

Contact Information

Neighborhood Council: Downtown Los Angeles Neighborhood Council

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The Board approved this CIS by a vote of: Yea(15) Nay(2) Abstain(0) Ineligible(0)
Recusal(0)

Date of NC Board Action: 11/10/2015

Type of NC Board Action: For if Amended

Impact Information

Date: 11/20/2015

Update to a Previous Input: Yes

Directed To: City Council and Committees

Council File Number: 14-0268-S5

Agenda Date:

Item Number:

Summary: The Downtown Los Angeles Neighborhood Council shall submit a Community Impact Statement for Council Files 14-0268-S4, 14-0268-S5, and 15-0728, stating that DLANC supports these Council Files if amended to increase the City's stock of rent-controlled units; prohibit speculative rent increases for nonrent-controlled units; and define allowable rent increases for non-rent-controlled units



November 10, 2015

Council Files: 14-0268-S4
14-0268-S5
15-0728

Honorable City Council
c/o Office of the City Clerk
Los Angeles City Hall
200 North Spring Street, Room 395
Los Angeles, CA 90012

Dear Honorable Members,

The Downtown Los Angeles Neighborhood Council requests that the following Community Impact Statement be added to Council Files 14-0268-S4, 14-0268-S5, and 15-0728, regarding the City Council's review of the Rent Stabilization Ordinance and Ellis Act for potential amendments and other related actions to address the City's continued loss of rent-controlled units from the rental market.

COMMUNITY IMPACT STATEMENT

The Downtown Los Angeles Neighborhood Council ("DLANC") supports the City Council's efforts to increase tenant protections and to preserve the inventory of rent-controlled units within the City. Notably, however, absent from these council files is any effort to **increase the inventory** of rent-controlled units. The Rent Stabilization Ordinance ("RSO") applies to rental properties that were rented and built before 1978. Four decades later, with the inventory of rent-controlled units decreasing year after year, it is imperative that the stock of rent-controlled units be increased.

"[R]eal estate values in Los Angeles have been rising steadily at rates that have outstripped the rate of economic growth." *See* Motion for Council File 14-0268-S4. Indeed, numerous sources have identified Los Angeles as "the least affordable housing market in the United States." *Id.* As such, housing expenses now constitute a gross majority of a renter's income. Simply leaving the cost of housing to be set by "what the market will bear" will undoubtedly result in the loss of affordable housing stock, dislocating tenants, loss of diversity, and destruction of communities. In addition, allowing landlords to freely increase rents and rake in profits solely based on "market conditions," on the backs of renters, is simply unfair. Renters, who constitute the majority of the City's population, deserve more. Therefore, DLANC supports Council Files 14-0268-S4, 14-0268-S5, and 15-0728, if amended to:

- **Increase** the City's stock of rent-controlled units including workforce/middle-class housing by, for example:
 - Readjusting the RSO 1978 cap;
 - Investigating ways to challenge or change the Costa-Hawkins Act which is a barrier

- o to the expansion of rent-controlled housing;
- o Investigating ways to challenge use of the Ellis Act that results in loss of rent-controlled housing;
- o Exploring ways to adopt the concept of AB2222 which calls for density bonus projects to replace pre-existing affordable units on a one-to-one basis;);
- **Prohibit** speculative rent increases (*e.g.*, rent increases of 10% or more) for non-rent-controlled units; and
- **Define** allowable rent increases to enable renters to budget accordingly (*e.g.*, tie rent increases to rate of inflation) for non-rent-controlled units.

This Community Impact Statement is based on the action taken at the regularly scheduled Board of Directors meeting on November 10, 2015, when the Downtown Los Angeles Neighborhood Council adopted the following motion and directed that a Community Impact Statement be filed reflecting its position.

Motion: “The Community Impact Committee recommends that the Downtown Los Angeles Neighborhood Council submit a Community Impact Statement for Council Files 14-0268-S4, 14-0268-S5, and 15-0728, stating that DLANC supports these Council Files if amended to increase the City’s stock of rent-controlled units; prohibit speculative rent increases for non-rent-controlled units; and define allowable rent increases for non-rent-controlled units.”

Sincerely,



Patricia Berman
DLANC President

Sincerely,



Eric R. Garcia
DLANC Community Impact Committee Chair