

Rent Stabilization News

Tenant July 2016

Rent Increase of 1% Authorized for 2016-2017

At its June 23, 2016, meeting, the Rent Stabilization Commission announced the Annual General Adjustment (AGA) for West Hollywood tenants subject to the City's Rent Stabilization Ordinance (RSO) is 1% for the period beginning September 1, 2016 and ending August 31, 2017.

1%

The AGA is set by using 75% of the rise in the Los Angeles-Riverside-Orange County Consumer Price Index from May to May each year, and rounding to the nearest one-quarter of one percent.

As of May 2016 the local CPI, which is determined by the Department of Labor's Bureau of Statistics, showed an increase of 1.45% over May 2015.

Seventy-five percent (75%) of that figure is 1.09%, and rounding to the nearest one-quarter of one percent results in an AGA of 1%.

Landlords may apply the AGA to any tenancy after the first year, or when at least 12 months have passed since the 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 apply the rent increase.

Департамент жилья и рент-контроля по тел. (323) 848-6450, и попросите русскоговорящего

оставьте сообщение на

Si no entiende alguna

notificación, por favor

(323) 848-6450 y pida

intérprete en español.

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Departamento

Registration Fee Raised In 2017

The rent stabilization annual registration fee will be going up next year. Effective July 2017 the registration fee will increase by \$24 a year.

One half of the annual registration fee can be passed through to tenants. The current pass through amount is \$5 a month. After the increase, the monthly pass-through amount will be \$6.

Seniors and disabled tenants who are also low income are eligible for a 100% rebate of money they paid at the end of the year. For more information please contact a Rent Information Coordinator. Section 8 tenants do not pay this fee.

See Fee Raised, Page 2

Section 8 Increases

Rent increases for Section 8 tenancies are limited to the AGA.

Landlords must submit a request for an increase of 1% to the Housing Authority of the County of Los Angeles.

Section 8 tenants must receive a 60-days written notice for the increase.

Reg. Fee Rebates

Qualifying tenants in rent stabilized apartments could be eligible to receive a rebate for their portion of the annual registration fee.

Currently, the registration fee for a rent stabilized apartment in West Hollywood is \$120 per year.

Landlords may pass through one-half of the fee (\$60) to their tenants. The \$60 is pro-rated over 12 months, resulting in a \$5 monthly charge landlords can collect with the rent payment.

Rebates of up to \$60 annually for each of the last 3 years will be issued to tenants who paid the \$5 monthly fee to their landlords and file an application establishing their eligibility.

To be eligible, applicants must be at least 62 years old, or disabled, and meet the following household income standards:

See Fee Rebate, Page 2



Fee Rebate

Continued from Page 1

2015 Maximum Income

1-person household \$28,550 2-person household \$32,600 3-person household \$36,700 4-person household \$40,750 5-person household \$44,050

The 3-year window for which rebates are now available begins September 2012 and ends August 2015. The filing deadline for this time period is August 31, 2016.

If you received a rebate in the past, you do not need to submit a new application, but <u>you do need to confirm your on-going rebate eligibility</u> every year. Personalized questionnaires for this purpose are mailed in October to the list of current rebate recipients. Promptly returning the questionnaire enables the City to issue a rebate check as early as mid-December.

<u>Please note:</u> Tenants who receive Section 8 benefits, tenants in units administered by the West Hollywood Community Housing Corporation or other non-profit housing providers, 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.

Fee Raised

Continued from Page 1

The fee was last increased in 1993 and has remained at \$120 for the past 23 years. If the fee had been increased annually by the allowable increase in rent (AGA), the fee would currently be \$180.

The revised fee of \$144 is lower than cities with comparable rent stabilization ordinances, such as Santa Monica at \$175 and Berkeley at \$234 per unit per year. The increase will allow the City to continue providing exceptional service and support to tenants and landlords. Going forward, the rent registration fee will be reviewed and adjusted every four years.

The City notified all rent stabilized landlords of a possible fee increase on May 3, 2016, and held an open community meeting on May 10. Landlords were asked if they supported a fee increase. Eighty-seven percent were not in favor; however, thirteen-percent either supported or indicated they neither favored nor disfavored some level of fee increase.

RELOCATION FEES As of July 1, 2016	
Unit Type	Amount
0 Bedrooms	\$6,455
1 Bedroom	\$9,114
2 Bedrooms	\$12,277
3 or More Bedrooms	\$16,202
Qualified Tenant (62 or older, disabled, dependent minor child, terminally ill Income \$48,651 - \$72,977)	\$17,087
Lower Income Tenant (Income up to \$48,650)	\$21,517

Every July 1, the amount of relocation fees a landlord must pay tenants for a "no fault" eviction is adjusted by the rise in the Consumer Price Index. The above table lists the fees currently required.

Contact a Rent Information Coordinator at 323-848-6450 for more information.

The \$5 Reg. Fee Pass-Through

Currently, 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 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 passthrough, 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 form created by the City is designed to help landlords take the \$5 pass-through into account and calculate the annual adjustment correctly. Landlords are encouraged, but not required, to use the form.

No Section 8 Fee Pass-Through

Currently, the annual rent registration fee for Section 8 tenants is \$60 per year per unit. There is no tenant portion of the fee, therefore no monthly fee pass-through is allowed for Section 8 tenancies.



Short Term Rental Information for Tenants

Tenants should be aware that they risk eviction if they rent out their entire apartment, a room, or even their living room couch as a short-term vacation rental.

While some tenants might view these rentals as an easy and harmless way to earn extra money, short-term rental activity is prohibited by law. Not only is the activity illegal, it can be disruptive and possibly dangerous.

Residential rental properties are not hotels and are not equipped to deal with non-residents entering and exiting premises twenty-four hours a day, seven days a week.

Unlike short-term vacation rental operators in residential properties, those operating hotels, motels, urban inns and bed & breakfasts have gone through an extensive planning and review process to demonstrate their ability to safely and competently operate a business catering to transient guests at properties specifically established for that purpose.

The prohibition against short-term vacation rentals has been long-standing in West Hollywood. In order to further clarify the law, the City Council recently adopted Ordinance No. 15-958. Specifically, Ordinance No. 15-958 prohibits the renting of an apartment, or any part of an apartment, for a period of 30 days or less.

This prohibition applies to landlords, tenants, and their agents. Anyone engaged in such activity is subject to administrative fines and possible criminal prosecution.

Generally, lease agreements prohibit unauthorized tenants from occupying an apartment. On that basis alone, a landlord may lawfully evict a tenant regardless of the length of the stay.

In addition, a tenant may be evicted for engaging in short-term vacation rental activity because it is illegal under the West Hollywood Municipal Code, and a landlord is permitted to initiate eviction proceedings against a tenant for engaging in an illegal use of their rental unit. Since a landlord can be held liable for illegal activity at his or her property, there is a strong incentive to discourage such activity.

Not being able to make the rent is not a defense to a violation of the ban against short-term vacation rentals. A tenant is better off discussing with his or her landlord the possibility of getting a long-term, bona fide roommate/co-tenant.

Permission for a roommate should always be sought, along with written approval for a specific cotenant. If the original lease or rental agreement specifies that two or more persons may occupy a unit, the landlord may not unreasonably withhold consent for replacement tenants when an original tenant under the lease remains in the unit, and one or more authorized co-tenants or subtenants vacate the unit.



The landlord may limit the number of replacement tenants to the number of authorized occupants on the original lease or rental agreement, and the landlord may require basic background information for replacement tenants, but only such information which is required to verify creditworthiness with credit reporting agencies and is consistent with rental business practices.

Additional information regarding the prohibition against short-term vacation rentals may be found online at www.weho.org/residents/shortterm.

For further information regarding eviction protections under the Rent Stabilization Ordinance, please see Chapter 17.52 of the West Hollywood Municipal Code at http://qcode.us/codes/westhollywood/

How to Report a Short-Term Rental

If you believe that a violation of this law is taking place in your neighborhood, please contact Code Compliance so that the City can begin the enforcement process.

- Call 323-848-6516
- Email ServiceRequest@weho.org
- Send service request with WeHo's Mobile App

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

www.weho.org

Hours

Mon. thru Thurs. 8 am to 5 pm Friday 8 am to 4:30 pm



Temporary Relocation Requirements

Temporary relocation assistance must be provided to tenants when a landlord is required to comply with housing, health, building, or safety laws of the State of California or the City of West Hollywood, and the work required cannot be done while the tenant is in the unit, or during fumigation that cannot be completed while the unit is occupied, or when a tenant is required to vacate the unit for safety reasons upon the order of any government officer or agency.

West Hollywood Municipal Code §17.52.110 obligates the landlord to provide temporary housing in a motel, hotel or comparable rental unit in West Hollywood, or within a reasonable distance of the City's border.



The landlord pays the provider directly for the tenant's lodging unless otherwise agreed upon by both the landlord and tenant.

The tenant continues to pay the rent and has the right to return to the unit at the same rental rate once the work is completed.



The landlord must also provide:

- reasonable compensation for meals, if the temporary accommodation lacks cooking facilities;
- reasonable accommodation of pets, if pets are allowed by lease or law, and the temporary accommodation does not accept pets;
- reasonable compensation for laundry, if the tenant had an inunit washer and dryer provided by the landlord and the temporary accommodation does not include laundry facilities inside the unit.

The landlord and the tenant may agree upon some benefit other than what is listed above, provided the alternate benefit is acceptable to both parties.

Should it take longer than six months for the landlord to complete the required work, the landlord shall pay relocation fees to the tenant according to the City's schedule. For the current fees, see the chart on page 2.

The tenant has the right of first refusal to return to the unit once it is ready. The maximum allowable rent, no matter who takes occupancy, will be the rent the relocated tenant paid last, increased by any AGAs allowed while it was vacant. The unit is not eligible for a market rate vacancy increase.

The City's Mediator is available to help landlords and tenants comply with law, and reach a mutually acceptable agreement regarding temporary relocation.

For more information, contact a Rent Information Coordinator at 323-848-6450 or RSD@weho.org.