ORDINANCE NO. 17-0-2745

AN ORDINANCE OF THE CITY OF BEVERLY HILLS AMENDING THE BEVERLY HILLS MUNICIPAL CODE TO PRECLUDE LANDLORDS WHO HAVE FAILED TO REGISTER THEIR RENTAL UNITS FROM IMPOSING THE ANNUAL RENT INCREASES THAT ARE ALLOWED BY THE MUNICIPAL CODE UNTIL THE RENTAL UNITS ARE REGISTERED.

THE CITY COUNCIL OF THE CITY OF BEVERLY HILLS HEREBY ORDAINS AS FOLLOWS:

- <u>Section 1.</u> Section 4-5-303 ("Annual Increases") of the Beverly Hills Municipal Code is hereby amended to add new paragraph E thereto to read as follows:
- E. A landlord who is not in substantial compliance with any of the provisions of Section 4-5-801 of this chapter shall not demand, accept or retain the annual rent increase otherwise permitted by this Section 4-5-303.
- <u>Section 2.</u> Section 4-5-701 ("Illegal Rent or Withholding of Relocation Fees") of the Beverly Hills Municipal Code is hereby amended to add new paragraph C thereto to read as follows:
- C. A tenant shall not pay otherwise allowable rent increases under Section 4-5-303 of this chapter, if the landlord has failed to substantially comply with the registration requirements of Section 4-5-801 of this chapter. The nonpayment of rent increases in good faith pursuant to this paragraph shall be a defense to any action brought to recover possession of a rental unit for nonpayment of rent.
- <u>Section 3.</u> Section 4-6-3 ("Rental Increases") of the Beverly Hills Municipal Code is hereby amended to add new paragraph D thereto to read as follows:
- D. A landlord who is not in substantial compliance with any of the provisions of Section 4-6-10 of this chapter shall not demand, accept or retain the annual rent increase otherwise permitted by this Section 4-6-3.
- <u>Section 4.</u> Paragraph A of Section 4-6-12 ("Illegal Rent Or Withholding of Relocation Fees") of the Beverly Hills Municipal Code is hereby amended to add new subparagraph 3 thereto to read as follows:
- 3. A tenant shall not pay otherwise allowable rent increases under Section 4-6-3 of this chapter, if the landlord has failed to substantially comply with the registration requirements of Section 4-6-10 of this chapter. The nonpayment of rent increases in good faith pursuant to this paragraph shall be a defense to any action brought to recover possession of a rental unit for nonpayment of rent.
- <u>Section 5.</u> <u>CEQA.</u> This ordinance is exempt from CEQA pursuant to CEQA Guidelines section 15061(b)(3) which is the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment, and CEQA does not apply where it

can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment. It can be seen with certainty that precluding landlords who fail to substantially comply with the requirements to register their rental units with the City from imposing the annual rental adjustment allowed by the Municipal Code will not cause a significant effect on the environment.

Section 6. Publication. The City Clerk shall cause this Ordinance to be published at least once in a newspaper of general circulation published and circulated in the City within fifteen (15) days after its passage in accordance with Section 36933 of the Government Code, shall certify to the adoption of this Ordinance and shall cause this Ordinance and the City Clerk's certification, together with proof of publication, to be entered in the Book of Ordinances of the Council of this City.

Section 7. Effective Date. This Ordinance shall go into effect and be in full force and effect at 12:01 a.m. on the thirty-first (31st) day after its passage.

Certification. The City Clerk shall certify to the adoption of this Ordinance. Section 8.

Adopted: December 19, 2017 Effective: January 19, 2018

LILI BOSSE

Mayor of the City of Beverly Hills, California

ATJEST:

City Clerk

APPROVED AS TO FORM:

LAURENCE S. WIENER

City Attorney

APPROVED AS TO CONTENT

City Manager