

LOS ANGELES PROPOSED RENT INCREASE EXEMPTION PROGRAM: Protecting Older Adults and People with Disabilities from Homelessness

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About SAJE

SAJE (Strategic Actions for a Just Economy) is a 501c3 nonprofit organization in South Los Angeles that builds community power and leadership for economic justice. Founded in 1996, SAJE focuses on tenant rights, healthy housing, and equitable development. We believe that everyone, regardless of income or connections, should have a voice in creating the policies that shape our city, and that the fate of city neighborhoods should be decided by those who dwell there in a manner that is fair, replicable, and sustainable.

I.

EXECUTIVE SUMMARY

California is experiencing a dual housing and homelessness crisis. Older adults and people with disabilities are disproportionately impacted by this crisis. This disparity has an enormous human cost and grows more acute with each passing year, requiring our urgent response.

A recent report by University of California, San Francisco's Benioff Homelessness and Housing Initiative shows older adults are the fastest growing demographic experiencing homelessness in California.¹ Over half of the state's single adults experiencing homelessness are older than 50, a development the advocacy organization Justice in Aging refers to as "aging into homelessness."²

Aging into homelessness occurs when older adults' fixed incomes become inadequate to cover basic necessities, from housing to healthcare. Annual rent increases put older adults at especially high risk of aging into homelessness.³ Initially, older adult renters may be able to budget around growing rent burdens, such as by spending less money on food or transportation. But even in localities where rents are allowed to be raised by just a small percentage each year, many on fixed incomes eventually will be priced out of their homes. And, when renters cannot afford their rent, they are at risk of eviction and, eventually, of becoming unhoused.

Older adult renters are not the only group vulnerable to falling into homelessness because of fixed incomes and rising rent burden. According to the statewide Homelessness Data Integration System, 49% of California's estimated population experiencing homelessness have "disabling conditions."⁴ These conditions might include disabilities related to hearing, vision, cognition, ambulatory difficulties, or psychiatric illnesses, from psychotic spectrum to post-traumatic stress disorders. The sheer diversity of disabling conditions makes it especially hard for clinicians and policymakers to craft interventions to help people with disabilities experiencing homelessness.

1 "Towards Dignity: Understanding Older Adult Homelessness," Benioff Homelessness and Housing Initiative, University of California, San Francisco, May 2024, homelessness.ucsf.edu/resources/reports/toward-dignity-understanding-older-adult-homelessness.

2 Patti Prunhuber, "California's Older Low-Income Renters Continue to Be Squeezed by Housing Unaffordability and Face a Growing Threat of Aging into Homelessness," *Justice in Aging*, 12 March 2024, justiceinaging.org/california-older-renters-unaffordability-homelessness/#:~:text=Across%20California%2C%20in%20our%20cities,costs%2C%20and%20other%20basic%20needs.

3 Monica Saucedo, "Inadequate SSI/SSP Grants Leave Californians Unable to Afford Basic Needs," California Budget Center, January 2024, calbudgetcenter.org/resources/inadequate-ssi-ssp-grants-leave-californians-unable-to-afford-basic-needs/.

4 "Demographic Characteristics of People Experiencing Homelessness and Accessing California's Homelessness Response System," State of California Business, Consumer Services and Housing Agency, 2021–22, bcsh.ca.gov/calich/hdis.html.

Recognizing the role that even small rent increases play in creating housing instability for tenants on fixed incomes,⁵ this report makes a case for two related tenant protection policies in Los Angeles: a Rent Increase Exemption for Senior Renters (RIESR) and a Rent Increase Exemption for Disabled Renters (RIEDR). As we will show, these programs can be enacted at minimal net cost to Los Angeles City and County while providing significant social benefits.

RIESR and RIEDR would exempt qualifying tenants from Los Angeles' annual allowable rent increases. Landlords would receive subsidies to make up the rent increase amounts they would have received. Thus, RIESR and RIEDR would ensure landlords continue to earn income from annual allowable rent increases while making it easier for renters on fixed incomes to remain in their homes.

We have identified two potential approaches to funding RIESR and RIEDR. Local governments could implement this program via direct expenditure using funds from Measure ULA or Measure A. Or, following in the footsteps of New York's rent increase exemption program, the State of California could allow Los Angeles County to pursue a property tax abatement, with landlords claiming the difference between the tenant's frozen rent and the maximum allowable rent as a credit toward their property tax dues. We recommend a study and report back on other possible funding mechanisms, such as annual fees or tax incentives.

This report first looks at a rent increase exemption policy in New York, which, since the 1970s, has successfully protected older adult renters and renters with disabilities from housing-related economic hardships that often trigger homelessness. We then discuss how Los Angeles City and County might successfully adopt similar policies to help older adult renters and renters with disabilities. Finally, we provide a cost estimate for the program and discuss its many social benefits.

Funding RIESR and RIEDR promises to be a cost-effective way to prevent vulnerable community members from losing their homes. Indeed, on balance, the proposed rent increase exemption programs might even save the county and its cities money when weighed against the direct and indirect costs associated with shelter, public health, and other services for people experiencing homelessness.

⁵ See Nick Graetz, Carl Gershenson, Sonya R. Porter, Danielle H. Sandler, Emily Lemmerman, and Matthew Desmond, "The Impacts of Rent Burden and Eviction on Mortality in the United States, 2000–2019," *Social Science and Medicine* 340 (January 2024), [sciencedirect.com/science/article/pii/S0277953623007554](https://www.sciencedirect.com/science/article/pii/S0277953623007554); Eric Seymour, K. Arthur Endsley, and Rachel S. Franklin, "Differential Drivers of Rent Burden in Growing and Shrinking Cities," *Applied Geography* 125 (December 2020), [sciencedirect.com/science/article/pii/S0143622820301223?ref=cra_js_challenge&fr=RR-1](https://www.sciencedirect.com/science/article/pii/S0143622820301223?ref=cra_js_challenge&fr=RR-1); and Allison Charette, Chris Herbert, Andrew Jakabovics, Ellen Tracy Marya, and Daniel T. McCue, "Projecting Trends in Severely Cost-Burdened Renters: 2015–2025," *Joining Center for Housing Studies of Harvard University and Enterprise Community Partners* (2015), [wikisolver.com/wp-content/uploads/2015/09/Rent-Crisis-2015.pdf](https://www.wikisolver.com/wp-content/uploads/2015/09/Rent-Crisis-2015.pdf).

II. QUALITATIVE METHODOLOGY



This report is grounded in SAJE’s belief that public policies are most effective when shaped by the communities they aim to serve. Our approach was anchored in deep, early-stage engagement with tenants, advocates, and community stakeholders—particularly older adult renters and renters with disabilities. We designed this engagement to identify urgent lived realities, as well as structural gaps in existing protections, and to prioritize tenant-defined solutions.

SAJE Member and Tenant Leader Involvement

In 2018, aware that many of our older adult and disabled members were struggling to keep up with rent increases, SAJE reached out to Michael Grinthal, an organizer and tenant attorney in New York, to learn about that city’s approach to the problem. Using New York’s Senior Citizen Rent Increase Exemption (SCRIE) and Disabled Rent Increase Exemption (DRIE) as a foundation, we crafted a preliminary policy for Los Angeles, which we then proposed to our members as a campaign. SAJE members voted in favor of pursuing it, but due to capacity issues and shifting priorities during the COVID-19 pandemic, we tabled the idea.

In 2024, with Los Angeles in the throes of an affordable housing and homelessness crisis, we brought the proposal back to SAJE membership on March 6, after conducting two focus groups with members. A sustained dialogue among our base helped frame the needs of this policy and informed this report.

Focus Groups and Conversations

At the outset and end of our research, we convened two SAJE member focus groups to help test assumptions, refine policy ideas, and document the scope of hardships experienced by fixed-income renters. The first focus group, held on August 15, 2024, consisted of 15 members. The second focus group, held on October 3, 2024, consisted of 37 members. Common themes that emerged from both groups included anxiety and financial hardship related to rent increases, an increased risk of displacement, impacts on food and healthcare affordability, threats to family and community stability, and the need for clear and accessible application processes for assistive programs. Our members also highlighted the need for programmatic support regarding the proposed application process, including in-person application sites at community-based organizations as well as a help line for assistance processing applications.

We also conducted 17 one-on-one conversations with SAJE members who met the proposed policy criteria or who had insight into the administrative burdens tenants face when applying for public benefits. These conversations helped us understand the true impact of rent increases on fixed-income renters: having to choose between rent and everyday essentials like food and medicine, and the impacts on physical and mental health. As SAJE member Artemio, a tenant with a disability, shared, “I always try to, first and foremost, save my rent money. I don’t buy myself anything. I do the bare minimum for my health. Rent is my stressor.” Many SAJE members described not having anywhere or anyone to fall back on, and that they would likely have to live in their car or on the street if they became displaced. For Ruby, who is 91 years old, disabled, and lives alone on a fixed income, the rent in her neighborhood is too high for her to move from her current unit: “I live in an upstairs apartment with three flights of stairs. This makes it painful for me to come in and out, but I have to when I run errands or go to the doctor. I have tried looking for another apartment, but everything is too expensive, and I don’t have anywhere else to go.” The issues that impact fixed-income renters are far-ranging, but the probable outcomes are the same: displacement and homelessness.

Consultation with External Advocates and Experts

In order to deepen our understanding of a rent-exemption policy’s feasibility for Los Angeles, we consulted with data experts, local housing justice groups, tenant advocates, advocates for older adults, California-based disability rights advocates, and legal advocates. These conversations offered grounded perspectives on implementation, administrative hurdles, and how best to structure outreach and support for eligible tenants. Many emphasized the importance of language access, application support, and legal enforcement. California-based disability rights and older adult advocates emphasized the importance of accessibility, broad eligibility and verification standards, and minimizing administrative burdens for low-income applicants.

The SAJE research team also engaged with advocates and administrators in New York familiar with the SCRIE and DRIE programs. Their reflections helped contextualize the logistical, legal, and political landscape for implementation and enforcement.

III.

CHARTING THE GAP BETWEEN FIXED INCOMES AND HOUSING COSTS

California has long suffered from high housing costs, but rental prices have also risen dramatically over the past decade. In Los Angeles, median gross rents in 2023 amounted to \$1,875, compared to \$1,271 in 2015, as illustrated in Figure 1. This represents a 47.5% total increase, nearly 5% per year.⁶ Due to relocations at the end of the pandemic, median gross rent in the city increased by 10% between 2021 and 2023 alone.⁷

A nearly four-year eviction “moratorium” and temporary rent increase freeze for rent-stabilized units, enacted in response to the COVID-19 pandemic, shielded many Angelenos from these historic hikes. Nonetheless, the resumption of annual rent increases for rent-stabilized units by the Los Angeles City Council, along with the troubling increase of illegal rent increases, continue to threaten the financial security of low-income tenants.⁸

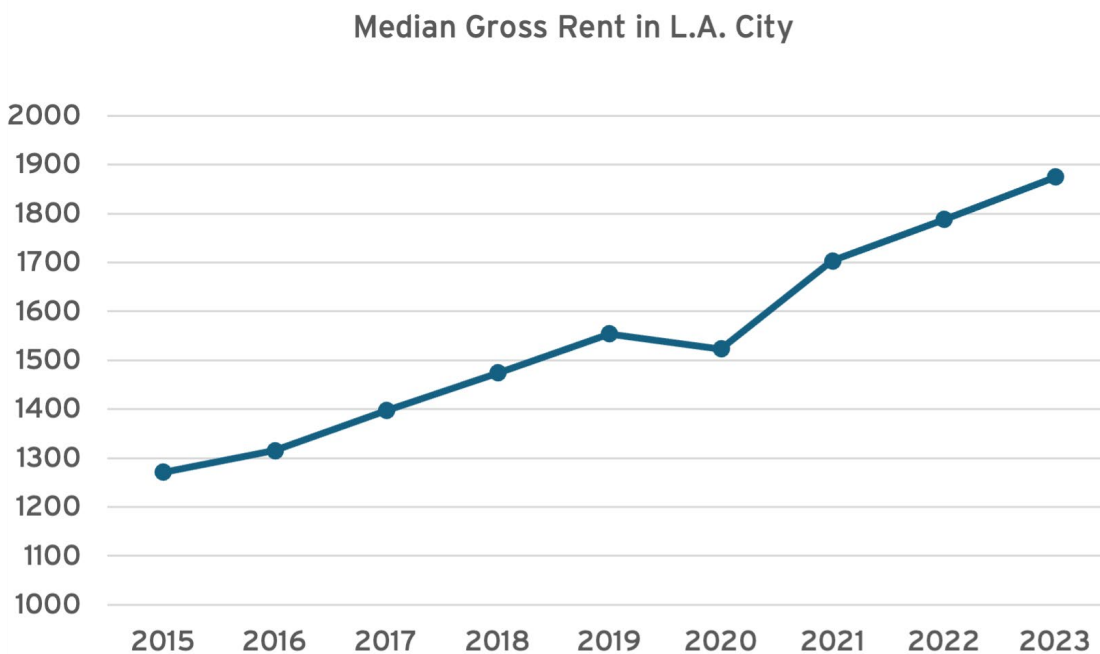


Figure 1: Median gross rent for all units in Los Angeles city (source: U.S. Census Bureau, ACS 5-year Estimates Data Profiles, Table DP04)

⁶ “Selected Housing Characteristics,” American Community Survey, ACS One- and Five-Year Estimates Data Profiles, Table DP04, 2023. U.S. Census Bureau data from 2020 is unavailable from ACS one-year estimates, so five-year estimates were used for this year only.

⁷ U.S. Census Bureau, U.S. Department of Commerce, “Selected Housing Characteristics,” American Community Survey, ACS 5-Year Estimates Data Profiles, Table DP04, 2023, data.census.gov/table/ACSDP1Y2023.DP04?q=DP04.

⁸ David Wagner, “Some L.A. Landlords Find ‘Gaping Loophole’ Around Rent Freeze to Impose Big Increases,” *LAist*, February 17, 2022, laist.com/news/housing-homelessness/la-pandemic-rent-hikes-evictions-koreatown; and “LA Banned Rent Hikes During the Pandemic, but Complaints are Higher Than Ever,” *LAist*, April 13, 2023, laist.com/news/housing-homelessness/rent-increase-los-angeles-city-covid-19-rent-freeze-pandemic-hike-ban-rent-control-complaints-housing-tenant-landlord.

Housing for tenants on fixed incomes is especially precarious in an environment of steeply rising rents. As SAJE member and older adult renter Maria Vargas shared, “I only have Social Security, and the rent increases every year. I worry that someday soon, with the rent so high, I won’t be able to pay my light bill or my gas, that I won’t have enough for medicine and groceries. I’m afraid I might end up with the other people on the street, living in my car. I am strong, but these worries are really hard for me.”⁹

Vargas’s experience reflects the reality of unaffordability faced by many older adults in Los Angeles. Since 2015, as the average asking rent has increased by 47.5%, Social Security cost-of-living adjustments have increased benefit payments by only 34%.¹⁰ The average Social Security benefit payment of \$1,976 barely covers the median monthly rent for a one-bedroom apartment, which is around \$1,879.¹¹ In this case, rent burden not only puts tenants at risk of displacement, but it also causes acute economic hardship, as older adults are forced to cut back on essential household budget items such as food, medicine, and transportation.

If not for the temporary rent freeze enacted in response to the COVID-19 pandemic under the Los Angeles Rent Stabilization Ordinance (LARSO), those living in rent-stabilized units would have paid 39% higher rents in 2024 than in 2015, outpacing the Social Security Administration’s annualized cost-of-living adjustments.¹² As Figure 2 shows, older adults and persons with disabilities are facing an increasing gap between their incomes and their rents, even if they live in rent-stabilized units.

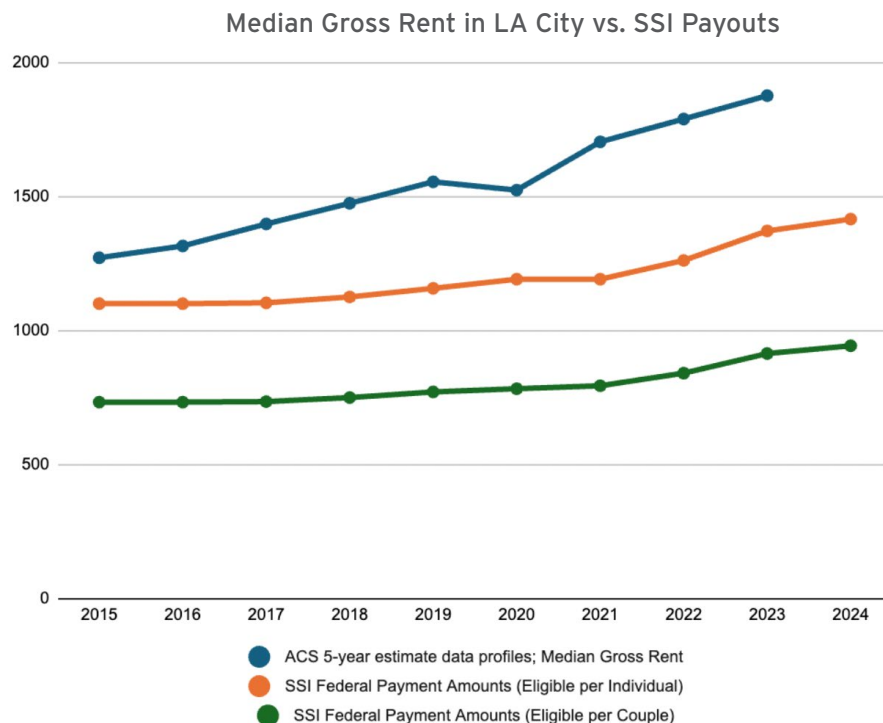


Figure 2: Median gross rent in the City of Los Angeles and Supplemental Security Income payment amounts (sources: U.S. Census Bureau, ACS five-year estimates data profiles, Table DP04; Social Security Administration)¹³

9 Interview with Maria Vargas, Los Angeles, August 14, 2024.

10 Social Security Administration, “Cost-of-Living Adjustments,” ssa.gov/oact/cola/colaseries.html, October 29, 2024.

11 Social Security Administration, “What Is the Average Monthly Benefit for a Retired Worker?,” January 2025, ssa.gov/faqs/en/questions/KA-01903.html. In January 2025, median rent for an apartment in Los Angeles was \$1,843 for a one-bedroom unit, and \$2,350 for a two bedroom unit. See “Los Angeles, CA Rental Market Trends,” January 10, 2025, apartmentlist.com/ca/los-angeles#rent-report, and Zoe Harper, “What’s the Average Rent in Los Angeles, CA?,” *Steadily*, January 10, 2025, steadily.com/blog/average-rent-los-angeles#:~:text=The%20median%20rent%20for%20a,Affordability%20Analysis.

12 Calculated from Shane Phillips, “Revisiting LA’s Rent Stabilization Ordinance and ‘Allowable Rent Increases,’” UCLA Lewis Center for Regional Policy Studies, 2019, lewis.ucla.edu/research/revisiting-la-rent-stabilization-ordinance-allowable-increases/; and Los Angeles Housing Department, “RSO Overview,” housing2.lacity.org/residents/rso-overview, retrieved October 29, 2024.

13 Social Security Administration, “SSI Federal Payment Amounts,” ssa.gov/oact/cola/SSIAMts.html, retrieved January 22, 2025.



As we met with renters, we often heard about the sacrifices they make to ensure rent is paid on time. SAJE member Betty Rivera is 74 years old, has serious health issues, and lives with her sister in a one bedroom, rent-regulated apartment in Los Angeles. She described how she is at risk of aging into homelessness:

With the income that I earn working in a school with special education children, I support my sister, my three grandchildren, and my daughter who has a job but only works one or two days a week. The money that I earn is not enough to cover all of our needs.

Because of how high the rent is now, we have had to make many sacrifices and we are barely surviving. I suffer from diabetes and high blood pressure, and before I tried to have a more healthy diet. I used to go to Costco and buy fish, but now I don't have the money, and many times my meals are only two tortillas with cheese. We used to eat a lot of eggs, but now the price is in the clouds. Everything I buy for the kids—toys and clothes—comes from the 99 Cents or Ross store, nothing brand name. We also can't go out anymore because we don't have enough money to eat outside the house or even think about paying for entertainment.

I am embarrassed to admit it, but lately, with the high costs and high rent, I have had to pawn some earrings and bracelets to make it to the end of the month. These were very special things of sentimental value to me. Some I received a few years ago for Mother's Day, others were from my son, who passed away. Now I owe more than a thousand dollars to the pawn shop by the end of the month...with the high rent, there was no other choice. I don't have anything left to pawn.

The high rent and the possibility that the rent could go up even more, the fear that we might end up on the street, gives me a lot of anxiety and stress. My sugar and blood pressure are rising. It's making me sick.

IV.

CASE STUDY: NEW YORK'S SCRIE AND DRIE POLICIES



Tenant protections offer a particularly effective set of tools for preventing homelessness among older adults and people with disabilities because of the enduring relationship between rental unaffordability and homelessness.¹⁴ New York developed a program called the Senior Citizen Rent Increase Exemption (SCRIE) in 1972 to support rent-burdened, older adult tenants with low incomes residing in rent-stabilized units. In 2005, the city created a linked, parallel program, the Disability Rent Increase Exemption (DRIE), for rent-stabilized tenants with disabilities and who have low incomes.¹⁵ Together, these programs have enabled tens of thousands of New York City tenants to remain in their homes, age in place, preserve access to their social support networks and health care providers, and avoid homelessness, maintaining the vitality and social capital of their communities.¹⁶

14 Alex Horowitz, Chase Hatchett, and Adam Staveski, “How Housing Costs Drive Homelessness,” The Pew Charitable Trusts, 22 August 2023, pewtrusts.org/en/research-and-analysis/articles/2023/08/22/how-housing-costs-drive-levels-of-homelessness.

15 NY AO5344, billtrack50.com/billdetail/1832087#:~:text=The%20bill%20increases%20the%20income%20limit%20to,reflect%20increases%20in%20the%20cost%20of%20living.

16 See “Report on the New York City Rent Freeze Program,” New York City Department of Finance, 2022, nyc.gov/assets/rentfreeze/downloads/pdf/2022-scrie_drie_report.pdf. See also “Annual Report: The SCRIE and DRIE Ombudspersons New York City Rent Freeze Program,” New York City Office of the Taxpayer Advocate, October 1, 2024, nyc.gov/assets/rentfreeze/downloads/pdf/rent-freeze-ombuds-annual-report-2024.pdf.

The way these programs work is to freeze the out-of-pocket rent of qualifying tenants at the amount effective when they first qualify. Provided that enrolled tenants continue to qualify for the programs, their rent may be frozen as long as they remain in their units. Landlords receive a property tax reduction or abatement equal to the rent increase amount they would have otherwise received from the tenants.¹⁷

Unlike other programs that function as rental subsidies, the SCRIE and DRIE programs intentionally impose minimal administrative burden on landlords and tenants. Landlords simply must provide the tenants with a valid, rent-stabilized lease renewal. Tenants periodically must recertify to keep receiving the benefit (typically every two years). Through SCRIE and DRIE, New York has achieved a balance that allows tenants to remain in their homes without any financial penalty for landlords.

SCRIE and DRIE Program Structures

In 2023, 61,260 of New York's more than two million renter households participated in SCRIE or DRIE (the majority were enrolled in SCRIE).¹⁸ According to 2020 data (the most recent available), the average age of SCRIE participants was 77, and of DRIE recipients, 62.¹⁹ The average size of SCRIE- and DRIE-eligible households was 1.5 people. The average number of years participants stayed in the program ranged from 7.2 to 9.6 years. As of 2022, the average monthly benefit for SCRIE was \$230 per household per month (median: \$169); for DRIE, the average monthly benefit was \$208 per household per month (median: \$172).²⁰

SCRIE and DRIE are administered by New York's Department of Finance because they are implemented as a property tax credit for property owners, equivalent to the revenue owners would otherwise have received from regulated rent increases. In other words, the credit is equal to the difference between the frozen rent amount that a qualifying tenant pays and the amount that they would have paid with the maximum permissible, scheduled increases.

To be eligible for SCRIE or DRIE, tenants must reside in rent-regulated units, be older adults (62+ years of age) or have a recognized disability (see SCRIE and DRIE Program Eligibility below), and have combined household incomes below \$50,000, with rents that are greater than or equal to one third of household income. From the tenants' perspective, rent does not increase, provided they continue to qualify for the benefit, for which they must recertify either annually or every other year (depending on whether they elect one- or two-year renewal leases under New York's rent guidelines).

¹⁷ Landlords or agents who do not comply with this mandatory program and, for instance, attempt to charge tenants for rent increases covered by the tax credit face misdemeanor criminal prosecution, including a fine of up to \$1,000 or imprisonment up to six months. Additionally, tenants can file overcharge complaints with New York State Homes and Community Renewal. See New York City Code §3-19 Senior Citizen Rent Increase Exemption Program, codelibrary.amlegal.com/codes/newyorkcity/latest/NYCrules/0-0-0-54279. Tenants may be able to field a complaint with the city's housing department and also have a cause of action under the city's tenant anti-harassment law.

¹⁸ "Annual Report: The SCRIE and DRIE Ombudspersons New York City Rent Freeze Program," New York City Office of the Taxpayer Advocate, October 1, 2024, nyc.gov/assets/rentfreeze/downloads/pdf/rent-freeze-ombuds-annual-report-2024.pdf.

¹⁹ "Annual Report: The SCRIE and DRIE Ombudspersons New York City Rent Freeze Program," New York City Office of the Taxpayer Advocate, October 1, 2024, nyc.gov/assets/rentfreeze/downloads/pdf/rent-freeze-ombuds-annual-report-2024.pdf.

²⁰ "2022 Report on the New York City Rent Freeze Program," New York City Department of Finance, Retrieved August 20, 2024, https://www.nyc.gov/assets/rentfreeze/downloads/pdf/2022-scrie_drie_report.pdf.

SCRIE and DRIE exist within New York's dual rent-regulation system: rent control and rent stabilization.²¹ Rent control covers tenants in pre-1947 buildings who have been living in their units continuously since 1971; only around 1% of units in the city have rent control. The much larger rent stabilization program applies to buildings with six or more units that were built pre-1974 and have not otherwise been decontrolled.²² Slightly fewer than half of the city's rental units (1,022,400 of 2,286,400 units) are rent-regulated (rent-stabilized or rent-controlled).²³ Roughly 6% of rent-regulated units are covered by SCRIE or DRIE.²⁴ Tenants can also receive SCRIE or DRIE if they live in certain other forms of cooperative or subsidized affordable housing. Tenants cannot receive SCRIE or DRIE if they live in public housing, have a subsidized housing voucher, such as Section 8, or receive public assistance through the city's Rental Assistance Program.²⁵

New York's rent-stabilization lease renewal increase amounts are adjusted periodically by a mayor-appointed Rent Guidelines Board. Prior to the passage of the Housing Stability and Tenant Protection Act (HSTPA) of 2019, in addition to lease renewals, the system permitted landlords to assess a "vacancy increase" between tenancies that was typically several times greater than the one- or two-year lease renewal increase amounts. This incentivized landlords to continually re-rent units rather than allow tenants to remain over long periods and pay regulated increases. The HSTPA ended the vacancy increase for rent-stabilized units.

In addition to annual and biannual lease renewal rent increases, New York has additional provisions for "major capital improvement" and "individual apartment improvement" increases that allow landlords to pass on to tenants the costs of approved maintenance and upgrade projects (new or renovated heating systems, roofs, facades, elevators, common areas, etc.) SCRIE and DRIE cover these pass-through costs as well as the lease renewal increases. Under the programs, landlords can raise the rent to the maximum legal level when a SCRIE/DRIE tenancy ends. In other words, they may charge the new tenant what they would have charged had their previous tenant not been in the SCRIE/DRIE program. Landlords no longer receive the tax abatement if new tenants do not qualify for the rent increase freeze.

Finally, New York's SCRIE and DRIE benefits have a degree of portability. If a tenant pays a frozen rent of a specific amount in one unit, and they move to another rent-regulated unit with an equal or higher rent, they may still qualify for the rent increase exemption. While the tenant's out-of-pocket rent payments would remain the same, the amount of the tax credit received by the landlord of the new unit would be based on the maximum allowable rent for the new unit,

21 New York State, via the Division of Housing and Community Renewal, regulates rents throughout the state; however, by a large margin, the greatest number of rent-regulated units in New York are in New York City, and the SCRIE and DRIE programs are administered by the New York City Department of Finance.

22 Emily Nonko, "Rent Control vs. Rent Stabilization in NYC, Explained," *Curbed NY*, January 3, 2020, ny.curbed.com/2017/8/28/16214506/nyc-apartments-housing-rent-control.

23 I. Parogni and M. Zaveri, "Understanding Rent Regulation in NYC," *The New York Times*, June 22, 2023. See also "Fast Facts about NYC Housing," New York City Tenant Protection Cabinet, nyc.gov/content/tenantprotection/pages/fast-facts-about-housing-in-nyc, retrieved January 24, 2025.

24 The most recent enrollment figure (2023) is 61,260 households. Dividing this figure by the estimate of the number of rent-regulated units yields a rounded 6%: $61,260 \div 1,022,400 = 0.0599178$. See "Annual Report: The SCRIE and DRIE Ombudspersons New York City Rent Freeze Program," New York City Office of the Taxpayer Advocate, October 1, 2024, nyc.gov/assets/rentfreeze/downloads/pdf/rent-freeze-ombuds-annual-report-2024.pdf.

25 Residence in these programs or receipt of these benefits would imply that the tenants are not rent-burdened, which is an eligibility criteria for SCRIE and DRIE.

based on the rent history of that unit, taking into account previous lease renewal amounts and rent increases based on individual apartment and building-wide improvements.²⁶ Provided tenants still meet all of the eligibility requirements, they may continue to enjoy a rent increase freeze without interruption, through an expedited “benefits transfer application.”

SCRIE and DRIE Program Eligibility

In order to qualify for SCRIE or DRIE, tenants must provide documents verifying their rent-regulated tenancy, their income, and their age or disability status.²⁷

- a. **Rent-Regulated Tenancy:** Documentation showing a current rent-controlled or rent-stabilized lease or official communication from the New York State Department of Housing and Community Renewal, which administers the city’s rent control and rent stabilization programs.
- b. **Income and Rent Burden:** Documentation showing that households have a combined, annual income of less than \$50,000 while paying more than one-third of their income on rent, including: IRS forms W-2 and 1040, Social Security benefits statements or verification letters, a disability/pension letter from the Department of Veterans Affairs (VA), or an explanation letter if the tenant receives family support or subleases a room in their apartment, among others. Tenants can deduct expenses like income taxes, Social Security taxes, union dues (withheld from wages), and child support payments.
- c. **Age:** Documentation verifying a tenant’s age for SCRIE includes one of the following: a birth certificate, passport, driver’s license, or other government-issued photo ID.
- d. **Disability:** Documentation verifying a tenant’s disability for DRIE includes one of the following: statement of verification letters for Social Security disability insurance, Supplemental Security Income, VA disability/pension, or certain disability pension or disability compensation benefits provided by the United States Postal Service or via Section 366 of the Social Services Law.

²⁶ Unlike in Los Angeles, where landlords of rent-regulated units may raise rent by any amount between tenants (vacancy decontrol), in New York, when a rent regulated tenancy ends, the landlord is limited to increasing the rent for the following tenant by the same amount they would have raised it by had there been no turnover to a new tenant.

²⁷ “Freeze Your Rent: A Guide for Tenants,” New York City Department of Finance, nyc.gov/assets/finance/downloads/pdf/brochures/scrie-driebrochure.pdf, retrieved January 25, 2025. See also “SCRIE/DRIE Application—Visual Guide to Documents,” New York City Department of Finance, nyc.gov/assets/finance/downloads/pdf/brochures/scrie-drie-vis-guide.pdf, retrieved January 25, 2025.

Renewal of Benefits

New York allows rent-regulated tenants to select a one- or two-year lease renewal. If tenants select the two-year option (as most who have frozen rents will), then their rent is frozen for the term of the lease. The New York Department of Finance sends enrollees renewal applications 60 days prior to the expiration of benefits.

SCRIE and DRIE renewals require tenants to provide a renewal lease (or submit a form indicating that none was provided), and list all household members and their incomes. If there are any new household members, tenants must submit income verification for them. If tenants have been in the SCRIE or DRIE programs for more than five years, they may use a short-form renewal application that only requires that they state whether the household income has risen by more than \$1,000 in the past year.

If tenants do not complete the renewal application, there is an automatic six-month “deemed renewal” grace period, during which they continue to receive the frozen rent. If at the end of the grace period it is determined that tenants, did not, in fact, qualify for renewal, then they must repay the difference between the rent they paid and the full amount that they owed outside of the rent freeze program.

Landlord Responsibilities

Landlords participating in SCRIE or DRIE must:

- a. Verify tenant and building information during the application process;
- b. Provide all necessary rental documents to tenants in a timely manner, including lease renewals and notices of increases related to major capital improvements or individual apartment improvements (a requirement for landlords of all rent-regulated units);
- c. Collect the correct amount of rent from the tenant (and not overcharge them);
- d. Monitor their Department of Finance SCRIE/DRIE Statement of Account each fiscal quarter to ensure their receipt of all the authorized tax credits;
- e. Advise the Department of Finance of any changes in rent, changes in building status, ownership, or management, and changes in tenant’s status due to a move or death;
- f. Register rent-stabilized units with the New York Department of Housing and Community Renewal (a requirement for landlords of all rent-regulated units);
- g. And report any suspected fraudulent claims.

SCRIE and DRIE eligibility is not contingent on a unit meeting habitability standards, but if landlords do not make requested repairs, tenants can make habitability complaints through New York's Housing Preservation and Development agency and existing programs targeting buildings in poor repair.

Scale and Uptake of SCRIE and DRIE

In 2019, there were 135,111 households in New York eligible for SCRIE or DRIE. That year, 55.9% of eligible households (75,515) ultimately enrolled in the program, which represented a 23% increase from 2014, when 61,319 households were enrolled. In 2014, Mayor Bill de Blasio signed into law an increase in the income cap for SCRIE and DRIE eligibility from \$29,000 to \$50,000.²⁸ The de Blasio administration also initiated a targeted public outreach campaign, which likely contributed to the increased enrollment.

During the COVID-19 pandemic, there was a 5.1% decline in enrollment, but SCRIE and DRIE nevertheless enrolled 71,665 households, 59,862 of which received SCRIE benefits (83.5 %) and 11,803 of which received DRIE benefits (16.5%).²⁹

We can compare the enrollment level for SCRIE and DRIE to that for Supplemental Nutrition Assistance Program (SNAP) benefits. In 2019, 55.9% of eligible households in New York enrolled in SCRIE or DRIE, while 91.4% of income-qualified New Yorkers enrolled in SNAP.³⁰ In 2019, national SNAP enrollment was 70.1% of eligible individuals. Similarly, in California CalFresh (SNAP) enrollment in 2018 was 71%³¹ of eligible individuals; in Los Angeles County it was 74%.³² (Note that Los Angeles County implemented a major effort to boost CalFresh enrollment, which succeeded in raising participation from 47% in 2010 to 74% in 2018.)³³

Implementation Challenges

According to housing advocates and SCRIE and DRIE program administrators, the main challenges with these programs relate to accessibility and administration. Accessibility is of particular concern given that the target demographic for the program consists of older adults and persons with disabilities and chronic health conditions—populations that are more likely than the general public to have difficulty or require accommodations when navigating applications, online portals, renewals, and appeals. Tenants who are older adults or persons

28 Report on the New York City Rent Freeze Program: Identifying and Enrolling Eligible Households,” New York City Department of Finance, 2014, nyc.gov/assets/rentfreeze/downloads/pdf/2014-scrie_drie_report.pdf.

29 See “Report on the New York City Rent Freeze Program,” New York City Department of Finance, 2022, nyc.gov/assets/rentfreeze/downloads/pdf/2022-scrie_drie_report.pdf; “Report on the New York City Rent Freeze Program,” New York City Department of Finance, 2014, nyc.gov/assets/rentfreeze/downloads/pdf/2014-scrie_drie_report.pdf; and “The SCRIE and DRIE Ombudspersons New York City Rent Freeze Program,” New York City Office of the Taxpayer Advocate, October 1, 2023, nyc.gov/assets/rentfreeze/downloads/pdf/rent-freeze-ombuds-annual-report-2023.pdf.

30 Hannah Karabatsos, Edith Kealey, and Kinsey Dinan, “A Snapshot of Enrollment and Participation in the Supplemental Nutrition Assistance Program in New York City,” New York City Department of Social Services, February 2024, nyc.gov/assets/hra/downloads/pdf/facts/snap/ SNAPParticipationNYC.pdf.

31 Caroline Danielson and Daniel Tan, “The CalFresh Food Assistance Program,” Public Policy Institute of California, December 19, 2024, ppic.org/publication/the-calfresh-food-assistance-program/.

32 Los Angeles County CalFresh Task Force, “Closing the SNAP GAP,” Los Angeles Regional Food Bank, 2020, thefoodtrust.org/wp-content/uploads/2022/07/report_closing-the-snap-gap_los-angeles_2020.original.pdf.

33 Los Angeles County CalFresh Task Force, “Closing the SNAP GAP,” Los Angeles Regional Food Bank, 2020, thefoodtrust.org/wp-content/uploads/2022/07/report_closing-the-snap-gap_los-angeles_2020.original.pdf.

with disabilities may have especially acute difficulty accessing the required application documents (Internal Revenue Service forms, benefits statements, etc.). Language access is also a critical concern in New York, as it would also be in Los Angeles.³⁴ Mom-and-pop landlords may also face their own language access barriers.

As of March 4, 2024, the New York City Department of Finance employed 27 workers to administer SCRIE and DRIE applications and was seeking to hire nine more. This was understood to be an inadequate staffing level resulting from staff vacancies from the prior year, leading to case-processing backloads. The Department of Finance assessed the target staffing level (36 workers) to be adequate.³⁵

The 2025 Annual Report on Tax Expenditures of the City of New York identifies \$139 million expended for SCRIE and \$30.5 million for DRIE.³⁶ Departmental estimates for FY 2026 list total projected expenditures for Property Exemptions Administration, Property Executive as \$23,276,468 for salaried and unsalaried employees.³⁷ It is more difficult to identify amounts the city expended on administration, indirect costs, and enrollment outreach and promotion for the programs. Indeed, our contacts at the New York City Department of Finance were unable to provide these precise numbers.

Despite outreach efforts, many tenants, particularly those facing language access challenges or residing in linguistically isolated communities, may remain unaware of the SCRIE and DRIE programs. All landlords of rent-regulated units in New York State receive some basic information about the programs from the state Department of Housing and Community Renewal, which administers rent regulation across all state municipalities. In New York City, once a landlord has a qualifying tenant, they receive comprehensive information about the program from the Department of Finance. After a tenant qualifies, landlords can access realtime information about their tax credits via the dedicated Landlord Express Access Portal website. While the New York State law establishing the SCRIE and DRIE programs requires that landlords provide rent-regulated tenants with program eligibility information at least annually,³⁸ many landlords do not provide such information.³⁹

When tenants qualify for SCRIE or DRIE, their landlords' participation is mandatory. In light of the significant expansion in tenant rights enacted with HSTPA, landlords who were previously supportive of the SCRIE and DRIE programs may now be less enthusiastic. HSTPA eliminated vacancy allowances for rent-stabilized units (which had been based on the length of the preceding tenancy), such that there is now no difference in rent increase between a lease renewal of a continuing tenancy and a vacancy lease of a new tenant. Eliminating vacancy

34 New York's language access law requires that official documents and printed communications be made available in the 12 most commonly spoken languages in the city. However, staff responding to telephone or in-person inquiries from the public may rely on a third-party telephone interpreter. In practice, these efforts and tools can be imperfect in their function.

35 New York City Department of Finance testimony to New York City Council, March 4, 2024, citymeetings.nyc/city-council/2024-03-04-1000-am-committee-on-finance/chapter/what-is-the-current-staffing-level-for-department-of-finance-employees-assigned-to-scrie-applications-and-is-it-sufficient.

36 "Annual Report on Tax Expenditures," New York City Department of Finance Tax Policy and Data Analytics Division, 2025, nyc.gov/assets/finance/downloads/pdf/reports/reports-tax-expenditure/ter_2025_final.pdf.

37 "Departmental Estimates: The City of New York Fiscal Year 2026," Mayor's Office of Management and Budget, 2025, nyc.gov/assets/omb/downloads/pdf/jan25/de1-25.pdf.

38 New York Real Property Tax Law (RPTL) § 467-b(3)(i)(2).

39 This anecdotally, according to our conversation with tenant legal services providers in New York.

allowances removed a financial incentive for landlords to displace long-term tenants to charge higher rents. (This incentive still exists in Los Angeles, where landlords can increase rent by any amount upon vacancy.) HSTPA may have removed incentives to evict, pressure, or harass tenants out, but it may have amplified landlords' broader hostility to the overall system of rent regulation.

Another factor that can complicate initial approval and renewal of SCRIE and DRIE is that many landlords are not timely in providing renewal leases or simply do not provide proper rent-stabilized initial or renewal leases. This documentation is required for tenants' initial approval or recertification for the rent increase exemption programs. Tenants who do not have a lease must file a separate form to verify their rent, creating an additional administrative burden for enrollees, many of whom are already challenged to complete the renewal application requirements. This may pose a barrier for some tenants to initial enrollment and to approval in the program.

Legal services providers and tenant advocates report that renewals are difficult, and that many qualified enrollees are dropped from the program because they are unable to overcome the bureaucratic hurdles posed by the recertification applications. Additionally, coordination could be stronger between the New York City Department of Finance and other city agencies that also serve tenants, older adults, and people with disabilities. The creation of the SCRIE and DRIE ombudsperson positions in 2015 was a response to these implementation-related difficulties; in 2024 alone, these city workers protected \$2,101,378 in benefits for eligible tenants.⁴⁰

There may also be some confusion about program enrollment also because SCRIE and DRIE are administered through the Department of Finance, which is not a traditional agency point of contact for tenants facing housing problems. Indeed, the ombudsperson reports that some tenants mistakenly send application materials to different city departments. Furthermore, the Department of Finance has not traditionally been organized as a frontline service provider for low-income New Yorkers and has had to build some of the relevant infrastructure and staffing.

Finally, enrollment in SCRIE and DRIE has not stopped landlords from filing evictions against enrolled tenants based on nonpayment of rent (for the tax-credited portion of their rents) in the city's housing courts. Even though suing the tenant in this scenario is improper or illegal, responsibility of having to go to housing court to respond to a nonpayment lawsuit can in itself constitute a practical and psychological hardship, particularly for low-income tenants who are older adults or people with disabilities.⁴¹ The experience of tenant organizers and advocates in New York and Los Angeles shows that, in some cases, tenants may experience duress and may unilaterally elect to move although they are not legally obliged to do so. This is especially the case when tenants receive a large number of notices, unlawful detainers, or

40 "The SCRIE and DRIE Ombudspersons New York City Rent Freeze Program," New York City Office of the Taxpayer Advocate, 1 October 2024, nyc.gov/assets/rentfreeze/downloads/pdf/rent-freeze-ombuds-annual-report-2024.pdf.

41 "Access to Justice Is Disability Access," Office of Access to Justice, U.S. Department of Justice, 2023, justice.gov/d9/2023-12/access_to_justice_is_disability_access_fact_sheet.pdf. See also Disability Rights California, Disability Voices United, Integrated Community Collaborative, and Stanford Intellectual and Developmental Disabilities Law and Policy Project, "Unfair Hearing Report," Stanford Law, 2021, law.stanford.edu/wp-content/uploads/2022/01/Unfair-Hearing-Report.pdf; and Karma Quick-Panwala and Michelle Uzeta, "Disability Access in California Courts," Disability Rights Education and Defense Fund, March 26, 2024, dredf.org/wp-content/uploads/2021/08/DREDF-Court-Access-Training-2.pptx.

other communications from their landlords. In extreme cases, organizers and advocates hear of landlords bringing spurious lawsuits which, even if the landlord does not prevail, can impel tenants to move, potentially abandoning a hard-to-come-by affordable rent and ending up in a more precarious economic situation.

Successes and Benefits

For the past five decades, SCRIE and DRIE have helped tens of thousands of rent-burdened older adult tenants and tenants with disabilities remain in their homes and communities. These programs support older adults “aging in place,” which has abundant psychosocial and physical health benefits and is much cheaper for individuals and their families—and public budgets—than institutional care. Manuel, a SAJE member who has been in his unit for 30 years, stressed the importance of aging in place: “I think that now, it would be very difficult to move, especially when we’ve lived there for 30 years. My job is here, my life is here, my children are here. We wouldn’t adapt to living anywhere else...It’s really tough, especially being older. It’s not convenient...I don’t see myself living anywhere else.”

SCRIE and DRIE have also prevented people from being displaced and likely becoming unhoused, avoiding the associated social and municipal budget impacts. Likewise, if eligible tenants are displaced, they may lose access to local healthcare providers, leading to adverse health outcomes.

Despite the potential for harassment, these programs may also improve relationships between landlords and eligible tenants, leading to landlords to support long-term tenants in a way that does not reduce their revenue and impact their ability to pay other costs associated with property ownership. SCRIE and DRIE shift the cost of helping vulnerable tenants away from individual property owners towards the wider community of taxpaying residents.

SCRIE and DRIE are also relatively inexpensive in relation to other homelessness prevention programs. In 2020, SCRIE’s total annual benefit across all enrolled households added to \$148.6 million, while DRIE’s added to \$29.46 million. These programs reach some 65,000 households.⁴² In contrast, in 2024–25, Los Angeles’ permanent supportive housing programs will invest \$146.8 million while only providing 1,460 new beds.

Because SCRIE and DRIE’s administrative burden is relatively small and because landlords are already interfacing with the New York City Department of Finance, landlords’ (and tenants’) participation in these programs should be relatively frictionless. Also, because participating landlords’ rent revenues decrease as a result of the rent increase freeze, their federal and state income taxes may slightly decrease.⁴³ This amplifies the value of the tax abatement effectively allowing landlords to increase their revenue without a corresponding tax penalty.

⁴² Calculated from “Report on the New York City Rent Freeze Program,” New York City Department of Finance, 2022, nyc.gov/assets/rent-freeze/downloads/pdf/2022-scrie_drie_report.pdf.”

⁴³ The precise amount of tax savings will depend on the tax bracket but will increase over time and with the number of units with frozen rent increases.

V.

LOS ANGELES PROPOSED RENT INCREASE EXEMPTION PROGRAM

As it has in New York, a rent increase exemption program for older adults and people with disabilities in Los Angeles would safeguard housing stability, prevent displacement, and combat the homelessness crisis. This report proposes two policies: a Rent Increase Exemption for Senior Renters (RIESR) and a Rent Increase Exemption for Disabled Renters (RIEDR). Looking at demographic and rental data across the Los Angeles area, we determined that these programs could be implemented in both the city and county with minimal cost through a rental subsidy.

Methodology

PROJECTED ENROLLMENT THROUGH 2040

To arrive at an estimate for the projected cost of RIESR in Los Angeles, we created a basic cost model, projecting programmatic growth 15 years into the future, with some simplifying assumptions, including:

1. **Zero Attrition:** Once enrolled, tenants remain in the program for the duration of their lives and continue residing in their current units.
2. **Static Population:** Los Angeles' current eligible population remains and future eligible populations do not move to a different (potentially ineligible) unit before they reach the age of eligibility. This means that the older adults population is assumed to be determined by the existing population of Angelenos aging into the program. While the city's population has been relatively static since the early 2000s (fluctuating between 3.7 and 4.0 million), there is normally movement in and out of the city.
3. **Landlords Maximize Rents:** In the absence of the proposed policy, landlords are assumed to apply the maximum allowable rent increases under the Los Angeles Rent Stabilization Ordinance (LARSO).
4. **Static Life Situation:** All renters under 62 years old who meet the income and housing criteria are assumed to be eligible for the program upon turning 62. The same applies to renters with disabilities.

For modeling the projected cost of RIEDR, we retain these assumptions with the exception of no. 2, "Static Population." Instead, we assume a 1% annual increase in the percentage of the population living with disability. This reflects a shared view among researchers that the proportion of the population living with disability is expected to increase moderately over time.

This allows us to arrive at a projected total eligible population for RIEDR/RIESR. We then produce three enrollment scenarios of 30%, 50%, and 70%. The rationale for these scenarios is discussed below.

With these assumptions, our model for RIESR and RIEDR estimates total cost as the difference between projected future average rent and the rent paid at the time of entry into the program, multiplied by 12 months (to arrive at total annual rental payments per tenant), multiplied by the population of each cohort entering the program annually.

This is summed for each year. Mathematically, this model is expressed as:

$$\text{projected future rent}_k = (1 + r)^k * \text{average rent}_i$$

and

$$\text{Total cost} = \sum_{i=0}^k \text{eligible population}_i * 12 * (\text{projected future average rent}_k - \text{average rent}_i)$$

where i represents the year of entry, k represents current year, and r represents the maximum allowable rent increase expressed as a decimal.

Data Collection and Methodology

To collect the population and current rent prices for older adults, we used IPUMS, a database that integrates data from censuses collected from 1790 to 2010 and from American Community Surveys (ACS) collected from 2000 to 2023. This resource includes data on housing stock, occupancy, and occupant characteristics that are collected from ACS one- and five-year estimates. It was used to identify the total target population as well as the monthly rent for the target population.⁴⁴

To estimate average rent using the IPUMS dataset, we introduced the filters for city (CITY = 3730 refers to the City of Los Angeles), ownership (OWNERSHIP = 2 refers to rented units), units in structure (UNITSSSTR code = 5-10 refers to multifamily units) and age of structure (BUILTYEAR2 code = 1-5 refers to the decade of construction being the four decades prior to 1980 and all decades before 1939.)⁴⁵ We approximated the units subject to rent stabilization by restricting the selection of units to those built in the decades before 1939, and those built in 1940–49, 1950–59, 1960–69, and 1970–79.⁴⁶ We estimated the eligible population from IPUMS data by including filters for median household income, owner/renter status, and age.

To estimate the cost of RIESR, we limited our sample to specific age categories. The population of renters in LARSO units (using our proxies) aged 62+ is included in our initial population. Those renters in LARSO units who are younger than 62 are assumed to age into the program.⁴⁷ We subtracted older adult renters who receive different forms of housing assistance, including those living in public housing and those receiving housing vouchers.⁴⁸

Estimating the number of people living with disabilities poses a different set of challenges. ACS data, for example, asks survey responders to state whether they experience difficulties in six different areas: hearing, vision, ambulatory, cognitive, self-care, and independent living. But self-identified surveys may bias the result upward or downward depending on the format of the survey and the operationalization of disability.⁴⁹

44 Nonetheless, there are slight differences between the actual target population (all older adults making 80% of median income in Los Angeles living in a LARSO unit) and the characteristics included in IPUMS. One key difference is that IPUMS does not itself indicate whether a particular dwelling unit is subject to LARSO. We thus had to estimate average rent using a different method.

45 The information in the parentheses refer to codes that the IPUMS database uses to categorize residential units. CITY reports the city in which the unit is located in a numerical format. OWNERSHIP reports whether the residence is owned or rented by its occupant. UNITSSSTR reports the number of housing units (both occupied and vacant) in the structure containing the household. BUILTYR2 reports the decade in which the structure was built.

46 This will tend to overestimate the number of eligible units slightly, since LARSO only applies to units built on or before October 1, 1978.

47 This assumption tends to produce an overestimate, since some of these older adults (for instance, married couples) may live together and be leaseholders on the same unit and therefore may not qualify twice for the same benefit.

48 We assume that all of those using Housing Choice Vouchers live in units covered under LARSO.

49 As of 2019, Los Angeles County had approximately 221,000 adults with disabilities. “Disability among Adults in Los Angeles County,” Los Angeles County Department of Public Health, September 2019, publichealth.lacounty.gov/ha/docs/2015LACHS/LA_Health_Briefs_2019/LA_HEALTH_DISABILITY_FINAL_PRINTED_19.pdf.

Because of this limitation, we used a proxy variable to estimate the eligible population for a RIEDR program. Rather than attempting to estimate the number of households with less than 80% of the median household income with at least one member with a disability, we used ACS 2018–22 surveys that identify households that have received SNAP benefits in the past 12 months with one or more persons with a disability. But because this estimate is disconnected from ACS estimates on housing situation (rent, age of building, ownership status), we scaled this population by the percent of households that live in a rent-stabilized unit (44%). We then used the average rent of an LARSO unit as base rent.⁵⁰

Using this data, we modeled different scenarios for the total cost across a range of maximum allowable rent increases and program enrollment rates. Under LARSO, maximum allowable rent increases are pegged to the Consumer Price Index in Los Angeles County, with a minimum of 3% and a maximum of 8%. It is rare that the annual increase in maximum allowable rent exceeds 5%. However, because of this lower bound and long periods of low inflation from 1993 to 2005 and from 2008 to 2018, maximum allowable rent increases have historically exceeded inflation, adding to the burden of rent on incomes.⁵¹

In reality, maximum allowable rent increases may vary from year to year, but because modeling these changes annually would be arbitrary, we take these rates to represent a range of average outcomes. Three percent represents a “low” scenario, 4% represents an average scenario, while 5% represents a “high” scenario.⁵²

Assumptions around mortality were incorporated into the model using the Center for Disease Control’s (CDC) National Center for Health Statistics national-level data. Those in the initial cohort were assigned a mortality rate of 4.5% per year. But since this includes groups of all ages, we would expect an overestimate of mortality in the early projected years and an underestimate in the later years. For each specific age group in the entering cohort, the CDC’s 2023 estimate of 2% per year was applied for those aged 65 to 74, and 4.5% was applied for those aged 75 to 84.

50 This will likely produce an underestimate, since we expect households that qualify for SNAP and include a household member with a disability to be more likely to rent than to own their home.

51 An exception was the City of Los Angeles’ prohibition of rent increases for LARSO units from March 30, 2020, to January 31, 2024, in response to the COVID-19 pandemic.

52 As of September 2024, most economists expect inflation to range between 2% and 3% over the next 10 years, so the “low” scenario can be assumed to be the one with the most likelihood. For example, see “Inflation Expectations,” Federal Reserve Bank of Cleveland, February 2025, clevelandfed.org/indicators-and-data/inflation-expectations.

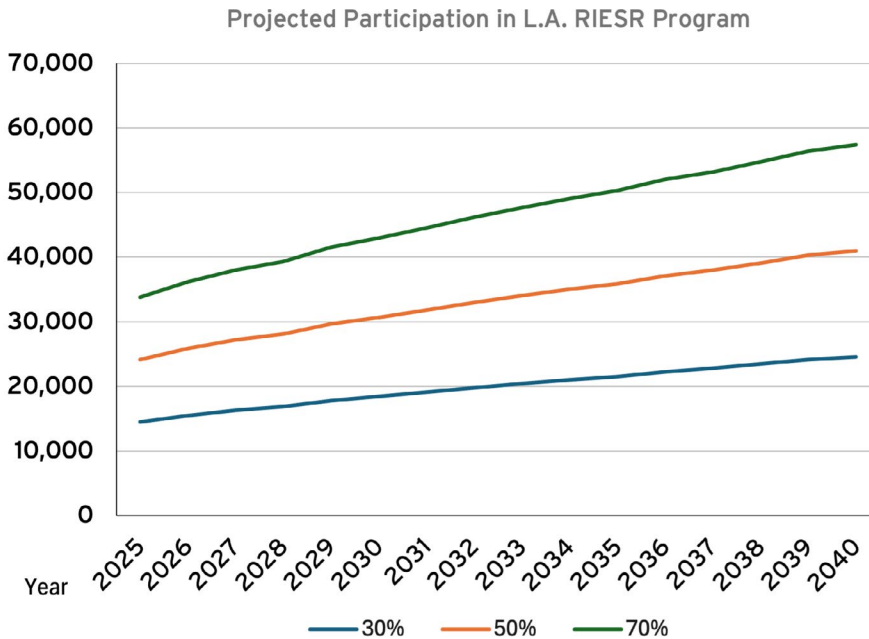
Estimating RIESR and RIEDR Costs, Eligibility, and Enrollment

RIESR Enrollment

According to our estimates, drawn from ACS data from 2019 to 2023 according to the methodology above, there are approximately 67,000 older adults (62+) making less than 80% median household income living in a multifamily unit built on or before 1979 in the City of Los Angeles.⁵³ This may include the approximately 23,000 who receive assistance from HACLA-administered housing vouchers and live in the city's public housing, which was built before 1955.⁵⁴ RIESR would immediately impact the estimated 44,286 older adult tenants who are not covered under these existing forms of assistance. We estimate between 3,000 and 4,000 tenants will become eligible for the RIESR program each year.

Based on the data and our assumptions, we expect the number of participants at full enrollment to begin at 48,000 (with 44,000 grandfathered into the program and 4,000 turning 62 and gaining eligibility during the year) in 2025, stabilizing at around 82,000 eligible participants by 2040. The different enrollment scenarios of 30%, 50%, and 70% enrollment are shown in Figure 4.

Figure 4: Projected number of participants in RIESR through 2040.



As Figure 4 suggests, the initial enrollments far exceed the additional enrollments for each subsequent year, since all older adults graduate into the program upon launch. Afterwards, the total eligible older adult population ranges between 3,000 and 4,000 new enrollments each year.

⁵³ Calculated by authors using IPUMS database, January 2025.

⁵⁴ See "2022 HACLA Fact Sheet," Housing Authority of the City of Los Angeles, 2022, hacla.org/sites/default/files/Documents/2022-hacla-fact-sheet-v4.pdf; and Ana Zamora, "2021 Statistics and Demographics Report," Housing Authority of the City of Los Angeles, 2021, hacla.org/sites/default/files/2020-04/PDFS/2021_statistics_and_demographics.pdf.

RIEDR Enrollment

There are around 240,000 Los Angeles residents under the age of 65 who live with a disability.⁵⁵ According to the 2020 U.S. Census, 73,691 of these residents live in households that qualify for SNAP benefits. Approximately 42% of Los Angeles residents live in a rent-stabilized unit.⁵⁶ Using this approximation, we expect the total number of eligible households in a RIEDR program will be approximately 32,400 in the first year of operation. With 1% annual growth in this population, we can expect the number of eligible households to reach 37,600 by 2040.

Projected Costs through 2040

We estimated costs through 2040, when the enrolled population begins to stabilize. To estimate costs, we project nine different scenarios for each program. These scenarios are combinations of percent enrollment (30%, 50%, and 70%) and maximum allowable rent increases (3%, 4%, and 5%). We note that as of November 2025, the Keep LA Housed coalition has an active proposal to limit maximum allowable rent increases in LARSO units to a maximum of 3%. This would bind the cost of this program to the amounts given in the far left column of each table. The enrollments are comparable to eligible enrollment rates for New York’s SCRIE and DRIE programs (~55%) and California’s public benefit programs (e.g., Medi-Cal and SNAP). In Tables 1a and 1b below, percent enrollment determines how many individuals the program will cover, while the “maximum allowable rent increase” changes the amount of rent per unit the program will cover for each household.

RIESR Cost per Year by 2040		Maximum allowable rent increase		
Enrollment of Seniors		3%	4%	5%
	30%	\$85,867,358.61	\$184,676,940.66	\$250,640,995.79
	50%	\$214,558,396.53	\$307,794,901.11	\$417,734,992.99
	70%	\$300,535,755.15	\$430,912,861.55	\$584,828,990.19

Table 1a: RIESR projected costs by 2040.

55 Ron Galperin, “L.A. Controller Audit on a More Accessible Los Angeles,” City of Los Angeles Office of the Controller, February 28, 2018, controller.lacity.gov/audits/a-more-accessible-los-angeles-audit-of-the-department-on-disability.
56 Kenneth Baar, Patrick Burns, Daniel Flaming, and Anthony W. Orlando, “Equitable Rent: Rent Stabilization Standards in the City of Los Angeles,” Economic Roundtable, September 2024, economicrt.org/wp-content/uploads/2024/09/Equitable-Rent-Economic-Roundtable-report-on-the-RSO-9-12-2024-compact.pdf, January 10, 2025.

RIEDR Cost per Year by 2040		Maximum allowable rent increase		
Enrollment of People with Disabilities		3%	4%	5%
	30%	\$10,832,460.72	\$15,638,224.50	\$21,189,525.50
	50%	\$18,054,101.20	\$26,063,707.50	\$28,252,700.67
	70%	\$25,275,741.68	\$36,489,190.50	\$49,442,226.18

Table 1b: RIEDR projected costs by 2040.

Property Tax Revenue Burden

New York’s SCRIE and DRIE programs are implemented at the state level but administered at the local level and are funded by property tax abatements assessed and collected at the county level or city level. In California, using a tax abatement mechanism requires state legislative change. RIEDR and RIESR in Los Angeles, as we propose them, would be a subsidy implemented and administered by the city and/or county.

In California, property taxes are the primary revenue source for city and local government administration, public schools, roads, and public safety. They comprise about one third of the General Fund revenue for the City of Los Angeles.⁵⁷ Because of California’s Proposition 13, which caps property taxes at 1% of initial assessed value and limits reassessment to changes in ownership, property tax revenues have historically been strained.⁵⁸ The good news is that the transfer from county property tax revenue, according to our estimates, is likely to be quite small, even under the most optimistic of enrollment scenarios.

In FY 2023–24, Los Angeles County collected over \$20 billion in property taxes, representing approximately one-third of all county revenue. Other revenue sources include business taxes (around 14% of all revenue), sales and utility users’ tax (around 12% each), and licenses, fees, permits, and fines. Property tax receipts have grown from \$8.4 billion since 2006, or about 141%. Receipts tend to rise rapidly during periods of economic expansion and stagnate or decline modestly during periods of recession, but between 2006 and 2024, receipts grew at an average of 5% per year.⁵⁹

57 “Revenue Forecast Report,” City Controller of Los Angeles, March 1, 2024, firebasestorage.googleapis.com/v0/b/lacontroller-2b7de.appspot.com/o/financial%20reports%2FController%20Revenue%20Forecast%20Report_FY24%2625_%20Final.pdf?alt=media&token=f33d-dc87-44f3-4d25-8091-66be3eb931ac.

58 Terry A. Sexton, Steven M. Sheffrin, and Arthur O’Sullivan, “Proposition 13: Unintended Effects and Feasible Reforms,” *National Tax Journal* 52, no. 1 (1999), 99–111.

59 “Revenue Allocation Summary, FY 2005–2025,” Auditor-Controller of Los Angeles County, auditor.lacounty.gov/revenue-allocation-summary/, retrieved October 14, 2024.

In March 2024, the City Controller of Los Angeles estimated property tax revenue would grow by 4.4% percent during FY 2024–25.⁶⁰ This estimate was made before the January 2025 fires in Altadena and Pacific Palisades, which the *Los Angeles Times* estimated in February 2025 to cost up to \$61 million per year in foregone revenue.⁶¹ A conservative estimate of 4% annualized growth in total county property tax revenues, in our scenarios, would result in the total burden of the program on property tax receipts ranging from 1.88% to 12.78% of total revenue. If Los Angeles County’s property values grow with their 20-year historical average of 5%, the cost of the program decreases to a range of 1.63% to 11.08% of total revenue.

Tables 2a and 2b below detail the cost of this program, providing the percent of foregone annual property tax revenue and its total dollar value.

Maximum allowable rent increase				
Enrollment of Seniors		3%	4%	5%
	30%	1.88% \$85.9M	4.04% \$184.7M	5.48% \$250.6M
	50%	4.69% \$214.7M	6.73% \$307.8M	9.13% \$417.7M
	70%	6.57% \$300.5M	9.42% \$430.9M	12.78% \$584.8M

Table 2a: Projected RIESR program cost by 2040 as a percentage of total property tax receipts, 4% annual revenue growth.

Maximum allowable rent increase				
Enrollment of People with Disabilities		3%	4%	5%
	30%	0.24% \$10.8M	0.34% \$15.6M	0.46% \$21.2M
	50%	0.39% \$18.1M	0.57% \$26.1M	0.62% \$28.3M
	70%	0.55% \$25.3M	0.80% \$36.5M	1.08% \$49.4M

Table 2b: Projected RIEDR program cost by 2040 as a percentage of total property tax receipts, 4% annual revenue growth.

60 “Revenue Forecast Report,” City Controller of Los Angeles, March 1, 2024, firebasestorage.googleapis.com/v0/b/lacontroller-2b7de.appspot.com/o/financial%20reports%2FController%20Revenue%20Forecast%20Report_FY24%2625_%20Final.pdf?alt=media&token=f33ddc87-44f3-4d25-8091-66be3eb931ac.

61 Doug Smith and Sandhya Kambhampati, “Real Estate Losses from Fires May Top \$30 Billion, from Old Mobile Homes to \$23-Million Mansions,” *Los Angeles Times*, February 21, 2025, latimes.com/california/story/2025-02-21/real-estate-losses-from-palisades-and-eaton-fires-top-30-billion.

California State-Level Legal Limitations

California's Proposition 13 restricts changes to property tax assessment including by local and municipal governments. Without action at the state level, possibly amending the state constitution, Los Angeles County might not be able to enact a program similar to SCRIE/DRIE that directly offsets the rent increases with equivalent property tax abatements. If it is unable to overcome state-level legal limitations, Los Angeles must examine other possible funding sources, such as business income tax reduction, discounts from landlord fees,⁶² or direct payments or subsidies to landlords.

Social Benefits of RIESR and RIEDR

While it is possible to estimate the material costs of RIESR and RIEDR in Los Angeles, it is not possible to do the same for its social benefits. What we do know, however, is that these programs could help the city and surrounding jurisdictions save money related to emergency shelters, housing programs, healthcare, and affordable housing preservation costs. We selected these domains for cost saving because they were highlighted in a cost-benefit study of a Tenant Right to Counsel program for tenants facing eviction in the City of Los Angeles by the consulting firm Stout Risius Ross, LLC.⁶³ That's where the comparison ends, however, because the impact of RIESR and RIEDR is likely to be much smaller in scale.

The estimated costs of administering RIESR and RIEDR are incredibly small compared to what Los Angeles spends on homelessness annually. In 2024, the city budgeted \$950 million for homelessness (after allocating \$1.3 billion in 2023), \$185 million of which was allocated to Mayor Karen Bass's Inside Safe program.⁶⁴ This significant investment has made a modest difference so far,⁶⁵ and the Los Angeles Housing Department estimates that ending homelessness altogether will cost as much as \$21.7 billion and a full decade.⁶⁶ RIESR and RIEDR, therefore, are two relatively low-cost programs that could complement existing homelessness policy by preventing "homelessness entrances."

Likewise, RIESR and RIEDR could plausibly reduce the number of evictions filed by landlords for nonpayment of rent, because the rent increase exemptions provided by these programs would prevent unaffordable rent increases leading to arrears and, ultimately, eviction. According to the Controller of the City of Los Angeles, between February 2023 and November 2024, 94% of eviction notices were for nonpayment of rent.⁶⁷

⁶² Annual registration fees, SCEP fees, Just Cause Ordinance fees, and late fees, even taken all together, likely do not add up to a total sufficient to offset the rent freeze. Perhaps discounted fees could be paired with other discounts or payments.

⁶³ Stout Risius Ross, LLC, "Cost-Benefit Analysis of Providing a Right to Counsel to Tenants in Eviction Proceedings," December 10, 2019, [info.stout.com/hubfs/PDF/Eviction-Reports-Articles-Cities-States/Los Angeles Eviction RTC Report_12-10-19.pdf](https://info.stout.com/hubfs/PDF/Eviction-Reports-Articles-Cities-States/Los%20Angeles%20Eviction%20RTC%20Report_12-10-19.pdf).

⁶⁴ David Zahniser and Dakota Smith, "Bass Budget Would Reduce Homelessness Funding, Scale Back LAPD Hiring Goal," *Los Angeles Times*, April 22, 2024, latimes.com/california/story/2024-04-22/bass-city-budget-calls-for-lower-homelessness-spending.

⁶⁵ Doug Smith and David Zahniser, "For the First Time since 2018, Homeless Count Finds Fewer People Living on L.A. Streets," *Los Angeles Times*, June 28, 2024, latimes.com/california/story/2024-06-28/for-the-first-time-since-2018-homelessness-remained-flat-in-los-angeles-county.

⁶⁶ "Council Transmittal: Los Angeles Housing Department Report Regarding a Strategy to Create Permanent and Interim Housing to Reduce Homelessness," Los Angeles Housing Department, October 1, 2024, ca-times.brightspotcdn.com/c9/8c/6e1652284e2182df42c73d2fc898/23-0429-rpt-lahd-10-2-24.pdf.

⁶⁷ "Eviction Notices (February 2023–November 17, 2024): Summary and Analysis," City Controller of Los Angeles, controller.lacity.gov/landings/evictions, retrieved January 28, 2025.



In a city and county that is “aging fast,”⁶⁸ and where the numbers of older adults⁶⁹ and people with disabilities experiencing homelessness⁷⁰ are rapidly increasing, RIESR and RIEDR are two common-sense solutions to a persistent social problem. As SAJE member Betty Rivera says, “It would give me the ability to live more freely, with more respect and dignity. It would take away a lot of my stress and insecurity and the worry I feel for my grandchildren. It would be lifting a huge burden off our backs and changing our lives.” By implementing RIESR and RIEDR, Los Angeles can reverse these devastating trends by helping cost-burdened older adult renters and renters with disabilities avoid becoming homeless in the first place by staying housed.

68 Terry Castleman, “L.A. Population Is Aging Fast. Here’s How It’s Dramatically Transforming the City,” *Los Angeles Times*, July 2, 2024, latimes.com/california/story/2024-07-02/l-a-county-is-aging-fast-where-are-the-youngest-and-oldest-residents-living.

69 Los Angeles Times Editorial Board, “Editorial: Lack of Housing Is Pushing More Seniors Onto the Streets. That’s on All of Us,” *Los Angeles Times*, June 24, 2024, latimes.com/opinion/story/2024-06-24/editorial-more-seniors-are-living-on-the-streets-thats-on-us.

70 “Demographic Characteristics of People Experiencing Homelessness and Accessing California’s Homelessness Response System,” State of California Business, Consumer Services and Housing Agency, 2021–22, bcsh.ca.gov/calich/hdis.html.

VI.

RECOMMENDATIONS FOR LOS ANGELES

Drawing from successful SCRIE and DRIE program models in New York and conversations with disability and older adult advocates, our own experience as tenant organizers and affordable housing advocates, and the best practices that the SCRIE and DRIE ombudsperson program has identified in recent years, we urge Los Angeles officials to adopt these recommendations to protect our older adult and disabled residents. Below are our recommendations to ensure this program achieves maximum impact, sustainability, and equity.

Indexed Income Criteria

The qualifying household income figure should be indexed to inflation, area median incomes, cost of living, or some other measure to ensure that the target demographic for the program continues to have access over time. Setting a one-time, fixed, benchmark income threshold sets this program up for attrition if future legislators are unwilling or unable to pass increases to the eligibility threshold. Using a percentage of area median income, taken together with rent burden, may be an adequate way to make sure that eligibility criteria remain constant over time, adjusting with inflation.

Families that Include Children with Disabilities

We propose going beyond the eligibility criteria for New York's DRIE program to include income-qualifying households residing in rent-regulated units that have a child with a disability. Such families commonly require an adult to become a caregiver, limiting their capacity to maintain other employment. This can be a particularly significant economic stressor for low- and moderate-income families.

Enforcement Powers for Responsible Agency

There would likely need to be some form of enforcement or statutory "police" power attached to the agency housing this program since it is envisioned as mandatory for landlords. (New York's programs have no landlord opt-out if tenants qualify, and landlords who interfere with SCRIE or DRIE may face fines or misdemeanor charges.) The Los Angeles agency housing the program must have the power to compel landlords to participate in the program and levy penalties in the event that landlords charge eligible tenants rent increases, bring spurious holdover actions against tenants based on rent increases they are not obliged to pay, seek to prevent tenants from enrolling in the programs, harass or seek to evict tenants based on their enrollment, or otherwise undermine the programs. This might influence which agency would manage the program, since some are able to offer incentives but cannot enforce mandates. Alternatively, the administration of the program could be shared by more than one agency.

Staffing and Administration

From the outset, there must be adequate staffing and systems, both internal and public-facing, to respond in a timely and easy to understand, accessible manner to inquiries and concerns of different kinds, from both landlords and tenants. This should include visual aids and other tools to make sure that program applicants and participants understand their obligations and the parameters of the program.

Cross-Jurisdictional Collaboration: Los Angeles County and Cities

Some form of interjurisdictional collaboration is vital in order for the City of Los Angeles and other Los Angeles County cities implementing this program. This is because Los Angeles County comprises 88 cities and unincorporated areas, most of which are represented by different governing bodies. Furthermore, if a property tax abatement proves to be feasible for both Los Angeles City and County, we must consider what the collaboration between the Los Angeles County Assessor's office and the other administering agencies would require.

Mindful of the specific accessibility needs of the target population, a best practice is having a “no wrong door” public-facing, user experience design where tenant inquiries about this program, regardless of the agency or jurisdiction to which they are made, are all automatically channeled to the correct agency or intake staff.⁷¹

Accessibility in Administration of Applications and Renewals

The application and renewal process must be made as simple as possible, with the broadest possible eligibility criteria, particularly for proving disability (encompassing all forms of physical, cognitive, and mental health disability). For instance, income-qualifying, rent-regulated tenants could use receipt of disabled parking placards, enrollment in California Department of Developmental Services qualified regional centers, receipt of Los Angeles County's In-Home Supportive Services, or completion of a form by a nurse or physician as proof of disability.⁷²

Recognizing that even a simplified application and renewal process can be barriers for older adults and people with disabilities, we suggest service providers and community-based organizations of different kinds be empowered (and funded) to promote the program and assist community members with enrollment and renewal. Furthermore, Los Angeles policymakers must study the recommendations of New York's SCRIE and DRIE ombudspersons in their annual reports, which are cited in this document. Renewals should be required as infrequently as possible, or, as with the New York programs, offered in an especially streamlined form after a certain number of years of program participation. Another New York program innovation has been to build in a six-month grace period during which the renewal is assumed to have been completed. Perhaps a full renewal could be required less frequently but lease renewals should be submitted as they are issued in order for the administering agency to calculate.

⁷¹ This is a best practice articulated to us by Disability Rights California.

⁷² California Department of Social Services and Los Angeles County Department of Public and Social Services could assist with enrollment and support of enrolled households, specifically IHSS recipients. This could be an efficient use of existing resources: helping both with identifying eligible people who might otherwise be unaware of the rent increase freeze programs and connecting rent increase freeze households to other public benefits and subsidies, such as IHSS, if they are not already aware of them.

VII.

POLICIES PROPOSED FOR LOS ANGELES CITY AND COUNTY



Objectives

1. **Prevent Homelessness:** Protect older adults and people with disabilities who have low fixed incomes from displacement caused by increasingly unaffordable rents.
2. **Promote Economic Stability:** Alleviate housing cost burdens for vulnerable groups, enabling them to afford essentials like healthcare, food, and transportation.
3. **Support Landlords Equitably:** Replace all rent revenue property owners must forgo due to the rent increase exemption.
4. **Preserve Community Integrity:** Allow tenants to remain in their homes and maintain connections to local support networks, fostering social and community stability.

Eligibility Criteria

1. **Housing Status:** Tenants must reside in a unit that is covered by the Los Angeles Rental Stabilization Ordinance or the Los Angeles County Rent Stabilization Ordinance.
2. **Ineligibility:** Individuals who separately participate in any housing voucher programs are not eligible for this program.
3. **Older Adults (RIESR):** Individuals aged 62 or older residing in rent-stabilized units.
4. **Persons with Disabilities (RIEDR):** Individuals aged 18 or older verified as having a disability and residing in rent-stabilized units.
5. **Caretakers (RIEDR):** Household members residing in rent-stabilized units who provide care to individuals (adults or minors) with disabilities may also qualify under the policy. Caretakers must document the caregiving relationship. This criterion includes families where caregiving for a child with a disability limits the primary caregiver's employment capacity.

6. **Income Threshold:** Households earning below 80% of Area Median Income (AMI) for Los Angeles County, which is adjusted annually.
7. **Rent Burden:** At the time of the application, the tenant pays more than 30% of household income towards rent.

Implementation and Oversight

Application Process

1. **Streamlined Application Process:** Develop an accessible, multilingual online portal and paper application options. Applicants must submit proof of age, disability status, income, and residency in a rent-stabilized unit. Complete verification of eligibility within 30 days, and notify applicants and landlords upon approval.
2. **Verification and Renewal:** Eligibility must be recertified every two years and requires proof of date of birth, identity, disability, household income, and residency in a rent-stabilized unit. Disability eligibility requires broad definitions of disability, including proof through self-attestation with disabled parking placards, enrollment in In-Home Supportive Services (IHSS) or with a California Department of Developmental Services Regional Center, or documentation from a reliable third party.⁷³
 - a. Income verification documents can include some combination of the following:⁷⁴
 - i. Federal income tax return
 - ii. IRS form W2
 - iii. 1099-SSA or 1099-R
 - iv. SSI determination letters
 - v. Bank account annual statements
 - vi. Public assistance benefit letter
 - vii. Employment contract or offer letter
 - viii. Workers' Compensation letter
 - ix. Pension payment statement
3. **Landlord Obligations:** If tenants qualify, landlords cannot opt out of this program and must:
 - i. Comply with the application process to claim the subsidy.
 - ii. Not seek to evict tenants based on the subsidy-reimbursed portion of rent.
 - iii. Not pass through to tenants utilities or capital improvement expenditures (these will be covered by the subsidy).
 - iv. Provide notice about this program at the commencement of tenancies and during annual lease renewals, and post information prominently in common areas together with mandated LARSO notices.

⁷³ For documents required for New York's SCRIE/DRIE application, see "SCRIE/DRIE Application—Visual Guide to Documents," New York City Department of Finance, nyc.gov/assets/finance/downloads/pdf/brochures/scrie-drie-vis-guide.pdf, retrieved January 25, 2025.

⁷⁴ This could possibly include other means, such as an employer letter or self-verification form, for residents that are informally employed and/or unbanked.

4. **Voluntary Participation for Non-Rent-Regulated Units:** Allow landlords of non-rent-regulated housing to opt into the program, providing subsidies based on a landlord commitment to abide by the local rent-stabilization ordinance rental cap and not evict the tenants without just cause for the duration of the tenancy.⁷⁵

Simplified Renewal Process

1. **Applications:** Renewal applications require 60 days' notice from the administering agency to the tenant before the expiration of the current enrollment period.
2. **Frequency:** Require full renewal every two years, with streamlined updates for lease renewals in between.

Enforcement

1. Ensure that the administering agency has the authority to enforce compliance and penalize landlords who violate program rules with unauthorized rent increases or harassment of tenants who apply.
2. Penalties could include a fine equal to three times the amount of the overcharge, which is similar to the overcharge penalties levied by New York's HCR.⁷⁶
3. Require notification and compliance agreements integrated into rent-stabilization ordinances.
4. Require regular evaluation and compliance monitoring and reporting of all involved agencies.

Interjurisdictional Collaboration

1. Coordinate with Los Angeles County and City to align property tax abatements and rent regulation systems, if property tax abatements are an appropriate funding source (e.g., Los Angeles County Assessor's Office for property taxes and the Los Angeles Housing Department for rent stabilization regulations).

Dispute Resolution

1. Require mediation services for disputes and manage an appeals process that issues decisions within 30 days.

Funding and Resources

1. To cover program, administrative, and support costs, consider public dollars set aside to ease homelessness prevention and housing affordability, such as Measure A, Measure ULA, and LARSO/SCEP fees and penalties.

⁷⁵ The average number of years that recipients stayed in the program ranged from 7.2 years in Staten Island to 8.5 years in the Bronx and between 9.0 and 9.6 years in Brooklyn, Manhattan, and Queens. "Annual Report: The SCRIE and DRIE Ombudspersons New York City Rent Freeze Program," The New York City Office of the Taxpayer Advocate, October 1, 2023, nyc.gov/assets/rentfreeze/downloads/pdf/rent-freeze-ombuds-annual-report-2023.pdf.

⁷⁶ "Rent Increases and Rent Overcharge," New York State Department of Homes and Community Renewal, hcr.ny.gov/rent-increases-and-rent-overcharge, retrieved January 28, 2025.

Public Outreach and Education

1. **Public Awareness:** Launch a public awareness campaign with materials available in multiple languages and distributed through older adult centers, disability organizations, community-based organizations, and public agency points of contact.
2. **Public Education:** Require distribution of materials regarding the program's application and eligibility requirements to landlords and residents. Include clear guidance for landlords on accessing subsidies equivalent to forgone rent increases.
3. **Application Assistance:** Partner with community-based organizations and service providers to promote the programs and assist tenants with applications and renewals.

Implementation Timeline

Phase 1: Policy Approval: Submission to Los Angeles City Council for review and approval.

Phase 2: Program Setup: Development of procedures, application systems, staffing, and staff training.

Phase 3: Public Outreach: Education campaign launch.

Phase 4: Application Launch: Opening of application process.

Phase 5: Ongoing Monitoring: Regular evaluation and compliance reporting.

Opportunities for Fine-Tuning the Rent Increase Exemption Program for Los Angeles

New York's SCRIE and DRIE programs have been in place for half a century and are adapted to a city that, like Los Angeles, has a large amount of rent-regulated housing in the middle of one of the least affordable housing markets in the U.S. However, New York and Los Angeles are not identical, nor are their systems of rent regulation. Since this would be a new program in Los Angeles, we have the opportunities to incorporate features that do not appear in SCRIE and DRIE that might allow our programs to have a greater impact and be more attuned to the unique landscape of our city and county.

Note that our cost estimates only pertain to low-income older adults, people with disabilities, and families with disabled minor children residing in rent-regulated housing. Contemplating the possible expansions of the model outlined below would require further study to determine likely, associated costs.

Many tenants already experience severe levels of rent burden and resulting hardship at the time when they would qualify for this program. One approach would be to use the subsidy to roll back the rents of qualifying tenants to a more affordable amount and freeze their rent at this amount.

The federal government defines housing cost burden as rent in excess of 30% of household income. Federal and local governments typically use this figure for public housing programs and housing voucher programs, ensuring that tenants' portion of rent does not exceed 30% of their household income.

If there is concern that existing funding sources alone are not sufficient to offset the costs, Los Angeles County or City could explore waiving or crediting other fees that landlords typically pay. This could also be developed as an additional incentive for landlords' participation in the program, perhaps as an extra benefit for mom-and-pop landlords, as a bonus extended to landlords after a certain number of continuous years in the program, or for landlords with more than a specific minimum number of units covered by the rent increase exemption.

The program could also be expanded, perhaps after an initial roll out and local proof of concept, to include other vulnerable populations, such as veterans, transition-age foster youth, families with young children, other groups at high risk of becoming unhoused, or critical workers such as teachers, fire fighters, municipal employees, or others for whom securing housing close to their work is a priority. Possibly some of these other groups could qualify at different income thresholds, if appropriate.

Similarly, a temporary, time-limited version of this program could be implemented in the event of future emergencies or disasters. This could be a way to offset the cost to landlords of rent increase freezes and eviction moratoria.

While the core program model relies on rent regulation to provide for predictable growth in the cost of RIESR and RIEDR, there could also be a voluntary, opt-in analog program for landlords of unregulated housing. Such a program could require landlords to commit to participating in the program for the duration of the tenancy and could provide them with a subsidy based on the average rent-stabilization increase.⁷⁷ Many landlords would probably like to provide housing for older adults and people with disabilities, but would be more likely to do it if the municipality were to foot part of the cost.

⁷⁷ The average duration of New York City's SCRIE tenancies in 2023 was 7.2 to 9.6 years. "Annual Report: The SCRIE and DRIE Ombudspersons New York City Rent Freeze Program," The New York City Office of the Taxpayer Advocate, October 1, 2023, nyc.gov/assets/rent-freeze/downloads/pdf/rent-freeze-ombuds-annual-report-2023.pdf.

VIII. CONCLUSION



We respectfully urge the City of Los Angeles to act quickly to implement programs modeled after New York’s Senior Citizen Rent Increase Exemption (SCRIE) and Disability Rent Increase Exemption (DRIE) programs. The proposed policies aim to provide financial relief and housing stability by exempting vulnerable populations from rent increases that are unaffordable. By building on proven frameworks and tailoring them to fit the unique needs of Los Angeles, these policies offer a highly promising path to stabilizing housing, preventing displacement and homelessness, preserving community integrity, and promoting a just economy.

The urgency of this moment in the history of our city cannot be overstated; the time to act is now. Barely past the massive disruptions of the COVID-19 pandemic, we now confront a long road to recovery from historic, catastrophic fires compounded by the structural features of our systems that have exacerbated inequality and the housing crisis. A radical, reactionary federal government threatens to punish our state and attack whatever gains towards social and economic opportunity we have achieved in recent years. And looming beneath this all is the imminent and all encompassing threat of climate change. As this report has demonstrated, homelessness is not only a housing issue but is also an urgent matter of intersectional inequality. Vulnerable populations, including older adults and people with disabilities, are disproportionately at risk of losing their homes due to rising and increasingly unaffordable rents.

By adopting this program, Los Angeles can demonstrate its commitment to addressing the structural inequities that contribute to housing instability and homelessness. This policy is not only a necessity but a critical opportunity to lead by example, crafting a housing solution that ensures dignity and stability for all of its residents. Together, we can ensure that Los Angeles becomes a model for inclusive and sustainable housing policies, protecting its most vulnerable populations, and fostering a stronger and more resilient community.



STRATEGIC ACTIONS FOR A JUST ECONOMY

