



Venice Neighborhood Council

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



May 3, 2015

BY EMAIL

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Mayor Eric Garcetti
Councilmember Mike Bonin
City Councilmembers
Economic Development Committee
Planning & Land Use Management Committee
Affordable Housing Commission
Rushmore D. Cervantes, General Manager HCID
Anna Ortega, Director of Rent Stabilization HCID
Jeff Paxton, Director of Code Enforcement HCID

Attn: Sharon Gin and Richard Williams
Los Angeles City Clerk Office
200 N. Spring Street, Room 360
Los Angeles, CA 90012

Re: Venice Coastal Zone Rental Housing Affordability & Availability Ordinance

Dear Mayor Garcetti, City Council Members, Economic Development Committee, Planning & Land Use Management Committee, Affordable Housing Commission, Rushmore, Anna and Jeff,

Please be advised that at a regularly held public meeting of the Venice Neighborhood Council (VNC) Board of Officers, on April 21, 2015, the following Motion was approved by a 12-0-3 vote:

MOTION:

The well-documented Los Angeles housing crisis is having an extremely negative impact on the affordability and availability of rental housing in the Venice Coastal Zone. This shortage of rental housing is being exacerbated by a high and growing concentration of commercially operated short-term rentals (STRs) and de facto hotels. The recent report from Los Angeles Alliance for a New Economy (LAANE), "AirBnB, Rising Rent and the Housing Crisis in Los Angeles," has finally quantified the presence and identified impacts of the largest of the STR platforms.

The City of Los Angeles has historically protected and preserved affordable housing mainly through the City's Rent Stabilization Ordinance (RSO). Currently, owners of RSO properties are converting residential units, including entire apartment buildings, into STRs and de facto hotels at an alarming and accelerating rate, bringing them rental rates markedly in excess of not only RSO-protected rent levels, but also higher than non RSO-protected market rental rates. Large numbers of vulnerable tenants have disappeared from RSO units in such buildings and the owners of such properties are now requesting new zoning entitlements to circumvent future obligations under the RSO and other requirements, such as the Mello Act.

The Mello Act is a state law that is supposed to protect affordable housing in the Venice Coastal Zone. This law does not allow the conversion of existing residential uses for purposes of non-Coastal-Dependent, non-residential uses. The City of Los Angeles has failed to adequately or correctly implement the Mello Act. Interim Administrative Procedures, adopted by the City in



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conjunction with the settlement of a lawsuit in 2000, have not been properly adhered to and have proven ineffectual. The City does not even properly inform tenants of their rights under the Mello Act.

The result of all of the foregoing is that Venice and other impacted neighborhoods are at this moment suffering a disastrous loss of affordable housing and displacement of long-term community members. Actions underway to address these problems will take time. Meanwhile, the rate of STR conversions, and of acquisitions for the purpose of such conversions, is rapidly accelerating in anticipation of new City regulations. Unless immediate measures are taken, the loss of housing, especially affordable housing, particularly in the Venice Coastal Zone, will continue removing a large segment of our population and our community character.

The Venice Coastal Zone provides existing coastal housing for low- and moderate-income persons, and thus, as per state law, the California Coastal Act of 1976 ("Coastal Act"), it is a Sensitive Coastal Resource Area, an area within the Coastal Zone of vital interest and sensitivity that must be protected and preserved. The dire urgency of the severe decline in such existing coastal housing for low- and moderate-income persons is causing, and will continue to cause, increasingly serious adverse consequences for Venice's unique and special coastal neighborhoods as well as for its future as a tourist destination and a valuable asset of Los Angeles with respect to its social, ethnic and economic diversity; and it is also likely to prejudice the ability of the City of Los Angeles to prepare a Venice Local Coastal Program that is in conformity with Chapter 3 of the Coastal Act.

Now therefore the VNC Board requests that Councilmember Bonin call for the City of L.A. to act immediately to curtail the loss of housing, especially affordable housing, by the following actions:

Fully enforce existing laws prohibiting short-term rentals in residential zones and in commercial zones if the Certificate of Occupancy is for Apartment use.

Direct that adequate resources and instruction be immediately provided to city departments, including especially (but not limited to) City Planning, Building & Safety, Housing and the City Attorney in order that they immediately put the following actions into effect until such time as the City has determined its policies, rules and regulations regarding short-term rentals and has enacted an ordinance or ordinances to implement them:

Carefully follow the Interim Administrative Procedures for complying with the Mello Act, including but not limited to those related to handling of Mello checklists and applications, Mello Determinations, Mello Determination Appeals, and restrictions on conversions/changes of use or occupancy, including careful review of any currently pending conversions/changes of use and deferral of approval of any conversion/change of use requests until relevant enforcement procedures are clarified and confirmed feasible;

Clarify city procedures regarding the definition of "feasible" as pertains to the intent of Mello Act;

Improve the HCID standard of review procedures and documentation related to the determination of replacement affordable units to a "generally accepted" standard and implement procedural controls in order to stop the current abuse of the Mello Act via loopholes and workarounds, including a final Building Permit clearance for owners using the "owner-occupied single-family dwelling" exemption;

Prepare and widely disseminate a "Tenant's Bill of Rights" that covers the rights of tenants under both the Rent Stabilization Ordinance and the Mello Act as well as other applicable laws, in order to control and to stop the further erosion of Venice Coastal Zone housing, especially affordable housing, and resulting permanent damage to our neighborhoods;



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Immediately and fully enforce existing federal, state and city regulations—including orders to comply for prohibited short-term rentals and other properties in violation of laws governing land use and housing in Venice with respect to conversion/change of use of housing, especially affordable housing, into short-term rentals and de facto hotels.

Thank you, and please don't hesitate to contact me if you have any questions on this request.

Yours truly,

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

Mike Newhouse
President
Venice Neighborhood Council

CC:

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