Planning and Land Use Management (PLUM) Committee
Los Angeles City Council
200 N. Spring St, Ste 340
Los Angeles, CA 90012-3239
Via email c/o: clerk.plumcommittee@lacity.org

Re: Support for strong, enforceable Short-Term Rental Ordinance, Council File Number 14-1635-S2. Opposition to current proposal to legalize short-term rentals for 180 days

Dear Honorable Chair Huizar and PLUM Committee Members:

Our Board submitted a very detailed letter to the City Planning Commission in June 2016 which I am attaching for your information. It described our many concerns over the proposed short-term rental ordinance. Since that time, the CPC recommended increasing the number of rentable days to 180 days/year. We are strongly opposed to that recommendation. All of our past concerns remain valid and our concerns related to the negative impacts on affordable housing supply are greatly increased. If the City legalizes short-term rentals for 180 days (or any days in excess of 60 days/year), you are creating a financial incentive for individuals to offer short-term rentals rather than provide their housing opportunity to an Angeleno in search of permanent housing. This, therefore, becomes a policy in direct conflict with the City's stated goal to address the affordable housing crisis. In short, it makes NO sense.

While the City is pleased to be receiving TOT payments from Airbnb, the payments are less than a drop in the bucket compared to the cost that would need to be incurred to replace permanent housing lost to short term rentals. The City's fiscal condition and need to generate funds to offset an expected deficit should not drive the City's short term rental policy-- that path will only serve to fuel added homelessness and additional need for revenues to address the growing affordable housing and homeless crisis.

A simple calculation demonstrates the folly of using TOT payments as a rationale in support of short term rentals. It is estimated (by Airbnb) that there are currently 23,000 short term rental units on Airbnb platform at the current time. Airbnb estimates that those units will generate up to \$ 37 million in TOT funds this year, a portion of which will go to fight homelessness (and a majority of which will go to the City's General Fund).

Dividing \$ 37 million dollars by 23,000 (units) shows that the tax collected yields \$ 16086/ unit. This is a generous calculation because many of those TOT dollars would have been generated by a Los Angeles hotel or motel if the Airbnb accommodation was not available.

What can \$ 16086 buy on today's housing market? In most LA neighborhoods, that isn't enough to pay for 6 month's rent on a two bedroom apartment. If the City reimburses homeless shelter operators \$ 75/night per resident, that \$ 16086 will buy about 214 nights—leaving that person (or family) homeless for the balance of the year – another 151 nights (and days).

The lack of enforcement against short-term rentals has helped to fuel the current situation where the City finds itself standing at the door of an empty barn—the horses having long ago run out of the barn. Now, as you try to corral in these roaming beasts, you must be firm and you must be resolute to craft an ordinance that requires adequate disclosure to assure that those listing are not using multiple platforms, that those renting are doing so in full compliance with the law, that those who fail to respect their neighbors and who create nuisance situations will not be permitted to offer short term rentals in the future.

The degradation of residential communities is a high price to pay for a financial contribution to the City 's General Fund that contributes to homelessness while raising funds to addressing the problem to which it contributed. In the long run, the impact of compromised communities will be reflected in decreased property values and reduced property taxes generated to the City. Genuine home sharing is very different from what we have seen across Los Angeles with multiple locations being operated by those who have engaged in a private hotel business in our residentially zoned communities. We saw operators come into LA from Santa Monica after Santa Monica enacted its ordinance on short term rentals.

Instead of adopted a short term rental policy that makes it easy for Angelenos to offer their spare bedroom or granny unit to tourists, perhaps it is time for the Council to look at ways to encourage Angelenos to open up their homes to longer term tenants - without having to incur many of the barriers that frighten away folks from renting out a room in their home. For example, a family with a child away at college may wish to rent out that child's bedroom to a renter for the 8 month school year. Yet, once they do so a "tenant" would have established rights of tenancy and the family might have trouble removing the tenant for the child's return home. What can be done to provide the 8 months of housing to a tenant with the understanding that it is medium term housing.... not less than 30 days but not unlimited with all the rights vested in tenancy. (And how can this be done only in a home sharing situation so as not to endanger tenant rights in permanent full unit housing)?

We work hard to develop a sense of community in our corner of Los Angeles. That sense of community is so very important in a City the size of Los Angeles and is key to having successful neighborhood watch programs, to having people become engaged and committed to being a part of their community. We need a strong ordinance to support our ongoing efforts to build community and to make LA a great place to live. The City will not be successful in urging people to walk in their neighborhoods if they don't feel safe in their community. Having a constant stream of strangers coming and going on a block is a sure fire way to undermine neighborhood security and a sense of community.

Please don't sell us out for the cheap/easy money gained from short-term rentals. Find ways to encourage Angelenos to rent out their spare bedroom for someone who works in LA and wants to be a part of our City. Keep this ordinance strong! Do not give in to the voices of those who would profit at others' expense in their quest to run unregulated or under-regulated boarding houses, hotels and party houses in single-family and multi-family residential neighborhoods. Do not let them rob our City of much-needed permanent housing!

Thank you for your consideration.

Sincerely,

Barbara Broide
President

**Westwood South of Santa Monica Blvd
Homeowner's Association
Incorporated November 8, 1971
P. O. Box 64213
Los Angeles, CA 90064-0213**

June 20, 2016

LA City Planning Commission
Los Angeles City Hall
200 North Spring Street, Los Angeles, CA 90012

Via Email c/o: cpc@lacity.org
James.k.williams@lacity.org

RE: CPC-2016-1243 / Short Term Rentals

Dear President Ambrose and Commission Members:

First off, please accept our thanks for permitting neighborhood councils to address the Commission before individual items are heard on your agendas. This is a most appreciated effort to provide our councils with the opportunity to be heard on matters which we have considered. However, your policy is undermined by the fact that there is insufficient time allowed between the release of a staff study and the CPC's consideration of important matters. A case in point is the Short Term Rentals Ordinance. Our own Westside Neighborhood Council devoted significant time to this item on one of our Board agendas and we were awaiting the actual recommendations from the City before considering the specifics of our Community Impact Statement on the recommended ordinance. However, that set of recommendations was released only in time for a very few council to consider it before your June 23 meeting. This lack of sufficient time undermines the credibility of the City's commitment to neighborhood councils and also devalues the efforts we invest in them. I would ask this Commission to halt from adopting any positions on issues (unless truly urgency measures) unless you are certain that the neighborhood councils have been given adequate time to agendaize and consider these measures. We need your support to truly institutionalize the role of the neighborhood council. Without some faction of City government genuinely wanting and waiting for our communities' input, it otherwise would seem that we are wasting our time.

Fortunately, homeowner associations and other neighborhood groups do not have to comply with the Brown Act and can take more nimble action. This letter represents the viewpoint of the WSSM Board which represents 3800 households that falls within the Westside NC area. We are still reviewing the report and ordinance as we are concerned about a number of items presented as statements of fact that are, in fact, assumptions.

In October of last year following the October 5, 2015 Board meeting of the Westwood South of SM Blvd. HOA Board, we sent a letter to the Council's PLUM and Housing Committees in opposition to Council File 14-1635-S2: "Short Term Rentals/Transient Occupancy Tax/City's Affordable Housing Trust Fund" Motion. At the time we recognized that the City was attempting to address the challenges presented by the advent of internet-assisted short term rentals of homes, condos and apartments. Our area of South Westwood has a number of such businesses currently in operation and it appears that there are and will continue to be a growing number of such facilities.

The need for regulation has become quite clear to us. Many neighbors living in close proximity to these businesses have reported negative impacts from a constant stream of occupants who come and go at all times of the day and night. Neighbors no longer know who “belongs” and as a result the ability to maintain meaningful neighborhood watch programs is being seriously compromised. Depending on the location and its physical characteristics, there are other impacts related to parking, permission to access secured security facilities (parking and living spaces), etc. Renters in apartment and condo buildings in our area have voiced their concerns over their personal safety as strangers are permitted into (so-called) security buildings and given access to parking and other access codes to their buildings. There are concerns raised about the appropriateness of running a short-term motel/hotel-type operation out of a residentially zoned property. Our Board does not wish to make it difficult for a property owner to rent out a room in their home to a student or other occupant so long as that rental is for a longer term and provides a sense of stability to the neighborhood. We understand that there are many reasons why an individual or family may choose to take in a roomer –whether it be to help pay for living expenses or to have an added person on the premises.

The attached article from GlobeSt.com 5/10/16 includes the following concerns for landlords of multi-family properties:

*What occurs also when a multifamily property becomes essentially a **hotel**? As indicated above, most cities are enacting taxation applicable to short-term rentals. Considerations must be made as to other long-term tenants and the effect that short-term rentals may have on those properties. What is the wear and tear on an apartment unit from a maintenance and repair standpoint? How and under what terms are furnishings provided within a unit? Will the insurance applicable from whatever sharing site is being used extend to the units provided as part of a short-term rental through a multifamily unit? What risks exist, if any, from having an invitee enter into a property, without background checks, and what if they injure a long-term tenant or their property?*

We are additionally very concerned about the impacts of short term rentals on the availability of **affordable housing** and on the long-term survival of smaller commercially operated lodging businesses who may find it difficult to compete with short-term home rentals. We continue to have concerns about the removal of rent-controlled housing stock being used instead for short term rentals and are pleased to see that this would not be permitted under proposed legislation. However, we also know that owners can rather easily remove one unit from a rental property for their own occupancy or the occupancy of a family member (which when used by an owner or their family member is not an issue) but we believe it will be impossible for the City to distinguish between owner/family-occupied units and those removed from the RSO inventory for short-term rental use. We have already seen that the presence of short term rentals has not only reduced housing supply, but it has caused rents to escalate ever higher. **THE SHORT TERM RENTALS ARE CONTRIBUTING TO OUR CITY'S AFFORDABLE HOUSING CRISIS AND INSTEAD OF ENFORCING THE EXISTING LAW, THE CITY IS SEEKING WAYS TO LEGALIZE AND ENCOURAGE IT!** The ability to charge so much more for rent on a “per night” basis as opposed to a monthly rental fee affects not only rent-controlled units, but ALL housing in Los Angeles -- from single family home rentals to apartments. It boggles the mind to try to rationalize the concern voiced by the city’s leadership about the lack of affordable housing while, at the same time, pursuing a pathway that will contribute to escalating rental costs across the city.

As other municipalities in the region enact legislation to regulate short term rentals, we will see those operators move into our City should we fail to adopt an enforceable ordinance to regulate such rentals here. We are already aware of one home on Camden Avenue in our area that was rented by a person from Santa Monica who is no longer able to operate as a short term rental in Santa Monica. The home was rented expressly for the purpose of

operating an Air BnB rental there. She does not live on the premises and has never lived there. She rents the home in order to offer it to short term renters. (The owner has since had to address concerns of neighbors and did not realize what she had done in leasing the home to the BnB operator.)

We believe that City code, if enforced, already provides a regulatory framework for dealing with short-term rentals. We support enforcement of the law to take action against those operating where short term rentals are illegal according to present zoning. The lure of collecting some additional occupancy tax revenue should not create an artificial incentive to allow a disallowed purpose where it does not belong. Further, the City has failed to consider the “**perfect storm**” situation being created with its concurrent consideration of the Accessory Dwelling Unit Ordinance. While some may see ADU’s as a way to address the City’s affordable housing shortage, the passage of a liberal STR ordinance may, in fact, create very significant incentives for ADU’s to be built for STR usage. That will cancel out the use of ADU’s for long term housing and will provide for robust competition with established lodging businesses. It should be noted that the majority of LA’s job growth cited in the LA Times for May were in the hospitality industry. Does the City seek to undermine this robust industry by creating numerous mechanisms to do so? If there is a marketplace for bed and breakfast facilities, why not foster the development of these facilities where they can comply with the City’s rules for the establishment of such businesses? The Planning Department’s staff report notes that already significant impact STR’s are having on the hospitality industry referencing a 2016 report by CBRE that showed that the Los Angeles region has “the highest rate of “hotel penetration” by Airbnb than any other market.” The report goes further to question the optimistic assumptions being presented as documentation as to the economic benefits of STR’s:

However, short-term rentals can only be said to increase total economic activity to the extent they induce travel that would not have been possible otherwise. The Department was not able to find any research on this point. Any benefits to the local economy must also be weighed with losses. For example, San Francisco’s economist estimated that for every long-term housing unit that disappears from the stock, there is a loss of \$250,000 to \$300,000 per year in impact to the city’s economy. Those losses may outpace the money that a short-term rental remits to the city in transient occupancy taxes, plus whatever hosts earn and visitors spend.

Where are calculations as to the cost of providing enforcement and inspections of the existing and any new STR facilities? What will it take for the safety of guests to be ensured under the STR? How many inspectors will be needed and at what cost? What kinds of funds will actually remain to contribute to affordable housing efforts? Or, is this meant to be a sloppy, loosey-goosey piece of legislation where enforcement is a sham? Would the current language allow for group homes/sober living/community care facilities to be operated with residents of less than 30 days? Could “home sharing” be used to house parolees at a residential location for less than 30 days each? Is there a limit as to the number of “guests” at a home, or more specifically, is there any language that would limit the number of parolees at one location at one time? (You may remember that Chief Beck recommended in his letter to the City Council related to the regulation of community care facilities that there be no more than three parolees permitted at any one community care facility at one time.)

We voted to oppose the Motion in CF 14-1635-S2 in October and moved to oppose any change in the current zoning laws regarding short-term rentals.

Since our vote, the Planning Department has issued a draft ordinance that seeks to answer the positive and negative impacts of the new internet-driven short term housing phenomenon. **Our first response to any proposal that seeks to legalize short term rentals is that the City should NOT approve any ordinance that legalizes these**

arrangements until and unless the City has a signed agreement in hand from the websites that post these listings that provides all the data needed to enforce and regulate the program. Approving short-term rentals and having a program that relies upon the data received from the internet platforms without having guaranteed access to that data gives the platforms the upper hand and removes any negotiating strength or leverage that the City holds. In fact, it would be a wise strategy for the City to begin to enforce its current statutes that hold these rentals to be illegal. By demonstrating to Air BnB and other platforms that LA means business and is truly interested in more than creating a vehicle for occupancy tax collection, the City will be more likely to succeed in gaining the cooperation of these platforms. To approve the rentals FIRST only places the City in the position of a potentially long and protracted legal battle that will cost the City time and resources and will allow for lawbreaking to continue.

It should be noted that when platforms have provided rather scant data to municipalities, that that data has been viewed as being impossible to verify and has been suspected of being inaccurate and massaged to further their self-interests.

Sadly, our City is not respected for its ability and/or dedication to providing timely enforcement of many existing ordinances. Piling this area of enforcement onto an already highly stacked collection of unmet enforcement issues will only serve to further dilute the City's credibility in the eyes of its stakeholders. Do not adopt any ordinance legalizing short-term rentals under ANY conditions until you have the cooperation needed to enforce from the platforms involved. Registration must be required and must be able to be monitored in an ongoing fashion. Verification as to the number of nights rented in each reporting period is needed. An enforcement mechanism funded by occupancy taxes collected must be in place to shutter any non-conforming rentals, along with escalating fines so that fines do not become a mere cost of doing business. The registration requirement has not been an effective mechanism in other cities where ordinances have been established. Non-compliance is rampant.

We are extremely concerned that it is wishful thinking that the City will be able to recognize/catch those operating without proper registration, record-keeping, etc. City inspectors are currently unable to capture individuals who cut down city street trees on weekends; they were unable to halt the erection of illegal billboards and supergraphic signs placed late at night; in all those cases, the city failed to accept proof provided by citizens of the illegal acts –whether it was photographs, willingness to testify, provide signed documentation, etc. So, we seriously question whether the City has the ability to gather proof of illegally operated short term rentals. It strikes us as nearly impossible to build a case for the City Attorney (or ACE staff) without creating a mechanism that accepts citizen-gathered data as acceptable proof for enforcement action. How can that be done? Can criteria be developed? We also strongly believe that there must be a right of private action included in any ordinance governing these rentals. Using the City's existing nuisance regulations is an extremely long and laborious process that will leave illegal operations in place for years in too many cases. Yet, the staff report recommends against right of private action. While the staff report states that a right of private action would "be unprecedented in the City of Los Angeles' zoning code," the remedy that they cite as being available to those harmed, namely the pursuit of a nuisance violation, the delays and problems with the nuisance process is well-known and allows problem operators to continue in operation for months and years despite neighbors' complaints.

We support the majority of recommendations made by the WRAC group of Councils, summarized below. Because of our concern that the City is unable to enforce the proposed ordinance, and our board voted only to approve **30 days/year / location** should the City continue on its course to legalize such rentals. Our initial reaction to the proposed 90 days was that it is too long and would mean that a neighbor could be renting

out a room nearly every weekend of the year. We stand in disbelief that the City is now considering an increase to 120 days in the current draft. We continue to believe that it is best for community safety, neighborhood watch effectiveness and stability to have those who need to rent out space for financial reasons to do so within the existing law and to rent for longer terms-- thus halting the coming and goings of strangers, etc. We also believe that the City is hearing from a MINORITY of individuals who benefit from short-term rentals (and organized/supported by their platform(s)) while the vast majority of property owners and tenants are unaware of the current deliberations in City Hall. More outreach is needed to take this out of the special interest realm, in which it is being considered. While there are many personal/emotional stories to be told in support of STR's, it is the City's job to separate out the emotion and to base legislation on sound footings based on fact, financial projections and the long-term best interests of the City.

The Western Regional Alliance of Councils (WRAC) points that contribute to a strong ordinance include the following measures (with some alterations and comments added in italics by WSSM):

No rent stabilized units "RSO" shall be allowed to rent short term.

Only owner-occupied primary residences shall be permitted to host for short term rentals, and only one unit shall be permitted per host. *Is that a single person, a couple? Can each members of a house/married couples each have a residence or unit to rent? How does the City determine that an owner is present for at least 6 months of the year?*

There shall be a specified cap of number of nights per calendar year per host for short term rentals. We are opposed to the 120 days/year as being excessive.

Prior to listing, at their own expense hosts shall be responsible for verifying that their properties comply with the Los Angeles Building and Safety code and for making all necessary repairs with DBS permit documentation.

All hosts shall obtain a City permit and a permanent registration number. The condition of receiving a City permit and permanent registration number shall be the following: proof of primary residence plus liability insurance for this specific use including any rider that may be necessary for a non-conforming use on the property. "Primary residence" shall be defined as the usual place of return for housing as documented by at least two of the following: motor vehicle registration, driver license, voter registration, tax documents showing the unit as the host's residence for the purposes of a homeowner's tax exemption, or a utility bill. A person (and/or couple) may have only one primary residence.

Upon filing for a short term rental permit, hosts shall notify property owners within 500 feet of each property line of the land upon which the unit is located.

All hosts shall include their permanent City registration number on all advertised listings in all media.

All hosts shall register with the City Department of Finance and remit transient occupancy taxes "TOT" including any and all back taxes owed. Short term rental TOT receipts shall not go into the general fund but shall be used to create a special enforcement/compliance unit charged exclusively with enforcing regulation inspection program for multifamily units. *What are the projected costs for operating such an enforcement unit for each 10,000 short-term rentals?*

Hosts shall be required to pay those who work to enable the hosts' short term rentals the City's legal minimum wage, abide by hotel employee protections and register with the State Employment Development Department. *How can this be enforced? We have heard from hosts who tell us that they informally hire their neighbors to help them operate their rental businesses. What proof can the City require or obtain to show that short term rental operators pay the minimum wage. (Should the short-term rentals who compete with the hospitality industry also be required to pay a living wage?)*

Hosts shall disclose such information as the City deems required for enforcement.

Examples of this information shall include the type of rental whether one room or whole house, how many nights per year, how many guests and the like. Platforms shall provide the same information.

Hosts who refuse to register or disclose information necessary for enforcement shall be prohibited from operating in the City and face such penalties and fines as may be deemed appropriate by the City under the new ordinance. *We recommend accelerating fines for repeat offenders.*

Platforms shall only list City registered units and display the relevant registration number in each listing. *What is the consequence if they do not?*

Platforms shall disclose information deemed necessary by the City for enforcement and for collection of back taxes and shall be held accountable, including fines and other penalties as may be deemed appropriate by the City, for any unregistered online listings appearing upon the platforms' website.

The ordinance shall establish a right of appeal by adversely affected residents of the issuance of a short term rental permit.

The ordinance shall establish a private right of action by adversely affected residents in the community.

We hope you will consider tabling a motion to consider any details of ANY proposed short-term rental ordinance unless and until the City has an enforceable agreement with the platforms involved to provide the City with all necessary data to enforce a City ordinance and to collect any taxes due. We hope that instruction can be given to the City Attorney's office to pursue negotiations with the platforms prior to the passage of any ordinance. The receipt of taxes alone is not enough to justify an ordinance. There must be the ability to enforce numbers of nights rented and any other information deemed relevant to enforce the ordinance and meet Los Angeles' standards. We are a large marketplace and should be setting the bar. We should not allow the tail to wag the dog.

Thank you for your consideration,

Sincerely,

Barbara Broide, President

Cc: Councilmember Paul Koretz, CD 5
Faisal Alsierri, CD 5 Senior Planning Deputy
Matthew Glesne, Planning Department



October 24, 2017

The Honorable Herb Wesson, President
Los Angeles City Council
200 North Spring Street, Room 430
Los Angeles, CA 90012

Dear President Wesson:

The California Hispanic Chambers of Commerce (CHCC) is very concerned about legislation before you to regulate the homesharing industry.

Our members play a major role in California's hospitality and tourism industry. The industry has historically provided great opportunities for our members and the community at-large with jobs and economic opportunities at every level.

The Home Sharing Ordinance that is pending before the City Council is a good start, because it holds the home sharing industry accountable and requires them to play by the same rules everyone else must abide by.

However, the current measure could be better. The current yearly cap on the number of days a homesharing host can rent his/her property is much too high. A simple analysis of the homesharing market makes it clear that a 180-day cap which some have proposed renders the measure pointless. A 60 -day cap would be much more effective in attaining the Council's desired goals.

In the absence of a meaningful homesharing law, business owners, and low and middle-income workers they employ are at serious risk of losing their businesses, homes and apartments. This puts their jobs and their very livelihood at risk.

There are too many stories about renters being displaced in favor of Airbnb hotels. This is wrong. It not only impacts renters, including some who are our members, but it takes away good paying jobs in the hospitality industry.

We do not oppose homesharing, but we think it is important that the council reduce the cap to 60 days, and hold homesharing businesses accountable to the same rules the rest of the hospitality industry is responsible to obey.

Sincerely,

JULIAN CANETE
PRESIDENT & CEO

cc: Members of Los Angeles City Council

"Advocacy, Empowerment, Education for California's Hispanic Businesses"

----- Forwarded message -----

From: **Sylvia Rath** <sylvia@lvns.org>

Date: Tue, Oct 24, 2017 at 9:48 PM

Subject: Re: Plum Committee Meeting - short term rentals

To: "Councilmember.Huizar@lacity.org" <Councilmember.Huizar@lacity.org>, "CityClerk@lacity.org" <CityClerk@lacity.org>, "Councilmember.Englander@lacity.org" <Councilmember.Englander@lacity.org>, "Councilmember.Price@lacity.org" <Councilmember.Price@lacity.org>, "councilmember.harris-dawson@lacity.org" <councilmember.harris-dawson@lacity.org>

Cc: Mike Bonin <mike.bonin@lacity.org>

I wanted to add this photo. Also I love my fellow activist hosts... what a wonderful diverse crowd of interesting people — often with similar stories of illness, lack of retirement funds, older people lost jobs in recession or stopped working to care for an ill family member.

Sylvia Rath

On Tuesday, October 24, 2017, Sylvia Rath <sylvia@lvns.org> wrote:

Dear PLUM Committee Members and Mike Bonin,

We were waiting all day to speak and even was called up after filling out a card but we ran out of time so I write you instead tonight.

We thankful for your consideration of separating small onsite hosts from those who have taken advantage of home sharing platforms.

We are a rare bread in my neighborhood of Venice now. I am a home owner (inherited from my mother) but my income is very low. I am a Preschool Teacher/Director for a nonprofit Coop Preschool. My pay is low and there is no retirement pension plan. My 70 year old husband receives \$300 per month Social Security and \$100 of that pays Medicare. We are house rich money poor— but this is our home and we do not want to sell. Hosting gives my husband meets and greets every guest and the income is essential. We hope to age in place here— on our block where all our neighbors know us—and we are active in the community.

We built a garage conversion— which our son lived in while recovering from cancer. We are happy to say that he is living independently now but we want to keep the option open in case he gets sick again and needs to return. This garage conversion will never be a long term rental due to this.

The income from our Hosting our garage conversion will mean that we could age in place and will never have to sell to a developer like so many older people in Venice.

Please count garage conversions as primary residence. It is not connected to our house but does not have another address. days will not be enough to pay our bills.

We did not cause the housing crisis and stopping us will not lower Venice rents. Use our TOT taxes (5 yrs. worth so far) to help house others that were less fortunate and PLEASE help us age in place— in our own 1927 Venice home.

Sincerely,
Sylvia Rath
Venice, Ca.

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