

STAFF REPORT



COMMUNITY DEVELOPMENT

DATE: February 11, 2025

TO: Justin Hess, City Manager

FROM: Patrick Prescott, Community Development Director
Joseph H. McDougall, City Attorney
BY: Maribel Leyland, Housing Authority Manager

SUBJECT: Update on Housing Enforcement Unit, Landlord-Tenant Mediation, Grant Programs, and Possible Rent Registry Program

RECOMMENDATION

Note and file.

BACKGROUND

On October 15, 2024, staff presented an update on the Housing Enforcement Unit (HEU) created and funded during the Fiscal Year (FY) 2024-25 budget process at the City Council's direction for staff to accept and investigate housing complaints, and initiate administrative and civil enforcement on behalf of the City to enforce the City's Tenant Protection Ordinance No. 24-4,014 (Attachment 1). The update included information on a Low-Income Legal Services Pilot Program to provide no-cost mediation for landlord-tenant disputes that are outside the scope of the housing enforcement program through a fixed-fee private legal mediation panel and related financial assistance.

Additionally, staff and City consultants presented the results of an outreach campaign and community survey soliciting feedback for a potential local rent cap for the City of Burbank that is more restrictive than the State rent cap. Respondents to both inquiries suggested the value of and need for additional studies and data before considering a more restrictive, local rent cap and enforcement program (Attachment 2).

During deliberations after the Rent Cap Outreach and Survey report, Council directed staff to prepare information on two possible approaches for a local rent cap in Burbank for the Council's consideration:

- a) Soft Rent Cap (similar to the City of Glendale) – setting a percentage as a trigger for relocation assistance if the tenant moves because of the increase; and
- b) Hard Rent Cap – setting a more restrictive than the state rent cap at either 4% or 60% of CPI.¹

Staff is preparing information for the two possible options, along with the following five additional directives related to tenant protections previously requested by Council:

- 1) A “Tenant’s Bill of Rights” modeled after Culver City’s Anti-Harassment provisions;
- 2) A narrow “Mom and Pop” exemption excluding corporate or limited liability owners;
- 3) Explore an extension of “Just Cause” protections to all rental types;
- 4) End renovation evictions by requiring a right to return at the same rental rate; and
- 5) Explore additional relocation payments for certain qualified tenants (such as elderly and disabled residents).

This staff report provides an update on HEU staffing, the mediation and grant programs, and recommends a rent registry for the City. An update on the two rent cap options along with two of the five previously requested directives, is included in the “Next Steps” section of this report.

DISCUSSION

The HEU was approved to hire five new staff members across three different disciplines. The Community Development Department (CDD) positions included a Social Services Supervisor, a Housing Services Assistant, and a Code Compliance Inspector. The Housing Services Assistant and Code Compliance Inspector positions have been filled, and the new City staff members started January 6, 2025. The Social Services Supervisor position is undergoing a second recruitment and is expected to be filled in early 2025.

The City Attorney’s Office (CAO) positions include a Senior Assistant City Attorney and a Legal Assistant. A new Senior Assistant City Attorney began in mid-November 2024, while the Legal Assistant recruitment is open and ongoing. New staff in both departments have begun to develop processes and particulars for the program while continuing the work of accepting complaints, investigating, and enforcing that began in mid-2024.

¹ As appropriate, compare the approaches in other cities.

Tenant Protection Intake, Investigations and Enforcement

The HEU has accepted, reviewed, and enforced the City’s new Tenant Protection Ordinance (TPO) since August 2024 when the Ordinance went into effect. To date, CDD has received 15 filed complaints. However, housing staff has received hundreds of calls since the Urgency Ordinance was adopted in September 2023 and the current TPO was adopted in July 2024. In those cases, staff answered questions on state and local laws and provided information. For the filed complaints, the CAO has sent eight notices of violation.

Unexpectedly, as the issue of price gouging² arose after the recent catastrophic Los Angeles wildfires, the HEU was able to immediately pivot to disseminate essential information to the community and investigate and address any complaints. While the HEU has received no formal price gouging complaints, CAO received unverified information from local tenants’ groups and has independently reviewed and investigated approximately 20 allegations, sending out 2 letters of warning. The CAO is also aware the County of Los Angeles Consumer and Business Affairs division sent 3 letters of warning regarding Burbank properties. The following chart summarizes the types of HEU cases received since the City’s local TPO became effective, including the claim and the resolution.

Housing Enforcement Unit Cases			
August 2024 - January 2025			
Type of Claim	Number Received	Resolution	
		Resources/ Information	Case to CAO
Illegal Rent Increase	2	2	0
No-Fault Evictions	8	0	8
Harrasment	2	2	0
Price Gouging	0*	N/A	0
Other	3	3	0
TOTALS	15	7	8

* Formal claims have not been submitted. How ever, the CAO has invesigated approximately 20 alleged cases, and sent tw o letters of warning related to price gouging.

The majority of cases received to date relate to no-fault evictions and have required

² As shared with the Council on January 14, 2025, CAO worked with the Public Information Office (PIO) to distribute a press release informing the community about the Governor’s Emergency Declaration of January 7, 2025 (extended January 16, 2025), which prohibits raising or accepting a rental rate of more than 10% above a rental rate listed before January 7, 2025, until March 8, 2025. The release included the HEU phone number for complaints, and the same information was posted to the City and Housing webpages. As additional information and resources become available, that information has continued to be added to both webpages and staff will continue to work with the PIO to inform the community on this issue.

educating the community on the state and local tenant protection law. The HEU has not received any formal claims related to price gouging. However, local tenant groups have shared unverified listings and data that suggest local, illegal price gouging. CAO has actively investigated and monitored all properties in Burbank with alleged price gouging in documentation submitted by members of the public. To date, staff is not aware of any active violators, but stand ready and willing to educate, investigate, and prosecute as needed. CAO has also joined an impromptu taskforce made up of the Los Angeles County Department of Consumer and Business Affairs, the Attorney General's Office, the Los Angeles District Attorney's Office, Los Angeles City Attorney's Office, and City Attorneys in Santa Monica, Pasadena, and Burbank. All organizations are actively working together to address any such complaints and violations.

Members of the public who believe they have a claim for either price gouging or any violations of state or local tenant protections may use the following resources:

- The Our Burbank 311 app may be downloaded to report various concerns.
- The City of Burbank website at <https://www.burbankca.gov/web/community-development/housing> has a resident tab with a drop-down menu with information on how to report claims.
- Contact the Housing office at (818) 238-5180 or send an email to housinginfo@burbankca.gov. Once a call or email is received, the HEU will carry out the process as outlined in the next section.

In the coming months, the HEU will be exploring additional avenues for members of the public to submit direct claims, questions, or concerns, via additional online platforms as available. In addition, the HEU will be developing a multi-faceted education and outreach program to continue to inform the community of the HEU and the services it provides. The updated information will be posted on the City's website, shared via the City's social media platforms and announced at Landlord Tenant Commission and City Council meetings.

Complaints, Claims and Concerns Filing and Process

The following is a summary of the process devised thus far when a complaint, claim, or concern is submitted to the HEU:

1. Intake Review

Requests for service or information, and issues/concerns from the community can be submitted via email, mail, Our Burbank 311 app, or phone (including emails from the City's Community Assistance Coordinator). The Housing Services Assistant conducts an initial review of complaints, requests additional information and documentation (if needed), and opens a case file, essentially documenting the

initial request/issue/concern, making an assessment and processing the request as appropriate. Following intake review, the request will be referred to the appropriate staff for further resources or follow-up as summarized below.

2. Provide Tenant Resources and Referrals

The Housing Services Assistant will provide both tenants and landlords with information regarding housing rights, responsibilities, and laws, including the California Tenant Protection Act, as incorporated, and modified by City Ordinance. Staff will also provide referrals to community-based organizations, including Home Again Los Angeles, Family Services Agency of Burbank, Housing Rights Center, Neighborhood Legal Services, Stay Housed LA, Legal Aid Foundation of Los Angeles, Burbank Temporary Aid Center, etc. as necessary to assist with housing questions and concerns.

3. Coordinate Social Services

Some residents require assistance navigating the social services and resources in our community. Cases that require social service assistance beyond housing information will be referred to the Social Services Supervisor (currently unfilled, active recruitment continues). The Social Services Supervisor will be critical to assisting residents who require help beyond housing resources and referrals. In the meantime, current Housing staff have been providing resources and information for persons who require this specialized assistance. Once the position is filled, the Social Services Supervisor will provide expanded service to those in need.

4. Investigate Complaints with Habitability Concerns

Intake forms related to habitability issues will be referred to City inspectors for investigation. A Code Compliance Inspector will review the complaint for Building Code, Property Maintenance Code, and Burbank Municipal Code violations. After verifying that there is a potential code violation, the Inspector will secure right-of-entry and conduct a physical site inspection in coordination with representatives of the property owner. Should a code violation be confirmed, the Inspector will issue a Notice of Violation and arrange a timeline for the property owner to rectify the code violation. The Inspector will monitor the progress of compliance and use tools such as follow-up site visits and administrative citations to compel the property into compliance.

5. Review and Initiate Civil Compliance Actions

The CAO receives and reviews complaints and referrals concerning alleged violations of state and local housing law, such as no-fault just-cause evictions,

unlawful rent increases, and circumstances implicating a right to return to a housing unit. Notices are sent to any violators, and any non-compliance may lead to filing injunctive relief in court. The Program excludes tenant at-fault evictions (such as those for non-payment of rent, unlawful activity at the property, or any violations of lease terms), which involves a lease to which the City is not a party, and could put the City in a legal position at odds with its landlords or other tenants. Any future civil enforcement actions will be filed on behalf of the City of Burbank to enforce state and local laws and will not make the City the legal representative of the tenant involved. The City will not represent individual tenants against landlords.

CAO will also continue to review code compliance referrals following any intractable and uncured notices of violation for habitability or health and safety violations, conduct interviews and office hearings to incentivize compliance, and initiate Health and Safety Code nuisance abatement or receivership actions in extreme cases.

Low-Income Legal Services

In mid-January, CAO released a solicitation for mediators for the Low-Income Legal Services Pilot Program, which will offer free, City-funded half-day mediation services for qualifying tenants and landlords. The solicitation was posted on the City's website, distributed via the City's social media platforms, and announced during City Council meetings. Interest has been high, and CAO anticipates receiving applications from qualified attorneys by late-February for review and selection, with a goal to have the mediation program available by mid-year.

The grant program for qualifying low-income legal representation in at-fault eviction proceedings is in progress with newly hired HEU staff. Some grants may require participation in free legal mediation first, and the City envisions grants will be administered through a local service provider.

Possible Rental Registry Program

Following consistent feedback during the survey and outreach on a local rent cap and upon review of the different cases submitted to date (since August of 2024), staff has determined that a rental registry of multi-family units will provide essential data that will be beneficial to best implement provisions of the City's TPO related to rent increases, evictions and possible future updates to the TPO. While community members have and continue to share anecdotal information and data in a specific field, such as property management company data, data specific to tenancies and rent amounts for all multifamily rental units in the City is not available. In order to track and monitor evictions, rental rates, and rent increases, a rental registry would be necessary. While a rental

registry is historically tied to a rent stabilization ordinance as seen with the Cities of Los Angeles and West Hollywood, staff has explored expanding upon the City's current business tax process for multi-family rental properties to increase data collection.

The City's current business tax process for residential rental properties applies to every person conducting or carrying on or managing an apartment, flat, court, bungalow, or rooming house, consisting of three or more individual living units or rooms available for rent. The business tax fee amounts are designated in the Burbank Fee Resolution. The initial Residential Rental Business Application requests general information such as number of units, date, and type of ownership, but verification of information submitted is not conducted, and information is self-reporting. Furthermore, the business tax application does not gather information by unit such as tenancy dates, existing rents, and rent increases.

While the application could be updated for the required information, the software currently utilized does not allow for the collection of specific rent and tenancy information per unit. Therefore, staff has started to meet with vendors offering different platforms for a rental registry that will meet the needs of the Burbank community, specific to the City's TPO. The solicitation and procurement process will take several months to complete; therefore, staff will be presenting additional information and an estimated cost during the budget adoption process (discussion paper) scheduled for May 2025. If approved by the City Council at that time, funds would be available in the FY 2025-26 budget for implementation.

Expanded Relocation Program for Qualified Households (City Program)

In August of 2024, the City adopted Ordinance No. 24-4,014, which aligned the BMC with the heightened regulations relating to demolition and substantial remodels in the Tenant Protection Act of 2019 as amended by SB 567, and increased the tenant relocation assistance payment from the state required one month to three months rent for all "no-fault just cause" evictions, and imposed anti-retaliation measures to protect tenants from eviction in any lawful exercise of their rights.

Since the adoption of the TPO, Council has expressed a desire to expand relocation benefits to qualified households, such as the disabled and elderly, to provide additional assistance to lower income households that may need additional funds beyond three months of current rent. Staff is proposing a City funded program so as not place the relocation burden on property owners who could be disincentivized to rent to qualifying households. Staff is in the process of developing program parameters on eligible households and relocation amounts but envisions it will be similar to the temporary renter relocation program approved by Council in FY 2023-24 and will be administered by a local service provider. Staff is preparing a discussion paper of the proposed program with budget to be presented during the budget adoption process scheduled for May 2025.

Next Steps

With staffing of the HEU almost complete, staff will continue the following as noted in the attached schedule and summarized below (Attachment 3) :

1. The HEU free mediation service will be implemented through the CAO for qualifying claims received, as needed.
2. The grant program for qualifying low-income legal representation in eviction proceedings is in process and expected to be administered via a local service provider for qualifying landlords or tenants.
3. A rental registry for multi-family units to allow staff to best implement provisions of the City's TPO related to rent increases, evictions and possible future updates to the TPO. In addition, the proposed rental registry will assist with implementation of the Soft Story Ordinance (24-4,021).
4. Staff is continuing to expand public outreach services to educate the public on tenant protection regulations and resources in the city.

In addition, staff is preparing to present two possible approaches for a possible local rent cap in Burbank for the Council's consideration: 1) Soft Rent Cap (similar to the City of Glendale), or 2) "Hard Rent Cap" that is more restrictive than the state rent cap at mid-year.

Furthermore, on February 11, 2025, staff will present an amendment to the current TPO that will amend provisions related to the following two areas previously requested:

- 1) A "Tenant's Bill of Rights" modeled after Culver City's Anti-Harassment provisions; and
- 2) A narrow "Mom and Pop" exemption excluding corporate or limited liability owners.

As to the Council's request to explore expanding "Just Cause" protections to all rental types and end all renovation evictions, staff continues to review the legality of those proposed parameters with specialized counsel and will return by mid-year with more information and a recommendation.

Finally, staff is developing a budget study session paper for a proposed City Expanded Relocation Program that will expand relocation assistance beyond the three months provided by landlords in the TPO for qualified households. Staff will present additional information and an estimated cost during the budget adoption process, and if approved by the Council at that time, funds would be available in the FY 2025-26 budget for implementation.

ENVIRONMENTAL REVIEW

This activity involves organizational and administrative activities of the government related to personnel, hiring, and tenant protection strategies which have no potential to result in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. As such, this action is not a “project” subject to the California Environmental Quality Act (CEQA), 14 Cal. Code Regs § 15378.

FISCAL IMPACT

There is no fiscal impact from this report. Funds for the HEU and the mediation and grant programs were appropriated in the FY 2024-25 budget. The proposed rental registry program and expanded City-sponsored relocation introduced in this report would be considered during the FY 2025-26 budget process.

CONCLUSION

Three of the five positions approved for the new HEU have been filled, with active recruitment underway for the remaining two. With new staff on board, the HEU is executing the tenant protection enforcement as directed by Council, soliciting attorneys for the free mediation panel, and developing the parameters of the grant program to assist lower income households with legal representation. Staff is working to finalize a cost estimate and proposal for a possible rental registry and expanded relocation programs. Meanwhile, residents are encouraged to file relevant housing claims online, in person, over the phone, and through the OurBurbank 311 app.

ATTACHMENTS

Attachment 1 – October 15, 2024 Staff Report - Update on Housing Enforcement Unit

Attachment 2 – October 15, 2024 Staff Report - Review of Community Outreach Results
Regarding a Potential Rent Cap

Attachment 3 – Tentative Calendar for Next Steps