Press Advisory: Tuesday December 1, 2020

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**Lawsuit Seeks to Enforce Los Angeles’ Home Sharing Ordinance**

**Who:** Hadsell Stormer Renick & Dai LLP

**What:** First lawsuit of its kind alleging violations Short-Term Rental Ordinance, filed against Synergy Global Housing LLC

**When**: Tuesday December 1, 2020 at 11:30am

**Where:** South steps of LA City Hall 200 N Spring St, Los Angeles, CA 90012

**Los Angeles, CA:** Today, laid off hospitality workers will file a lawsuit against short-term rental host and platform Synergy Global Housing LLC (“Synergy”) alleging that the company is violating the Short-Term Rental Ordinance that has been affect since July 2019. The lawsuit is the first seeking to enforce the new law.

**The class action lawsuit filed by** Hadsell Stormer Renick & Dai LLP on behalf of Ricardo Flores and Roxana Gonzalez and other Los Angeles hotel workers alleges that Synergy Global Housing LLC (“Synergy”) violated the City of Los Angeles Home Sharing Ordinance by illegally hosting and advertising prohibited short-term rentals. The City’s Ordinance prohibits a landlord from renting more than one property as a short-term rental and requires that all such rentals be registered with the City. In direct violation of the law, the suit alleges, Synergy lists more than 20 units in Los Angeles, not a single one of which is registered with the City of Los Angeles.

Two years ago, the City of Los Angeles passed the Home-Sharing Ordinance to address the extreme shortage of affordable housing and the negative effects of the conversion of long-term housing units to short-term rentals. 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 booking transactions for listings without a valid City Home-Sharing registration number.

Despite its clear legal requirements, Los Angeles has become inundated with illegal short-term rentals. Hosts and platforms flaunt the rules with confidence that the City will do nothing to enforce the law. As a result of this lawless environment, the City has become plagued with illegal party houses, negatively impacting thousands of laid off hotel workers.

Attorney Randy Renick stated: “As a result of Synergy’s massive and illegal short term rental scheme, hotel workers like my clients have been laid off, furloughed and terminated from their jobs. Because of the City’s failure to enforce the law, my clients were left with no choice but to file this lawsuit to stop illegal short-term rentals.”

Despite the lack of enforcement against illegal hosts, just two weeks ago the Los Angeles Planning Committee, led by Councilmember Harris-Dawson, voted 3-1 to move to the full council a Vacation Rental Ordinance that would allow nearly 15,000 short-term rental Airbnb-type units. The proposed ordinance would create a massive loophole in the existing Short -Term Rental Ordinance by allowing unfair players like Synergy to continue to operate.

Community groups like Better Neighbors LA and UNITE HERE Local 11 have been urging the Los Angeles City Council to vote NO on a Vacation Rental Ordinance as LA renters face a possible eviction crisis because of the economic impact of COVID-19.

[A review was released last week showing that the city is not effectively enforcing its existing Short-Term Rental Ordinance.](https://bit.ly/LAHSOrev) A vote on the Vacation Rental Ordinance is expected to go to full council come early December.

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Hadsell Stormer Renick & Dai is Civil Rights Law Firm with offices in

Pasadena, Los Angeles and Orange County.

UNITE HERE Local 11 is the union of more than 32,000 workers in hotels, restaurants, airports, sports arenas & convention centers in So. California & Arizona.

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.