

SUBJECT: ANNOUNCEMENT OF THE 2022-23 ANNUAL GENERAL
ADJUSTMENT AND UPDATE TO RELOCATION FEE AMOUNTS

INITIATED BY: HUMAN SERVICES AND RENT STABILIZATION DEPARTMENT
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(Gloria Aviles, Rent Stabilization Information Coordinator)

STATEMENT ON THE SUBJECT:

This report transmits the Annual General Adjustment effective September 1, 2022, and the relocation fee amounts effective July 1, 2022.

RECOMMENDATIONS:

1. Announce the Annual General Adjustment of 6.00% effective September 1, 2022.
2. Announce the Relocation Fee amounts effective July 1, 2022.
3. Receive and File.

BACKGROUND:

Annual General Adjustment

West Hollywood Municipal Code Section 17.36.030 requires the Rent Stabilization Commission announce the Annual General Adjustment (AGA) on or before July 1 of each year. Beginning September 1, 2022, the AGA will be 6.00%, based on the following formula and data.

WHMC Section 17.36.020 defines how the Annual General Adjustment (“AGA”) is calculated. The authorized percentage increase is equal to 75% of the May-to-May percent increase in the Los Angeles-Long Beach-Anaheim Consumer Price Index for All Urban Consumers (CPI-U) for All Items, rounded to the nearest quarter of one percent (0.0, 0.25, 0.50, or 0.75).

In May 2022, the Los Angeles-Long Beach-Anaheim CPI-U reported by the Bureau of Labor Statistics was 310.649. In May 2021, the same index was reported as 287.62, which is an increase of 23.029 raw data points, or 8.007%. Seventy-five percent (75%) of 8.007% is 6.005%, rounding to the nearest one-quarter of one percent results in a general adjustment of 6.00% effective September 1, 2022.

Although the effective date for new AGA is September 1, 2022, the AGA cannot be applied until 60 days after the local emergency is lifted. On April 6, 2020, the City Council adopted Urgency Ordinance 20-1103U prohibiting rent increases for dwelling units subject to the AGA beginning April 6, 2020, and through 60-days following the end of the state of emergency related to the COVID-19 pandemic that the City Council

declared by resolution on March 16, 2020.

The Rent Stabilization newsletter that will be mailed to rent stabilized tenants and landlords in early July will include the 2022-2023 AGA and information on the prohibition of rent increases during the emergency period.

Relocation Fees

The relocation fee amounts a landlord must pay a tenant for a “no fault” eviction subject to Section 17.52.020 of the West Hollywood Municipal Code are adjusted for inflation annually every July 1. Relocation fees are increased by the May-to-May percent change in the “rent of primary residence” component of the Los Angeles-Long Beach-Anaheim CPI-U each year, rounded to the nearest whole dollar.

In May 2021, the “rent of primary residence” component of the CPI-U was 402.879. As of May 2022, the same component was 417.907, amounting to an increase of 15.028 raw data points, or a 3.73% increase. The current fees have been increased by this percentage then rounded to the whole dollar in the chart below.

Relocation Fees

Unit Type	Current	Effective July 1, 2022
0 Bedrooms	\$7911	\$8206
1 Bedroom	\$11,171	\$11,588
2 Bedrooms	\$15,048	\$15,609
3 or More Bedrooms	\$19,858	\$20,599
Qualified Tenant – 62 or older, disabled, dependent minor child, terminally ill	\$20,943	\$21,724
Persons and Families of Moderate Income – CA Health & Safety Code Section 50093	\$20,943	\$21,724
Lower Income Tenant – CA Health & Safety Code Section 50079.5	\$26,372	\$27,356

Any tenant facing displacement but still in possession of his or her unit is entitled to the increase in the fee amount required by WHMC 17.52.020. Any balance due after a fee increase becomes effective shall be paid before the tenant is required to vacate his or her housing unit.

Rent increase forms and more information on relocation fees are available on the City’s web site, <http://www.weho.org/rsd>.