#5

Hi my name is Marc, I am an owner occupied host of an RSO property in echo park. I am here to speak out against both the RSO ban on home sharing and the proposed caps.

In 08 I lost everything but my triplex and have struggled to hang on. I converted my roommates quarters to an economy apartment which I rent AirBnB. My story is typical in RSO neighborhoods were we are often low cash flow owners with our homes being both our greatest expense and our greatest resource.

Im told the proposed caps are set to the break even point of what we would make if we stopped home sharing and rented at the top of the market. But why are we, the most vulnerable told we have to operate our business at break even? I am certain the hotels, luxury condos and rich developers that knocked down affordable housing to build are not being held to this same break even standard.

Do you really want to be the council that values rich hotels and developers more than struggling homeowners?

If you think about it, what homeowner is going to go through all the extra effort of hosting unless cash flow is an issue?

Thank you for reconsidering the entirety of this proposed legislation. We are not the enemy.

Marc Bochner
213-921-0971

Date: 04/10/2018
Submitted in PLUM Committee
Council File No: 14-1635-S2
Item No. 5
~~Deputy~~: Comm. from Public

As an AirBnB host I beg of you that you set aside the false narratives and lies that are told about us, and consider what home sharing really means to us, our communities and to less affluent people who may not be able to afford to even come to LA were it not for home sharing.

I understand the hotel lobby desperately wants us gone and are trying to blame us for problems caused by others so please hear me out before putting me and thousands of others out of our homes (which also happen to be our businesses and our retirements).

This legislation will destroy the hosts, not AirBnB. Housing advocates aren't considering that 97% of the lost income is what comes to the hosts. And the money we collect isnt extra spending money, its what we need to survive.

When people talk about AirBnB as the big bad corporation they are missing the point. AirBnB may be a multi million dollar corporation, but they are just the platform that helps hosts and guests find each other and then secure the process for both sides. They aren't the ones who will be crushed by effectively shutting home sharing down in Los Angeles. As hosts we have become dependent upon 12 months of that income, if forced to walk away from half a year's income we won't be able to make it. For those of us in RSO properties which Id imagine is a lot of us since rich people in more affluent neighborhoods are far less likely to become dependent upon using their homes for income. The money we collect we keep or use to pay for repairs, supplies or staffing if we hire others to help us clean and maintain our properties.

Hosts didn't create the shortage of affordable housing, that problem existed long before home sharing.

Developers and city planners for decades have helped to create this problem and done little if anything to help solve it. Seemingly all new builds for decades have been luxury housing units with high vacancy rates. Why is it that nearly all affordable housing were built decades if not a century ago? There is a natural attrition rate, as those units get knocked down the supply is forever shrinking. In the meantime the tough economy with wages losing ground to cost of living for generations this has created an ever increasing need for affordable housing, not luxury housing. The shortage has been predictable and not gone unnoticed, but not dealt with by city planners. Going after hosts who, are often among those in need to uplift others in need seems counter intuitive. If we were the affluent landowners you wouldn't see us putting ourselves through all the work that it takes to host let alone the loss of privacy that goes with opening our homes or units to on ongoing stream of strangers. Rich people if anything are the neighbors in some neighborhoods who are doing all the complaining because they don't want people without their level of affluence having access to their neighborhoods (not that there are problems, they just want to feel they have something others can't afford.

Hosts are a part of our communities and a reflection of the people in our communities. We are not greedy outsiders who have come in to disrupt. We are among the ones who need protection and advocates within our government.

The vast majority of us own and/or live on our properties. Properties that often were at risk of being lost in the bursting of the housing bubble and mass job losses. We are mostly not wealthy land barons. We are a mix of elderly homeowners, people with modest incomes (often in the arts, teaching, healthcare, non profits, activism, etc). Our homes in many instances are the best resource we have to help us make our household budgets balance. If you think about it, those who are more affluent or with greater incomes will not want to be bothered with opening their homes to strangers or put in all the work it takes to run our home sharing businesses. So when you are talking about helping people living on the edge, for many of the hosts, that describes us too. Without this income many of us can lose everything.

Rent Stabilized Hosts are among the most vulnerable and valuable of the hosts.

Most frequently in rent stabilized communities we have been here for decades if not generations. While we have property, that often is our only significant asset. We often don't have a lot of income or savings and many of us have lived on the edge of losing our properties to the bank.

In my specific situation I have an RSO triplex. I rent out two of my units and live in the third. By offering part of my apartment for home sharing I have been able to hold down the rents on my two rentals in most years forgoing the 3% increase because I have been able to make the extra income on my AirBnB. Now if it is taken away from me, I will not be able to make up for all the years in which I skipped the increase, I will simply be unable to cover my mortgage with the rents not even coming close to collecting what I will need to cover my mortgage let alone my other bills. I have made a conscious effort to hold my rents down because I value my tenants and respect their limitations. One of my renters is a divorced teacher and the other is single and in the arts. My AirBnB space has helped all three of us not just me.

Our home sharing businesses are how we will be able to retire with dignity.

Home sharing is our business and it for many of us has saved our homes. For many of us it is also our retirement. When we are ready for retirement (many AirBnB hosts are already there), that income will be critical for our survival. Not only does it help us save and pay off our homes, but since many of us don't have much if anything saved toward retirement, that income into our retirement is how we will make it and do so with dignity through our golden years.

We make visiting Los Angeles affordable to millions of less affluent people who would be unable to come here if they had to pay hotel prices.

Lets face it business travelers who have their travel paid for and affluent travelers have no problem coming to LA and paying hundreds of dollars per night, but when it comes to low middle class to middle class travelers it is AirBnB that makes a trip here possible. As a host I hear this frequently from my guests that they never would have been able to afford to come here were it not for AirBnB. Once here we direct our guests to local businesses, restaurants, pubs, etc. spreading putting important money into my local community.

My neighborhood doesn't really have hotels and the motels are tiny and honestly not very nice. We are a mostly historic neighborhood (Angelino Heights and Crown Hill areas) so nearly every property is Rent Stabilized (RSO). Not only would many of us lose our homes if this legislation go through, but the local businesses would be dealt a major blow with essentially no tourist trade at all.

In conclusion

I hope some or all of this has put a different perspective on what you are trying to do. We hosts are not the bad guys, we are in just as much need of support and advocacy as the people who this legislation was written to benefit. The 180 day limit will be devastating and the RSO restriction will hurt the most vulnerable of the hosts. Please consider looking at city planning and development as the solution to the problem and not create as many victims as the legislation is likely to help. If we lose our properties I promise you the investors who take our properties won't be looking out for the neighbors, they will be trying to squeeze every penny they can out of our units.

Los Angeles City Council Report on Short Term Rentals of Privately Owned, Primary Residence Homes and Condos, CF 14-1635-S2, by Leila Jean Levi, Retired Teacher

Date: 04/10/2018
Submitted in PLUM Committee
Council File No: 14-1635-S2
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Codes and City Functions

Los Angeles City Council must Grandfather-in all existing Privately Owned Primary Resident Hosts (POPRH) of homes/condos, with no extra fees, administration processes, or obstacles. Home sharing helps support home ownership. Exemptions must be made for the disabled, retired/pensioners, teachers, and low-income persons, and especially teachers and retired teachers, because of what the Federal HUD Good Neighbor Program Officer Teacher Next Door was supposed to do, but failed.

There needs to be no caps on Primary Residences owned, by the host that would not also apply to Long Term Rentals (LTR), or other home based, and small businesses in Los Angeles. Make it easier for home based businesses to exist, not regulations that only benefit the hotel industry.

Use existing departments, and procedures, to provide business licenses, and enforce tenant and housing rights. There is no precedent for obtaining neighborhood approval for home-based businesses. Even major construction or business endeavors may require notification, but not approval of the whole neighborhood. There is no registration fee for establishing a home-based business and the finance office already provides business licenses, including licenses for home-based businesses and for small businesses.

There is no precedent for an ANNUAL $6,000 fee for establishing a home-based business. Even a conditional use permit, which is prohibitive for many small businesses, is yet another exception to the 120-day cap, and is draconian for Primary Residence Homeowners. There is no precedent for a cap on the number of days, or operation, or the number of clients one may have. (Except the one car per hour, which no host exceeds). There is no precedent on the number of home-based businesses a residence may have. (This ordinance as proposed would limit home-based hosts from any other business efforts within the home, and crush Los Angeles' Arts Community, and Artists!). The average nightly rate on an Airbnb space in L.A. is $137; a whole unit listing it is: $182; and a room in a home it is $74 a night. This dramatically limits the income of the average hosts to $8,880-$21,840, disproportionately affecting the disabled, retired, and teachers from homeownership. No other business is similarly regulated.

Earnings, Fees, Taxes

Registration fees should be similar to those imposed on other home based, and small businesses. Transient Occupancy Tax (TOT) and nightly fees should be based on percentages, not per nightly fees, as those fees unduly impact lower income hosts. The fee for a $5,000 a night listing should not be the same as the fee for a $35 a night listing, again draconian. The TOT fee for home sharing certainly should not be higher than that collected by the hotel industry. While all home sharing hosts already pay 14% TOT, most small businesses pay no taxes to the city for their first 2 years of operation.

By its own admission this ordinance impacts fewer than 8,000-hosts, there are very few nuisance complaints, fewer than 100 a year for the entire city. The income generated via the TOT is considerable and could provide substantial affordable housing.

Compliance

Nuisance complaints need to require verification. The proposal in the latest Planning Dept. suggests that a host would be penalized, and possibly lose their business license if they were simply reported by a hostile neighbor. Handle nuisances on a case-by-case basis.

Contradictory demands simply present a distorted understanding of what responsible home sharing is. And this will reflect horribly on the city, Council Members, the Mayor, and the Governor, and ugly public criticism, by penalizing Privately Owned Owner Occupied houses/condos, if not resolved fairly to homeowners before the next Olympics.

There should be no limits to home sharing, especially by Privately Owned Primary Resident Hosts (POPRH) of homes/condos that are not imposed on other home-based businesses that are allowed to thrive.

While the city should prevent the removal of low cost rental units, of absentee landlords, and the conversion of entire buildings to STRs, the proposed intrusion into our personal and privately owned homes is unjustified, and only serves the interests of the hotel industry, who also will not be able to serve the needs of the Olympics. What better ambassadors for the city than homeowners sharing their homes, dining tables, unique spaces, and the pride and Love of alternative ways to afford homeownership?

The hotel industry needs to share responsibility for affordable housing and the greater Los Angeles community, because they are too expensive to accept housing vouchers as home sharers do. Los Angeles is historically out of federal compliance on low cost housing, but with home sharing rates, it is an answer, not the problem.

Opposition

Primary Residence Privately Owned Home Hosts are the largest constituency at home sharing hearings, larger than all other constituencies combined, and certainly the largest constituency not paid to represent the interests of the hotel industry. Where are the millions of tenants begging the city not to allow them to host?

Home Based Businesses in Los Angeles and America

There are many home based businesses in Los Angeles, and America, that operate legally, year round, without these restrictions. These businesses include home offices for doctors, therapists, seamstresses, tutors, screenwriters, home schooling, architects, performers, artists, musicians, sound engineers, tax preparers, baby sitters, etc. All of these enterprises are Small Businesses, the backbone of the American Economy.

None of these businesses exist in our neighborhoods without permission from neighbors, without caps and with minimal limitations. The real reason for the limitations imposed on home sharing is the power and influence of the hotel industry, and they are not accepting vouchers, as are home sharers.

Democracy, Promotion of Homeownership, Totalitarian Communism

Whom we live with in our privately owned homes under a democracy cannot be legislated as the federal supreme court ruled, and not allowing home sharing by primary residence homeowners disproportionally affects minorities and low income persons who have to travel for work, or for family reasons, and that is against the federal law! There are safety and personal reasons why privately owned home-based hosts do not wish to take on long-term roommates. Whom we live with is a very personal and intimate decision, and to force us to live with someone in order to keep our homes is against the federal law, and our federal constitution that protects our rights to "Life, Liberty and the pursuit of Happiness", and in this contemporary oligarchy world, financial help, especially for the disabled, retired, teachers, and artists.

The constant reference to our guests as "tourists" is inaccurate. We provide temporary housing to a variety of demographics and are the only option between the $300 hotel room and the 12-month lease.

Caps on privately owned homes are unprecedented, and do not reflect Democratic Ideals and Practices. Most cities that impose any cap, apply that cap to whole unit listings only. This proposal would apply to personal relationships within our privately own homes, which is not American. The rationale for these restrictions is that they are necessary to maintain the residential nature of residential communities, but home sharing a privately owned primary residence in host based listings is essentially a residential use of a residential space, and my home is in a commercially zoned area, so what about others like myself who live in a commercially zoned area?

There is a consensus that abusive landlords and violation of tenants rights are issues that need to be addressed, but those are not privately owned and occupied homes/condos.

It is reactionary, criminalizing, and draconian to impose on our personal lives and on our home based hosts in their primary residences to think it is necessary to impose restrictions to assure that people don't cheat the system. Airbnb already reports, and pays our taxes. Privately Owned Primary Resident Hosts (POPRH) Sharing are NOT those violating housing and human rights laws.

On the one hand, hosts are accused of not knowing what is happening in their listings, on the other hand, this ordinance would prohibit any other home based income activity, but if special consideration were given to privately owned primary residences, this would not be so, and again is an argument for the hotel industry, and is clearly against American values and privacy-rights.

There is no precedent for this intrusion into our privately owned homes, private relationships, and agreements between parties within our homes as per the nature, or duration of, cohabitation (except for restrictive housing covenants and zoning laws that discriminated against people by stipulating that no one could live together in a home unless related by blood or marriage, or because of race, color, or creed.) These restrictions on privately owned single family residences are very reflective of Jim Crow Laws.

Subject: Fwd: Do Not Reply: AirBnB Speech <3

From: shamsfiregoddess@gmail.com

To: lal652000@yahoo.com

Date: Tuesday, April 10, 2018 11:59:11 AM PDT

Date: 04/10/2018

Submitted in PLUM Committee

Council File No: 14-1635-S2

Item No. 5

~~Deputy~~: Comm. from Public

---------- Forwarded message ---------
From: Breana Daugherty <BDaugherty@fambrands.com>
Date: Tue, Apr 10, 2018 at 10:29 AM
Subject: Do Not Reply: AirBnB Speech <3
To: shamsfiregoddess@gmail.com <shamsfiregoddess@gmail.com>

- My name is Solange.

- I am a single mother of two. I was diagnosed with cervical cancer in 2016.

- It has been hard to feed two kids on my own and maintain a home in Los Angeles.

- I had to work 14 hour days to stay above water and relied on the kindness of others around me to help me with my children. **To me, this was not living.**

- **AirBnB helped me to save my home, pay for my medical costs, and have more time with my children.**

- I opened my home to the AirBnB community in June 2017.

- I immediately realized that this was part of my calling.

- I was helping so many people who were traveling or local to have a peaceful LA experience in my home, and at the same time, **they were helping me to live a better life.**

- I was also helping my neighborhood's local businesses by referring my guests to markets, restaurants, and activities near my home.

- The positive influences of AirBnB should NOT be ignored.

- If I could only AirBnb for 4 months out the year, I would lose time with my kids, I would more than likely lose my home, and I would have to start at ground zero again.

- Thank you for your time.

(https://hotpads.com/blog/)
MENU

Date. 04/10/2018
Submitted in PLUM Committee
Council File No: 14-1635-S2
Item No. 5
~~Deputy~~: Comm. from Public

BLOG (https://hotpads.com/blog/) > REAL ESTATE TRENDS (https://hotpads.com/blog/real-estate/)

After San Francisco's New Short-Term Rental Regulations, Listings Increase but Prices Hold Steady

- Long-term rental listings in San Francisco jumped six-fold year-over-year the week following the city's registration deadline for short-term rentals like Airbnb and HomeAway.
- Rent prices have been stable, as asking rents for new listings were in line with the overall market.

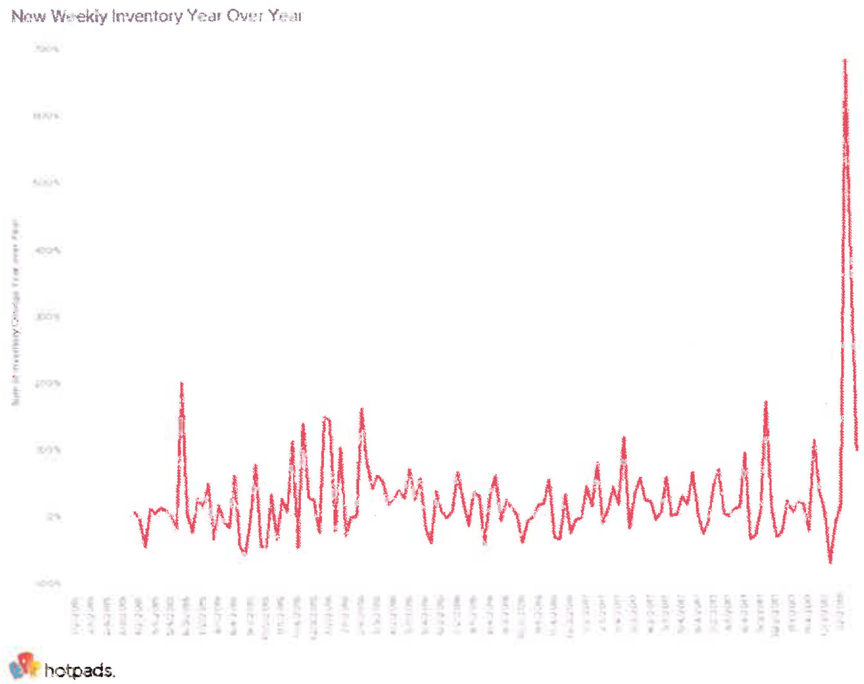
The number of long-term rental listings on HotPads increased sharply the week after new limits on short-term rentals went into effect in San Francisco in January.

Short-term rentals platforms Airbnb and HomeAway settled a lawsuit (https://www.sfgate.com/business/article/Airbnb-settles-SF-suit-agrees-to-register-all-11112109.php) on May 1, 2017 allowing the city of San Francisco to proceed with new limits on some vacation rentals. The new rules were phased-in over the fall, but the final deadline for implementation was January 16, 2018. The number of vacation rentals available in the city fell following the deadline, according to Airbnb data cited in the San Francisco Chronicle (https://www.sfchronicle.com/business/article/Airbnb-listings-in-San-Francisco-plunge-by-half-12502075.php).

The following week, the number of new long-term rental listings on HotPads increased sharply, climbing six-fold from the same week a year earlier, according to analysis by HotPads Economist Joshua Clark.

"The number of new long-term rental listings in San Francisco on HotPads increased by about 680 percent year-over-year for the week of the short-term rental registration deadline," Clark said. "That means the number of new rental listings on HotPads for the week of January 16, 2018 was more than six times higher than the same week in 2017."

Typically, inventory climbs about 20 percent year-over-year. A year before the deadline, new rental inventory increased around 10 percent from the same week in 2016. The previous record year-over-year percent increase in new listings in a single week was around 200 percent, meaning that the increase reported the week that the short-term rentals law went into effect was more than three times larger than anything HotPads had seen before.



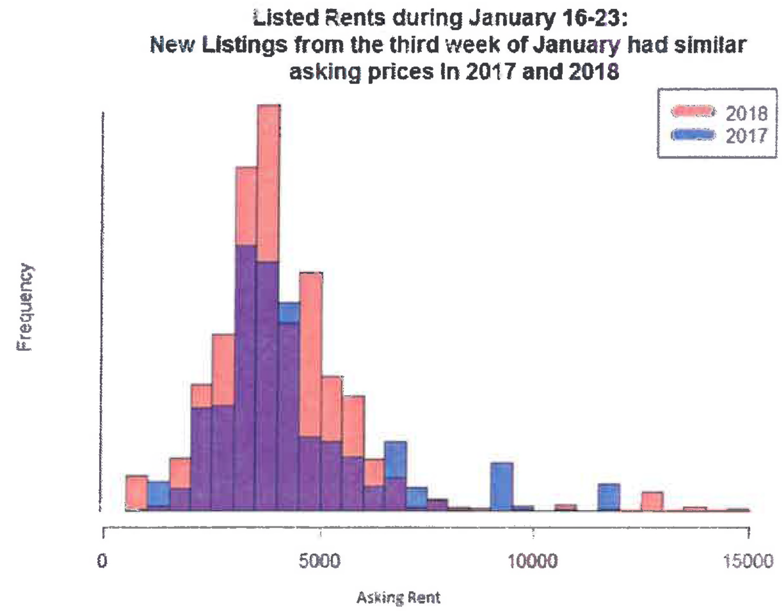
In the third week of January 2018, new rental inventory on HotPads spiked 680 percent year-over-year in San Francisco. The jump coincides with the deadline for short-time rental hosts to register their properties with the city.

Despite the surge in new listings the week after January 16th, the number of rental units on the market in San Francisco quickly returned to normal levels, suggesting that these new units were quickly absorbed.

"San Francisco has struggled with a housing shortage for a long time now," Clark said. "Even with a spike in new rental listings, we aren't seeing a lasting change in overall on-market rental inventory levels, likely because there continues to be strong demand for rentals in the city."

Renters searching for apartments in San Francisco (https://hotpads.com/san-francisco-ca/apartments-for-rent) temporarily benefited from additional options due to the increase in supply, but they probably did not notice any difference in costs. Most of the new listings were available at or near the city's median rent – currently $3,800 per month.

"Because the new listings were priced near San Francisco's median rent, these units have not yet put downward pressure on San Francisco's notoriously high rents. If they had lingered on the market for several weeks, we could have seen downward pressure on rents, but most of these new listings appear to have been absorbed very quickly," Clark said. "It's not necessarily the case that these new listings will have much of an impact on the city's long-term rent affordability challenges, though they did provide additional options for those lucky renters who were on the market in mid-January."



Methodology: HotPads looked at new rental listings added between January 16 and January 23, 2018. Rental listings that were previously on the platform 90 or fewer days before January 16 were not included. To control for the potential effect of new construction listings coming online during the week of the short-term rental registration deadline, HotPads did not include listings with a year-built date in 2018.

To determine the increase in rental inventory, HotPads compared the number of new rental listings for a given week to the number of new listings in the same date range the previous year. For example, for the week of the short-term rental registration deadline, HotPads looked at new rental inventory on HotPads.com for the week of January 16-23, 2018 compared to new rental inventory on HotPads.com for the week of January 16-23, 2017. HotPads does not publish exact inventory counts for any given week included in the analysis.

For more information on San Francisco's rental market, visit HotPads.com (https://hotpads.com/san-francisco-ca/apartments-for-rent). For media requests, contact press@hotpads.com (https://press.hotpads.com).

Twitter (https://twitter.com/share?url=https%3A%2F%2Fhotpads.com%2Fblog%2Fsan-francisco-short-term-rental-regulations%2F&text=After+San+Francisco%E2%80%99s+New+Short-Term+Rental+Regulations%2C+Listings+Increase+but+Prices+Hold+Steady)

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Email (mailto:%20?subject=After%20San%20Francisco%E2%80%99s%20New%20Short-Term%20Rental%20Regulations%2C%20Listings%20Increase%20but%20Prices%20Hold%20Steady&body=https%3A%2F%2Fhotpads.com%2Fblog%2Fsan-francisco-short-term-rental-regulations%2F)

laurent (https://hotpads.com/blog/author/laurent/)

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