



"Great Apartments Start Here!"

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Via Electronic Mail

Los Angeles County Board of Supervisors
Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Re: Hearing on County Code, Title 20 – Utilities Amendment for the Lennox Garbage Disposal District (agenda item 2)

Dear Board of Supervisors:

At the May 26th Board of Supervisor's meeting, Board Supervisors will consider adoption of an ordinance to allow for significant increases over the next five years to the annual garbage collection and disposal service fee through fiscal year (FY) 2024-25. The Apartment Association of Greater Los Angeles (AAGLA) is deeply concerned about and opposed to the proposed fee increases.

While no one would dispute the importance of refuse collection and disposal services, in light of the current COVID-19 pandemic and the associated adverse financial hardships being experienced by rental housing providers, homeowners and businesses countywide, the proposed price increases would serve to exacerbate an already challenging situation.

Over the last several months, the County has instituted rent control measures, eviction moratoriums allowing for the deferment of rent, the repayment of which may not be made for up to seventeen (17) months, and a rent increase freeze on rent stabilized units throughout the County's unincorporated areas through June 30, 2020, unless extended. The totality of these measures has detrimentally impacted the County's rental housing providers, drastically reducing much needed rental revenue used for varying financial obligations, including essential building maintenance and related services.

The current refuse collection and disposal service fee is \$279.00 annually per refuse unit. The proposed fee increases would be, as set forth below, plus a cost of living adjustment:

- \$349.00 per refuse unit in FY 2020-2021 (+25%)
- \$436.00 per refuse unit in FY 2021-2022 (+25%)

- \$493.00 per refuse unit in FY 2022-2023 (+13%)
- \$529.00 per refuse unit in FY 2023-2024 (+7%)
- \$545.00 per refuse unit in FY 2024-2025 (+3%)

The annual fee is applied to every real estate parcel and is assessed on the property tax bills. The amount of the fee would be calculated by multiplying the refuse unit fee by the number of refuse units assigned to the property. Based on the proposed fee increases in the first year alone, small rental housing providers with, for example, a building of five (5) units, would be charged an increase equal to a minimum of \$350.00, an amount that would continue to go up over the following four years. Moreover, if the real property is subject to the County's Rent Stabilization Ordinance (RSO), even a portion of that increase could not be passed through to the residents of the building who are directly benefiting from the services.

At a time when the County has imposed a rent increase freeze on rental housing providers, where is the equity in advancing fee increases of 25%, 13%, 7% and 3% over the next several years? Further, the recently published annual average CPI for the Los Angeles Area indicates that the CPI is at 0.7% which is the basis for permissible rent increases under the County's RSO. Due to the current situation, it is unlikely that the CPI will rise to levels that are remotely comparable to the fee increases being proposed. It is vital that all these factors be considered as the Board of Supervisors deliberates this matter.

Throughout the pandemic, the Association has continuously urged the Board of Supervisors to take a balanced approach and advance solutions that will minimize the foreseeable economic instability and aid in the essential economic rebound ahead. Accordingly, we urge the Board of Supervisors to reject the proposed fee increases and seek a more equitable solution that maintains the current fee, delays any fee increase over the next fiscal year and sets any future fee increase in alignment with the Consumer Price Index and permissible rent increases pursuant to the County's RSO, as well as provides owners' the ability to pass the fee through to renters.

Thank you for your time and consideration of the above concerns and recommendations as you discuss the proposed refuse collection and disposal service fees. If you have any questions, please call me at (213) 384-4131; Ext. 309 or contact me via electronic mail at danielle@aagla.org.

Very truly yours,

Danielle Leidner Peretz

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