

MOTION

The City of Los Angeles leadership has enacted a number of needed opportunities to streamline the production of housing during a critical juncture in the ongoing housing affordability and homelessness crisis within our City. These streamlining efforts include expediting permits and clearances for affordable housing, offering “on-menu” discretionary benefits, including density bonuses for the inclusion of affordable housing units with varying affordability levels. These efforts allow projects to undergo a ministerial approval process that exempts developers from discretionary reviews, public hearings, appeals, and the California Environmental Quality Act (CEQA), in contrast to the traditional Project Review and Zoning provisions outlined in Chapter 1 of the Municipal Code.

While it is critical for the City to leverage land use reforms and incentivize private development to increase the affordable housing stock, it cannot be at the expense of naturally occurring affordable homes currently occupied by long-term community members who, if displaced for new development, are unable to relocate within their community or afford to return when the development is complete. These streamlined review processes, coupled with the Ellis Act — a law allowing property owners to recover rental units subject to rent control for demolition or permanent removal from the rental market — have accelerated evictions and shortened the timeline for tenants to vacate their homes to accommodate projects that have taken advantage of streamlined processes. Although these projects offer affordable units, they are not accessible to many long-term residents because the units span between 80% - 120% of the area median income (AMI) range of affordability when between 30 and 50% of AMI is needed.

In Council District 1, plans are underway to replace two properties subject to the Rent Stabilization Ordinance (RSO) on Toland Way in Eagle Rock with an eight-story building housing over 100 units. These two properties contain 17 RSO units, housing approximately 45 tenants who are predominantly families, seniors, and disabled or sick residents that have resided in the neighborhood for several years. Many of these residents have expressed frustration and concern about how the situation unfolded. Most were unaware of the redevelopment plans until it was published by niche media outlets focused on development, leaving them with limited time and options to understand their rights and prepare for relocation. This, in part, was attributed to the swift approval process without discretionary review and the absence of public hearings and related notices.

RSO units play a crucial role in providing stability for communities as they safeguard tenants from exorbitant rent hikes and unjust evictions. Data from the Los Angeles Housing Department (LAHD) reveals that there are a total of 650,082 RSO units citywide, and 51,631 of those units are located in Council District 1 (CD 1). On average, the median rent for RSO units in CD 1 ranges between \$1,100 and \$1,500: Cypress Park (\$1,100), Lincoln Heights (\$1,113), Montecito Heights (\$1,300), Mount Washington (\$1,300), Glassell Park (\$1,315), Highland Park (\$1,357), and Eagle Rock (\$1,500) while market-rate units are being rented for approximately \$2,657 in North East Los Angeles. An analysis conducted by the Planning Department and Los Angeles Housing Department indicates that vacancy rates are the lowest in rent-stabilized and older housing units in comparison to new construction. This showcases the high demand for RSO units as their affordability allows low-income households, multi-generational family units, seniors, disabled residents, and immigrants to live in the City who might otherwise struggle with the Los Angeles housing market.



APR 19 2024

The possibility of eliminating RSO units due to permit and clearance streamlining efforts significantly impacts the housing stability of vulnerable communities. It exacerbates their risk of homelessness, especially as the relocation fees do not adequately cover skyrocketing market rate rent, nor do they equitably accommodate larger households. Similar to Toland Way, there are several scenarios unfolding across Los Angeles, with numerous RSO units being affected by streamlined projects. As projects continue through the expedited pipeline, there are many more cases of displacement expected to occur in the upcoming months, particularly in CD 1.

As the Council deliberates any policy surrounding the streamlining of affordable housing, it is imperative that the Council incorporates robust tenant protections and anti-displacement measures to ensure the expansion of housing without compromising the lives of lifelong community members. Until then, an interim control measure should be put in place to impose temporary regulations for streamlined, affordable housing projects. These measures will protect CD 1 constituents from displacement and homelessness until the implementation of proper regulations or the adoption of the appropriate land use controls are made.

I THEREFORE MOVE that the Council instruct the Planning Department, in consultation with the City Attorney, to immediately prepare and present an Interim Control Ordinance (ICO) within the geographical boundaries of Council District 1 to impose temporary regulations establishing a discretionary review process on the issuance of permits associated with any demolition, building, use of land, grading, and any other applicable permits for properties subject to the Rent Stabilization Ordinance containing five or more occupied residential dwelling units, or units that have been vacated as a result of the Ellis Act within the past five years for the new construction of housing projects that are subject to a ministerial approval process that does not provide an appropriate or adequate number of Extremely Low Income or Very Low Income affordable units within the ratio of the development size, scope and impact on current affordability or relocation assistance

I FURTHER MOVE that the ICO include an Urgency Clause, making it effective upon publication; and consistent with California Government Code §65858, the ICO shall run for 45 days, with a 10-month and 15 day extension by Council Resolution, and can be further extended for an additional 1 year, or until the adoption of the appropriate land use regulatory controls have been prepared by the Planning Department, adopted by the Council and become effective, whichever occurs first.

PRESENTED BY:



EUNISSES HERNANDEZ
Councilmember, 1st District

SECONDED BY:



ORIGINAL