

Rent Stabilization News

July 2012

Rent Increase of 1.25% Authorized for 2012-2013

Si no entiende alguna parte de esta notificación, por favor llame al Departamento al (323) 848-6450 y pida hablar con un intérprete en español.

Если ВЫ He понимаете чеголибо в этом тексте, позвоните Департамент жилья и рентконтроля по тел. (323) 848-6450, и попросите русскоговорящего сотрудника или оставьте сообщение на русском языке.

At its June 28, 2012 meeting, the Rent Stabilization Commission announced that the annual rent adjustment for West Hollywood tenants subject to the City's Rent Stabilization Ordinance is 1.25 % for the period beginning September 1, 2012 and ending August 31, 2013.

The 1.25% increase was allowed under the City's Rent Ordinance, which states that the annual rent adjustment is determined by using 75% of the rise in the Los Angeles-Riverside-Orange County Consumer Price Index from May to May each year, and rounding

the CPI increase to the nearest one-quarter of one percent.

As of May 2012 the local CPI, which is determined



by the Department of Labor's Bureau of Statistics, showed an increase of 1.57% over May 2011. Seventy-five percent (75%) of that figure is 1.178%, and rounding to the nearest one-quarter of one percent results in a general adjustment of 1.25%.

Tenants are eligible to receive the 1.25% rent increase if they have lived in their unit for at least 12 months, or it has been at least 12 months since their last rent increase.

Landlords must be in substantial compliance with the Rent Stabilization Ordinance and must give tenants 30-days written notice as required by State law to receive the rent increase.

The \$5 Registration Fee Pass-Through

The annual rent registration fee is \$120 per year per unit. Landlords may pass through to their rent stabilized tenants one-half of that fee (\$60), but the landlord must have paid all fees first, and the \$60 tenant portion must be prorated over 12 months.

The landlord may collect \$5 pass-through per month with their tenants' rent payment.

Because most tenants already pay the \$5 pass-through, landlords should be careful not to inadvertently charge it a second time when giving a notice to their tenants for the annual general adjustment.

A rent increase notice was created by the City to help landlords calculate the annual adjustment correctly and take the \$5 pass-through into

account. Landlords are encouraged to use the form, but it is not required in order to legally raise the rent or take the pass-through.

The blank form is available at the Rent Stabilization counter in City Hall as well as down-loadable from the City's website www.weho.org. Call (323) 848-6450 or e-mail rsd@weho.org to have one sent to you.

General Adjustment: Questions & Answers

- Q. Which tenants are eligible for the 1.25% general adjustment and when can they receive it?
- A. Tenants who have lived in their units at least 12 months, or at least 12 months have passed since their last rent increase, are eligible for the general adjustment. The raise must be effective no earlier than September 1, 2012 and no later than August 31, 2013. If it is not used during that 12-month period, it is forfeited.



- Q. Must the general adjustment be taken exactly at the 12-month anniversary of move-in, or exactly 12 months after the last increase?
- A. No. If at least 12 months have passed since movein or at least 12 months have passed since the last rent increase, the landlord is free to take the available general adjustment in any month. Some landlords always raise rent in accordance with the tenants 12 month anniversary. Others find it more convenient to raise rent for most or all of their tenants at the same time.
- Q. How much notice must a landlord give to take the general adjustment?

Here Is the Calculation

The Department of Labor, Bureau of Statistics set the area's May 2011 Consumer Price Index for All Urban Consumers (CPI-U) at 233.367 raw data points. The same index stood at 237.032 as of May 2012—an increase of 3.665 points, or 1.57%. Seventy-five percent of that increase is 1.178%, and results in a 1.25% general adjustment when rounded to the nearest one-quarter of one percent.

For more information about the Consumer Price Index and how the CPI is calculated, visit the Department of Labor, Bureau of Statistics website at www.bls.gov/cpi, or call (202) 691-7000.

- A. California law requires a 30-day written notice for any rent increase. Tenants must receive the increase notice at least 30 days in advance of its effective date.
- Q Does Rent Stabilization have a 30-day Notice of Change In Terms of Tenancy that landlords may use to take the current general adjustment?

Yes. As has been the case in the past, the Department created a Notice to use when taking the general adjustment. A copy is included to landlords with this mailing. The form is also down-loadable at the City's website www.weho.org, or by contacting a Rent Information Coordinator at (323) 848-6450 or rsd@weho.org.

- Q. Why is the West Hollywood general adjustment 1.25% when other rent control jurisdictions allow different amounts? Doesn't everyone look at the same CPI statistics?
- A. The rent ordinance for each rent controlled district determines what data is used and how the data translates into the annual adjustment. West Hollywood takes 75% of the rise in the CPI from May to May and rounds to the nearest 1/4 of 1%, unless the CPI decreases, then no increase is allowed. Los Angeles Rent Stabilization averages the monthly CPI increase from September to September each year to determine the increase allowed the following July. Los Angeles also has a minimum adjustment of 3%, even when the CPI data is below that amount. Santa Monica does an annual study of landlord expenses. CPI data is included in the study, but not relied on as the sole determinant of the increase amount.

Affordable Housing

Moderate Income List Open

West Hollywood's moderate income affordable housing waiting list is currently accepting new applications. (The low-income list is closed.) To be eligible, an applicant must earn at least \$44,257/yr., with a maximum of \$55,320/yr. for a 1-person household. Units in this category are located throughout the City in a variety of buildings with rents (subject to annual increase) as follows: \$809/studio; \$926/1-bdrm; \$1,222/2-bdrm.

Applications are available at City Hall or downloadable from http://www.weho.org/index.aspx?page519. For more information about eligibility and income guidelines, call the Inclusionary Housing Hotline at 323-848-6851.



Are You Eligible for a Rebate of Rent Registration Fees?

Rent stabilized tenants who are 62 or over, or handicapped, and also qualify as very low income, are eligible to receive a rebate of their portion of the annual rent registration fees paid by landlords to the City. Recent changes to the Rent Stabilization Regulations allow rebate applications for the most recent 3 years of an eligible resident's tenancy.

The registration fee for rent stabilized apartments in West Hollywood is \$120 per year per unit. Landlords may pass through one-half of the fee (\$60) to their rent stabilized tenants, but the \$60 must be pro-rated over 12 months, resulting in a \$5 monthly fee pass-through. Landlords may collect the \$5 fee with the tenants' rent payment.

Rebates of up to \$60 annually for each of the last 3 years will be issued to tenants who paid the \$5 fee to their landlords, and file an application establishing their eligibility. Applicants must be either at least 62 years old, or handicapped, and must also show that their household meets the "very low income" standard set by the federal government for the Los Angeles area. Currently, the very low income standard is:

1-person household \$29,550 2-person household \$33,750 3-person household \$37,950 4-person household \$42,150 5-person household \$45,550

The 3-year window for which rebates are now available begins with September of 2008 and ends with August of 2011. The filing deadline for this time period is August 31, 2012.

Rebates for the 3-year window beginning with September of 2009 and ending with August of 2012 will be available as of October 1, 2012. Rebates for any other time periods are not available.

If you received a rebate in the past, you do not need to submit a new application, but you do need to confirm



vour ongoing rebate eligibility every year. Personalized questionnaires for purthis pose are mailed

October to the city's list of current rebate recipients. Returning the questionnaire promptly enables the City to issue a rebate check as early as mid-December.

Fee rebate applications are at the Rent Stabilization counter in City Hall, down-loadable at the City's website www.weho.org, or by contacting a Rent Information Coordinator at (323) 848-6450 or rsd@weho.org. For additional questions, please contact a Rent Information Coordinator as indicated above.

<u>Please note:</u> Tenants who receive Section 8 benefits, tenants in units administered by the West Hollywood Community Housing Corporation and tenants in units with a certificate of occupancy dated July 1, 1979 or later are not eligible for the rebate. Their landlords do not charge them the \$5, so the City can not issue a rebate.

Re-Registration & Rent Overcharges: New 3-Year Limit on Refunds

The City's Rent Stabilization Ordinance (RSO) was recently amended to limit refunds of rent overcharges landlords are required to pay tenants resulting from a landlord's failure to properly re-register a new tenancy.

No tenant may recover overcharges collected more than 3 years before the filing date of a re-registration form or a rent adjustment application to recover overcharges under the RSO amendment effective May 2, 2012.

The RSO requires landlords to file re-registration forms for all new tenancies. Failure to file the re-registration makes the unit ineligible for rent increases until the form is filed. Any amount collected

over the move-in rent is considered a rent overcharge under the law.

Limiting the overcharge amount owed back to the tenant makes the consequences of not re-registering the tenancy more proportional to the violation, and brings the City's practice in line with that of other rent control jurisdictions, such as Santa Monica, Berkeley and San Francisco.



City of West Hollywood

Rent Stabilization and Housing West Hollywood City Hall 8300 Santa Monica Boulevard West Hollywood, California 90069

> Phone: 323-848-6450 Fax: 323-848-6567 E-mail: RSD@weho.org



Hours

Monday: 8 am to 5 pm
Tuesday: 8 am to 5 pm
Wednesday: 8 am to 5 pm
Thursday: 8 am to 5 pm
Friday: 8 am to 5 pm
8 am to 5 pm

A Rent Information Coordinator is available at City Hall every Friday, including modified Fridays.

CO Detectors Required By January 1, 2013

The California Carbon Monoxide Poisoning Prevention Act requires owners of residential rental property to install carbon monoxide alarms in their rental units by **January 1, 2013.**

The alarms must be installed outside each sleeping area in the residence, as well as in the basement if there is one. They must also be devices approved by the California State Fire Marshall.



Carbon monoxide detectors are not replacements for smoke alarms. The law requires both. However, a combination smoke alarm and carbon monoxide detector may be installed because it satisfies both requirements.

The location for effective performance of the CO detector is not generally dependent on mounting height. Follow the manufacturer's instructions when installing the device.

For a list of all Fire Marshall approved devices go to the following web page and click on the link titled "List of Approved Devices."

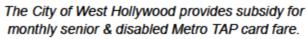
http://osfm.fire.ca.gov/strucfireengineer/strucfireengineer_bml.php

For more information about this requirement, contact the City's Code Compliance Division at 323-848-6505.

Please note: the Rent Stabilization Ordinance <u>does not</u> allow landlords to charge tenants for the new devices or their installation.



WEST HOLLYWOOD METRO BUS PASS SUBSIDY (323) 848-6326







Used For...

- All Metro bus trips in West Hollywood & Los Angeles County
- Multiple trips
- · Errands to library, grocery, post office, City Hall, etc.
- · Use on CityLine & Metro
- Low cost option for frequent riders

Fast Facts...

Eligibility: West Hollywood residents aged 62 or older or disabled

Applictions: Available at West Hollywood City Hall

Cost: Senior/Disabled monthly cost \$8.00

For Information on all the City of West Hollywood's Transportation Programs please call (323) 848-6510