



CITY OF BEVERLY HILLS

Room 280A
455 North Rexford Drive
Beverly Hills, CA 90210

In-Person / Telephonic / Video Conference Meeting

RENT STABILIZATION COMMISSION REGULAR MEETING

MINUTES

January 4, 2023
6:00 PM

MEETING CALLED TO ORDER

Date/Time: January 4, 2023 / 6:02 PM

PLEDGE OF ALLEGIANCE

ROLL CALL

Commissioners Present: Commissioners Baseman, Bronte, Gurman, Lindsey-Cerqueira, Miller, Vice Chair Maden, Chair Milkowski
Commissioners Absent: Commissioner Tryfman
Staff Present: Timothea Tway, Helen Morales, Cameron Kesinger, Karen Myron, Robin D. Harris

COMMUNICATIONS FROM THE AUDIENCE

Members of the public may address the Commission regarding any items not on the Agenda that are within the subject matter jurisdiction of the Commission. By State law, the Commission may not discuss or vote on items not on the Agenda.

Public Input: Adam Asherson, Cheryl Feldman

APPROVAL OF AGENDA

By Order of the Chair and absent objection from the Commission, the agenda was approved as presented.

CONSENT CALENDAR

1. CONSIDERATION OF MINUTES

Consideration of Minutes of the Rent Stabilization Commission regular meeting of December 7, 2022.

Motion: MOVED by Commissioner Bronte, SECONDED by Commissioner Lindsey-Cerqueira to adopt the minutes as presented (6-0).

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AYES: Commissioners Baseman, Gurman, Miller, Lindsey-Cerqueira,
Bronte, Vice Chair Maden, Chair Milkowski
NOES: None

CARRIED

2. RESOLUTION OF THE RENT STABILIZATION COMMISSION OF THE CITY OF BEVERLY HILLS CONTINUING TO AUTHORIZE PUBLIC MEETINGS TO BE HELD VIA TELECONFERENCING PURSUANT TO GOVERNMENT CODE SECTION 54953(e) AND MAKING FINDINGS AND DETERMINATIONS REGARDING THE SAME

Recent legislation was adopted allowing the Rent Stabilization Commission to continue virtual meetings during the COVID-19 declared emergency subject to certain conditions and the proposed resolution implements the necessary requirements.

Motion: MOVED by Commissioner Bronte, SECONDED by Commissioner Baseman to adopt the resolution as presented (6-0).

AYES: Commissioners Baseman, Bronte, Lindsey-Cerqueira, Gurman, Vice
Chair Maden, Chair Milkowski
NOES: None

CARRIED

REPORTS FROM PRIORITY AGENCIES

None

CONTINUED BUSINESS

3. POSSIBLE AMENDMENTS TO THE RENT STABILIZATION ORDINANCE (RSO) REGARDING SURCHARGES AND THE AMOUNT OF ANNUAL MAXIMUM ALLOWABLE RENT INCREASES

Staff seeks recommendations regarding possible amendments to the Rent Stabilization Ordinance for both Chapter 5 and Chapter 6 of Title 4 of the Beverly Hills Municipal Code regarding surcharges that allow housing providers to pass through costs to tenants relating to water service penalties and/or surcharges, refuse fees, and for Chapter 5 tenants only, capital expenditures, improvement expenses mandated by law, including seismic retrofit, utility expense, and for additional tenants. Staff also seeks recommendations regarding possible amendments to Chapters 5 and 6 regarding the amount of the maximum allowable annual rent increases. *Continued from the December 7, 2022 Rent Stabilization Commission regular meeting.*

Staff Presenter: Helen Morales, DPA, Deputy Director of Rent Stabilization
Public Input: Linda Carolei, Max Sherman – Apartment Association of Greater Los
Angeles, Mark Elliot, Cheryl Feldman

The Commission received the staff report and public comment, and continued its conversation regarding potential recommended changes regarding surcharges.

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Motion: MOVED by Commissioner Baseman, SECONDED by Chair Milkowski to recommend to the City Council to modify the Rent Stabilization Ordinance by adding to Section 4-5-305 of Chapter 5 and also adding to Chapter 6, a provision that allows a landlord to pass through to the tenant of an apartment unit 50% of the cost of seismic retrofits mandated by law, for work commencing pursuant to the law enacted in 2018, allocated among all of the dwelling units of the building in proportion to their size determined in square feet, and annualized in accordance with the straight-line depreciation schedules allowed under Federal income tax laws, and charged at no more than 2% of each tenant's then-current rent at the time the pass-through is approved by the City (4-2).

AYES: Commissioners Baseman, Gurman, Vice Chair Maden, Chair Milkowski

NOES: Commissioners Bronte, Lindsey-Cerqueira

CARRIED

Motion: MOVED by Commissioner Lindsey-Cerqueira, SECONDED by Commissioner Bronte to recommend to the City Council to leave the capital expenditure surcharge provision in Chapter 5 of the Rent Stabilization Ordinance as is and to not modify Chapter 6 of the Rent Stabilization Ordinance to extend the capital expenditure surcharge provision of Chapter 5 to Chapter 6 (4-2).

AYES: Commissioners Bronte, Gurman, Lindsey-Cerqueira, Chair Milkowski

NOES: Commissioner Baseman, Vice Chair Maden

CARRIED

The Commission took a recess at 7:33 PM

The Commission reconvened at 7:46 PM

Motion: MOVED by Commissioner Gurman, SECONDED by Commissioner Baseman to recommend to the City Council to leave the additional tenant surcharge provision in Chapter 5 of the Rent Stabilization Ordinance as is and to modify Chapter 6 of the Rent Stabilization Ordinance to extend the additional tenant surcharge provision of Chapter 5 to Chapter 6 (4-2).

AYES: Commissioners Baseman, Gurman, Vice Chair Maden, Chair Milkowski

NOES: Commissioners Bronte, Lindsey-Cerqueira

CARRIED

The remaining elements of discussion will be continued to the next meeting.

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NEW BUSINESS

None

PROJECT UPDATES

4. Rent Stabilization Division Monthly Staff Report for November 2022

Staff seeks to inform the Rent Stabilization Commission on the Rent Stabilization Division's monthly activity.

- Report received and filed.

COMMUNICATIONS FROM THE COMMISSION

- Commissioner Bronte thanked Chair Milkowski for his leadership and wished everyone happy holidays.
- Commissioner Lindsey-Cerqueira wished everyone a Happy New Year and was grateful to have everyone working together.
- Commissioner Miller expressed concern regarding the late hour at which the matter on allowable rent increases came before the City Council in 2022. She stated that the City Council should have saved the discussion for another meeting to allow for better communications from the public. She would like for the Commission to make a statement about this issue.
- Chair Milkowski thanked the Commission for their collaborative work and wished everyone a happy and healthy new year.

COMMUNICATIONS FROM STAFF

- Director of Community Development Timothea Tway informed the Commission of the following:
 - At its meeting on January 3, the City Council conducted the first reading of a proposed ordinance amending both Chapter 5 and Chapter 6, which removes Major Remodeling as an allowable ground for eviction, as recommended by the Rent Stabilization Commission.
 - Per the request of Councilmember Mirisch, the City Council conducted a Study Session discussion at its December 13 meeting, regarding protections for tenants facing eviction due to potential new construction. The City Council requested that the Commission look at existing protections for tenants and see if anything should be changed relative to those protections. As such, the Commission will take a small hiatus from the pass through discussion and move forward with the City Council's request.

5. 2023 Meeting Schedule

- Received and filed.

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ADJOURNMENT

Date / Time: January 4, 2023 / 8:53 PM

PASSED AND APPROVED THIS 1ST DAY OF FEBRUARY, 2023



Lou Milkowski, Chair