

Communication from Public

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Council File No: 22-0178

Comments for Public Posting: Abundant Housing LA supports the motion dated 2/16/2022 in CF 22-0178. Please see the attached letter.



6/8/2022

The Honorable Nithya Raman and Paul Koretz
Los Angeles City Council
200 N. Spring Street
Los Angeles, CA 90012

Support – Tenant utility bill transparency – Council File 22-0178

Dear Councilmembers,

We write on behalf of Abundant Housing LA in support of the motion which was referred to the Housing Committee on February 16, 2022, in **Council File 22-0178**. The motion instructs the Los Angeles Housing Department and City Attorney to report back with recommendations for an ordinance that would require disclosure of the formula used to calculate tenants' utility bills in a Ratio Utility Billing System (RUBS), allow lower-income tenants to participate in programs to assist them with utility bills and hold landlords accountable for compliance with the ordinance.

Abundant Housing LA is a pro-housing, nonprofit advocacy organization working to help solve Southern California's housing crisis. We support reforms to legalize more homes, make homes easier to build, increase funding for affordable housing, and protect tenants, which are all needed to make housing more affordable, improve access to jobs and transit, promote greater environmental sustainability, and advance racial and economic equity. As a community organization, in order to maintain our independence, we do not accept financial support from housing developers or their consultants.

Many apartment buildings in Los Angeles lack submeters for each unit, which results in a situation where landlords must estimate each unit's share of utility costs such as electricity and water, using unit-specific data like floor area, number of occupants and number of plumbing fixtures. Landlords often contract with third parties to administer these RUBS arrangements and handle utility billing. However, tenants are often left in the dark as to how their utility bills are being calculated and whether those calculations are fair. The motion would change that by starting the process of preparing an ordinance to require tenants to be notified about the formulas by which their utility bills are calculated. It would include options for lower-income tenants to participate in utility programs that offer preferential rates based on financial need. It would also provide for a private right of action by tenants against landlords who violate (or whose contractors violate) the ordinance, along with a mediation option administered by the Los Angeles Housing Department. We recommend that the ordinance include clear and specific guidelines as to what constitutes an equitable calculation method, so that all parties understand which practices are acceptable.

In the long run, ensuring that utilities in each apartment home are individually metered would be the most equitable approach to utility billing. This approach also has environmental benefits because each tenant would have a financial incentive to conserve energy and water, to lower their bills. However, retrofitting older buildings with submeters entails costs and potential disruption to tenants. One solution could be to use some of the revenue generated by enforcement actions under the proposed ordinance to create a grant program to retrofit older buildings with submeters, with associated policies to ensure that tenants are protected during construction.

In the short run, tenants deserve to know how their utility bills are being calculated, and must have options to seek redress in situations where those calculations are unreasonable.

For these reasons, we are proud to support the motion, and we offer our thanks to you for bringing this important proposal forward.

Sincerely,

Leonora Camner

Leonora Camner
Executive Director
Abundant Housing LA

David J. Barboza

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Director of Policy and Research
Abundant Housing LA