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**Lawsuit Forces Short-Term Rental Platform Out of L.A. Market**

***Citing lax public enforcement, activists vow more action to uphold city’s Home Sharing Ordinance***

**Los Angeles, CA:** A short-term rental host and platform announced last week that it will stop offering short-term rentals in the City of Los Angeles. The announcement comes just days after residents filed the first lawsuit seeking to enforce the Los Angeles Home Sharing Ordinance.

“Synergy’s capitulation is a huge victory for laid-off hospitality workers, housing advocates, and neighborhood activists working to ensure Los Angeles enforces its existing regulations on short-term rentals,” said Randy Renick, partner at Hadsell Stormer Renick & Dai. “It is the City Council’s responsibility to enforce the law, but we won’t let their failure keep us from taking action to protect our clients.”

Laid off hospitality workers filed their lawsuit against Synergy Global Housing LLC on December 1 alleging that the company is violating the city’s Home Sharing Ordinance that has been in effect since July 2019. Synergy is a member of CapitaLand, areal estate company headquartered and publicly traded in Singapore.

Los Angeles passed the Home-Sharing Ordinance to address an extreme shortage of affordable housing and the negative effects short-term rentals on the long-term housing market. 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.

Better Neighbors LA released [a review last week showing that the city’s poor enforcement of the Ordinance has left the city inundated with illegal short-term rentals.](https://bit.ly/LAHSOrev) Despite the lack of enforcement, just last month the Los Angeles Planning Committee, led by Councilmember Marqueece Harris-Dawson, voted 3–1 to move to the full council a massive loophole in the existing Home Sharing Ordinance. The proposed Vacation Rental Ordinance would allow nearly 15,000 additional short-term, Airbnb-type rental units in the city.

Community groups like Better Neighbors LA and UNITE HERE Local 11, who expect the Vacation Rental Ordinance to reach the full council for a vote in January, have been urging against the Vacation Rental Ordinance as L.A. renters face a possible eviction crisis because of the economic impact of COVID-19.

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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.