CITY OF LOS ANGELES

INTER-DEPARTMENTAL CORRESPONDENCE

DATE: July 25, 2024

TO: Interested Parties

Department of City Planning Staff

FROM: Vincent P. Bertoni, AICP

Director of City Planning

Department of City Planning

SUBJECT: HOME-SHARING PROGRAM - UPDATED FINES FOR VIOLATIONS -

EFFECTIVE ON SEPTEMBER 1, 2024

The Los Angeles City Council adopted the Home-Sharing program (Ordinance No. 185,931) in December 2018, with an effective date of July 1, 2019. The Home-Sharing program created a regulatory framework to restrict Short-Term Rentals to a Host's primary residence in an effort to prevent the wholesale conversion of housing into Short-Term Rentals. All Short-Term Rentals in the City of Los Angeles must be properly registered for Home-Sharing with the City (this registration requirement does not apply to City-recognized hotels, motels, bed and breakfasts, or Transient Occupancy Residential Structures, which are exempt from the Home-Sharing regulations).

Hosting Platforms, Owners of Primary Residences, and/or Hosts and/or Persons advertising a Rental Unit may be issued a citation with a fine amount pursuant to Los Angeles Municipal Code (LAMC) Section 12.22.A.32(g)(4) if their Rental Unit is found to be in violation of the program's provisions. LAMC Section 12.22.A.32(g)(4)(iii) allows for the fine amounts to be updated annually, from the effective date of the ordinance, according to the Consumer Price Index for All Urban Consumers ("CPI-U"). The update will be based on the Bureau of Labor Statistics CPI-U for the Los Angeles area (Los Angeles-Long Beach-Anaheim).

The calculated inflation adjustment effective on September 1, 2024, was <u>3.2%</u>, based on the CPI-U average for the 12-month period ending in June 2024. The adjusted fine amount is reflected in the following table:

Home-Sharing Fine Schedule, Effective September 1, 2024

Fine Type	Amount as of	CPI-U Adjustment June 2024*	Daily Fine Amount as of Sept. 1, 2024
Hosting Platform	\$1,173.77		\$1,211.33
Owner of Primary Residence and/or Host and/or Person for advertising a Rental Unit for the purposes of Short Term Rental in violation of the Home-Sharing Ordinance.	\$586.95	3.2%	\$605.73

^{*}CPI-U Adjustment for Los Angeles-Long Beach-Anaheim, year-over-year percent change.