

**PLANNING DEPARTMENT TRANSMITTAL
TO THE CITY CLERK'S OFFICE
SUPPLEMENTAL
*CF 18-1246***

CITY PLANNING CASE:	ENVIRONMENTAL DOCUMENT:	COUNCIL DISTRICT:
n/a	n/a	Citywide
PROJECT ADDRESS:		
Citywide		
PLANNER CONTACT INFORMATION:	TELEPHONE NUMBER:	EMAIL ADDRESS:
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NOTES / INSTRUCTION(S):	
<p>Department of City Planning – Vacation Rental Report Back</p>	
TRANSMITTED BY:	TRANSMITTAL DATE:
Jenna Monterrosa	2/21/19

Vacation Rental Report Back

CF 18-1246

PLUM Committee

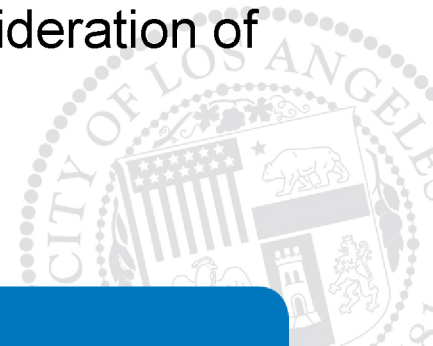
February 26, 2019

Matthew Glesne, Housing Policy Unit



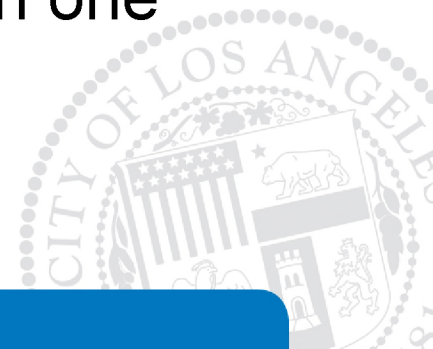
Background

- PLUM Committee requested that Planning report back on options for a “vacation rental” ordinance (for non-primary residences).
- To inform the motion under consideration for future initiation, DCP will discuss a variety of options and considerations.
- No ordinance today. Work program to develop a vacation rental ordinance must be initiated.
- Additional outreach and policy development will be necessary, upon initiation, in addition to City Planning Commission consideration of any future proposed code amendment.



Vacation Rentals in Los Angeles

- US Census American Community Survey (ACS) shows a figure of about 13,500 otherwise vacant units being used for “seasonal, recreational or occasional use” for 2017 (1 year ACS).
- Estimated between 8,000 and 13,000 vacation rental listings in the City.
- Vacation rental universe represents less than one percent of the City’s total housing stock.



Cities Where Vacation Rentals are Not Permitted

- New York
- Denver
- Boston
- Portland
- Washington DC
- Baltimore
- San Francisco
- San Diego
- San Jose
- Pasadena
- Santa Monica
- West Hollywood



Cities Where Vacation Rentals are Permitted

Austin	Caps on the number of vacation rental (Type 2) registrations by census tract; In 2016, revised only to only allow in commercial areas by 2022.
Nashville	City phased out vacation rentals in 2018. However, State legislation overturned local legislation to continue to allow grandfathered-in vacation rentals.
New Orleans	Two typologies were allowed for vacation residences: <ol style="list-style-type: none">1. “temporary” STRs for properties that are temporarily unavailable for long-term occupancy (90 day cap), and2. “commercial” STRs that are not permitted in residential districts and limited to five bedrooms. Now a moratorium on these types; commercial only allowed in some commercial areas outside historic core.
Chicago	Allowed in multifamily buildings with 5 or more units. In those, a limit of one-quarter of the total number of dwelling units in the building, or 6 rental units, whichever is less.

Possible Policy Approaches

A. *Citywide and/or Census Tract caps*

- With additional restrictions

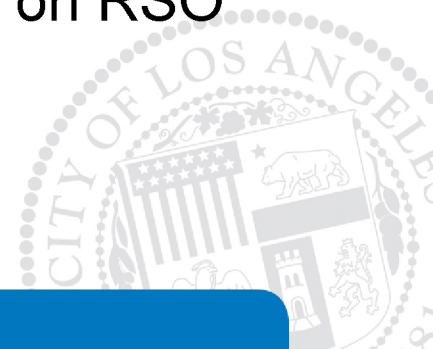
B. *Vacation Rentals Permitted by Residential Typology*

- e.g. Second Homes, Legacy Vacation Rentals, ADUs, New Construction, Temporarily Vacant Units, Small Multifamily (2-4 unit) Owner-Occupied Buildings

C. *Expand Existing Zoning Designations to Require Conditional Use Permits for Short-Term Rentals*

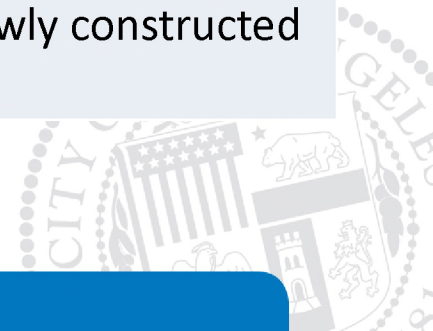
- Requires additional staffing, resources, and time to prepare for implementation

Additional restrictions can apply to each alternative, such as: limit to one vacation rental listing per host, limitations on RSO and to prevent multifamily building conversion, etc.



Vacation Rental Typologies

Vacation Rental Typology	Description
Second Homes	A non-primary residence used partially throughout the year by the owner
Legacy Vacation Rentals	Any non-primary residence that has existed in Los Angeles for a defined period of time
Accessory Dwelling Units	Any legally permitted ADU (only pre-2017 ADUs are permitted as a non-primary residence under the Home-Sharing Ordinance)
Temporary Vacant Units	Units that are between long-term tenants
Small Multifamily Owner-Occupied Units	Units located in small multi-family (2-4 units) owner-occupied structures
New Construction	A percentage of units in newly constructed multifamily projects



Issues for Consideration

- Impact of vacation rentals on housing supply and availability of affordable housing
- Potential to transform residential neighborhoods
- Level of environmental (CEQA) review needed depends on scope of potential ordinance



Thank You

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