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Better Neighbors LA Praises City Attorney Lawsuit Against Short-Term Rental Platform HomeAway, the Owner of Vrbo

Lawsuit in response to Better Neighbors LA recommendations to protect housing by increasing enforcement of the Home Sharing Ordinance

Los Angeles – City Attorney Mike Feuer yesterday announced a <u>lawsuit against HomeAway</u>, a major short-term rental hosting platform. HomeAway is part of the Expedia Group and operates Vrbo. The lawsuit alleges that from November 7, 2021, to December 7, 2021 alone (the most recent 30-day period for which the City has booking data from HomeAway), approximately 29% of HomeAway's booking transactions in Los Angeles violated the City's Home Sharing Ordinance. The data shows that HomeAway has done thousands of prohibited transactions since the Ordinance took effect.

Concerned about the lax enforcement of the Home Sharing Ordinance, Better Neighbors LA sent a letter to the City Attorney in November 2021 outlining strategies to increase enforcement. The letter outlined several options, including a lawsuit under Unfair Competition Law ("UCL"), California Business and Professions Code section 17200 et seq., which the City Attorney used in the lawsuit announced today.

"The City passed the Home Sharing Ordinance to protect housing and prevent neighborhood nuisances. We applied the City Attorney for holding hosting platform HomeAway accountable for illegal listings. However, there are many other platforms operating in violation of the Ordinance that convert housing into unregulated hotels. We call on the City Attorney, and the Planning Department, to use all available tools to protect tenants, preserve affordable housing and reduce homelessness."—Nancy Hanna, Better Neighbors LA

Los Angeles passed the Home Sharing Ordinance in 2018 to address a crisis-level shortage of affordable housing and the negative effects of short-term rentals on neighborhoods and communities. The Ordinance 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 and from using housing units under the Rent Stabilization Ordinance as short-term rentals.

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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, housing, and communities: by curbing illegal commercial activity in the short-term rental industry.