

Home-Sharing

Program Overview, Challenges, and Recommendations



Performance Metrics

2019 to 2024

- 5,278 dwelling units are currently advertised in active short-term rental listings.
- HSO exemptions on STR listings down 75% from 1,600 to approximately 400.
- City Planning has processed ~32,000 HSR applications.
- City Planning has responded to ~49,000 email inquiries.
- LADBS + LAHD have issued 1,085 HSO citations.
- Home-Sharing citation base fine amount is up 17% from 2019 to \$586.95 per violation.
- *The People Of The State Of California v. HomeAway.com, Inc.*

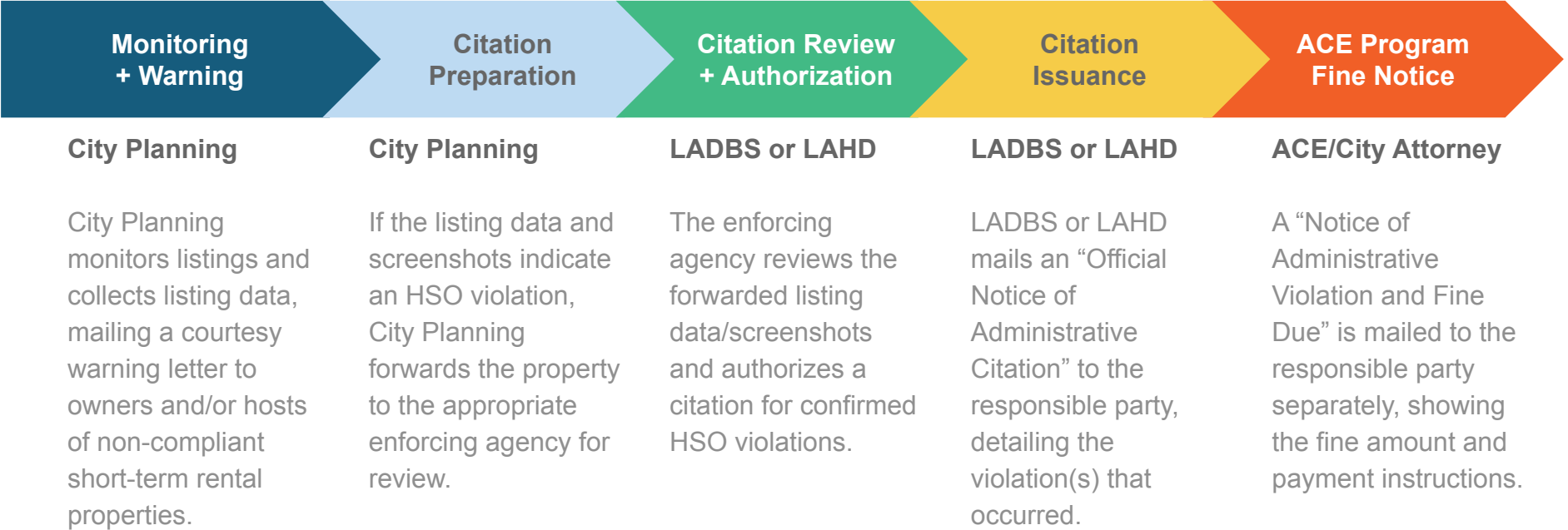


City Planning's Role

Supporting Enforcement Agencies

- City Planning initiates the enforcement process but does not have citation authority.
- Administrative tasks City Planning carries out to assist with enforcement efforts include:
 - o Issuing warning letters;
 - o Referring potential violations at short-term rental units to the appropriate enforcement agency for citation issuance; and
 - o Attending Home-Sharing citation appeal administrative hearings.

Home-Sharing Administrative Citations



Home-Sharing Administrative Citations

Citation Initial Review

ACE/City Attorney + City Planning

ACE conducts an initial review if the responsible party appeals their citation, resulting in the citation either being upheld or dismissed.

City Planning provides background information.

Administrative Hearing

ACE/City Attorney + City Planning

ACE schedules and coordinates an administrative hearing with a third-party volunteer hearing officer if the responsible party contests the initial review decision.

City Planning staff attends the hearing, providing a prepared written statement and a sworn statement.

The hearing officer submits a written decision after the hearing ends.

Current HSO Challenges

Enforcement

- Multi-Family to STR units
- Home-Sharing RSO units
- Illegal hosts evading HSO
- Citations
- Inspections for enforcement



Organizational

- Decentralized responsibilities

Administrative

- Primary residence verification
- HSR booking limits
- Double-Booking
- 30-night minimum stay evasion
- Extended Home-Sharing
- Accessory Dwelling Units
- Platform accountability

Supplemental Memo



Staffing Needs

Improving Program Administration and Enforcement

- Current Staffing
 - o 26 FT positions at City Planning (7 unfilled)
 - o 1 FT inspector position at LAHD
- Future Staffing Needs
 - o LAHD proposes a 25-member enforcement team
 - o City Planning may request additional staff in future budget cycles as Home-Sharing workload increases

Home-Sharing Fees and Fines Analysis

Home-Sharing Registration – Application Type	Base Application Filing Fees*
Regular HSR	\$192
Extended HSR (ministerial)	\$1,030
Extended HSR (discretionary)	\$15,166
Home-Sharing Citation	Base Violation Fine Amounts**
Hosting Platform (illegal booking transaction)	\$1,173.77 per day
Host / Property Owner (illegal STR listing)	\$586.95 per day
Host / Property Owner (STR stays >120 days)	\$2,347.76 per day

* Registration fees are established in LAMC § 19.01 T, based on a previous fee study, and subject to inflation.

** Fines are established in the HSO and are subject to LAMC Article 1.2 and state law.

Recommendations for City Council

Organizational Changes

- Maintain the current HSO enforcement framework
- Create a new dedicated Home-Sharing Department, Division or Office

Operational Changes

- Remove warning letters
- Update Admin. Guidelines
- Improve inquiry and complaint organization
- Streamline Home-Sharing citation review and defense
- Increase staffing at enforcing agencies for inspections

Legislative Changes

- Prohibit HSR for properties with RSO units
- Prohibit HSR for ADUs
- Disallow Extended HSR
- Increase Home-Sharing registration fees and citation fine amounts

Home-Sharing

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Home-Sharing Unit Contacts

Joann Lim – Senior City Planner – joann.lim@lacity.org

Niall Huffman – City Planner – niall.huffman@lacity.org

Lance Sierra – City Planning Associate – lance.sierra@lacity.org

Thank You