



Amendment to the Home-Sharing Ordinance

CITYWIDE PROPOSED CODE AMENDMENT
CPC-2020-2762-CA

LOS ANGELES
CITY PLANNING

July 2020

Staff Presentation and Public Hearing

Thursday, July 9, 2020 at 5:30 PM

- The Staff Public Hearing can be joined by dialing **+1 213 338 8477** US (Los Angeles) and entering **meeting ID # 951 8842 8934** followed by #.
- Participants will be asked to enter a participant ID. **No ID is needed, they should press # to continue.** Participants will then be joined into the meeting.
- **To request to speak during the public comment period, participants may press *9.**

Note: No decision will be made today. The comments received today, and during the comment period, will be incorporated into the staff report to the City Planning Commission.

Today's Agenda

Staff Presentation | 5:30 - 6:00 PM

- Background
- Overview of Proposed Ordinance
- Commonly Asked Questions
- Next Steps

Public Hearing | 6:00 PM onwards

To request to speak during the public hearing, press *9 to be placed in the queue

Staff Presentation

Amendment to Home-Sharing Ordinance (HSO)

Current Home-Sharing Ordinance

Established process to permit Home-Sharing:

- Permits short-term rental (stays of less than 30 days) in a Host's **primary residence** (called “home-sharing”)
 - Primary residence is the unit where the host lives for more than **6 months** of the year
- Must **register annually** and provide documentation to demonstrate primary residency

Other Key Provisions:

- Home-Sharing is not permitted in units that are subject to the **Rent Stabilization Ordinance (RSO)**
- Limited to **120 days** of rental activity per calendar year, unless issued a permit to allow **Extended Home-Sharing**
- Includes **enforcement tools** and **penalties for violations** of the ordinance

Background





Council Direction

[CF 18-1245](#)

Direct City Planning to:

1. Create a citywide program that would allow owner-occupied units that are subject to the RSO to participate in home-sharing
 - Exclude tenancies-in-common
2. Report back with additional details on enforcement mechanisms to ensure units are owner-occupied

City Council Intent

In recognition that Home-sharing provides a source of supplemental rental income that may oftentimes assist homeowners in meeting housing costs, **allow mom-and-pop landlords who reside in an owner-occupied RSO unit to participate in home-sharing**

Also recognizing that Rent-Stabilized housing is one of the city's most valuable, yet vulnerable, sources of affordable housing, **ensure that tenant protections in RSO housing are not eroded**

Overview of Proposed Ordinance

Proposed Ordinance

- Would amend the HSO to permit certain owner-occupied units that are subject to the RSO to participate in home-sharing
- All units permitted to engage in home-sharing as a result of the proposed ordinance would be required to register and follow all of the requirements established as part of the HSO and Administrative Guidelines



Key Provisions

Owner-Occupancy Requirement

- Must provide documentation to demonstrate ownership and residency within the unit to be used for home-sharing

Prohibitions on certain housing units

- Including condos and tenancies-in-common, units in larger multifamily properties, and units that have been removed from the rental market within the past 7 years

Limitation to 120 days of Home-Sharing activity per calendar year

- Not eligible for Extended Home-Sharing

Limitations on the number of home-sharing registrations available

- Only one registration per parcel subject to the RSO
- No more than 4,000 registrations citywide (less than 1% of total RSO housing stock)

Prohibited Housing Units

Allow for Mom-and-Pop Landlords

- Allow home-sharing only in owner-occupied RSO units located on properties with four or fewer dwelling units
 - This includes: fourplex, triplex, or duplex properties, and single-family properties with an accessory dwelling unit (ADU)
- Prohibit home-sharing in any RSO units located in “Tenancies-in-common” (TIC) and Condominiums

Prevent evictions of tenants for STR

- Units in buildings that have been removed from the rental market through the Ellis Act within the past seven years are not eligible for home-sharing

Registration Process

Key Steps for HSO Registration:

1. Verify eligibility criteria
2. Gather relevant documents to demonstrate proof of identification and primary residency, as well as ownership
3. Complete online registration
4. Post home-sharing registration number on all listings

Documentation for Owner-Occupancy:

In addition to demonstrating primary residency within the unit to be used for home-sharing, provide documentation to demonstrate ownership, which could include:

- A title indicating host's name as owner of subject property, or
- Other documentation sufficient to demonstrate ownership

Commonly Asked Questions

Eligibility

Who is eligible to apply under the proposed ordinance?

Any owner of a housing unit that is subject to the RSO may apply for a home-sharing registration, if they can demonstrate that the unit to be used for home-sharing is their primary residence. Owners of rent-stabilized housing units located in a TIC, condominium, or multifamily property with more than four units, as well as any properties that have had an Ellis Act eviction within the prior seven years, are not eligible to participate in home-sharing.

The proposed ordinance would not change the eligibility status of any housing units that are not subject to the RSO.

Single-Family Home with ADU

I added an Accessory Dwelling Unit (ADU) to my property, and now the main home is subject to the RSO. Will I be eligible to participate in home-sharing under the proposed ordinance?

Yes, you would be eligible to register for Home-Sharing in the main home if it is the host's primary residence.

Second Homes

Would the proposed ordinance permit owners to rent out a second home for short-term rentals?

No. The proposed ordinance would only permit home-sharing within a host's primary residence. Second homes would continue to be ineligible for home-sharing.

Enforcement

How will the provisions of this ordinance be enforced?

The City will utilize the existing enforcement mechanisms that were established with the adoption of the Home-Sharing ordinance. Fees collected for home-sharing registrations will be used to fund enforcement efforts of this ordinance.

The HSO prohibits any listing of a short-term rental without a valid home-sharing registration number (or pending status). In situations where a listing without a registration number is identified, an initial notice of violation will be issued. The non-permitted activity must cease within a specified time or a citation with fines may be applied. Hosting platforms are also required to provide information to assist in the enforcement and removal of illegal listings.

Call 24/7 Complaint Hotline at (213) 267-7788 to report any concerns or complaints

Existing Home-Sharing Registrations

What impact would the proposed ordinance have on homes that are currently registered for home-sharing?

The proposed amendment would not have an impact on existing registrations. It would only modify regulations for owner-occupied units that are subject to the RSO, which are not currently eligible to register for home-sharing.

Citywide Cap

How will the citywide cap work?

The proposed ordinance includes a citywide cap of 4,000 home-sharing registrations in units subject to the RSO, which represents less than 1% of the total RSO housing stock. Based on historic levels of short-term rental listings, is anticipated that the actual number of hosts within owner-occupied RSO units will be much lower than this cap. The citywide cap is intended to serve as an upper limit on the total number of registrations, in order to help ensure minimal impact on the overall rent-stabilized housing stock.

Registrations must be renewed annually. It is not anticipated that the number of eligible hosts would exceed the citywide cap.

Next Steps



Next Steps

City Planning Commission Meeting

- The staff report will be available at least 72 hours before the meeting date here:
<https://planning.lacity.org/about/commissionsboards-hearings>
- Send written comments to
cally.hardy@lacity.org by July 10, 2020
- After that date, written comments should be submitted to cpc@lacity.org

Thank You

Staff Contact

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Staff Public Hearing

Amendment to Home-Sharing Ordinance

To request to speak, press *9 to be placed
in the queue for public comment

Staff Public Hearing

To request to speak, press *9 to take a place in the queue for public comment

- When calling on speakers, staff will identify them by the last four digits of their phone number, if available. Each speaker will be unmuted when called upon.
- Please remember to state your name for the record before you begin your oral testimony
- Written comments may be submitted to cally.hardy@lacity.org by July 10, 2020. After that date, comments should be submitted to the City Planning Commission for consideration at cpc@lacity.org
- Reminder: No decision will be made today. The comments received today, and during the comment period, will be incorporated into the staff report to the City Planning Commission.