Rent Stabilization & Housing

CITY OF WEST HOLLYWOOD



RENT STABILIZATION NEWS

For Property Owners | July 2020

This West Hollywood Rent Stabilization newsletter contains useful information and tips for tenants and landlords. If there is any section of this newsletter that you do not understand, please call Rent Stabilization at (323) 848-6450.

Este boletín de noticias del Control de Rentas de West Hollywood contiene información y consejos útiles para inquilinos y propietarios. Si hay alguna seccion de este boletín que usted no entiende, por favor llame al Departamento de Control de Rentas al (323) 848-6450. Pida hablar con un intérprete en español.

В данном бюллетене содержится полезная информация и советы владельцам домов и жильцам по вопросам жилья и рент-контроля. Если вам нужен перевод на русский, пожалуйста, позвоните нам по телефону (323) 848-6450.

City of West Hollywood Rent Stabilization & Housing



www.weho.org/rent

Third Party Checks

State law requires landlords to accept third party checks as rent payments as long as a non-tenancy disclosure is signed.

Third party checks help tenants pay rent or meet other financial obligations that are part of their lease.

Landlords must register new tenancies within 30 days. REGISTER TENANCIES AND PAY BILLS ONLINE!

Find out more: www.weho.org/rent



2020 Free Workshops Know Your Responsibilities

A City of West Hollywood Rent Stabilization Educational Series

LANDLORD BASICS October 20, 2020 | 7PM

Gain a basic understanding of the Rent Stabilization Ordinance, landlord rights and responsibilities.

LANDLORD ADVANCED October 27, 2020 | 7PM

Increase your knowledge of the RSO, reasonable accommodations, and resources.

Where: Workshops will be online. Visit the City Calendar at www.weho.org for details on how to log in to the workshops.

Register at: rvinalon@weho.org

Annual Program Fee Pass-Through \$6 per month

Currently, the annual RSO program fee is \$144 per year per unit. Landlords may pass through one-half of the fee to tenants, but the portion must be prorated over 12 months. The \$6 monthly passthrough is considered a rent surcharge.

When increasing the rent, landlords should be careful to deduct the pass-through from the tenant monthly payment before calculating the rent increase. Not deducting the pass-through will overstate the rent increase leading to overcharges you will have to repay the tenant.

Due to the coronavirus (COVID-19) pandemic, penalties on late payments are waived if the annual fees are paid by September 15, 2020.

Requirements for Buy Out Agreements

Property owners must provide information about relocation fees and other tenant rights when offering a cash payment in exchange for a tenant moving out of their rent stabilized apartment. For more information visit: www.weho.org/rent.

Relocation Fees as of July 1, 2020	
Unit Type	Amount
0 Bedroom	\$7,840
1 Bedroom	\$11,070
2 Bedrooms	\$14,911
3 or More Bedrooms	\$19,679
Qualified Tenant (62 or older, disabled, dependent minor child, terminally ill or moderate income)	\$20,753
Lower Income Tenant	\$26,133

Relocation fees for permanently displacing a tenant are adjusted annually based on the May Consumer Price Index

A tenant still in possession of his or her unit on July 1 is entitled to the higher relocation fee even if the move-out notice was served prior.

Understanding the City of West Hollywood

RESIDENTIAL EVICTION MORATORIUM

Related to COVID-19

- A tenant may offer an explanation of the financial impacts related to COVID-19 in-lieu of supporting documentation
- The payment period for rent delayed is 12 months after the local emergency ends
- Tenants cannot be evicted for delaying rent during the emergency, or while paying off delayed rent in the 12 months following
- In addition to nonpayment of rent, a tenant cannot be evicted during the emergency period based on having unauthorized occupants

Effective through July 31, 2020 Unless Extended

No landlord shall endeavor to evict a tenant if the tenant has demonstrated they have been financially impacted by COVID-19. Additionally, the eviction moratorium limits the grounds for eviction to the following 4 areas: 1) nonpayment of rent NOT due to impacts of COVID-19; 2) using the unit for an illegal purpose; 3) creating a dangerous and unsanitary condition; and 4) an imminent and objectively verifiable threat to the health and safety of someone in the tenant's household or in the property.

Paying Rent Delayed During the Local Emergency Period

A tenant must pay any rent delayed during the emergency period within 12 months after the end of the local emergency. The landlord may not charge a late fee or interest on the rent during the emergency period or in the 12 months that follow.

Protection from Eviction

A landlord shall not serve a notice, prosecute an unlawful detainer action, or otherwise seek to evict a tenant for the stated reasons during the emergency

period, or during the 12 months following the emergency period. The urgency ordinance grants a defense in the event an unlawful detainer action is begun.

No Rent Increases for Rent Stabilized Housing

Beginning April 6, 2020, and through 60 days after the expiration of the local emergency period, rent shall not be increased for occupied units subject to the City of West Hollywood Rent Stabilization Annual General Adjustment

For resources and more information visit www.weho.org/coronavirus.

Available Resources for Property Owners that have been Financially Impacted by COVID-19

Consumer Financial Protection Bureau - Guide to Mortgage Relief Options

This site provides an overview for what to do now, your options for mortgage, rental relief, and utility disconnections. www.consumerfinance.gov/coronavirus/mortgage-and-housing-assistance/mortgage-relief/

CARES Act

The Coronavirus Aid, Relief, and Economic Security (CARES) Act was passed by Congress to provide fast and direct economic assistance for American workers, families, and small businesses, and preserve jobs. https://home.treasury.gov/policy-issues/cares

Jewish Free Loan Association

Provides interest free loans. Small Business loans up to \$18,000 are available, with 2 guarantors. (323) 761-8830 www.jfla.org

<u>FOR THE LATEST INFORMATION</u> about how the City of West Hollywood is currently responding to the unprecedented Coronavirus (COVID-19) pandemic please visit: **weho.org/coronavirus**.

For updates and guidance from the LA County Department of Public Health: Visit publichealth.lacounty.gov | Call 2-1-1 To report public health concerns, contact the customer call center: (888) 700-9995 | eh@ph.lacounty.gov

Tenant Habitability Plan Required for Seismic Retrofitting

Before a landlord can receive a building permit for seismic retrofitting work to an occupied rental, a plan demonstrating how impacts to the tenant(s) will be mitigated must be submitted to Rent Stabilization and Housing for approval.

Tenant Habitability Plans assist contractors design and complete work in a manner least impactful to occupants. Depending on the work proposed, a plan could include best practices, temporary relocation, or other actions to reduce impacts while completing the work.

More information is available online: www.weho.org/rent

Remember to Register New Tenancies

The Rent Stabilization Ordinance requires new tenancies to be registered with the City within 30 days of a new lease being signed.

Landlords who do not register cannot raise rent for the tenant until the tenancy is registered. Landlords who raise the rent without registering must refund the amount paid by the tenant over the initial rental rate for up to 3 years.

Once the landlord files the required registration and repays any rent overcharges, the landlord may apply any Annual General Adjustments denied with the original non-compliance.

Landlords can verify registered tenancies: (323) 848-6450.

Note: Registration is not required for tenants who moved-in before January 1, 1996

Registration Fees, and the Fee Pass-through

What is the annual rent program fee? It is a per unit fee billed to landlords of rent stabilized properties. It funds the administration of the Rent Stabilization Ordinance (RSO).

What is the registration fee pass-through? The RSO allows one-half of a unit's registration fee to be passed-through to its tenants as a rent surcharge. The tenants' portion must be prorated over 12 months. It cannot be charged as a lump sum. Section 8 units are not billed the tenant portion of the fee; therefore no tenant portion can be passed through.

How much is the fee? The fee is \$144 per unit. The \$72 tenant portion is pro-rated so that landlords can collect a \$6 rent surcharge every month. The registration fee for Section 8 tenancies is \$60 per unit, no part is passed through to tenants.

ONLINE LANDLORD SERVICE PORTAL

The City of West Hollywood has launched its first ever online Rent Stabilization Landlord Service Portal.

The new online service portal will allow landlords and their property managers to:

- Register new tenancies Pay annual rent registration fees
- Link properties to a single account Download Rent Stabilization forms

To access the online portal visit https://rshweho.hdlgov.com. To create an account you will need the PIN code included in the Annual Rent Stabilization Registration Fee bill.

TENANT DEFENSE PROGRAM

The COVID-19 pandemic has led to an unprecedented rise in unemployment applications and business shutdowns. The City of West Hollywood is partnering with Bet Tzedek Legal Services to expand legal aid services in order to prevent evictions.

The Tenant Defense Program provides preventative services and full scope representation in eviction cases.

With early intervention, conflicts can be addressed sooner and resolved before the matter escalates into the filing of a court case.

Tenant Defense Program services include:

- Advice and Counsel
- Education
- Advocacy
- Letters to Landlords
- Representation in Court

Interested in Climate Change? Want to share your feedback?

The City of West Hollywood is updating its Climate Action Plan (CAP) – a document that outlines strategies to reduce its carbon footprint and prepare for future events such as drought, heat waves, extreme wind, and power outages.

The update aims to be a peoplecentered effort and will prioritize equity and inclusion. We are interested in feedback from everyone (seniors, families, persons with disabilities, tenants, landlords, etc.) on how the city should approach the changing climate.

Please contact Robyn Eason, the City's Senior Sustainability Planner, for more information at:

(323) 848-6558 or reason@weho.org. Translation services available for Russian speakers and Spanish speakers.

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CITY OF WEST HOLLYWOOD



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8300 Santa Monica Boulevard West Hollywood, CA 90069

www. weho.org/rent

City of West Hollywood facilities are currently closed to in-person services but virtual operations are up and running.

Hours

Mon – Fri, 8AM to 5PM

contact

(323) 848-6450 RSH@weho.org



www.weho.org/rent

Annual General Adjustment for Sept. 1, 2020-Aug. 31, 2021 is 0.75%

Rent Increases cannot be applied through 60 days after the expiration of the local emergency period

The Annual General Adjustment (AGA) for dwellings on properties with two or more units first occupied or receiving certificate of occupancy prior to July 2, 1979 is 0.75% beginning September 1, 2020.

The AGA is 75% of the rise in the Consumer Price Index for Los Angeles-Long Beach-Anaheim all Urban Consumers from May to May rounded to the nearest one-quarter of one percent.

For May 2020 the CPI-U, which is determined by the Department of Labor's Bureau of Statistics, increased 0.861% over May 2019. 75% of the May CPI-U is 0.646%.

Rounding to the nearest onequarter of one percent results in an AGA of 0.75%.

Property Owners may increase rent after the first year, and then once every 12 months after the prior increase. Tenants must be given a written 30-day notice, or 60-day for Section 8.

This year the AGA cannot be applied through 60 days after the expiration of the local emergency period declared on March 16, 2020.

Download the City's Rent Stabilization Guide www.weho. org/rent

Online Landlord Service Portal

REGISTER TENANCIES AND PAY BILLS ONLINE!

Find out more: www.weho.org/rent

The Annual General Adjustment (AGA) can be applied only after taking the following actions:

- Have registered the tenancy;
- Are current on annual program fees. Tenancies beginning before January 1, 1996 do not need to be registered.
- To verify a tenancy is registered— (323) 848-6450 | rsh@weho.org



Rent Stabilization and Housing City of West Hollywood

TEMPORARY PROHIBITION ON RENT INCREASES IN EFFECT

www.weho.org/rent

Beginning April 6, 2020, and through 60 days after the expiration of the local emergency period, rent shall not be increased for occupied units subject to the City of West Hollywood Annual General Adjustment.

The updated 30-Day Notice of Change in Terms of Tenancy form will be made available once the local emergency period expires.

IMPORTANT DATES

March 16, 2020

The City Council of the City of West Hollywood declared a local state of emergency by Resolution No. 20-5263 and adopted Urgency Ordinance No. 20-1101U creating a temporary moratorium on evictions for non-payment of rent by residential tenants impacted by the COVID-19 Crisis.

April 6, 2020

The City Council adopted a second Urgency Ordinance No. 20-1103U, amending the March 16 residential eviction moratorium to include rent increase prohibitions.

May 4, 2020

The City Council amended the residential eviction moratorium by extending it through July 31, 2020. No change was made to the local emergency period.

For updates on the local emergency period and residential eviction moratorium, please visit the Renter Resources page located at www.weho.org/coronavirus.

TEMPORARY RESIDENTIAL EVICTION MORATORIUM

THE RESIDENTIAL EVICTION MORATORIUM PROHIBITS EVICTION FOR NON-PAYMENT OF RENT DUE TO FINANCIAL IMPACT RELATED TO COVID-19, OR BASED ON PRESENCE OF UNAUTHORIZED OCCUPANTS RELATED TO COVID-19

Currently effective through July 31, 2020 unless extended by City Council:

- A tenant must pay any rent delayed during the local emergency period within 12 months after the end of the local emergency period.
- The landlord may not charge a late fee or interest on the rent during the emergency period or in the 12 months that follow.
- A landlord shall not serve a notice, prosecute an unlawful detainer action, or otherwise seek to evict a tenant for the stated reasons during the emergency period, or during the 12 months following the emergency period

City of West Hollywood facilities are currently closed to in-person services but virtual operations are up and running.

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