



AAGLA

“Great Apartments Start Here!”

Danielle Leidner-Peretz
Director, Government Affairs &
External Relations
danielle@aagla.org
213.384.4131; Ext. 309

November 2, 2021
Via Electronic Mail

Rent Stabilization Commission
City of Beverly Hills
455 North Rexford Drive
Beverly Hills, California 90210-3609

Re: Discussion and Recommendations to the Beverly Hills City Council Regarding Possible Amendments to Chapter 5 and Chapter 6 of Title 4 of the City’s Municipal Code Regarding Beverly Hills Habitability Standards; Proactive Inspections; a Mediation Board to Address Habitability Violations and Associated Rent Reductions; and to Restrict Rent Increases– (Agenda Item 4)

Dear Members of the Commission,

At the Wednesday, November 3rd Rent Stabilization Commission meeting, the Commission will be discussing a range of topics regarding habitability standards, proactive inspections, a mediation board to address habitability violations and associated rent reductions, restrictions on rent increases and potential recommended amendments to the City’s Rent Stabilization Ordinance for the City Council’s consideration. The Apartment Association of Greater Los Angeles (AAGLA or Association) has serious concerns and recommendations for the Commission’s consideration as set forth in this letter.

The issues for which the City Council has designated the Commission to assess and provide recommendations is extensive, multifaceted and has the potential to result in significant policy changes and financial implications on renters and rental housing providers. It is vital that the City commence meaningful stakeholder engagement to help inform the Commission and the City Council as part of a comprehensive evaluation of these matters. Such essential stakeholder dialogue last occurred in 2018, over three years ago, pre-pandemic and during a vastly different time period and circumstances.

Equally concerning, during this time of economic instability, this issue is being contemplated on the same agenda in which the Commission is also considering recommendations that would potentially result in the imposition of increased relocation costs on the City’s rental housing providers.

The COVID-19 pandemic has been enduring for going on twenty months. Most recently, the Beverly Hills City Council directed staff to draft amendments to the City’s Residential Eviction Moratorium which will remain in place for a period of six more months, through March 31, 2022. Small business rental housing providers have been and continue to experience severe financial impacts due to the pandemic and these broad-based mandates that has resulted in many housing providers depleting their retirement savings,



AAGLA

“Great Apartments Start Here!”

struggling to keep their building, with many now forced to sell their properties. Instituting a proactive inspection process will impose additional costs on all housing providers, regardless of the status of their building and will only serve to destabilize many of the City’s small business responsible housing providers, who have continually maintained their building at, if not, above set standards and in the face of the multitude of challenges presented by the pandemic.

As stated in the City’s Staff report, the City is covered by the habitability standards as set forth under State law. In addition, the City’s enforcement of such standards is effectuated through a complaint-based inspection process. While the Staff report provides background on discussions that occurred in 2017-2018 and 2007, the report contains no data reflective of the existence of widespread habitability code violations in the City. Establishing a proactive inspection process would necessitate an expanded bureaucracy, allocation of City resources and costs for the hiring of hearing examiners, instituting an appeal process and related program administration, costs which would ultimately be borne by the City’s rental housing providers and renters. We urge the Commission to consider a more cost-effective targeted approach that builds upon the City’s current complaint-based structure by requiring buildings identified as having a history of violations to be subject to proactive inspections and imposition of penalties for repeated violations. Moreover, the Association recognizes the value of a voluntary mediation program which can provide a beneficial environment in which to facilitate communication, address habitability issues identified and the opportunity for amicable resolution of disputes and misunderstandings between renters and rental housing providers.

We appreciate the Commission’s consideration of the concerns and recommendations raised herein and welcome the opportunity for stakeholder engagement to provide further industry insight on these critical matters. If you have any questions, please call me at (213) 384-4131; Ext. 309 or contact me via electronic mail at danielle@aagla.org.

Very truly yours,

Danielle Leidner-Peretz

Danielle Leidner-Peretz