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betterneighborsla.org

July 27, 2022

Via United States Mail

Los Angeles City Council  
c/o Office of the City Clerk  
City Hall, Room 395  
Los Angeles, CA 90012

Dear Members of the Los Angeles City Council,

Better Neighbors LA (“BNLA”) writes to you today regarding the Department of City Planning’s (“Planning”) 24/7 Complaint Line. After analyzing a year’s worth of the Planning’s 24/7 complaint line data and taking into account BNLA’s experience with our own short-term rental (“STR”) hotline, it appears that Planning is currently underutilizing its complaint hotline, and as a result is missing out on the opportunity to appropriately enforce the Home Sharing Ordinance (“HSO”).

### **Planning’s Underutilization of the 24/7 Complaint Line**

Planning operates a 24/7 Complaint Line to receive calls from residents reporting illegal STR activity in their neighborhoods. The City Charter and Regulations do not limit the types of STR complaints the Planning Department is empowered to receive or investigate thru the 24/7 Complaint Line. Indeed, the City’s website states, “Los Angeles City Planning maintains a 24/7 Complaint Line at (213) 267-7788 to report any concerns or complaints,” which suggests the public can report any concern they have about an STR operating in their community. Despite the broad scope of Complaints that Planning purports to investigate, the Department, however, only responds to hotline calls complaining of nuisance activity occurring at STRs, such as overcrowding or loud parties.

In Planning’s September 8, 2021, HSO Enforcement Progress Report to the City Council at Page 5, the Department describes the hotline operations as follows:

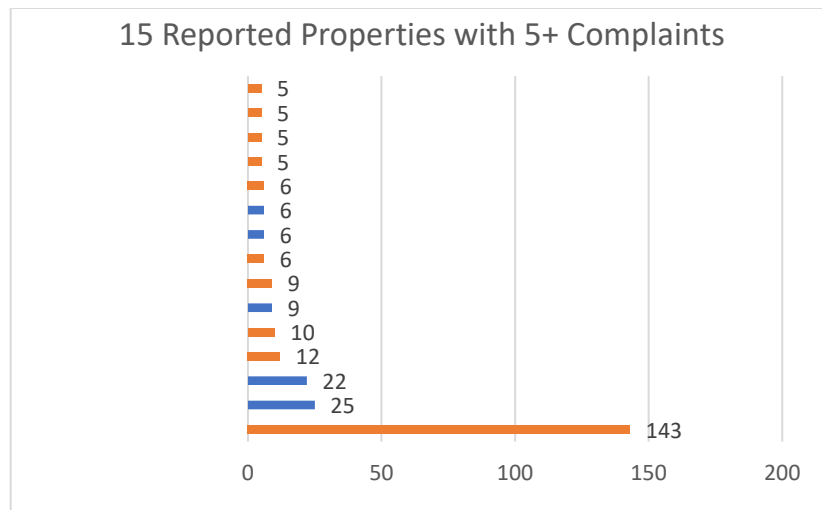
For complaints regarding conduct, City Planning provides a 24/7 Home-Sharing complaint line. Currently, when a complaint call is made, if the property that is the subject of the complaint can be matched with a registered host, an automated call is made to the emergency contact provided as a part of the application process to alert the host that guests are causing a disturbance. If the emergency contact answers, they are asked to acknowledge the call. The caller may also elect to receive an automated call back, at which point they can confirm that the problem was resolved. If the property cannot be matched with a registered host, a record of the complaint is attached to the property’s rental record, if one exists.

By failing to follow-up on anything other than nuisance complaints at registered properties, Planning is missing the opportunity to utilize a pre-existing department infrastructure to better enforce the HSO. Furthermore, the lack of investigation and follow-up on complaints unrelated to nuisance behavior constitutes a failure of public servants to respond to legitimate complaints of the public.

### **BNLA's Investigation of Planning's 24/7 Complaint Line from March 2021 to March 2022**

To determine the potential value that could be added to Planning's enforcement of the HSO if the department were to properly respond to all categories of hotline complaints, BNLA conducted an analysis of the complaints made for a one-year period from March 25, 2021, and March 25, 2022. During the examined period, the 24/7 Complaint Line received 611 phone calls concerning 267 unique properties. 74 properties received more than one complaint. Of the 267 properties, Planning initiated an enforcement action against only 15 with four (4) citations and 11 warning letters. The average amount of time between the date of hotline complaint and the date Planning initiated enforcement action was excessive at 118 days.

Multiple properties had several complaints made against them by multiple neighbors, suggesting that these properties are especially disruptive to their communities. For example, fifteen properties received five or more complaints. Planning initiated enforcement actions against only five of these fifteen properties. Ten of the fifteen properties were registered with the City, which evidences that the automated notifications that STR hosts receive when a complaint has been made about their property are ineffective.

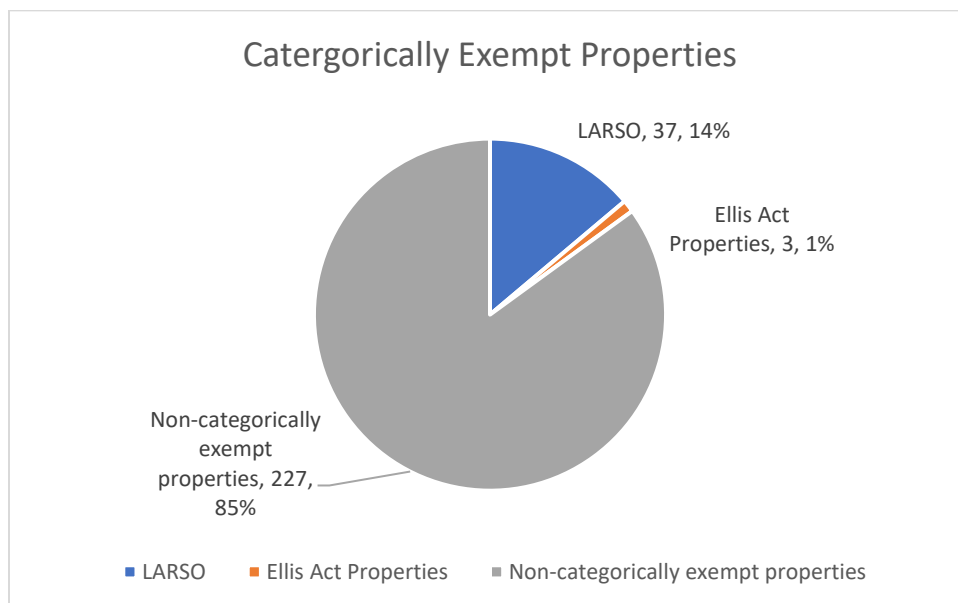


\*Orange indicates the property is registered with the City; blue indicates that property is not registered.

The HSO requires all STR hosts to register their property with the City and to post their registration number on all listings, regardless of what platform is used. Because Planning has yet to make HSO registration data publicly available, neighbors have no means to identify if a STR in their community is registered. Indeed, only 113 of the 267 properties reported to the hotline

were registered with the City. Consequently, 154 properties, over half of the properties reported to the hotline in the examined period, were operating without registration numbers and in violation of the HSO. As a result, the City failed to collect \$28,182 (154 X \$183) in registration fees in that one-year period, proceeds which would serve to fund increased staffing at Planning.

The HSO categorically prohibits the short-term rental of rent-controlled units as well as properties subject to affordable housing covenants. In addition, the HSO prohibits the short-term rental of units which have been removed from the rental market under the Ellis Act in the last 5 years. Planning's data, however, includes complaints of 40 such illegal units; 37 rent-controlled properties and three (3) Ellis Act properties. Incredibly, one of these rent-stabilized properties appears to have been provided a HSO registration number from Planning even though the property is categorically prohibited from being rented as a STR.



These violations of the HSO are easy to identify, as they only require a quick ZIMAS property address search. If Planning were to properly take action in response to hotline complaints, fewer hosts would be able to remove affordable housing from the rental market and Planning could simultaneously generate additional revenue to fund enforcement through fines.

### **BNLA's STR Complaint Hotline**

BNLA also operates a complaint hotline for neighbors concerned about STRs illegally operating in their communities. BNLA thoroughly investigates each of the hotline complaints it receives and sends a report to Planning with its findings. Between March 25, 2021, and March 25, 2022, BNLA sent 32 investigations to Planning. Thirteen were made by individuals who had first called Planning's 24/7 Complaint line. BNLA determined that all thirteen complaints had merit and that the properties reported to Planning's complaint line were indeed in violation of the HSO. Remarkably, Planning *did not* initiate any enforcement against twelve of the thirteen properties!

### **Recommendations to City Council Members**

As BNLA's analysis indicates, investigating all 24/7 hotline complaints would drastically improve enforcement of the HSO by supplementing the limited data received by STR platforms. BNLA puts forward the following recommendations for City Council in order prompt Planning to start following up on the 24/7 Hotline Complaints and improve overall HSO enforcement. First, Planning should provide each Council Member with weekly reports, which include each hotline complaints made in the district, as well as details on any follow-up or enforcement actions taken for each property. Using this information, Council member staff can collaborate with Planning to ensure that their constituents' complaints receive appropriate follow-up. Second, Planning should make STR registration data publicly available to allow neighbors to identify whether STRs operating in their communities are registered. Finally, Council members should continue to push Planning to take steps to improve data sharing arrangements with STR platforms. Investigation of hotline complaints will enhance HSO enforcement but will not replace the need for more comprehensive data from STR platforms.

Sincerely,

/S/ Randy Renick  
Better Neighbors Los Angeles