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Amid housing crisis, LA City Council expected to vote on a loophole that would take 14,000 homes off the market and convert them into short-term rental units

Los Angeles, CA: In an extraordinary show of unity around the issue of short-term rental regulation, most of the Los Angeles City Attorney candidates joined UNITE HERE Local 11, Better Neighbors Los Angeles, and Strategic Action for a Just Economy to call on the city to reject a proposed loophole - the Vacation Rental Ordinance - that would convert as many as 14,000 homes into short term rentals amid a growing housing crisis and make enforcement of the current Home Sharing Ordinance much more difficult.

“The existing Home Sharing Ordinance is not being enforced consistently, and the Vacation Rental Ordinance would exacerbate the problem. Loosening the rules to allow people to turn their second homes into de-facto hotels hurts our city’s hard working hotel workers who have spent years winning union health benefits, pensions and wages they deserve,” said Teddy Kapur, City Attorney candidate.

The City Attorney candidates warned that if the Vacation Rental loophole were to pass, it would profoundly complicate the already slow enforcement of short-term rental regulations that the current LA City Attorney and Planning staff have struggled to implement. The loophole would create dire consequences for LA’s housing market with poor communities of color being the most affected. In a letter, Better Neighbors says [the City estimates that between 6,000 to 10,000 housing units have been removed from the traditional rental market and converted by their owners to short-term rentals](#). The loophole would remove thousands more and make enforcement of the existing Ordinance nearly impossible.

"The illegal conversion of rent-stabilized and affordable housing units into short-term rentals must stop. Increased enforcement of the City's Home Sharing Ordinance is the fastest way, and the least expensive way, to protect our affordable housing stock, to protect our most vulnerable renters from being pushed into homelessness, and to prevent harm to neighborhoods by commercial operators. This proposed Vacation Rental Ordinance, unfortunately, will harm our ability to enforce the restrictions written into the City's Home Sharing Ordinance because it will interfere with the two best enforcement tools we have -- the requirement that short-term rentals must be a primary residence, and the prohibition of rent-stabilized units being listed as short-term rentals. The Vacation Rental Ordinance could end up having the unintended result of actually accelerating our low-income and affordable housing crisis," said Kevin James, who is running for LA City Attorney.

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” of short-term rentals to register for a permit. It also prohibits “host platforms” from processing bookings for listings without a valid City Home Sharing registration number.

"Accountability starts and ends with enforceability," said Hydee Feldstein Soto, a candidate for Los Angeles City Attorney. "The pending vacation and RSO ordinances make housing supply and especially rent stabilized units vulnerable to those who would skirt the law on short term rentals since enforcement becomes impractical if not impossible."

The Vacation Rentals ordinance would blur the strongest enforcement line in the Home Sharing Ordinance - the primary residence requirement. If passed, it would allow commercial hosts to remove a second home from the housing market and convert it to a short-term rental. The loophole would so complicate the investigation process as to make it nearly impossible for the City to determine if a short-term rental is listed illegally. Because it is the responsibility of the Los Angeles City Attorney to enforce the City's laws, these enforcement policy questions are an important element of the 2022 LA City Attorney election campaign.

"The Los Angeles City Attorney's unwillingness to enforce the protections outlined in the Home Sharing Ordinance has left countless Angelenos vulnerable to displacement and homelessness. To make matters worse, the City's proposed Vacation Rental Ordinance will only complicate regulating the short-term rental industry and further burden impacted communities. Affordable, accessible housing is a human right, and the City needs to focus on strengthening — not weakening — renter protection laws," said Faisal Gill, LA City Attorney candidate.

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UNITE HERE Local 11 is a labor union representing over 32,000 hospitality workers in Southern California and Arizona who work in hotels, restaurants, universities, stadiums, sport arenas, convention centers, and airports.

Better Neighbors LA is a coalition of Southern California 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.

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