



Office of the Los Angeles City Attorney
Hydee Feldstein Soto

REPORT NO. R26-0443
JULY 29 2026

REPORT RE:

DRAFT ORDINANCE AMENDING ARTICLE 6, CHAPTER VI OF THE LOS ANGELES MUNICIPAL CODE TO MODIFY THE CITY'S EXCLUSIVE WASTE HAULING AND RECYCLING FRANCHISE SYSTEM, CLARIFY MINIMUM LEVEL OF SERVICE REQUIREMENTS FOR NON-CITY-SERVICED COMMERCIAL ESTABLISHMENTS AND MULTI-FAMILY DWELLINGS, AND ESTABLISH A SPECIAL FUND WITHIN THE TREASURY OF THE CITY OF LOS ANGELES NAMED THE "RECYCLA ADMINISTRATION FEE SPECIAL FUND"

The Honorable City Council
of the City of Los Angeles
Room 395 City Hall
200 North Spring Street
Los Angeles, California 90012

Council File No. 23-1032

Honorable Members:

On June 9, 2026, the City Council requested that this Office draft an ordinance amending Article 6, Chapter VI of the Los Angeles Municipal Code (LAMC), and any associated LAMC and Los Angeles Administrative Code (LAAC) sections, to modify the City's exclusive waste hauling and recycling franchise system for commercial and multi-family properties (recyclA). This Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality.

Pursuant to your request, the enclosed draft ordinance amends Sections 66.33.4, 66.33.5, and 66.03(d) of Article 6, Chapter VI of the LAMC to: (1) replace the current annual franchise fee with an annual administration fee and a one-time implementation fee; (2) redesignate the three existing “single” Franchise Zones to “Small” Franchise Zones and allow a Small Franchise Zone to be granted to a Franchisee in combination with one or more other Small Franchise Zones; and (3) clarify minimum level of service requirements for non-City-serviced commercial establishments and multi-family dwellings.

As specified in the Bureau of Sanitation’s report dated April 9, 2026, the draft amendments to replace the current annual franchise fee and to redesignate “single” franchise zones as “Small” franchise zones are not intended to impact the current franchise agreements, but would only apply to new franchise agreements created after the effective date of this ordinance. To effectuate that intent, the draft ordinance specifies that these two changes to the code shall only apply to any new franchise agreement executed on or after the effective date of this ordinance.

By contrast, the draft language clarifying the requirements imposed upon Commercial Establishments and Multi-family Dwellings is not dependent on any franchise execution date as these provisions apply to customers, not franchisees. This section of the draft ordinance clarifies existing code provisions so as to better effectuate the City’s enforcement of minimum level of service requirements in compliance with state-mandated recycling and organic waste diversion programs.

Finally, the enclosed draft ordinance also adds Subsection (r) to Section 5.121.5 of the LAAC to establish a special fund within the Treasury of the City of Los Angeles named the “recycLA Administration Fee Special Fund”, which shall receive payments of the annual administration and one-time implementation fees.

Council Rule 38 Referral

Pursuant to Council Rule 38, a copy of the draft ordinance was sent to the Department of Public Works - Bureau of Sanitation and the City Administrative Officer, with a request that any comments be transmitted directly to City Council or its Committees when the matter is considered.

If you have any questions regarding this matter, please contact Deputy City Attorney Thomas F. Costello-Vega at (213) 978-8130. A member of this Office will be available when you consider this matter to answer questions you may have.

Sincerely,

HYDEE FELDSTEIN SOTO, City Attorney

By



MICHAEL J. DUNDAS
Chief Assistant City Attorney

MJD:TCV:ad
Transmittal