

Communication from Public

Name: Jacob Pierce

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Council File No: 23-1134

Comments for Public Posting: Abundant Housing LA is proud to join the chorus of voices calling on the LA City Council to amend changes to strengthen the Rent Stabilization ordinance. We write to recommend the following updates: - Use 75% of CPI to calculate annual rent increases: This ensures that rent cannot rise as quickly as inflation. Such a provision would still leave LA's rate at the middle to higher end of what's allowed in California's rent-stabilized communities, while also aligning the formula with those used in Santa Monica, West Hollywood, and Pasadena. - Impose a 3% ceiling and no floor for rent increases: This helps standardize what constitutes a reasonable rent increase, consistent with practices in several neighboring jurisdictions. It also provides stability for renters whose incomes may not keep pace with inflation. As demonstrated in the Economic Roundtable report, landlords will still be able to cover their costs due to low turnover rates and relatively low operating expenses in the rental housing market. - No utility increases: There should be no additional increases under LARSO if a landlord provides gas and/or electricity. Under the current LARSO formula, landlords providing gas and/or electricity can increase their rent by 1% for each utility provided, allowing up to an additional 2% bump. The Economic Roundtable found that this flat increase far outweighs the actual costs of providing those utilities, adding roughly \$12 million to the annually allowable rent increases under LARSO. - End rent increases for additional occupants: The City should eliminate the provision allowing a 10% rent increase for each additional tenant in a unit. Most local rent stabilization ordinances do not include such a clause, and there is no justification for LA to continue permitting it. To read Abundant Housing's full position, please see our attached letter.



RE: 23-1134 — Support for strengthening the Rent Stabilization Ordinance)

8/25/2025

Dear Members of the Los Angeles City Council,

Eleven months have passed since the Economic Roundtable finalized its report analyzing the City's Rent Stabilization Ordinance—and nine since the Los Angeles Housing Department (LAHD) completed its analysis of that report. And still, their recommendations and findings have still not been brought before the City Council's Housing and Homelessness Committee for review.

On behalf of Abundant Housing LA (AHLA), I write in strong support of efforts by groups like Keep LA Housed to bring this issue forward. Strengthening rent stabilization is a necessary step to protect tenants from displacement while the city works to expand housing supply. The Economic Roundtable's recommendations offer a balanced, data-driven approach to preventing excessive rent hikes without slowing down new development. We urge the City Council to prioritize these proposals and act swiftly. We urge you to take up the following recommendations:

- **Use 75% of CPI to calculate annual rent increases** This ensures that rent cannot rise as quickly as inflation. Such a provision would still leave LA's rate at the middle to higher end of what's allowed in California's rent-stabilized communities, while also aligning the formula with those used in Santa Monica, West Hollywood, and Pasadena.
- **Impose a 3% ceiling and no floor for rent increases** This helps standardize what constitutes a reasonable rent increase, consistent with practices in several neighboring jurisdictions. It also provides stability for renters whose incomes may not keep pace with inflation. As demonstrated in the Economic Roundtable report, landlords will still be able to cover their costs due to low turnover rates and relatively low operating expenses in the rental housing market.
- **No utility increases** There should be no additional increases under LARSO if a landlord provides gas and/or electricity. Under the current LARSO formula, landlords providing gas and/or electricity can increase their rent by 1% for each utility provided, allowing up to an additional 2% bump. The Economic Roundtable found that this flat increase outweighs the actual costs of providing those utilities, adding roughly \$12 million to the annually allowable rent increases under LARSO.
- **End rent increases for additional occupants** The City should eliminate the provision allowing a 10% rent increase for each additional tenant in a unit. Most local rent stabilization ordinances do not include such a clause, and there is no justification for LA to continue permitting it.

We also encourage Councilmembers to review the final chapter of the Economic Roundtable report, which highlights accessory dwelling units (ADUs) as a potential tool to address LA's affordability crisis. The relationship between housing scarcity and high costs cannot be ignored. We urge the Council to embrace the report's recommendations in this area, including directing the Planning Department to finalize its study on code modifications to unlock more ADU construction and exploring economic incentives to further encourage their development.

We respectfully urge the City Council to act swiftly in reviewing the Economic Roundtable's report and taking action. A more balanced Rent Stabilization Ordinance will protect renters, ensure fairness, and reflect best practices from across the region. Now is the time to build a more stable and affordable Los Angeles.

Sincerely,

A handwritten signature in black ink, appearing to read 'Azeen Khanmalek', with a long horizontal flourish extending to the right.

Azeen Khanmalek
Executive Director
Abundant Housing LA