

Communication from Public

Name: Mikayla Gibson

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Comments for Public Posting: recommendations before you today are based on flawed logic and discredited data. The City's own adjustment study has been shown by Beacon Economics to contain serious errors. Policy should not be made on bad information. The fact is, the Rent Stabilization Ordinance formula is not broken. It already produced a balanced 3% increase this year beginning July 1. Nothing is extreme, and no changes are warranted. Housing providers need 100% of CPI-All Items to keep up with inflation. We need a floor to build reserves during low inflation and a cap that recognizes high inflation with rollover to recover costs in future years. Eliminating the ability to pass through gas and electricity on master-metered buildings—roughly 20% of RSO units—removes a legitimate operating cost that must be recouped to preserve housing. The indoor temperature mandate is equally problematic. If adopted without changes, it will mirror the County's version, which allows no pass-through and will force small providers out of business. When they sell, corporate owners redevelop properties into luxury housing, and naturally affordable housing is permanently lost. Any mandate should set a reasonable standard of 86 degrees, apply to one room, include a 100% cost pass-through, and be backed by LADWP analysis to confirm the grid can handle the demand. The City must also complete LAHD's cost study on retrofits before moving forward. Even the noticing changes add another layer of confusion and cost at a time when housing providers are already overwhelmed with regulation. Taken together, these items represent a continuation of punitive housing policy that threatens affordability and stability across Los Angeles. On behalf of VICA, I respectfully urge you to reject Items 2, 3, and 4. Thank you.