APPENDIX A

RESOLUTION

WHEREAS, the Los Angeles City Council adopted the Home-Sharing Ordinance (Ordinance number 185,931) on December 11, 2018 with an effective date of July 1, 2019;

WHEREAS, the Home-Sharing Ordinance will protect the City's affordable housing stock by allowing only an authorized host to share his or her registered primary residence with transient users and by continuing to prohibit a property owner from converting a housing unit into a Short-Term Rental that is not zoned or authorized for transient use;

WHEREAS, the Home-Sharing Ordinance allows the Department of City Planning to promulgate Administrative Guidelines, which may include, but are not limited to, application requirements, interpretations, conditions, reporting requirements, enforcement procedures, and disclosure requirements, to implement the provisions, and consistent with the intent, of the Home-Sharing Ordinance;

WHEREAS, Subsection 12.22 A.32(f)(6) of the Home-Sharing Ordinance created an exception from the Hosting Platform Responsibilities paragraph (f) of the Ordinance. The exception states that the provisions of this paragraph shall not apply to a Hosting Platform whenever it (a) complies with the Administrative Guidelines, issued by DCP and approved by a resolution of the City Council, that describe how the Platform shall satisfy the Hosting Platform responsibilities in this paragraph, or (b) enters into a Platform Agreement;

WHEREAS, the Department of City Planning has prepared and published a draft of the Home-Sharing Administrative Guidelines pursuant to Subsection 12.22 A.32(f)(6);

WHEREAS, the Hosting Platform Responsibilities portion of Administrative Guidelines (Appendix A) shall be approved by a resolution of the Los Angeles City Council;

NOW, THEREFORE, THE PEOPLE OF THE CITY OF LOS ANGELES DO ORDAIN AS FOLLOWS:

HOME-SHARING ADMINISTRATIVE GUIDELINES FOR COMPLIANCE WITH HOSTING PLATFORM RESPONSIBILITIES

(As adopted by Resolution of the City Council on [DATE])

I. BACKGROUND

This document describes how a Hosting Platform operating in the City of Los Angeles may comply with the Home-Sharing Administrative Guidelines provisions relating to the Hosting Platform responsibilities in LAMC 12.22 A.32 (f) (the *Home-Sharing Ordinance*) The responsibilities are intended to facilitate compliance by all parties in an efficient and effective manner. The primary Hosting Platform responsibilities, as provided in the Home-Sharing Ordinance, are to: 1) prevent unpermitted Booking Services, 2) provide contact information; and 3) share basic information on bookings.

As described in the Administrative Guidelines, there are three means by which a Hosting Platform may opt to comply with the Hosting Platform responsibilities. Platforms may choose to: (1) comply with the provisions of LAMC Section 12.22 A.32(f); (2) comply with the provisions of these Administrative Guidelines; or (3) enter into a Platform Agreement with the City.

Hosting Platforms that choose to comply with the Administrative Guidelines may select one of the two methods provided in Section II, below, to satisfy their responsibilities. Platforms interested in utilizing one of these methods shall submit a request via email to the Department at <u>planning.home-sharing@lacity.org</u> and work directly with staff to establish access and written approval to utilize one of these methods. Both methods require the following:

- Include and Display Registration Number. Beginning no later than the end of the Outreach Phase, Hosting Platforms must provide a designated field on all Listings for Hosts to include their Registration Number (or Pending Registration Status Number) and begin to display these Numbers on their website, and/or affiliated websites. The Hosting Platform shall require, by the Enforcement Date, that all Short Term Rental Listings, including all Listings on websites controlled by the Hosting Platform (and/or affiliated websites/platforms), provide the Registration Number. Additionally, Hosting Platforms must take reasonable measures to ensure the following:
 - a. that each Registration Number used on the Hosting Platform's Listings nonduplicative with another address/Host name/ID;
 - b. that each Registration Number used on the Hosting Platform's Listings are valid (has not expired, been revoked, etc.);

- c. that each Registration Number used on the Hosting Platform's Listings are provided in the correct format and field location, as required by the Department of City Planning ("Department") at the time of approval of this option; and
- d. that the Host has provided a Registration Number that matches the address of the associated Listing(s), based on the most recent information provided by the Department pursuant to either method provided in Section II, below.
- 2. Provide Contact Information. On or before August 14, 2019 [within 45 days of the Effective date of the Home-Sharing Ordinance], Hosting Platforms with Listings located in the City shall provide to the Department contact information for a responsible employee or representative able to respond to and communicate with the Department. Hosting Platforms that commence Listings in the City after the Effective Date must provide this contact information prior to facilitating Home-Sharing activity or providing Booking Services within the City.
- 3. **Prevent Booking Services Associated with Unlawful Short-term Rentals**. Hosting Platforms shall not process or complete any Booking Service transaction for any Person whenever the City has provided notice that a Listing and/or a Registration or Pending Registration Status Number is ineligible at least 48 hours prior. Hosting Platforms may satisfy this requirement by utilizing one of the methods provided in Section II below.

II. AVAILABLE METHODS TO SATISFY HOSTING PLATFORM RESPONSIBILITIES TO PREVENT ILLEGAL BOOKING SERVICES.

- 1. Application Programming Interface (API) Method. Upon approval from the Department, a participating Hosting Platform shall query an application programming interface (API) administered by the Department at least once every 24 hours to determine the legal status of any Registration or Pending Registration Status Numbers associated with the Listings advertised on their website, and affiliated websites. To query the API the participating Hosting Platforms must as part of their API queries provide the following information for each Listing advertised on their website, and affiliated websites:
 - a. The Registration Number, Pending Registration Status Number, or an exemption status code that explains why the property is not considered a Short-Term Rental subject to the provisions of the Home-Sharing Ordinance. Those codes are as follows:
 - i. 01: a residential property advertised and rented exclusively for stays longer than 30 consecutive days
 - ii. 02: a Hotel or Motel

- iii. 03: a Transient Occupancy Residential Structure
- iv. 04: a Bed and Breakfast approved pursuant to LAMC 12.24X.12

For Listings where the Hosting Platform provides an exemption status code via the API in lieu of a Registration Number or Pending Registration Status Number, the Hosting Platform must also provide applicable detailed information as listed in Section II.2 for each of those Listings on no less than a weekly basis using the Manual Spreadsheet Method of compliance described below.

- b. The house number of the address associated with the Registration Number (or Pending Registration Status Number) (i.e. "123" from the address "123 Main Street");
- c. The number of nights the rental unit has already been rented as a Short-Term Rental through the Hosting Platform in the calendar year;
- d. The number of nights the rental unit has been booked for Short-Term Rental stays through the Hosting Platform for the remainder of the calendar year;
- e. The number of nights the rental unit has already been rented for non-Short-Term Rental stays through the Hosting Platform in the calendar year; and
- f. The number of nights the rental unit has been booked for non-Short-Term Rental stays through the Hosting Platform for the remainder of the calendar year.

If a Hosting Platform receives notice that a Registration or Pending Registration Status Number is invalid or ineligible or a Listing does not meet the requirements to qualify for the provided exemption status code, the Platform shall, within 48 hours of receiving such API notice, (a) not complete any further booking transactions with respect to such Listing, Registration or Pending Registration Status Number and/or (b) remove all Listings associated with the ineligible exemption status code, Registration or Pending Registration Status Number from their website, and affiliated websites. Notices that are sent via the API shall be deemed effective and complete at the time they are sent, unless: (a) the City receives an automatic error message from the Hosting Platform that the notice was not delivered, or; (b) the Hosting Platform, within two business days I. informs the Department on planning.home-sharing@lacity.org that a technical error prevented the specific notice from being delivered in a timely manner to the Hosting Platform, II. provides technical details on the error, and III. works in good faith with the Department and its agents to resolve the technical issues in an expedient manner using commercially reasonable efforts. In the event the application programming interface (API) administered by the Department fails to return a valid notice due to system downtime or other technical errors, the Hosting Platform is allowed to continue to list

and/or accept new booking requests for the Listing associated with the error prone Registration or Pending Registration Status Number but must within two business days I. inform the Department on <u>planning.home-sharing@lacity.org</u> about such technical error, II. provide technical details on the error, and III. work in good faith with the Department and its agents to resolve the issues in an expedient manner using commercially reasonable efforts. Additional details on this process along with the technical API documentation will be provided by the City to participating Hosting Platforms.

- 2. **Manual Spreadsheet Method.** Upon approval from the Department, the City and Hosting Platform will create a system and process to satisfy each of the following requirements.
 - a. **Provide Weekly Data.** On no less than a weekly basis, the Hosting Platform will provide to the Department an itemized data file (in a specific format approved by the Department) containing certain up-to-date information on all City of Los Angeles Listings that have appeared on the Platform's website(s) and affiliate websites since the City was last provided an itemized weekly data file (the Reporting Period). The Hosting Platform can meet this requirement by either of the following means:
 - i. Establishing a secure File-sharing or FTP server or other system approved by the Department that functions as a portal which allows the City to easily obtain the required up-to-date data; or
 - ii. Sending an email to: <u>planning.home-sharing@lacity.org</u> with an attached password protected spreadsheet file containing the required up-to-date data.

At a minimum, such data file shall contain the following information for each Listing advertised on the Hosting Platform's website(s), and/or affiliated websites:

- i. Home-Sharing Registration Number or Pending Registration Status Number, or an exemption status code that explains why the property is not considered a Short-Term Rental subject to the provisions of the Home-Sharing Ordinance. Those codes are as follows:
 - 1. 01: a residential property advertised and rented exclusively for stays longer than 30 consecutive days
 - 2. 02: a Hotel or Motel
 - 3. 03: a Transient Occupancy Residential Structure
 - 4. 04: a permitted Bed and Breakfast pursuant to LAMC 12.24X.12;

- ii. Full name of the Host (as provided to the Hosting Platform by the Host);
- Unique Host ID (as presented in the metadata of each Host Profile and/or Listing on the publicly facing website(s) of the Hosting Platform including any affiliate websites, if applicable);
- iv. Unique Listing ID (as presented in the metadata of each Listing on the publicly facing website(s) of the Hosting Platform including any affiliate websites);
- Public Host name (presented in the exact same format(s) as used on the publicly facing website(s) of the Hosting Platform including any affiliate websites);
- vi. Host mailing address (i.e. the mailing address of the Host as provided to the Hosting Platform by the Host);
- vii. Host email address (i.e. the email address of the Host as provided to the Hosting Platform by the Host);
- viii. Listing URL(s) (i.e. the unique website addresses presented in the exact same format(s) as used on the publicly facing website(s) of the Hosting Platform including any affiliate websites);
- ix. Listing street address (i.e. the physical location of the rental units as provided to the Hosting Platform by the Host);
- x. Listing Apartment/suite/unit number (as provided to the Hosting Platform by the Host, if any);
- xi. The number of nights the rental unit associated with the Listing was rented as a Short-Term Rental through the Hosting Platform in the reporting period;
- xii. The number of nights the rental unit associated with the Listing has already been rented as a Short-Term Rental through the Hosting Platform in the calendar year relevant to the reporting period;
- xiii. The number of nights the rental unit associated with the Listing has been booked for Short-Term Rental stays through the Hosting Platform for the remainder of the calendar year;

- xiv. The number of nights the rental unit has already been rented for non-Short-Term Rental stays through the Hosting Platform in the calendar year; and
- xv. The number of nights the rental unit has been booked for non-Short-Term Rental stays through the Hosting Platform for the remainder of the calendar year.
- b. Prevent Booking Services. Subsequent to the receipt of each itemized data file from the participating Hosting Platforms, the Department will compile a list of ineligible Listings which will be provided in the form of a spreadsheet attached to an email sent to the responsible employee or representative of each Hosting Platform (Notice of Ineligibility). The City shall provide such Notice of Ineligibility status to the Platform prior to the Enforcement Date and on a recurring basis thereafter.

Hosting Platforms shall within 48 hours of receipt of each Notice of Ineligibility cease to process or complete any Booking Service transaction for any Listings contained in such list. Notices sent via email shall be deemed effective and complete at the time it is sent, unless: (a) the City receives an error message that the email was not delivered, or; (b) the Hosting Platform within 48 hours of receipt informs the Department that a technical error prevented the Hosting Platform from opening and extracting the information in the spreadsheet.