



**Beverly Hills City Council Liaison/ Human Relations Commission
Committee will conduct a Special Meeting, at the following time and
place, and will address the agenda listed below:**

**CITY HALL
455 North Rexford Drive
4th Floor Conference Room A
Beverly Hills, CA 90210**

**Tuesday, June 28, 2016
3:30 PM**

AGENDA

1) Public Comment

Members of the public will be given the opportunity to directly address the Committee on any item listed on the agenda.

2) Tenant Landlord Policy

- a. Recommendations from the Human Relations Commission

3) Adjournment

A handwritten signature in black ink, appearing to read "Byron Pope", written over a horizontal line.

Byron Pope, City Clerk

Posted: June 24, 2016



In accordance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please call the City Manager's Office at (310) 285-1014. Please notify the City Manager's Office at least twenty-four hours prior to the meeting so that reasonable arrangements can be made to ensure accessibility.



**CITY OF BEVERLY HILLS
HUMAN SERVICES DIVISION
MEMORANDUM**

TO: Human Relations Council Liaisons

FROM: James R. Latta, L.C.S.W., Human Services Administrator *jl*

DATE: June 28, 2016

SUBJECT: Tenant Landlord Policy – Recommendations from Human Relations Commission

ATTACHMENT:

1. Tenant Landlord Rights and Responsibilities Guide
2. Policy Recommendation Presented at the March 14, 2016 Council Liaison Meeting
3. Rental Registry Program
4. Relocation Fee Survey
5. City of Los Angeles Relocation Fee Payment Procedures

INTRODUCTION

The Human Relations Commission, in facilitating the Tenant Landlord Forum, has accomplished two objectives towards improving the landscape for tenants and landlords in Beverly Hills.

Objective One: Increase tenant and landlord awareness of rights and responsibilities.
Status: Accomplished; as evidenced by the production and distribution of the Tenant Landlord Rights and Responsibilities Guide (attachment 1). 10,000 postcards were sent to Beverly Hills renters and landlords notifying them of the guide; copies were placed at the City Library and Community Centers.

Objective Two: Assist tenants and landlords in navigating legal and governmental systems to resolve their issues.
Status: Accomplished; as evidenced by establishing the Tenant Landlord Forum for either party to seek consultation on resolving issues. The HRC facilitates 10 minute assessments during its monthly commission meeting. The Commission has found that tenants are afraid to submit maintenance requests and general complaints to landlords because of the potential to receive a notice of No-Cause Termination.

In hearing the issues presented by tenants and landlords as result of starting the Forum, the Commission has identified the third objective in this project is to recommend changes to City of Beverly Hills' municipal codes. The Commission's research and recommendations supports City Council FY 16/17 priorities; identified as a priority-B initiative, *Evaluate the City's Rent Stabilization Policy: Utilize feedback from the Tenant Landlord Forum to determine possible recommended modifications.*

The Commission's Forum served as one source of a needs assessment of the tenant landlord landscape. The Commission utilized information from the Forum to inform the policy and programmatic recommendations initially made to the Human Relations Liaison Committee on March 14, 2016. The Commission recommended five programmatic and policy

considerations to the Liaison Committee (attachment 2). The Commission received direction from the Liaison Committee to fully research and develop the framework for a Rental Registry Program and to identify appropriate municipal code changes relative to the No Cause Termination Ordinance.

The following discussion outlines the Commission’s response to the March 2016 Liaison Committee direction. The HRC recommends three key policy actions:

1. Establish a Rental Registry Program to improve the quality of the rental housing stock.
2. Amend the State of California No-Cause Termination ordinance with a local ordinance requiring payment of relocation fee.
3. Establish relocation fees for Chapter 6 tenants and update relocation fees for Chapter 5 tenants.

DISCUSSION

The Tenant Landlord Forum has occurred at the monthly Human Relations Commission meeting since October 2015. The Commission has learned:

- Tenants are hesitant to address housing issues with their landlords because they fear receiving a No-Cause Termination.
- Tenants experience harassment from landlords trying to motivate them to voluntarily leave their units.
- Tenants fear the repercussions of presenting their issue publicly at the Forum out of fear of retaliation.
- Landlords experience difficulty with some tenants who will not cooperate to address maintenance issues
- Landlords are greatly affected by water penalty surcharges.

The bulk of incoming complaints to the Forum have required Code Enforcement attention as a first step. Code Enforcement addresses any elements that fall under their purview as defined by the City’s municipal codes.

Code Enforcement receives between 2500 and 3000 calls per year. Some callers need information only, some choose not to pursue a formal complaint out of fear of retaliation and some work out the issue privately with their landlord. Below is historical context on the number of complaints formally submitted to Code Enforcement.

	2007	2015
Total Complaints Received By Code Enforcement	1200	1570
Related to substandard building or property maintenance complaints	600	744
% of Workload devoted to substandard building or property maintenance	50%	47%

Data available through the US Census provides context on households in City of Beverly Hills, highlights are as follows:

- 14,606 total occupied housing units, 5,941 are owner occupied, 8,665 are renter occupied.
- 17,740 people live in owner-occupied homes, whereas 16,248 people live in rental units; slightly under 50% of Beverly Hills residents are renters.
- Nearly 65% of renters live in housing built over 55 years ago.
- Almost 3,000 renter households live in buildings dated earlier than 1939.
- Approximately 40% of renter households spend 35% or more of their gross income on rent.
- There are approximately 1000 single-person households headed by a man or woman age 65+.

The HRC, under direction of the Council Liaison Committee, presents three key policy actions to address issues heard by the Commission since October 2015 and reaffirmed as chronic issues heard by Code Enforcement year over year:

1. Establish a Rental Registry Program to improve the quality of the rental housing stock.
2. Amend the State of California No-Cause Termination ordinance with a local ordinance requiring payment of a relocation fee.
3. Establish relocation fees for Chapter 6 tenants and update relocation fees for Chapter 5 tenants to match the new fee schedule.

1. Establish a Rental Registry Program to improve the quality of the rental housing stock.

The goal of a Rental Registry Program is to ensure adherence with State and local health and safety codes, to preserve the City's rental housing stock, and to protect the health, safety and welfare of tenants and the public.

The program framework focuses City resources on problem buildings instead of systematically inspecting the interior and exterior of all buildings. This proposal includes six elements, see visual depiction in Attachment 3:

Outreach and Notification - Staff will conduct necessary outreach and inform the community about the program prior to implementation. The information and outreach efforts will include, but not be limited to, working with rental housing industry stakeholders, neighborhood and homeowner associations, and providing presentations, printed materials, and website information. Owners and managers will be provided information about program expectations along with information about State and Municipal Housing, Health and Safety Codes.

Self-Assessment - Owners and managers will complete a self-assessment checklist and submit it to Community Development on an annual basis and prior to a new tenant occupancy. Included on this checklist are questions related to the interior and exterior of the building including fire department requirements.

Exterior Inspections - Staff will inspect the exterior of all multi-family properties and verify conditions submitted on the checklists. (The fire department currently inspects apartment buildings with 3 or more units).

Random Interior Inspections of Self Certified Properties - A small percentage of units City-wide will be inspected to verify the interior conditions stated on the checklists.

Upon request, the greater of 1(one) or 20% of an apartment building may be inspected by the City. As a result of the inspection, if hazardous conditions are observed, the City may require full inspection of each unit on the property. Interior inspections typically focus on verification that the exterior of the building is watertight and secure, the electrical systems function with no exposed wiring and working ground fault circuit interrupters (GCFIs), the plumbing systems are installed safely and not leaking or clogged, stairways and handrails are secured, heaters are properly functioning, and smoke detectors, carbon monoxide sensors and fire extinguishers are in place.

Complaint Driven Inspections - Staff will continue to respond to tenant complaints.

Systematic Inspections - If a building is verified to be substandard and is not repaired in a reasonable amount of time, the City may issue an Administrative Citation and will place the property on a mandatory systematic inspection program (this is a 2016 iteration noted on Attachment 3). This measure includes a process to allow a property owner the opportunity to appeal their case to an independent hearing officer. In an effort to reduce ongoing costs, workload associated with enforcement in these cases will be endured by the owner of the problem property.

2. Amend the State of California No-Cause Termination ordinance with a local ordinance requiring payment of a relocation fee.

The Commission considered the following policy options:

- Continue the No-Cause Termination ordinance with no changes
- Continue the No-Cause Termination and amend with relocation fee requirements
- Extend length of termination notice requirements from current 30-60 days State of California requirement, to 60-90 days via a Beverly Hills municipal code requirement
- Eliminate No Cause Termination ordinance, only allow evictions based on just cause

The Commission unanimously agreed to recommend the continuation of the No-Cause Termination ordinance with an amendment requiring relocation fees be paid by the landlord to tenants. This policy will likely reduce landlord use of No Cause Terminations because of the increased costs. If utilized, relocation fees increase the tenant's ability to identify and secure their next apartment lease. The Commission did not establish a majority vote in favor of any other policies listed in the prior bullets.

To implement the policy, the City can continue the current approach of informing tenants and landlords of their rights through the Tenant Landlord Rights and Responsibilities Guide. The City municipal code requires the landlord to provide the guide to the tenant 24 hours prior to executing the lease agreement. For existing Beverly Hills community members, the policy update can be communicated to tenants and landlords through direct mailings. The onus will be on the tenant and landlord to abide by the code. The City can be involved through complaint driven requests for assistance if the code is not followed as it is written.

3. Establish relocation fees for Chapter 6 tenants and update relocation fees for Chapter 5 tenants.

The Commission considered the following policy options after surveying relocation fees in the cities of Los Angeles, Santa Monica and West Hollywood (attachment 4):

- No Change - Chapter 5 tenants are eligible for relocation assistance if evicted for major remodel, use by landlord, demolition, condominium conversion or Ellis Act. Bachelor unit \$2,000, Single unit \$2,250, one or more bedrooms \$3000, Senior citizens, handicapped or terminally ill \$5,000. Chapter 6 tenants do not have a relocation fee structure.
- Establish relocation fees according to unit size
- Establish relocation fees according to unit size and vulnerability of occupant

The Commission has not reached a recommendation on fee amounts, but will continue to study the issue and seek community feedback.

Additionally the HRC recommends adopting a payment process modeled after the City of Los Angeles model leveraging escrow accounts for transfer of fees (attachment 5).

FISCAL IMPACT

To manage the rental registry program and respond to the anticipated increase in the volume of enforcement cases, staff required included: 1 FTE administrative assistance, 2 FTE enforcement officers and increased budget for the city prosecutor. Staff will bring more information to the meeting.

RECOMMENDATION

With Council Liaison approval, the Human Relations Commission is prepared to bring the policies discussed in this memo to a study session for a review by the full Council.

- Rental Registry Program
- Relocation fee requirement with No Cause Termination
- Relocation fee amounts

With Council leadership in agreement, the Commission will then outreach and engage the community to gather feedback and response to the proposed policies.

Attachment 1



CITY OF BEVERLY HILLS

Community Development Department

Community Preservation Division

Rent Stabilization | Code Enforcement

Tenant Landlord Rights & Responsibilities



Required notice from landlord to all prospective tenants who will be renting an apartment unit in Beverly Hills. This notice is in addition to other disclosures required by the state.



To Prospective Tenant and Landlord,

On May 18, 2004, the City of Beverly Hills City Council adopted revisions to the Beverly Hills Municipal Code (BHMC 4-6-5) relating to rent stabilization regulations which became effective December 18, 2004. The Code requires that at least twenty four (24) hours prior to the execution of a lease or rental agreement by a tenant, the landlord shall provide written notice to the prospective tenant advising of certain rights of the tenant and landlord or an administrative penalty in the amount of \$500 may be imposed (BHMC 4-6-5C). Distribution of this document does not imply, guarantee or substitute a commitment for lease or rental agreement.

The document of compliance for the signatures of the landlord and prospective tenant is included and the form is available in English, Spanish, Farsi, and Korean online at www.beverlyhills.org/rent. Copies may also be obtained in the Community Development Department, Community Preservation Division, Community Services Department in City Hall at 455 North Rexford Drive, the Library, or through a telephone request at 310-285-1119.

Sincerely,
Community Preservation Division
Community Development Department

LANDLORD OR LANDLORD'S AGENT

(Print first and last name)

Beverly Hills Municipal Code Section 4-6-5(B), requires that at least twenty-four hours prior to the execution of a lease or rental agreement by a Tenant, the Landlord shall provide written notice to the prospective Tenant of the information set forth above, and that the Landlord shall retain documentation that this notice was provided for the duration of the tenancy.

I affirm that I am the Landlord or the Landlord's agent of the subject property, and that I provided a copy of this information to the prospective Tenant in accordance with the requirements of Beverly Hills Municipal Code Section 4-6-5(B) on the date and time below:

_____ at _____ AM PM
(Date) (Time)

By _____
(Landlord or Landlord's Agent's Signature)

PARKING INFORMATION

The following are the parking restrictions on the public streets in the area adjacent to the subject building and the building's on-site parking restrictions (for information and permitting cost see page 7):

PROSPECTIVE TENANT

(Print first and last name)

I affirm that I am a prospective Tenant with an application to rent an apartment unit located at:

_____ (Address) _____ (Apartment number)

I affirm that the Landlord or Landlord's Agent provided me with a copy of the information set forth herein at least twenty-four hours prior to my execution of a lease or rental agreement for this apartment unit on the date and time below:

_____ at _____ AM PM
(Date) (Time)

By _____
(Prospective Tenant's Signature)

Signing this document does not imply, guarantee or substitute a commitment for lease or rental agreement. 3

Beverly Hills Municipal Code Section 4-6-5(B) requires that the Landlord provide the prospective Tenant with written notice containing all the following information at least 24 hours prior to the execution of a lease or rental agreement:

The following are Beverly Hills Municipal Codes, some of which may be California State Codes:

1. The Landlord and Tenant may not enter into an agreement to waive any provision of the Beverly Hills Municipal Code (BHMC) relating to rent increases. BHMC 4-6-4(A)
2. The Landlord may increase the monthly rent no more than 10% with no more than one increase in a twelve month period. The Tenant shall be given a 30-day written notice of each annual rent increase, as required by State law. BHMC 4-6-3(C)
3. If an apartment unit is voluntarily vacated by the Tenant, or the Tenant is evicted for any of the following reasons (just cause evictions), the unit may be re-rented for any amount:
 - Failure to pay rent;
 - Breach of rental agreement;
 - Maintenance of nuisances;
 - Excessive number of tenants;
 - Refusal to provide access to make repairs or improvements; or
 - Unapproved subtenants. BHMC 4-6-5
4. The Landlord also may terminate a tenancy for no reason (no-cause eviction) with either a 30-day or 60-day written notice in accordance with state law. However, the unit may not be re-rented to a new tenant for a monthly rent that is more than what the evicted Tenant was paying when they were evicted. BHMC 4-6-6 [Any Tenant who receives a 60-day notice for a no-cause eviction (Involuntary Termination of Tenancy) should contact Code Enforcement at 310-285-1119].
5. Under certain conditions, the Landlord may charge a Tenant a monthly water service penalty and a refuse fee surcharge, in addition to the monthly rent. BHMC 4-6-7 & 4-6-8.
6. At the termination of a lease or rental agreement the Landlord and the Tenant can agree to extend the agreement or they can enter into a new lease or rental agreement. If the agreement is not extended or a new one put in place, a month-to-month tenancy will be created as long as the Tenant continues to live in the unit and the Landlord accepts rent from the Tenant. A month-to-month tenancy can be terminated at any time if the Landlord provides written notice to the Tenant in accordance with state law (60-day written notice required).

Rent Increase

Just-cause Eviction

No-cause Eviction

Month-to-Month Tenancy

prospective
tenant initials

SUMMARY OF A TENANT'S BASIC RIGHTS UNDER STATE LAW

Security Deposits

Security deposits are refundable and must be returned at the end of the tenancy [California Civil Code Section 1950.5(m)]. The Landlord may retain part, or all, of the security deposit if there was rent due, the vacated unit is left in a dirty or damaged condition (other than normal wear and tear), or personal property of the Landlord is missing from the vacated unit [California Civil Code Section 1950.5(b)], otherwise the full amount must be returned to the Tenant. Within 21 days after the unit is vacated, the Landlord must refund the security deposit in full, or mail or personally deliver to the Tenant an itemized statement that lists the amounts of any deductions and the reasons for those deductions from the security deposit, along with a refund of any amounts not deducted [California Civil Code Section 1950.5(g)].

Entry by the Landlord

Under State law, the Landlord can enter a rental unit in the following circumstances only:

- An emergency;
- When the Tenant has moved out or has abandoned the unit;
- To make necessary or agreed-upon repairs, decorations, alterations, or improvements;
- To show the unit to prospective tenants, purchasers, contractors, or lenders;
- To provide entry to contractors or workers who are to perform work on the unit;
- To conduct an initial inspection before the end of tenancy;
- Pursuant to a court order;
- To inspect the installation of a waterbed when the installation has been completed, and periodically thereafter to assure that the installation meets the requirements of state law and the manufacturer's specifications [California Civil Code Section 1940.5(f)].

Unless the Tenant is present and consents at the time of entry, the Landlord must give the Tenant 24-hour advance written notice before entering the unit, except when the Tenant has moved out of the unit, abandoned the unit, or in an emergency, and the Landlord can enter the unit only during normal business hours (generally, 8 a.m. to 5 p.m. weekdays). The Landlord must give written notice by personal delivery or leave the notice at the unit with a person of suitable age and discretion; or leave the notice on, near, or under the Tenant's usual entry door in such a way that it is likely to be found; or mail the notice to the Tenant [California Civil Code Section 1954].

Repair of Substandard Conditions Remedy

A Tenant may deduct money from the rent, up to the amount of one month's rent to pay for the repairs of defects in the rental unit [California Civil Code Section 1942]. Defects that qualify for this remedy must be substandard conditions that affect the Tenant's health and safety and substantially breach the implied warranty of habitability. The repairs cannot cost more than one month's rent. The deduction remedy cannot be used more than twice in any 12-month period. The Tenant must not have caused the defects that require the repairs. The Tenant must have informed the Landlord of the need for repairs and must have given the Landlord a reasonable period of time to make the repairs. Because this remedy can lead to an eviction for failure to pay rent, it is recommended that the Tenant consult with an attorney prior to deducting any amount from the required rent.

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Retaliatory Eviction

California State law provides tenants' rights information if a retaliatory eviction has occurred; contingent on the following circumstances:

- Within six months after the Tenant has exercised rights under the repair of serious defects remedy;
- After the Tenant has complained about the condition of the rental unit to the Landlord or to an appropriate public agency;
- After giving the Landlord notice;
- After the Tenant has filed a lawsuit or commenced arbitration based on the condition of the unit or has caused an appropriate public agency to inspect the unit or to issue a citation to the Landlord [California Civil Code Section 1942.5(c)1945.2].

Housing & Health Code Standards

The Uniform Housing Code and the California Health and Safety Code require that an apartment unit be equipped with proper ventilation, window screens, smoke detectors, carbon monoxide detector, kitchen sinks, hot and cold running water, a functional bathroom, and an operational heating unit. All apartment units must be free of any structural hazards, faulty electrical wiring and plumbing defects. Any such violations should be reported immediately to the Landlord. If the Landlord fails to make repairs within a reasonable time period the Tenant may report the violation(s) to Community Preservation at 310-285-1119.

Home Occupation

The Beverly Hills Municipal Code (Article 43 of Chapter 3 of Title 10 - Zoning) allows certain home-based businesses under specified conditions. Prior to operating a home occupation the operator shall provide a signed affidavit of compliance as conditioned in the code. The following types of home occupations are prohibited: automotive repair, transient lodging, restaurants, rental of a residence for events, any activity requiring a regulatory permit issued by the City, any activity producing biohazardous or medical waste, manufacturing, and any use that is prohibited or requires a Conditional Use Permit in a Commercial Zone. For more details, contact the Planning Division at 310-285-1123. In addition, the Landlord may prohibit or otherwise regulate a Tenant's ability to engage in a home occupation in an apartment unit as part of the lease or rental agreement.



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tenant initials

RESOURCES FOR LANDLORDS AND TENANTS

Resources are available in the community and through the City of Beverly Hills. Get the information and services you need to ensure your rights as a tenant and/or landlord are protected.

COMMUNITY RESOURCES



Mediation Services

Center for Civic Mediation
Main: 877-4RESOLV (877-473-7658)
Web: centerforcivicmediation.org



Tenant/Landlord Counseling and Housing Rights Information

Housing Rights Center
Main: (800) 477-5977
Counseling hotline: (800) 477-5977
Web: Hrc-la.org

CITY RESOURCES



Municipal Code Information

Community Preservation Division - Rent Stabilization & Code Enforcement
Community Development Department
Hotline: (310) 285-1119
Web: beverlyhills.org/rent



Parking Permit Information

Public Works Services
Main: (310) 285-2500
Web: beverlyhills.org/parkingpermits



Tenant Landlord Forum

Human Relations Commission
Community Services Department
Main: 310-285-1006
Web: beverlyhills.org/hrc
Email: humanservices@beverlyhills.org

In support of Tenants and Landlords
The Commission can assess your situation
and advise on a plan for resolution.





CITY OF BEVERLY HILLS

455 N. Rexford Drive
Beverly Hills, CA 90210
www.beverlyhills.org

Attachment 2

Policy Recommendation Presented at the March 14, 2016 Council Liaison Meeting

A. Rental Registry Program Elements:

1. Pro-active enforcement and scheduled inspections
 - a. Via Code Enforcement in partnership with landlords and tenants
 - b. Via municipal code changes and educating landlords and tenants regarding follow-through
2. Self-certification that building and units meet minimal health, safety and livability standards
 - a. Via Code Enforcement in partnership with landlords
3. Increasing threshold and fine amounts related to substandard conditions and repeat violations
 - a. Via municipal code changes
4. Maintaining a publicly accessible list of buildings with code violations
 - a. Via Code Enforcement database
 - Pro: Increases tenant protections as they no longer have to initiate repair requests and subject themselves to the possibility of no-cause termination.
 - Con: Increase cost to City to staff and administer program.

B. Just Cause Termination Ordinance for Chapter 6 Tenants

- What: No-Cause Termination of Tenancy is a state code; cities can institute a local municipal code that instead requires just-cause reasons for termination of tenancy.
- Why: Absent just-cause termination, landlords can issue a 60-day notice to tenants requiring they vacate their unit.
- Now: City of Beverly Hills has a no-cause termination of tenancy clause; landlords can issue a 60-day notice to vacate for no reason.
- Pro: Increases tenant protections and reduces fear of termination or retaliation.
- Con: Infringes on individual rights of landlords. Increase cost to City to administer and monitor termination proceedings.
- Alternatively could consider leaving the No-Cause Termination in place but extending the notice period from 60 days to 3-6 months.

C. Re-Evaluate 10% Maximum Allowable Rent Increase

- What: Rent stabilization ordinances establish a maximum allowable rent increase
- Why: Regulating rent increases prevents spikes in housing costs and potential displacement of tenants.
- Now: City of Beverly Hills Chapter 6 tenants have a 10% annual maximum allowable rent increase. Tenants report ongoing increases while the building is not being maintained or improved.
- Pro: Moderates housing cost increases; reduces displacement and increases community continuity.
- Con: Restricts influence of market pressure on housing costs. Change in maximum allowable rent increase has no effect on whether building is maintained or repairs made in a timely manner.

D. Tenant Protection or Anti-Harassment Ordinance

- What: Tenant protection ordinances identify specific behaviors that landlords are prohibited from using to compel a tenant out of their housing.
- Why: Tenant protection ordinances creates an additional layer of rights for tenants to prevent them from being bullied out of their housing.

Policy Recommendation Presented at the March 14, 2016 Council Liaison Meeting

- Now: City of Beverly Hills does not define or restrict use of such behaviors by landlords.
- Pro: Increases tenant protections.
- Con: Infringes on individual rights of landlords. Cost to City to staff and administer.

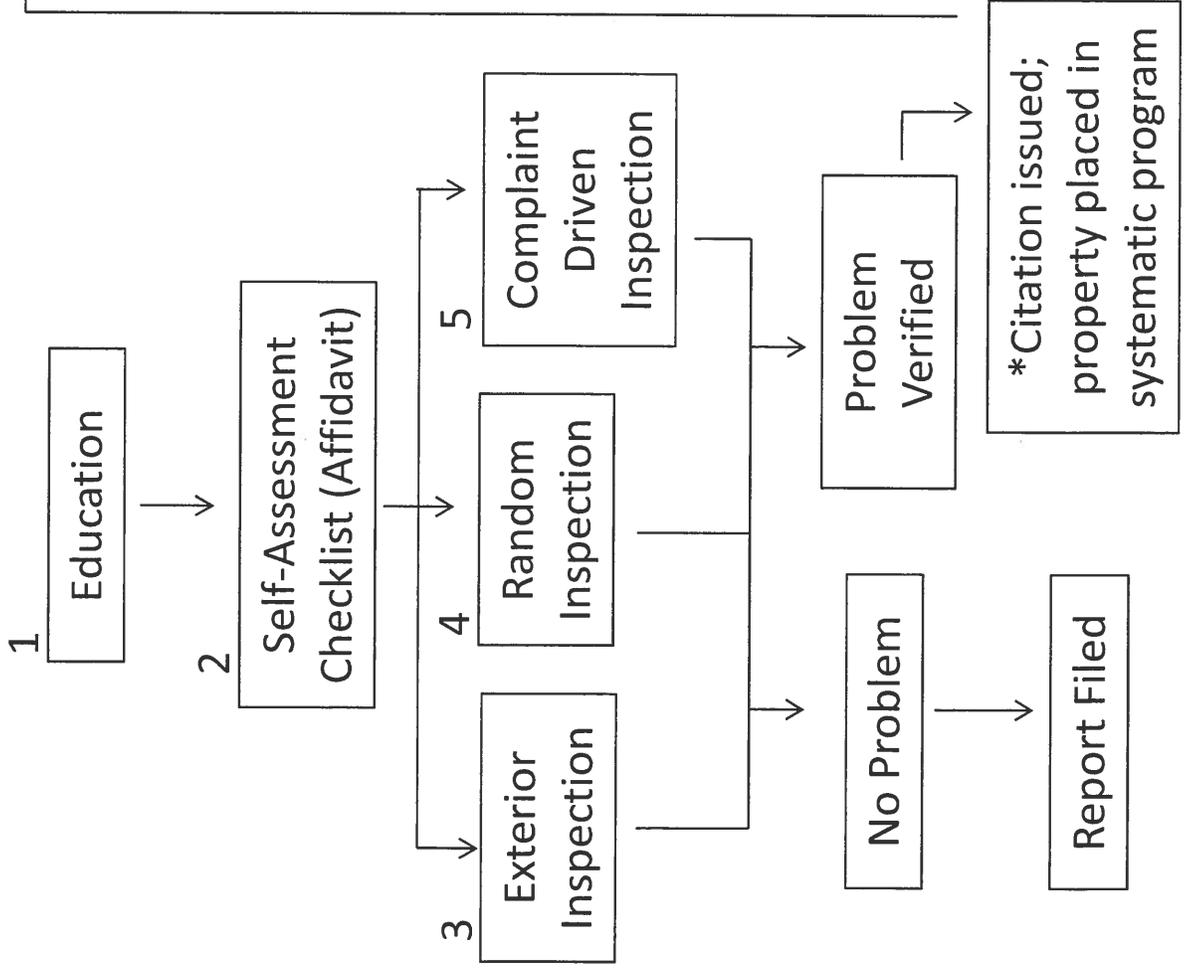
E. Legal Resources

- What: Legal services and resources are required by tenants and landlords to address civil issues. To support equal access to legal rights and resources, cities will secure non-profit legal services for income-eligible residents
- Why: Often older adults on fixed incomes, families with single heads of household and individuals or are disabled are unable to afford legal services for civil issues.
- Now: City of Beverly Hills provides two hours of complimentary mediation services to tenants and landlords which can be leveraged in lieu of filing a case in court.
- Pro: Ensures access to legal representation across socio-economic status.
- Con: City monies are required to fund this service. No point in funding unless municipal codes are changed to increase tenant protection.

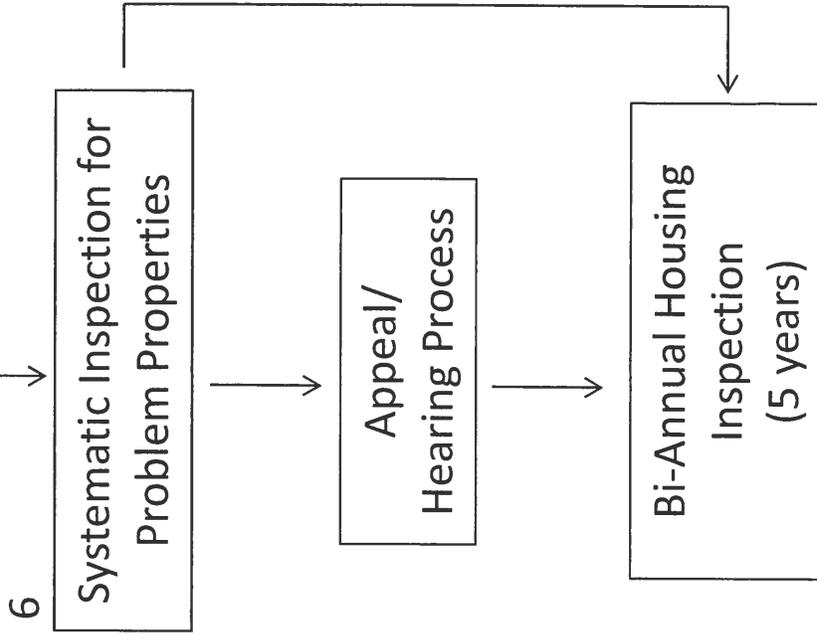
Attachment 3

2007 Proposed Program to Address Rental Housing

Proactive Approach



Targeting the Problem



Attachment 4

Relocation Fee Survey

1	No Change	Chapter 5 tenants are eligible for relocation assistance if evicted for major remodel, use by landlord, demolition, condominium conversion or Ellis Act. Bachelor unit \$2,000, Single unit \$2,250, one or more bedrooms \$3000, Senior citizens, handicapped or terminally ill \$5,000 Chapter 6 tenants – no relocation fee structure
2	Establish relocation fees according to unit size	Update Chapter 5 and Chapter 6; establish relocation amounts based on unit size West Hollywood: Bachelor Unit \$5,100 One bedroom Unit \$7,200 Two-bedroom Unit \$9,700
3	Establish relocation fees according to unit size and vulnerability of occupant	Update Chapter 5 and Chapter 6; establish relocation amounts based on unit size and additional considerations for a defined priority population: senior 62+, disabled, terminally ill or a minor. West Hollywood: Qualified Tenant in Household \$13,500 - If any tenant in the household is 62 years of age or older, disabled, living with one or more dependent minors, terminally ill or are moderate income (120% AMI). Lower Income Tenant in Household \$17,000 Santa Monica: Single: \$8,650 or \$9,900 (if member of household is 62+, disabled or minor). One bedroom: \$13,300 or \$15,350. Two or more bedrooms: \$18,050 or \$20,750. Los Angeles: Amounts range from \$7,700 minimum to \$19,300 maximum

Additional housing retention strategy to assist existing tenants: Redirect a portion of the City's Affordable Housing Trust Fund to support qualified tenant households in reducing rental burden.

Suggested definition of qualified tenant household: The head of household is 62yo or older; AND, head of household's tenancy in unit is 15 years+; AND their monthly rental amount is 40% or more of their monthly income.

Attachment 5



RELOCATION ASSISTANCE

Rent Stabilization Bulletin

All tenant not-at-fault evictions require payment of relocation assistance and the filing of a *Landlord Declaration of Intent to Evict* form with the Los Angeles Housing and Community Investment Department (HCIDLA) prior to evicting the tenant. Failure to file the Landlord Declaration with the HCIDLA makes the eviction a violation of the Rent Stabilization Ordinance (RSO).

Landlords are required to provide monetary relocation assistance and file a Landlord Declaration prior to evicting tenants from units covered by the RSO when:

1. The landlord evicts for the occupancy for her/himself, spouse, grandchildren, children, parents or grandparents, or a resident manager (Los Angeles Municipal Code (LAMC) 151.09.A.8). Landlords must comply with the restrictions and requirements of LAMC Section 151.30.
2. The landlord seeks in good faith to recover possession of the rental unit to demolish or to remove the rental unit permanently from rental housing use (LAMC 151.09.A.10). These are considered Ellis Act (California Government Code 7060.4) evictions and the landlord must comply with the requirements of LAMC 151.22-151.28.
3. The unit requires permanent eviction due to a primary renovation in accordance with a *Tenant Habitability Plan* accepted by the HCIDLA (LAMC 152.05).
4. The landlord evicts to comply with a governmental agency's Order to Vacate (LAMC 151.09.A.11). Landlords must file a *Landlord Declaration of Intent to Evict* prior to giving notice to tenants.
5. The Secretary of Housing and Urban Development is both the owner and plaintiff and seeks to recover possession in order to vacate the property prior to sale (LAMC 151.09.A.12).
6. The eviction is due to a Residential Hotel Unit conversion and demolition (LAMC 151.09.A.13).
7. The landlord seeks to recover possession of the rental unit to convert the subject property to an affordable housing accommodation (LAMC 151.09.A.14).
8. The landlord demolishes the property or converts the use of the property to condominiums, stock cooperatives, community apartment projects, hotels and commercial uses, regardless of whether the property is subject to the RSO (LAMC 47.06 & 47.07).

6640 VAN NUYS BLVD.
VAN NUYS, CA 91405

2215 N. BROADWAY AVE.
LOS ANGELES, CA 90031

690 KNOX ST., SUITE 125
LOS ANGELES, CA 90502

3550 WILSHIRE BLVD.
15TH FLOOR
LOS ANGELES, CA 90010

8475 S. VERMONT AVE.
2ND FLOOR
LOS ANGELES, CA 90044

1645 CORINTH AVE.
SUITE 104
LOS ANGELES, CA 90025



CITY OF LOS ANGELES

P.O. BOX 17280, LOS ANGELES, CA 90017-0280 • 866-557-RENT • 866-557-7368 • [HTTP://HCIDLA.LACITY.ORG](http://HCIDLA.LACITY.ORG)

RELOCATION ASSISTANCE

Rent Stabilization Bulletin

How Much Relocation Assistance Is Required?

The amount of relocation fees due to the tenants by the landlord depends on whether the tenant is an **eligible** or **qualified** tenant, the length of tenancy, and the tenant's income. Relocation Assistance is paid per unit, not per tenant. For relocation amounts, refer to the Relocation Assistance and the HUD Low Income Limits charts on page 3.

- **Qualified tenant** - A qualified tenant is any tenant who on the date of service of the written notice of termination is 62 years of age or older; handicapped, as defined in Section 50072 of the California Health and Safety Code, or disabled, as defined in Title 42 of the United States Code, Section 423; or who has one or more minor dependent children (as determined for federal income tax purposes).
- **Eligible tenant** - Unless a tenant is a qualified tenant as explained above, the tenant is an eligible tenant and is entitled to receive a relocation assistance amount that depends on length of time in the unit and income.
- **Low Income Tenant** - A tenant whose income is 80 percent or less of the Area Median Income, as adjusted for household size, as defined by the U.S. Department of Housing and Urban Development, regardless of the length of tenancy.
- **Mom and Pop properties** may pay reduced relocation assistance payments to their tenants for a good faith eviction for occupancy by the owner or eligible relative, provided that requirements in Section 151.30 of the LAMC are met.

The reduced fee for Mom and Pop properties applies, if all of the following conditions exist:

1. The building containing the rental unit contains four or fewer rental units;
2. The landlord has not utilized this provision during the previous three years;
3. The landlord owns no more than four units of residential property and a single-family home on a separate lot in the City of Los Angeles; and
4. Any eligible relative for whom the landlord is recovering possession of the rental unit does not own residential property in the City of Los Angeles.

How And When Shall Landlords Provide Payment?

The Ordinance requires that relocation assistance payments be made as follows:

1. The entire fee shall be paid to a tenant who is the only tenant in a rental unit.
2. If two or more tenants occupy a rental unit, then each tenant shall be paid an equal pro-rata share of the fee.
3. If more than one fee payment amount applies to a unit, the landlord pays the higher amount for the unit.



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Relocation Assistance Amounts Effective July 1, 2014 through June 30, 2015

Tenants	Tenants with Less Than 3 Years	Tenants with 3 or More Years	Income Below 80% of Area Median Income	Tenants Renting Units in Mom & Pop Properties
Eligible Tenant	\$7,700	\$10,200	\$10,200	\$7,450
Qualified Tenant	\$16,350	\$19,300	\$19,300	\$15,000

2015 HUD Low Income Limits for Los Angeles (Formerly known as 80% of AMI)

Household Size	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Income Limit	\$46,500	\$53,150	\$59,800	\$66,400	\$71,750	\$77,050	\$82,350	\$87,650

The Ordinance requires timely relocation assistance payments as follows:

1. Payment shall be made available within fifteen (15) days of service of the written notice of eviction; however,
2. The landlord may, at the landlord's sole discretion and at the landlord's cost, elect to pay the monetary relocation benefits through an escrow account. The monies must be placed in the escrow account within the required 15-day period. The escrow account must provide for payments to the tenant(s) for actual relocation expenses incurred by the tenant prior to vacating the unit for the following relocation expenses: first and last month's rent; security deposit; utility connection charges; moving expenses. Payments from the escrow account shall be made within three (3) working days of receiving a request for payment. The remaining balance of the escrow account shall be disbursed upon certification of vacation of the rental housing unit. (Refer to bulletin *How to Set-Up Relocation Escrow Accounts* or RAC Regulations, Section 960.00.)

Exemptions from Relocation Assistance Payments

Landlords are exempt from paying relocation assistance when:

1. Evicting a resident manager to replace him/her with another resident manager. If the resident manager is a *Manager-Tenant* receiving free or reduced rent with no other compensation, he/she may be entitled to relocation assistance. (See RAC Regulations 920.00, *Managers as Tenants*.)
2. The tenant received actual written notice, prior to entering into a written or oral tenancy agreement, that an application to subdivide the property for condominium purposes, or to convert the building to a condominium, a stock cooperative, or community apartment project was on file with or had been approved by the City.



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3. They are required to evict due to hazardous conditions caused by a natural disaster and, therefore, not caused by any negligence on the part of the landlord.

Administrative Fees Related to Relocation Assistance

1. All landlords who file an application which requires relocation assistance to be provided to tenants shall pay the *Relocation Service Fee*, according to the tenants Eligible or Qualified status AND a *Relocation Administrative Fee* per rental unit.
2. All property owners that seek the HCIDLA’s clearance of a Planning or Building and Safety Department demolition permit shall pay a *Demolition Monitoring Administrative Fee*.
3. Requests for a hearing to appeal a decision regarding a tenant’s relocation assistance eligibility for higher relocation assistance based on a tenant’s income, age, length of tenancy, family status and/or disability status must be filed along with the *Relocation Assistance Dispute Resolution Fee* (LAMC 151.09.G).
4. When the termination of tenancy is due to recover possession of the rental unit for use of occupancy as a primary place of residence by the landlord, landlord’s qualified family member, or resident manager, the landlord shall pay an administrative fee for the filing of the application (LAMC 151.09.C.2).

FEE TYPE	FEE PER UNIT
Relocation Service Fee for Eligible Tenants	\$439
Relocation Service Fee for Qualified Tenants	\$704
Relocation Service Administrative Fee	\$60
Demolition Monitoring Administrative Fee	\$45
Relocation Assistance Dispute Resolution Fee	\$200
Landlord Declaration for Owner, Eligible Relative, or Resi-	\$75

RELOCATION ASSISTANCE QUESTIONS

Can a tenant request relocation fees and services prior to being served with a Notice to Terminate Tenancy, if a tentative parcel or tract map for a condominium conversion has been approved?

If a tentative parcel or tract map for a condominium conversion has been approved by the City of Los Angeles Planning Department, the tenant may elect to relocate without receiving a *Notice to Terminate Tenancy* from the landlord (LAMC Sec. 47.06.D.2). The landlord, however, is still responsible for the payment of relocation assistance in these cases.



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How and where do I establish an escrow account, if I choose to do so?

The landlord may place the escrow account in any bank, savings and loan association, or credit union with federal deposit insurance, or with any broker who is licensed by the California Corporate Commission, or with a client trust account of an attorney currently eligible to practice law in California pursuant to the records of the State Bar of California that is reasonably accessible to the tenant(s) during normal business hours. (Refer to bulletin *How to Set-Up Relocation Escrow Accounts* or RAC Regulations, Section 960.00.)

On what basis does a tenant file a complaint, and how?

Non-payment dispute - In an action by the landlord to recover possession of a rental unit, the tenant may raise as an affirmative defense the failure of the landlord to provide relocation assistance. Complaint forms may be obtained and filed with the HCIDLA for illegal eviction when the landlord has not provided relocation assistance.

Escrow Dispute - Where there is an escrow dispute, dispute notices must be sent by registered mail or delivered to the HCIDLA at any of its Public Information Counters, on the second (2nd) working day following presentation of the dispute notice to the opposing party. A copy of the escrow instructions must accompany the notice.

THIS INFORMATION IS OFFERED FREE OF CHARGE TO THE GENERAL PUBLIC.

While this publication is designed to provide accurate and current information about the law, readers should consult an attorney or other expert for advice in particular cases, and should also read the relevant statutes and court decisions when relying on cited material. Laws and guidelines are frequently amended. The HCIDLA recommends that you verify information in the event that new changes are not yet reflected in this publication. The HCIDLA does not assume and hereby disclaims any liability to any party for any loss, damage, or disruption caused by errors or omissions, whether such errors or omissions result from negligence, accident, or any other cause.

AUXILIARY AIDS AND SERVICES: "As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services and activities."