

Office of the Los Angeles City Attorney
Hydee Feldstein Soto

REPORT NO. R26-0119
February 25, 2026

REPORT RE:

DRAFT ORDINANCE AMENDING SUBSECTION D OF SECTION 151.06 OF THE LOS ANGELES MUNICIPAL CODE TO REQUIRE ANNUAL RENT INCREASES THAT GO INTO EFFECT ON OR AFTER THE EFFECTIVE DATE OF THE SUBSECTION TO COMPLY WITH THE UPDATED AUTOMATIC RENT ADJUSTMENT FORMULA PROVISIONS FOR RENTAL UNITS SUBJECT TO THE RENT STABILIZATION ORDINANCE (RSO)

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. 23-1134-S2

Honorable Members:

Pursuant to your request, this Office has prepared and now transmits for your consideration, approved as to form and legality, the enclosed draft ordinance. The draft ordinance would amend Subsection D of Section 151.09 of the Los Angeles Municipal Code (LAMC), which contains the Rent Stabilization Ordinance's (RSO) annual rent adjustment provisions.

Background and Summary of Ordinances

City Council on January 20, 2026, requested an amendment to the recently adopted RSO annual rent adjustment formula ordinance, Ordinance No. 188795, which has an effective date of February 2, 2026. As requested, the draft ordinance specifies that an annual rent increase that goes into effect on or after the effective date of



Subsection D of Section 151.09 of the LAMC is subject to the updated annual rent adjustment formula. An urgency clause is also included as requested, and must be passed by no less than a three-fourths of Council in order to be effective.

CEQA Findings

This Office recommends that the City Council determine, based on the whole of the administrative record, that the adoption of this ordinance is exempt from the California Environmental Quality Act (CEQA) through Section 15061(b)(3) (common sense exemption) of the State CEQA Guidelines, and Article II, Section 1 of the City CEQA Guidelines, and that none of the exceptions under CEQA Guidelines Section 15300.2 apply. If the City Council concurs with the CEQA analysis, it should adopt these CEQA determinations prior to or concurrent with its action on the draft ordinance. The Office also recommends that the City Council direct the LAHD to file Notices of Exemption with the County Recorder's Office following the adoption of the draft ordinance.

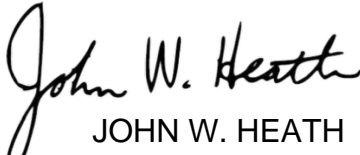
Council Rule 38 Referral

Pursuant to Council Rule 38, a copy of the draft ordinance will be sent to the Los Angeles Housing Department, with a request that any comments be transmitted directly to the City Council or its Committees when this matter is considered.

If you have any questions regarding this matter, please contact Deputy City Attorney Peter Walford at (213) 922-8374. 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 
JOHN W. HEATH
Chief Assistant City Attorney

JWH:PW
Transmittal