

ORDINANCE NO. _____

An ordinance amending Section 165.10 of Article 5 of Chapter XVI of the Los Angeles Municipal Code to establish an annual Just Cause Enforcement Fee applicable to rental units subject to the Just Cause for Eviction Ordinance; amending Section 165.11 to establish a Just Cause Enforcement Fee Trust Fund; and adding Section 165.12 as a severability clause.

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

Sec. 1. Section 165.10 of Article 5 of Chapter XVI of the Los Angeles Municipal Code is amended to read as follows:

SEC. 165.10. JUST CAUSE ENFORCEMENT FEE

A. For each rental unit subject to this chapter, a landlord shall pay an annual registration fee of \$31.05 (the "Just Cause Enforcement Fee"). The Just Cause Enforcement Fee shall be due on the first day of January of each year and is deemed late if received after the last day of February. A landlord who fails to pay the Just Cause Enforcement Fee by the last day of February is deemed delinquent and shall pay a penalty in an amount determined by the Department at its sole discretion.

B. No landlord shall demand or accept rent for a rental unit subject to this chapter without first doing all of the following: (1) procuring a valid annual registration statement for the Department for the subject property by paying the Just Cause Enforcement Fee plus any penalty for late payment, if applicable; and (2) serving on the tenant a copy of the valid registration statement or posting a copy of the registration statement in a conspicuous place at the subject property.

C. If the Department, in its judgment, determines that good cause exists for a landlord's failure to timely pay the Just Cause Enforcement Fee in accordance with the provisions of this section, the Department may waive the penalties or fines required by this section. The Department may promulgate such rules and regulations as may be necessary to carry out the provisions of this section.

Sec. 2. Section 165.11 of Article 5 of Chapter XVI of the Los Angeles Municipal Code is amended to read as follows:

SEC. 165.11. CREATION AND ADMINISTRATION OF THE JUST CAUSE ENFORCEMENT FEE TRUST FUND.

A. There is hereby created and established in the Treasury of the City of Los Angeles a trust fund to be known as the "Just Cause Enforcement Fee Trust Fund," hereinafter referred in this Chapter as the "Fund."

B. The purpose of the Fund shall be for the collection and deposit of fees, fines, and penalties received from the implementation and administration of Article 5 of Chapter XVI of the Los Angeles Municipal Code.

C. Monies collected from fees and from fines and penalties shall be deposited into the Fund. The monies in this Fund shall be used to offset the costs of administering or processing those permits, certificates, or other forms or documents, or to defray the costs of enforcement required to be carried out by City agencies in the course of enforcing Article 5 of Chapter XVI, including, but not limited to, the costs of investigating tenant complaints, and fees for copies of reports and records related to the enforcement activity. The Fund shall be administered, and expenditures therefrom shall be authorized by the General Manager of the Department, or the designee thereof, in accordance with established City practice. There shall be no expenditure, transfer or other form of disbursement of monies from the Fund, or any authority provided or granted with respect thereto, except for purposes directly related to the administration and enforcement of Article 5 of Chapter XVI of this Code.

D. All interest or other earnings attributable to monies in the Fund shall be credited to the Fund.

E. Monies not expended from the Fund in any fiscal year shall not revert to the Reserve Fund, but shall remain in the Fund.

Sec. 3. Section 165.12 is added to Article 5 of Chapter XVI of the Los Angeles Municipal Code to read as follows:

SEC. 165.12. SEVERABILITY.


If any provision of this article is found to be unconstitutional or otherwise invalid by any court of competent jurisdiction, that invalidity shall not affect the remaining provisions of this article which can be implemented without the invalid provisions, and to this end, the provisions of this article are declared to be severable. The City Council hereby declares that it would have adopted this article and each provision thereof irrespective of whether any one or more provisions are found invalid, unconstitutional or otherwise unenforceable.

Sec. 4. 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 is currently experiencing a local homelessness emergency and suffering an acute shortage of affordable housing, with many tenants at risk of losing their housing without sufficient enforcement of the Just Cause for Eviction Ordinance's good faith eviction requirements. The Just Cause Enforcement Fee program needs to commence in January 2025 because funding for the enforcement of the JCO is needed as soon as possible to support tenant protections. The City of Los Angeles will suffer irreparable damage, including loss of life and property, from the displacement of tenants from evictions without just cause. In addition, evictions without just cause could place additional demands on already scarce emergency, interim and affordable housing inventory, resulting in public health and safety issues arising from increase to the population experiencing various forms of housing insecurity. The City Council, therefore, adopts this ordinance to become effective upon publication pursuant to Los Angeles City Charter Section 253.

Sec. 5. 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 
PETER WALFORD
Deputy City Attorney

Date December 2, 2024

File No. _____

"M:\Housing\LAHDIWalford\Ordinances\JCO fee ordinance\JCO fee ordinance.docx"

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 _____