

Rent Stabilization Update

JANUARY 2018

HCIDLA EAST REGIONAL OFFICE HAS RE-LOCATED

Please note that our East Los Angeles Regional Office, previously located in Lincoln Heights, has re-located to the Boyle Heights City Hall at the following address, 2130 East 1st Street, Suite 2600, Los Angeles CA 90033-3918. Hours of operation continue to be the same, 9:00 AM to 4:00 PM, Monday thru Friday, except during City holidays.

ANNUAL ALLOWABLE RENT ADJUSTMENT

The annual allowable rent increase for rental units subject to the Rent Stabilization Ordinance (RSO) for the fiscal year from July 1, 2017 through June 30, 2018 is **3%**. (LAMC 151.07A.6)

INTEREST ON SECURITY DEPOSITS

The interest rate for tenant security deposits in 2018 is **.07%**. Alternatively, the landlord may provide the tenant a copy of the bank statement and pay the actual rate of interest earned.

RSO RENT REGISTRY

Per Ordinance No. 184,529, effective October 4, 2016, all landlords of RSO properties must annually register the rent amounts and information for RSO units. This information is mandatory and due by the last day of February.

The Rent Registry is a two-page, double-sided form that is included in the annual RSO/SCEP bill. Alternatively, the form can be completed on the Rent Registry online portal at registerLarent.org. The Rent Registry Portal uses the same login and password for landlords who pay their registration fees online using the Billing Portal at hcidlabill.lacity.org/billing. Once completed online, the Annual Statement of Registration (Certificate) is made available to download in the Billing Portal.

Workshops are being conducted throughout the month of January to assist landlords in completing their registration. The Rent Stabilization Ordinance (RSO) allows that fifty percent (50%) of the paid registration fee (\$12.25) can be passed on to the tenant. This fee can only be collected in the month of **August** provided a written 30-day notice has been given to the tenant. (Prior to 2017, this fee could only be collected in the month of June.) To learn more about the Rent Registry, visit registerLarent.org or call (866) 557-RENT (7368).

TENANT RELOCATION ASSISTANCE AMOUNTS



No-fault evictions under the RSO require the payment of relocation assistance. The amount of relocation assistance depends on whether the tenant is an Eligible or Qualified tenant, the length of tenancy, and the tenant's income.

Relocation Assistance Amounts - July 1, 2017 through June 30, 2018

	Tenants with Less Than 3 Years	Tenants with 3 or More Years	Income Below 80% of Area Median Income*	Evictions for Owner Occupancy In "Mom & Pop" Properties
Eligible Tenant	\$ 8,050	\$ 10,550	\$ 10,550	\$ 7,750
Qualified Tenant	\$ 16,950	\$ 20,050	\$ 20,050	\$ 15,550

Note: "Qualified tenants" include senior citizens and disabled tenants as well as households with a minor dependent child.

All other tenants are "Eligible" tenants.

2017 HUD Low Income Limits for Los Angeles

1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
\$50,500	\$57,700	\$64,900	\$72,100	\$77,900	\$83,650	\$89,450	\$95,200

A lower relocation assistance payment is required for evictions for owner occupancy for “Mom and Pop” properties. “Mom and Pop” landlords may own no more than four residential units and a single-family house in the City of Los Angeles. (LAMC 151.30.E) These landlords may pay a lower amount in order to evict for occupancy by the landlord, or the landlord’s spouse, children, parents, grandparents, or grandchildren. Use of this provision is limited to once every three years.

SEISMIC RETROFIT PROGRAM



The Los Angeles Seismic Retrofit Work Ordinance became effective on February 12, 2016. This Ordinance limits the percentage of costs related to mandatory seismic retrofitting that can be passed from landlords to their tenants to 50% of the total cost of the work required by the Earthquake Hazard Reduction Ordinance (EHRO) effective November 22, 2015. Since renovation work may result in the temporary or permanent displacement of tenants, a Tenant Habitability Plan (THP) or THP Waiver is required. Landlords may apply to HCIDLA for cost recovery of up to 50% of the total seismic work cost, through a temporary monthly rent surcharge of up to \$38 per month for 120 months. Property owners are encouraged to attend the HCID workshops which will be held throughout the month of September 2018, to learn about the Seismic Retrofit Program and allowable rent increases.

For the necessary steps to obtain permits including clearances and required documentation to initiate the retrofit, contact the Los Angeles Department of Building & Safety:

Soft-Story Retrofit Unit
 201 N. Figueroa St., Suite 890
 (213) 482-SOFT (7638)
Soft-storyretrofit@lacity.org

Office Hours
 7:30 AM - 4:30 PM - Mon, Tues, Thu,
 Fri 9:00 AM - 4:30 PM - Wed
<http://ladbs.org/soft-story>

For Tenant Habitability Plan and cost recovery applications, contact the Housing and Community Investment Department (HCIDLA):



Tenant Habitability Program Unit
 (213) 252-1464
hcidla.code.seismic@lacity.org
<http://hcidla.lacity.org/tenant-habitability-program>

Cost Recovery Applications & RSO Information:
 (866) 557-RENT (7368)
hcidla.rso@lacity.org
<http://hcidla.lacity.org>

TENANT BUYOUT AGREEMENTS “CASH FOR KEYS”

A “Cash for Keys” or Buyout Agreement is a written agreement where a landlord pays a tenant money or other consideration to voluntarily move out of their rent stabilized unit. Under the RSO, a landlord must provide the tenant with an RSO Disclosure Notice before the landlord and tenant sign the Buyout Agreement. Buyout Agreements are voluntary and a tenant is not required to accept a buyout offer. Refusing to sign a Buyout Agreement is not a legal reason for eviction under the RSO. All Buyout Agreements must be in the language of the tenant and must indicate the RSO relocation amounts and state that a tenant may rescind a Buyout Agreement within 30 days or at any time if requirements are not met and filed with HCIDLA. To learn more about the Tenant Notification Buyout Agreement Program, please visit hcidla.org/buyout-agreements.

WEST REGIONAL OFFICE SERVICE HOURS

Please note that our West Regional office located at 1645 Corinth Ave., Suite # 104, Los Angeles CA, 90025 is open only **Monday, Wednesday & Friday, 9:00 AM to 4:00 PM** (Closed 12:00 PM to 1:00 PM).

ELLIS AMENDMENTS (Ordinance No. 184873)

On June 4, 2017, the City Council amended the RSO requirements for demolition or permanent withdrawal of RSO units from the rental housing market ("Ellis"). The amendments strengthen enforcement of the RSO by clarifying that:

- The RSO provisions apply to all units, whether occupied or vacant;
- The withdrawal process must be re-started if withdrawn units are re-rented;
- All tenants who have lived in their rental units for one or more years are entitled to relocation services;
- Property owners must file annual status reports on withdrawn properties.

Additionally, the amendment strengthened the criteria for an exemption from the RSO for replacement units. Under the revised rules, landlords may qualify for an exemption on the newly constructed units where RSO units are demolished by providing affordable units in a number which is at least the number of units demolished or 20% of the newly constructed rental units, whichever is ***greater***.

Effective December 13, 2017, the City Council further amended the RSO to provide that:

1. Waivers of relocation signed on or after December 13, 2017 are not valid. All tenants evicted under the Ellis Act are entitled to relocation services and payment.
2. In any action by a landlord to recover possession of an RSO unit, the tenant may raise as an affirmative defense the failure of the landlord to comply with one or more of the requirements of RSO Ellis provisions (Sections 151.22 through 151.28).
3. A tenant has a right to return to the same unit that was subject to an Ellis Act withdrawal, if the owner returns to the rental market within 10 years of the date of withdrawal from the rental housing use.

FORECLOSURE EVICTION MORATORIUM

Bank and other lenders who foreclose on any property may not evict tenants merely because of the foreclosure. Tenants may only be evicted based on one of the grounds provided in the RSO (LAMC 151.09). The City Council recently extended this protection to all tenants in the City of Los Angeles through December 31, 2020.

RENT STABILIZATION ORDINANCE AMENDED

The City Council amended the RSO effective April 30, 2017 (Ordinance No. 184822). The changes address relocation assistance for unpermitted rental units. The amendment also requires that eviction notices must list one of the permitted RSO eviction reasons. A copy of the ordinance, which includes other technical changes, may be found at cityclerk.lacity.org.

"QUICK" GUIDE TO THE RSO

For a basic summary of your rights and responsibilities as a tenant or landlord of a rental property covered by the Los Angeles RSO, check out our Tenant and/or Landlord pocket guides, available online in both English and Spanish at <http://hcidla.lacity.org/home-for-renters> .

FREE LANDLORD/TENANT WORKSHOPS



Don't miss this year's FREE landlord/tenant workshops. A different topic is offered each month, and workshops are presented at several times and locations throughout the City. See our complete 2018 Workshop Schedule on the last page. Beginning in 2018, we have added workshops in Spanish at our new East Los Angeles Office on Wednesday mornings.

2018 FREE RENT STABILIZATION WORKSHOPS

(JANUARY 2018)

2018 LANDLORD-TENANT INFORMATIONAL WORKSHOP SCHEDULE & TOPICS PLEASE CALL (213) 928-9075 TO RSVP	SOUTH 690 KNOX ST. 2 ND TUESDAY 10:00 AM	WILSHIRE 3550 WILSHIRE BLVD 15 TH FLOOR 2 ND WED. 10:00 AM	EN ESPAÑOL EAST 2130 E. 1 ST ST. 2 ND THURSDAY 10:00 AM	GARLAND 1200 W. 7 TH ST. 3 RD WED. 6:30 PM	VALLEY 6400 LAUREL CANYON BLVD 3 RD THURSDAY 10:30 AM	WEST L.A. 1645 CORINTH AV. 4 TH WED. 10:30 AM	EN ESPAÑOL GARLAND 1200 W. 7 TH ST. LAST THURSDAY 6:30 PM
	JANUARY: WORKING SESSION/ASSISTANCE FILLING OUT RSO RENT REGISTRY FORMS	JAN. 9	JAN. 10	JAN. 11	JAN. 17	JAN. 18	JAN. 24
FEBRUARY: RSO BASICS & UPDATES	FEB. 13	FEB. 14	FEB. 8	FEB. 21	FEB. 15	FEB. 28	FEB. 22
MARCH: ALLOWABLE RENT INCREASES UNDER THE RSO: WHEN CAN RENTS BE INCREASED? BY HOW MUCH?	MARCH 13	MARCH 14	MARCH 8	MARCH 21	MARCH 15	MARCH 28	MARCH 29
APRIL: BE AN INFORMED LA RENTER	APRIL 10	APRIL 11	APRIL 12	APRIL 18	APRIL 19	APRIL 25	APRIL 26
MAY: EVICTIONS & CASH FOR KEYS	MAY 8	MAY 9	MAY 10	MAY 16	MAY 17	MAY 23	MAY 31
JUNE: JUST & REASONABLE RENT INCREASES: HOW TO APPLY (LANDLORD WORKSHOP)	JUNE 12	JUNE 13	JUNE 14	JUNE 20	JUNE 21	JUNE 27	JUNE 28
JULY: TENANT PROTECTIONS WHEN RSO PROPERTIES ARE DEMOLISHED OR WITHDRAWN ("ELLIS")	JULY 10	JULY 11	JULY 12	JULY 18	JULY 19	JULY 25	JULY 26
AUGUST: RSO BASICS FOR NEW LANDLORDS: ALL YOU NEED TO KNOW ABOUT THE RSO	AUG. 14	AUG. 8	AUG. 9	AUG. 15	AUG. 16	AUG. 22	AUG. 30
SEPTEMBER: SEISMIC RETROFIT & THE TENANT HABITABILITY PROGRAM (THP)	SEPT. 11	SEPT. 12	SEPT. 13	SEPT. 19	SEPT. 20	SEPT. 26	SEPT. 27
OCTOBER: PERMANENT WITHDRAWAL FROM THE RENTAL HOUSING MARKET: REQUIREMENTS FOR LANDLORDS & PROPERTY OWNERS	OCT. 9	OCT. 10	OCT. 11	OCT 17	OCT18	OCT 24	OCT 25
NOVEMBER: SCEP	Nov. 13	Nov. 14	Nov. 8	Nov. 21	Nov. 15	Nov. 28	Nov. 29
DECEMBER: PETS IN RENTAL HOUSING	SPECIAL DECEMBER SCHEDULE TIMES & LOCATIONS TO BE ANNOUNCED						

YEAR-ROUND DROP IN SESSIONS

DOWNTOWN-GARLAND REGIONAL OFFICE: ASSISTANCE WITH RSO & APPLICATIONS – HELP WITH CALCULATING ANNUAL ALLOWABLE RENT INCREASE, CAPITAL IMPROVEMENT, PRIMARY RENOVATION, & JUST & REASONABLE RENT INCREASE APPLICATIONS, DECLARATIONS OF INTENT TO EVICT, & FILING TENANT COMPLAINTS.

1ST TUESDAY OF THE MONTH: 2:00 P.M. – 4:00 P.M.
NOTE: MUST RESERVE IN ADVANCE. RESERVATIONS MUST BE RECEIVED ONE DAY PRIOR TO SESSION.
CALL (213) 928-9075 FOR A RESERVATION.

FAIR HOUSING RIGHTS CLINICS SPONSORED BY SOUTHERN CALIFORNIA HOUSING RIGHTS CENTER:

CD 9 FIELD OFFICE: 4301 SOUTH CENTRAL AVE. L.A. 90011
EVERY TUESDAY & THURSDAY FROM 9:00 A.M. TO 12:00 NOON

EVERY TUESDAY & THURSDAY @ CD 9 FIELD OFFICE
FROM 9:00 A.M. TO 12:00 NOON

WEST L.A. REGIONAL OFFICE: 1645 CORINTH AVE. L.A. 90025,
ROOM 104 – 2ND TUESDAY OF THE MONTH

2ND WEDNESDAY OF THE MONTH @ WEST L.A. REGIONAL
OFFICE FROM 10:00 A.M. TO 12:00 NOON

Central (Wilshire) Regional Office
3550 WILSHIRE BLVD., 15TH Floor
LOS ANGELES, CA 90010

East Regional Office
2130 East 1st Street, Suite 2600
LOS ANGELES, CA 90033

South Regional Office
690 KNOX Street, Suite 125
LOS ANGELES, CA 90502

CD-8 Satellite Office
8475 S. VERMONT AVE., 2nd Floor
LOS ANGELES, CA 90044

West Regional Office
1645 CORINTH AVE., Suite 104
LOS ANGELES, CA 90025

North (Valley) Regional Office
6400 LAUREL CANYON BLVD., Suite 610
NORTH HOLLYWOOD, CA 91606



Eric Garcetti, Mayor
Rushmore D. Cervantes, General Manager