

## Communication from Public

**Name:** Noah Suarez-Sikes  
**Date Submitted:** 08/21/2025 10:51 AM  
**Council File No:** 23-1134

**Comments for Public Posting:** Dear Councilmembers: Better Neighbors LA (BNLA) is a coalition of tenants, hosts, housing activists, labor unions, and community organizations focused on preserving long-term housing by regulating short-term rentals. We submit this letter in support of amending the current formula for annual rent increases under the Los Angeles Rent Stabilization Ordinance (“LARSO”). The City of Los Angeles must update the current LARSO rent increase formula to better protect tenants from displacement and ensure LARSO’s intended purpose is achieved. We support the Keep LA Housed Coalition’s recommendation of a formula that sets the annual allowable rent increase at 60% of the change in the Consumer Price Index or 3%, whichever is lower (“3%/60% CPI formula”), with no utility pass through, no increases for additional tenants, no rent banking, and no exemptions for small landlords. This makes both policy sense and is within the constitutional bounds on fair returns for landlords' investments. Other California cities, including many in Los Angeles County, have the same or similar formulas to the one we are proposing to protect their renters. Tenants in Los Angeles are facing a rent burden crisis. Many are already making the choice between paying rent and paying for other basic necessities. The Rent-Stabilization Ordinance is one of the bulwarks in place to ensure that working-class Angelenos are able to stay in their homes. Compounding the crisis is the proliferation of short-term rentals (STRs), which has fueled displacement and housing instability. A 2022 McGill University study found that STRs have caused an average rent increase in Los Angeles of \$810/year and have contributed to 5,000 additional Angelenos experiencing homelessness . The RSO is therefore a vital protection, not only because the City’s STR Ordinance categorically prohibits the establishment of STRs in rent-stabilized housing—preventing speculators from flipping affordable housing into STRs for profit—but also in combatting the rent-inflating effects of widespread STR conversion in Los Angeles. That’s why strengthening the protections of the Rent-Stabilization Ordinance is so important, and why adopting Keep LA Housed’s specific formula isn’t just a policy choice--it’s a moral imperative to preserve housing equity and prevent further displacement. Each additional percentage in the LARSO annual rent increase formula

could make a difference between a tenant being able to afford to stay in their homes or being displaced and ending up homeless. Therefore, the City of Los Angeles must take great care in choosing a formula that prevents displacement, while ensuring constitutional safeguards for landlords. The 3%/60% CPI formula would protect tenants from that harsh reality while allowing reasonable increases for landlords. This formula would help protect our city's tenants from unaffordable steep rent increases during high inflation years. Los Angeles should have the strongest RSO in the state. We strongly urge the City Council to adopt Keep LA Housed's proposed formula. Should you have any questions, please contact Noah Suarez-Sikes at [noah@betterneighborsla.org](mailto:noah@betterneighborsla.org).  
/s/ Randy Renick



@better\_LA  
betterneighborsla.org

August 21, 2025

Honorable Members of the City Council  
Los Angeles City Council  
200 North Spring Street  
Los Angeles, CA 90012

**RE: Los Angeles Rent Stabilization Ordinance Annual Rent Increase Formula (CF 23-1134)**

Dear Councilmembers:

Better Neighbors LA (BNLA) is a coalition of tenants, hosts, housing activists, labor unions, and community organizations focused on preserving long-term housing by regulating short-term rentals. We submit this letter in support of amending the current formula for annual rent increases under the Los Angeles Rent Stabilization Ordinance (“LARSO”).

The City of Los Angeles must update the current LARSO rent increase formula to better protect tenants from displacement and ensure LARSO’s intended purpose is achieved. **We support the Keep LA Housed Coalition’s recommendation of a formula that sets the annual allowable rent increase at 60% of the change in the Consumer Price Index or 3%, whichever is lower (“3%/60% CPI formula”), with no utility pass through, no increases for additional tenants, no rent banking, and no exemptions for small landlords.** This makes both policy sense and is within the constitutional bounds on fair returns for landlords’ investments. Other California cities, including many in Los Angeles County, have the same or similar formulas to the one we are proposing to protect their renters.

Tenants in Los Angeles are facing a rent burden crisis. Many are already making the choice between paying rent and paying for other basic necessities. The Rent-Stabilization Ordinance is one of the bulwarks in place to ensure that working-class Angelenos are able to stay in their homes. Compounding the crisis is the proliferation of short-term rentals (STRs), which has fueled displacement and housing instability. A 2022 McGill University study found that STRs have caused an average rent increase in Los Angeles of \$810/year and have contributed to 5,000 additional Angelenos experiencing homelessness<sup>1</sup>. The RSO is therefore a vital protection, not only because the City’s STR Ordinance categorically prohibits the establishment of STRs in rent-stabilized housing—preventing speculators from flipping affordable housing into STRs for

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<sup>1</sup> [https://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth\\_LA\\_2022.pdf](https://upgo.lab.mcgill.ca/publication/strs-in-los-angeles-2022/Wachsmuth_LA_2022.pdf)



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That’s why strengthening the protections of the Rent-Stabilization Ordinance is so important, and why adopting Keep LA Housed’s specific formula isn’t just a policy choice--it’s a moral imperative to preserve housing equity and prevent further displacement. Each additional percentage in the LARSO annual rent increase formula could make a difference between a tenant being able to afford to stay in their homes or being displaced and ending up homeless. Therefore, the City of Los Angeles must take great care in choosing a formula that prevents displacement, while ensuring constitutional safeguards for landlords. The 3%/60% CPI formula would protect tenants from that harsh reality while allowing reasonable increases for landlords. This formula would help protect our city’s tenants from unaffordable steep rent increases during high inflation years.

Los Angeles should have the strongest RSO in the state. We strongly urge the City Council to adopt Keep LA Housed’s proposed formula. Should you have any questions, please contact Noah Suarez-Sikes at [noah@betterneighborsla.org](mailto:noah@betterneighborsla.org).

/s/

Randy Renick