

Google Groups

COMMENT RE ITEM NO. (1) 14-1635-S2 - SPECIAL MEETING, PLANNING AND LAND USE MANAGEMENT COMMITTEE Tuesday, October 23, 2018

margaret molloy <mmmolloy@earthlink.net>

Oct 23, 2018 1:15 AM

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

PLEASE PLACE THESE COMMENTS IN THE PUBLIC CORRESPONDENCE FILE FOR ITEM NO. (1) 14-1635-S2

Dear Council members,

As a longterm renter, I urge you to please consider these issues related to the proposed Home-Sharing Ordinance.

PLEASE consider the negative cumulative effect of these issues:

Venice is the area of the City that is most impacted by short term rentals (home sharing). It is detrimental to our community. Home has historically been an individual's personal sanctuary. Short term rentals displace longterm renters. This changes that sense of stability for renters, and for their neighbors. Short term rentals fragment communities replacing family and friends with strangers. It disrupts the basic sense of stability that neighborhoods create as a social structure that supports individual and community wellbeing. We are social creatures.

Los Angeles is in a housing crisis. Rent Stabilized apartments provide a limited supply of rental housing that offers unique protections to renters. Allowing short term rentals in RSO units would be a disaster. While the motivation of landlords is to maximize their profits, there is no way that they will allow their tenants to avail of the increased revenue from subletting a Rent Stabilized unit on the short term market. This would incentivize property owners to move tenants out.

Please read the document below, the Venice Neighborhood Council's Community Impact Statement on Short Tern Rentals was drafted by land use attorney Mike Newhouse while serving as VNC President in 2015. Mr. Newhouse currently serves as the President of the West Los Angeles Planning Commission. It is emphatic.

Please consider a strict limit on the number of days that a home can be on the market. Only a reasonably low limit will offset the incentive of property owners to replace tenants and / or roommates with short term rentals.

Please also consider a neighborhood specific density cap as suggested in the Venice Neighborhood Council's CIS. We are losing our cultural and socio-economic diversity in Venice as a negative outcome of the over saturation of short term rentals, even while they are currently illegal.

Fines must be high enough to be a true disincentive versus a negligible cost of doing business. This is a recurring problem in Venice land use issues.

Venice west of Lincoln Boulevard is a coastal zone area under the jurisdiction of the Coastal Commission and state laws including the Mello Act.

As such, special considerations must be applied to this area compliant with state law.

Please place your focus on the protection of existing rental housing, and significant consequences for violators.

Appreciatively,

margaret molloy

Whereas: Venice is the City's most severely impacted neighborhood in Los Angeles, with 1,118 non-owner-occupied short-term rentals (STRs), while approximately 822 more, non-duplicate, entire apartments or homes are listed on other 22 on-line platforms serving Venice, and we are losing affordable and Stabilized housing to STRs at an alarming rate¹, and

We urge Council members Bonin, Koretz, Wesson and the entire City Council to take additional assertive actions to protect our endangered affordable housing and rental housing stock, and to protect home sharing from speculators and profiteers who are undermining its success. We ask that the City immediately begin enforcing zoning and occupancy laws that outlaw short-term rentals for fewer than 30 days in residential neighborhoods.

3. **No rent stabilized properties (RSO properties) should be permitted to convert to STR** City Council must clarify how this will be accomplished and how to ensure that RSO units are not converted to short-term rentals. One solution would be a proposed Rent Registry, which would record occupancy and rental amount per unit, as a matter of course, on an annual basis. This will give city departments the data necessary to evaluate if a unit has been illegally converted from RSO.

4. **Mello Act provisions must be strictly adhered to** Special Coastal Zone any new short-term rental regulations should implement the protections of the Mello Act. The three Coastal Zone neighborhoods within the City (Venice, San Pedro Palisades) warrant special attention, and possibly an exemption from this favor of stricter rules. The Mello Act, a state law, expressly prohibits the residential housing to non-residential uses in most circumstances. An RS owner currently operating an illegal hotel (which we have many of in Venice) cannot be granted the required zoning changes, permits or certificates of occupancy for the operation to a legal hotel, because the Department of City Planning would be required by the Mello Act to deny these requests. Currently, many operators of STRs are operating without the required zoning, certificates of occupancy, or permits to operate a commercial hotel. Therefore, in the Coastal Zone especially (and through a matter of good public policy), the Council should first address how to bring residential properties into compliance with applicable laws and rules, including the Mello Act. Secondly, the City should address if and how a property owner could operate an STR legally. If no measures can be found, we have no choice but to ban STRs in the Coastal Zone, in accordance with State Law and in the interest of protecting our neighborhoods and residential housing stock.

5. **No conversions to “legal hotels” or "corporate housing" of residential stabilized apartment buildings and multi-unit properties** This is a violation of the Mello Act and removes long-term affordable and rent stabilized housing from the long-term rental stock.

6. **Neighborhood specific density caps** In order to protect quality of life, neighborhood stability and neighborhood diversity, the burden of STRs must be shared among residential neighborhoods. Limits must be placed on the number and concentration of STRs in any given residential neighborhood.

11. **Eviction and remedies available to Home-Sharers** The City shall establish as necessary to protect home-sharers from renters. Such protections shall include provisions for eviction for non-payment of fees and property damage claims.

16. **Owners and/or Third-Party Service Agents of all STR units to be of must report monthly** Owners and Internet platforms, agents, realtors and those receiving payments from STR rental activity shall report such activity monthly. For each permit number to identify the STR, they will report the number of occupancy of each occupancy, the number of renters per unit per occupancy, the number of occupants, the number of vehicles per unit per occupancy, the rent charged per occupancy, the amount received per occupancy, STR TOT due per occupancy, and other information required by the STR Coordinating Department. A check for STR TOT due for the month must be included with the report.

Contact Information

Neighborhood Council: Venice Neighborhood Council

Name: Mike Newhouse

Phone Number: [310-795-3768](tel:310-795-3768)

Email: mike@mikeandruthie.com

The Board approved this CIS by a vote of: Yea(11) Nay(1) Abstain(1) Ineligible(0)
Recusal(0)

Date of NC Board Action: 09/15/2015

Type of NC Board Action: For if Amended

Impact Information

Date: 10/09/2015

Update to a Previous Input: No

Directed To: City Council and Committees

Council File Number: 14-1635-S2

Agenda Date:

Item Number:

Summary: This authorizes a host to rent part of their primary residence to short-term visitors, permitting someone to rent a spare room or a back house, so long as the owner also occupies the house.

We also urge the City Council to take additional actions to protect our endangered affordable housing and RSO housing stock, and to protect home sharing from speculators and profiteers who are undermining its success.

We ask that the City immediately begin enforcing current zoning and occupancy laws that outlaw short-term rentals for fewer than 30 days in residential neighborhoods. We also make suggestions that apply to creating a system of regulations and enforcement under 14-1635-S2.



Venice Neighborhood Council

PO Box 550, Venice, CA 90294 / www.VeniceNC.org
Email: info@VeniceNC.org / Phone or Fax: 310.606.2015



October 9, 2015

COMMUNITY IMPACT STATEMENT

COUNCIL FILE 14-1635-S2

TO: The Honorable City Council of Los Angeles and Committees in c/o the Office of the City Clerk at the Los Angeles City Hall 200 North Street, Los Angeles, CA 90012

The Venice Neighborhood Council requests that the following Community Impact Statement be attached to Council File 14-1635-S2.

On September 15, 2015, by a vote of 11-1-1, the Venice Neighborhood Council urges the City Council to support 14-1635-S2 if the following change is made:

From:

- Authorizes a host to rent all or part of their primary residence to short-term visitors, permitting someone to rent a spare room, a back house, or even their own home while they are out of town.

To:

- Authorizes a host to rent part of their primary residence to short-term visitors, permitting someone to rent a spare room or a back house, so long as the owner also occupies the house.

We also urge the City Council to take additional actions to protect our endangered affordable housing and RSO housing stock, and to protect home sharing from speculators and profiteers who are undermining its success.

We ask that the City immediately begin enforcing current zoning and occupancy laws that outlaw short-term rentals for fewer than 30 days in residential neighborhoods.

We also make suggestions that apply to creating a system of regulations and enforcement under 14-1635-S2.

MOTION:

The Venice Neighborhood Council thanks Council members Bonin, Koretz and Wesson for their short-term rentals motion ([Council File: 14-1635-S2](#)) and for taking this important step toward reining in the proliferation of commercial short-term rentals that have impacted the affordable housing stock in Venice and the quality of life in our neighborhoods. We appreciate the goal of differentiating sharing of a primary residence



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from commercial exploitation and the Council's responsiveness to our prior motions regarding this issue.

Whereas: Venice is the City's most severely impacted neighborhood in Los Angeles, with 1,118 non-owner-occupied short-term rentals (STRs), while approximately 822 more, non-duplicate, entire apartments or homes are listed on the other 22 on-line platforms serving Venice, and we are losing affordable and Rent Stabilized housing to STRs at an alarming rate¹, and

Whereas: STRs are impacting the quality of life in neighborhoods throughout Los Angeles and City enforcement and regulation is urgently needed, and

Whereas: City Council Motion 14-1635-S2:

- Authorizes a host to rent all or part of their primary residence to short-term visitors, permitting someone to rent a spare room, a back house, or even their own home while they are out of town.
- Prohibits hosts from renting units or buildings that are not their primary residence or are units covered by the Rent Stabilization Ordinance (RSO), forbidding speculators from creating a syndicate of short-term rental properties, and prohibiting the loss of valuable rental housing stock.

Therefore, be it Resolved, the Venice Neighborhood Council supports the concept of owner-occupied home sharing and asks that the first bullet of Motion 14-1635-S2 above be modified to say:

Authorizes a host to rent part of their primary residence to short-term visitors, permitting someone to rent a spare room or a back house, so long as the owner also occupies the house.

We urge Council members Bonin, Koretz, Wesson and the entire City Council to take additional assertive actions to protect our endangered affordable housing and RSO housing stock, and to protect home sharing from speculators and profiteers who are undermining its success. We ask that the City immediately begin enforcing current zoning and occupancy laws that outlaw short-term rentals for fewer than 30 days in residential neighborhoods

The Venice Neighborhood Council further suggests that while motion 14-1635-S2 is a positive step forward, it is incomplete as written because it does not include suggestions to enhance regulation and enforcement of STRs. We suggest the following list of recommendations be reviewed for inclusion in any final ordinance. We further suggest that this list be expanded through a series of regional meetings to be held throughout the City to gather additional input.

¹ Roy Samaan, LAANE Policy Brief: Short-Term Rentals and Los Angeles' Lost Housing, July, 2014, supplement to "Airbnb, Rising Rent, and the Housing Crisis in Los Angeles," (LAANE, 2014)



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1. **Must be primary residence, owner occupied required** Absolutely no investment property owners or owners with 2nd (and 3rd and 4th) “homes.” Many STRs are currently commercial operations with multiple units offered for rent, often in separate structures. These STRs frequently resemble hotels rather than residential properties.

Most of these commercial operators currently claim to be "hosts" and to live on their properties. However, the majority of these commercial operators do not live on the property, or live there only a few days out of the year. Many operate multiple short-term rentals as a commercial enterprise and falsely claim "guests" are family members or friends. Regulations designed to end this practice must be incorporated into the motion to insure that no loophole allowing this practice to continue is created.

2. **No grandfathering or amnesty for existing STRs and de facto “hotels”** Existing STR's should not be granted amnesty. Rather they should be required to begin an application process and required to register with the City under any new ordinance(s) or regulations to insure that current operators of STRs are barred from continuing operation. No commercial operators should be permitted.
3. **No rent stabilized properties (RSO properties) should be permitted to operate as an STR** City Council must clarify how this will be accomplished and how to ensure that RSO units are not converted to short-term rentals. One solution would be to enact the proposed Rent Registry, which would record occupancy and rental amount on every RSO unit, as a matter of course, on an annual basis. This will give city departments the data necessary to evaluate if a unit has been illegally converted from RSO.
4. **Mello Act provisions must be strictly adhered to** Special Coastal Zone provisions in any new short-term rental regulations should implement the protections of the Mello Act. The three Coastal Zone neighborhoods within the City (Venice, San Pedro, and Pacific Palisades) warrant special attention, and possibly an exemption from this ordinance in favor of stricter rules. The Mello Act, a state law, expressly prohibits the conversion of residential housing to non-residential uses in most circumstances. An RSO building owner currently operating an illegal hotel (which we have many of in Venice) cannot be granted the required zoning changes, permits or certificates of occupancy to convert their operation to a legal hotel, because the Department of City Planning would be compelled by the Mello Act to deny these requests. Currently, many operators of STRs are operating without the required zoning, certificates of occupancy, or permits to operate a commercial hotel. Therefore, in the Coastal Zone especially (and throughout the City, as a matter of good public policy), the Council should first address how to bring all residential properties into compliance with applicable laws and rules, including the Mello Act. Secondly, the City should address if and how a property owner could operate an STR legally. If no measures can be found, we have no choice but to ban STR's in the Coastal Zone, in accordance with State Law and in the interest of protecting our neighborhoods and residential housing stock.



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5. **No conversions to “legal hotels” or “corporate housing” of residentially zoned, rent stabilized apartment buildings and multi-unit properties** This is a violation of the Mello Act and removes long-term affordable and rent stabilized housing from the long-term rental stock.
6. **Neighborhood specific density caps** In order to protect quality of life, neighborhood stability and neighborhood diversity, the burden of STRs must be shared fairly by all residential neighborhoods. Limits must be placed on the number and concentration of STRs in any given residential neighborhood.
7. **Posting of STR contact information** A sign with the name, phone number, email address and mailing address of an emergency contact (who shall be available 24/7) shall be posted in a public viewable location on the STR’s premises whenever the STR is occupied.
8. **Parking for STR occupants** STRs shall supply parking spaces in accordance with standards set by the City Council and other regulatory agencies (such as the California Coastal Commission).
9. **STRs must comply with applicable noise ordinances** STR contracts must inform STR renters of applicable noise ordinances. Fines for excessive noise shall be levied to insure compliance. Noise complaints shall be tracked and repeated complaints shall be grounds for revoking an STR Permit.
10. **Health and Safety Regulations** The City shall establish health and safety regulations as are necessary to protect Renters of STRs
11. **Eviction and remedies available to Home-Sharers** The City shall establish regulations as necessary to protect home-sharers from renters. Such protections shall include a right of eviction for non-payment of fees and property damage claims.
12. **Protection of Home-Sharing service workers** The City shall establish regulations as necessary to protect the health and safety of STR service workers.
13. **A New STR Oversight Department should be created within the City to unify STR permitting, collection of fees (including TOT) and enforcement of STR regulations**
14. **An STR permit should be required for the operation of an STR** Permits would be issued by the new STR Oversight Department to properties that qualify under the STR ordinance and to qualified applicants who agree to provide reporting of STR activities, payment of the STR TOT and abide by STR regulations. Permits would not be issued without complete registration information including provision of certificates of insurance, STR address, owner name, contact information, emergency contact information, number of STR units on-site, number of parking spaces available for STR’s, etc should be collected as well as any other permitting requirements deemed necessary by the city. The city should consider whether STR Permit applicants should advertise a pending application to their neighbors to allow for comment prior to issuing a permit.



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A permitting fee would be collected with the permit application. A permit number will be issued at the time the permit is issued.

15. **A Home-Sharing/STR Enforcement Unit should be created within the STR Oversight Department** The Enforcement Unit would house STR enforcement staff who will inspect properties, maintain registration data and regulatory reports, issue fines, investigate complaints and initiate legal action as necessary to insure that the City's STR regulations are complied with. The STR Enforcement Unit should be self-financed by permit fees for new STRs and adding a fee to the TOT that applies to STRs.
16. **Owners and/or Third-Party Service Agents of all STR units to be offered for rental must report monthly** Owners and Internet platforms, agents, realtors and others receiving payments from STR rental activity shall report such activity monthly. Using the permit number to identify the STR, they will report the number of occupancies, the dates of each occupancy, the number of renters per unit per occupancy, the names of the occupants, the number of vehicles per unit per occupancy, the rent charged per occupancy, the amount received per occupancy, STR TOT due per occupancy, and any other information required by the STR Coordinating Department. A check for the total STR TOT due for the month must be included with the report.
17. **STRs listed for rental shall include their Permit Number in advertisements** Internet platforms, websites, realtors and other parties advertising STRs for rent should identify the STR in its advertisement with the Permit Number issued to the STR operator. No STR may be listed as available for rent in the City of Los Angeles without a valid Permit Number.
18. **Fines for operating an STR without a permit, non-payment of STR TOT and non-reporting** Fines shall be levied for not reporting as required and / or non-payment of the STR TOT. The fines assessed should be sufficient to deter non-reporting / non-payment and should escalate for continued infractions.
19. **Tiered Performance Standards** A "three-strike" system in which properties that incur ongoing, verifiable complaints will receive escalating penalties and loss of ability to rent as an STR.
20. **Citizens will be allowed the Right of Private Action**



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Sincerely,

A handwritten signature in black ink that reads "Mike R. Newhouse".

Mike Newhouse
President,
Venice Neighborhood Council



ERIC GARCETTI
MAYOR

May 4, 2017

Honorable Members of the City Council
c/o City Clerk
City Hall, Room 395

Honorable Members:

Subject to your confirmation, I have reappointed Mr. Michael Newhouse to the West Los Angeles Area Planning Commission for the term ending June 30, 2022. Mr. Newhouse's current term expires on June 30, 2017.

I certify that in my opinion Mr. Newhouse is qualified for the work that will devolve upon him, and that I make the appointment solely in the interest of the City.

Sincerely,

A handwritten signature in black ink, appearing to read 'E. Garcetti', with a horizontal line extending to the right.

ERIC GARCETTI
Mayor

EG:dlg

Attachment

COMMISSION APPOINTMENT FORM

Name: Michael Newhouse
Commission: West Los Angeles Area Planning Commission
End of Term: 6/30/2022

Appointee Information

- 1. Race/ethnicity:** Caucasian
- 2. Gender:** Male
- 3. Council district and neighborhood of residence:** 11 - West Los Angeles
- 4. Are you a registered voter?** Yes
- 5. Prior commission experience:** West Los Angeles Area Planning Commission
- 6. Highest level of education completed:** J.D., Northwestern School of Law of Lewis and Clark College
- 7. Occupation/profession:** Attorney, Newhouse Law Group
- 8. Experience(s) that qualifies person for appointment:** See attached resume
- 9. Purpose of this appointment:** Replacement
- 10. Current composition of the commission:**

Commissioner	APC	CD	Ethnicity	Gender	Term End
Halper, Joseph	West LA	11	Caucasian	M	30-Jun-18
Margulies, Esther	West LA	11	Latina	F	30-Jun-20
Merritt, Marian	West LA	5	Caucasian	F	30-Jun-19
Newhouse, Michael	West LA	11	Caucasian	M	30-Jun-17
Waltz Morocco, Lisa	West LA	5	Caucasian	F	30-Jun-21

MICHAEL R. NEWHOUSE, ESQ.

Partner



Mike Newhouse is an experienced attorney **voted** a Super Lawyer "**Rising Star**" by his **peers** and **Los Angeles Magazine** for the past **five years**. Mike's broad based practice includes counseling and representing large businesses, small businesses, and individuals. Such clients include members of the apparel industry, technology companies, insurers, licensors, financial institutions, accredited investors, multi-media and post production companies, interior designers, and jewelry industry clients.

Additionally, a significant part of Mike's practice is real estate related, and focuses on representing developers, landlords, tenants, property managers and financial institutions in all aspects of commercial and residential real estate litigation and transactions. Recent transactions and litigation involve shopping centers, office and industrial buildings, residential subdivisions, residential and commercial condominiums, hotels, and golf courses.

Representing this diverse group of clients includes extensive experience with partnership disputes, breaches of contract and related litigation, licensing agreements, intellectual property disputes, entity formation, contract formation and negotiation, loan structuring, commercial and residential loan default workouts, construction defect litigation, receiverships, and negotiating and structuring real property leases, acquisitions, sales, financing, and development. Mike also has extensive **appellate advocacy** experience, including a published decision in the case of **Watts v. Farmers Ins. Exchange (2002) 98 Cal.App.4th 1246**.

Mike is a **magna cum laude** graduate of the **University of Southern California** (B.A. 1996) and the **Northwestern School of Law of Lewis and Clark College** (J.D. 2000). In addition to his legal experience, he is the **author** of **Recognizing and Preserving Native American Treaty Usufructs In The Supreme Court: The Mille Lacs Case. Public Lands & Resources Law Review**, Westlaw Citation 21 PUBLRLR 169; and **co-author** of **Slamming the Door on Legal Malpractice In Criminal Matters**, Los Angeles Lawyer, with Jonathan B. Cole and David B. Owen, Vol. 24, No. 11, February 2002.

In addition to California state courts, Mike is **admitted to practice** before the **United States District Court** for the Central District of California and the 9th Circuit Court of Appeals, is a **member** of the **State Bar of California**. He is also a **licensed real estate broker** in the State of California, and is **President Emeritus** of the **Venice Neighborhood Council**, and **Chair** of the **Westside Regional Alliance of Councils (WRAC)**, a coalition of all 13 Los Angeles Neighborhood and Community Councils on the Westside of Los Angeles.

Mike lives in Venice with his wife Ruth, sons Holden and Dylan, and dogs Bianca, Jed and Cashew. He is an active traveler, athlete, and outdoor enthusiast.



ERIC GARCETTI
MAYOR

May 4, 2017

Mr. Michael Newhouse

Dear Mr. Newhouse:

I am pleased to inform you that I hereby reappoint you to the West Los Angeles Area Planning Commission for the term ending June 30, 2022. In order to complete the process as quickly as possible, there are several steps that must be taken, many of which require visiting City Hall. If you require parking during these procedures, please call Claudia Luna in my Office at (213) 978-0621 to make arrangements for you.

To begin the reappointment process, please review, sign and return the enclosed Remuneration Form, Undated Separation Forms, Background Check Release and Information Sheet **within one week** of receiving this letter. These documents are necessary to ensuring the most efficient, open and accountable City government possible.

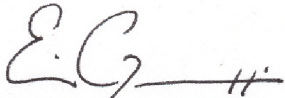
As part of the City Council confirmation process, you will need to meet with Mike Bonin, your Councilmember, and Councilmember Jose Huizar, the Chair of the Planning and Land Use Management Committee, to answer any questions they may have. You will be hearing from a City Council committee clerk who will let you know when your reappointment will be considered by the Planning and Land Use Management Committee. Sometime thereafter, you will be notified by the committee clerk when your reappointment will be presented to the full City Council for confirmation. Once you are confirmed, you will be required to take the oath of office in the City Clerk's Office in Room 395 of City Hall. Claudia Luna will assist you during the confirmation process if you have questions.

Mr. Michael Newhouse
May 4, 2017
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If you move at any point during your term, have any changes in your telephone numbers, or in the future plan to resign (resignation must be put in writing), please contact my office immediately.

Congratulations and thank you for agreeing to serve the people of Los Angeles.

Sincerely,

A handwritten signature in black ink, appearing to read "E. Garcetti", with a horizontal line extending to the right.

ERIC GARCETTI
Mayor

EG:dlg

Attachment I
Mr. Michael Newhouse
May 4, 2017

Nominee Check List

I. Within seven days:

Mail, fax or email the following forms to: Claudia Luna, Office of the Mayor, City Hall, 200 N. Spring Street, Los Angeles, CA 90012 or email: Claudia.Luna@lacity.org.

_____ **Remuneration Form**

_____ **Undated Separation Forms**

_____ **Background Check Release**

_____ **Commissioner Information Sheet/Voluntary Statistics**

II. As soon as possible, the Mayor's Office will schedule a meeting with you and:

_____ **Your City Councilmember Mike Bonin**

_____ **Councilmember Jose Huizar, Chair of the Council Committee
considering your nomination**

Staff in the Mayor's Office will assist you with these arrangements.

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

October 23, 2018

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: Council File Number 14-1635-S2. PLUM Special Agenda 10-23-18 – Item #1
Opposition to current proposal to legalize short-term rentals for 120 days
Support for strong, enforceable **Short-Short**-Term Rental Ordinance

Dear Honorable Chair Huizar and PLUM Committee Members:

One year ago today, we wrote to this PLUM Committee to express our strong opposition to the proposed short-term rental ordinance being considered by the City. At that time the proposed ordinance would have allowed short-term rentals of 180 days/year. While the current proposal has reduced that number to 120 days, with opportunities to extend rental allowance periods further, the revisions to the ordinance do not provide the protections needed to preserve our City's housing stock for residents. Short term rentals should not exceed 60-90 days per year. The financial incentive to use housing stock for short term rentals is greatly enhanced over 60-90 days.

Our Board submitted a very detailed letter to the City Planning Commission in June 2016 which described our many concerns over the proposed short-term rental ordinance. Since that time, we have had additional experience to understand the negative impacts that short-term rentals have on the quality of life and security of our neighborhood. While the individuals renting out their properties may experience benefits, the negative impacts are spread widely.

We remain concerned about the City's ability to enforce the proposed ordinance given the City's fairly dismal record with enforcement of many existing ordinances. While we understand that agreements are to be forged with the short term rental platforms to monitor rental periods and to collect taxes, that does not begin to address rentals that are negotiated "off platform" by repeat customers and others. How will the City verify residency of six months by the individuals involved? Will the City be able to determine whether a couple that owns multiple properties are renting out more than one of their properties short-term under individual names (rather than renting out a single residence as a couple)?

There is no language in the current ordinance that requires any kind of evaluation or review of the impacts and functioning of this program. While there is a provision to increase funding for enforcement, there is no defined process for initiating the determination as to whether or not a sufficient enforcement staff exists. There should be a stated process to trigger increased funding for enforcement when needed. Where is the language to require periodic review of the program and an ongoing assessment as to the capability of existing staff to monitor program participants and enforce the law. Where is that language? The existing language stating that "the Mayor and City Council may establish additional revenue sources and appropriate funds for deposit in the Fund from time to time" does not provide

communities with the necessary reassurance that this will not become one more unenforced program.

How can a neighbor take action to challenge an unauthorized rental? What is the burden of proof?

All hosts should be required to notify their adjacent and abutting neighbors that they are engaging in short-term rentals and have registered with the City at the outset of their short-term rental registration. Such notification should include the complaint process. Notification should not be limited to the time of extended rental application. Neighbors should be aware of their rights at the start of the use of a property as a short-term rental – not later when a host seeks to lengthen the period allowed for short-term renting.

Neighbors are given 15 days in which to file an appeal. If the City is using a 21 day appeal period for most land use entitlements, that same period should be considered for this process.

The City has allowed landlords to apply to legalize units in their buildings that were illegally converted to housing units in order to help address the City's housing shortage. Should there be a provision that specifically prohibits those units from being used as short term rentals under any current or future conditions?

We have seen no evidence to suggest that short term rentals will NOT negatively impact the housing supply in Los Angeles which means that it will be an additional factor that pushes up rental costs for all. 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.

In our earlier correspondence we included this mathematical exercise: A simple calculation demonstrates the folly of using TOT payments as a rationale in support of short term rentals. It was estimated (by Airbnb) last year that there were 23,000 short term rental units on Airbnb platform at that 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 somewhat meager 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.

Instead of adopting 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

cc: CD 5