

ORDINANCE NO. _____

An ordinance adding Section 165.09 to Article 5, Chapter XVI of the Los Angeles Municipal Code to require payment of specified relocation assistance to certain tenants when the tenant elects to relinquish their rental unit due to inability to pay rent increases as specified.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. Section 165.09 is added to Article 5, Chapter XVI of the Los Angeles Municipal Code to read as follows:

SEC. 165.09. RELOCATION ASSISTANCE FOR ECONOMIC DISPLACEMENT.

A. A landlord of residential real property subject to this article shall provide the relocation assistance specified in this section to a tenant who elects to relinquish their tenancy due to their inability to pay a proposed rental increase that exceeds the lesser of (1) the Consumer Price Index – All Urban Consumers, plus five percent, or (2) ten percent. For purposes of this subsection, the proposed rental increase, whether imposed as a single increase or payable periodically over a 12-month period, shall be calculated as a percentage of the rental amount paid by the tenant immediately prior to the proposed increase.

B. A landlord may offset a tenant's accumulated rent or other amounts due to the landlord against any relocation assistance payable under this section.

C. Except as otherwise provided in Paragraph D or E, the relocation assistance amount due under this section shall be three times the fair market rent in the Los Angeles Metro area for a rental unit of a similar size as established by the United States Department of Housing and Urban Development plus \$1,411 in moving costs. The Los Angeles Housing Department shall publish the required relocation amounts annually.

D. The relocation assistance amount due under this section from a landlord of a single-family residence shall be reduced to an amount equal to one month's rent (calculated at the rental amount payable by the tenant at the time of a written notice of a rent increase satisfying Section 165.09.A) if the owner meets both of the following criteria: (1) the owner is a natural person or a natural person who holds the rental property in a trust or registered legal entity controlled by that natural person; and (2) the owner, and all trusts and legal entities controlled by the owner, own a single-family dwelling unit and no more than four additional dwelling units in the City all of which are on a lot or lots separate from the single-family dwelling unit.

E. The landlord shall make any relocation payment due under this section on or before the 15th day following receipt of the tenant's written notice to the landlord electing to terminate their tenancy.

Sec. 2. **URGENCY CLAUSE.** The City Council finds and declares that this ordinance is required for the immediate protection of the public peace, health, and safety for the following reasons: the City of Los Angeles is in the midst of a homelessness crisis emergency and is just emerging from the devastating effects of COVID-19. Nearly 70 percent of the residents of Los Angeles are renters. More than half of the renters are rent burdened, are experiencing financial fragility, and are facing housing insecurity. The City Council, therefore, adopts this ordinance to become effective upon publication pursuant to Los Angeles City Charter Section 253.

Sec. 3. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

Approved as to Form and Legality

HYDEE FELDSTEIN SOTO, City Attorney

By  _____
ELAINE ZHONG
Deputy City Attorney

Date 1-23-2023

File Nos. _____

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The Clerk of the City of Los Angeles hereby certifies that the foregoing ordinance was passed by the Council of the City of Los Angeles, **by a vote of not less than three-fourths** of all its members.

CITY CLERK

MAYOR

Ordinance Passed _____

Approved _____