



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 не понимаете чего-либо в этом тексте, позвоните в Департамент жилья и рента-контроля 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.

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.

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

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

The rent increase notice created by the City is designed to help landlords take the \$5 pass-through into account and calculate the annual adjustment correctly. Land-

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.

A blank form to increase rent is enclosed in landlord copies of this mailing.

Landlords are encouraged to use the form.

A blank form was included with this mailing to landlords. It is also available at the Rent Stabilization counter in City Hall and downloadable 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 move-in 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?

- 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?

- A. 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.

Here Is the Calculation

The U.S. Department of Labor, Bureau of Statistics put the May 2011 Los Angeles-Riverside-Orange County Consumer Price Index for All Urban Consumers (CPI-U) at 233.367 raw data points.

As of May 2012, the same index stood at 237.032, amounting to an increase of 3.665 raw data points, or 1.57%. Seventy-five percent of 1.57% is 1.178%, and

rounding to the nearest one-quarter of one percent results in a general adjustment of 1.25%

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



Don't Forget to Re-Register New Tenancies

Beginning with new tenancies created on or after January 1, 1996 the Rent Stabilization Ordinance requires landlords to re-register residential rental units within 30 days after the new tenancy begins.

Landlords who fail to re-register are precluded from raising the rent for that unit until the unit re-registration is filed.

Landlords who raised the rent without re-registering must refund any amount charged over the initial rental rate to the tenant.

West Hollywood Municipal Code Section 17.28.020.b states:

“When a rental unit is vacated and re-rented on or after January 1, 1996, the landlord must, within thirty days of the re-rental, reregister the unit by filing a completed re-registration on a form provided by the city.”

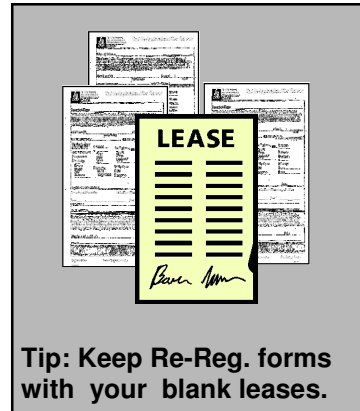
Additionally, WHMC Section 17.28.040 states:

“a landlord is ineligible to impose an annual general adjustment for a rental unit that is not registered or re-registered as required by this Chapter”

The difference between the rent that the landlord was entitled to collect and the amount actually collected as the result of an annual general adjustment for which a landlord is ineligible is an illegal rent overcharge.

A landlord may prospectively apply any annual general adjustment denied as the result of non-compliance with registration or re-registration requirements if the landlord:

- Fully complies with the registration and re-registration requirements;
- Pays to the city any unpaid registration fees and penalties that are not barred by the statute of limitations: and



- Pays any affected tenant the difference between the lawful rent and the illegally overcharged rent that the landlord collected during the period of non-compliance, except that no tenant may recover overcharges collected more than 3 years before the filing date of a re-registration form.

Landlords whose tenants moved-in on or after January 1, 1996 should verify re-registration of these tenancies if they aren't sure re-registration occurred. Any omissions should be handled without delay. The longer the unit is not in compliance, the larger any refund will be to the tenant.

Please note that no re-registration is required for tenants who moved in before January 1, 1996.

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

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West Hollywood, California 90069**

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Fax: 323-848-6567
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www.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 4:30 pm

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

Section 8

Information for Property Owners

Section 8 is a HUD housing program that assists low-income families, seniors and persons living with disabilities to obtain affordable, privately owned rental housing and to increase their housing choices. Eligibility is determined on the basis of the applicant's verified annual income and household size. In West Hollywood, the Section 8 program is administered by the Housing Authority of the County of Los Angeles (HACoLA).

The Housing Authority cites these benefits for owners participating in the program:

- You receive a guaranteed monthly payment on the first of every month via direct deposit.
- You retain total control. You can collect a security deposit, use your own lease and screen tenants according to your own suitability criteria.
- You receive free annual inspections to ensure maximum property upkeep.
- By participating in the program, you are helping low-income families obtain housing.



To become a participating owner, all you need to do is lease your rental unit to a Section 8 voucher holder. To find one, use the HA-CoLA website. West Hollywood units listed on this site are typically rented very quickly—often filled in just one day. Here is the link:
<http://www.socialserve.com/HACOLAWelcome.html?ch=HACOLA>

For more information about the Section 8 program, please contact the Housing Authority at 562-347-4663.

Carbon Monoxide 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 Residential Code Compliance Division at 323-848-6505.

Please note: the RSO **does not** allow landlords to charge tenants for the new devices or their installation.