

CF# 14-1635 S2

**Hotel Association
of Los Angeles**

August 19, 2015

Honorable Jose Huizar
Chairman
City Council Planning & Land Use Management Committee
200 N. Spring Street
Los Angeles, CA 90012

Dear Chairman Huizar:

I'm writing today on behalf of the Hotel Association of Los Angeles (HALA), which represents more than 130 Los Angeles area hotels and affiliates.

On Tuesday, August 25, the LA City Council Planning and Land Use Management Committee will hear a motion put forth by Councilmember Mike Bonin regarding potential regulations and governance of short-term rentals in the City of Los Angeles such as Airbnb. This is an extremely important issue to hotels throughout our City.

As short-term rentals have multiplied over the past several years in communities throughout Los Angeles, HALA has many concerns regarding the impact that these facilities have on our local neighborhoods and businesses. Specifically, there is a great deal of concern regarding the impact that these businesses have on the quality of life in our residential neighborhoods, the availability of affordable housing, the loss of general fund revenue for the City of Los Angeles without Transient Occupancy Taxes (TOT) being generated, and the impact that these businesses have on the hotel industry in Los Angeles.

The truth of the matter is that these short-term rental locations are operating as commercial lodging facilities and should therefore be required to abide by the same standards and rules that the local hotel industry has to abide by. This means that they should be mandated to pay Transient Occupancy Taxes, Gross Receipts Taxes, and be required to comply with the same set of health, accessibility, and zoning requirements as other Los Angeles businesses. Absent these requirements, there is not a level playing field in Los Angeles and the hotel industry is at a competitive disadvantage.

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Other cities throughout California are tackling this issue and, from what we can tell, the City of Santa Monica seems to have adopted one of the most reasonable ordinances regulating the short-term rental industry that protects local neighborhoods, preserves affordable housing, and ensures that there is a level playing field for local hotels. HALA encourages the PLUM Committee to review the best practices of other cities with a particular emphasis on using the recently enacted Santa Monica short-term rental ordinance as a guide.

Los Angeles hotels serve as the backbone for the tourism industry in our City. Our hotels provide great jobs and nearly \$200 million dollars in Transient Occupancy Tax revenue to the City's general fund each year. With this in mind, it is essential for the City of Los Angeles to draft an ordinance regulating the short-term rental industry that is fair and supports local businesses that have been playing by the rules for decades.

On behalf of our member hotels and affiliates located in every part of the City of Los Angeles, we thank you for your consideration of this incredibly important issue.

Sincerely,



Robert Amano
Executive Director

CC: Honorable Members, PLUM Committee
Councilmember Mike Bonin
Mayor Eric Garcetti
Miguel Santana, City Administrative Officer
Sharon Tso, Chief Legislative Analyst
Los Angeles Area Chamber of Commerce
Valley Industry and Commerce Association
Central City Association