

Suggestions from the Venice Neighborhood Council on Regulating Short Term Rentals

1. **Must be primary residence, owner occupied required** Absolutely no investment property owners or owners with 2nd (and 3rd and 4th) "homes." Many STRs are currently commercial operations with multiple units offered for rent, often in separate structures. These STRs frequently resemble hotels rather than residential properties.

Most of these commercial operators currently claim to be "hosts" and to live on their properties. However, the majority of these commercial operators do not live on the property, or live there only a few days out of the year. Many operate multiple short-term rentals as a commercial enterprise and falsely claim "guests" are family members or friends. Regulations designed to end this practice must be incorporated into the motion to insure that no loophole allowing this practice to continue is created.

2. **No grandfathering or amnesty for existing STRs and de facto "hotels"** Existing STR's should not be granted amnesty. Rather they should be required to begin an application process and required to register with the City under any new ordinance(s) or regulations to insure that current operators of STRs are barred from continuing operation. No commercial operators should be permitted.
3. **No rent stabilized properties (RSO properties) should be permitted to operate as an STR** City Council must clarify how this will be accomplished and how to ensure that RSO units are not converted to short-term rentals. One solution would be to enact the proposed Rent Registry, which would record occupancy and rental amount on every RSO unit, as a matter of course, on an annual basis. This will give city departments the data necessary to evaluate if a unit has been illegally converted from RSO.
4. **Mello Act provisions must be strictly adhered to** Special Coastal Zone provisions in any new short-term rental regulations should implement the protections of the Mello Act. The three Coastal Zone neighborhoods within the City (Venice, San Pedro, and Pacific Palisades) warrant special attention, and possibly an exemption from this ordinance in favor of stricter rules. The Mello Act, a state law, expressly prohibits the conversion of residential housing to non-residential uses in most circumstances. An RSO building owner currently operating an illegal hotel (which we have many of in Venice) cannot be granted the required zoning changes, permits or certificates of occupancy to convert their operation to a legal hotel, because the Department of City Planning would be compelled by the Mello Act to deny these requests. Currently, many operators of STRs are operating without the required zoning, certificates of occupancy, or permits to operate a commercial hotel. Therefore, in the Coastal Zone especially (and throughout the City, as a matter of good public policy), the Council should first address how to bring all residential properties into compliance with applicable laws and rules, including the Mello Act. Secondly, the City should address if and how a property owner could operate an STR legally. If no measures can be found, we have no choice but to ban STR's in the Coastal Zone, in accordance with State Law and in the interest of protecting our neighborhoods and residential housing stock.
5. **No conversions to "legal hotels" or "corporate housing" of residentially zoned, rent stabilized apartment buildings and multi-unit properties** This is a violation of the Mello Act and removes long-term affordable and rent stabilized housing from the long-term rental stock.

6. **Neighborhood specific density caps** In order to protect quality of life, neighborhood stability and neighborhood diversity, the burden of STRs must be shared fairly by all residential neighborhoods. Limits must be placed on the number and concentration of STRs in any given residential neighborhood.
7. **Posting of STR contact information** A sign with the name, phone number, email address and mailing address of an emergency contact (who shall be available 24/7) shall be posted in a public viewable location on the STR's premises whenever the STR is occupied.
8. **Parking for STR occupants** STRs shall supply parking spaces in accordance with standards set by the City Council and other regulatory agencies (such as the California Coastal Commission).
9. **STRs must comply with applicable noise ordinances** STR contracts must inform STR renters of applicable noise ordinances. Fines for excessive noise shall be levied to insure compliance. Noise complaints shall be tracked and repeated complaints shall be grounds for revoking an STR Permit.
10. **Health and Safety Regulations** The City shall establish health and safety regulations as are necessary to protect Renters of STRs
11. **Eviction and remedies available to Home-Sharers** The City shall establish regulations as necessary to protect home-sharers from renters. Such protections shall include a right of eviction for non-payment of fees and property damage claims.
12. **Protection of Home-Sharing service workers** The City shall establish regulations as necessary to protect the health and safety of STR service workers.
13. **A New STR Oversight Department should be created within the City to unify STR permitting, collection of fees (including TOT) and enforcement of STR regulations**
14. **An STR permit should be required for the operation of an STR** Permits would be issued by the new STR Oversight Department to properties that qualify under the STR ordinance and to qualified applicants who agree to provide reporting of STR activities, payment of the STR TOT and abide by STR regulations. Permits would not be issued without complete registration information including provision of certificates of insurance, STR address, owner name, contact information, emergency contact information, number of STR units on-site, number of parking spaces available for STR's, etc should be collected.as well as any other permitting requirements deemed necessary by the city. The city should consider whether STR Permit applicants should advertise a pending application to their neighbors to allow for comment prior to issuing a permit.

A permitting fee would be collected with the permit application. A permit number will be issued at the time the permit is issued.
15. **A Home-Sharing/STR Enforcement Unit should be created within the STR Oversight Department** The Enforcement Unit would house STR enforcement staff who will inspect properties, maintain registration data and regulatory reports, issue fines, investigate complaints and initiate legal action as necessary to insure that the City's STR regulations are complied with. The STR Enforcement Unit should be self-financed by permit fees for new STRs and adding a fee to the TOT that applies to STRs.
16. **Owners and/or Third-Party Service Agents of all STR units to be offered for rental must report monthly** Owners and Internet platforms, agents, realtors and others receiving payments from STR rental activity shall report such activity monthly. Using the permit number to identify the STR, they will report the number of occupancies, the dates of each occupancy, the number of

renters per unit per occupancy, the names of the occupants, the number of vehicles per unit per occupancy, the rent charged per occupancy, the amount received per occupancy, STR TOT due per occupancy, and any other information required by the STR Coordinating Department. A check for the total STR TOT due for the month must be included with the report.

17. **STRs listed for rental shall include their Permit Number in advertisements** Internet platforms, websites, realtors and other parties advertising STRs for rent should identify the STR in its advertisement with the Permit Number issued to the STR operator. No STR may be listed as available for rent in the City of Los Angeles without a valid Permit Number.
18. **Fines for operating an STR without a permit, non-payment of STR TOT and non-reporting** Fines shall be levied for not reporting as required and / or non-payment of the STR TOT. The fines assessed should be sufficient to deter non-reporting / non-payment and should escalate for continued infractions.
19. **Tiered Performance Standards** A “three-strike” system in which properties that incur ongoing, verifiable complaints will receive escalating penalties and loss of ability to rent as an STR.
20. **Citizens will be allowed the Right of Private Action**