

**Council File Number: 20-0407**

**Comments for Public Posting:**

It's appalling that the City Attorney would write a proposal to prohibit RSO rent increases for a whole year following the expiration of City local emergency period. Especially when in January, HCIDLA raised the fees of the Rent Stabilization Ordinance Program. And, in practice, if RSO landlord does not pay the fee by due date, then HCIDLA charges the regular fee plus a delinquent fee of 175% (of original fee). For example, this year fee had a due date of March 2, 2020. The (combined RSO and SCEP) program bill was \$246.21, and if landlord were to pay after the due date, landlord would owe the Department \$680.52. This 175% delinquent fee is abuse. This Revenue goes to the Rent Stabilization Trust Fund. Last year, such Trust Fund generated \$10.1 million. In FY 2019-2020, the proposed budget for the City Attorney and the City Administrative Officer show to have received 5-to-6-digit-dollar amounts from the Rent Stabilization Trust Fund to supplement, along with other special accounts, Offices' allocations from the General Fund. Imagine, when RSO landlords are bargaining with handymen trying to get good deals for emergency rental repairs, and they were to miss the March 2, due date of the RSO bill? In addition, RSO Landlords pay into the Systematic Code Enforcement Fee Fund, from where again 5-to-6-digit-dollar amounts are automatically released to pay for HCIDLA's services from the City Attorney, the CAO and the City Controller. Now, that the RSO fees have been paid, and funds sent to those departments for services, and the RSO units are on the rental market, landlords cannot get their annual increases? This was a cheap trick. Many RSO landlords, prior to the COVID-19 stay-at-home period, were able to apply the 4% rent increases, yet another portion of RSO landlords are being prevented from the meager increase. RSO rents are far below the market rate. RSO properties are diminishing, why is the city trying to speed the trend? In addition, RSO landlords pay property taxes, which in turn contribute to the most stable and largest source of income of the City, the General Fund. According to city records, last year, 99% of L.A. City Council's allocations came from the general fund. Many tenants do not object to a rental increase; they acknowledge that RSO mom-and-pop rentals are still affordable; while others who were suspended from their jobs temporarily, their landlord will excuse them. Landlords and the City should work together because there are already far too many RSO vacant houses in our communities where the Ellis Act was applied. Many tenants had to vacate property. Once habitable houses, now sit abandoned awaiting redevelopment that no one would be able to afford. And once built, again, they will sit vacant like all the other giant buildings around the City. I urge the City Council to vote No on item 1 on your agenda (Council File No. 20-0407), and allow the rent increase for rental units subject to the RSO, to start May 1, 2020. Let the landlords decide to which tenants they will provide relief from rent increases.