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May 26, 2026

The Honorable City Council
City of Los Angeles
City Hall, Room 395
Los Angeles, CA 90012

Dear Honorable Members:

**DEPARTMENT OF CITY PLANNING - REPORT ON HOME-SHARING UPDATED FEES:
REGISTRATION-EXTENDED-RENEWAL AND PER NIGHT FEES / ANNUAL REGULATORY
FEES, CF-14-1635-S7**

The Department of City Planning is transmitting an updated fee report for the Home-Sharing Registration and Renewal fee, Extended Home-Sharing Registration and Renewal Fee (Administrative), Extended Home-Sharing Registration (Discretionary) fee, and the Per Night Fee.

RECOMMENDATION

City Planning recommends that the City Council, subject to approval by the Mayor:

1. RECEIVE and FILE the Home-Sharing Ordinance Fee Study report from consultant NBS, dated May 6, 2026 (Appendix A);
2. Direct City Attorney to prepare an ordinance amending Section 19.01 T of Chapter 1, and Section 15.5.1 of Chapter 1A of the Los Angeles Municipal Code, in accordance with the following fee amounts:

Application Type	Fee Amount
Regular Home-Sharing Application	\$404
Regular Home-Sharing Renewal	\$454
Extended Home-Sharing Administrative Clearance or Renewal	\$858
Extended Home-Sharing Discretionary Review Application	\$11,706

3. ADOPT the attached [Resolution](#) to set the Home-Sharing Per-Night Fee at \$5.48 effective on July 1, 2026 or as soon as possible, with annual inflation adjustments thereafter; and
4. Allow for any technical corrections needed to be made by the Department of City Planning and/or the City Attorney.

BACKGROUND

The Home-Sharing Ordinance [Section 12.22 A.32 of the Los Angeles Municipal Code (LAMC); effective July 1, 2019] requires individuals engaging in short-term rental activity (defined as a minimum stay of 30 days or fewer) to obtain a valid Home-Sharing registration issued by the Department of City Planning, with exemptions for recognized hotels/motels, bed and breakfasts, and Transient Occupancy Residential Structures (TORS).

Applicants for new and renewal Home-Sharing registrations are required to pay application fees, and registered hosts must pay a Per-Night Fee for each night hosted in the registered rental unit during a short-term stay. The application, renewal and per-night fees are all City Planning administrative fees that are separate from the Transient Occupancy Tax (TOT) and any fees charged by other agencies.

In 2025, City Planning completed a comprehensive fee study to update all fees included in Article 9 of Chapter 1 and Article 15 of Chapter 1A of the LAMC, which included the published Home-Sharing application and renewal fees. The costs analyzed in the 2025 fee study focused on the whole Planning Case Processing Fund (52D) and the resulting fee amounts, adopted by the City Council on February 23, 2026, via Ordinance No. 188796, are as follows:

- Home-Sharing Application and Renewal Fee: \$441
- Extended Home-Sharing Application and Renewal Fee (Administrative): \$883
- Extended Home-Sharing Application (Discretionary): \$12,798

However, since Home-Sharing registration and renewal activities are provided by the City Planning Specialized Services Division funded through the Short Term Rental Trust Fund (62N), the costs of providing services were reevaluated as part of a new fee study, prepared by consultant NBS and attached to this report as Appendix A.

The NBS study contains an up-to-date analysis of the current cost recovery performance of registration and renewal fees and identifies the maximum fee amounts to achieve 100 percent cost recovery for registration and renewal activities. It also considers alternative fee options to recover the costs of other general regulatory efforts required for program implementation, monitoring and enforcement. The options considered include the feasibility of continuing and updating the existing Per-Night Fee, and a flat annual regulatory fee that applies to all registered Home-Sharing hosts.

The fees examined in the NBS study specifically exclude analysis of potential TOT revenue, as well as fines and penalties imposed by the City's Administrative Citation Enforcement (ACE) program for code violations.

DISCUSSION

Upon adoption of the Home-Sharing Ordinance in 2018, the City Council set the initial application fee amounts. To encourage participation in the program, application fees for both “Regular” Home-Sharing and Administrative Extended Home-Sharing registrations were initially adopted at subsidized fee amounts relative to the City’s estimated costs.

The initial fee amount for discretionary review of an Extended Home-Sharing application was set at a full cost recovery level.

Cost Recovery Evaluation and Options

To evaluate current Home-Sharing fees, the NBS study reviews the specific actions performed by City staff to process registration and renewal applications. Because labor is the primary underlying factor in these activities, the study expresses the full cost of services as a fully-burdened cost per labor hour rate. When applied at the individual fee level, the fully-burdened hourly rate is used to calculate the maximum cost of providing each service, based on staff’s estimate of the average amount of time (in minutes and hours) needed to complete a typical occurrence of each service or activity. A detailed explanation of the study’s cost recovery evaluation methodology is provided in Appendix A.

The NBS study also evaluates the benefits and considerations of two different approaches to achieving full cost recovery for general regulatory efforts required for Home-Sharing program administration, monitoring and enforcement:

- Continuing and updating the existing Per-Night Fee, charged for each night hosted in the registered host’s rental unit during a short-term stay; or
- Adopting a flat annual regulatory fee charged to all registered Home-Sharing hosts.

Benefits of the Per-Night Fee include being simpler to administer from a collections standpoint, as well as allowing the host to pay a lower application fee to get started in the program. Considerations for the Per-Night Fee include an assumed linear relationship between nights hosted and regulatory program services received, as well as the potential for more revenue volatility if bookings fluctuate.

Benefits of the annual regulatory fee include being consistent and predictable for hosts, keeping the cost the same for all hosts; and less revenue volatility in years with less short-term rental activity. Considerations for the annual fee include increased costs compared to the Per-Night Fee approach for hosts with less annual rental activity, and potential cost savings for hosts with a larger number of booked nights in a given year.

Recommended Fee Amounts

Based on the cost recovery analysis, the NBS study identifies the maximum adoptable fee amount for each type of service provided by the Home-Sharing program, reflecting City Planning’s cost to provide the service. City Planning recommends setting the application and renewal fees at a 100% cost recovery level consistent with the amounts identified in the NBS study, as follows:

Application Type	Fee Amount
Regular Home-Sharing Application	\$404
Regular Home-Sharing Renewal	\$454
Extended Home-Sharing Administrative Clearance or Renewal	\$858
Extended Home-Sharing Discretionary Review Application	\$11,706

Adopting the application fee amounts identified here will require the Council to instruct the City Attorney to prepare and present an ordinance amending the fee provisions of the Zoning Code (Article 9 of Chapter 1 and Article 15 of Chapter 1A of the LAMC) to reflect the new fee amounts.

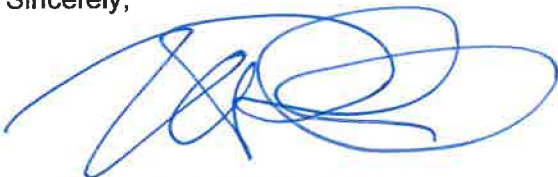
For program administration, monitoring and enforcement cost recovery, City Planning recommends continuing and updating the Per-Night Fee from the current level of \$3.30 per night to no more than \$5.48 per night, consistent with the level identified for 100% cost recovery in the NBS analysis. Alternatively, if the annual regulatory fee is selected, City Planning recommends an initial annual fee amount of no more than \$570, which is the maximum amount for full cost recovery identified in the NBS analysis.

In order to update the Per-Night Fee, the Council would adopt the draft resolution attached to this report as Appendix B.

Should the Council select the annual regulatory fee option, the Council would instruct the Office of the City Attorney to prepare an ordinance amending the Home-Sharing Ordinance (LAMC Section 12.22 A.32) and the fee provisions of the Zoning Code (Article 9 of Chapter 1 and Article 15 of Chapter 1A of the LAMC) to eliminate the Per-Night Fee, establish the annual regulatory fee, and set the annual fee amount. This instruction would need to be added to the recommended actions provided near the beginning of this report.

For any questions about the attached fee study or the analysis and recommendations in this report, please contact the following staff: Senior City Planner Joann Lim, joann.lim@lacity.org; City Planner Niall Huffman, niall.huffman@lacity.org.

Sincerely,



VINCENT P. BERTONI, AICP
Director of Planning

Attachments

- Appendix A: Fee Study Report
- Appendix B: Draft Resolution