

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, in the last three years, the number of units taken off the Los Angeles rental housing market via Ellis Act evictions has risen steadily, involving hundreds of units in 2015; and

WHEREAS, under the City's Rent Stabilization Ordinance the tenants evicted from Rent Stabilized units are to receive relocation assistance to help them pay for moving costs and find new housing; and

WHEREAS, there are also certain circumstances in which tenants evicted from non-Rent Stabilized units also are eligible to receive relocation assistance; and

WHEREAS, under California state tax codes, only moving expenses associated with a narrow range of work-related purposes are tax deductible, while no other types of general relocation assistance qualify; and

WHEREAS, depending upon a dislocated tenant's tax bracket, California taxes alone can reduce the buying power of the relocation assistance by more than 10% and, in conjunction with federal tax rates, render it considerably less helpful in Los Angeles' low-vacancy, high-cost rental market; and

WHEREAS, making evicted tenants receiving relocation assistance eligible for a California income tax exemption would be of considerable benefit to those whose housing situation is disrupted by such a life-changing event; and

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution the City of Los Angeles hereby includes in its 2017-2018 State Legislative Program SPONSORSHIP and/or SUPPORT of legislation that would amend the California Revenue and Taxation Code to include a tax exemption for any housing tenant receiving relocation assistance as a result of a lawful eviction or relocation undertaken for any reason, including a voluntary lease buyout.

PRESENTED BY: Paul Koretz  
PAUL KORETZ, Councilmember, Fifth District

SECONDED BY: [Signature]

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DEC 08 2017

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