



# RSO HOUSING PROTECTIONS & INCENTIVES

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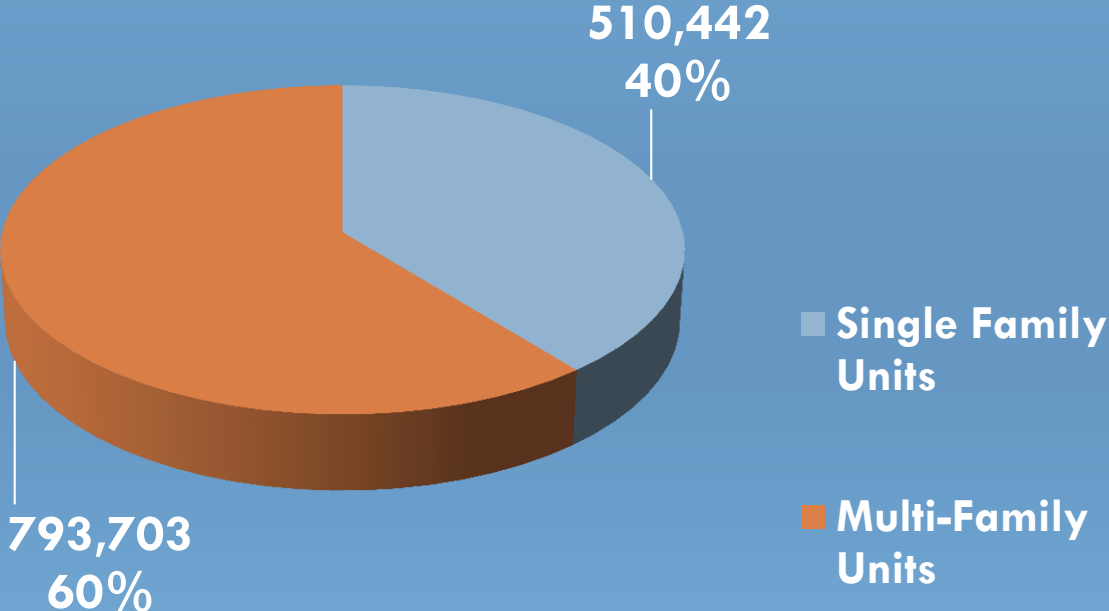
# Housing Inventory

- Los Angeles has 1,304,145 Housing Units

- There are 793,703 multi-family housing units and 510,442 single-family units

- Approximately 638,000 units are under the Rent Stabilization Ordinance

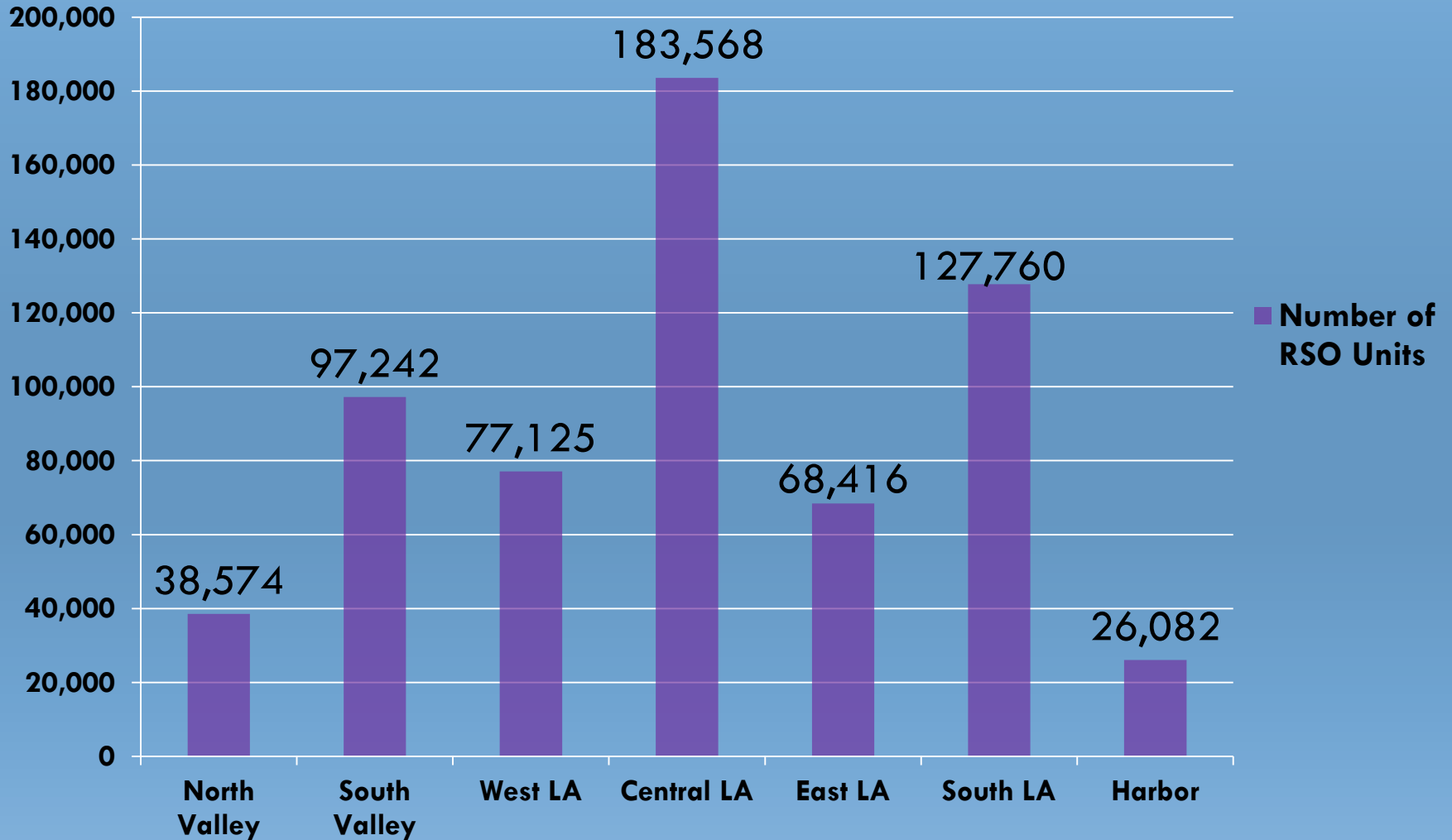
### Citywide Housing Units



# Distribution of RSO Properties by Number of Units



# Distribution of RSO Units by Location

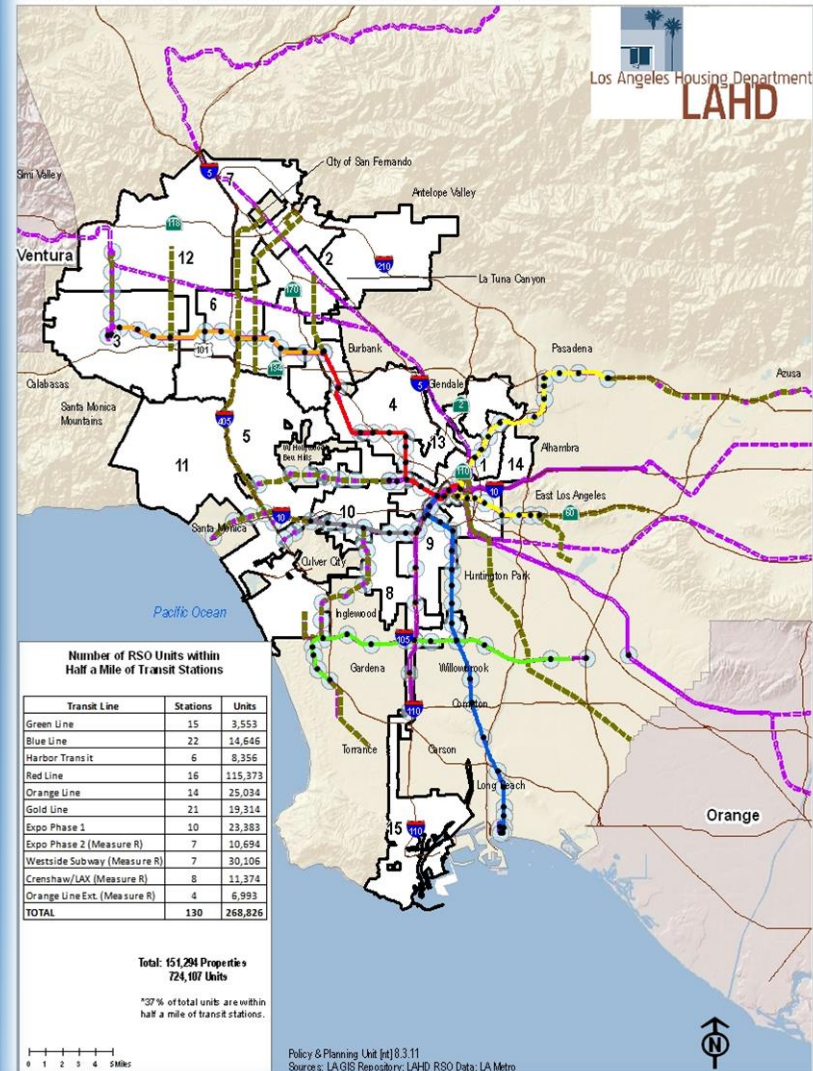


# RSO within 1/2 of a Transit Station

- 37% of the total RSO housing stock is located within 1/2 mile of a transit station

| Transit Line                 | RSO Units |
|------------------------------|-----------|
| Green Line                   | 3,553     |
| Blue Line                    | 14,646    |
| Harbor Transit               | 8,356     |
| Red Line                     | 115,373   |
| Orange Line                  | 25,034    |
| Gold Line                    | 19,314    |
| Expo Phase 1                 | 23,383    |
| Expo Phase 2 (Measure R)     | 10,694    |
| Westside Subway (Measure R)  | 30,106    |
| Crenshaw/LAX (Measure R)     | 11,374    |
| Orange Line Ext. (Measure R) | 6,993     |

METRO Rail Lines and Station Stops with RSO Properties



# RSO Protections: State Ellis Act

- The City of Los Angeles has implemented Ellis Act protections to deal with the loss of RSO rental units:
  1. Imposes liability and rent restrictions if the units are brought back into the rental market in less than five years (Ellis Act I -2006 – Ordinance 177901).
  2. Makes rent-stabilized units that are demolished and replaced with new rental units subject to the RSO after the initial rates are set at market level (Ellis Act II -2007– Ordinance 178848).

# What Happens When a Property is Ellised?

- The landlord voluntarily provides information to the City on the future plans/use for the property.

## NOTICE OF INTENT TO WITHDRAW UNITS FROM RENTAL HOUSING USE

|                          |                      |   |   |   |
|--------------------------|----------------------|---|---|---|
| <input type="checkbox"/> | <b>Demolished:</b>   | If so, what will be the future use?         | <input type="checkbox"/> New multi-family housing | <input type="checkbox"/> Condo or co-op units |
|                          |                      |   | <input type="checkbox"/> Single-family dwelling   | <input type="checkbox"/> Commercial use       |
|                          |                      |   | <input type="checkbox"/> Undecided at present     | <input type="checkbox"/> Other _____          |
| <input type="checkbox"/> | <b>Converted to:</b> | <input type="checkbox"/> Condominiums       | <input type="checkbox"/> Co-op ownership units    | <input type="checkbox"/> Non-residential use  |
| <input type="checkbox"/> | <b>Used for:</b>     | <input type="checkbox"/> Non-Rental Housing | <input type="checkbox"/> Storage/Home Office      | <input type="checkbox"/> Other _____          |

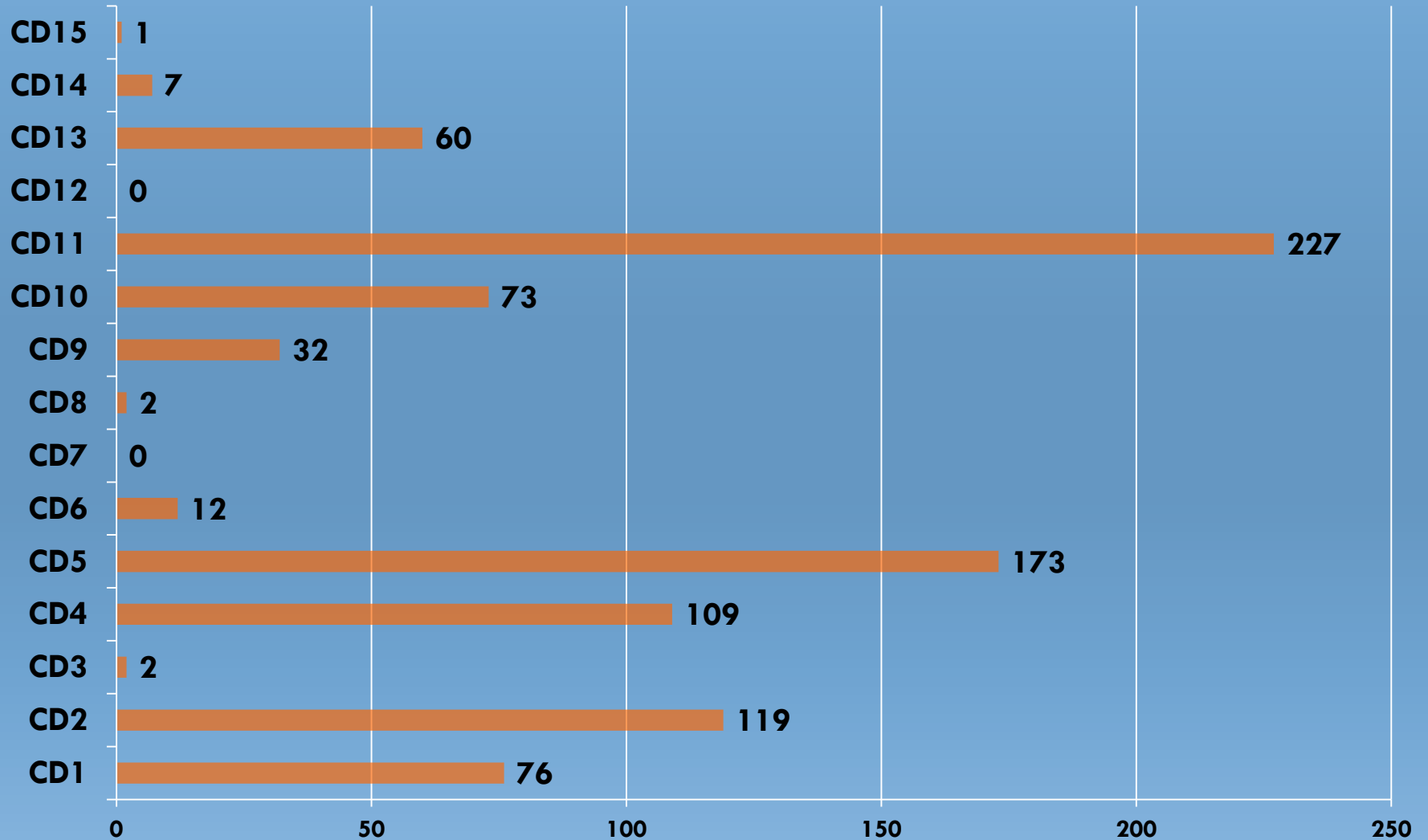
# ELLIS: SCENARIO

- A 20 unit RSO property is removed under the Ellis Act, and in less than 5 years, the owner builds 80 units on the site
  - Relocation Payment: \$152,000 – \$380,000
  - Relocation Service Fee: \$8,640 – \$13,860

| Requirements        | Retain RSO Status              | RSO Exemption                     |
|---------------------|--------------------------------|-----------------------------------|
| Restriction Type    | All New Units Subject to RSO   | 16 Units Restricted (20 % of New) |
| Rental Rate         | Initial Rent Set by the Market | Determined by HCID Annually       |
| Affordability Level | None                           | 80% AMI                           |
| Term of Restriction | RSO Applies Indefinitely       | 30 Year Covenant with HCID        |



# Ellis Units Removed by CD 2010-2013



# Incentives: Affordable Housing

- Land Use Concessions in exchange for affordable units:
  - **Density Bonuses:** allows more units to be built on a site than would otherwise be allowed by its zoning
  - **Parking Variances or Reductions:** permits fewer parking spaces than the existing zoning requirement
  - **Zone Changes:** that reclassify the land use of the property
  - **Conversion of units of illegal units to legal units**
  - **Mello Act**
  - **Greater Downtown Housing Incentive Ordinance**
  - **Specific Plans or Discretionary Determinations**

# Ellis Act Process Improvements

- ✓ Improving Demolition Data
- ✓ Improving Condo-Conversion Data
- ✓ Administrative Changes:
  - ✓ All RSO units vacant or occupied must be referred to HCIDLA
  - ✓ Referrals to HCIDLA for demolition & construction permits

# THANK YOU!

Website for the HCID and information on:  
Ellis Act Removals & Land Use Covenants

<http://lahd.lacity.org/lahdinternet/>

