

CLA MEMORANDUM

DATE: September 19, 2019

TO: Rules, Elections, and Intergovernmental Relations Committee

FROM: Sharon M. Tso 
Chief Legislative Analyst

Council File No. 19-0002-S139
Assignment No. 19-08-0811

SUBJECT: Resolution to Support AB 724 (Wicks) Rental property data registry.

CLA RECOMMENDATION:

Adopt Resolution (Ryu-Bonin) to include in the 2019-2020 State Legislative Program SUPPORT of AB 724 (Wicks), which would require the California Department of Housing and Community Development to develop a rental registry online portal, which would be designed to receive specified information from landlords regarding their residential tenancies and to disseminate this information to the general public.

SUMMARY:

Resolution (Ryu-Bonin) states that there is a need to ensure that current residential information is available for the City to analyze and shape policy that would improve access to affordable housing.

The Resolution states that AB 724 (Wicks) would require the Department of Housing and Community Development to create a rental registry portal, which would be designed to receive specified information from landlords on their rental units and to disseminate the information to the general public. In addition, the Resolution states that AB 724 would collect data by address per unit, on the owner entity, unit square footage, number of bedrooms, actual rent amount, utility cost, length of occupancy, number of tenants that have been evicted or displaced in each unit due to building renovation, number of units vacant and length of unit vacancy, and other factors.

The Resolution claims that this public data could facilitate critical insight into the housing rental market, including accurate rental costs and rates of eviction and displacement, and that this residential information would be essential to the City as it formulates new strategies to preserve affordable housing and develops services to minimize displacement. Therefore the Resolution recommends support for AB 724 (Wicks).

BACKGROUND:

The State of California has six of the fifteen most-expensive large metropolitan rental markets in the United States, one of which is the City of Los Angeles. Since the year 2015, rents in these cities have risen anywhere from 25 to 50 percent. The State Legislature and the governor have allocated significant resources and passed policies aimed at alleviating the housing crisis. Author of AB 724, Buffy Wicks, argues that to build upon those commitments, the state must develop a data-driven system to track how the housing crisis is actually affecting rental trends and residents.

AB 724 (Wicks) would create a state rental registry to collect information about rental properties in the state. Currently, some rental data is available through online sources such as Zillow, but there is no comprehensive source of data on rental properties to inform state policy. AB 724 would require landlord's to register with the Department of Housing and Community Development (HCD) each year and report data, including, the properties they own and rent, the number of units in the properties, the amount of rent collected, whether rents have been increased in the last 12 months. If a landlord fails to report the data each year registering their properties, HCD would be able to charge a \$50 penalty on each unit not reported.

Supporters of AB 724 state that the bill would help ensure the proper enforcement of local and state housing rules, enable the identification of fair housing and other issues, and provide valuable data to inform future efforts to address specific aspects of the housing affordability crisis. In addition they note that the housing affordability crisis cannot be effectively addressed if there is a lack data to provide an understanding around the extent of the problem.

The goals of AB 724 are aligned with efforts being made in the City of Los Angeles to make rental data more accessible and transparent. For example, Councilmember Mitch O'Farrell recently called on the City to explore ways to enhance HCID's database for affordable units and referral process to support individuals who may be at risk of losing their housing.

BILL STATUS

02/19/19	Read first time. To print.
02/20/19	From printer. May be heard in committee March 1.
03/21/19	Referred to Com. on HUM. S.
03/21/19	From committee chair, with author's amendments: Amend, and re-refer to Com. on HUM. S. Read second time and amended.
03/25/19	Re-referred to Com. on HUM. S.
03/27/19	Coauthors revised.
04/10/19	From committee: Do pass and re-refer to Com. on JUD. (Ayes 6. Noes 1.) (April 10). Re-referred to Com. on JUD.
04/11/19	From committee chair, with author's amendments: Amend, and re-refer to Com. on JUD. Read second time and amended.
04/22/19	Re-referred to Com. on JUD
04/24/19	From committee: Amend, and do pass as amended and re-refer to Com. on APPR. (Ayes 9. Noes 1.) (April 23).
04/25/19	Read second time and amended.
04/29/19	Re-referred to Com. on APPR.
05/08/19	In committee: Set, first hearing. Referred to APPR. suspense file.
05/16/19	In committee: Held under submission.



Anna Enger
Legislative Analyst

Attachment: Resolution

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 first have been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, there is a need to ensure that current residential information is available for the City to analyze and shape policy that would improve access to affordable housing; and

WHEREAS, AB 724 (Wicks) would require the Department of Housing and Community Development to create a rental registry online portal, which would be designed to receive specified information from landlords on their rental units and to disseminate this information to the general public; and

WHEREAS, AB 724 would collect data by address per unit, on the owner entity, unit square footage, number of bedrooms, actual rent amount, utility cost, length of occupancy, number of tenants that have been evicted or displaced in each unit due to building renovation, number of units vacant and length of unit vacancy, and other factors; and

WHEREAS, this public data could facilitate critical insight into the housing rental market, including accurate rental costs and rates of eviction and displacement; and

WHEREAS, this residential information would be essential to the City as it formulates new strategies to preserve affordable housing and develops services to minimize displacement;

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 2019-2020 State Legislative Program SUPPORT for AB 724 (Wicks) which would require the Department of Housing and Community Development to establish a rental registry online portal to collect information from landlords on their tenancies and make the information available to the public.

PRESENTED BY: David E. Ryu
DAVID E. RYU
Councilmember, 4th District

SECONDED BY MR

ORIGINAL

JUL 03 2019

DR