

BANKING/ FINANCE

Startups See a Market in Renting Couches by the Month



SETH WENIG/ASSOCIATED PRESS

Furniture-rental startups Feather, Fernish and others aim to rent furniture to millennials, such as Zachariah Mohammed, left, and Pete Mancilla, with their dog Remy, who don't want to commit to big purchases or move heavy furniture and are willing to pay for the convenience.

by Joseph Pisani

Zachariah Mohammed's living room is filled with stuff he doesn't own.

He pays \$200 a month for the sofa, side table, bar cart, dining table and four chairs in his living room. It's worth it, the 27-year-old New Yorker says. If he needs to move, which he's done twice in the last 12 months, he won't need to lug a sofa across the city or worry if it will fit in a new place. The furniture-rental startup, Feather, will swap out items for something else.

"We don't want to be stuck with a giant couch," says Mohammed, a social media manager at a software company, who lives with his partner and their dog, Remy.

Feather, Fernish and other companies aim to rent furniture to millennials who don't want to commit to big purchases or move heavy furniture and are willing to pay for the convenience. It's part of a wave of rental culture that includes Rent the Runway, focused on women's designer clothing, and even Netflix and Spotify, which let you stream from a huge catalog rather than buy individual TV show episodes, movies or songs.

"They're moving a lot. They're changing jobs a lot," says Thomas Robertson, a marketing professor at the Wharton School of the University of Pennsylvania, describing the types of people who would use the services. "Why would you want to be saddled with furniture?"

The furniture-rental companies target high-income city dwellers who want a \$1,100 orange love seat (\$46 a month) or \$980 leather bench (\$41 a month) — but only temporarily. The furniture itself is a step up from Ikea.

"I'm 32 years old and have lived in 25 different places, five different countries, 12 different cities," says Chan Park, who co-founded online furniture rental company Oliver Space last year. He constantly bought and discarded cheap furniture. Then he moved to a furnished rental apartment in Singapore.

"It was probably the first time my adult life that I felt like I was truly at home," Park says.

These startups are in just a handful of coastal cities, with few users, but seek to grow. They offer furniture from Crate & Barrel, West Elm and smaller brands.

Others are renting out home goods, too. Rent the Runway recently added West Elm pillows and quilts. Ikea is testing a rental service in several countries outside the U.S., including Switzerland and Belgium.

Renting may make sense for a generation that sees "life as transient," says Hana Ben-Shabat, the founder of Gen Z Planet, a research and advisory firm that focuses on the generation born between the late 1990s and 2016.

Young people today get married and buy homes later than they used to, and young people move more than older people do. Still, millennials are moving less than previous generations did at their age, and Americans overall are moving less.

Moving her furniture from New York to Los Angeles would have cost Clarissa Wright \$3,000. Instead, she gave away most of what she owned, traveled in Europe for two months and then rented a couch, bed, mattress, bar stools and other furniture in her new place, for \$255 a month. Feather delivered and assembled everything in one day.

Wright, a 28-year-old marketing consulting for fashion and beauty brands, says she can switch out the furniture, add more stuff, move to a new apartment or city. But right now, she doesn't know what the future holds.

"I don't think too far ahead," she says.

That comes at a price. Critics have called the furniture-rental business exploitative in the past. Stores like Rent-A-Center target low-income shoppers who can't afford to buy a fridge or couch outright and charge higher prices overall than competitors.

Some of the new batch of furniture renters charge for membership, and there are fees for late payments or for furniture that is badly damaged. Customers can keep furniture if their monthly payments add up to full price. Prices are the same at West Elm and Crate & Barrel, but you could buy more cheaply directly from the store if there's a sale.

"If people think this is the best way to buy a couch, they are wrong," says Margot Saunders, the senior counsel at the National Consumer Law Center. "They should recognize that they are paying for the convenience of renting."

Joseph Pisani reports for the Associated Press.

MIAMI BEACH

NOTICE BY THE CITY OF MIAMI BEACH, FLORIDA, OF THE CITY'S INTENT TO USE THE UNIFORM METHOD OF COLLECTION OF NON-AD VALOREM ASSESSMENTS

NOTICE IS HEREBY given that the City of Miami Beach ("City") intends to use the uniform method for collecting the non-ad valorem assessments to be levied by the City pursuant to Section 197.3632, Florida Statutes, with regard to the Allison Island Security Guard Special Taxing District ("Special Taxing District"). The City Commission will hold a Public Hearing on this matter on **February 12, 2020 at 2:00 P.M.** at City Hall, 1700 Convention Center Drive, 3rd Floor, Commission Chambers, Miami Beach, Florida, 33139.

The purpose of the Public Hearing is to consider the adoption of a Resolution authorizing the City to use the uniform method of collecting non-ad valorem assessments to be levied by the City pursuant to Section 197.3632, Florida Statutes. The City intends to use the uniform method for collecting non-ad valorem assessments after the transfer of control of the Special Taxing District from Miami-Dade County to the City in accordance with Section 18-3.1 of the Miami-Dade County Code.

The City may levy non-ad valorem assessments for the purpose of the continued operation and maintenance of the Allison Island Guard Special Taxing District, including but not limited to the making of infrastructure and security improvements. The area or boundaries of Allison Island Security Guard Special Taxing District are as follows:

A portion of Sections 11, Township 53 South, Range 42 East, Dade County, Florida; being more particularly described as follows:

Lots 2 thru 52 of "Indian Creek Subdivision" according to the plat thereof, as recorded in the Plat Book 31 at page 75.

All the aforementioned plats being recorded in the Public Records of Dade County, Florida.

The City intends to use the uniform method of collecting non-ad valorem assessments for a period of more than one year. This non-ad valorem assessment will be levied by the City for the first time; however, Miami-Dade County has previously levied the non-ad valorem assessment for the Special Taxing District.

The City's non-ad valorem assessments shall be subject to the same discounts and penalties, and the issuance and sale of tax certificates and tax deeds, for non-payment as for the non-payment of ad valorem taxes. The non-payment of such non-ad valorem assessments will subject the property to the potential loss of title.

INTERESTED PARTIES may appear at the Public Hearing, or be represented by an agent, to be heard regarding the use of the uniform method of collecting such non-ad valorem assessments, or may express their views in writing addressed to the City Commission, c/o the City Clerk, 1700 Convention Center Drive, 1st Floor, City Hall, Miami Beach, Florida 33139. This item is available for public inspection during normal business hours in the Office of the City Clerk, 1700 Convention Center Drive, 1st Floor, City Hall, Miami Beach, Florida 33139. This item may be continued, and, under such circumstances, additional legal notice need not be provided.

Pursuant to Section 286.0105, Fla. Stat., the City hereby advises the public that if a person decides to appeal any decision made by the City Commission with respect to any matter considered at its meeting or its hearing, such person must ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. This notice does not constitute consent by the City for the introduction or admission of otherwise inadmissible or irrelevant evidence, nor does it authorize challenges or appeals not otherwise allowed by law.

To request this material in alternate format, a sign language interpreter (five-day notice required), information on access for persons with disabilities, and/or any accommodation to review any document or participate in any City-sponsored proceedings, call 305.604.2489 and select 1 for English or 2 for Spanish, then option 6; TTY users may call via 711 (Florida Relay Service).

City of Miami Beach
Rafael Granado, City Clerk
305-673-7411