

HOUSING COMMITTEE REPORT relative to regulating algorithmic rent-setting and artificial intelligence technologies utilized by multifamily residential housing providers.

Recommendation for Council action, as initiated by Motion (Hernandez – Padilla, et al.):

INSTRUCT the Housing Department, with the assistance of the Chief Legislative Analyst (CLA), City Attorney, City Administrative Officer (CAO), and any other relevant departments, to report with policy recommendations related to the regulation of algorithmic rent-setting and artificial intelligence technologies utilized by multifamily residential housing providers operating within the City of Los Angeles. The report should include recommendations and information regarding:

- a. A registration and disclosure program for multifamily housing providers utilizing algorithmic rent-setting or revenue management software.
- b. Notification requirements for prospective and current tenants when rental rates, lease renewals, or occupancy decisions are influenced by artificial intelligence or algorithmic pricing systems.
- c. The City's legal authority to regulate, restrict, or prohibit the use of algorithmic rent-setting technologies that rely upon nonpublic competitor information.
- d. The establishment of annual registration, licensing, or administrative fees associated with the use of algorithmic rent-setting systems, including projected revenues and implementation costs.
- e. The creation of a special fund, to receive revenues generated through any adopted registration, licensing, or enforcement program.
- f. Eligible uses of such funds, including eviction prevention services, emergency rental assistance, tenant legal services, fair housing enforcement, tenant outreach and education, housing navigation services, homelessness prevention programs, affordable housing preservation efforts, and administrative costs necessary to implement and enforce any adopted ordinance.
- g. The potential for such algorithms to violate fair housing laws.
- h. Enforcement mechanisms, auditing procedures, penalties, and reporting requirements necessary to ensure transparency, accountability, and compliance with any adopted regulations.
- i. An analysis of current regulatory practices in other jurisdictions, including the City of Berkeley and West Hollywood's pertinent ordinances; the status of the Department of Justice lawsuit; RealPage's settlement with the State of Nevada,

and how these inform the report's recommendations.

Fiscal Impact Statement: Neither the CAO nor the CLA has completed a financial analysis of this report.

Community Impact Statement: None submitted

Summary:

On October 21, 2026, your Housing Committee considered an October 13, 2026 Motion (Hernandez – Padilla, et al.) relative to regulating algorithmic rent-setting and artificial intelligence technologies utilized by multifamily residential housing providers. According to the Motion, Artificial intelligence and algorithmic pricing technologies are increasingly used by multifamily housing providers for rental pricing, occupancy management, leasing decisions, and property operations. Recent federal enforcement actions and local government responses have raised concerns regarding the potential impacts of algorithmic rent-setting systems on housing affordability, market competition, and tenant stability. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the Motion recommendation as amended by Council District Six. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Housing Committee

COUNCILMEMBER	VOTE
PADILLA:	YES
JURADO:	YES
PARK:	YES

RM

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-NOT OFFICIAL UNTIL COUNCIL ACTS-