

Communication from Public

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Comments for Public Posting: Imagine that LA City Council could slice LA's rental prices by 10% in one year just by enforcing the city's short-term rentals rules. New Orleans did it. Our family owns a house in New Orleans, where our daughter lives with roommates. Last year, New Orleans banned corporate ownership of short term rentals and began enforcing more restrictive limits. They were sued, and won in Federal court! As a result of the enforcement, long term rentals flooded onto the market and RENTS IN NEW ORLEANS FELL BY ABOUT 10% -- an amount so dramatic that it was used as an example in an undergraduate real estate course at Tulane University. Similar things are happening around the country as cities increasingly enforce stricter rules on unhosted short term rentals. It's supply and demand: UNHOSTED short term rentals reduce the housing supply, raise rents, and increase the number of unhoused people in Los Angeles and other cities. In Los Angeles, unhosted rentals are only going to force further on pressure rents in the future. According to AirDNA, a website that helps investors identify homes for profitable short term rentals, the number of these rentals in Los Angeles increased by 9% in the past year. AirDNA lists 7,964 units in Los Angeles, of which 84% are unhosted. (source: <https://app.airdna.co/data/us/58697?tab=performance>) Hosted short term rentals, in which the owner of the home remains on site and rents a room or rooms, are not a problem. Hosted rentals don't remove housing from markets, they don't pressure rents upwards, and they don't increase unhoused populations. Short term rentals are flooding LA because the city's regulatory climate is so lax. AirDNA rates LA as one of the top cities with the best climate for short-term rental investors because of its permissive regulation. AirDNA rates the LA market an 80 "great" on a score of 1-100, compared with a 32 "bad" for West Hollywood, which tightly restricts the rentals. See why here: Try AirDNA's handy tool to estimate how much money you could make by renting out your home as a short term rental. Just sign up for a free account and plug in your address here: <https://app.airdna.co/data/us?tab=markets>