ORDINANCE NO. 18-O-2766

AN ORDINANCE OF THE CITY OF BEVERLY HILLS AMENDING THE BEVERLY HILLS MUNICIPAL CODE TO ELIMINATE NO CAUSE EVICTIONS FROM CHAPTER 6 OF TITLE 4 OF THE MUNICIPAL CODE AND ADDING A NEW GROUND FOR A JUST-CAUSE EVICTION OF A DISRUPTIVE TENANT AND A NEW PROCEDURE PERTAINING TO THE TERMINATION OF A TENANCY OF A DISRUPTIVE TENANT TO CHAPTERS 5 AND 6 AND REPEALING URGENCY ORDINANCE NO. 18-O-2762

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

Section 1. The City Council hereby amends Article 5 of Chapter 5 of Title 4 of the Beverly Hills Municipal Code by adding new Section 4-5-514 thereto regarding Disruptive Tenants to read as follows:

4-5-514: DISRUPTIVE TENANT

A. A landlord may bring an action to recover possession of an apartment unit if: (1) the tenant repeatedly or continually disturbs the peaceful and quiet enjoyment of one or more tenants who occupy other rental units in the apartment building where the tenant resides or (2) antagonizes, intimidates or bullies one or more tenants who reside at that apartment building ("disruptive tenant") and the disruptive tenant does not cease the behavior when requested to do so by the other tenant(s) or by the property owner or manager of the premises.

B. The landlord or the landlord's representative may, at the sole option of the landlord, file an application with the City and request that a subcommittee of the City Council make a determination that a tenant is a disruptive tenant, as defined in paragraph A of this section 4-5-514. If the subcommittee determines that the tenant is a disruptive tenant, then the landlord or the landlord's representative may serve the tenant with a written notice to terminate the tenancy in accordance with state law.

1. The subcommittee of the City Council shall be composed of two members of the City Council. Council Members shall be appointed by the Mayor and serve on the subcommittee for a two month term. At the end of the term and Mayor may reappoint one or both Council Members or may appoint new Council Members to the subcommittee.

2. If a landlord or the landlord's representative files an application with the City's rent stabilization program for the subcommittee to make a determination whether a tenant is a disruptive tenant whose tenancy can be terminated with notice, the

landlord first shall have given the disruptive tenant at least one written notice describing the disruptive conduct and requiring the tenant to discontinue the conduct. The landlord either shall deliver the notice to the tenant personally, send it by certified mail, or shall post it on the door of the tenant's unit. Prior to filing the application with the city's rent stabilization program, the landlord also shall have served the tenant with a copy of the application either by personally delivering the application to the tenant or by posting the application on the door of the tenant's unit. Proof of service of the application on the tenant shall be filed with the City concurrently with the application. The application shall be submitted either on a form supplied by the City or shall substantially comply with the requirements of the City's form.

3. The application shall set forth the name, address and unit number of the tenant and shall describe specifically the tenant's conduct that the landlord contends is disruptive, the dates when the conduct described in the application occurred, and the dates when the landlord requested that the tenant cease the disruptive conduct, including the written notice described in paragraph B.2 above. The application also may include the names of any individuals who observed the tenant's conduct and may include written statements by the witnesses describing the conduct.

4. The City shall schedule a hearing (but need not hold the hearing) within ten days of the filing of a complete application with the City. If one or both members of the subcommittee is/are not available to attend a hearing on an application filed pursuant to this section, the rent stabilization program shall contact other Members of the City Council to determine if another Council Member is available to attend the hearing. The rent stabilization program shall send written notice of the hearing to the landlord and the affected tenant by certified mail at least fifteen days prior to the date of the hearing.

5. The subcommittee shall control the conduct of the hearing and rule on procedural requests. The hearing shall be conducted in the manner deemed by the subcommittee to be most suitable to secure the information and documentation that is necessary to render an informed decision, and to result in a fair decision without unnecessary delay.

a. At the hearing, the parties may offer any documents, testimony, written declarations, or other evidence that is relevant to the application. Formal rules of evidence shall not be applicable to such proceedings.

b. There shall be no oral communication outside the hearing between the members of the subcommittee and any party or witness, or the substance of such communication shall be disclosed at the beginning of the hearing. All discussion during the hearing shall be recorded.

c. The hearing shall ordinarily proceed in the following manner, unless the subcommittee determines that some other order of proceedings would better facilitate the hearing:

i. A brief presentation by or on behalf of landlord, including testimony by any other affected parties and witnesses in support of the application.

ii. A brief presentation by or on behalf of the tenant, including testimony by any other affected parties and witnesses in opposition to the application.

iii. A brief rebuttal by the landlord.

d. The subcommittee shall establish equitable time limits for presentations at a hearing, with a minimum length of ten minutes each for the landlord and the tenant, subject to adjustments for translation and reasonable accommodation.

e. City staff shall maintain an official hearing record, which shall constitute the exclusive record of the decision.

f. All parties to a hearing shall have the right to seek assistance in developing their positions, preparing their statements, and presenting evidence from an attorney, tenant organization representative, landlord association representative, translator, or any other person. If the representative will be speaking on behalf of the party at the hearing, the party shall so advise the subcommittee.

g. To prevail on the application, the landlord must carry the burden of demonstrating that the tenant has been a disruptive tenant, as defined in paragraph A of this section.

h. Two votes are required to approve an application. The vote shall be taken after the conclusion of the presentations by the landlord and the tenant and any deliberations by the members of the subcommittee. If two votes are not cast in favor of approving the application, the application is deemed to be denied.

i. Within five (5) business days after the hearing record is closed, the subcommittee shall reconvene and issue a written determination setting forth its decision approving or denying the application, with written findings in support thereof.

6. A written notice of the decision shall be mailed by the City to the applicant and the affected tenant within two days of the issuance of the decision by the subcommittee. Such notice shall be accompanied by a copy of the hearing decision.

7. If the subcommittee determines that the tenant is a disruptive tenant, the landlord may serve the tenant with written notice provided in accordance with state law to terminate the tenancy. The landlord is not required to pay relocation fees to the

tenant. When the disruptive tenant vacates the unit in response to the notice, the landlord may not increase the rent that will be charged for the unit above the amount that was being charged to the disruptive tenant, other than any adjustments otherwise available under this chapter.

8. Any final decision of the subcommittee is subject to judicial review pursuant to California Code Of Civil Procedure section 1094.5 and must be filed in accordance with the time periods specified therein.

Section 2. The City Council hereby amends Section 4-6-5 of Chapter 6 of Title 4 of the Beverly Hills Municipal Code regarding vacancies by amending paragraph A thereof to read as follows:

A. Any dwelling unit regulated by this chapter that is: 1) "voluntarily vacated" by all tenants of that unit, as defined in section 4-6-0 of this chapter, or 2) vacated because the tenants are evicted for the reasons specified under paragraphs A, B, C, D, F, or G of section 4-6-6 of this chapter, may be subsequently rented at any amount mutually agreed upon by the landlord and the new tenant. The monthly amount agreed upon for the commencement of the tenancy shall be the base rental, and any subsequent rental increases shall be subject to the provisions of section 4-6-3 of this chapter.

Section 3. The City Council hereby amends Chapter 6 of Title 4 of the Beverly Hills Municipal Code regarding evictions by amending Section 4-6-6 thereof to read as follows:

4-6-6: EVICTIONS:

It is unlawful for a landlord to bring an action to recover the possession of an apartment unit except upon a ground specified in this section.

A. FAILURE TO PAY RENT:

A landlord may bring an action to recover the possession of an apartment unit if the tenant has failed to pay the rent to which the landlord is entitled or any surcharge which has been lawfully imposed.

B. VIOLATIONS OF OBLIGATIONS:

A landlord may bring an action to recover the possession of an apartment unit if the tenant has violated an obligation or covenant of the tenancy, including, but not limited to, any obligation in a written apartment rental agreement, other than the obligation to render possession upon proper notice, and has failed to cure such violation after having received written notice thereof from the landlord.

C. MAINTENANCE OF NUISANCES:

A landlord may bring an action to recover the possession of an apartment unit if the tenant is committing or permitting to exist a nuisance in, or is causing damage to, the apartment unit or to the appurtenances thereof, or to the common areas of the complex containing the apartment unit, or is creating an unreasonable interference with the comfort, safety, or enjoyment of any of the other residents of the same or any adjacent building.

D. ILLEGAL USES

1. A landlord may bring any action to recover the possession of an apartment unit if the tenant is using or permitting an apartment unit to be used for an illegal purpose.

2. For the purposes of this section, "illegal purpose" shall mean and include, but not be limited to, the occupancy of the apartment unit by a number of persons in excess of the following numbers:

Bachelor/single	3 persons
1 bedroom of 1,200 square feet or less	4 persons
1 bedroom in excess of 1,200 square feet	5 persons
2 bedrooms of 1,500 square feet or less	5 persons
2 bedrooms in excess of 1,500 square feet	6 persons
3 bedrooms of 2,100 square feet or less	7 persons
3 or more bedrooms in excess of 2,100 square feet	8 persons

E. REFUSAL TO EXECUTE LEASES:

A landlord may bring an action to recover the possession of an apartment unit following the expiration of a written apartment rental agreement, or any written renewal or extension thereof, if a tenant who had such an agreement has refused to execute a written renewal or extension thereof provided all of the following conditions are met:

1. The landlord made a written request or demand for such renewal or extension at least thirty (30) days prior to the date such agreement expired;

2. The proposed renewal or extension was for a term of the same duration as the agreement which expired; and

3. The proposed renewal or extension contained the same terms and conditions as the agreement which expired provided the rent level in such proposed renewal or extension has been determined in accordance with the requirements of Section 4-6-3 of this chapter.

F. REFUSAL TO PROVIDE ACCESS:

A landlord may bring an action to recover the possession of an apartment unit if the tenant has refused the landlord reasonable access to the unit for the purpose of making repairs or improvements, or for the purpose of inspection as permitted or required by an apartment rental agreement or by law, or for the purpose of showing the apartment unit to any prospective purchaser or mortgagee.

G. UNAPPROVED SUBTENANTS:

A landlord may bring an action to recover the possession of an apartment unit if the person in possession of the apartment unit at the end of the term of any apartment rental agreement is a subtenant who was not approved by the landlord. This section shall not be deemed to invalidate any provision in any written apartment rental agreement pertaining to the assignment or subleasing of an apartment unit.

H. USE BY LANDLORDS:

1. A landlord may recover the possession of an apartment unit if the landlord seeks in good faith to recover such possession for use and occupancy by the landlord or the landlord's spouse, children, or parents provided all of the following conditions are met:

a. The landlord has provided not less than ninety (90) days' written notice of tenancy termination to the tenant, which notice specifies the name and then current address of the proposed occupant, and has filed a copy of such notice with the city's rent stabilization program prior to serving such notice upon the tenant;

b. The tenant is paid a relocation fee in accordance with the provisions of Section 4-6-9 of this chapter; and

c. At no time during the ninety (90) day notice period is there a vacant apartment unit in the building comparable to the one sought by the landlord; and

d. The unit to be recovered by the landlord is occupied by the most recent tenant(s) to occupy a unit comparable to the type of unit sought by the landlord or relative described in subsection of this section. Notwithstanding the foregoing, no senior citizen or handicapped tenant shall be evicted unless there is no other unit on the parcel of land comparable to the type of unit sought by the landlord or relative. If there are one or more comparable units in such case, the landlord shall recover the comparable unit occupied by the most recent tenant who is not a senior citizen or handicapped person. For the purposes of this section, "senior citizen" shall mean a person sixty five (65) years of age or older. Whether a unit is comparable to the type of unit sought by the landlord or relative shall be determined by the city.

2. A landlord may recover the possession of only one apartment unit located on the same parcel of land for the purposes set forth in this section, regardless of the number of buildings on such parcel.

3. If the landlord or the landlord's relative, as defined in subsection 1 of this section, occupies an apartment unit obtained pursuant to the provisions of this section for at least one year, such apartment unit shall be deemed to be exempt from the provisions of this chapter; provided, however, if such apartment unit is subsequently re-rented to a person who is not the landlord or such relative of the landlord , such apartment unit shall again be subject to the provisions of this chapter.

4. For the purposes of this section only, "landlord" shall mean only such natural persons as have the largest ownership interest in the building or in the entity owning the building.

5. There shall be a rebuttable presumption that the landlord has not acted in good faith if the owner or relative for whom the tenant was evicted does not move into the apartment unit within thirty (30) days and occupy said unit for a minimum of twelve (12) continuous months thereafter. In situations when the apartment unit is being remodeled pursuant to a building permit issued by the city, the thirty (30) day period shall commence when the final inspection of the remodeling work is performed and approved by the city's department of building and safety.

I. CHANGE OF BUILDING MANAGERS:

A landlord may bring an action to recover the possession of an apartment unit if the landlord seeks in good faith to recover the possession of an apartment unit then occupied by an apartment building manager whose employment as such has been, or is to be, terminated, and such possession is needed for the sole purpose of occupancy by a new manager.

J. DEMOLITION OR CONDOMINIUM CONVERSIONS:

A landlord may bring an action to recover possession of an apartment unit if the landlord seeks in good faith to recover possession so as to demolish or move the building or to convert apartment units into condominiums, stock cooperatives, or community apartments provided there is compliance with all of the following conditions:

1. The landlord has given the tenant not less than ninety (90) days' written notice, which has been approved by the city's rent stabilization program, that such tenancy shall terminate on a date after October 18, 2018. The notice shall state the specific reason for giving such notice and shall be deemed to include a representation and agreement by the landlord that the recovery of possession of the apartment unit is solely for a reason within the scope of this section and for no other reason. If payment of the relocation fees required by Section 4-6-9 of this chapter does not accompany such notice, such notice shall also specify the amount of the relocation fees so required and that the tenant may collect such fees at the time the tenant vacates the unit. Such notice shall not be required if:

a. The demolition of the building has been mandated by law to be performed at an earlier date; or

b. Such notice has been given to a tenant who has vacated the apartment unit, the apartment unit has been re-rented to a new tenant, and the new tenant has been advised by the landlord in writing that the notice of termination of tenancy had been given to the prior tenant. This exemption shall apply only if a copy of the written notice provided to such new tenant is filed with the city's rent stabilization program within one week after such new tenant begins the occupancy of the apartment unit; or

c. A prior written notice which specified less than one year's notice has been given, and the tenant has been notified in writing, within thirty (30) days after October 18, 2018, that prior written notice shall be considered an effective one year notice under this section.

2. The notice required by subsection 1 of this section shall not be given or served until such time as the landlord has:

a. Filed all necessary applications for the proposed project or development including, but not limited to, application for a demolition permit, moving permit or tentative map and paid all of the fees required by the city in connection with such applications;

b. Notified the city's rent stabilization program that an application to convert apartment units to condominiums or to move or demolish the building has been filed with any other department of the city so that notice of such filing may be given to the tenants at the property; and

c. That all permits or approvals necessary to commence demolition, removal or conversion have been issued.

3. No notice of tenancy termination given pursuant to this section after October 18, 2018, shall be effective unless all the applicable provisions of this chapter have been complied with, and a copy of such notice has been placed on file with the city's rent stabilization program prior to such notice being served on the tenant. A minimum fee of one hundred dollars ($100.00) for each building for which notices of tenancy termination are to be filed with the city's rent stabilization program shall be paid to the city for processing the notices prior to the filing of a notice with the rent stabilization program. Where there are more than ten (10) apartment units in a building which are subject to this provision of this chapter, and for which notices of tenancy termination have been given, an additional fee of ten dollars ($10.00) shall be paid to the city for each unit in excess of ten (10) units for which a notice of tenancy termination is given.

4. A relocation fee shall have been paid or deposited into escrow in accordance with the provisions of Section 4-6-9 of this chapter. If an apartment unit vacated pursuant to this section has been re-rented, the new tenant shall not be entitled to any relocation fee or other relocation benefit if he or she received the notices required by subsections 1.b and 5 of this section.

5. Any apartment unit vacated pursuant to this section, if re-rented, shall remain subject to the provisions of this chapter, and it shall be the responsibility of the landlord to notify any new tenant in writing of the controlled rents and the duration of the notice of

termination. A copy of such notice shall be filed with the rent stabilization program within one week after the new tenant begins occupancy of the apartment unit.

6. No writ or judgment restoring possession to the landlord shall be issued or entered unless and until the complaint for such writ or judgment filed by the landlord contains the landlord's declaration under penalty of perjury of the giving of notice to the tenant as required by this section, the expiration of any required notice period, the payment or deposit into escrow of the relocation fee specified in section 4-6-9 of this chapter, and that demolition or moving or the work of conversion into condominiums will commence within sixty (60) days after the filing of such complaint.

7. The provisions of this section shall not apply to a building manager who is entitled to the occupancy of an apartment unit solely because of his or her position as building manager.

K. MAJOR REMODELING:

1. A landlord may bring an action to recover possession of an apartment unit if the landlord seeks in good faith to recover possession so as to do alteration work on the building for the purposes of major remodeling provided that there is compliance with all of the following conditions:

a. The landlord has given the tenant not less than one year's written notice that such tenancy shall terminate. The notice shall state the specific reason for giving such notice and shall be deemed to include a representation and agreement by the landlord that the recovery of possession of the apartment unit is solely for a reason within the scope of this section and for no other reason. Such notice shall contain a statement of the rights of the tenants pursuant to this section and section 4-6-9 of this chapter and shall be approved by the city's rent stabilization program. Such notice shall not be required if:

i. Major remodeling of the building has been mandated by law to be performed at an earlier date; or

ii. Such notice has been given to a tenant who has vacated the apartment unit, the apartment unit has been re-rented to a new tenant, and the new tenant has been advised by the landlord in writing that the notice of termination of tenancy had been given to the prior tenant. This exemption shall apply only if a copy of the written notice provided to such new tenant is filed with the city rent stabilization program within one week after such new tenant begins the occupancy of the apartment unit.

b. The notice required by subsection 1.a of this section shall not be given or served until such time as the landlord has received approval for the giving of such notice by the hearing officer. Such approval shall be given upon a showing by the landlord that written notice was received from the building official that the landlord has complied with all requirements, except for approval of final plans, for the issuance of a building permit for the purpose of major remodeling. The landlord shall file with the application for giving notice a copy of the final plans and specifications for the proposed remodeling. A hearing officer designated by the city manager ("hearing officer") shall establish the estimated new rent for the remodeled unit which shall not exceed one hundred fifty

percent (150%) of the previous base rent. The notice required by subsection 1.a of this section shall include such estimated new rent.

c. No notice of tenancy termination given pursuant to this section after October 18, 2018, shall be effective unless all the applicable provisions of this chapter have been complied with and a copy of such notice has been placed on file with the rent stabilization program prior to such notice being served on the tenant. A minimum fee of one hundred dollars ($100.00) for each building for which notices of tenancy termination are to be filed with the rent stabilization program shall be paid to the city for processing the notices prior to the filing of a notice with the rent stabilization program. Where there are more than ten (10) apartment units in a building which are subject to this provision of this chapter, and for which notices of tenancy termination have been given, an additional minimum fee of ten dollars ($10.00) shall be paid to the city for each unit in excess of ten (10) units for which a notice of tenancy termination is given.

d. A relocation fee shall have been paid or deposited into escrow in accordance with the provisions of section 4-6-9 of this chapter. If an apartment unit vacated pursuant to this section has been re-rented the new tenant shall not be entitled to any relocation fee or other relocation benefit if he or she received the notices required by subsections 1.a, and 1.a.ii of this section.

2. Any apartment unit vacated pursuant to this section if re-rented after eviction but prior to remodeling, shall remain subject to the provisions of this chapter, and it shall be the responsibility of the landlord to notify any new tenant in writing of the controlled rents and the duration of the notice of termination. A copy of such notice shall be filed with the rent stabilization program within one week after the new tenant begins occupancy of the apartment unit.

3. Any provision of this chapter notwithstanding, in lieu of receiving a relocation fee or being relocated to a comparable unit, a tenant, within sixty (60) days after the service of the one year notice of tenancy termination required by subsection 1 of this section, may elect to relocate to a comparable unit in the building to be remodeled. The comparability of the replacement unit shall be determined by the rent stabilization program. For the purposes of this subsection, "comparability" shall mean a unit with the same number of bedrooms as the unit vacated, and which is in a clean, functional, and secure state.

4. Should a tenant elect to be relocated to a comparable unit in the building to be remodeled, he or she shall serve written notice of such election on the landlord and file a copy thereof with the rent stabilization program. Such notice shall be served and filed within sixty (60) days after service of the one year notice of tenancy termination required by subsection 1 of this section. Upon the service and filing of the required notice of election within the time set forth herein, the notice of tenancy termination shall become null and void as to that tenant for the purposes of eviction. Upon the receipt of multiple notices required hereby, the landlord shall make an application to the hearing officer for a determination of the order of relocation. The hearing officer shall determine the order of relocation, taking into consideration the relative hardships relocation will place on the tenants electing to relocate hereunder.

5. Upon the approval of the order of relocation as provided for in subsection 4 of this section, or if only one notice of election is received by the landlord, the landlord shall

serve upon the tenant(s) and shall file a copy thereof with the rent stabilization program notice of availability of the replacement unit. The tenant shall have thirty (30) days after the service and filing of the notice of availability to relocate to the replacement unit. The landlord shall pay the reasonable cost of such relocation. Any disagreement between the landlord and tenant regarding the reasonableness of the cost of relocation shall be submitted to the hearing officer for resolution. Should a tenant fail to relocate to the replacement unit within said thirty (30) days, the tenant shall vacate the unit within ninety (90) days after the date the notice of availability of the replacement unit was served and filed, and the landlord shall be relieved of the obligation of paying any further fees or costs provided for in this chapter.

6. Upon the completion of the remodeling, the landlord shall serve upon tenant(s) and shall file a copy thereof with the rent stabilization program notice of availability of the remodeled unit. The tenant shall have thirty (30) days after the service and filing of the notice of availability of the remodeled unit to relocate. The landlord shall pay the reasonable cost of such relocation. Any disagreement between the landlord and tenant regarding the reasonableness of the cost of relocation shall be submitted to the hearing officer for resolution. Should a tenant fail to relocate to the remodeled unit within said thirty (30) days, the tenant shall vacate the replacement unit within ninety (90) days after the date the notice of availability of the remodeled unit was served and filed, and the landlord shall be relieved of the obligation of paying any further fees or costs provided for in this chapter; provided, however, the landlord shall not be relieved of the obligation of paying fees or costs provided for in this chapter if the new base rent is in excess of the estimated base rent.

7. If an apartment unit has been vacated for major remodeling, upon the completion of such remodeling the new allowable base rent for the apartment unit shall not exceed an amount equal to the previous base rent increased by the actual amount expended on such remodeling, including such items as interest or the value of capital up to eighteen percent (18%) per annum, and any fees or costs required to be paid to or on behalf of tenants pursuant to the provisions of this chapter, amortized in accordance with the straight line depreciation schedules allowed under the federal income tax law, but in no case less than five (5) years. The tenant evicted for the purpose of such remodeling shall have a right of first refusal to rent the remodeled apartment unit provided such right is exercised within thirty (30) days after the landlord notifies the tenant when the apartment unit will be ready to be rented. If such tenant re-rents the remodeled apartment unit, the landlord may increase the actual rent chargeable to such tenant at the time he or she actually occupies the unit to the new base rent allowed by this subsection or twenty percent (20%) above the estimated rent, whichever is less; provided, however, if a tenant elects to relocate as provided for in subsection 3 of this section, the new base rent shall not be applicable until one year after the notice of eviction required by subsection A of this section. The new base rent shall be established by the hearing officer within ninety (90) days after the tenant has reoccupied the unit or, if the tenant decides not to reoccupy the unit, within ninety (90) days after the unit is ready for occupancy, and the tenant has requested to be notified of the new base rent. The hearing officer shall be provided copies of documents by the landlord to be used to establish the new allowable base rent. If a tenant who was evicted pursuant to this section re-rents the remodeled apartment unit, such tenant shall return the relocation

fee to the landlord, less actual direct moving expenses and the amount by which such tenant's rent during the period when the tenant was out of the apartment exceeded the tenant's rent prior to such move, but not more than one hundred fifty dollars ($150.00) per month.

8. No writ or judgment restoring possession to the landlord shall be issued or entered unless and until the complaint for such writ or judgment filed by the landlord contains the landlord's declaration under penalty of perjury of the giving of notice to the tenant as required by this section, the expiration of the one year notice period, the payment or deposit into escrow of the relocation fee specified in section 4-6-9 of this chapter, and that the major remodeling work will commence within sixty (60) days after the filing of such complaint.

9. The landlord shall file true copies of rental agreements for the re-rented apartment units after major remodeling has been completed with the rent stabilization program within one week after the new tenant begins occupancy of the apartment unit.

10. The city manager or his designee shall issue guidelines for the implementation of the foregoing requirements, and all applicants for major remodeling pursuant to this section shall comply therewith.

11. The provisions of this section shall not apply to a building manager who is entitled to occupancy of an apartment unit solely because of his or her position as building manager.

12. For the purposes of this section, "major remodeling" shall mean the remodeling or reconstruction of more than one apartment unit subject to the provisions of this chapter in an existing building and a minimum amount per remodeled unit is expended on such work as follows:

Bachelor/single	$ 7,000.00
1 bedroom	$10,000.00
2 bedrooms	$15,000.00
3 or more bedrooms or 2 bedrooms and den	$ 20,000.00

13. The landlord shall obtain the building permit to perform the major remodeling within ninety (90) days after the date when the affected unit becomes vacant. The major remodeling shall be completed within one year of the date of issuance of the building permit. However, the building and safety department may extend the one year completion period upon a showing by the landlord of good cause for the failure to

complete the repairs within the one year period and diligent efforts to complete the work timely. If the major remodeling work is not completed within the time period established by this subsection, including any extensions thereof approved by the city, the landlord shall be liable in a civil action, if commenced within two (2) years of the displacement, to any tenant who is evicted from an apartment unit as a result of a notice issued pursuant to subsection a of this section for the actual damages that were the proximate result of the displacement.

L. WITHDRAWAL OF RESIDENTIAL RENTAL STRUCTURE FROM THE RENTAL MARKET:

A landlord may bring an action to recover possession of an apartment unit if the landlord intends to withdraw all apartment units in a building or structure on a parcel of land from the rental market, subject to the following conditions and requirements:

1. This section shall only apply to and shall only be exercised for the concurrent withdrawal of all apartment units in all buildings or structures on a parcel of land from the rental market, except where there is more than one building on a parcel and all buildings contain four (4) or more apartment units, in which case the landlord may withdraw all of the units in one or more of the buildings.

2. Not less than one hundred twenty (120) days from the date the landlord intends to withdraw the apartment units in a building or structure from the rental market, the landlord shall:

a. Provide written notice under penalty of perjury to the city's rent stabilization program of such intent, which notice shall contain the following information: address and legal description of the subject property, number of rental units being removed, the names of all tenants residing in the units being removed, the year the tenant(s) moved into the unit, the base rent for the unit and the current lawful rent applicable to each such unit.

b. Record with the Los Angeles County registrar-recorder a written notice prepared by and containing such information as is prescribed by the city summarizing the landlord's notice of intent and certifying that evictions have been commenced or will commence in accordance with applicable law.

c. Provide to the city's rent stabilization program copies of the notice recorded with the county and the notice(s) which were provided to the affected tenants.

d. If the tenant or lessee is at least sixty two (62) years of age or is disabled, and has lived in his or her apartment unit for at least one year prior to the date of delivery to the city of the notice required by subsection 2.a of this section, then the date of withdrawal of that apartment unit shall be extended to one year from the date of delivery of the

notice to the city, provided that the tenant or lessee has given the landlord written notice of his or her entitlement to the extension within sixty (60) days of delivery to the public entity of the notice of intent to withdraw the apartment unit from the rental market. In this situation, the following provisions shall apply:

i. The tenancy shall be continued on the same terms and conditions as existed on the date of delivery to the city of the notice of intent to withdraw, subject to any adjustments otherwise available under this title;

ii. No party shall be relieved of the duty to perform any obligation under the lease or rental agreement;

iii. The landlord may elect to extend the date of withdrawal on any other accommodation within the same building up to one year after the date of delivery to the city of the notice of intent to withdraw, subject to subsections 2.d.i and 2.d.ii of this section;

iv. Within thirty (30) days of the notification by the tenant or lessee to the landlord of his or her entitlement to an extension, the landlord shall give written notice to the city's rent stabilization program of the claim that the tenant or lessee is entitled to stay in his or her apartment unit for one year after the date of delivery to the city of the notice of intent to withdraw;

v. Within ninety (90) days of the date of delivery to the city of the notice of intent to withdraw, the landlord shall give written notice to the city's rent stabilization program and the affected tenant(s) or lessee(s) of the landlord's election to extend the date of withdrawal and the new date of withdrawal under subsection 2.d.iii of this section.

3. The landlord shall provide written notice of termination of tenancy to all affected tenants at least thirty (30) days prior to the service of and recordation of the notices in subsection 2 of this section which has been approved by the city's rent stabilization program and filed therewith and which notice shall contain the following information:

a. That the landlord is evicting the tenant pursuant to this section and will provide the city with written notice required in subsection 2 of this section;

b. A summary of the specific information to be provided to the city in that notice regarding the tenant's unit;

c. That within thirty (30) days of receipt of notice to terminate, the tenant may notify the landlord in writing that the tenant would be interested in re-renting the unit if it is reoffered for rent at a future time and advising the tenant to notify the landlord and rent stabilization program of all future address changes;

d. A description of the tenant's rights as set forth in subsections 5, 6 and 7 of this section;

e. That the landlord will provide a relocation fee in accordance with the provisions of section 4-6-9 of this chapter and that such fee may not be waived by the tenant, except as specifically provided in section 4-6-9.G of this chapter; and

f. That if the tenant or lessee is at least sixty two (62) years of age or is disabled, and has lived in his or her apartment unit for at least one year prior to the date of delivery to the city of the notice required by subsection 2.a of this section, then the tenancy shall be extended to one year after the delivery of the notice to the city, provided that the tenant gives written notice of his or her entitlement to the extension to the landlord within sixty (60) days of the date of delivery to the city of the notice of intent to withdraw. The notice shall further state that if these circumstances exist, the extended tenancy shall be continued on the same terms and conditions that existed on the date of delivery of the notice of withdrawal to the city, subject to any rent increases that are allowed by this chapter, and that no party shall be relieved of the duty to perform any obligation under the lease or rental agreement during the extended tenancy.

4. At the time when the tenant(s) vacate the unit, the landlord shall pay a relocation fee in accordance with the provisions of section 4-6-9 of this chapter.

5. In the event the withdrawn units are reoffered for rent by the landlord within two (2) years from the effective date of withdrawal, the landlord shall:

a. Provide written notice of such action to the city's rent stabilization program not less than thirty (30) days prior to re-renting the units;

b. Offer the units at the same rent level as of the date of withdrawal plus any annual rent increases permitted by this chapter that would have applied had the units not been withdrawn;

c. Provide those tenants who provided a notice of interest in re-renting pursuant to subsection 3.c of this section the right of first refusal to re-rent the unit by certified or registered mail, postage prepaid, to the last address provided by the tenant, in which case the tenant shall have no less than thirty (30) days within which to accept the offer, by personal service or certified or registered mail. Copies of these notices and the mail receipts shall be filed with the city's rent stabilization program within one week of mailing;

d. Be liable in a civil action if commenced within three (3) years of displacement to any tenant evicted due to withdrawal of a unit pursuant to this section for actual damages which were the proximate result of the displacement, in accordance with the principles

enunciated in sections 7262 and 7264 of the California Government Code, and punitive damages;

e. Be liable in a civil action if commenced within three (3) years of displacement to the city for exemplary damages for displacement of tenants or lessees.

6. In the event the withdrawn units are reoffered for rent by the landlord within five (5) years after any notice of intent to withdraw the apartment unit is filed with the city, or within five (5) years after the effective date of the withdrawal of the apartment unit, whichever is later, the landlord shall provide not less than thirty (30) days' prior written notice of such action to the city's rent stabilization program prior to re-renting the units and shall offer the units at the same rent level as of the date of withdrawal, plus annual rent increases permitted by this chapter that would have applied had the units not been withdrawn.

7. Moreover, if the units are reoffered for rent within ten (10) years from the effective date of removal, the landlord shall provide those tenants who provided notice of interest in re-renting pursuant to subsection 3.c of this section the right of first refusal to re-rent the unit, by certified or registered mail, postage prepaid, to the last address provided by the tenant, in which case the tenant shall have no less than thirty (30) days within which to accept the offer by personal service or certified or registered mail. Copies of these notices and the mail receipts shall be filed with the city's rent stabilization program within one week of mailing. Failure of the landlord to provide the tenant with this right of first refusal shall render the landlord liable in a civil action to the tenant in punitive damages in an amount not to exceed six (6) months' rent.

8. This section shall in no respect relieve a landlord from complying with the requirements of any applicable state law or of any lease or rental agreement.

9. The remedies provided for in this section shall not be exclusive and shall not preclude a tenant from pursuing any alternative remedy available under law. Failure by any landlord to comply with the requirements of this section shall constitute a defense in any unlawful detainer action brought to evict a tenant under this section.

10. For the purpose of this section, the term "landlord" shall be interpreted to include any and all successors in interest of any landlord, and the term "disabled" shall mean a person with a disability, as defined in section 12955.3 of the California Government Code.

11. The notice to the city provided for in this section shall be accompanied by a processing fee in an amount determined by resolution of the city council.

12. This section is intended to implement the requirements of sections 7060 through 7060.7 of the California Government Code, and shall be interpreted so as to provide the city with the broadest range of authority permitted under these provisions and to intrude the least into the city's authority in all other applications of its power.

13. This section shall apply to any apartment units that are being removed from the rental market, if the notice of termination of tenancy required by state law or by a lease agreement has not been given at the time of adoption hereof or if such notice has been given, the notice period has not expired at the time of adoption hereof.

M. DISRUPTIVE TENANT

1. A landlord may bring an action to recover possession of an apartment unit if: (1) the tenant repeatedly or continually disturbs the peaceful and quiet enjoyment of one or more tenants who occupy other rental units in the apartment building where the tenant resides or (2) antagonizes, intimidates or bullies one or more tenants who reside at that apartment building ("disruptive tenant") and the disruptive tenant does not cease the behavior when requested to do so by the other tenant(s) or by the property owner or manager of the premises.

2. The landlord or the landlord's representative may, at the sole option of the landlord, file an application with the City and request that a subcommittee of the City Council make a determination that a tenant is a disruptive tenant, as defined in subparagraph 1 of this paragraph M. If the subcommittee determines that the tenant is a disruptive tenant, then the landlord or the landlord's representative may serve the tenant with a written notice to terminate the tenancy in accordance with state law.

a. The subcommittee of the City Council shall be composed of two members of the City Council. Council Members shall be appointed by the Mayor and serve on the subcommittee for a two month term. At the end of the term and Mayor may reappoint one or both Council Members or may appoint new Council Members to the subcommittee.

b. If a landlord or the landlord's representative files an application with the City's rent stabilization program for the subcommittee to make a determination whether a tenant is a disruptive tenant whose tenancy can be terminated with notice, the landlord first shall have given the disruptive tenant at least one written notice describing the disruptive conduct and requiring the tenant to discontinue the conduct. The landlord either shall deliver the notice to the tenant personally, send it by certified mail, or shall post it on the door of the tenant's unit. Prior to filing the application with the city's rent stabilization program, the landlord also shall have served the tenant with a copy of the application either by personally delivering the application to the tenant or by

posting the application on the door of the tenant's unit. Proof of service of the application on the tenant shall be filed with the City concurrently with the application. The application shall be submitted either on a form supplied by the City or shall substantially comply with the requirements of the City's form.

c. The application shall set forth the name, address and unit number of the tenant and shall describe specifically the tenant's conduct that the landlord contends is disruptive, the dates when the conduct described in the application occurred, and the dates when the landlord requested that the tenant cease the disruptive conduct, including the written notice described in subparagraph 2.b above. The application also may include the names of any individuals who observed the tenant's conduct and may include written statements by the witnesses describing the conduct.

d. The City shall schedule a hearing (but need not hold the hearing) within ten days of the filing of a complete application with the City. If one or both members of the subcommittee is/are not available to attend a hearing on an application filed pursuant to this section, the City rent stabilization program shall contact other Members of the City Council to determine if another Council Member is available to attend the hearing. The City rent stabilization program shall send written notice of the hearing to the landlord and the affected tenant by certified mail at least fifteen days prior to the date of the hearing.

e. The subcommittee shall control the conduct of the hearing and rule on procedural requests. The hearing shall be conducted in the manner deemed by the subcommittee to be most suitable to secure the information and documentation that is necessary to render an informed decision, and to result in a fair decision without unnecessary delay.

i. At the hearing, the parties may offer any documents, testimony, written declarations, or other evidence that is relevant to the application. Formal rules of evidence shall not be applicable to such proceedings.

ii. There shall be no oral communication outside the hearing between the members of the subcommittee and any party or witness, or the substance of such communication shall be disclosed at the beginning of the hearing. All discussion during the hearing shall be recorded.

iii. The hearing shall ordinarily proceed in the following manner, unless the subcommittee determines that some other order of proceedings would better facilitate the hearing:

a. A brief presentation by or on behalf of landlord, including testimony by any other affected parties and witnesses in support of the application.

b. A brief presentation by or on behalf of the tenant, including testimony by any other affected parties and witnesses in opposition to the application.

c. A brief rebuttal by the landlord.

iv. The subcommittee shall establish equitable time limits for presentations at a hearing, with a minimum length of ten minutes each for the landlord and the tenant, subject to adjustments for translation and reasonable accommodation.

v. City staff shall maintain an official hearing record, which shall constitute the exclusive record of the decision.

vi. All parties to a hearing shall have the right to seek assistance in developing their positions, preparing their statements, and presenting evidence from an attorney, tenant organization representative, landlord association representative, translator, or any other person. If the representative will be speaking on behalf of the party at the hearing, the party shall so advise the subcommittee.

vii. To prevail on the application, the landlord must carry the burden of demonstrating that the tenant has been a disruptive tenant, as defined in subparagraph 1 of this paragraph M.

viii. Two votes are required to approve an application. The vote shall be taken after the conclusion of the presentations by the landlord and the tenant and any deliberations by the members of the subcommittee. If two votes are not cast in favor of approving the application, the application is deemed to be denied.

ix Within five (5) business days after the hearing record is closed, the subcommittee shall reconvene and issue a written determination setting forth its decision approving or denying the application, with written findings in support thereof.

f. A written notice of the decision shall be mailed by the City to the applicant and the affected tenant within two days of the issuance of the decision by the subcommittee. Such notice shall be accompanied by a copy of the hearing decision.

g. If the subcommittee determines that the tenant is a disruptive tenant, the landlord may serve the tenant with written notice provided in accordance with state law to terminate the tenancy. The landlord is not required to pay relocation fees to the tenant. When the disruptive tenant vacates the unit in response to the notice, the landlord may not increase the rent that will be charged for the unit above the amount that was being charged to the disruptive tenant, other than any adjustments otherwise available under this chapter.

h. Any final decision of the subcommittee is subject to judicial review pursuant to California Code Of Civil Procedure section 1094.5 and must be filed in accordance with the time periods specified therein.

Section 4. The City Council hereby amends Section 4-6-9 of Chapter 6 of Title 4 of the Beverly Hills Municipal Code regarding relocation fees by amending paragraph A thereof to read as follows:

A. When Fee Is Required: If a landlord brings an action to recover the possession of an apartment unit that is subject to the provisions of this chapter for any of the reasons set forth in paragraphs A, B, C, D, F, G or M of section 4-6-6 of this chapter, the landlord is not required to pay a relocation fee to the tenant residing in the unit. However, if a landlord serves a notice of eviction on a tenant for any other reason, the landlord shall pay to such tenant a relocation fee in accordance with the provisions of this section. The relocation fee shall be due and payable to the tenant, regardless of whether the landlord actually utilizes the apartment unit for the purposes stated in the notice of eviction, unless the landlord notifies the tenant in writing of the withdrawal of the notice of eviction prior to such time as the tenant has given the landlord notice of his or her last date of occupancy, or has vacated the unit, if a notice of the last date of occupancy is not given by the tenant. The landlord also shall file a copy of the notice of eviction with the rent stabilization program within one week after serving the notice on the tenant.

Section 5. Ordinance No. 18-O-2762 is hereby repealed and replaced by the provisions of this Ordinance.

Section 6. Applicability. This ordinance shall apply to any tenant including, without limitation, any tenant who has been given a notice of eviction but does not wish to vacate his or her existing rental unit in response to this notice of eviction .

Section 7. CEQA. This ordinance is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15061(b)(3), which is the general rule that CEQA applies only to projects that 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 the amendments to the City's rent stabilization regulations to prevent tenants from being evicted from Chapter 6 units without cause will not cause a significant effect on the environment. In addition, the amendments to Chapter 6 of Title 4 of the Beverly Hills Municipal Code are not a project that is subject to the provisions of CEQA, pursuant to CEQA Guidelines section 15378(b)(2) and (b)(5).

Section 8. Severability. If any provision of this ordinance is held invalid by a court of competent jurisdiction, such provision shall be considered a separate, distinct and independent provision and such holding shall not affect the validity and enforceability of the other provisions of this ordinance.

Section 9. Duration. This Ordinance shall remain in effect until it is superseded by another Ordinance adopted by the City Council.

Section 10. Certification. The City Clerk shall certify to the adoption of this Ordinance.

Adopted: November 20, 2018
Effective: December 21, 2018

JULIAN A. GOLD, M.D.
Mayor of the City of Beverly Hills, California

ATTEST:

LOURDES SY-RODRIGUEZ
Assistant City Clerk

APPROVED AS TO FORM:

LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT

MAHDI ALUZRI
City Manager