



@better_LA
betterneighborsla.org

November 7, 2023

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

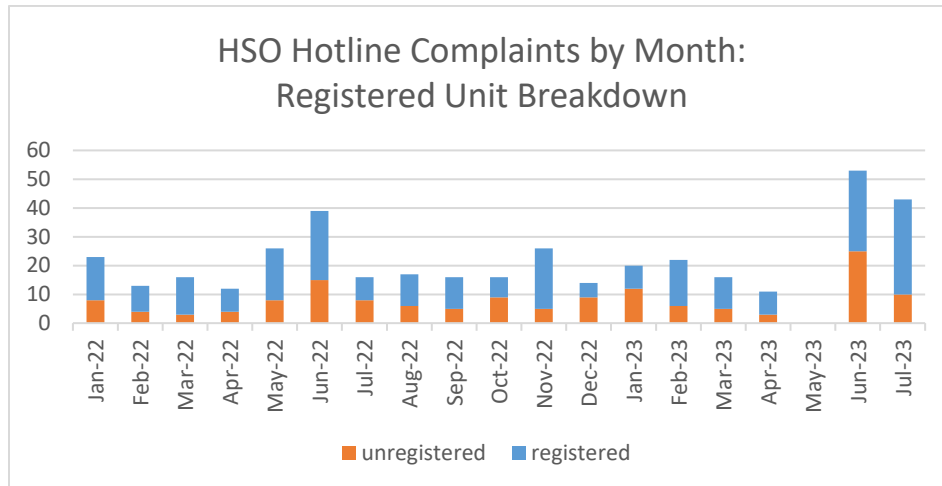
Dear Members of Los Angeles City Council,

Better Neighbors LA is writing to highlight the City's Planning Department's failure to prioritize citizen complaints on short-term rentals ("STRs") received on the Department's 24/7 telephone hotline. Despite the fact that the hotline receives dozens of calls from residents complaining of violations of the Los Angeles Home Sharing Ordinance ("HSO"), Planning rarely investigates the complaints or takes any enforcement actions. In short, the vast majority of hotline calls are ignored by the Planning Department.

The Los Angeles Home-Sharing Hotline operated by Planning is intended to be the first line of defense against illegal STRs. Residents or guests can report any issues they are having with an STR in the City of Los Angeles, including reporting categorical HSO violations, or nuisance issues like noise and illegal parking. Many of the complaints concern substantive breaches of the HSO, including the rental of rent-controlled or unregistered units. These calls contain good leads for the City Planning to act upon, and yet little seems to be done with the information received. In this report, Better Neighbors LA ("BNLA") analyzes data from the Los Angeles Home-Sharing Hotline to emphasize the potential utility of constituents' calls in finding and shutting down illegal short-term rental units in Los Angeles.¹

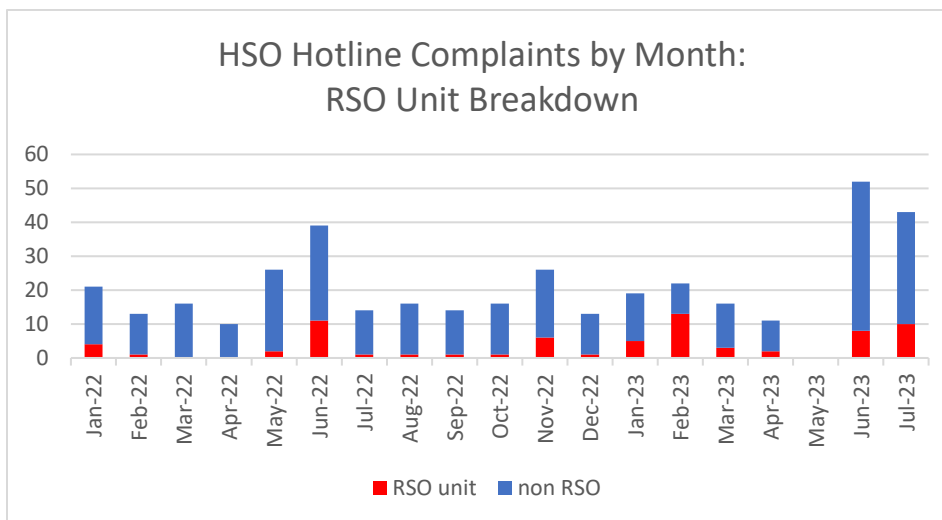
Hotline Data Helps Identify Unregistered Units: First, these complaints could help support the enforcement of the HSO by curbing the illegal operation of STRs in unregistered units. When a constituent makes a call regarding a short-term rental, City Planning has the ability to compare the addresses of the reported property to the addresses of those properly registered under the HSO.

¹ The data used in this report is provided by the Los Angeles City Planning Department via public records requests. Data from May 2023 is unavailable and thus not included in this report.



Comparing Hotline data to registration data received from City Planning through CPRA requests, 37% of complaints to the Hotline since January 2022 are regarding unregistered units. Overall, the City has yet to act regarding 91% of the complaints they have received since January 2022. As neighbors are driven to calling upon the City to act against these unscrupulous hosts, little seems to be changing in the long term. Without reasonable enforcement actions, these units are unfairly taking up housing and disrupting neighborhood character across the City.

Hotline Data Highlights Rent-Stabilized Units Illegally Operating as STRs: The data provided indicates whether a unit is a property protected by the Los Angeles Rent Stabilization Ordinance (“RSO”), which the HSO categorically prohibits from short-term rental use to protect access to affordable housing for Los Angeles residents.²



It is more imperative now than ever to take reports of STRs in RSO units seriously. In 2022, there were 29 hotline complaints regarding RSOs used as short-term rentals. In just six

² Los Angeles Home Sharing Ordinance, LAMC Section 12.22.A.32.c.2.ii.b
http://clkrep.lacity.org/online/docs/2014/14-1635-S2_ORD_185931_07-01-19.pdf

months of 2023, Planning has received 41 complaints of short-term rentals in RSO units, representing a 41% increase so far this year. The average number of RSO STRs reported per month this year has almost tripled, increasing 183% compared to 2022 when non-RSO STR complaints only increased by 25%. This means that although complaints have increased all around, the proliferation of STRs in RSO units is uniquely skyrocketing. As the housing affordability and houselessness crisis in Los Angeles continues, we cannot afford to lose stable housing options like RSO units in the long-term market that continue to operate illegally as STRs while the City fails to enforce.

Calls Into the Hotline Do Not Result in Long-Term Action: Only 9% of identified addresses from January 2022 to June 2023 have received a warning letter or citation regarding the reported issues. Of the dozens of addresses registered as RSOs that City Planning has received complaints about since January 2022, only three have even received first warning letters, let alone any additional enforcement to stop the operation of STRs in these rent-controlled units. Indeed, over 90% of operators of illegal RSO short-term rental units reported to the City Planning from January 2022 – July 2023 have received no contact regarding their illegal short-term rental.

For example, one property on Panorama Terrace is registered in the City Planning program Zone Information and Map Access System (“ZIMAS”) as an RSO but has had a registration number in operation since 2020.³ The complaint line has received 20 tips about this property since June 2022. Yet not even a single warning letter has been sent to the operator, and the property is likely still active.

Residents across the City are fed up with the difficult and often illegally operated STRs in their neighborhoods. Although a call regarding noise may get a single party shut down, the long-term ramifications of illegal STRs linger. At an October 18th Housing and Homelessness Commission hearing, City Planning disclosed that they only investigate properties that are directly reported by residents, ignoring the thousands of noncompliant listings the City contracted software Granicus flags for the City.⁴ However, as seen from the data analysis above, even these direct complaints are rarely taken seriously or resolved. Further, City Planning reported that a single citation for a single property takes 2-3 years to complete.⁵ Constituents deserve a way to fight back against the illegal STRs unfairly taking up their housing and disrupting their neighborhoods.

³ The Los Angeles Zone Information and Map Access System is maintained by the City Planning Department and a trusted source for information regarding a unit’s RSO status. <https://planning.lacity.org/blog/how-does-zimas-work>

⁴ These statement from City Planning were made in response to Loc Angeles City Council file number 14-1635-S10. <https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=14-1635-S10>

⁵ Ibid.

Recommendations:

As the City of Los Angeles continues to face a housing and housing affordability crisis, it is imperative that the City take the enforcement against illegal short-term rentals seriously.

- Schedule and pass the Blumenfeld motion currently sitting in the PLUM committee of City Council to amend the HSO to include Private Right of Action to provide more actionable options for constituents dealing with illegal STRs in their neighborhoods.⁶
- Provide training to LAPD officers on the ACE citation program.⁷
- Direct City Planning to fully investigate properties reported to the HSO Hotline, especially those that fall under the RSO and renter protections. As constituents take the time to alert the City to the issues of these STRs, City Planning must honor that effort and take all neighbors' issues seriously.
- Direct the City's enforcement agencies to issue the maximum fine for each and every violation. The HSO authorizes daily fines in the amount of \$572 for every day a host advertises a non-compliant listing. But except in rare cases, the City only issues a one night fine to illegal operators even when they have been operating illegally for months or years, with clear evidence from the City's own complaint data.
- Direct the City's enforcement agencies to issue citations to platforms for each night in which they facilitate the booking of non-compliant listings.

Thank you for your time and consideration.

Sincerely,

/s/ Randy Renick

⁶ These amendments are part of Los Angeles City Council file number 14-1635-S12.

<https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=14-1635-S12>

⁷ Although LAPD has responded to some nuisance and noise complaints from the hotline, because there is no citation issued, these nuisances are not noted on the STR's record and aren't considered when issuing HSO citations or renewals.