



CITY OF BEVERLY HILLS  
**RENT STABILIZATION COMMISSION**

February 3, 2021

**TO:** Rent Stabilization Commission

**FROM:** Helen Morales, Deputy Director, Rent Stabilization, DPA

**SUBJECT:** POSSIBLE AMENDMENTS TO THE RENT STABILIZATION ORDINANCE (RSO) RE: RELOCATION FEES (CONT'D)

**ATTACHMENTS:** A. Table of Topics Discussed and Outstanding  
B. Monthly Rent Ranges by Unit Size

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**INTRODUCTION**

Staff seeks recommendations from the Rent Stabilization Commission (Commission) to the City Council regarding possible amendments to the Rent Stabilization Ordinance (RSO) for both Chapter 5 and Chapter 6 of the Beverly Hills Municipal Code (BHMC) regarding relocation fees.

**BACKGROUND**

On November 4, 2020, the Commission was presented with a staff report introducing the Relocation Fee topic and possible amendments to the RSO. At that meeting staff presented the following:

- relocation fees requirements for no fault evictions;
- a history of prior facilitated sessions and City Council discussions;
- information from the HR&A Advisors, Inc. report on relocation fees;
- an explanation of how the relocation fees were established;
- an annual relocation fee increase schedule from 2017 to 2020;
- a comparison of local area surrounding jurisdictions; and
- questions for discussion.

On November 4, 2020, the Commission discussed numerous topics related to possible amendments to the RSO related to Relocation Fees. The Commissioners asked that staff research specific questions and report back. Staff provided a report back with responses to the questions requested by the Commission at its next regular meeting on December 2, 2020.

At the December 2, 2020 Commission meeting the Commissioners held discussions centered on the discussion questions presented in the Staff Report related to Relocation Fees. The Chair requested that staff prepare a schedule of topics discussed as of the completion of the December 2, 2020 Commission meeting and to include those questions that are outstanding for further discussion at the next regular Commission meeting. The Table of Topics Discussed and Outstanding is provided as Attachment A.

The Commission discussed the Culver City relocation fee structure that allows for relocation fees in the amount of 3 months of rent plus expenses. For purposes of the Commissions further discussions, staff has researched the monthly rental data from Rent Registry. A report that lists Monthly Rent Ranges by Unit Size is provided as Attachment B.

**Next Steps**

Staff encourages the Commission to discuss what, if any, revisions should be recommended to the City Council to be made to the RSO to modify the current relocation fee provisions for both Chapter 5 and Chapter 6 of the RSO.

# **Attachment A**

| <b>Rent Stabilization Commission<br/>Relocation Fee Discussion Questions<br/>December 2, 2020</b>  | <b>Date Discussed</b> |
|--|-----------------------|
| <b>Discussion Questions</b>  |                       |
| Whether the current criteria for relocation fees should be maintained or modified and if so how?   | 12/2/2020             |
| Whether the relocation provisions of the RSO should be modified?   | 12/2/2020             |
| Should the relocation amount be modified and how?  | 12/2/2020             |
| Should the relocation amount for units over 2-bedroom be increased?  | 12/2/2020             |
| Should the relocation fee be changed to be in line with other surrounding jurisdictions?   | 12/2/2020             |
| Should relocation amounts be tied to the tenant's financial circumstances?   | Outstanding           |
| Should additional fees be required for low-income households?  | Outstanding           |
| Whether to change the relocation fee amounts or provide some form of tiered relocation fees tied to length of the tenant's occupancy?  | 12/2/2020             |
| Should relocation fees be required only after the tenant has resided in the unit for one year?   | 12/2/2020             |
| Should relocation amounts be based on 10% of relocation fees for every year of occupancy so that after ten years the tenant would be eligible for full relocation fees?  | Outstanding           |
| Whether to require relocation fees when evicting for use by landlords and the landlord's relative specified in the RSO? Or should there be a reduced relocation fee for landlord use?  | Outstanding           |
| Whether to add a "Mom and Pop" provision, like Los Angeles, with reduced relocation fees for "Mom and Pop" owners? And if so, should "Mom and Pops" be defined as owners owning less than 10 units and residing at the property? | 12/2/2020             |
| Whether relocation fees be required to go to the Rent Stabilization Commission or a mediation board for determinations?  | Outstanding           |
| Whether relocation fees should be established for temporary relocations?   | Outstanding           |
| <b>Other</b>   | 12/2/2020             |

# **Attachment B**

**2020 Monthly Rent Ranges by Bedroom Size**

| Monthly Rent               | 0 Bedroom  | 1-Bedroom   | 2-Bedroom   | 3-Bedroom  | 4-Bedroom | 5-Bedroom | Total       | Percentage of Total |
|----------------------------|------------|-------------|-------------|------------|-----------|-----------|-------------|---------------------|
| <b>0-100</b>               | 3          | 25          | 28          | 5          | 1         |           | <b>62</b>   | 0.90%               |
| <b>100-500</b>             | 5          | 4           | 2           |            |           |           | <b>11</b>   | 0.16%               |
| <b>500-1,000</b>           | 49         | 50          | 13          | 1          |           |           | <b>113</b>  | 1.65%               |
| <b>1,000-2,000</b>         | 514        | 1167        | 171         | 12         |           |           | <b>1864</b> | 27.16%              |
| <b>2,000-3,000</b>         | 91         | 1555        | 1098        | 39         |           |           | <b>2783</b> | 40.55%              |
| <b>3,000-4,000</b>         | 3          | 221         | 898         | 188        | 1         |           | <b>1311</b> | 19.10%              |
| <b>4,000-5,000</b>         | 1          | 38          | 225         | 173        | 9         | 1         | <b>447</b>  | 6.51%               |
| <b>5,000-6,000</b>         |            | 9           | 87          | 72         | 8         |           | <b>176</b>  | 2.56%               |
| <b>6,000-7,000</b>         |            |             | 21          | 20         | 8         |           | <b>49</b>   | 0.71%               |
| <b>7,000-8,000</b>         |            | 1           | 7           | 14         | 1         |           | <b>23</b>   | 0.34%               |
| <b>8,000-9,000</b>         |            |             | 8           | 4          |           |           | <b>12</b>   | 0.17%               |
| <b>9,000-10,000</b>        |            |             | 1           | 1          | 1         | 1         | <b>4</b>    | 0.06%               |
| <b>10,000-11,000</b>       |            |             | 2           | 4          |           |           | <b>6</b>    | 0.09%               |
| <b>11,000-12,000</b>       |            |             |             |            |           |           | <b>0</b>    | 0.00%               |
| <b>12,000-13,000</b>       |            |             |             | 1          |           |           | <b>1</b>    | 0.01%               |
| <b>13,000-16,000</b>       |            |             |             | 1          |           |           | <b>1</b>    | 0.01%               |
| <b>Total</b>               | <b>666</b> | <b>3070</b> | <b>2561</b> | <b>535</b> | <b>29</b> | <b>2</b>  | <b>6863</b> |                     |
| <b>Percentage of Total</b> | 9.70%      | 44.73%      | 37.32%      | 7.80%      | 0.42%     | 0.03%     |             | 100.00%             |