

Annual Report 2017 | 2018

Rent Stabilization Program

City of West Hollywood

Published by the
Rent Stabilization and Housing Division



The City of West Hollywood provides a report of activities and metrics for the Rent Stabilization Program periodically.

This report complies with 2.64.090(3) of Chapter 2.64 of Article 3 of Title 2 of the West Hollywood Municipal Code requiring an annual report of activities taken to implement the Rent Stabilization Program.

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Rent Stabilization promotes equity by providing consumer protections in the rental housing market. A landlord and tenant mutually agree to the initial rent when a tenancy begins. In rentals built before July 1, 1979, rent can be increased every 12 months after move-in by up to 75% of inflation (May CPI-U). Minimum maintenance standards and rules preventing removal of services ensure initial condition of the rental continues during the tenancy. Evictions are limited to 'just cause', such as not paying rent or causing a nuisance.

RENT STABILIZATION PROGRAM SUMMARY

- **Tethering Rent Increases After Move-In to Inflation**

Property owners may increase rent by the amount of the Annual General Adjustment once every 12 months. The AGA is updated on September 1 of every year by 75% of the annual change in the May Consumer Price Index for all Urban consumers in the Los Angeles-Long Beach-Anaheim Area rounded to the nearest quartile.

2017-1.75% | 2018-3.0% | 2019-2.25%

- **Limiting the Reasons for Eviction**

The Rent Stabilization Ordinance restricts eviction to "just cause" including not paying rent or causing a nuisance. Just cause must be the primary reason.

- **Maintaining Housing Standards and Services**

The City provides a process through which tenants may request a decrease in rent for loss of a housing service, property owners may request an increase for added housing services or based on net operating income, and both tenants and property owners may request confirmation of maximum allowable rent.

- **Supporting Tenants Displaced by Loss of Housing**

Property owners have the right to remove apartment buildings from the rental market or occupy a unit. Property owners must provide a relocation fee to each affected household and pay a fee to the City which provides relocation assistance supporting tenants find new homes.

Rent Trends in West Hollywood

The West Hollywood City Council adopted Rent Stabilization shortly after incorporation 35 years ago. Today, approximately 75% of renters are covered by the program.

Through rent stabilization, the possibility of an unexpectedly high rent increase is tempered by the Annual General Adjustment. The AGA is calculated based on inflation and is the percent rent increase a household can anticipate in a given 12 month period. Regulating rent increases provides housing stability which can improve health and sense of well-being. West Hollywood, however, cannot control regional and state trends driving housing market dynamics and despite Rent Stabilization and the City's other housing programs, affordability remains a challenge.

The California Department of Finance estimated there were 25,833 households in West Hollywood in 2018. Using data provided by HUD in the Comprehensive Housing Affordability Strategy, approximately 20,649 households in West Hollywood rent. Approximately 35.1% of renter households earn very low-income, and 17.1% earn low-income. About 8.3% of renter households earn moderate-income. The remaining 39.5% of renter households earn higher wages.

With 80% of households being renters and 75% of rental housing being rent stabilized, the Rent Stabilization Program is a primary means of ensuring rents rise at a level tenants are able to pay, while providing owners a fair return on investment.

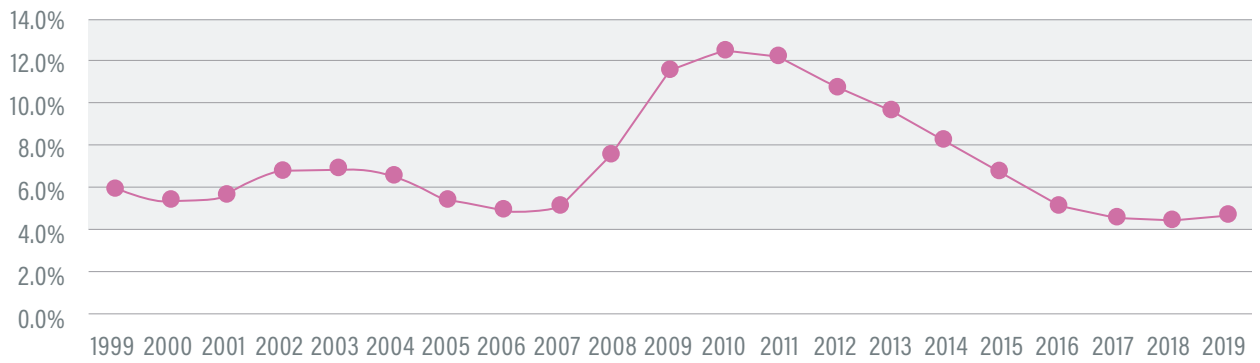
Rent stabilization, however, can only limit rent increases as long as a tenant remains in his or her unit. When the economy is performing well, demand for housing increases. Residents earning sufficient incomes, and new residents moving into West Hollywood, seek housing they can afford. This increases demand. The supply of housing in West Hollywood and the Los Angeles region has not kept pace with demand. When demand is high, landlords achieve higher initial rents because prospective tenants who are able to pay more will do so to beat competition from other prospective tenants to secure an apartment.

Since 1996, vacancy decontrol, which allows units to be rented at market rate following a vacancy, has allowed growth in new initial

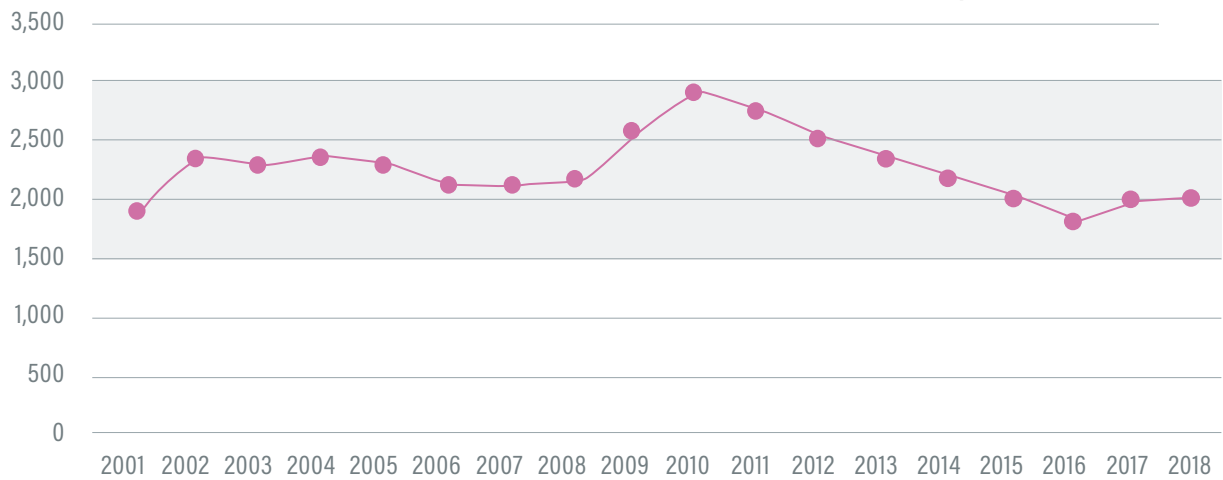
Distribution of Wealth Among Renter Households in West Hollywood

	Very Low (0-50% AMI)	Low (>50 - 80% AMI)	Moderate (>80 - 100% AMI)	Above Moderate (>100% AMI)
% of Renter Households	35.1%	17.1%	8.3%	39.5%
Number of Renter Households <i>(estimated)</i>	7,238	3,534	1,720	8,157

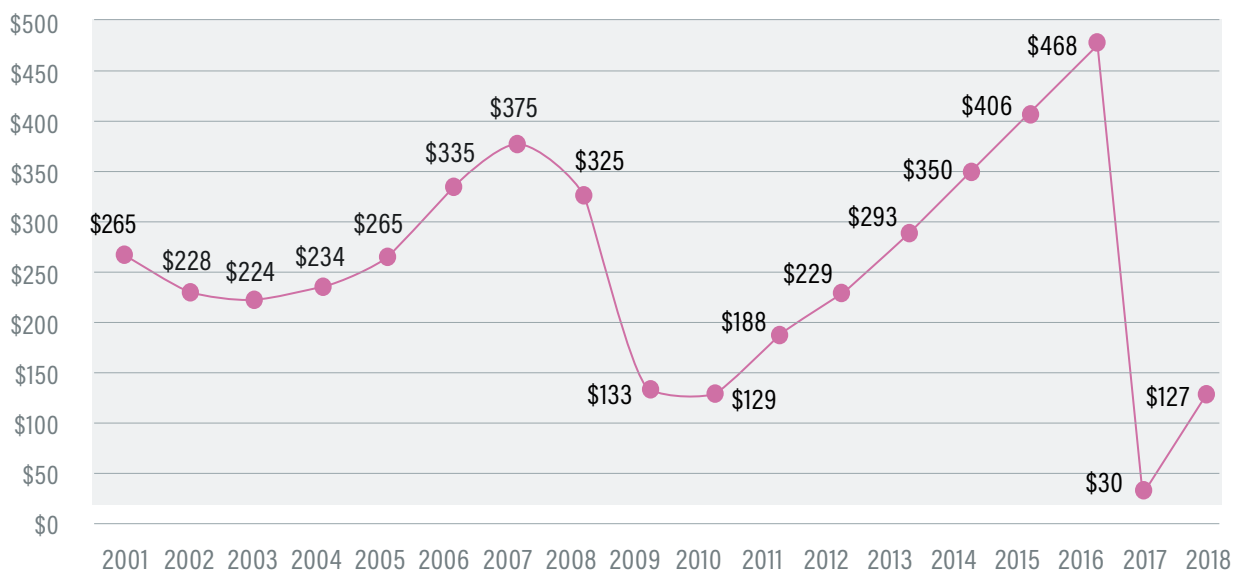
Unemployment Rate, Los Angeles County



Rate of Turnover, Rent Stabilized Units in West Hollywood



Average Increase in Rent Following a Vacancy West Hollywood



rents to outpace the steady rent growth allowed through rent stabilization. *This is presented in the chart on the bottom of Page 3.*

The growth rate for new tenancy rents between 2013 and 2016 was 28%, or approximately 9.3% a year. In 2017, initial rents only increased on average by 1.4%. However, in 2018 rent growth picked back up to 6.0%, resulting in a total increase in average rent following a vacancy of 35.4% since 2013. This rate of increase has resulted in wide margins between average rents paid by tenants moving in 2018, and tenants who moved in 5 or 10 years ago. *See the chart on the bottom of Page 7, and the charts on Page 9.*

Census data indicates on average, one-half of all households in the Los Angeles region move every 5 years. This is most likely because housing needs change over time. This rate of movement is reflected in the Rent Stabilization Tenancy Registry. Between 2014 and 2018, approximately 10,000 rent stabilized households moved. This equates to approximately 60% of all households in rent stabilized units in West Hollywood. This amount of turnover does not mean 10,000 separate rent stabilized units became vacant in the last 5 years. The registry is a record of new rent stabilized tenancies. Tenants are more likely to move out within the first 5 years. After 5 years, it is less likely the household will move. Therefore, some units have turned over more than once.

Households are more likely to remain after 5 years partly because the growth rate of initial rents has greatly surpassed rent increases in the rent stabilization program. This limits nearby housing options for in-place residents, who cannot afford the higher rents. Residents earning at low to just over moderate could be challenged to find new housing. *See the chart on the bottom of Page 6 for the income a household must earn for a rent stabilized apartment in West Hollywood to be considered affordable.*

Loss of Rent Stabilized Housing

Under the State's Ellis Act, property owners have the right to remove properties from the rental market.

**From 1986 through 2018
234 rent-stabilized properties with
892 units had been removed from
the West Hollywood Rental Market.**

Specifically in 2018, 21 buildings with 79 apartments were removed.

A 2016 review of City records indicated the most common properties removed in West Hollywood have two, three, or four units. Properties were most often converted to single-family homes or have remained unchanged and off-market. Approximately 12% of rent-stabilized properties in West Hollywood, 788 properties with 2,124 units, have two, three, and four units.

STATUS (November 7, 2016)	PERCENT	PROPERTIES
Off Market or converted to a single family home	51.7%	105
New and pending condominiums	31.0%	63
New and pending apartments	1.5%	3
Returned to market	7.9%	16
Change of Use (commercial, bed & breakfast, affordable housing)	7.9%	16
Total	100%	203

2016 Study of Uses after Removal from the Rental Market

As of November 7, 2016, 124 properties with two, three, and four units had been removed from West Hollywood's rental market. This represented 14% of properties with two, three, and four units, and 61% of all West Hollywood properties removed from the rental market using the Ellis Act.

Rent Stabilized 2, 3, and 4 Unit Properties in West Hollywood

PROPERTY TYPE	Properties	Units
2 units	415	830
3 units	198	594
4 units	175	700
TOTAL	788	2,124

Status of Rent Stabilized 2, 3, and 4 Unit Properties Previously Removed from the Rental Market

PROPERTY TYPE	Properties Removed	Off Market/ Unchanged	Converted to Single-Family	Demolished/ Site Rebuilt
Duplex	88	41	28	19
Triplex	19	6	4	9
Fourplex	17	9	1	7
TOTAL	124	56	33	35

The table (right) provides status for properties removed from the market between 1986, when the Ellis Act came into effect, and October 12, 2016

The "Change of Use" category includes properties converted to uses such as bed and breakfast lodging, non-profit affordable housing, and commercial or hotel uses. The "Proposed Units" category includes projects currently under construction or approved for construction.

Properties Removed from the Rental Market Using the Ellis Act (*) and Current Uses as of October 12, 2016

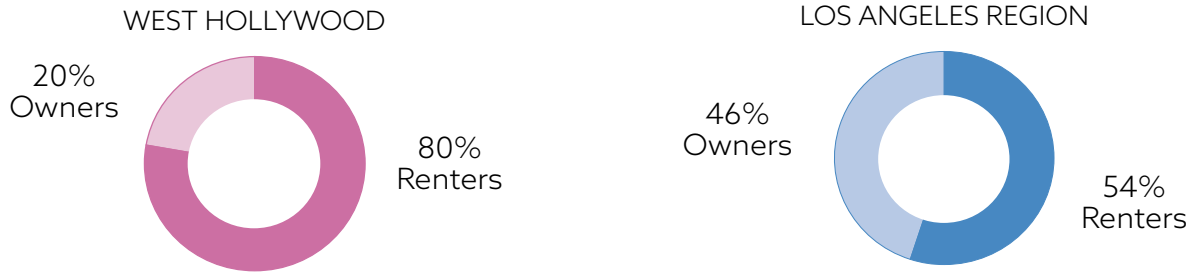
PROPERTY STATUS	Properties Ellised	Units Ellised	Current Units	Proposed Units
Change of Use	16	126	128	22
Converted to SFR	37	96	45	0
New Construction	45	187	391	0
New Construction Pending	21	94	80	298
Off Market (No Changes to Property)	68	186	186	0
Returned to Market	16	75	72	0
TOTAL	203	764	902	320

Tethering Rent Increases After Move-in to Inflation

Applies to units built before July 1, 1979

In West Hollywood 80% of households rent their homes. In contrast, 54% of households in the Los Angeles Region rent their homes.

(Comprehensive Housing Affordability Strategy Data, HUD)



Rent Increases allowed by Rent Stabilization compared to the Open Market

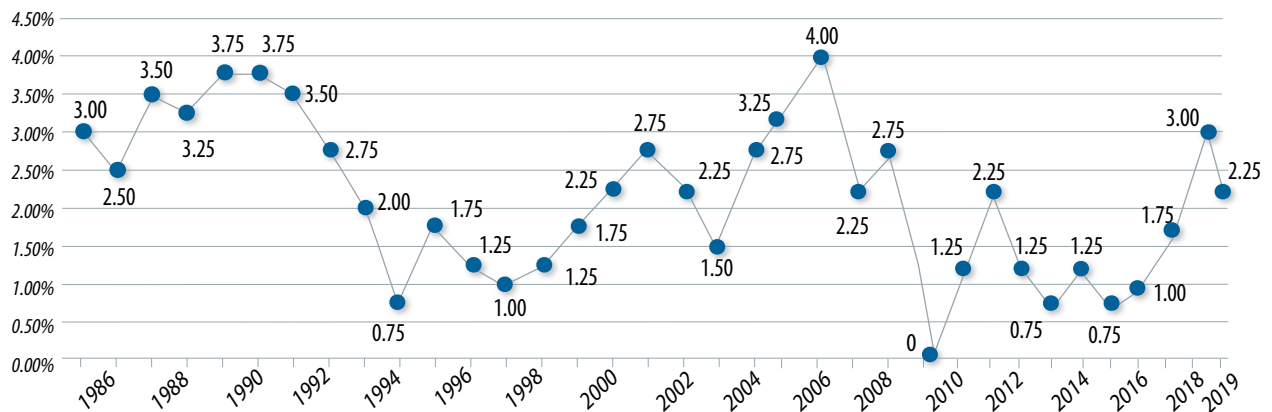
Below, allowed rent increases under Rent Stabilization are compared to rent growth for non-rent stabilized properties in West Hollywood.

	2016	2017	2018	2019
Rent Stabilized (maximum allowed)	1.0%	1.75%	3.0%	2.25%
Non-Rent Stabilized (average) (not subject to rent limits)	3.2%	1.3%	1.8%	-0.4%

Annual General Adjustment

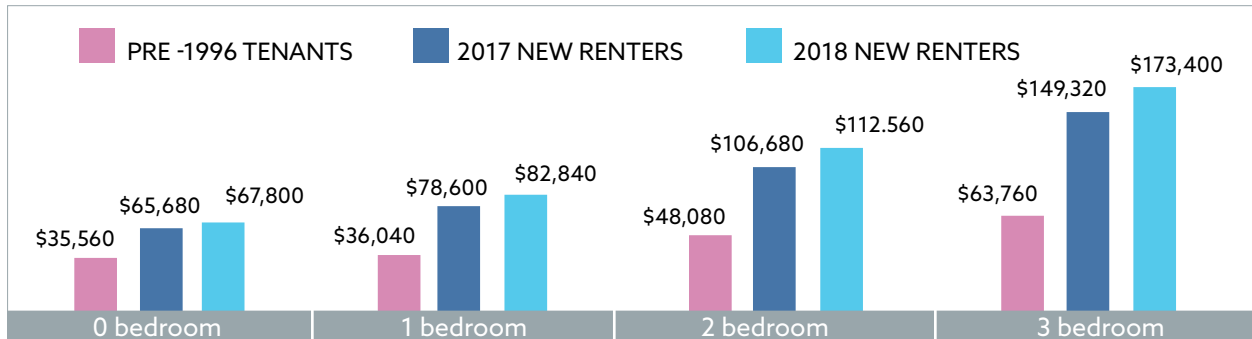
The AGA is adjusted annually based on the May CPI-U, and effective September 1, 2019 the AGA will be 2.25%. For the current AGA, visit www.weho.org/rent.

The Annual General Adjustment (AGA) limits rent increases to once a year by 75% of the May Consumer Price Index, rounded to the nearest quarter percent.



Income Needed to Afford Rent Stabilized Housing in West Hollywood

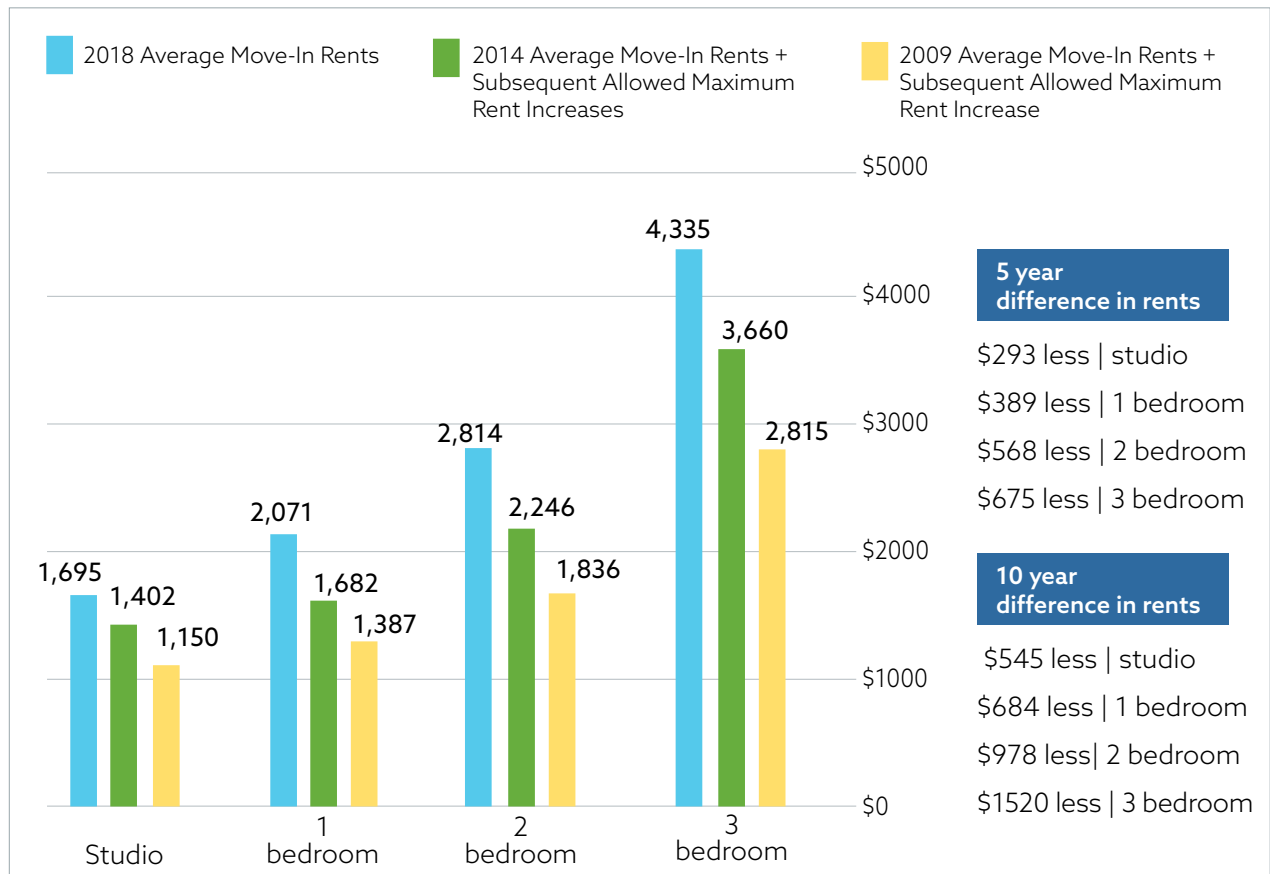
Affordability is generally measured by the percentage of income paid for rent, which should be no more than 30% of gross household income.



The chart above compares the average income a household who moved in before 1996 must earn in order to pay 30% of income in rent versus the average income a household in 2017 and 2018 must earn to do the same.

Average Move-in Rents

A comparison between units rented in 2018, and units rented 5 and 10 years prior, plus subsequent AGA's is provided below. Tenants who moved-in 5 years ago pay 18% less on average compared to 2018. Tenants who moved-in 10 years ago pay 34% less on average.



Rent Stabilized Housing Inventory

According to the California Department of Finance there are 25,833 residential housing units in the City of West Hollywood. Of these, in 2017 - 16,741 units and in 2018 - 16,707 units were registered in the City's Rent Stabilization Program.

Annual Program Fees Billed

2017	\$1,886,308	2018	\$2,272,715
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The annual program registration fee is \$144 per unit of which a property owner may pass through half to the tenant at \$6 a month.

Owner's or Owner's Relative Exemptions

2017	1,605 units	2018	1,622 units
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The number of rent stabilized apartments fluctuates year to year when units come off market or return to market from owner occupancy. Owner occupancy is a way property owners may utilize a rent stabilized unit as their primary residence or as the residence of a family member.

Rent Stabilized properties in West Hollywood 2017	size	units	%	Rent Stabilized Apartments 15,423 Owner Occupancy, Section 8, Other 1,605
	0 bedroom	2,419	14.4	
	1 bedroom	8,971	53.6	
	2 bedroom	4,858	29.0	
	3 bedroom	473	3.0	
	4 + bedroom	20	.01	
	Totals	16,741	100.0	

Rent Stabilized properties in West Hollywood 2018	size	units	%	Rent Stabilized Apartments 15,461 Owner Occupancy, Section 8, Other 1,622
	0 bedroom	2,420	14.5	
	1 bedroom	8,933	53.5	
	2 bedroom	4,854	29.0	
	3 bedroom	480	3.0	
	4 + bedroom	20	.01	
	Totals	16,707	100.0	

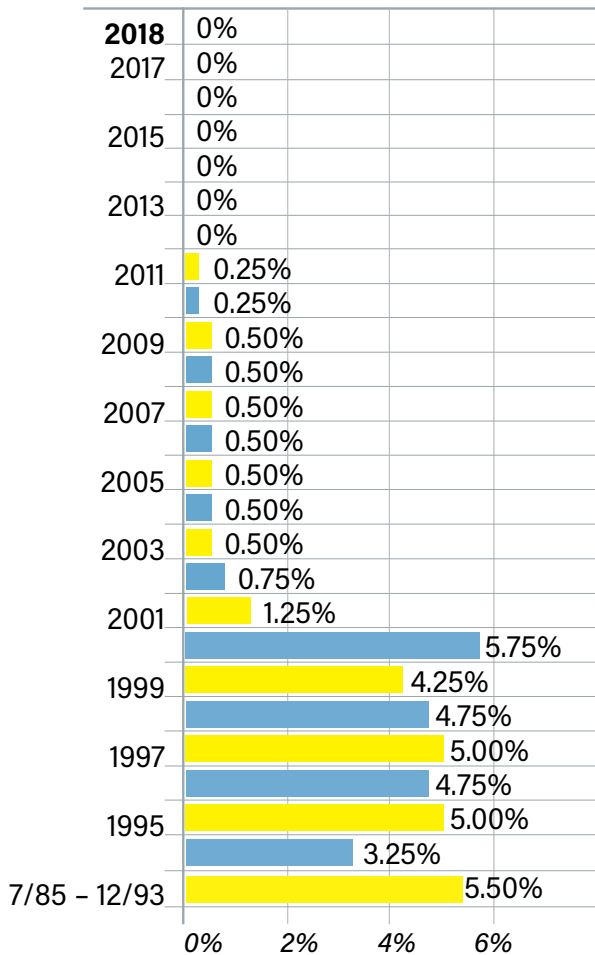
Average Initial Rents Registered Each Year by Apartment Size



The average rent amounts for pre-1996 tenants were determined as taking the December 31, 1995 MAR (Maximum Allowable Rent) plus all subsequent Annual General Adjustments (AGA) through 2018. The rent amounts for new tenancies is the average registered initial rents at move-in for that year.

2017-2018 Security Deposit Interest

The City of West Hollywood's Rent Stabilization Ordinance requires tenants be paid interest on their security deposits by January 31 of each year in an amount based on prevailing interest rates. The rate is determined by averaging the interest paid by five local banks for regular savings accounts. The Rent Stabilization Commission announces the interest rate annually. Property owners and tenants are notified by mail in December of each year.



Turn-Over of Long-Term Tenancies

The chart below illustrates the number of apartments turned over since State Law allowed market rent increases at vacancy. In the 21 years since vacancy decontrol has been in effect, 64% of West Hollywood apartments have turned-over at least once.

Under the RSO, existing tenancies may be given an annual rent increase limited to 75% of the increase in the Consumer Price Index (CPI) rounded to the nearest quarter (0, 0.25, 0.50, 0.75). However, under California's Costa-Hawkins Act, effective since 1996, State law allows the rent to increase to what the market will bear upon vacancy. Rent increases after move-in are then regulated once again.

Year	Increase Differences	Units
2018	+188	11,604
2017	+160	11,416
2016	+345	11,256
2015	+119	10,911
2014	+244	10,792
2013	+295	10,548
2012	+349	10,253
2011	+181	9,904
2010	+219	9,723
2009	+397	9,504
2008	+427	9,107
2007	+543	8,680
2006	+693	8,137
2005	+654	7,444
2004	+834	6,790
2003	+942	5,956
2002	+1,104	5,014
2001	+1,000	3,910

Numbers are cumulative



WEST HOLLYWOOD NEEDS AFFORDABLE HOUSING

In West Hollywood, nearly 53% of renters are rent burdened, paying 30% or more of income in rent. This prevents households from saving and building wealth. Rent burden falls especially hard on residents earning lower incomes. Cost burdened households are at significant risk of being displaced, not only from rising housing costs, but from costs for food, medications, and other daily needs. Lowest earners, seniors and those living with a disability, are especially vulnerable even to the tempered rent increases allowed under rent stabilization in part because earnings from state and federal benefits and wages have not kept pace with inflation.

CONNECTING RESIDENTS WITH SUPPORT

The Human Services and Rent Stabilization Department includes the Rent Stabilization and Housing, Social Services, and Strategic

Initiatives Divisions. Together, these three Divisions provide support for housing and related social services along with local and Los Angeles County agencies, helping residents avoid eviction and housing loss, and extending independent living.

ACHIEVING LASTING HOUSING AFFORDABILITY

In West Hollywood new multi-family residential projects of more than 10-units must include 20-percent as permanent affordable housing for lower and moderate households. Additionally, the California State Density Bonus Law requires one-for-one replacement of existing units occupied by lower-income households with affordable units in the new project. Through the City's Inclusionary Affordable Housing Program and state density bonus law requirements, West Hollywood is achieving new affordable housing while ensuring a no net loss of existing affordability.

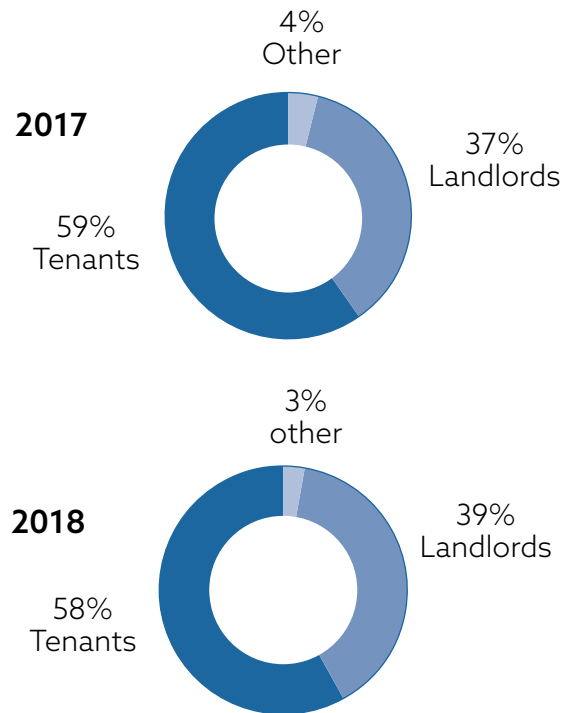
Administering the Rent Stabilization Program

The Rent Stabilization and Housing Division in partnership with the Legal Services Division administers the Rent Stabilization Program and assists property owners and tenants in understanding their rights and responsibilities under the Rent Stabilization Ordinance and Rent Regulations.

An on going role of the Rent Stabilization and Housing Division is providing information to the public.

WHO CONTACTS RENT STABILIZATION?

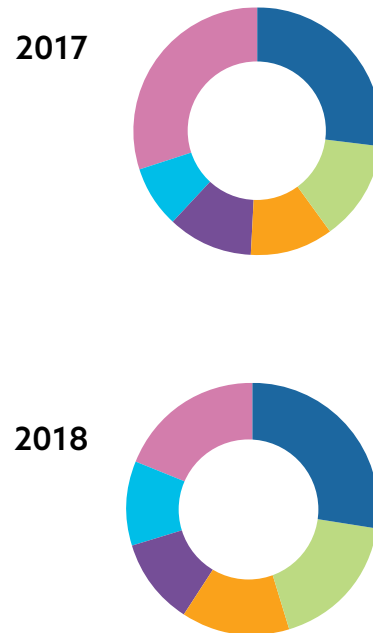
Inquiries made to the Rent Stabilization Division



WHAT ARE THE MOST COMMON ISSUES?

Top 5 reasons constituents contacted the Rent Stabilization Division

- Housing
- Lease Issues
- Maintenance
- Evictions
- Rent Questions
- Other



GUIDING NEW PROPERTY OWNERS, TENANTS & PROSPECTIVE HOUSING BUYERS

All new owners and new tenants receive an information packet introducing them to West Hollywood's Rent Stabilization Program. The packet contains a fact sheet, a guide to Rent Stabilization, a voter registration form and a welcome letter. In 2017, welcome packets were mailed to 148 new property owners and 1,997 new tenants. In 2018, welcome packets were mailed to 183 new property owners and 2,008 new tenants.

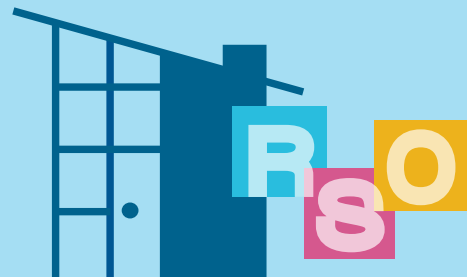
REGISTERING NEW TENANCIES IN RENT STABILIZED APARTMENTS

When a unit in the rent stabilization program is rented the property owner must register the tenancy, providing the move-in date, the initial rent paid, and housing services provided. Both the landlord and the tenant sign to confirm the information. This information is stored in the registry as record of the tenancy. If a tenancy is not registered, rent increases cannot be applied. In 2018, the Division received and processed 2008 registrations.

RSO (Rent Stabilization Ordinance) BUILDING BLOCKS SEMINARS

In 2018, eight educational workshops were held to inform and guide property owners and tenants in their rights and responsibilities under the Rent Stabilization Ordinance, Rent Regulations, and State rental laws. Workshops were free, and in total were attended by 170 community members.

Free Tenant and Landlord Workshops A City of West Hollywood Rent Stabilization Educational Series



RENT REGISTRATION FEES

Fees collected from property owners fund the Rent Stabilization Program. In 2018, 16,707 rent stabilized units generated \$2,272,715. For units rented under Section 8, only the landlord portion of the fee is collected, which is \$60. Owner-occupied units do not pay the registration fee and in 2018, there were 1,622 units with this exemption. In 2017, the registration fee increased from \$120 to \$144 per unit per year. This was the first increase since 1993 and is lower than the AGA for the same time-period. If all AGAs were applied to the annual program free from 1993 to 2019 the fee would be \$193 this coming year. Instead, the fee remains at \$144 per unit per year, \$60 per unit with Section 8.

FEE REBATES FOR INCOME QUALIFIED TENANTS

The RSO allows landlords to pass through to tenants one-half of the annual program fee at \$6 per month. Very low-income tenants who are over 62 years of age or disabled may obtain an annual rebate if they paid the pass-through the previous year. A tenant has up to three years to file.

FREE RENTAL ADVERTISING

The Division maintains an online interactive map of available rentals in West Hollywood. Updated weekly, it is free to owners to post rental listings, and free to prospective renters to use.

HEARINGS ON MAXIMUM ALLOWABLE RENT AND RENT DECREASES

Hearings are held if a tenant or landlord wants to ascertain the legal maximum allowable rent (MAR) for a unit, or if a tenant believes they have had a substantial reduction in housing services occurs, or a landlord requests a rent increase above the AGA. The Rent Stabilization and Housing Division coordinates the hearings process with the Legal Services Division. In 2017, 81 hearings were held. In 2018, 83 were held.

TENANT HARASSMENT

The City of West Hollywood investigates complaints of tenant harassment. An investigation is begun when a complaint is filed. The harassment complaint is assigned to staff who review the allegations made, and may contact parties and witnesses. Tenant harassment is a criminal offense, and no charges will be filed unless the Legal Services Division and City Prosecutor are satisfied all elements of the offense can be proven beyond a reasonable doubt. While few complaints are ultimately prosecuted, the investigation frequently alerts tenants and landlords to their rights and responsibilities under the RSO and helps bring resolution. The Division also collaborates with other City Divisions, including Legal Services, Building and Safety, and Code Compliance to respond to situations, such as high-impact renovations, that sometimes could lead to displacement.

PARTICIPATING IN THE RENT CONSORTIUM

Each year, representatives from many of the rent programs in California meet to share program updates and discuss pending and upcoming legislation. In 2018, topics included legislation that would have eliminated the Costa-Hawkins Act, and legislation related to the Ellis Act.

ENGAGING THE COMMUNITY

Annually the City hosts two community conversations on housing to create a forum to discuss pressing issues such as increased rents, tenant displacement, affordable housing, and other housing related topics. Meetings are open to all members of the community, and all are encouraged to attend. The meetings are held in late January, one at the West Hollywood Park Community Room and the other at Plummer Park. In 2019, displacement caused by the Ellis Act continued to be a pressing concern, as was addressing homelessness. Participants also expressed a desire for more affordable housing, incentives for property owners to maintain existing apartment buildings, and programs to help seniors continue to live independently.

CITY'S HOUSING INFORMATION CENTER

The Division's housing information center is located in the City Hall lobby and on the City's website. It contains information for prospective tenants, current tenants, and developers about affordable housing. Handouts contain information about affordable housing programs, referral information for Section 8 vouchers, housing rights, and information from the Department of Consumer Affairs on how to improve credit and rental history.

REINVESTMENT IN AGING APARTMENT BUILDINGS

Almost 91 percent of housing stock in the city is at least 30 years old, a time-threshold when housing generally shows signs of aging and requires major upgrades to the physical structure and systems. In 2016, the Division completed a study to identify incentives the City could provide to encourage landlords to reinvest in aging rent-stabilized apartment buildings.

THE MANDATORY SEISMIC RETROFITTING PROGRAM

It is estimated that about 40% of rent stabilized properties could need strengthening to withstand a major earthquake. In April 2019, the City of West Hollywood's Building and Safety Division began issuing notices to property owners of existing wood-frame buildings with soft, weak, or open-front walls. The notice requires a professional assessment of each building, and documentation that the building does not require retrofitting. If work is needed, it must be completed in 5 years of receiving the notice. For more information visit www.weho.org/seismic.



photo by Tony Coelho

HELPING RESIDENTS MAINTAIN HOUSING, BOOSTING QUALITY OF LIFE

Whether connecting clients to meal and nutrition programs or mental health services or providing support to those struggling with hoarding issues, the West Hollywood Comprehensive Service Center fills in the gaps in service, and works directly with West Hollywood community members to enhance their quality of life. For more information on the West Hollywood Comprehensive Service Center, please call (323) 851-8202. Operated by Jewish Family Service (JFS) and located in the community center at Plummer Park, the Center is a one-stop source of support and assistance.

HOME SECURE

The City offers low-income seniors and disabled residents safety and security devices such as no-slip strips and grab bars in the bathroom, and security deadbolts and window locks on doors and windows free of cost.

Maintaining Housing Standards and Services



photo by Tony Coelho

The Rent Stabilization Ordinance and Rent Regulations establish the City's rent stabilization laws. The Rent Stabilization and Housing Division and Legal Services Division process requests for hearings before an examiner, and appeals before the Rent Stabilization Commission. Free-of-cost mediation services and legal consultation are available to help resolve disputes and prevent eviction. Additional legal advice is made available twice a week in a legal clinic at Plummer Park.

MEDIATION

Individual Mediations	2017 900
	2018 920
400 conflicts resolved per year	

Many problems can be solved through communication with a neutral third-party. Mediation is confidential, voluntary and requires parties who will bargain in good faith. The mediator does not tell parties what to do, but rather helps identify and create mutually beneficial solutions.

HEARINGS

A tenant may request a hearing if they believe an owner has removed or substantially reduced a housing service or failed to perform required building maintenance. An owner may request a hearing to add a new service. Hearings are before an independent examiner who reviews the evidence and issues a determination which can be appealed to the Rent Stabilization Commission. The process may also be used to determine the Maximum Allowable Rent (MAR) and whether the landlord has retained rent in excess of the MAR.

The City's mediator spoke with 920 individuals in 2017 and 940 individuals in 2018, 400 conflicts were resolved each year through a combination of telephone calls and face-to-face meetings. Attempts were made to resolve most rent adjustment applications prior to scheduling a hearing. The mediator also works with condominium owners and associations.

In 2017, the City's mediator held 14 formal mediations, and in 2018 held 18 formal mediations. Issues involved maintenance, parking, pets, roommates, and relocation when tenants must move out due to fire, fumigation, or lack of habitability.



photo by Tony Coelho

Rent Adjustment Hearing Statistics	2018	2017	2016	2015
Hearings Filed	108	108	113	113
Hearings Held	83	81	99	87
Hearing Requests Withdrawn	15	15	11	14
Postponed to later date or dismissed administratively	16	12	3	12

Activities of the Rent Stabilization Commission



photo by Tony Coelho

The Rent Stabilization Commission provides a forum for tenants and property owners to appeal decisions issued by the hearing examiner concerning rents, property maintenance and housing services. The Commission also administers the City's Rent Regulations, proposing appropriate changes to better implement the program.

HEARING APPEALS

A priority of the Rent Stabilization Commission is hearing appeals of the hearing examiner decisions. A tenant or property owner may appeal a decision on any application based on one of three reasons. That the appellant believes the decision: was made in error, is not reasonably supported by the evidence, or in some way violates the RSO.

APPEALS/ DECISIONS	2017	2018
Rent decrease hearing	7	15
Maximum Allowable Rent	3	10
Compliance	5	4
Total	13	23

IMPLEMENTING THE RENT REGULATIONS AND RSO

In addition to hearing appeals, the Rent Stabilization Commission is periodically asked to review and adopt changes to the rent regulations, or review proposed changes to the Rent Stabilization Ordinance for the City Council to consider. The Commission also announces the Annual General Adjustment, and the Annual Security Deposit Interest Rate.

As time permits, the Commission will explore topics identified during its annual study session or as needed to implement the rent stabilization program. Topics explored in 2017 and 2018 included requirements for buy-out agreements, tenant habitability requirements for seismic retrofitting and other major renovation, and exploring whether a cost-sharing program should be created allowing property owners to share some of the costs of retrofitting buildings with existing tenants. *More information on the Commission's activities is provided on Page 20.*

PRIORITIES

2017

- Exploring if it is possible to notice landlords of last registrations on file
- Periodically review existing rent stabilization statutes and regulations
- Understanding harassment and why tenants may not report issues
- Receive updates on State and Federal affordable housing policy
- Information on Code enforcement in other cities and rent concerns
- Information on owner occupancy exemptions
- Explore non-smoking policies in apartments
- Receive updates on Section 8
- Commission training (Robert's Rules of Order/By Laws/Brown Act)
- Emergency Preparedness: increasing landlord and tenant awareness
- Exploring issues related to illegal units (impacts parking and safety)

2018

- Presentation on tenant harassment and why tenants may not report certain issues including statistical information on:
 - How many complaints are received each year
 - How many complaints result in court
- Receive updates on State and Federal affordable housing policies through annual legislative sessions and as current issues arise.
- Presentation on Proposition 10 repeal of Costa-Hawkins, with implications for West Hollywood
- Presentation on owner occupancy evictions, state requirements and local requirements, specifically in regards to returning units to market
- Continue to rethink community outreach and social media
- Presentation on the annual housing update
- Present segments of the Building Block education seminars at Commission meeting for community education
- Consider a recommendation to City Council regarding the Commission's legislative role.

REQUIREMENTS FOR BUY-OUT AGREEMENTS

In 2018, the Rent Stabilization Commission reviewed, considered, and recommended the City Council adopt requirements for buy-out agreements. A Buyout Agreement, also referred to as a Cash-for-Keys agreement, is an agreement for a household to vacate their apartment in exchange for a cash payment. As of January 17, 2019, property owners now must follow certain rules when offering a buy-out. These include providing a disclosure of tenant rights in the primary language of the household and 10 days to consider the agreement. Providing tenant rights helps households understand their choices, including declining the offer, consulting an attorney, and after signing being able to rescind the agreement within 30 days. Information on buy-out agreements is provided on the rent stabilization website: www.weho.org/rent.

TENANT HABITABILITY REQUIREMENTS DURING SEISMIC RETROFITTING

In 2017, the Rent Stabilization Commission reviewed, considered, and recommended that the City Council adopt tenant habitability requirements for seismic retrofitting at occupied rentals. In 2018, the City Council adopted the Rent Stabilization Commission's recommendation requiring property owners fill out and submit a checklist identifying any potential impacts to occupants while work would be completed. If no impacts were identified, the property owner or agent agrees to follow standard construction methods limiting or reducing possible impacts and includes the signed checklist with the building permit application. If a possible impact is identified, the property owner must submit a Tenant Habitability Plan for review and approval by the Rent Stabilization and Housing Division. The THP is submitted with the building plan set, and reviewed while plans are checked.

EXPLORING COST-SHARING FOR THE MANDATORY SEISMIC RETROFITTING PROGRAM

In 2018, the Rent Stabilization Commission conducted an extensive community outreach process, reviewed the upward rent adjustment application and Net Operating Income formula, and cost-sharing programs allowing property owners to share some of the costs of retrofitting with current tenants that are in effect in Los Angeles and San Francisco. The Commission developed and recommended an option for the City Council to consider. The City Council considered the program, however instead asked staff to explore other options for supporting property owners complete the retrofitting work. Specifically, staff has since sought state and federal grants that, if awarded, will be used to off-set retrofitting costs.



THE CITY OF WEST HOLLYWOOD
Rent Stabilization and Housing Division

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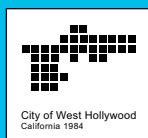
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