

Your Community Impact Statement has been successfully submitted to City Council and Committees.

If you have questions and/or concerns, please contact the Department of Neighborhood Empowerment at NCsupport@lacity.org.

This is an automated response, please do not reply to this email.

Contact Information

Neighborhood Council: East Hollywood Neighborhood Council (EHNC)

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The Board approved this CIS by a vote of: Yea(11) Nay(2) Abstain(1) Ineligible(0) Recusal(0)

Date of NC Board Action: 4/19/2021

Type of NC Board Action: For

Impact Information

Date: 04/21/2021

Update to a Previous Input: No

Directed To: City Council and Committees

Council File Number: 21-0183

Agenda Date:

Item Number:

Summary: The East Hollywood Neighborhood Council (EHNC) supports City efforts to freeze rents upon the expiration of affordability covenants. This would prevent displacement of some of the City's most vulnerable tenants and would further the original goals of the affordability covenant. Affordability covenants and similar restrictions ensure that rent remains below market rate. However, these covenants expire after a certain number of years, at which point rent may be set at market rate—a substantial increase, all at once, for affected tenants. Older affordability covenants tend to have shorter terms, many of which are expiring now or soon. The time to act is therefore as soon as possible.



The Honorable Members of the Los Angeles City Council
City Hall
200 N. Spring St.
Los Angeles, CA 90012

4/19/21

Re: Council File: 21-0183 - Rent Freeze / Residential Units / Expiring Affordability
Covenants / COVID-19 Pandemic / Health and Safety

Position: Support

Dear Councilmembers,

The East Hollywood Neighborhood Council (EHNC) supports City efforts to freeze rents upon the expiration of affordability covenants. This would prevent displacement of some of the City's most vulnerable tenants and would further the original goals of the affordability covenant.

Affordability covenants and similar restrictions ensure that rent remains below market rate. However, these covenants expire after a certain number of years, at which point rent may be set at market rate—a substantial increase, all at once, for affected tenants. Older affordability covenants tend to have shorter terms, many of which are expiring now or soon. The time to act is therefore as soon as possible.

The state capped exorbitant rent hikes in 2019, but exempted covenant/deed-restricted affordable housing upon its expiration. The City must explore and enact a measure to cover such situations, in order to keep tenants, many of whom are long-term residents, in their homes.

This policy is particularly necessary during the pandemic. As many Angelenos have lost jobs or had difficulty finding new employment, it is imperative to avoid huge rent spikes on top of that. However, the City should not condition its policy on whether the pandemic has affected a renter's ability to pay. The City should build on the work of the pandemic rent relief in this effort. The City should also look at ways to cap rent hikes

on expiring covenant units after the pandemic too. If state law bars such a policy in some situations, the City must push for reforms at the state level as well.

The EHNC urges the city to extend these affordable housing covenants and find stronger protections for these housing contracts to assure that we can maintain affordable housing within our city as many residents are geographically bound to our neighborhood, and will no longer have affordable options locally upon becoming displaced.

Sincerely, *Ninoska Suarez*

East Hollywood Neighborhood Council

CC:

Hon. Mitch O'Farrell Councilmember,
13th District Los Angeles
City Hall 200 N. Spring Street, Rm 480
Los Angeles, CA 90012

Hon. Nury Martinez City Council President
Councilmember, 6th District Los Angeles
City Hall 200 N Spring Street, Ste 470
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