

# Airbnb, San Francisco reach deal on rental registrations

May 1 2017, by Sudhin Thanawala

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City Attorney Dennis Herrera, left, smiles while walking with San Francisco Supervisor Aaron Peskin, right, after announcing a settlement agreement on short term rentals during a news conference Monday, May 1, 2017, at City Hall in San Francisco. San Francisco and Airbnb have reached a deal to end a lawsuit over a law that fines the company for booking rentals not registered with the city. (AP Photo/Eric Risberg)

San Francisco and Airbnb reached a deal Monday that aims to prevent the short-term rental website from listing housing units that are not following city rules that limit the duration of stays and the number of nights units can be rented.

The settlement resolves a lawsuit filed by Airbnb over a city law that fines the [company](#) for booking rentals not registered with the city.

Under the deal, residents looking to list a rental will be able apply for a city registration number through Airbnb's website and will have to list their registration number to post a listing.

The company will provide a monthly list of all San Francisco listings to the city, so officials can verify that units are registered. Airbnb will deactivate listings that the city says are invalid.

"This settlement protects our neighborhoods and will help prevent our precious housing stock from being illegally turned into hotels at the expense of evicted or displaced tenants," City Attorney Dennis Herrera said. "I think this is going to put San Francisco on the road to being a model for effective regulation of home-hosting platforms."

Airbnb said in a statement that the agreement "puts in place the systems and tools needed to help ensure our community is able to continue to share their homes."

San Francisco-based Airbnb is the world's largest short-stay online rental company.

Critics complain Airbnb's business model encourages landlords to take already scarce rentals off the market. Supporters say they couldn't live in San Francisco without the extra money made in rentals.



City Attorney Dennis Herrera, right, is greeted by San Francisco Supervisor Aaron Peskin, left, after announcing a settlement agreement on short term rentals during a news conference Monday, May 1, 2017, at City Hall in San Francisco. San Francisco and Airbnb have reached a deal to end a lawsuit over a law that fines the company for booking rentals not registered with the city. (AP Photo/Eric Risberg)

San Francisco allows short-term rentals, but it requires hosts to register with the city and limit the length of stays to less than 30 nights at a time. They can rent out their units when not present there for a maximum of 90 nights in a year.

Additionally, people can only register one unit and must live there for more than 9 months each year.

The city argued that only 2,100 of the more than 8,000 San Francisco listings on Airbnb were registered, making enforcement of those requirements difficult.

The city ordinance at issue threatened Airbnb with fines up to \$1,000 for every booking it completes for a unit not registered with the city.

Airbnb argued the law would force it to screen and remove listings because the company would not want listings for units that could not legally be booked. The company said that role would violate a 1996 federal law that prohibits internet companies from being held responsible for content posted by users.

A federal judge in San Francisco rejected that argument, but said Airbnb might still be able to block the law on the grounds that the city does not have a way for it to quickly determine whether a unit is registered.

U.S. District Judge James Donato in November told the city and Airbnb to work harder to resolve Airbnb's suit.

Chris Lehane with Airbnb said on a conference call with reporters that the settlement provides a simple registration system while allowing the [city](#) to make sure hosts are following the law.

City officials said it will take four months to build the technology to allow people to apply for registration directly through Airbnb. Everyone who wants to be on the site must register by 2018, Herrera said.

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