

An ordinance to amend various provisions of Chapter XV of the Los Angeles Municipal Code, known as the Rent Stabilization Ordinance of the City of Los Angeles, and other related provisions of the Los Angeles Municipal Code.

THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:

Section 1. Section 31.00 of the Los Angeles Municipal Code is hereby amended by adding a Subsection (e) to read as follows:

(e) Posting of Orders. All Orders to Correct issued pursuant to this Chapter shall be posted in a visible location in the residential rental building cited.

Sec. 2. Section 57.03.16 is hereby added to the Los Angeles Municipal Code to read as follows:

SEC. 57.03.16. POSTINGS OF ORDERS.

All Orders to Correct issued pursuant to this Chapter shall be posted in a visible location in the residential rental building cited.

Sec. 3. Section 98.0108 is hereby added to the Los Angeles Municipal Code to read as follows:

SEC. 98.0108. POSTING OF ORDERS.

All Orders to Correct issued pursuant to this Chapter shall be posted in a visible location in the residential rental building cited.

Sec. 4. Subsection (a) of Section 96.304 of the Los Angeles Municipal Code is hereby amended by adding a paragraph (7) to read:

(7) Any current resolution by the City Council placing the property into the Rent Escrow Account Program of the City of Los Angeles. Notice of this resolution shall also be filed in the Office of the County Recorder.

Sec. 5. The first sentence of the definition of the term "Rental Units" in Section 151.02 of the Los Angeles Municipal Code is hereby amended to read:

All dwelling units, efficiency dwelling units, guest rooms, and suites, as defined in Section 12.03 of this Code, and all housing accommodations as defined in

Government Code Section 12927, and duplexes and condominiums in the City of Los Angeles, rented or offered for rent for living or dwelling purposes, the land and buildings appurtenant thereto, and all housing services, privileges, furnishings and facilities supplied in connection with the use or occupancy thereof, including garage and parking facilities.

Sec. 6. The first numbered paragraph of the definition of the term "Rental Units" in Section 151.02 of the Los Angeles Municipal Code is hereby amended to read:

1. Dwellings, one family, except where two or more dwelling units are located on the same lot. This exception shall not apply to duplexes or condominiums.

Sec. 7. Section 151.02 of the Los Angeles Municipal Code is hereby amended by adding a definition of the term "unsafe building or structure" in the correct alphabetical order to read:

Unsafe Building or Structure. For the purposes of this Chapter, the term "unsafe building or structure" shall be as defined in the California Building Code (Title 24, Part 2 California Code of Regulations, Section 203). It is defined as follows:

"Sec. 203. (a) General. All buildings or structures regulated by this code which are structurally unsafe or not provided with adequate egress, or which constitute a fire hazard, or are otherwise dangerous to human life are, for the purpose of this section, unsafe. Any use of buildings or structures constituting a hazard to safety, health or public welfare by reason of inadequate maintenance, dilapidation, obsolescence, fire hazard, disaster, damage or abandonment is, for the purpose of this section, an unsafe use. Parapet walls, cornices, spires, towers, tanks, statuary and other appendages or structural members which are supported by, attached to, or a part of a building and which are in deteriorated condition or otherwise unable to sustain the design loads which are specified in this code are hereby designated as unsafe building appendages.

"All such unsafe buildings, structures or appendages are hereby declared to be public nuisances and shall be abated by repair, rehabilitation, demolition or removal in accordance with the procedures set forth in the Dangerous Buildings Code or such alternate procedures as may have been or as may be adopted by this jurisdiction. As an

alternative, the building official, or other employee or official of this jurisdiction as designated by the governing body, may institute any other appropriate action to prevent, restrain, correct or abate the violation.

"(b) Fire Hazard. No person, including but not limited to the state and its political subdivisions, operating any occupancy subject to these regulations shall permit any fire hazard, as defined in this section, to exist on premises under their control, or fail to take immediate action or abate a fire hazard when requested to do so by the enforcing agency.

"NOTE: 'Fire hazard' as used in these regulations means any condition, arrangement or act which will increase, or may cause an increase of the hazard or menace of fire to a greater degree than customarily recognized as normal by persons in the public service of preventing, suppressing or extinguishing fire; or which may obstruct, delay or hinder, or may become the cause of obstruction, delay or hindrance to the prevention, suppression or extinguishment of fire."

Sec. 8. Subsection C of Section 151.06 is hereby amended by adding paragraphs 6, and 8 to read:

6. If the rental unit is the subject of a notice of noncompliance sent to the Franchise Tax Board pursuant to Section 17274 of the Revenue and Taxation Code, and the violations that were the subject of the notice have not been corrected.

7. If the rental unit is the subject of a notice of rent reduction or a notice of acceptance issued pursuant to this Chapter, and the conditions that caused the placement have not been corrected.

8. If the rental unit is the subject of a criminal conviction related to the landlord's failure to comply with a citation or order issued by the Department of Building and Safety, Fire Department, or Department of Health with respect to the subject rental unit, and the conditions that caused the conviction have not been corrected.

Sec. 9. The exception of Subsection D of Section 151.06 of the Los Angeles Municipal Code is hereby amended to read:

EXCEPTION:

This subsection shall not apply in the following circumstances:

If the rental unit is the subject of a notice of noncompliance sent to the Franchise Tax Board pursuant to Section 17274 of the Revenue and Taxation Code, and the violations that were the subject of the Notice have not been corrected; or

If the rental unit is the subject of a notice of rent reduction or a Notice of Acceptance issued pursuant to this Chapter, and the conditions that caused the placement have not been corrected; or

If the rental unit is the subject of a criminal conviction related to the landlord's failure to comply with a citation or order issued by the Department of Building and Safety, Fire Department, or Department of Health with respect to the subject rental unit, and the conditions that caused the conviction have not been corrected.

Sec. 10. Subsection A of Section 151.06.5 of the Los Angeles Municipal Code is hereby amended by adding the following unnumbered paragraphs to read:

The Department may also review a building for a proposed rent reduction, or for participation in REAP pursuant to an application setting forth facts demonstrating that a building or portion thereof has been rendered untenantable because it satisfies the requirements of California Civil Code Section 1941.1, or that it is an unsafe building or structure as defined herein; or that the building is the subject of a citation or order issued by the Department of Building and Safety, Fire Department, or Department of Health.

A mobile home is untenantable if park management has breached its responsibilities as described in Civil Code Section 798.15(d).

A building or rental unit is also untenantable if any building, health or fire official has issued a repair or vacate order, but the landlord has refused to correct the violations set forth in that order. A building or rental unit is also untenantable if it is the subject of an order to comply with safety related standards and the violations have not been corrected. These safety related standards include sprinkling, seismic retrofit, impact hazard glazing, smoke detectors, unvented heating

devices, and quick-release latches discussed in Section 91.1204(d).

In the case of mobile homes, an application also may be filed by any coach owner or any tenant of a mobile home.

Sec. 11. Subsection B of Section 151.06.5 of the Los Angeles Municipal Code is hereby amended to read:

B. Notice of Proposed Rent Reduction.

If the Department determines that the violations identified by the citing department, or that the conditions described in an application for rent reduction cause the rental unit to be untenantable, then the Department may find that there has been a reduction in housing services. If the Department determines that there has been a reduction in housing services, then it shall propose that the rent be reduced in accordance with the Commission's rent reduction schedule.

The Department shall give written notice of the proposed rent reduction and shall describe with particularity the nature of the violations identified by the citing department (including a reference to the provision of law that has been violated), and/or the conditions which rendered the rental unit, building or portions thereof untenantable. The notice shall set forth the amount of the proposed rent reduction and inform the landlord of when the rent reduction is to take effect.

The notice shall be served upon the landlord by deposit in the United States mail in a sealed envelope, postage prepaid to the addresses disclosed by the landlord pursuant to Civil Code Sections 1962 and 1962.5. If the landlord has failed to comply with these Civil Code provisions, then service may be made by registered or certified mail sent to the address at which the rent is paid, and then the provisions of Section 1013 of the Code of Civil Procedure shall apply. A copy of the notice of proposed rent reduction shall be served on tenants of the affected rental units.

The notice shall also set forth the landlord's right to a hearing as described in Subsection C below.

The Commission shall adopt a schedule, giving due consideration to the appropriateness of the amount of rent reduction with respect to the following factors:

1. The nature of the violation(s) and/or other conditions rendering the rental unit untenantable;

2. The severity of the violation(s) and/or other conditions rendering the rental unit untenantable;

3. The duration of the violation(s) and/or other conditions rendering the rental unit untenantable; and

4. The history of previous violations or complaints concerning conditions rendering the building or rental unit untenantable.

This schedule shall be approved by the City Council prior to becoming effective.

Sec. 12. Subsection D of Section 151.06.5 of the Los Angeles Municipal Code is hereby amended to read:

D. Time of Hearing; Notice.

If the landlord requests a hearing, the Department shall cause the matter to be set for hearing before a designated hearing officer, in accordance with such guidelines as the Commission may establish. Written notice shall be given by mail as to the date, time and place of the hearing to the landlord and all affected tenants.

The hearing shall be scheduled not later than 20 days after the date of the application for hearing. The hearing officer shall make a determination within 10 days after the hearing, or within such extended period of time as may be mutually agreed upon by the landlord and the hearing officer. However, if a building or rental unit is cited for specific, imminent life threatening hazards, the Department may direct that the required hearing be conducted on shortened notice.

A copy of the determination shall be mailed to the applicant and all affected tenants. The decision of the hearing officer shall be final. If the hearing officer affirms the imposition of a rent reduction, then the determination shall set forth the amount of the rent reduction, the units affected by the rent reduction and when the rent reduction becomes effective.

Sec. 13. Paragraph a. of subdivision 1 of Subsection A of Section 151.07 of the Los Angeles Municipal Code is amended by adding an exception to read:

EXCEPTION:

This paragraph shall not apply in the following circumstances:

If the rental unit is the subject of a notice of noncompliance sent to the Franchise Tax Board pursuant to Section 17274 of the Revenue and Taxation Code, and the work is to correct the violations that were the subject of the Notice.

If the rental unit is the subject of a notice of rent reduction or a Notice of Acceptance issued pursuant to this Chapter, and the work is to correct the conditions that caused the placement.

If the rental unit is the subject of a criminal conviction related to the landlord's failure to comply with a citation or order issued by the Department of Building and Safety, Fire Department, or Department of Health with respect to the subject rental unit, and the work is to correct the conditions that caused the conviction.

Sec. 14. The term "C.D.D." as defined in Section 152.02 of the Los Angeles Municipal Code is hereby amended to read:

CDD: The Community Development Department of the City of Los Angeles, or its successor the Los Angeles Housing Department.

Sec. 15. Section 152.02 of the Los Angeles Municipal Code is hereby amended by adding the definition of the term "L.A.H.D." in the proper alphabetical order to read:

L.A.H.D.: The Los Angeles Housing Department, or its successor.

Sec. 16. The definition of the term "UNTENANTABLE RESIDENTIAL UNIT" set forth in Section 152.02 of the Los Angeles Municipal Code is hereby amended by adding an unnumbered paragraph to read:

A rental unit may also be deemed untenantable for the reasons set forth in Subsection A of Section 151.06.5.

Sec. 17. Section 152.03 of the Los Angeles Municipal Code is hereby amended by striking the term "C.D.D." wherever it may occur and inserting in its place the term "L.A.H.D."

Sec. 18. Subsection D of Section 152.03 of the Los Angeles Municipal Code is hereby deleted.

Sec. 19. Section 152.04 of the Los Angeles Municipal Code is hereby amended by striking the term "C.D.D." wherever it may occur and inserting in its place the term "L.A.H.D."

Sec. 20. Paragraphs b and c of Subdivision 1 of Subsection B of Section 152.04 of the Los Angeles Municipal Code are hereby amended to read:

b. Rejection. If the REAP Committee determines that a building does not meet all of the findings set forth in Subsection C of this Section, or that the affected dwellings are not rental units as defined in this Article, then the REAP Committee may vote to reject a building for inclusion into REAP. If a building is rejected, L.A.H.D. shall notify the landlord, any interested parties, any tenants known to the L.A.H.D., and to the occupants of the building if the tenants are unknown to the L.A.H.D. of that fact. The notice shall state the reasons for the rejection and shall state that this rejection does not relieve the landlord of criminal or civil liability under any other provision of law, and if appropriate, that the building may be placed into REAP at a future date.

c. Suspension of Consideration. If the REAP Committee determines that a building does not meet all of the findings set forth in Subsection C of this Section because work has commenced or been completed to correct the deficiencies, and the citing department has not yet issued proof of compliance, then the REAP Committee may vote to suspend consideration of the building. However, the REAP Committee shall specify a date, not later than the time reasonably necessary for the landlord or interested party to complete the work and obtain the proof of compliance, at which time the REAP Committee shall reconsider the eligibility of the building for REAP. The requirements of Section 152.03 shall not be applicable to this reconsideration.

Upon suspension, L.A.H.D. shall notify the landlord and tenants as described in b. above. The notice shall also specify the date that the REAP Committee will reconsider the eligibility of the building for REAP unless the REAP Committee is provided with proof of compliance prior to that date. The notice shall also state that such suspension does not relieve the landlord of criminal or civil liability under any provision of law.

Sec. 21. Sections 152.05, 152.06, 152.07, and 152.08 of the Los Angeles Municipal Code are hereby amended by striking the term "C.D.D." wherever it may occur and inserting in its place the term "L.A.H.D."

Sec. 22. Section 152.06 of the Los Angeles Municipal Code is hereby amended by adding Subsections G and H to read:

G. Expedited Hearing.

If a building or rental unit is cited for specific, imminent life threatening hazards, then the REAP Committee and the Council may conduct the required hearing on shortened notice.

H. Monitoring Program.

The City Council by resolution may release a building from REAP, and include the following conditions:

(1) That the landlord pay any outstanding and non-appealable electric service and/or water charges pertaining to the property into REAP, to the satisfaction of the Department of Water and Power of the City of Los Angeles;

(2) That the landlord pay all outstanding rent registration fees and any penalties pertaining thereto, to the satisfaction of the Rent Stabilization Division of the L.A.H.D.; and

(3) That the landlord prepay for two annual inspection fee to either the Los Angeles Fire Department or the Department of Building and Safety, for each unit which was included in the REAP, in an amount not to exceed \$50.00 per unit inspection fee.

The resolution shall also state that if any annual inspection discloses the same untenantability problems that placed the subject building into REAP, then the building can be brought directly back to the City Council for consideration and inclusion into REAP.

Sec. 23. Section 152.10 is hereby added to the Los Angeles Municipal Code to read:

SEC. 152.10. ADDITIONAL REMEDIES.

A. If the owner fails to timely correct the conditions that caused a property to be placed into REAP, then the City Attorney may seek and the court may order that the landlord turn over any rents received from tenants, to the Department for placement in the REAP account.

The City Attorney, the Department of Building and Safety, or the Fire Department may pursue any other remedies authorized by law to correct the untenantable conditions on the subject property.

B. Upon receipt of a duly certified abstract of the record of any court showing that within the last six months the landlord has been convicted of a crime or offense related to the landlord's failure to comply with a citation or order issued by the Department of Building and Safety, Fire Department, or Department of Health with respect to the subject rental unit, the Department shall issue a notice suspending the landlord's right to increase the rent on the rental unit pursuant to the provisions of Sections 151.06, 151.07, and 152.10C.

The notice shall be served upon the landlord by deposit in the United States mail in a sealed envelope, postage prepaid, to the addresses disclosed by the landlord pursuant to Civil Code Sections 1962 and 1962.5. If the landlord has failed to comply with these Civil Code provisions, then service may be made by registered or certified mail sent to the address at which the rent is paid, and then the provisions of Section 1013 of the Code of Civil Procedure shall apply. A copy of the notice shall be served on tenants of the affected rental unit.

The notice shall also set forth the landlord's right to an appeal hearing under Section 152.10C utilizing the procedures set forth in Section 151.06.5.

C. If the Department determines that the rental unit was the subject of a notice of noncompliance sent to the Franchise Tax Board pursuant to Section 17274 of the Revenue and Taxation Code, and the violations that were the subject of the Notice have been corrected; or the rental unit was the subject of either a notice issued pursuant to Subsection B, a notice of rent reduction, or a Notice of Acceptance issued pursuant to this Chapter, and the conditions that caused the issuance of those notices have been corrected; an annual rent increase pursuant to subsection C of Section 151.06 shall be prohibited for 12 months after the conditions are corrected for the rental units that were the subject of the above described notices or convictions.

The Department shall give written notice of this action. The notice shall inform the landlord of when the landlord may begin to take the annual rent increase. A copy of the notice shall be served on tenants of the affected rental unit.

The notice shall be served upon the landlord by deposit in the United States mail in a sealed envelope, postage prepaid, to the addresses disclosed by the landlord pursuant to Civil Code Sections 1962 and 1962.5. If the landlord has failed to comply with these Civil Code provisions, then service may be made by registered or certified mail sent to the address at which the rent

is paid, and then the provisions of Section 1013 of the Code of Civil Procedure shall apply.

The notice shall also set forth the landlord's right to appeal the action under this Section utilizing the hearing procedures set forth in Section 151.06.5.

The Commission shall adopt appeal hearing guidelines on the appropriateness of the limit on rent increases with respect to the following factors:

1. The nature, severity, and duration of the violation(s) and/or other conditions rendering the rental unit untenantable;

2. The extent of the current landlord's responsibility for the violation(s) and/or other conditions rendering the rental unit untenantable, including the current landlord's previous financial involvement in the building and any remaining financial interest held by the previous landlord;

3. Whether the limit on rent increases is excessive in light of the purposes of the Rent Stabilization Ordinance or will lead to extreme hardship, including depriving the landlord of a just and reasonable return;

4. The history of previous violations or complaints concerning conditions rendering the building or rental unit untenantable; and

5. Whether the limit is consistent with Civil Code Section 1947.7.

D. Any person violating or failing to comply with any final notice or determination issued pursuant to this section shall be guilty of a misdemeanor.

Sec. 24. Operative Date. The provisions of this ordinance shall become operative 90 days from the date of publication.

Sec. 25. The City Clerk shall certify to the passage of this ordinance and cause the same to be published in some daily newspaper printed and published in the City of Los Angeles.

I hereby certify that the foregoing ordinance was passed by the Council of the City of Los Angeles, at its meeting of MAR 28 1995.

ELIAS MARTINEZ, City Clerk

By S. Bermudez
Deputy

Approved MAR 31 1995


Mayor

Approved as to Form and Legality

JAMES K. HAHN, City Attorney

By C. M. H.
CLAUDIA MCGEE HENRY
Senior Assistant City Attorney

File No. C.F.93-1850