

HOUSING AND HOMELESSNESS COMMITTEE REPORT 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.

Recommendations for Council action:

1. NOTE AND FILE the Los Angeles Housing Department (LAHD) report dated November 1, 2024, attached to Council file No. 23-1134.
2. REQUEST the City Attorney, with the assistance of the LAHD, to prepare and present a draft Ordinance to amend 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. Amend the percentage of the Consumer Price Index All-Items for All Urban Consumers to 60% in the methodology to establish the RSO annual allowable rent increase (LAMC 151.06.D and 151.07. A6).
 - b. Establish a floor of zero percent for annual RSO rent increases.
 - c. Establish a ceiling of three percent for annual RSO rent increases.
 - d. Delete the provision that allows an additional one percent or two percent increase for gas and/or electricity.
 - e. Amend LAMC Section 151.06.G to ensure that additional dependents do not trigger an additional rent increase.
3. INSTRUCT the LAHD to increase funding for residential repair, maintenance, and rehabilitation programs for small-landlords owning 2- to 10-units each in the City using appropriate and available resources, including Measure ULA and Los Angeles County Affordable Housing Solutions Agency (LACAHS) funds that are designed for preservation of the City's existing housing stock.

Fiscal Impact Statement: The LAHD reports that there is no fiscal impact to the General Fund resulting from the recommendations included in this report.

Community Impact Statement: None submitted

SUMMARY

At the meeting held on November 5, 2025, your Housing and Homelessness Committee considered a LAHD report relative to economic study findings and drafting an amendment to the LAMC to revise the methodology establishing the annual allowable rent increase for the RSO; and related matters.

After an opportunity for public comment was held, the Committee discussed the item in detail with representatives from the LAHD and the Economic Roundtable. After discussion, Councilmember Blumenfield introduced an amendment which was seconded by Councilmember McOsker, in courtesy, to amend the LAHD report to include low end banking. Councilmember Blumenfield's Motion failed, and the Committee moved to note and file the LAHD report and move forward recommendations introduced by Councilmember Raman and seconded by Councilmember Jurado, as detailed above. At the request of Councilmember Blumenfield, pursuant to Council Rule No. 69, a minority report for this item will be included in the Council file. This matter is now submitted to the Council for consideration.

Respectfully Submitted,

HOUSING AND HOMELESSNESS COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
RAMAN:	YES
JURADO:	YES
BLUMENFIELD:	NO
HUTT:	YES
McOSKER:	NO

LV 11.5.25

-NOT OFFICIAL UNTIL COUNCIL ACTS-