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June 28, 2019

HOME-SHARING ADMINISTRATIVE GUIDELINES

The Home-Sharing Ordinance was adopted by the City Council on December 11, 2018 and becomes effective on July 1, 2019. The Home-Sharing Ordinance (Ordinance) provides for the creation of Administrative Guidelines (Guidelines) promulgated by the Department of City Planning for the purposes of implementing the Ordinance.

The enclosed Guidelines reflect the City's application of the Ordinance and provide detail on how property owners, Hosts and Hosting Platforms (Platforms) can comply with the requirements of the Ordinance to ensure that all rental units are lawfully registered for Home-Sharing at the time that the unit is advertised and rented as a Short-Term Rental. For full regulations and requirements please refer to Ordinance No. 185,931.

The Guidelines may be updated from time to time by the Department in order to provide additional clarity.

Sincerely,

VINCENT P. BERTONI, AICP

Director of Planning

VPB:KJK:ALV:MG:ch

HOME-SHARING ADMINISTRATIVE GUIDELINES

Ordinance No. 185,931



Department of City Planning
City of Los Angeles

Issued On June 28, 2019

IMPLEMENTING SECTION 12.22 A.32 OF THE LOS ANGELES MUNICIPAL CODE (LAMC)

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APPENDICES

A. Hosting Platform Responsibilities (currently pending approval by City Council)

For additional information please contact:

Home-Sharing Unit
Department of City Planning - Development Services Center
201 N. Figueroa Street, 5th Floor
Los Angeles, CA 90012
(213) 202-5464

24/7 Hotline: (213) 267-7788
planning.home-sharing@lacity.org
planning.lacity.org/HomeSharingOrdinance



I. SCOPE AND PURPOSE

These Administrative Guidelines ("Guidelines") are promulgated by the Department of City Planning ("Department") for the purposes of implementing the Home-Sharing Ordinance (Ordinance No. 185,931) ("Ordinance") pursuant to Los Angeles Municipal Code (LAMC) Section 12.22 A.32.

Administrative Guidelines are defined in LAMC Section 12.22 A.32(b)(1) as: "regulations, which may include, but are not limited to application requirements, interpretations, conditions, reporting requirements, enforcement procedures, and disclosure requirements, to implement the provisions, and consistent with the intent, of [the Ordinance]."

These Guidelines reflect the City's application of the Ordinance and provide detail on how property owners, Hosts and Hosting Platforms (Platforms) can comply with the requirements of the Ordinance to ensure that all rental units are lawfully registered for Home-Sharing at the time that the unit is advertised and rented as a Short-Term Rental. No one shall fail to comply with the Administrative Guidelines (LAMC Section 12.22 A.32(i)). For full regulations and requirements please refer to Ordinance No. 185,931.

The Guidelines may be updated from time to time by the Department. Appendix A may only be adopted or amended by a Resolution of the City Council.

II. DEFINITIONS

In these Guidelines, capitalized terms and other words and phrases have the same meaning as in those in LAMC Section 12.22 A.32 and 12.03, unless otherwise defined below or in the Guidelines.

- Accessory Dwelling Unit (ADU) Either a Second Dwelling Unit as described in Section 12.24 W.43 of the LAMC, or an Accessory Dwelling Unit as defined by state law in Government Code Section 65582.2, or as may be defined in Section 12.03 in the LAMC through future amendments.
- 2) **Declaration** A statement or affirmation made under penalty of perjury, including those that are electronically signed (e-signed).
- 3) **Effective Date** The date [July 1, 2019] the Ordinance becomes effective. Enforcement of the provisions of the Ordinance will not begin until the Enforcement Date.
- 4) **Enforcement Date** A date four months after the Implementation Date [November 1, 2019], or a subsequent date as determined by the Department, when enforcement of the Ordinance commences.
- 5) **Home-Sharing Guest Code of Conduct** A Department-issued <u>document</u>, provided by Hosts to all Home-Sharing Guests, that includes the relevant provisions of LAMC Section 12.22 A.32 and other information necessary to address behavioral, safety, security, and other matters.
- 6) Home-Sharing Registration Certificate A unique document issued by the City upon successful registration and approval for Home-Sharing that contains the unique Registration Number.
- 7) **Implementation Date** The date [July 1, 2019] when the Online Registration Portal becomes available and implementation of the Ordinance commences, and Hosts may submit an application for a Home-Sharing Registration.
- 8) **Listing** A webpage or advertisement (online or otherwise) for a Short-Term Rental or other overnight rented stays (including stays located at Hotels, Transient Occupancy Residential Structures, Bed and Breakfasts, and stays of more than 30 days) located on a Hosting Platform or other online platform(s), including the web URL, metadata and other attributes.
- 9) **List** to place a Listing for a Short-Term Rental or other overnight rented stay located on a Hosting Platform or other online platform(s), or in print, including the web URL, physical address, or other attributes.

- 10) **Notice of Intent to Revoke** A Notice of Intent to Revoke a Home-Sharing registration or Extended Home-Sharing registration, sent from the Department to a Host, that states the following information:
 - a) The Citations, including any applicable reference number, that led to the revocation; and
 - b) Information on the Host's right to an appeal in accordance with LAMC Section 12.24 Z.
- 11) **Online Registration Portal** A website [planning.lacity.org/home-sharing] used for the filing of Home-Sharing applications or renewals, and the payment of applicable filing fees.
- 12) **Outreach Phase** A 60-day period after the Implementation Date where targeted outreach and education materials will be advertised and shared with Hosts and the general public.
- 13) **Pending Registration Status Number (Pending Number)** A unique identification number issued by the City that is associated with a pending Home-Sharing application, and may be used temporarily by the authorized Host for the valid registered Listing.
- 14) **Registration Number** A unique identification number provided by the City through issuance of a Home-Sharing Registration Certificate that is associated with a completed and approved Home-Sharing application. The number may be used only by the authorized Host for the valid registered Listing.

III. HOME-SHARING REGISTRATION

1) Application and Eligibility Requirements.

Hosts may register at any time on or after the Implementation Date (July 1, 2019). The Outreach Phase will take place during the first 60 days following the Implementation Date to provide information and guidance to the public on how to utilize the Online Registration Portal. The City will begin enforcement of the Home-Sharing Ordinance on the Enforcement Date (no sooner than November 1, 2019).

To register for Home-Sharing, an applicant shall file an application and pay the applicable filing fee. Online applications may be completed using the Online Registration Portal (planning.lacity.org/home-sharing), or in person at the Department of City Planning's Home-Sharing Unit at the Development Services Center located at 201 N. Figueroa St., 5th floor. The Department's website (planning.lacity.org/HomeSharingOrdinance) contains information to assist in preparing for the application process. Certain documents and other information will be required to be provided and/or agreed upon as part of the application process including:

- a) **Home-Sharing Address.** Identification of the street address where the Home-Sharing will take place.
- b) Host Identification and Primary Residence Documentation. Verification of the Host's identity and that the proposed Home-Sharing use will be limited to the Host's Primary Residence. Identification shall include the legal name of the Host who resides at the premises and is responsible under the Ordinance. Clearly legible scans or photographs of the documents must be provided.
 - i) Photo Identification. Required documentation includes a valid federal or state-issued photo identification (ID), such as a driver's license, state ID card or passport. If the ID shows an address that matches the address used for Home-Sharing then only one of the following types of Primary Residency documents are required. If the ID does not show an address that matches the Primary Residence being used for Home-Sharing, then two of the following Primary Residency documents must be submitted.
 - ii) **Primary Residency.** Either one or two (see above) of the following documents with the Host's full name and address of the Primary Residence are required to establish that the Home-Sharing location is the Host's Primary Residence (or meets the ADU Provision (c) below).

Personal information other than name and address should be redacted.

- A valid California voter's registration card or a voter registration status document showing name and home address (may be obtained online at <u>voterstatus.sos.ca.gov</u> and printed to save as a portable document formatted / ".pdf" file); or
- A valid California vehicle registration certificate showing name and home address; or
- 3) A health insurance or vehicle insurance bill issued in the last six months showing name and home address; or
- 4) A copy of a paycheck or pay stub issued in the last six months showing name and home address; or
- 5) A copy of a current property tax bill indicating homeowner's exemption; or
- 6) A copy of a current rental or lease agreement, including or attached to, the property manager's or landlord's name, address, phone number and email address, signed by the tenant and landlord or property manager. Note: If the lease is month-tomonth, or is a verbal lease, the applicant must also complete and upload a signed Affidavit in a form provided by the City (see <u>Administrative Document B</u>), stating that the address is still the applicant's Primary Residence.
- **iii) Primary Residency.** Affirm through an e-signed Declaration (through the Online Registration Portal) that the Host will reside at the unit to be used for Home-Sharing more than six months out of the year.
- c) Pre-2017 Accessory Dwelling Unit (ADU) Provision. If the Host is conducting Home-Sharing in an Accessory Dwelling Unit (ADU) for which a complete building permit application for an ADU (with paid Plan Check fees) was submitted before January 1, 2017, the Host may reside either in the main home on the property where the ADU is located, or in the ADU itself. While the City will refer to its own building permit records, the Host may also be required to submit appropriate documentation needed to verify the building permit application date, including a scanned dated copy or photograph of the submitted building permit application. ADUs built on or after January 1, 2017 may only be used for Home-Sharing if the ADU is the Host's Primary Residence.

- d) Transient Occupancy Tax (TOT) Registration. Unless the applicant exclusively Lists his or her Primary Residence on Hosting Platforms that have a Platform Agreement with the City of Los Angeles, the applicant must be registered to pay TOT with the Office of Finance pursuant to <u>LAMC Section 21.7.6</u>. The requirement to receive a Transient Occupancy Residential Certificate is facilitated through the Online Registration Portal through one of the following processes:
 - i) Successfully register for Home-Sharing through the Online Registration Portal and select the option that allows the Department to share the information needed to register the applicant for a Business Tax Registration Certificate (BTRC) with the appropriate Transient Occupancy Tax (TOT) classification with the Office of Finance. A BTRC number is assigned upon successful completion of the online application, and this number matches the relevant Home-Sharing Registration Number.
 - ii) Submit an e-signed Declaration affirming the Hosts will exclusively List his or her Primary Residence on Hosting Platforms that have a Platform Agreement with the City of Los Angeles. A current list of Hosting Platforms that have a Platform Agreement can be found online at planning.lacity.org/HomeSharingOrdinance.
 - iii) For Hosts that already have a BTRC or transient account with the Office of Finance pursuant to <u>LAMC Section 21.7.6</u> prior to registering for Home-Sharing, provide the assigned BTRC number to the Department via the Online Registration Portal while registering for Home-Sharing.

Unless process ii) above was selected, the Host shall be fully responsible for the renewal, collection and monthly remittance of TOT through the Office of Finance. Hosts with a valid City of Los Angeles transient accounts may file and submit payment for monthly renewal on-line at latax.lacity.org/oofweb/erentot/totr logon.cfm.

e) Landlord Approval. If the Host is a renter or lessee, an Affidavit signed by both the Host and the property owner/landlord that approves the Host's participation in Home-Sharing for that unit. The Affidavit must be on the exact form provided in Administrative Document B, dated and notarized and shall include the names, addresses, phone numbers and email addresses of the Host, property owner/landlord, as well as any property manager, and clearly identify the address and unit of the property being used for Home-Sharing. A landlord may proactively prohibit Home-Sharing by tenants at any or all of the owner's properties by submitting a notification through the Online Registration Portal.

- f) Contact Person. Identification of a local responsible contact person. Contact information includes name, address, email address and a phone number where the contact person can be reached and be available to access the home-sharing residence 24 hours a day, 365 days a year.
- g) **Hosting Platforms Used for Listings.** Identification of all Hosting Platforms that will be used to advertise Home-Sharing Listings for the particular property, including the specific URL for each Listing, if applicable. If a Host has not yet started Listing, and therefore does not have a specific URL, a Host must provide this information to the City via its Online Registration Portal within 24 hours of the Host Listing his/her property on any Hosting Platform.
- h) **Residential Building.** Affirm through an e-signed Declaration that the Home-Sharing will not occur in a vehicle parked on the property, storage shed, trailer, temporary structure or other structure not built for residential use.
- i) Occupancy Limits. A maximum of two persons (excluding children) per Habitable Room may sleep in a Home-Sharing unit (Maximum Sleeping Capacity). The Host shall identify the number of Habitable Rooms and include an e-signed Declaration that he/she will not advertise nor book any guest stays that exceeds the Maximum Sleeping Capacity. A Habitable Room (defined in LAMC Section 12.03) includes any enclosed room area with the exception of any lobby, hall, closet, storage space, bathroom, utility room or service porch. For purposes of this Ordinance, an open kitchen that is part of another room is considered a habitable room, as is a recess from a room or an alcove (other than a dining area) having 50 square feet or more of floor area and so located that it could be partitioned off.
- j) Safety Features. Affirm through an e-signed Declaration that the Host's rental unit provides and maintains working fire extinguishers, smoke detectors, and carbon monoxide detectors, in compliance with fire, life and safety codes, as well as provides information related to emergency exit routes on the property to all guests.
- k) Code of Conduct. Affirm through an e-signed Declaration that the Host shall provide a copy of the Home-Sharing Guest Code of Conduct provided as <u>Administrative Document A</u> to all guests.
- I) Application Fee. Hosts must complete payment of the non-refundable filing fee per LAMC Section 19.01 T either by credit or debit card or electronic check through ACH. The fee is \$89 plus a processing fee. Payments will be accepted at the time of online application. Although online application and payment is preferred, staff can assist in completing the application process and processing

- payment at the Department's Home-Sharing Unit at the Development Services Center at Figueroa Plaza 201 North Figueroa Street, 5th Floor, 90012.
- m) **General Compliance.** An e-signed Declaration certifying that the Host has complied with all other Home-Sharing requirements and verifying the authenticity of the provided documents and information.
- n) Acknowledgement and Consent. Every Host shall authorize any Hosting Platform on which his or her Primary Residence is Listed to provide to the City the Host's Listing, rental activity and contact information. Every Host must also consent to receive all City notices and citations regarding his/her Home-Sharing registration by both email and U.S. mail at the address used for Home-Sharing. Every Host must also consent to reasonable requests to inspect records required to be kept and preserved by the Host pursuant to the Ordinance.

In addition, prior to issuing the Home-Sharing Registration Number, the Department will verify that the property to be used for Home-Sharing meets the following requirements using City data sources.

- o) Location in a Zone that Allows Residential Uses. As required in LAMC Section 12.22 A.32, Home-Sharing is only a permitted use in zones wherein residential uses are permitted by right. Residential uses are generally prohibited in M (Manufacturing), OS (Open Space), and PF (Public Facility) zones. Applicants may review a property's zone classification using the City's online Zoning Information and Map Access System (ZIMAS), which can be accessed at <u>zimas.lacity.org</u> (click on the "Planning and Zoning" tab to see "Zoning")
- p) Housing Restrictions. The Primary Residence shall not be subject to affordable housing covenants or income restrictions under City, state or federal law as determined by the Housing and Community Investment Department (HCIDLA). It shall also not be subject to the Rent Stabilization Ordinance (RSO) (Chapter 15 of the LAMC). A residence is generally considered subject to the RSO if it is a Rental Unit as defined in Chapter 15 of the LAMC (the Rent Stabilization Ordinance). Generally, Rental Units built before October 1978 located on properties with two or more units are subject to the RSO. Temporary exemptions such as for owner-occupancy do not relieve a residence from being a Rental Unit subject to the provisions of the RSO. Applicants may review a property's RSO status using ZIMAS (zimas.lacity.org) and checking the "Housing" tab. If an applicant believes a unit is mistakenly identified as being subject to any housing restrictions, applicants may provide evidence to the Department. Evidence may include documentation obtained from HCIDLA. This information may be evaluated with HCIDLA to verify the applicability of the housing restrictions.

- q) Prior Conversion from Multi-Family RSO to Single-Family Use. The Primary Residence shall not be located in a building that has been converted from units subject to the Rent Stabilization Ordinance (LAMC Chapter 15) to a single-family home(s) within five years of the date of conversion, including Ellis Act removals pursuant to Chapter 15 of the LAMC.
- r) **Very High Fire Hazard Severity Zones.** For properties identified as being located within a Very High Fire Hazard Severity Zone (VHFHSZ), provide an esigned Declaration affirming that a written notice is posted on any patio or deck stating that smoking is not permitted anywhere on the exterior of the property. To see whether the property is in a VHFHSZ, go to <u>zimas.lacity.org</u>, type in your address and click on "Additional".
- s) Open or Pending Citations. The Primary Residence or property shall not be subject to any open or pending Citations by any enforcement agency of the City (including the HCIDLA, Department of Building and Safety (LADBS), Police Department (LAPD) or Fire Department (LAFD)). If an applicant believes a residence is mistakenly identified as being subject to an open or pending Citation, applicants may provide evidence (through the Portal) to the Department that the Citation is not specific to his/her place of residence, or is no longer open or pending. The issue will be evaluated with the relevant enforcement agencies to ensure the safety of the guests and habitability of the unit.
- t) More than One Registration per Rental Unit. The applicant may not apply for more than one Home-Sharing Registration Number, and shall not otherwise List or operate more than one Home-Sharing Rental Unit at a time in the City of Los Angeles. Multiple Listings at the same address must utilize the same Home-Sharing Registration Number and the Host must provide the specific URL addresses for each Listing, per paragraph (g) above. Units that are owned or leased by an individual and/or entity with other active home-sharing applications and/or registrations will be evaluated to ensure compliance. Hosts who share the same Primary Residence but attempt to register more than one Home-Sharing Rental Unit will be ineligible.

2) Completing Registration Number

Prior to requiring payment of the non-refundable Application Fee, the Online Registration Portal will notify applicants if they appear to be ineligible for registration based on one or more of the Application and Eligibility Requirements outlined in Section III-1. Nonetheless, applicants may decide to proceed with their application by paying the non-refundable Application Fee and providing a written explanation, along with any supporting documentation, to describe why the City's information may be incorrect and the application requirements are met. The Department will evaluate this information and contact the applicant, if necessary, to further investigate the issue.

If additional information for registration is required it will be requested through the email provided. If the information needed to validate the application is not received within 45 days, the Home-Sharing application will be withdrawn.

When a complete, qualifying application is received and the requirements listed in Section III.1 above are met, the Host may be eligible to receive a Pending Registration Number and begin Listing while the Department reviews the application. If for any reason the application is rejected during the review period, the Department will notify the applicant through the email provided that the Pending Number is no longer valid and the Host must immediately remove all Home-Sharing Listings and discontinue Short-Term Rental activity. When the application is found to be compliant with the Ordinance, the Department will notify the Host through the email provided that the Home-Sharing Registration Number is verified and they may continue Home-Sharing activity for the remainder of the one-year registration period using the same number. The Host's one-year registration period will begin upon receipt of the Pending Number.

Issuance of a Registration Number will be accompanied by a Home-Sharing Registration Certificate. There are no appeals of a closed, denied, or withdrawn application. Applicants may re-apply at any time.

3) Expiration and Renewal.

A Home-Sharing registration is valid for one year from the earlier of the date of issuance of any Pending Registration Status Number or Registration Number, provided the Host remains the primary resident of the home-sharing Rental Unit. After one year, the registration expires and is no longer valid. If a Host no longer resides in the Primary Residence used for Home-Sharing, the Host must contact the Department at planning.home-sharing.registration@lacity.org to terminate the registration. Hosts must cease advertising the rental unit on all applicable Hosting Platforms immediately upon expiration of a Registration Number or if the Host no longer meets the primary residency requirement. Registration may not be transferred or assigned to another Host or to another property and is valid only at the Host's Primary Residence.

A Home-Sharing registration may be renewed annually by filing an application for renewal using the Online Registration Portal. Renewals will be accepted beginning on the first day of the eleventh month of a Host's current registration. An email reminder will be sent to Hosts 30 days before the expiration of their current registration. A renewal that is approved before the expiration of the registration will be effective on the date of the expiration of the original registration. As part of the application for renewal, the Host shall complete the following requirements:

a) **Fee.** Pay the non-refundable renewal fee per LAMC Section 19.01 T (\$89 plus processing fees). Online payments will be accepted through the Online

- Registration Portal, or in person at the Department's Home-Sharing Unit at the Development Services Center at 201 N. Figueroa St, 5th floor.
- b) Past Compliance. Affirm through an e-signed Declaration that the Host has complied with all provisions of the Ordinance during the prior registration year. The City may also conduct its own verification based on records of violations, complaints, code enforcement activity, and any other available information related to the property and the Home-Sharing registration.
- c) **Information Accuracy.** Affirm through an e-signed Declaration that all information provided in the previous application for Home-Sharing registration remains true and accurate, or provide any changes.
- d) Home-Sharing Records. Per the Ordinance, Hosts shall retain copies of all records regarding each Home-Sharing stay (see Section VI-3 below) and are required to share those records with the Department at the time of renewal. This information shall include the length of stay for each booking for the prior registration period. To satisfy this requirement, the Host shall provide a legible and complete document showing rental activity and/or commission statements from each of the Hosting Platforms the Host has used to generate bookings over the prior registration period. In addition to providing the information, the Host must e-sign a Declaration to confirm that the provided information is complete, true and accurate.

i) Alternative Compliance.

1) Listing on Hosting Platform that does not Provide Detailed Itemized Rental Activity Statements. If a Host Lists on a Hosting Platform that does not provide detailed itemized rental activity and/or commission statements to Hosts, the Host may submit a digital spreadsheet (on accepted formats such as Excel or Sheets) that itemizes each Home-Sharing booking during the prior registration year, including the length of each individual stay. In addition to providing the itemized spreadsheet, the Host must esign a Declaration under penalty of perjury to confirm that the information is complete, true and accurate and that the Platform on which he lists does not provide detailed itemized rental activity. If the Department is unable to process the spreadsheet due to improper formatting, it may be returned for correction.

ii) Exception.

1) **Listing on Hosting Platform with Platform Agreement.** If the Host exclusively Lists on a Hosting Platform with a Platform

Agreement that includes a provision for pass-through registration for Home-Sharing applicants, the requirement to share Home-Sharing records shall be waived (see Section VII Platform Responsibilities below). A current list of Hosting Platforms that have a valid Platform Agreement can be found online at planning.lacity.org/HomeSharingOrdinance.

4) Suspensions, Revocations and Modifications.

The Ordinance requires a 30 day suspension upon two Citations and revocation upon three Citations within a registration year (as measured from the day the registration number for the particular rental unit was issued or renewed). Additionally, the Department may modify, discontinue or revoke any Home-Sharing registration if it is found that the Host has violated any provision of the Ordinance or any other city, state, or federal regulation, ordinance or statute per LAMC Section 12.27.1 B.

Hosts may challenge a Citation by any process described on the Citation and by providing notice to the Department of Planning by sending an email to planning.home-sharing.enforcement@lacity.org. The notice to the Department must also reference the applicable Citation number, any appeal reference number, the date of appeal and any appeal materials. If the Citation does not reference an appeal process, or the issuing agency does not offer an appeal process, then an Appeal Application (see Administrative Document D) may be submitted in person at the Home-Sharing Unit at the Development Services Center on the 5th floor at 201 N. Figueroa Street, Los Angeles, CA 90012. The appeal will be processed in accordance with LAMC Section 12.24 Z with no further appeal to a Commission or City Council. Upon submission of materials, a written decision by the Director will be issued.

IV. EXTENDED HOME-SHARING REGISTRATION

To participate in Home-Sharing for more than 120 days per year, Hosts are required to obtain an Extended Home-Sharing Registration. Two different application procedures are available for Extended Home-Sharing, depending on the number of Citations that have been issued within the prior three years.

1) Application and Eligibility Requirements - Applicants with One Citation or Less.

To apply for administrative approval of Extended Home-Sharing, an applicant shall file an application online at planning.lacity.org/home-sharing and pay the applicable filing fee described in LAMC Section 19.01 T. In addition to the requirements for Home-Sharing described under Section III-1, the applicant will be required to provide information and applicable documentation to demonstrate all of the following requirements are met:

- a) **Qualified Registrant.** The Host has a current valid Home-Sharing registration, and either of the following applies:
 - The Home-Sharing Listing has been registered with the Department for a period of at least six months; or
 - ii) The Host or Hosting Platform provides evidence the Host has hosted for at least 60 days during the current Home-Sharing registration period. Evidence may include legible and complete documentation showing rental activity and/or commission statements from each of the Hosting Platforms the Host has used to generate bookings over the prior registration period.

If a Host Lists on a Hosting Platform that does not provide detailed itemized rental activity and/or commission statements to Hosts, then the Host must submit a digital spreadsheet (on accepted formats such as Excel or Sheets) that itemizes each Home-Sharing stay, including the length of stay during the prior year, in separate fields. If the Department is unable to process the spreadsheet due to improper formatting, it may be returned for correction. In addition to providing the information, the Host must e-sign a Declaration under penalty of perjury to confirm that the information is complete, true and accurate.

- b) **No Suspensions or Revocations.** The Host's Home-Sharing registration has not been suspended or revoked within the past two years.
- c) **No More Than One Citation Issued Within the Prior Three Years**. No more than one Citation was issued to the Host, or was issued in regards to the Rental

Unit used for Home-Sharing, within the prior three years. Otherwise, the Host must submit an application for discretionary review as described under Section IV-2.

d) Proof of Mailing. The Host provides proof of mailing of a notification of application for Extended Home-Sharing, which includes information outlining the complaint process using the 24/7 hotline, to adjacent and abutting owners and occupants on a form provided by the Department (see Administrative Document E). Applicants must use the Department's mailing contractor, Better Technology Company (BTC), for proof of mailing. Applicants must pay BTC for the mailing of the notification prior to submitting an application for Extended Home-Sharing and upload a copy/photo/scan of the receipt and list of addresses to the Online Registration Portal. Refer to the <u>Department Mailing Procedures Form</u> (Administrative Document G) for more information and contact information for BTC.

2) Application and Eligibility Requirements - Applicants with Two or More Citations.

A discretionary review of an Extended Home-Sharing application is required if two or more Citations have been issued to the Host, or were issued in regards to the Rental Unit used for Home-Sharing while the Host resided there, within the prior three years of the application date.

Discretionary review of Extended Home-Sharing may be requested by submitting an application for discretionary review on forms provided by the Department and paying the application fee prescribed in LAMC Section 19.01 T. Applications must be submitted in person at the Home-Sharing Unit at the Development Services Center on the 5th floor at 201 N. Figueroa Street, Los Angeles, CA 90012. Each application will be assigned to Department staff for processing. A Registration Number will not be issued until the Director's final determination has been issued.

In order to be eligible for the discretionary review, the Host must still be a Qualified Registrant and not have any Suspension or Revocation in the prior two years, as described under Section IV-1, above. Proof of Mailing per Section IV-1 above is also required; however, applicants should utilize Administrative Document F, which includes additional information on the discretionary review process and solicitation of comments on the proposed application.

Pursuant to LAMC Section 12.22 A.32.h(1)(ii), a public hearing may be required by the Department. If a public hearing is scheduled, the Host and other required parties will be notified of the time, date, and location of the hearing. After the Director's determination has been issued, an appeal may be lodged by the applicant or an adjacent or abutting owner or occupant within 15 days. Appeals are heard by the Area Planning Commission for final resolution.

- **3) Expiration and Renewal.** An Extended Home-Sharing registration may be renewed annually if the Host meets the same renewal requirements described in Section III-3, above.
- **4) Revocations.** An Extended Home-Sharing approval shall be revoked if there are two Citations within a registration year, in accordance with the process set forth in LAMC Section 12.22 A.32(c)(4), pursuant to LAMC Section 12.22 A.32(h)(4).

V. PROHIBITIONS

The following activities are prohibited and may result in Citation. A full list of prohibitions is outlined in the Ordinance. These may also be considered Citations for purposes of the Suspension, Revocation and Modification provisions of the Ordinance.

- 1) **Non-Compliance with Home-Sharing Ordinance.** No Person shall offer, advertise, book, facilitate or engage in Home-Sharing or Short-Term Rental activity in a manner that does not comply with LAMC Section 12.22 A.32.
- 2) Advertising without Registration Number. A Host may not participate in Home-Sharing unless all advertisements clearly list the City-issued Home-Sharing Registration Number or Pending Registration Status Number.
- 3) Operating Beyond 120 Day Cap. No Host shall engage in Home-Sharing for more than 120 days in any calendar year, unless the City has issued the Host an Extended Home-Sharing registration as described in Section IV. All nights booked for a Listing after a valid Home-Sharing Registration Number or Pending Number has been issued (whichever is earlier) in a calendar year count towards the 120-day cap.
- 4) **Hosting More than One Booking at a Time.** If a Host Lists a Primary Residence on multiple Listings and/or on multiple Hosting Platforms, this must be disclosed to the Department, and only one Listing may be booked at any given time.
- 5) Hosting More than One Group of Guests at a Time. A Host may not rent all or a portion of his Primary Residence for the purposes of Home-Sharing to more than one group of guests (or a single guest party) under more than one booking, at any given time.
- 6) **Non-Residential (Commercial Use).** Except for allowable Home Occupations, non-residential uses including, but not limited to, sales or exchange of products, events that charge a fee, or the promotion, display or servicing of any product shall not be permitted during Home-Sharing activity.
- 7) Advertising on Platforms without Notice. A Host shall only advertise on a Hosting Platform and URL that was listed on the Host's approved Home-Sharing application form, unless the Host has submitted a subsequent request through the Online Registration Portal providing the City with the specific Listing URL(s) within 24 hours of Listing his/her unit on any Platform.
- 8) **Exceeding Occupancy Limits.** No more than 2 overnight guests (not including children) are allowed per habitable room, not including kitchens, during Home-Sharing activities. Hosts are therefore not allowed to book or advertise a maximum

- occupancy/sleeping capacity that is larger than what has been approved by the City at the time of registration.
- 9) **Exceeding Noise Limits.** There shall be no use of sound amplifying equipment, as defined in LAMC Section 111.01(j) after 10:00 pm and no evening outdoor congregations after 8:00 pm of more than 8 people (excluding children) during Home-Sharing activities. Home-Sharing activities are subject to the noise regulations in the LAMC.

VI. HOST REQUIREMENTS

All registered Hosts shall comply with the following requirements. Several of the Host requirements described in the Ordinance are incorporated in Sections III and IV as Home-Sharing application requirements. Hosts and/or property owners are responsible for violation of any of the Prohibitions section in the Ordinance as described in Section V above. Violation of one or more of these requirements shall constitute a violation of the LAMC and may be subject to enforcement as specified in LAMC Section 12.22 A.32(g) and as described in Section VII.

- 1) Only List with a Valid Registration Number or Pending Number. A Host may not participate in Home-Sharing unless all Listings clearly list the City-issued Registration Number or Pending Registration Number. In the event a Host's Registration Number or Pending Registration Number expires or is revoked, the Host must remove all Listings within 24 hours.
- 2) Responsible for Nuisance Violations. A Host may be responsible for any nuisance violations, as described in LAMC Section 12.27.1, arising at the Host's Primary Residence during Home-Sharing activities. The Host, or owner of the Host's Primary Residence if not owned by the Host, may be assessed a minimum inspection fee, as specified in LAMC Section 98.0412 for each site inspection.
- 3) Preserve Records. The Host shall keep and preserve, for a minimum period of three years, all records regarding each Home-Sharing stay, including the length of stay for each booking.
- 4) Comply with Transient Occupancy Tax (TOT) Requirements. The Host shall fully comply with all the requirements of the Transient Occupancy Tax (Article 1.7 of the LAMC and successor Sections) as determined by the Office of Finance. This includes the collection and monthly remittance of the Transient Occupancy Tax.
- 5) Pay any Applicable Per Night Fee. The Host shall pay any applicable per-night fee for each night of Home-Sharing in the amount identified by a Resolution at such time it is adopted by City Council, which will be deposited into the Short-Term Rental Enforcement Fund. Further information on how to pay the per-night fee will be provided at such time a fee is adopted by City Council.

VII. HOSTING PLATFORM RESPONSIBILITIES

The Hosting Platform Responsibilities section (LAMC Section 12.22 A.32(f)) holds Platforms responsible for several duties including completing only authorized Booking Service transactions for Short-Term Rentals, as well as providing company contact information and, subject to applicable laws, certain information on Listings and bookings on a monthly basis, to the Department.

The Home-Sharing Ordinance provides three options by which a Hosting Platform may comply with the platform responsibilities identified in subsection (f). Platforms may choose to: (1) comply with the provisions of LAMC Section 12.22 A.32(f); (2) comply with the provisions of Appendix A of these Administrative Guidelines; or (3) enter into a Platform Agreement with the City. Unless a Platform obtains written approval from the Department for Options 2 or 3, it is assumed that a Platform has opted for Option 1.

1) Option 1. Comply with Provisions of LAMC Section 12.22 A.32(f).

A Platform may choose to determine its own method to verify registration status and compliance with the Hosting Platform responsibilities of the Ordinance, without regard to these Guidelines or Appendix A.

2) Option 2. Comply with the Appendix A Provisions of Administrative Guidelines.

Appendix A describes how a Platform may satisfy the Hosting Platform responsibilities and therefore comply with the Administrative Guidelines pursuant to 12.22 A.32(f)(6) of the Home-Sharing Ordinance. The following provisions describe how Platforms may request eligibility to use Appendix A:

- a) Hosting Platforms shall request eligibility for the exception in LAMC Section 12.22 A.32(f)(6) to the Department by sending an email to platform@lacity.org detailing which provisions of Appendix A the Platform intends to utilize.
- b) Platforms may be considered eligible for the exception when they receive written approval from the Department.
- c) The exception period lasts until Platform receives a written Notice of Non-Compliance from the Department that it no longer considers the Platform in compliance. A separate warning notice that details the areas of non-compliance must precede the Notice of Non-Compliance by at least 30 days. A meeting between the Department and Hosting Platform to discuss the violation shall take place to attempt a good-faith effort to resolve the matter and obtain compliance within the first 14 days of the initial notice. Fines may be assessed for violations

that occur after the Notice of Non-Compliance has been issued pursuant to LAMC 12.22 A.32 (g).

3) Option 3. Comply with the Provisions of an Approved Platform Agreement.

A Platform with a TOT collection agreement with the Office of Finance and who agrees to collect the Per Night Fee at such time it is adopted by the City Council may enter into a signed agreement (Platform Agreement) with the City, which establishes the manner in which the Hosting Platform supports the City's enforcement of the Ordinance and meets the purposes of the Platform Responsibilities LAMC Section 12.22 A.32(f)(6). The terms of a Platform Agreement shall be set forth in a Master Platform Agreement approved by the City Council. Each individual Platform Agreement shall also be approved by the City Council.

VIII. ENFORCEMENT OF VIOLATIONS

Fines for certain violations of the Ordinance are listed in LAMC Section 12.22 A.32(g); those penalties are in addition to any criminal, civil or other legal remedy established by law that may be pursued to address violations. Each enforcement action has its own process and procedure.

A Host, operator, Hosting Platform and/or property owner may all be determined responsible and assessed fees for different enforcement actions, as described in the Ordinance. If violations subject to the specific fine amounts in paragraph (g)(4)(i) and (ii) of the Ordinance are observed, the City may initially provide a warning or notice of violation before Citations and fines are assessed. Notices will include contact information and provide information on how any decisions may be contested. Additional questions regarding enforcement can be directed to planning.home-sharing.enforcement@lacity.org. In most cases, a notice will provide time to rectify the violation - by either removing the Listing or successfully registering for Home-Sharing through the Online Registration Portal.

The Director may, at any time, require the modification, discontinuance, or revocation of any Home-Sharing registration in the manner prescribed in LAMC Section 12.22 A.32(c)(4).

Complaint Hotline. Members of the public may call the Los Angeles Home-Sharing Hotline at any time at (213) 267-7788 to file any complaints about any short-term rental activity including but not limited to advertising, Registration Numbers, violations of maximum occupancy limits, noise or any other provision identified in the Home-Sharing Ordinance or the LAMC.

IX. RESOURCES

ADMINISTRATIVE DOCUMENTS

- A. Home-Sharing Guest Code of Conduct
- B. Renter/Landlord Affidavit
- C. Publication Outlining the Complaint Process for Extended Home-Sharing link pending
- D. Appeal Application
- E. Administrative Extended Home-Sharing Neighborhood Notification link pending
- F. Discretionary Extended Home-Sharing Neighborhood Notification link pending
- G. Department Mailing Procedures Form

ADDITIONAL HOME-SHARING RESOURCES

- Home-Sharing Online Registration Portal planning.lacity.org/home-sharing
- Office of Finance <u>Transient Occupancy Tax (TOT) registration</u>
- Office of Finance Transient Occupancy Tax (TOT) code
- Office of Finance Information on home-based Transient Occupancy Tax (TOT)

APPENDIX A

HOME-SHARING ADMINISTRATIVE GUIDELINES FOR COMPLIANCE WITH HOSTING PLATFORM RESPONSIBILITIES

Appendix A is currently pending consideration by the City Council, and must be adopted by Resolution of the City Council before becoming effective. This document will be updated to include Appendix A once it is adopted by the City Council.

To review the draft Appendix A document, please refer to Council File <u>14-1635-S2</u>.