

05/19/2016

In reference to

Council file number: CF#14-1635-S2

Planning commission file number: CPC-2016-1243-CA

Dear Councilman Bonin,

My name is Patrick Lennon, a long time resident of Venice, CA and my family has resided in Venice since the early 1900's. We are very active in the community and I am sure you have been in contact with some of our family members in the past. Most recently when my uncles band "Venice" performed at Mr. Rosendahls memorial at Mar Vista Park. We have over 200 Lennon's that have sprouted from Venice, 90291 so as a solid base in the community, we hope that our opinion is taken to seriously.

I am writing in regards to the recent draft ordinance to regulate home sharing. I am currently a host on AirBnB and wanted to share some thoughts. First I would like to thank you for taking the time to draft the ordinance and point out that I am a firm believer in regulation, especially when it comes to neighborhood related issues. I own/operate an event company/advocacy organization to help work with cities to regulate food trucks on the street (currently in the Miracle Mile / CD4 with Councilman Ryu) so I am very familiar with the process and its many nuances.

I agree with two very important items of the ordinance but would also like to address a few other points that I think need to be reconsidered. First, the owner occupy clause is a MUST and is very self-explanatory. I am so happy this will be put into effect and get home sharing back to what it once was. Second, I also agree 100% with the proposed Transient Occupancy Tax, in addition to the standard income tax, which is also self-explanatory. I think the revenue for the city will do wonders for much needed improvements and am happy to have Airbnb facilitate the collection of the tax on behalf of each host.

Although I am a firm believer in regulation and support the general overview of the ordinance, I also believe that things can be "over" regulated and may actually cause more harm than good. There are a couple items in the ordinance that I find excessive and hope they can be wiped from the proposal.

### **1. 90 Day Cap**

I'm sure you are well aware that many people using Airbnb are using it to support their mortgage and it's been a fantastic tool for keeping a lot of honest people in their homes. I am one of those honest people. If we are stripped of our ability to rent out our location as much as we do now, we will literally lose our house. I have been fighting to keep my home and pay my mortgage since the bubble burst in 2006 and since I started Airbnb, I have finally been able to keep my head above water. I used to have 4 jobs, working day and night and now I only have 2 (one being house cleaning and playing host). I support my divorced & retired mother, my sister and my wife. We all live on the property and share the duties of home sharing. The income from the amount of bookings we get per year not only pays our enormous mortgage, but it covers our property taxes, insurance and still leaves some left over for our remodeling fund. Since I have started hosting guests, we have been able to dump close to \$40K into our home for much needed renovations, many of which are a better aesthetic for the neighborhood as a whole (paint and landscaping).

My wife and I have been married for one year and have put off starting a family until we could become financially stable. Because of Airbnb and the freedom to rent it as many times as we please per year, we've set a date to start having kids later this year. My wife also has a very severe case of plaque psoriasis and we are now able to afford the proper treatments she needs to keep the inflammation down. I can't tell you how happy our family has grown as of recent. I'm also proud to say that after working 4 jobs consistently for almost 10 years, I am finally able to qualify for a refinance and take advantage of the low interest rates on a 30 year fixed. I've been denied 6 times over the last three years because I wasn't making enough income to qualify. And guess what...because of Airbnb, I just got approved this very week through Wells Fargo.

I'm not sure if you can relate to the HUGE weight I've had on my shoulders to support my family, but things are finally turning around for us and I owe it all to home sharing. I'm aware I'm just one case but I know there are HUNDREDS of others just in Venice alone and if the 90 day cap is put into affect, I along

with many others will literally lose their homes or fall into severe financial hardship. I won't be able to start a family with my wife and will have to go back to finding another couple jobs to fight for what I've held onto for so long.

In addition, think about the loss in tax revenue to our community if each host was only allowed 90 days to rent. That's a 75% cut of not only TOT from guests, but think about the loss of general tourism revenue to all of the local businesses. Where are the thousands of guests going to stay in Venice if home sharing is limited by 75%? They can't get a hotel for less than \$300/night and if they do they sure as heck won't have any excess funds to go shopping or eat at the local restaurants. Most just will stop coming. Plus the nearest hotels are in the Marina Del Rey or Santa Monica. If we push all tourism to those areas, the access to Venice and the tourism revenue for our community will plummet. I have over 20 restaurants and 100's of little shops within walking distance of our property, so think about ALL of them losing 75% in sales. It's just not right. When I say over regulation can do more harm than good, this is a prime example and I really hope your financial team stops to think about the incredibly negative impact you will bring to Venice if a 90 day cap is enforced, millions of dollars monthly...literally MILLIONS lost! That's outrageous and I BEG you to reconsider the limit and eliminate the CAP from the ordinance all together.

## **2. One Listing Per Host / Type of Listing**

I don't think a single owner occupy host should be limited to 1 listing only. I also don't agree that each unit needs to be approved for residential occupancy. Many travelers love the idea of just having a nice private unit or "converted garage" with a bed and some where to shower or use the bathroom. There are so many hosts with units that don't have kitchens and aren't technically "approved dwellings". This is a way for hosts to share more affordable options, thereby increasing tourism and also increasing revenue for both hosts and the city. However, I do think that many are abusing the "type" of listings they offer so the focus needs to be on those bad hosts. For example, many abusive hosts have started listing tents & cars in their backyards. This is ridiculous and needs to be stopped immediately. The listing needs to be an actual dwelling with a roof (i.e.; converted garage, pool house, etc.). I know many hosts that rent a full guest house but also have a very nice converted garage with no kitchen. Again, returning to my point above, many of us hosts have 2 units on our own property and the dual income allows for us to survive. The idea of cutting that in half and then cutting that half down by 75% is a scary thought and I'm losing sleep over it.

## **3. Registration Process - TOT Collection**

This should ALL be done online and can easily be streamlined by the Airbnb team. Asking thousands of hosts in Los Angeles to drive to multiple government run facilities just to get registered will be an absolute nightmare and will take years before anything gets processed correctly. I don't think the city knows the can of worms that will explode if this is put into effect. Also for the collection of TOT tax. This is already being done in San Francisco. The tax is collected by Airbnb from the guest at the time of booking and then Airbnb pays the TOT tax for the host. Simple, organized and 100% full proof. Asking hosts to file their TOT tax at the end of the year is just asking for thousands of evasions, followed by audits. Absolute nightmare.

In closing I really think this ordinance needs to be well thought through before its put to a vote. Many have said that home sharing has crushed the rental market but having lived in Venice for 38 years, I don't see that as true, nor have I seen any hard facts to support that argument. And how can researchers even point the finger at home sharing platforms as the corporate when in the last few years simultaneously we've been infiltrated by Google, Facebook, Snap Chat, Yahoo, and many other tech boomers.

I see where your heart is in getting this thing under control and agree it needs to be regulated like yesterday but that needs to happen in baby steps. No one knows the impact this will have if the ordinance is passed as is, but what I do know is that it will definitely hurt A LOT more good people than it will get rid of the bad. Please think of the good people in your process and re-analyze what you're proposing.

Sincerely,

Patrick Lennon  
[patricklennon@gmail.com](mailto:patricklennon@gmail.com)



Sharon Dickinson <sharon.dickinson@lacity.org>

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## CF#14-1635S2

1 message

Patrick Pittelli <bedfordfalls06@gmail.com>

Thu, May 19, 2016 at 2:00 PM

To: mayor.garcetti@lacity.org, matthew.glesne@lacity.org, cpc@lacity.org, justin.wesson@lacity.org, concilmember.wesson@lacity.org

Cc: sharon.dickinson@lacity.org, etta.armstrong@lacity.org, paul.koretz@lacity.org

CF#14-1635S2

CPC-2016-1243-CA

To the Los Angeles City Council and Planning Commission,

- City Government is supposed to help its citizens not create laws that keep them from surviving in a difficult economic environment. It is no secret that LA is a city whose elected officials depend campaign contributions from the Unions. So it is no wonder that that the politicians in the city are caving to the pressure being put on them by the hotels and the unions to put an end to Airbnb because it eats into their revenues.
- We all know that our economy is terrible. And that 90 million people across the country have left the work force because of a lack of jobs...especially quality jobs. This city especially has been impacted by illegal immigrants who have pushed many of us out of jobs. For many of us, especially Senior Citizens, Airbnb has supplemented our income and enabled us to hold onto our homes. If we are limited to the number of days we can Airbnb a portion of our homes many of us will lose the ability to pay our mortgages and be forced to sell our homes or be faced with foreclosures.
- Airbnb has especially helped those of us who are senior citizens who are no longer employable because of economic conditions. Many of the menial jobs that were once available to seniors to supplement their incomes, are taken up by desperate young and middle-aged workers who will take any job in order to put food on the table. Airbnb is one of the few opportunities we have to earn extra income to be able to pay our mortgages and keep us from becoming homeless or pull up our roots and move to a more affordable city.
- The ordinance that the city politicians are putting on the table is a new law that has never been on the books before. In this case, the city is creating laws to punish homeowners who have come up with an idea and a way to supplement their incomes so they can afford to stay in their homes. All this, to please contributors to their campaigns. Airbnb is a form of entrepreneurship... a fundamental right to all free people. When the city becomes a co-conspirator with the unions and hotels trying to crush competition to their businesses it is against the American Dream and true freedom and liberty. In a sense, the city is an accomplice to the unions and hotels trying to squash their competition. Picking who wins and loses should not be the role of any city government. The taxpaying homeowners of this city far outnumber the



unions and their members or the taxes paid by the hotels. And in the end, we hold more votes than they do.

- If it were merely a case of a loss of occupancy taxes that the city is concerned about, then let Airbnb charge those taxes and pay them directly to the city but don't be an arm of the unions and hotels in punishing those of us who are trying to keep our heads above water in one of the worst economies in the last 30 years.
- I can understand Landlords concerned about and wanting to limit their tenants to using their apartments as an Airbnb because they always like to know who is inhabiting their properties. This is especially true when they are multi-unit properties, for they have to be concerned about their other tenants and how this could open them up to litigation in the event something goes awry. I can also be sympathetic to neighbors who are faced with an owner who doesn't inhabit a home, but blindly wishes to Airbnb their property. Neighbors like to know who enters the house next door as we do. But it is quite different when a homeowner who inhabits their home but wishes to Airbnb part of it while still living on the premises. Such a person is not going to allow riffraff or out of control parties to take place in their home. Not only for their neighbors comfort and safety but for their own.
- The arbitrary number of 90 days being the most number of days you can Airbnb seems unreasonable if not absurd. On what basis or logic was that determined by the city? Will the city next tell homeowners they cannot lease their home on a yearly or 6 month basis? If one were to operate their home as a Bed and Breakfast, would that be limited to 90 days? If someone has a motorhome they would like to rent out to the public for vacation trips, will that be restricted to 90 days per year? Where does it end? When does the government stop intruding on our lives in order to please special interests?
- In the end, this proposed new ordinance is just another example of Government telling us how to live our lives and what we can do with our properties. 75 years ago it was perfectly legal for homeowners to take in boarders, transient or permanent. This was a way for people to own their own homes without the worry of how they would pay their bills and mortgage. Nothing has changed. For most of us this is not a hobby. It is a means of survival and a way of keeping up with our mortgage payments and taxes until the economy gets better and or until we are in a better financial state. We are not trying to take jobs away from the unions or cut into hotel owners profits. We are trying to create some income so we can pay our bills and remain in our homes. And we as citizens are just as entitled to do so as they are. Like them, we pay our taxes and vote and should not be subject to city government creating laws or ordinances as a favor to special interests.
- Basically, the city has taken a group of law abiding citizens who are homeowners and created a law to turn them into criminals because they are trying to make ends meet.

## **The impact on the city's economy of such an ordinance.**

- Killing or restricting Airbnb will not automatically increase revenues for hotels. Many

travelers who now come Los Angeles on vacations cannot afford the cost of our hotels and therefore will not come here. This results in loss of revenues and jobs for the city of Los Angeles. People who never come because hotels are too expensive never get to spend money in restaurants, stores, rent cars, visit amusement parks, buy groceries, buy gas...all activities that create jobs. I have attached an article that backs this up.

- Though the unions believe this impacts their jobs, keep in mind that there are many jobs that Airbnb has created that will go away. There is a cleaning company that cleans after every client leaves which can sometimes be two or three times a week. They have taken on new people to service Airbnb clients. Those jobs will be gone.
- For many of us, if we are limited to 90 days of Airbnb a year we will simply have to sell our homes and leave the state. So you are essentially driving people out of their homes which in many cases they have spent the better part of their lives. This is especially critical for seniors who live on fixed incomes and are reliant on social security and Airbnb to get by.

## What the city should consider

- That any citizen who depends on the ability to Airbnb any part of their own home in order to supplement their income should not be restricted to any number of days.
- That any senior citizen allowed to Airbnb any part of their home without being limited to any number of days per year and be exempt from any fees or taxes other than an occupancy tax which is charged to the guest and paid by Airbnb.
- Restrictions on days should only apply to multi-unit apartments where either the landlord or tenant wish to Airbnb their units unless the Landlord converts their complex to a registered Bed and Breakfast Inn.
- Perhaps a tenant should be required to provide authorization from their landlord before being able to Airbnb their apartment.
- That whatever hotels charge and pay the city as an occupancy tax should be added to an Airbnb nightly rate and paid to the city by Airbnb.
- Come up with a yearly registration fee that the homeowner can pay to Airbnb when they register which in turn gets paid to the city so that the homeowner doesn't get caught up in the bureaucracy and red tape and the city doesn't have to set up departments of more city workers to deal with collecting the fees. Makes it easy for everyone.
- To keep people from entering the housing market simply to Airbnb their property, create a stipulation that a homeowner must have lived in their home for at least 2-5 years before being eligible to Airbnb the property or any portion of it.

<http://www.latimes.com/business/la-fi-airbnb-la-20160509-snap-story.html>

Patrick Pittelli- Senior Citizen

"Any man who thinks he can be happy and prosperous by letting the government take care of him, better take a closer look at the American Indian." - Henry Ford



Sharon Dickinson <sharon.dickinson@lacity.org>

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## CF#14-1635-S2

1 message

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**Keion Drummond** <dkeion@yahoo.com>

Thu, May 19, 2016 at 7:00 PM

Reply-To: Keion Drummond <dkeion@yahoo.com>

To: "mayor.garcetti@lacity.org" <mayor.garcetti@lacity.org>, "matthew.glesne@lacity.org"

<matthew.glesne@lacity.org>, "cpc@lacity.org" <cpc@lacity.org>, "justin.wesson@lacity.org"

<justin.wesson@lacity.org>, councilmember.wesson@lacity.org, "david.ryu@lacity.org" <david.ryu@lacity.org>

Cc: "Sharon.dickinson@lacity.org" <Sharon.dickinson@lacity.org>, "etta.armstrong@lacity.org"

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The council file number: CF#14-1635-S2

The planning commission file number: CPC-2016-1243-CA

I have been co-hosting since 2013. I met the owner of the house just as she was going through a bankruptcy. I have witnessed first-hand how vacation rentals have not only saved her from a potentially disastrous situation, but also how it has benefited both the city and the local economy.

Our guests come from all over the world and from all over the States. Many take vacation rentals to live as the locals do. Many tell us that they are on a tight budget and it has only been the alternative of vacation rentals that have enabled them to visit our city. So, a huge percentage of our guests would not be here spending money were it not for vacation rentals. This helps the city in general, as 14% of our earnings go to pay the TOT TAX. While they are here, we refer them to restaurants, stores, and sites. This helps the local economy.

What I hadn't anticipated was how much these guests would enrich my life. I have not had the opportunity to travel much. Meeting people from all over the world has taught me so much. And, if I'm honest, it's fun. Some have cooked meals and invited the neighbors. Some have become like family.

That is why I am hoping you will reconsider the terms you are proposing for short term rentals. The 90 day restriction and the one listing only (we have 2 rooms we rent) It would be a lose/lose/lose proposition. We would lose., the city would lose and the local area would lose.

I thank you for taking the time to read this,

Keion Drummond

310 880 8736



Etta Armstrong &lt;etta.armstrong@lacity.org&gt;

**CF#14-1635-S2**

1 message

**Keion Drummond** <dkeion@yahoo.com>

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