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An Ace Bandage on a Gaping Wound—Weak City Enforcement of Home Sharing Ordinance Allows Illegal Listings to Fester

New Report on Cost of Illegal Short-Term Rentals to Angelenos

Lack of robust enforcement leaves estimated \$62.7 million in fines uncollected

Los Angeles, CA: With a housing and homelessness crisis engulfing the City, Better Neighbors LA releases a [Monthly Enforcement Report](#) that outlines the cost to the public of lax enforcement of the Home Sharing Ordinance.

Los Angeles passed the Home Sharing Ordinance in 2018 to address an extreme shortage of affordable housing and the negative effects of short-term rentals on long-term housing markets. The Ordinance strictly limits home sharing to primary residences and requires hosts to register and prohibits Rent Stabilization Ordinance housing from being listed as short-term rentals.

While the share of noncompliant listings has declined since HSO implementation began in late 2019, noncompliant listings continue to compose a significant share of the market.

The [report](#) details how the Department of City Planning (DCP) appears to go out of its way to avoid robust enforcement especially in its failure to enforce the HSO with regard to STR platforms, like Airbnb and VRBO. The HSO specifies fines daily for violations, but DCP appears to have waived this authority. The HSO allows fines up to \$2,000 for certain sorts of violations, yet DCP has only ever issued the lowest possible host fine. DCP has not taken a single action or fine against a short-term rental platform to date.

The lack of enforcement costs Angelenos in uncollected fines and lost housing. The report estimates that **for the month of May 2021 alone, DCP could have issued fines of approximately \$62.7 million for noncompliant STRs.** Robust enforcement should return residential housing to Angelenos. If just ten percent of these noncompliant listings return, **HSO enforcement would have created 373 new housing units.**

Better Neighbors LA operates a [website and hotline](#) that enables residents and neighbors to report short-term rentals that violate the city's Home Sharing Ordinance. Along with neighborhood advocates, Better Neighbors will continue door-to-door literature drops around alleged illegal short-term rentals until the City increases enforcement of the Home Sharing Ordinance.

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Better Neighbors LA is a coalition of Southern California hosts, tenants, housing activists, hotel workers, and community members. We believe the best way to support true sharing for hosts and guests is also the best way to protect jobs and the community: by curbing illegal commercial activity in the short-term rental industry.