

ADMINISTRATIVE EXEMPTION, HOUSING COMMITTEE REPORT and ORDINANCE FIRST CONSIDERATION relative to amending the Los Angeles Municipal Code (LAMC) to increase the maximum tenant relocation benefits the General Manager, Los Angeles Housing and Community Investment Department (HCIDLA), is authorized to pay.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. FIND that this action is exempt from the provisions of the California Environmental Quality Act (CEQA) under Article 18, Section 15060 (c)(2) of the State CEQA Guidelines, and Article II, Section 2(m) of the City CEQA Guidelines.
2. PRESENT and ADOPT the accompanying ORDINANCE amending Subsection D of Section 163.03 of Article 3 of Chapter XVI of the LAMC to increase the amount of tenant relocation benefits the General Manager, HCIDLA, is authorized to pay from \$50,000.00 to \$100,000.00 per property.

Fiscal Impact Statement: None submitted by the City Attorney. Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

SUMMARY

At a regular meeting held on October 9, 2013, the Housing Committee considered a City Attorney report and Ordinance dated July 26, 2013 relative to amending the LAMC to increase the maximum tenant relocation benefits the General Manager, HCIDLA, is authorized to pay, from \$50,000 to \$100,000 per property.

Representatives of the HCIDLA and City Attorney appeared before the Committee to provide a brief overview of the Ordinance and respond to related questions. The City Attorney reported that when the City issues an order to vacate a property due to health and safety issues or unsafe conditions, and the property owner refuses to pay the tenant relocation benefits as required under the Rent Stabilization Ordinance, the HCIDLA can pay those relocation benefits to the tenants. Currently, the HCIDLA can provide a \$50,000 maximum in relocation benefits per property without requiring Council approval, however the proposed Ordinance would increase that maximum to \$100,000 per property. Tenant relocation benefits have increased since the \$50,000 maximum was established and can run as high as \$18,000 per unit.

The representative of the HCIDLA noted that the annual amount of \$500,000 is allocated annually for tenant relocation benefits. Typically the HCIDLA deals with relocations of up to 6 units at a property and assuming relocation benefits of roughly \$20,000 per unit, the HCIDLA could advance relocation benefits for approximately 5 units if the proposed Ordinance raising the maximum relocation benefits per property to \$100,000 is adopted.

During further discussion of this item, the Committee requested the HCIDLA to provide

information relative to: how many tenants are provided with relocation benefits per year, how many relocations occur per month, and what is the total amount of tenant relocation benefits paid out by the HCIDLA. Additionally, the Committee requested information on the percentage of relocation benefits advanced by the HCIDLA to tenants that are recovered from property owners through liens on their properties.

After providing an opportunity for public comment, the Committee recommended adoption of the Ordinance. This matter is now forwarded to Council for its consideration.

Respectfully Submitted,

HOUSING COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
CEDILLO:	YES
FUENTES:	YES
WESSON:	ABSENT
BUSCAINO:	ABSENT
PRICE:	YES

-NOT OFFICIAL UNTIL COUNCIL ACTS-