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betterneighborsla.org

June 29, 2023

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

Dear Members of Los Angeles City Council,

Previously, Better Neighbors Los Angeles (“BNLA”) has focused on large short-term rental (“STR”) platforms in our analysis of compliance and enforcement of the Los Angeles Home Sharing Ordinance (“HSO”). Yet, there are dozens of smaller online platforms that advertise STR properties in Los Angeles. While these platforms typically advertise fewer properties, they still contribute to the loss of housing by allowing hosts to advertise non-compliant short-term rentals. In this report, Better Neighbors Los Angeles analyzes data from five short-term rentals platforms: Kid & Coe, Plum Guide, One Fine Stay, Bud and Breakfast, and Planet of Hotels to evaluate their compliance with the HSO.¹

Kid & Coe: Kid & Coe advertises whole-home rentals marketed specifically to families with children. It was established in 2013 and lists properties across the world. In May 2023, BNLA scraped the Kid & Coe website for all short-term rental properties advertised in the City of Los Angeles. Overall, the platform included 16 Los Angeles listings but only 3 listings (19%) displayed a valid home-sharing registration number.

Plum Guide: Founded in 2016, this platform advertises luxury short-term rentals. The platform claims to put each through a quality test coined “The Plum Test” before the property is listed. This test, however, must not screen for compliance with the HSO as only 49 (48.5%) of the 101 listings displayed a valid home-sharing registration number.

One Fine Stay: Founded in the United Kingdom in 2010, One Fine Stay is another luxury short-term rental platform. The platform provides hosts with professional photographers to capture their properties, housekeeping, and booking management services. Besides Airbnb, One Fine Stay is the only short-term rental platform to provide monthly booking data to the City.² Yet, out of the 29 listings advertised on the platform in Los Angeles, only 16 listings (55%) displayed a valid home-sharing registration number.

Bud And Breakfast: Established in Colorado in 2018, Bud And Breakfast advertises cannabis-friendly short-term rentals. The platform advertises 18 short-term rentals in the City of

¹ BNLA obtained listing data for these platforms by conducting a series of web scrapes in May and June 2023. Web scraping is the process by which automation is used to extract data directly from websites.

² BNLA received this information via a California Public Records request to the Department of City Planning made in May 2023.

Los Angeles but not a single listing displays a valid home-sharing registration number. Furthermore, several listings on the platform advertise camper vans and RVs for rent.

Planet of Hotels: Established in 2013, Planet of Hotels initially only advertised hotels, but eventually expanded to advertise private residences on a short-term basis. In June 2023, BNLA scraped Planet of Hotels for all short-term rental listings in Los Angeles by filtering results by property types to include “Home Stays,” “Villas,” “Aparthotels,” “Apartments,” “Holiday Homes,” and “Guest Houses.” . BNLA’s scrape identified 1,261 listings in the City of Los Angeles. Not a single one of the listings displayed the required registration number. Moreover, many of the listings showed the exact address of the property advertised allowing easy enforcement by the City.

The table below summarizes BNLA’s findings for each platform discussed above:

Platform:	Compliant STR Listings:		Non-complaint STR Listings:		Total:
Kid & Coe:	3	18.75%	13	81.25%	16
Plum Guide:	49	48.5%	52	51.5%	101
One Fine Stay:	16	55.17%	13	44.83%	29
Bud and Breakfast:	0	0%	18	100%	18
Planet of Hotels:	0	0%	1261	100%	1261

Small Platform Non-Compliance: BNLA’s analysis of lesser-known short-term rental platforms illustrates that evasion of the HSO is prominent across short-term rental platforms regardless of their size or popularity. Consequentially, short-term rental operators have a variety of options to illegally rent out their properties resulting in a loss of housing for long-term residents of Los Angeles.

Our findings indicate that the City is not enforcing the HSO even when circumstances make it easier for them to do so. For example, One Fine Stay is the only platform besides Airbnb to provide monthly booking data to the City. Yet nearly 45% of the listings on the platform are non-complaint with the HSO, suggesting that even when the City has readily available data about non-compliant listings, they are not enforcing the HSO or at the very least having the platforms remove non-complaint listings.

The Department of City Planning has previously claimed that not being able to identify addresses of non-compliant listings has posed a barrier for enforcement of the HSO. Yet, in the case of Planet of Hotels every listing has the property's exact address, and every listing lacks a valid registration number and yet the City has failed to initiate enforcement against any host or the platform itself. What will it take for the City to adequately enforce the HSO?

Recommendations: The short-term rental platforms discussed in this report only provide a glimpse of the issue of platform non-compliance. There are dozens of additional platforms that advertise non-complaint listings in the City, that will continue to profit off worsening the housing crisis if the City does not begin to prioritize platform accountability in its enforcement practices. To address this issue, BNLS recommends the following:

- Direct the City's enforcement agencies to prioritize enforcement against short-term rental platforms. The HSO authorizes the City to issue fines to Platforms which process a booking service transaction for listings which do not have a valid registration or have exceeded the 120-day limit, \$1,145 per day for each listing. Imposing the maximum fines to non-compliant platforms would create an incentive for platforms to ensure their listings are complaint.
- Direct the City to fine Platforms for failure to submit monthly data and direct the City to utilize this data to assist their enforcement efforts. The HSO mandates all platforms to submit monthly data to the City, which includes rental and booking data.
- Direct the City Attorney to file lawsuits against non-complaint platforms, such as those in which not a single listing displays a registration number.

Thank you for your time and consideration.

Sincerely,

/s/ Randy Renick