

June 19, 2019

TO: Members of the Affordable Housing Commission (AHC)

FROM: Commissioner Larry Fondation

RE: Resolution Recommending UCLA Luskin Center for History & Policy Changes to RSO

A significant piece of the mission of the Affordable Housing Commission, and a central part of our strategy, is to help the City find ways to preserve affordable housing. Back in November 2018, California voters rejected Proposition 10, which would have allowed local municipalities more freedom to enact laws regarding affordable housing preservation in general, and rent control, or rent stabilization, in particular.

The defeat of Prop 10 does not mean the City has no options, however. The UCLA Luskin Center for History and Policy (LCHP) anticipated the possible defeat of Prop 10 and made some recommendations that do not require changes to Costa-Hawkins. Those suggested changes are delineated below:

**CHANGES TO THE EXISTING RENT STABILIZATION ORDINANCE AND OTHER CITY LAWS:**

- Amend the standard for annual rent increases from 100% of the change in CPI to approximately 70% of the change in CPI.
- Lower the floor for RSO rent increases. Currently rents may rise with the CPI, limited by a floor of 3% and a ceiling of 8%. The CPI has risen less than 3% many times since 1978 and, therefore, it may be appropriate to lower or eliminate the floor. (CPI has not exceeded 8% since the early 1980s). “People Are Simply Unable to Pay the Rent”
- Extend just-cause eviction protections to non-RSO units and enact laws that would provide tenants the “right to counsel” in eviction cases.

**PUBLIC ENGAGEMENT**

- Require landlords and tenants to sign property registration forms, as was done during World War II, so that tenants are aware of their rights.
- Conduct a public relations campaign that casts the crisis as a serious social and public health problem and provides information and resources to renters in need of affordable housing (such as the 1945 federal campaign that reminded citizens that “Rent Control PROTECTS YOU”).

Citation: “People Are Simply Unable to Pay the Rent” by LCHP

MOTION: That the AHC recommends to the Mayor and the City Council to enact into law and/or policy respectively the recommendations of the LCHP Report as quoted above.