

Communication from Public

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Council File No: 22-0178

Comments for Public Posting: Public Comment on Council File 22-0178: RUBS Abuse and Tenant Retaliation at The Metropolitan Lofts To the Los Angeles City Council, I am a resident of The Metropolitan Lofts, located at 315 W 5th Street, Los Angeles. I submit this comment in support of Council File 22-0178, and to respectfully urge the Council to take meaningful enforcement action. The last update on this file was February 15, 2023—and while that date may live in legislative memory, it also means that for nearly a year and a half, this policy has been on life support. So please: wake up, stretch, maybe blow the dust off your policy binder—and take action. Because while Council File 22-0178 has rested, landlords like Michael Fallas (449 S. Broadway, LLC) have turned the Ratio Utility Billing System (RUBS) into a tool of profit, punishment, and manipulation—at the direct expense of Los Angeles tenants. ### RUBS Retaliation: When Billing Becomes a Weapon At The Metropolitan Lofts, RUBS utility billing has been used as a weapon—not a fair system of cost recovery. Landlord Michael Fallas and his management team have implemented a flat-ratio billing system that charges tenants for ****common-area electricity usage****—including lighting, HVAC, elevators, laundry, and more—despite the building having individual, functioning submeters for each of its 80+ residential units. In a clear act of misrepresentation, management abandoned the building’s Honeywell E-Mon Class 1000 submeters (Model 3208200-SAM Kit) without notice or tenant consent, claiming the meters “don’t work.” This is false. The submeters remain fully installed and operational. Rather than use this accurate infrastructure, the landlord opted for RUBS calculations that benefit the owner financially—at the tenants’ expense—and provided ****no** explanation, no formula, and no transparency. The timing of these billing demands has been especially disturbing. Tenants started to receive again misleading RUBS electricity bills just days after the tragic Los Angeles fires. ### Concealed Data and Fabricated Billing Tenants have been presented with LADWP bills with Total due field seems to be redacted, altered, or missing entire pages—making it impossible to verify or challenge the amounts charged. For example: *** The LADWP bill dated June 2, 2025*** showed a total due of \$21,012.73. *** By June 30, 2025,** that number inexplicably jumped to \$187,529.35—an increase of over

\$160,000 with no breakdown, explanation, or disclosure. Even the former Third billing vendor, Conservice, confirmed in writing that common-area electricity costs must be paid by the landlord—not passed to tenants. Yet these costs continue to appear on tenant bills with no method for dispute and no accountability. ### Retaliation Through “Quit or Desist” Notices In recent months, some tenants at The Metropolitan have begun receiving “Quit or Desist” notices posted directly on their doors. These notices include RUBS charges and demand immediate payment under threat of eviction. This conduct is not only inappropriate—it is retaliatory and coercive. Such notices are being used to discourage tenant complaints and undermine our legal protections. For families already dealing with unresolved mold, leaks, and habitability issues, these threats compound the harm. ### Violations of Council File 22-0178 The landlord’s actions violate nearly every policy goal outlined in this Council file: ? No disclosure of RUBS formulas or methodology ? Billing tenants for shared utilities in violation of legal standards ? Failure to provide verifiable, itemized billing ? No functioning dispute resolution process ? Pattern of retaliation through lease threats and eviction notices We respectfully urge the Council to: - Enforce Council File 22-0178 immediately and investigate its violations at The Metropolitan Lofts. - Mandate the use of existing operational submeters, and prohibit flat-ratio RUBS billing where metering infrastructure exists. - Audit LADWP master bills and compare them with tenant charges to uncover overbilling and misallocation. - Prohibit and penalize retaliatory “Quit or Desist” notices tied to unverified utility bills. - Hold landlords and billing vendors accountable for misrepresentation, overcharges, and tenant harassment. This is more than a billing issue—it is a matter of economic pressure, retaliation, and public accountability. At a time when many tenants are already facing unsafe conditions and health risks in their units, they should not also have to decode falsified utility bills or live in fear of eviction for asking questions. Council File 22-0178 offers the right framework. But that framework must be used. We ask you to act—not tomorrow, not when it’s convenient—but now. Because every month of inaction enables another round of exploitation. Thank you for your time and your commitment to protecting tenants. Sincerely,