

SUBSTITUTE ITEM NO. 47

MOTION

I MOVE that the Council adopt the following recommendations, as outlined in the attached Minority Report of the Housing and Homelessness Committee relative to economic study findings and drafting an amendment to the Los Angeles Municipal Code (LAMC) to revise the methodology establishing the annual allowable rent increase for the Rent Stabilization Ordinance (RSO); and related matters:

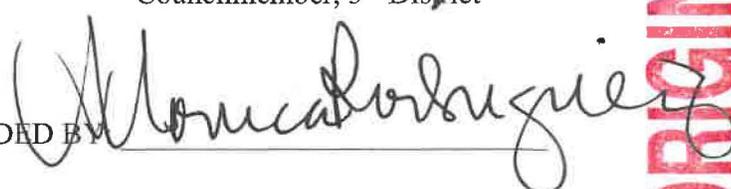
1. REQUEST the City Attorney, with the assistance of Los Angeles Housing Department (LAHD), to draft an amendment of the RSO, Article 1 of Chapter XV of the LAMC, to revise the methodology to establish the annual allowable rent increase for RSO rental units as follows:
 - a) Replace Consumer Price Index All-Items for All Urban Consumers with the All-Items Less Shelter Index in the methodology to establish the RSO annual allowable rent increase (LAMC 151.06.D and 151.07. A6).
 - b) Establish a floor of 2% for annual RSO rent increases.
 - c) Establish a ceiling of 5% for annual RSO rent increases.
 - d) Provide that in years when the otherwise permissible rent increase calculated by the formula above exceeds the 5% ceiling, the calculated percent above 5% shall be added (rolled over) to the subsequent years' allowable rent increase, with the total annual increase not to exceed 5%, and provide that the LAHD shall publish the allowable rent increase annually by December 1st of each year.
 - e) Delete the provision that allows an additional 1% or 2% increase for gas and/or electricity.
 - f) With ability to allow rent banking on the low end.

2. INSTRUCT the LAHD to work with the Rent Adjustment Commission (RAC) to update the existing RAC Guidelines governing the Just and Reasonable Rent Increase Program (Program) and conduct an outreach campaign to inform landlords on how to utilize the Program and other cost reimbursement provisions of the RSO in order to ensure a fair return on their rental units.

PRESENTED BY:


BOB BLUMENFIELD
Councilmember, 3rd District

SECONDED BY:





November 12, 2025

ORIGINAL