

**DEPARTMENT OF
CITY PLANNING**

COMMISSION OFFICE
(213) 978-1300

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CALIFORNIA



ERIC GARCETTI
MAYOR

EXECUTIVE OFFICES

200 N. SPRING STREET, ROOM 525
LOS ANGELES, CA 90012-4801
(213) 978-1271

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October 25, 2019

Los Angeles City Council
c/o Office of the City Clerk
City Hall, Room 395
Los Angeles, California 90012

Attention: PLUM Committee

Dear Honorable Members:

TRANSMITTAL OF HOME-SHARING MASTER PLATFORM AGREEMENT; CF 14-1635-S2

On October 22, 2019, the Planning and Land Use Management (PLUM) Committee considered a Department of City Planning report containing a discussion of the Home-Sharing Master Platform Agreement. After hearing the Department's report, the Committee continued the matter for one week.

The draft Master Platform Agreement, provided as an attachment to this report for the Committee's consideration, provides a template for individual Platform Agreements that the City may sign with Hosting Platforms. The Master Platform Agreement, as well as any individual Platform Agreements, must be adopted by Council resolution to become effective.

The Home-Sharing Ordinance (Ordinance) provides three ways Hosting Platforms such as Airbnb and VRBO may comply with the platform responsibilities required by the Ordinance. These compliance options include following the provisions in the Ordinance, as well as two alternative compliance methods that provide exceptions to the Hosting Platform responsibilities section of the Ordinance: compliance with Appendix A of the Administrative Guidelines (which was approved by the PLUM Committee on October 22, 2019), or compliance with individually signed Platform Agreements. Both of these alternative compliance documents are similar in concept, and both describe how Hosting Platforms can satisfy the platform responsibilities under the Ordinance.

The Master Platform Agreement describes how a Hosting Platform may satisfy the platform responsibilities of the Home-Sharing Ordinance. However, specific provisions of the Ordinance (including LAMC Sections 12.22 A.32(c)(2)(i), 12.22 A.32(c)(3), 12.22 A.32(f)(5) and 12.22 A.32(f)(6)) were designed to incentivize Hosting Platforms to enter into a Platform Agreement by providing certain benefits to their Hosts, in addition to certain immunity from liability for Hosting Platforms. Individually signed Platform Agreements are based upon the framework of the Master Platform Agreement. In exchange for the benefits it affords, Hosting Platforms who sign a Platform Agreement must also collect Transient Occupancy Tax (TOT), the Per Night Administrative Fee (once it is adopted by City Council), and commit to the Department's preferred data-sharing

method for platforms to satisfy their responsibilities (the Application Programming Interface (API) Method).

The draft Master Platform Agreement presented for City Council consideration includes the elements mentioned above. The draft Master Platform Agreement also includes additional provisions relating to the Hosting Platform's responsibilities relating to ensuring the legality of bookings. The provisions, which can be found in Section 5 of the agreement, describe the Hosting Platform's duties to display mandatory registration numbers and remove unpermitted listings and bookings, including the prevention of future short-term rental bookings. In addition, the draft Agreement includes instructions for when technical issues arise, and responsibilities for data management and data security.

The agreement requires the platforms remove categorically ineligible listings, as determined by the City, within a week of receiving the information or November 1, 2019, whichever is later. This removal applies to units subject to the Rent Stabilization Ordinance (RSO), affordable housing restrictions, certain Ellis Act rental unit removals or units that are prohibited by the landlord/owner. The City API system will ensure that all listings without a registration number or that are otherwise unpermitted will not be available for short-term rentals by the platforms. The draft agreement includes daily data-sharing requirements. Special protocols for fraud and preventing hosts from exceeding the 120-day cap are also included.

The draft Master Platform Agreement provides implementation and enforcement tools related to hosting platforms that are in addition to the City's ability to enforce against Hosts that are engaging in unpermitted Home-Sharing activity after November 1st.

If you have any questions, please contact Matthew Glesne in the Department of City Planning at (213) 978-2666 or matthew.glesne@lacity.org.

Sincerely,

VINCENT P. BERTONI, AICP
Director of Planning

A handwritten signature in blue ink, appearing to read 'V. Bertoni', is written over the printed name and title.

KEVIN J. KELLER, AICP
Executive Officer

VPB:KJK:AV:MG:ch

Enclosures
Master Platform Agreement

HOME-SHARING MASTER PLATFORM AGREEMENT

**between
THE CITY OF LOS ANGELES
and [COMPANY]**

**for
HOSTING PLATFORM RESPONSIBILITIES RELATED TO THE
CITY OF LOS ANGELES HOME-SHARING ORDINANCE**

Said Agreement is Number C-XXXXXX

This Platform Agreement (“Agreement”) is entered into by and between the City of Los Angeles (“City”), acting by and through the Department of City Planning (hereinafter “DCP” or the “Department”), and [COMPANY] (“Hosting Platform”) on the Effective Date (as defined below). City and Hosting Platform are sometimes referred to collectively as “Parties” or individually as a “Party.”

RECITALS

1. The Parties make this Agreement with reference to the following facts and circumstances:
2. On December 11, 2018, the Los Angeles City Council enacted the “Home-Sharing Ordinance” (Ordinance No. 185931) to allow for the legal operation of short-term rentals in the City of Los Angeles effective July 1, 2019;
3. The enactment of the Home-Sharing Ordinance allows home-sharing, a form of short-term rental, in the City of Los Angeles in all residential zones as an accessory use to the primary residential use;
4. Prior to the enactment of the Home-Sharing Ordinance, short-term rentals were not a permitted use in most residential zones in the City;
5. Hosting Platform and its affiliates operate one or more internet-based platforms that allow property owners and tenants (“Hosts”) to advertise the availability of their properties to persons seeking short-term rental accommodations through Hosting Platform’s Commercial Medium (as defined below);

6. Pursuant to the Home-Sharing Ordinance, Platform may complete booking service transactions for Short-Term Rentals only as authorized by Los Angeles Municipal Code (“LAMC”) Section 12.22 A.32(f), and Hosting Platform must provide to City certain information related to Short-Term Rental Listings and bookings;

7. The Home-Sharing Ordinance allows Hosting Platform to enter into an agreement, substantially according to the form of a Master Platform Agreement approved by the City Council, in order to establish the manner by which Hosting Platform will support City’s enforcement of the Home-Sharing Ordinance and meet Hosting Platform’s responsibilities pursuant to LAMC Section 12.22 A.32(f) (a “Platform Agreement”);

8. On ____[DATE]____ Hosting Platform and the City of Los Angeles Office of Finance executed an agreement, separate and apart from this Agreement, whereby Hosting Platform agreed to collect and remit a Transient Occupancy Tax (“TOT”) on behalf of Hosts and other responsible parties (the “Collection Agreement”); and

9. Hosting Platform desires to enter into a Platform Agreement pursuant to LAMC Section 12.22 A.32(f)(6).

Accordingly, the Parties agree as follows:

1. **RECITALS**

The recitals set forth above are fully incorporated into this Agreement.

2. **DEFINITIONS**

Unless otherwise defined in this Agreement, all initially capitalized terms shall have the same meaning as in LAMC Section 12.22 A.32 or the Administrative Guidelines.

- 2.1. **“Administrative Guidelines”** means the regulations promulgated by the Department including but not limited to, application requirements, interpretations, conditions, reporting requirements, enforcement procedures, and disclosure requirements, to implement the provisions of the Home-Sharing Ordinance.
- 2.2. **“API”** means an application programming interface, and any accompanying or related documentation, source code, executable applications, and other materials made available by City, including, without limitation, materials made available to Hosting Platform by City at <https://github.com/CityOfLosAngeles/short-term-rental-spec>, or a successor link at a readily accessible.

- 2.3. **“API Implementation Date”** means the date when the City API has been fully built and tested to ensure reliability by the Hosting Platform and City, as provided in Exhibit A, API Framework, except as otherwise provided in Section 7 below.
- 2.4. **“API Specifications”** means the requirements set forth in Section 7.1, and, solely to the extent not in conflict with this Agreement, the requirements set forth at <https://github.com/CityOfLosAngeles/short-term-rental-spec>, and all other related specifications, documentation, materials, and functionality requirements provided by City.
- 2.5. **“Booking Service”** Any reservation and/or payment service provided by a Person that facilitates a Short-Term Rental transaction between a person and a prospective guest or transient user, and for which the Person collects or receives, directly or indirectly through an agent or intermediary, a fee in connection with the reservation and/or payment of services provided for the transaction.
- 2.6. **“City”** means the City of Los Angeles, a municipal corporation existing under the laws of the State of California and being a chartered city located in the County of Los Angeles.
- 2.7. **“City API”** means an API that City will develop and that Hosting Platform shall be required to query according to Section 7.
- 2.8. **“City Registration Number”** means a valid Home-Sharing Registration Number or valid Pending Registration Status Number, as applicable and as defined in this Agreement.
- 2.9. **“Commercial Medium”** means Hosting Platform’s medium or mediums connecting users to one another for the provision of lodging by way of a website, platform, or mobile-phone applications, or any other electronic or print interface existing or adopted during the term of this Agreement.
- 2.10. **“Days”** means, except as otherwise specifically noted, calendar days.
- 2.11. **“Effective Date”** means the later of the dates that each of the person or persons authorized to sign on behalf of and bind the respective Parties has signed the Agreement, the City Council has approved the agreement, and the City Attorney has signed the Agreement as to form.
- 2.12. **“Extended Home-Sharing”** means Home-Sharing that is permitted for an unlimited number of days in a calendar year.
- 2.13. **“Guest”** means a person who obtains Short-Term Rental accommodations through Hosting Platform’s Commercial Medium for uses governed by the Home-Sharing Ordinance.
- 2.14. **“Home-Sharing”** means an accessory use of a Host’s Primary Residence for a maximum of 120 days in a calendar year for the purpose of providing Short-Term Rentals in compliance with the registration and other requirements of LAMC Section 12.22 A.32.
- 2.15. **“Hosting Platform”** means a Person, including subsidiaries, that participates in Short-Term Rental business by collecting or receiving a fee, directly or indirectly through an agent or intermediary, for conducting a Booking Service transaction using any medium of facilitation.
- 2.16. **“Host”** means an individual who is registered for Home-Sharing.
- 2.17. **To “List”** means to place a listing for a Short-Term Rental or other overnight rented stay located on Hosting Platform’s Commercial Medium.

- 2.18. **“Listing”** means a webpage or advertisement (online or otherwise) for a Short-Term Rental or other overnight rented stays located on Hosting Platform’s Commercial Medium.
- 2.19. **“Non-HSO Listing”** means a webpage or advertisement (online or otherwise) for non-Short-Term Rental overnight rented stays (including stays at Hotels, Transient Occupancy Residential Structures, Bed and Breakfasts, and stays of more than 30 days) located on a Hosting Platform’s Commercial Medium that are exempt from the Home-Sharing Ordinance.
- 2.20. **“Pending Registration Status Number (Pending Number)”** means 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 pending registered Listing. If the application is approved by the City, the Registration Number will be the same as the Pending Number.
- 2.21. **“Per Night Administrative Fee,” or “PNAF”** means the fee imposed pursuant to LAMC Section 12.22 A.32(e)(5).
- 2.22. **“Person”** means any individual, firm, partnership, joint venture, association, social club, fraternal organization, joint stock company, corporation, estate, trust, business trust, receiver, trustee, syndicate, or any other group or combination acting as a unit.
- 2.23. **“Platform API”** means an API that Hosting Platform shall develop and implement according to the API Specifications provided at <https://github.com/CityOfLosAngeles/short-term-rental-spec>.
- 2.24. **“Primary Residence”** means the sole residence from which the Host conducts Home-Sharing and in which the Host resides for more than six (6) months of the calendar year.
- 2.25. **“Registration Number”** means 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 Listing at the address stated on the Home-Sharing Registration Certificate.
- 2.26. **“Rental Unit”** means a Dwelling Unit, Guest Room, Accessory Living Quarters, other residential structure, or portion thereof.
- 2.27. **“Short-Term Rental”** means a Rental Unit, rented in whole or in part, to any Person(s) for transient use of thirty (30) consecutive days or less. Rental Units within City-approved Hotels, motels, Transient Occupancy Residential Structures, and Bed and Breakfasts shall not be considered a Short-Term Rental.
- 2.28. **“Short-Term Rental Listing”** means a webpage or advertisement (online or otherwise) for a Short-Term Rental.

3. **TERM**

- 3.1. This Agreement shall commence on the Effective Date and remain in effect perpetually, so long as this Agreement, including any amendments or modifications thereof, is in effect, unless sooner terminated by either Party in accordance with Section 11.

4. NOTIFICATIONS

- 4.1. Contact and Notice Information.** Except as otherwise provided in this Agreement, all notes and other communications related to the administration of this Agreement must be in writing and delivered to the Parties at the addresses listed below, with copies to the email addresses listed below:

[COMPANY]:

City:

[COMPANY]:

The City of Los Angeles

CONTACT

CONTACT

CONTACT EMAIL

CONTACT EMAIL

With a copy sent to:

With a copy sent to:

[COMPANY'S ATTORNEY]

[CITY ATTORNEY]

[COMPANY'S ATTORNEY EMAIL]

[CITY'S ATTORNEY EMAIL]

5. ENSURING LEGALITY OF BOOKINGS

5.1. Posted Information Requirements.

- 5.1.1. **Include Mandatory Registration Number.** Beginning on November 1, 2019, or the Effective Date, whichever is later, Hosting Platform shall include as part of the registration and Listing validation process a field into which a Host will input the Host's valid City Registration Number .
- 5.1.2. **Display Registration Number.** Upon the later of November 1, 2019, or the Effective Date, for each Short-Term Rental Listing, Hosting Platform shall display in a manner visible to any person visiting the Listing, the City Registration Number field associated with the Host making the Listing.

5.2. Removal of Listings.

- 5.2.1. **Full Removal Obligation.** To "take down" or "remove" a Listing means to remove the Listing such that the Listing is no longer accessible to any person for purposes of booking a stay of thirty (30) days or less. Hosting Platform's removal obligations are limited to the terms and conditions set forth in Section 5.2.
- 5.2.2. **Categorically Ineligible Listings Removal Obligation.** City shall provide to Hosting Platform a list of properties determined by the City to be "categorically ineligible" to host Short-Term Rentals. The list will include the reason for ineligibility and the full address including unit letters and numbers as applicable or available at the time the list provided. Upon the later of November 1, 2019, or seven (7) days of the City providing this list to Hosting Platform, Hosting Platform shall, based on the information

contained in such list, take down any Short-Term Rental Listings included on such list unless a Listing includes a valid City Registration Number.

- 5.2.2.1. “Categorically Ineligible Listings” are limited to: (1) rental units subject to the Rent Stabilization Ordinance (“RSO”), (2) units subject to land use covenants, deed restrictions, or regulatory agreements that establish affordability restrictions, (3) units in buildings where a landlord proactively removed their property from Home-Sharing, and (4) single-family properties where an Ellis Act removal has occurred within the five years prior to the date the Listing is posted.
- 5.2.2.2. Hosting Platform shall not be required to take down any Listings other than the Categorically Ineligible Listings as set forth in this Agreement prior to the API Implementation Date and must cancel all then-pending online reservations for Listings taken down pursuant to this Section 5.2.2, except those that are scheduled to commence within thirty (30) days after the City submits the list of Categorically Ineligible Listings to the Hosting Platform or after November 1, 2019, whichever is later.
- 5.2.2.3. City and Hosting Platform shall communicate regularly regarding the progress of Hosting Platform’s performance under this Section 5.2.2 and shall receive and review Hosting Platform’s good faith suggestion that a particular property has been incorrectly determined to be a Categorically Ineligible Listing.

5.2.3. API Removal Obligations.

- 5.2.3.1. **Removal Notice.** Beginning on or after the API Implementation Date, City shall notify Hosting Platform, via an API or an email directed to [email address] , or both, that a Listing is invalid or ineligible (a “Removal Notice”).
 - 5.2.3.1.1. A Removal Notice will include the following information:
 - i. City Registration Number associated with the identified Listing, unless the Listing does not have a City Registration Number;
 - ii. Hosting Platform’s Listing ID number, or unique identifier;
 - iii. The basis for the Listing’s invalidity or ineligibility:
 - a. The Listing lacks a valid City Registration Number;
 - b. The Listing has an expired registration;
 - c. The Listing has had its pending registration application denied;

- d. The Listing has had its registration revoked or suspended;
- e. The City determines that the Listing lacks an exemption status code or the provided exemption status code is invalid;
- f. The Host has exceeded the 120-day cap and does not have a valid Extended Home-Sharing registration or pending Extended Home-Sharing registration, as applicable; and/or
- g. Other documented reason that the Listing does not comply with the Home-Sharing Ordinance, including Listings that are the result of fraud in connection with compliance with the Home-Sharing Ordinance or illegal activity. In circumstances where Hosting Platform disputes City's determination that a Listing is fraudulent or a result of illegal activity, Hosting Platform shall provide City documentation evidencing Hosting Platform's contention that City's determination is in error and Hosting Platform shall not be required to remove the Listing until the Parties have met and conferred.

5.2.3.1.2. Subject to Section 5.2.3.1.5, removal Notices shall be deemed received, effective, and complete at the time they are sent, unless:

- i. the City receives an automatic error message from the Hosting Platform that the notice was not delivered, and
- ii. the Hosting Platform, within two (2) business days:
 - 1. Informs the Department on planning.home-sharing@lacity.org that a technical error prevented the specific notice from being delivered in a timely manner to the Hosting Platform;
 - 2. Provides technical details on the error; and

3. Works in good faith with the Department and its agents to resolve the technical issues in an expedient manner using commercially reasonable efforts.
- 5.2.3.1.3. In the event the API administered by the Department fails to return a valid notice due to system downtime or other technical errors, Hosting Platform may continue to list and/or accept new booking requests for the Listing associated with the error prone Registration Number or Pending Registration Status Number, if within two (2) business days, Hosting Platform:
- i. Informs the Department on planning.home-sharing@lacity.org about such technical error;
 - ii. Provides technical details on the error; and
 - iii. Works in good faith with the Department and its agents to resolve the issues in an expedient manner using commercially reasonable efforts.
- 5.2.3.1.4. City's failure to issue a Removal Notice does not constitute a waiver of Hosting Platform's obligation to perform under this Agreement, including by removing Listings pursuant to Sections 5.2.1 and 5.2.2.
- 5.2.3.1.5. Additional details on the processes outlined above, including the City's transmission and effective date of a Removal Notice and the technical API documentation shall be subject to meet and confer efforts pursuant to Exhibit A, API Framework..
- 5.2.3.2. **Removal Obligations.** Upon a Hosting Platform's receipt of a Removal Notice via the API or email directed to [email address] that a Listing is invalid or ineligible, the Hosting Platform shall, within ninety-six (96) hours of receiving such Removal Notice:
- i. Not complete any further booking transactions and shall block all future calendar availability with respect to such Listing, Registration Number, or Pending Registration Status Number until the Listing obtains a valid City Registration Number or otherwise meets the requirements to qualify for a provided exemption code; and/or

- ii. Remove all Listings associated with the invalid or ineligible Listings provided on the Removal Notice from the Platform until the Listing obtains a valid City Registration Number or otherwise meets the requirements to qualify for a provided exemption code.
- iii. In instances where the reason for ineligibility provided by the City involves: (a) documented fraud in connection with compliance of the Home-Sharing Ordinance, or illegal activity in connection with Short-Term Rental activity or (b) is related to a Host or Listing exceeding the 120-day cap with respect to a Listing on the Hosting Platform and lacking a valid Extended Home-Sharing registration or pending Extended Home-Sharing registration, as applicable, the Platform shall cancel all then-pending online reservations, except those that are scheduled to commence within thirty (30) days of receipt of the Removal Notice. For cancellations of all then-pending online reservations for Listings in Subsection (b) above that exceed the 120-day cap, such cancellations are limited to within the current calendar year.

5.2.4. **Hosting Platform Link to City's Webpage.** Hosting Platform shall display a link to the City's webpage where a Host may apply to obtain a City Registration Number as part of the Listing creation process.

5.2.4.1. Hosting Platform shall provide this link either:

- i. on the same webpage as, and in proximity to, the Registration Number field displayed during the listing creation process; or
- ii. on a webpage immediately preceding the page with the Registration Number field; or
- iii. in a location approved by the Director of Planning.

5.2.4.2. The link information must state: "If you do not have a Registration Number, you will be subject to City enforcement action including per night fines of \$500 or double the nightly rate being charged, whichever is greater. Please click here for more information about the City of Los Angeles's licensing requirements and to apply for a license." Hosting Platform may submit a request to use alternative language and may use such language if the Director of Planning, at the Director's sole discretion, agrees in writing that the language is acceptable.

5.2.5. **Host Notification.** Hosting Platform shall provide no less than a single notification to all Hosts in the City regarding the Home-Sharing Ordinance's requirements, including the requirement that Hosts obtain a City Registration Number, along with information on how to obtain a City Registration Number. Hosting Platform and City shall jointly draft this first notification approved by both Parties to be provided to all Hosts in the

City. Notwithstanding the foregoing, if Hosting Platform has within the previous three (3) months provided to Hosts a notification that City agrees in writing satisfies this requirement, this prior notification will satisfy the requirement of this Section 5.2.5.

- 5.2.6. **Additional Notifications.** Upon City's request, Hosting Platform shall provide additional notifications, including notification of changes in the City's requirements to all Hosts within the City on no more than three (3) occasions per year.
- 5.2.7. **Contact Person.** Each Party shall provide to the other Party, as part of this Agreement, contact information for an employee or representative responsible for responding to requests for information, including requests related to possible violations of the Home-Sharing Ordinance. Further, if the contact person changes, the Parties shall immediately notify each other of the new contact person and the information necessary to contact this person, including name, telephone number, and email address.

6. COLLECTION AGREEMENT

- 6.1. **Maintenance of Valid Collection Agreement.** Separate and apart from this Agreement, Hosting Platform shall maintain an agreement with the City of Los Angeles Office of Finance for the collection and payment of Transient Occupancy Taxes ("TOTs").

7. APPLICATION PROGRAMMING INTERFACE

- 7.1. **Develop an API Query System.** Hosting Platform shall develop, create, and maintain a system to query the City API that conforms to the requirements of this Agreement and the API Specifications. Immediately upon the Effective Date, the City and Platform shall begin an API implementation period to implement Exhibit XX, API Framework, to develop, create, and test the City API to ensure that the API is properly functioning consistent with the terms of this Agreement. "Access Credentials" will be necessary to access the API, which means the necessary security keys, secrets, tokens, and other credentials to access the API. The Parties shall keep the Access Credentials secret. The Parties may only share the Access Credentials with authorized employees and contractors and shall not otherwise sell, share, transfer, or sublicense the Access Credentials without the other Party's express written permission.
- 7.2. **Daily API Queries.** Starting by the API Implementation Date, Hosting Platform shall query the City API at least once every twenty-four (24) hours to determine the validity of the Listings appearing on the Hosting Platform. Hosting Platform shall include as part of Hosting Platform's API queries the following information for each Listing appearing via the Commercial Medium:

- 7.2.1. Required Fields for All API Queries:

- i. The Unique Permanent Primary Listing ID (as presented in the Listing on the primary publicly facing website(s) of the Hosting Platform);
- ii. The Listing URL(s) (i.e. the website address(es) presented in the exact same format(s) as used on the publicly facing website(s) of the Hosting Platform);
- iii. The Registration Number, Pending Registration Status Number, or an exemption status code that explains why the property is not considered a Short-Term Rental subject to the provisions of the Home-Sharing Ordinance. Those exemption codes are as follows:

01: a residential property advertised and rented exclusively for stays longer than 30 consecutive days. For the avoidance of doubt, this exemption code can only apply to non-HSO Listings for which the Hosting Platform is actively preventing bookings for 30 days or less.

02: a Hotel or Motel approved pursuant to applicable sections of the LAMC

03: a Transient Occupancy Residential Structure approved pursuant to applicable sections of the LAMC

04: a Bed and Breakfast approved pursuant to LAMC 12.24X.12

7.2.2. Additional required fields for all API queries for which a City Registration Number is provided:

- iv. The house number of the address associated with the Registration Number (or Pending Registration Status Number) (i.e. “123” from the address “123 Main Street”);
- v. The apartment/suite/unit number of the address associated with the Registration Number (or Pending Registration Status Number) (i.e. “B” from the address “123 Main Street, Apartment B”);
- vi. The number of nights the rental unit has already been rented as a Short-Term Rental through the Hosting Platform in the calendar year;
- vii. The number of nights the rental unit has been booked for Short-Term Rental stays through the Hosting Platform for the remainder of the calendar year;

;

7.2.3. Additional required fields for all API queries for which an exemption status code 02, 03, or 04 is provided:

xi. The Unique Host ID (as presented in each Host Profile and/or non-HSO Listing on the publicly facing website(s) of the Hosting Platform including any affiliate websites, if applicable);

xii. The Host Email Address (i.e., the email address of the Host as provided to the Hosting Platform by the Host);

xiii. The non-HSO Listing's Street Address (i.e., the complete physical address of the property, including apartment/suite/unit number as applicable as provided to the Hosting Platform by the Host) (i.e. "123 Main Street, Los Angeles, CA 90021")-

7.3. City API Documentation. City shall publish documentation regarding City API at <https://github.com/CityOfLosAngeles/short-term-rental-spec>, or at such other website, or via such other means, as City may designate. At City's discretion, and without relieving Hosting Platform of Hosting Platform's obligations under this Agreement, City may change the version and documentation for City API. Within three days of City posting API materials online, City shall notify the Hosting Platform in writing to an email address provided by Hosting Platform that the API materials are available online. Hosting Platform and City shall meet and confer to determine the appropriate amount of time necessary for Hosting Platform to accommodate and implement the City's version and documentation for City API. In the event there is no functioning API available to Hosting Platform, Hosting Platform is relieved of performing its obligations under this Agreement while no functioning API is available.

7.4. API Implementation Procedure. City and Hosting Platform have agreed on, and shall comply with, a framework for the creation, building, and testing of the City API and query system, which framework (the "API Framework") is attached to this Platform Agreement as Exhibit A.

7.4.1. City's Reservation of Right. Notwithstanding the foregoing, the Director of Planning may modify the API Implementation Date subject to a written explanation approved by the City's technical staff and API consultant if the Director of Planning determines that a modification in the API Implementation Date is reasonably necessary to ensure that the City API is not unreasonably delayed, or if the Parties in good faith determine that the City API is performing consistent with the performance, testing, and validation metrics set forth in Exhibit A, API Framework. A modification in the API Implementation Date will be effectuated by seven days (7) written notice from the Director of Planning to Hosting Platform.

Prior to modifying the API Implementation Date according to this Subsection 7.4.1, Hosting Platform and City shall meet to discuss the potential modification of the API Implementation Date and implement mutually agreed upon actions to address the Director of Planning's preliminary determination that such a modification is necessary.

- 7.4.2. **Hosting Platform Reservation of Right.** Notwithstanding the foregoing, Hosting Platform reserves the right to terminate the Agreement with seven days (7) written notice to the City upon the Director of Planning's decision to modify the API Implementation Date in the event that Hosting Platform deems the API system does not meet the performance, testing, and validation metrics set forth in Exhibit A, API Framework. Upon the Hosting Platform's exercise of its right to terminate the Agreement pursuant to this Subsection 7.4.2 and in the event that Hosting Platform requests eligibility to comply with Appendix A of the City's Administrative Guidelines, the City agrees to render a determination on Hosting Platform's request within 5 business days and Hosting Platform is otherwise exempt from complying with the Home-Sharing Ordinance pending the City's determination to allow Hosting Platform to (i) comply with Appendix A and (ii) provide data consistent with Appendix A.

8. DATA MANAGEMENT

- 8.1. Data Security and Privacy.** Each Party shall comply with applicable data protection, security, and privacy laws and shall implement and maintain reasonable security procedures and practices appropriate to the nature of the information to protect the data disclosed to it by the other Party from unauthorized access, destruction, use, modification, or disclosure as set forth in Section 8 of this Agreement. If a Party discovers a breach, unauthorized access, unauthorized disclosure, or system intrusions (collectively, "Breach") that affects or involves or reasonably could be expected to affect or involve data provided to it by the other Party, the Party that discovered the Breach shall promptly notify the other Party of the Breach. The notification shall be made within 72 hours of discovery in writing via email to the other Party. Each Party shall reasonably work to immediately mitigate the Breach, shall reasonably cooperate in the other Party's efforts to respond to the Breach, and shall reasonably cooperate in providing any legally-required data breach notifications.
- 8.2. Systems Security.** Both Parties represent and warrant that each Party represents and warrants that each Party's networks, operating systems, and software (collectively, "Systems") are properly configured to securely access and provide information via City API. Each Party shall

promptly report to the other Party any security incidents impacting each Party's System that may also impact or compromise the other Party's System or City API. Each Party shall work with each other to correct any security deficiency or incident promptly, at each Party's own expense.

8.3. Data Disclaimer. The Parties shall make best efforts to ensure the accuracy of all data provided pursuant to this Platform Agreement. Notwithstanding the foregoing, all data provided by or on behalf of either Party pursuant to this Agreement is "as is." Neither Party makes any representation or warranty, express or implied, regarding the data's accuracy, completeness, or use. There are no express or implied warranties of merchantability or fitness for a particular purpose, or that the use of the data will not infringe any patent, copyright, trademark, or other proprietary rights.

8.4. Data Use and Retention.

8.4.1. Each Party shall use all data and information provided to the other Party by or on behalf of sending other Party, and any and all updates or modifications thereto or derivatives thereof made by the Party, consistent with and solely for the purposes of implementing and complying with the terms of this Agreement and enforcing the Home-Sharing Ordinance. Neither Party shall use the data and information provided by the sending Party for any purpose other than those provided in this Section 8, unless agreed to by both Parties in writing.

8.4.2. The Parties shall preserve data and information provided by the other Party according to the receiving Party's standard retention policies and applicable law controlling the storage and use of personal information, and after that date, shall permanently delete such data and information from its systems to the extent such deletion is not prohibited by law.

8.4.3. If a Hosting Platform closes his or her account and requests that the Hosting Platform delete his or her data, the Hosting Platform shall promptly notify the City of any such deletion requests. Upon Hosting Platform's notification to City's designated contact, City may consider deleting the data collected through the API about that user.

8.5. Data Disclosure.

8.5.1. To the extent permitted by law, including but not limited to the California Public Records Act, the City shall not disclose to the public or any third party any and all data provided via the API Query System ("Non-Publicly Facing Data") outside of public facing data. Nothing in this section shall prohibit the City from disclosing Non-Publicly Facing Data to City's agents, contractors, including contracted data storage or data maintenance services for which access to the Non-Publicly Facing Data serves the purposes of this Platform Agreement, including the City's enforcement of the Home-Sharing Ordinance.

8.5.2. In the event that the City plans to use the Non-Publicly Facing Data in a City civil or enforcement action outside of enforcing the Home-Sharing Ordinance or disclose any

and all Non-Publicly Facing Data in response to a court order, public records, or third-party request, the City will provide appropriate notice and give Hosting Platform seven (7) days written notice to seek appropriate legal counsel before rendering a decision regarding whether to release some or all of the information to the requesting party. Hosting Platform agrees to indemnify and assume the litigation costs of outside counsel to protect the confidentiality of Hosting Platform's Non-Publicly Facing data.

8.6. City Right of Audit.

- 8.6.1. Subject to applicable laws, Hosting Platform shall maintain those reasonable records, such as logs and technical specifications, reasonably necessary to City's evaluation of the API System's technical performance under this Platform Agreement. Except as otherwise agreed herein, Hosting Platform shall not be required to produce any business sensitive, proprietary, or trade secret records. These records shall be retained for a period of no less than three (3) years.
- 8.6.2. The records will be subject to examination and audit by City and City's agents or representatives that agree to be bound by the terms of Section 8 at a reasonable time subject to appropriate advanced notice by City, and no more frequently than on a semi-annual basis. In lieu of retaining the records for the term as prescribed in this Section 8, Hosting Platform may, upon City's written approval, submit the required information in intervals to City in an agreed upon electronic format consistent with industry or widely available standards for data of that type.
- 8.6.3. To the extent that City may have any logistical or technical questions arising from City's use of, or access to, the Commercial Medium for purposes of this Section 8, Hosting Platform shall respond promptly and in good faith with answers to these questions.

9. PER NIGHT FEE COLLECTION AND REMITTANCE

- 9.1. **Per Night Administrative Fee Collection and Remittance.** Upon the later of (a) the Effective Date of this Agreement, or (b) two weeks following the City Council adopting a Per Night Administrative Fee ("PNAF"), Hosting Platform shall begin collecting and submitting to City the PNAF on behalf of Hosts and Persons conducting Short-Term Rentals within the City of Los Angeles.
 - 9.1.1. Hosting Platform shall collect and remit the PNAF to the Short Term Rental Enforcement Fund pursuant to the terms of this Agreement and subject to the Parties' approval of the Per Night Administrative Fee Remittal Instructions.
 - 9.1.2. Hosting Platform shall assume liability for any failure to report, collect, or remit any such PNAF owed to City, including, but not limited to, penalties and interest subject to the Per Night Administrative Fee Remittal Instructions.
 - 9.1.3. Hosting Platform shall notify Hosts that Hosting Platform shall collect and remit the PNAF to the Short Term Rental Enforcement Fund pursuant to the terms of this

Agreement and subject to the Parties' approval of the Per Night Administrative Fee Remittal Instructions.

- 9.1.4. Hosting Platform shall notify Guests and Hosts of the amount of PNAF collected and remitted on each booking transaction.

10. CITY OBLIGATIONS

- 10.1. Streamlined Registration Renewal.** A Host may apply to renew the Host's Home-Sharing or Extended Home-Sharing registrations without giving City the Host's Home-Sharing records from the prior year if: (a) the Host exclusively listed the Host's Short-Term Rental for the entirety of the prior year on a hosting platform that has executed a Platform Agreement; and (b) Hosting Platform agreed to pass-through information to City as detailed below in Section 10.2.
- 10.2. Relief from Hosting Platform Responsibilities in Ordinance.** Beginning on the API Implementation Date, and contingent upon Hosting Platform's successful performance of Hosting Platform's obligations under this Agreement, the Hosting Platform Responsibilities provided in LAMC Section 12.22 A.32(f)(1)-(f)(4) and g(4)(i) shall not apply to the Hosting Platform, for so long as Hosting Platform continues to fully perform all of Hosting Platform's obligations under this Agreement, or this Agreement is otherwise terminated pursuant to Section 11.

11. TERMINATION

- 11.1.** City may terminate this Agreement for any reason upon sixty (60) days' prior written notice to Hosting Platform.
- 11.2.** Hosting Platform may terminate this Agreement for any reason upon sixty (60) days' prior written notice to City.
- 11.3.** Notwithstanding anything in this Agreement to the contrary, if Hosting Platform fails to perform any of the provisions of this Agreement or so fails to make progress as to endanger the essential purpose of this Agreement, City may give Hosting Platform written notice of the default. City may terminate this Agreement upon Hosting Platform's receipt of this written notice of default. In the alternative, City's default notice may offer Hosting Platform an opportunity to provide City with a plan to cure the default, which shall be submitted to City within a reasonable time period allowed by City. At City's sole discretion, City may accept or reject Hosting Platform's plan. If the default cannot be cured or if Hosting Platform fails to cure within the period allowed by City, then City may immediately terminate this Agreement.
- 11.4.** In the event the Parties withdraw from the Agreement pursuant to this Section, or this Agreement is otherwise terminated, the Parties shall be returned to the legal positions they occupied prior to execution of this Agreement. Notwithstanding the foregoing, those terms

relating to Hosting Platform's indemnification of City shall survive termination of this Agreement.

- 11.5.** In the event of new, amended, or revised laws, or regulations that apply to the performance of this Agreement, Hosting Platform reserves the right to terminate the Agreement within thirty (30) days.

12. AMENDMENTS

- 12.1.** This Agreement may be modified by written amendment signed by both Parties and approved by the Los Angeles City Council.

13. MISCELLANEOUS

- 13.1. Authority.** Hosting Platform represents and warrants to City that the persons executing this Agreement on Hosting Platform's behalf have full authority and capacity to execute this Agreement and to give the releases and other promises contained in this Agreement. If this representation is false or inaccurate, and any claim or matter is asserted against City by anyone who is the assignee or transferee of such a claim or matter, then Hosting Platform shall fully indemnify, defend, and hold harmless City from and against such claim or matter.
- 13.2. Voluntary Agreement.** Hosting Platform acknowledges and agrees that this Agreement is voluntary. Hosting Platform affirms that it has read and fully understands the terms of this Agreement.
- 13.3. Inurement.** The Agreement shall inure to the benefit of and be binding upon each Party and its respective agents, partners, joint venturers, officers, directors, trustees, attorneys, representatives, assigns, subsidiaries, parent companies, and predecessor or successor companies.
- 13.4. No Third-Party Beneficiaries.** The Parties do not intend to create any third-party beneficiaries to this Agreement.
- 13.5. Relationship of the Parties.** This Agreement does not create nor is it intended to create a partnership, franchise, joint venture, or employment relationship between the Parties.
- 13.6. Headings.** Captions, section headings, and numbers have been set forth in this Agreement for convenience only and are not to be used in construing this Agreement.
- 13.7. Further Assurances.** The Parties shall take such actions and execute and deliver such documents and information as may be reasonably necessary or appropriate to effectuate the purposes of this Agreement.
- 13.8. Indemnification.** Notwithstanding anything in this Agreement to the contrary, except for the active negligence or willful misconduct of City, or any of its boards, officers, agents, employees, assigns, and successors in interest, Hosting Platform shall defend, indemnify, and hold harmless City and any of City's boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses,

demands, and expenses, including, but not limited to, attorney's fees (both in-house and outside counsel) and cost of litigation (including all actual litigation costs incurred by City, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including Hosting Platform's employees and agents, or damage or destruction of any property of either Party hereto or of third parties, arising in any manner by reason of active negligence or willful misconduct by Hosting Platform, subcontractors, or their boards, officers, agents, employees, assigns, and successors in interest in connection with the implementation and execution of this Agreement. The rights and remedies of City provided in this Section 13.8 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement. This provision will survive expiration or termination of this Agreement.

- 13.9. Limitation of Liability.** City will not be liable hereunder for special, indirect, consequential, or incidental damages including, but not limited to, lost profits, failure to achieve cost savings, or the failure or increased expense of operations, regardless of whether any such losses or damages are characterized as arising from strict liability or otherwise, even if City is advised of the possibility of such losses or damages, or if such losses or damages are foreseeable.
- 13.10. Geographic Scope.** This Agreement, and the obligations imposed on the Parties, are limited to listings for Short-Term Rentals located in the City of Los Angeles, California.
- 13.11. Governing Law And Venue.** This Agreement shall be enforced and interpreted in accordance with the laws of the State of California without regard to conflict of law principles. In the event of new, amended, or revised laws, regulations, or procedures that apply to the performance of this Agreement, Hosting Platform reserves the right to terminate the Agreement within 30 (thirty) days. In any action arising out of this Agreement, Hosting Platform consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state courts located in Los Angeles County, California.
- 13.12. No Assignment.** Hosting Platform shall not assign, subcontract, delegate, or otherwise transfer this Agreement, or its rights and obligations herein, without obtaining the prior written consent of City, and any attempted such assignment, subcontract delegation, or transfer in violation of the foregoing will be null and void.
- 13.13. Waiver.** A waiver of a default of any part, term, or provision of this Agreement shall not be construed as a waiver of any succeeding default or as a waiver of the part, term, or provision itself. A Party's performance after the other Party's default shall not be construed as a waiver of that default.
- 13.14. Merger and Integration.** This Agreement constitutes the entire understanding of the Parties, and revokes and supersedes all prior agreements between the Parties with respect to the subject matter of this Agreement. Notwithstanding anything in this Agreement to the contrary, and for the avoidance of any doubt, this Agreement does not merge into, integrate with, or supersede any Collection Agreement that the Parties may execute during the term of this Agreement, or that the Parties may have executed prior to this Agreement.

- 13.15. Counterparts.** This Agreement may be executed in any number of counterparts, each of which will be deemed an original, and all of which, when taken together, will constitute one and the same instrument.
- 13.16. Severability.** If any term, clause, or provision hereof is held invalid or unenforceable by a court of competent jurisdiction, such invalidity shall not affect the validity or operation of any other term, clause, or provision and such invalid term, clause, or provision shall be deemed to have been severed from the Agreement.
- 13.17. Order of Precedence.** This Agreement, including any exhibits or attachments hereto, are to be interpreted so that all of the provisions are given as full effect as possible. In the event of a conflict between these documents, the order of precedence shall be the paragraphs in the body of this Agreement, followed by any exhibit or attachment in ascending alphabetical order.

IN WITNESS THEREOF, the Parties have caused this agreement to be executed by their duly authorized officers as of the dates set forth below.

**THE CITY OF LOS ANGELES
DEPARTMENT OF CITY PLANNING**

[HOSTING PLATFORM]

By:

Vincent P. Bertoni, AICP
Director of Planning

By:

[Name]
[Title]

Date:

Date:

[HOSTING PLATFORM]

By:

[Name]
[Title]

Date:

APPROVED AS TO FORM:
MICHAEL N. FEUER, City Attorney

ATTEST:
HOLLY L. WOLCOTT, City Clerk

By:

Deputy City Attorney

By:

Deputy City Clerk

Date:

Date:
