

# Landlord & Tenant Handbook

Your Guide to the Rent  
Stabilization Ordinance



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City of Los Angeles



# HOUSING + COMMUNITY INVESTMENT DEPARTMENT

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GENERAL MANAGER

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The hotline and counter hours are from 9:00 am to 4:00 pm, Monday through Friday.

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**THIS HANDBOOK IS OFFERED FREE OF CHARGE TO THE GENERAL PUBLIC.**

Laws and guidelines are frequently amended. The HCIDLA recommends that you verify information in the event that new changes are not yet reflected in this edition of the handbook .

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## CHAPTER ONE

# The Rent Stabilization Ordinance (RSO)

### PURPOSE

The Rent Stabilization Ordinance (RSO), Chapter XV, Article 1, of the Los Angeles Municipal Code (LAMC) was enacted by City Council through Ordinance No. 152120 in 1978 and went into effect on May 1, 1979. The purpose of the RSO is to allow landlords a reasonable return on their investments while protecting tenants from excessive rent increases.

The Los Angeles City Council is the legislative body with the authority to change or amend Ordinances.

### ADMINISTRATION

The Housing + Community Investment Department (HCIDLA) is responsible for administering the City's RSO, Systematic Code Enforcement Program (SCEP) and related programs. These programs are funded entirely by the annual rental unit registration and SCEP fees. As a result of this funding, administration of the RSO and SCEP does not increase the City's tax base.

### RENT ADJUSTMENT COMMISSION (RAC)

The RAC consists of seven members who are neither landlords nor tenants of residential rental property and who are authorized by the RSO (Sections 151.03, 151.05.1 and 151.08 ) to issue orders and to promulgate policies, rules, and regulations which carry out the purpose of the Ordinance and other provisions of the LAMC to the extent that such provisions affect rents. The RAC also hears appeals of General Manager Decisions for certain habitability and rent adjustment cases.

RAC guidelines and regulations are available to the public upon request and are free of charge. They may also be accessed at

the HCIDLA's website at <http://hcidla.lacity.org>

### SCOPE OF THIS HANDBOOK

This handbook attempts to simplify and cover those portions of Chapters XV and XVI of the LAMC that are most frequently requested by landlords, tenants, property managers, realtors and other interested parties. The information presented is a synthesis of the RSO, SCEP and related ordinances, as well as the Regulations adopted by the RAC. State laws that interact with the City's ordinances may also be included as necessary to provide a more complete understanding of the laws, procedures and policies. Laws and guidelines are frequently amended. The HCIDLA recommends that you verify information in the event that new changes are not yet reflected in this edition of the handbook.

## CHAPTER TWO

# The Rent Stabilization Program

The RSO covers four broad categories, pursuant to LAMC 151.00:

1. Registration of rental units;
2. Allowable rent increases;
3. Legal reasons for eviction; and,
4. Relocation assistance payable to tenants for certain types of evictions.

The functions associated with the activities above are administered by the HCIDLA's Rent and Compliance Divisions. Both Divisions interact closely with the Code Enforcement Division by supporting Code Enforcement's habitability programs.

### RENT DIVISION

#### Customer Service and Information Section

The Section provides public information and outreach to rental property owners, tenants, and interested citizens regarding the full scope of the RSO and its respective mandated rights, requirements and habitability programs. This information is available by calling the HCIDLA Hotline, visiting the public counters listed below, or accessing the Department's web page at <http://hcidla.lacity.org>. Information may also be requested by e-mail at [rso@HCIDLA.lacity.org](mailto:rso@HCIDLA.lacity.org).

**Telephone Hotline** - This service is staffed each business day from 9:00 am to 4:00 pm. After regular business hours, a voice mail system accepts messages and information requests for follow up. The Information Hotline numbers are:

- 213-808-8888
- 866-557-RENT (7368) outside the 213 area code

- 213-473-3231 TTY

**Public Information Counters** - Property owners may register properties, file landlord declarations, verify rental property registration, pay registration and SCEP fees, file both rent and habitability complaints, and obtain brochures and applications for current HCIDLA programs. Staff from the Customer Service and Information Section is also available to make presentations to schools, businesses, and community groups upon written request.

HCIDLA office locations and hours of operation are listed at the front of this publication.

### Case Analysis Section

The Case Analysis Section receives and processes landlord applications for Capital Improvement surcharges, Primary Renovation rent increases, Rehabilitation Work rent increases, Just and Reasonable rent increases, and Luxury Exemptions.

### Landlord Declarations Section

The Landlord Declarations Section receives and processes Landlord Declarations of Intent to Evict, affordable housing exemptions and applications for Re-rental Certificates.

### RSO Determinations Section

The RSO Determinations Section supports HCIDLA staff by researching a property's legal use and issues a determination of its findings. These determinations establish whether a property is or is not subject to the RSO.



## **Rent Investigation & Enforcement Section**

The Rent Investigations & Enforcement Section receives and processes tenants' complaints concerning violations of the RSO. These complaints cover seven areas:

1. Unit(s) not registered
2. Notice to quit based on false and deceptive grounds
3. Non-payment of relocation assistance fees
4. Illegal rent increases
5. Illegal reduction of services
6. Failure to post RSO notice
7. Demanding online payments or electronic transfers as the sole method for paying rent or other housing service deposits or fees.

## **COMPLIANCE DIVISION**

### **Billing & Collections Section**

The Billings and Collections Section handles the registration of rental units and collection of rent stabilization and code enforcement program fees, including late registration fees; delinquent fees; verification of registration status; and processes temporary exemption applications for owner occupancy, no rent collected and vacant units.

Owners or property managers with questions about Registration or SCEP payments may call the Billing Hotline at 877-614-6873 or 213-808-8900. This service is staffed each business day from 9:00 am to 4:00 pm.

### **Hearings Section**

The Hearings Section coordinates General Manager Hearings for code violations and habitability complaints. This section also coordinates hearings in response to landlord and tenant appeals of Departmental decisions regarding rent adjustments, exemption certificate applications and relocation assistance payments.

## **Rent Escrow Account Program (REAP) Section**

This program provides for the reduction of rent and placement of reduced rents into Rent Escrow Accounts for those rental properties with habitability deficiencies and violations of the Los Angeles Housing Code when owners have failed to comply with enforcement agency notices and/or orders. Tenants may deposit their reduced rents with the HCIDLA until the landlord corrects the cited deficiencies.

## **CODE ENFORCEMENT DIVISION**

### **Systematic Code Enforcement Program (SCEP)**

HCIDLA Code Enforcement Division staff is responsible for the inspection of the interior and exterior areas of multi-family residential units in the City of Los Angeles. Properties that remain in violation of the Los Angeles Municipal Code or the California Health & Safety Code experience a series of progressive enforcement measures that are supported by the Rent and Compliance Division, as well as other City departments.

### **Complaint Inspection Program**

SCEP includes a complaint response component. Owners, tenants or concerned citizens may file a complaint with the HCIDLA regarding any multi-unit property.

### **Tenant Habitability Plan for the Primary Renovation Program**

The Tenant Habitability Plan (THP) staff review plans for construction projects that may affect tenant habitability to determine whether protective measures are necessary to protect tenant health and safety. The staff also monitors THP projects for compliance and is available to address tenant concerns where unsafe or unhealthful conditions may be present.

## CHAPTER THREE

# Rental Unit Registration (LAMC 151.05)

### RENTAL UNITS SUBJECT TO THE RSO (LAMC 151.02)

The RSO applies to the entire City of Los Angeles, including San Pedro and the San Fernando Valley. Residential rental units covered by the RSO include: apartments, condominiums, town homes, duplexes, mobile homes, mobile home pads, and rooms in a hotel, motel, rooming house or boarding house occupied by the same tenant for thirty (30) or more consecutive days.

Unless specifically exempted from RSO registration, an owner cannot legally collect rent from a tenant unless the owner has paid the annual rent registration fee and provided a copy of a valid registration statement to the tenant. Tenants may raise the non-payment of RSO registration and/or SCEP fees by the owner as an affirmative defense against eviction of the tenant.

### EXEMPTIONS (LAMC 151.02)

Rental units that are **exempt** from the provisions of the RSO include:

- Properties located in **other municipalities** or unincorporated areas within the County of Los Angeles.
- Housing accommodations located in a structure where the first Certificate of Occupancy was issued after October 1, 1978. Ordinance No. 181744, effective July 15, 2011, clarified that the exemption does not apply to properties constructed before Certificates of Occupancy were issued, if evidence, such as permits, indicates that the property was used for residential purposes prior to October 1, 1978.
- **Detached single family residential dwellings** where only one dwelling unit exists on the lot.

- **Adaptive Reuse** properties converted after October 1, 1978.
- Housing accommodations owned and operated by the Los Angeles City Housing Authority (HACLA), or which are owned, operated or managed by a government unit, agency or authority, specifically exempted from municipal rent regulation by state or federal law or administrative regulations, or housing accommodations specifically exempted from municipal rent regulation by state or federal law or administrative regulation.
- **Affordable housing accommodations** granted an exemption by HCIDLA for rental units must subject to a government-imposed regulatory agreement with specific Average Median Income (AMI) limits for at least 55 years and recorded with the Los Angeles County Recorder. (This exemption replaces the prior Non-profit housing accommodation designation, which ceased to be granted as of July 15, 2011.)
- **Non-Profit units** granted an exemption.
- **Artist-In-Residence** units where an owner has obtained a Department of Building and Safety conditional use permit for a change of use Certificate of Occupancy and meet the requirements specified in *LAMC Section 91.8501*.
- **Luxury units** issued a HCIDLA Exemption Certificate. For further information, applicants should obtain and review the Luxury Exemption Regulations that are available at the HCIDLA Public Information Counters, by email request at [rso@HCIDLA.lacity.org](mailto:rso@HCIDLA.lacity.org) or by calling the HCIDLA hotline at 213-808-8888 or 866-557 RENT, or from the

HCIDLA's website at: <http://hcidla.lacity.org>.

- Substantially renovated units issued an HCIDLA certificate. The **Substantial Renovation** exemption is applicable to only those rental units for which the landlord submitted an application for a certificate of exemption on or before October 4, 1989, and which were issued a certificate from the HCIDLA. The Substantial Renovation exemption was eliminated effective October 4, 1989. Therefore, this exemption is no longer available.
- **Commercial** buildings used as such.
- **School owned** on- or off-campus housing accommodations.
- **Hotel/Motel rooms** occupied by the same tenant less than 30 days.
- **Co-ops** with certain qualifications.
- **Mobile Home parks** with a first permit to operate issued after February 10, 1986.
- **Hospitals and licensed care facilities** with certain qualifications.
- **Convents and monasteries.**

### **CLAIMING AN EXEMPTION FROM REGISTRATION AND/OR SCEP FEES (LAMC 151.05)**

Annual bills reflect the HCIDLA's record of any permanent or temporary exemption processed from the prior year Registration process. There are various types of temporary exemptions that must be renewed annually and many types of exemptions as listed above. To claim an exemption which is not included on the annual bill, the landlord should follow the instructions provided with the annual bill. **The renewal of temporary exemptions is due by January 31 of each year**, as part of the annual registration process.

Rental units subject to the RSO may receive a temporary, one-year exemption from

registration and SCEP fees if the units are:

- Occupied by the landlord, family members and/or where no rents are collected.
- Held vacant for a year or longer with the units secured and the exemption is recorded against the Title.

The above temporary **exemptions must be requested annually by January 31st** by following the instructions on the annual bill.

### **REGISTRATION PROCEDURES**

Under the City's RSO, landlords may not demand or accept rent without first obtaining a valid rental unit registration certificate from the HCIDLA. Registration of rental units requires payment of annual fees (**\$24.51 per unit**) and the provision of your contact information and an emergency phone number.

Only the property owner or his/her designated agent may register the rental units subject to the RSO. In cases of new ownership or first time registrants, legal ownership must be established by providing a copy of one of the following documents:

- Recorded Trust Deed;
- Recorded Grant Deed;
- Recorded Quit Claim Deed;
- Recorded Corporation Deed;
- Court Receivership papers.

**New Owners** - New owners have 45 days from the close of escrow or recording of the ownership change with the Los Angeles County Recorder's Office to register the rental units and/or request an exemption. No penalties are incurred for a previous owner's non-registration; however, no rent may legally be collected unless the units are currently registered. If registration fees are current, a new owner need not pay additional fees for the calendar year, but must change legal ownership on the registration record.

### ***Annual Registration Renewal*** -

Landlords are required to renew their registration annually by the last day in February; however, the renewal of an exemption request is due by January 31 of each year. Registration renewal statements and exemption request forms are usually mailed during the last week of December to all landlords whose property has a registration record on file with the HCIDLA. If a landlord does not receive a registration renewal statement, it is the landlord's responsibility to make certain the annual registration fee is paid by the last day of February to avoid penalties.

**Registration Certificates** - Certificates are issued in April of each year. Registration certificates are valid from May 1 of the year registered through April 30 of the following year. If payment is made online, a certificate can be downloaded and printed immediately.

**Systematic Code Enforcement Program (SCEP)** - The Mayor adopted the Systematic Code Enforcement Program (SCEP) program on July 1, 1998, based on recommendations of a Blue Ribbon Citizen's Committee to develop a routine inspection program of the City's rental housing by the adoption and enforcement of standards, regulations and procedures to remedy the existence and prevent the development or creation of dangerous, substandard or unsanitary and deficient residential buildings and dwelling units. Thus, owners of all dwelling units, efficiency dwelling units, guest rooms, and suites, as defined in LAMC, Section 12.03, and duplexes in the City of Los Angeles, rented or offered for rent for living or dwelling purposes, and the land, buildings and structures appurtenant thereto, are subject to inspection at least once every four years. The fee of **\$43.32** per unit per year is used to finance the cost of inspection and enforcement by the HCIDLA and is collected during the annual Registration period.

**Payment Due Date and Penalties for Late Registration** - Both SCEP and Rental Registration fees are due and payable yearly

between January 1 and the last day in February for payment to be timely.

Beginning March 1, 2012, the City assesses delinquent charges of **\$61.28** per rental unit for RSO registration and **\$129.96** per rental unit for SCEP to landlords who have unpaid annual fees. Failure to pay the required fees may result in additional collection efforts, including referral to a private collection agency, which reports to credit bureaus, and/or the filing of a legal action against the landlord by the City.

### **REGISTRATION OF RENTAL UNITS BY MAIL OR ONLINE**

Landlords who receive an annual *Rental Unit Registration Application* form are encouraged to register by mail or online at <http://www.lahdbill.org> (select Billing Information). Each application includes an instruction sheet and a self-addressed return envelope to reply by mail. A PIN number is provided under *Rental Property Information* on the first page of the Annual Bill. The landlord must complete the application form if there are any changes. Any changes regarding ownership, owner's address, telephone number and related information should be made to the information provided on the form.

Landlords can now use the Department's website to view their billing statements, make payments, print current registration certificates, apply for exemptions, and register to receive email notifications. The following forms may also be downloaded: *Request for Penalty Fee Waiver*, *New Ownership Registration/Exemption Application*, and *Refund Requests*. The billing payments link is <http://www.lahdbill.org>.

Temporary exemptions are valid only for the current year and are not automatically "carried over" from the previous year. If any of the exemptions listed on the application form apply, provide the required information and modify the number of units to be registered accordingly. Landlords who do not receive a registration application form may



register their rental property by mail or in person. The landlord must include the following information when registering *without* a preprinted application notice:

- Exact street address of the property. Use the lowest house address on the lot. RSO records are set up by the lowest address based on Los Angeles County Records.
- Name and mailing address of the owner or owner's agent. Include a telephone number if available.
- Number of units on the lot (total number of units before exemptions).
- Number of units to be registered. This may be less than the total units on the property due to exemptions.
- Specific units to be exempted and the reason for exemption.
- Exact dates of ownership. If the property was purchased recently, the new owner must register within 45 days; provide a copy of the document reflecting legal ownership; and a check or money order payable to: City of Los Angeles-HCIDLA. Credit card payments are acceptable if registration is handled in person.

Registration is not complete until an emergency phone number and contact information is furnished. Please provide this information on your invoice when you submit your payment. (RSO Section 151.05B)

## REGISTRATION QUESTIONS

**Why must landlords register?** LAMC 151.05 requires all owners of rental units who are subject to the RSO to register their units on an annual basis before the owner can legally demand or accept rent .

**Does a landlord pay a registration fee for every unit rented?** Maybe. There are exemptions, if the unit qualifies and proof of qualification is given. The exemptions are listed on pages 4-5.

REGISTRATION FEE SCHEDULE			
FEES	BASIC FEES PER UNIT Due Jan 1	DELINQUENT FEES PER UNIT Effective Mar 1	TOTAL FEES PER UNIT Due July 1
Registration	\$24.51	<b>\$61.28</b>	<b>\$85.79</b>
SCEP	\$43.32	<b>\$129.96</b>	<b>\$173.28</b>
Total Due	\$67.83	<b>\$191.24</b>	<b>\$259.07</b>

**What fees and penalties per unit are due during the annual registration period?** See the table above.

**How can I find out if a property is registered?** Contact the Billings and Collections Section by telephone at 877-614-6873 or 213-808-8900, or by e-mail at <http://www.lahdbill.org>.

**Is a landlord allowed to pass through part of the registration fee to the tenant?** Yes, the landlord may pass through \$12.25 of the \$24.51 annual rental unit registration fee to the tenant(s), as a lump sum surcharge payable during the month of June only, provided the landlord has paid the fee and given a 30-day written notice.

**Are registration fees the only fees due for my rent-stabilized units?** No. The annual SCEP fee is also billed annually on the same bill as the annual rental unit registration fees. Other fees billed separately may include additional inspection fees, substandard fees, Rent Escrow Account Program (REAP) fees, and legal fees. You may call the number above if you have any questions about a bill.

**What part of the SCEP fee may be passed through to the tenant(s)?** A landlord may pass through 100% of the annual \$43.32 SCEP fee per rental unit as a monthly surcharge of \$3.61, provided that the landlord has paid the SCEP fee and given the tenant an advance written thirty-day notice.

**I did not receive an annual rental unit registration or SCEP bill from the HCIDL**A. Does that mean I do not have to pay? Annual bills are provided as a courtesy. The prop-

erty owner, however, is responsible for timely payment regardless of whether or not a bill is received. If you own rental property in the City of Los Angeles for which you did not receive an annual bill, call the Billings and Collections Section at 213-808-8900.

***What should I do if the information on the annual bill is incorrect?*** The information regarding the current property owner and number of units is obtained from the County Assessor. Should the information on the annual bill be incorrect, or if you wish to use a different billing address in the future, please provide updated information as directed on the bill. The Department encourages you to ensure that the information on file with the County Assessor for your property is current.

## IDENTIFICATION OF RSO PROPERTIES

Landlords, who rent properties subject to the Los Angeles RSO, must post a notice providing information about the RSO, as well as contact information for the HCIDLA. The notice must be provided on the HCIDLA form provided in **Appendix 1** and be posted in a conspicuous location in the lobby of the property, near a mailbox used by residents of the property, or in or near a public entrance to the property. The notice must be written in English and Spanish and in any other languages required by the HCIDLA.

The HCIDLA will inspect properties and notify property owners who fail to post the required notice. Landlords have 7 days to comply by posting the required notice. If the landlord fails to comply, a fine of \$250 per day may be charged after the seventh day that the landlord has failed to post the required notice.

## CHAPTER FOUR

### Allowable Rent Increases (LAMC 151.07)

#### INCREASES REQUIRING PRIOR HCIDLA APPROVAL

There are four types of rent increases that require an application to be approved by the HCIDLA's Rent Stabilization Division. Department approval is required before the landlord can pass through any of these types of rent increases to the tenant. It is strongly recommended that landlords applying for Capital Improvement, Primary Renovation, Rehabilitation or Just and Reasonable rent adjustments obtain and read the applicable guidelines prior to starting construction and/or filing an application. Incomplete or incorrect applications will be returned to the landlord. The first application in a calendar

year for a building is free. A \$25 filing fee must accompany subsequent applications for the same building in the same calendar year. (LAMC 151.07 A2a)

Bulletins and RAC regulations about each program may be obtained at the HCIDLA's Public Information Counter, by calling the Public Information Hotline at 866-557-RENT or 213-808-8888, or by e-mail request at [hcidla.rso@lacity.org](mailto:hcidla.rso@lacity.org). Information may also be downloaded from the HCIDLA's website at <http://hcidla.lacity.org>.

NOTE - Once a rent increase is approved by the HCIDLA, the landlord must serve an advance 30-day written notice to the tenants, as required by California Law, Civil Code Section 827(b). If the rent increase is more than 10% in a twelve (12) month

period, a 60-day advance written notice must be served.

## 1. CAPITAL IMPROVEMENT PROGRAM

A capital improvement is the addition or replacement of an item in the rental unit or common areas of the housing complex. A capital improvement must meet the following minimum criteria:

- The improvement must primarily benefit the tenant rather than the landlord;
- The improvement must have a life expectancy of five years or more;
- The improvement must be permanently fixed in place or relatively immobile;
- The application must be submitted within 12 months of the completion of the work;
- Normal routine maintenance is not a capital improvement.

Examples of capital improvements are roofing, carpeting, stuccoing or painting the exterior of a building, garbage disposals, hot water heaters, meter conversions, smoke detectors, etc. (Refer to LAMC, Chapter 15, Section 151.02, Definitions.)

### Capital Improvement Surcharge (LAMC 151.07 A1a)

The following Capital Improvement Program provisions have been in effect since October 1, 1989:

- A Capital Improvement Program increase is a temporary monthly surcharge, which must be removed from the rent after the allowable amount of time, normally 72 months.
- The monthly Capital Improvement Program rent surcharge is 1/60th of fifty percent (50%) of the average per unit cost.
- **\$55 per month maximum surcharge.** The temporary monthly Capital Improvement Program surcharge is limited to

\$55 per unit unless otherwise agreed upon in writing by the landlord and the tenant.

- Capital Improvement Program surcharges terminate after 72 months or six (6) years. If the surcharge as calculated (1/60 of 50%) exceeds \$55 per month, then the surcharge period of six (6) years may be extended until the allowable capital improvement expenses are recovered.
- The temporary rent surcharge may be terminated if the Department determines there has been a complete failure of a capital improvement.
- A Capital Improvement Program surcharge for complete exterior painting is eligible only once every ten (10) years (LAMC 151.02 Definitions).
- There is no charge for the first application for a property in a calendar year. Subsequent rent adjustment applications for the same property in the same calendar year must be accompanied by a \$25 filing fee (LAMC 151.07.A.2.a).

## Questions and Answers

***Is there anything a landlord needs to know before he begins work on the property?*** Yes. There are various issues a landlord must consider before hiring a contractor or doing the work himself. These issues will affect how much of the cost the landlord can pass through to the tenant(s). Please obtain and review the *Capital Improvement Rent Surcharges Information and Application* packet online at <http://hcidla.lacity.org/> or by calling the Rent Stabilization Hotline.

***Does the landlord need to obtain the tenant's permission to perform a Capital Improvement?*** No. The landlord is required to give the tenant a written 24-hour notice that he or she intends to enter the unit to make improvements (Civil Code Section 1954 (a)). If the tenant does not provide the landlord reasonable access to the unit, the tenant runs the risk of being evicted under Sec-

tion 151.09.A.6 of the Ordinance. (Refer to *Chapter Six - Evictions*.)

***Can a tenant object to the proposed rent increase?*** Yes. After the landlord files an application with the Department, the tenants are mailed a *Notice of Proposed Rent Increase*. Tenants have ten (10) days, from the postmark on the envelope, to submit a written letter of objection (LAMC 151.07.A.2.b). The objection cannot be based on the fact that the tenant did not want the improvement. Objections can be made if the improvement was not completed, if the facts are inaccurate, if the tenant moved in after the work was completed, or if more than one year elapsed since the completion of the work (LAMC 151.07.A1.a).

***What can a landlord do if the tenant refuses to pay the approved monthly surcharge?*** If the tenant refuses to pay after the service of a 3-Day Notice to pay Rent or Quit, the landlord can evict for failure to pay rent. (See *Chapter Six - Evictions* and LAMC (Section 151.09.A1.)

***Can the approved surcharge be added to the security deposit?*** No.

***Is there an appeal process?*** Yes. (Please refer to *Chapter 13 - Hearings and Appeals*.)

***How long after the completion of the work does the landlord have to apply for the increase?*** The landlord must file the application within one (1) year (twelve months) of completing the work (LAMC 151.07.A.2.a).

## **2. PRIMARY RENOVATION PROGRAM**

The City of Los Angeles adopted the Primary Renovation Program to encourage landlords to reinvest in the infrastructure of their properties through primary renovation work. At the same time, the program enacts safeguards to protect tenants both from unsafe living conditions while renovation work is undertaken and from extreme rent increases following the completion of such renovation work. The amendment to the RSO implementing the Primary Renovation Program be-

came effective on May 2, 2005, and replaced the major rehabilitation provisions of the RSO.

The Primary Renovation Program:

- Creates a cost recovery program allowing landlords to increase rents to pay for improvements to major building systems and the abatement of hazardous materials, such as lead-based paint and asbestos;
- Eliminates major rehabilitation as a reason for eviction; and
- Imposes tenant habitability requirements, including temporary relocation, when improvements to major building systems or the abatement of hazardous materials is likely to temporarily affect the habitability of occupied units.

Before a landlord may obtain a permit to undertake primary renovation work that affects an occupied rental unit, the landlord must file a *Tenant Habitability Plan* with the HCIDLA, if the Department of Building & Safety's Clearance Summary Worksheet requires one. This plan must mitigate conditions related to the primary renovation work that might make occupied rental units temporarily uninhabitable, either through precautions to ensure that tenants can safely remain in place during construction, or through the temporary relocation of tenants to replacement housing. The RAC has adopted regulations with specific requirements for tenant habitability plans.

Once the HCIDLA accepts a *Tenant Habitability Plan*, the landlord must notify affected tenants about the work that will be done and the option(s) available to the tenants.

## **Questions And Answers**

***What is primary renovation work?*** Construction work that involves repairing or replacing major building systems, such as central heating/air conditioning, water and sewage piping, wiring inside walls, elevators,



or reinforcement of the building structure. It also includes work which is undertaken to abate hazardous materials, such as lead-based paint or asbestos.

***What is a Tenant Habitability Plan?*** It is a plan that describes the kind of work the landlord is planning to do, how the work will affect the tenants and their units, and how long the work will take. The Plan should describe the safe work practices the landlord plans to use. For example, lead safe practices must be used to minimize the spread of lead dust, paint chips, soil, and debris during construction. The landlord must submit this plan to the HCIDLA before any work begins.

***What information does the HCIDLA require to process a Primary Renovation application and approve the maximum pass through allowed?*** Please obtain the application packet before you begin primary renovation work to ensure that you gather, format and present the documentation required to ensure the maximum pass through possible is approved without delay.

***What if the tenant disagrees with the Plan?*** If the tenant objects to the temporary housing arrangements made by the landlord, the tenant has 15 days from receipt of the 60-day *Notice of Primary Renovation Work* to file an appeal of the Plan with the HCIDLA.

***How soon can the renovation work begin?*** The work may begin no sooner than 60 days after the landlord has served the tenant with: (1) a copy of the Plan; (2) a *Notice of Primary Renovation Work*; (3) a summary of the provisions of the *Tenant Habitability Program*; and (4) a permanent relocation form if the work will last 30 days or more.

***Can the tenant remain in their rental unit while the renovation work is done?*** Yes, if the work does not make the rental unit uninhabitable outside construction hours and will not expose tenants to toxic or hazardous materials.

***Are there restrictions on hours when***

***work may take place?*** The landlord is permitted to do construction work from Monday through Friday between the hours of 8 AM and 5 PM and must restore all housing services, such as utilities, by 5 PM.

***When can the tenant choose permanent relocation?*** If the work indicated on the accepted THP will take 30 days or more, the tenant can choose permanent relocation. The tenant may also choose permanent relocation if the work continues 30 days longer than the completion date stated in the Plan, or 30 days longer than any later Plan modification accepted by the HCIDLA.

***If the tenant chooses permanent relocation, what is the amount of assistance required?*** Relocation assistance and the amounts that must be paid tenants opting to permanently relocate are explained in *Chapter 7, Relocation Assistance*, of this Handbook. If the tenant chooses permanent relocation and receives the money, the tenant must move out. If not, eviction proceedings may be brought against the tenant.

***When is a tenant required to temporarily relocate?*** When the unit will not be habitable outside of construction hours or the tenants will be exposed to hazardous materials at any time. Temporary relocations are subject to the approval of a *Tenant Habitability Plan* by the HCIDLA.

What are the options for temporary relocation if the relocation lasts less than 30 days? If temporary relocation will last less than 30 days, the landlord may:

- Move the tenant(s) to another *habitable* unit in the same building or another building; or
- Move the tenant(s) to a motel or other housing; or offer the tenant a daily dollar amount to find temporary housing.

***What are the options if temporary relocation lasts 30 days or more?*** If temporary relocation will last 30 days or more, the landlord may:

- Offer the tenant a daily dollar amount to find temporary housing; or
- Move the tenant to another *comparable* unit in the same building or another building; or
- The tenant may choose to vacate the unit and receive permanent relocation assistance. The unit is decontrolled upon re-rental.

***What happens if the tenant fails to temporarily relocate?*** If the tenant fails to temporarily relocate in accordance with an accepted *Tenant Habitability Plan*, eviction proceedings may be commenced.

***What happens if the tenant fails to pay rent while they are living in temporary housing?*** While living in temporary housing, the tenant must continue to pay rent to the landlord as usual. Otherwise, eviction proceedings may be commenced.

***Who is responsible for the cost of temporary housing?*** The landlord must pay for all temporary housing costs.

***What happens to the tenants' personal belongings while they are temporarily relocated?*** The landlord must take steps to secure and protect the tenants' property from damage or loss and the *Tenant Habitability Plan* should describe what precautions will be taken to safeguard the tenants' belongings. The tenant and landlord may agree to a payment to allow the tenant to move or store their own belongings.

***Can the landlord raise the rent for the unit after doing the primary renovation work?*** Yes, the rent may be increased, subject to prior HCIDLA approval of a Primary Renovation application that has been submitted within 12 months after finishing the work.

***Is there a limit on a primary renovation work rent increase for a low income tenant?*** If the landlord's application for a rent increase is approved, the rent may be increased permanently by the lesser of 100%

of the average per unit primary renovation work cost amortized over 180 months, or, 10% of the Maximum Adjusted Rent at the time an application for a rent increase was filed. This increase is in addition to the regular annual allowable rent increase. (See RAC Regulation Section 223.00.)

***How much can my rent be raised for a low-income tenant?*** A 10% permanent increase for primary renovation work can be imposed no more than once during the lifetime of a tenancy for a low-income tenant whose annual household income is at or below 80% of the HUD area median income for the Los Angeles area.

***What happens if the landlord does not follow the Tenant Habitability Plan?*** If the landlord fails to follow the Plan, the HCIDLA will deny the landlord's application for a rent increase. If the landlord does not provide permanent relocation assistance, the tenant can file a complaint with the HCIDLA, or sue the landlord for damages in the amount of the unpaid relocation assistance, attorney's fees and costs. If a landlord fails to carry out his or her obligations under a temporary relocation plan, the tenant can sue the landlord for all actual damages, special damages (twice actual damages or \$5,000, whichever is greater), punitive damages (if the failure was intentional), attorney fees and court costs.

***Where can I obtain additional information, forms, and the tenant habitability regulations?*** Both the Primary Renovation Program Ordinance and the Rent Adjustment Commission's *Tenant Habitability Program Regulations* may be found at the HCIDLA's website: <http://hcidla.lacity.org> or at one of the HCIDLA public counters.

### 3. REHABILITATION WORK PROGRAM

Temporary rent surcharges are allowed for rehabilitation work required by any code requirement passed after January 1, 1979, such as the retroactive fire safety requirements for pre-1943 residential buildings (LAMC Section 91.8604, effective June 20,

1984), impact hazard glazing (LAMC Section 6101, effective May 24, 1986) or carbon monoxide detectors (California Health and Safety Code, Section 17926), as well as for work performed in order to repair damage resulting from fire, earthquake, or natural disaster.

If the landlord has obtained a rehabilitation loan, the landlord shall only be entitled to a temporary monthly rent increase amortized over the life of the loan which is calculated based only on the loan's principal. This temporary monthly surcharge shall not exceed \$75.00 per month or 10% of the Maximum Adjusted Rent, whichever is less, for each rental unit unless agreed upon in writing by the landlord and the tenant. If the surcharge, as calculated under the above formula, exceeds \$75.00 per month or 10% of the Maximum Adjusted Rent, whichever is less, then the surcharge period of five years may be extended until the allowable rehabilitation expenses are covered. The total allowable cost is amortized over a five-year period. The total allowable cost is divided by 60, and then divided by the number of units benefiting from the work.

The landlord has one (1) year from the completion date of the work to file an application with HCIDLA.

#### **4. JUST AND REASONABLE RENT ADJUSTMENT PROGRAM**

A Just and Reasonable rent increase may be authorized by a hearing officer in situations where the landlord may have incurred reasonable operating expenses which have exceeded the rent increases allowed by the RSO (RAC Regulations 240.00). With a price level percentage adjustment, landlords should be able to maintain the same level of net operating income as they experienced in 1977, prior to the adoption of the RSO. A landlord is required to submit a completed application with copies of all supporting documentation and a \$25 filing fee. (LAMC 151.07.B.3) HCIDLA staff reviews the application and documentation and prepares an analysis for the hearing officer. A public

hearing is held, after which the hearing officer renders a decision to grant, modify or deny a requested rental increase. (RAC Regulations 240.02)

### **Questions and Answers**

#### ***What kinds of items are considered in a Just and Reasonable application ?***

- Actual rental income. (RAC Regulation 241.03);
- Management and administrative expenses .(RAC Regulation 241.09.A);
- Landlord performed services. (RAC Regulation 241.09.B);
- Operating expenses (such as electricity, water and sewer, gas and other building services). (RAC Regulation 241.09.C);
- Maintenance expenses, such as security, grounds maintenance, building maintenance, repairs and painting. (RAC Regulation 241.09.D);
- Taxes and insurance expenses, including real estate taxes. (RAC Regulation 241.09.E).

#### ***What kinds of items are not considered in a Just and Reasonable application?***

- Penalties and late fees imposed by Ordinance (RAC Regulation 241.13.B.1);
- Debt service (mortgage and interest payment);
- Depreciation;
- Increased costs which are prohibited from being passed through to tenants by the City or State (RAC Regulation 241.13.B.3);
- Costs for which a landlord has already received a rent increase based on the Capital Improvement Regulations or other RAC regulations (RAC Regulation 241.13.B.5);
- Reimbursed expenses.

***Is there an appeal process if the landlord and/or tenant object to the hearing officer's decision?*** Yes, the Hearing Officer's decision may be appealed to the RAC. See *Chapter 13, Hearings and Appeals*. (LAMC 151.07.B.4.a)

## INCREASES NOT REQUIRING PRIOR HCIDLA APPROVAL (151.06D)

### ANNUAL ALLOWABLE RENT INCREASE

The annual allowable rent increase is based on the Consumer Price Index (CPI) average for the Los Angeles-Riverside-Orange County areas for the twelve (12) month period ending September 30 of each year. (LAMC 151.07.A.6)

Under the RSO, the percentage can be

no lower than three percent (3%) and no higher than eight percent (8%). The percentage is published on or before May 30 of each year for the following twelve (12) month period beginning on July 1 and ending on June 30.

The annual increase may be imposed only if twelve (12) months or more have elapsed since the last such rent increase. The increase is neither cumulative nor retroactive. Landlords are required to serve tenants with a written 30-day notice before the increase may be collected. (RAC Regulation 360.00 and California Civil Code.)

### Questions and Answers

***Can the landlord charge for utility services?*** Yes. The landlord may increase the annual percentage by one percent (1%) for gas and/or another one percent (1%) for electric service that is available in the unit when the landlord pays for such service. (LAMC 151.06.D)

CHRONOLOGY OF ALLOWABLE RENT INCREASES SINCE 1979			
DATE	PERCENTAGE ALLOWED	DATE	PERCENTAGE ALLOWED
5/1/79 - 6/30/85	7%	7/1/00 - 6/30/01	3%
7/1/85 - 6/30/86	4%	7/1/01 - 6/30/02	3%
7/1/86 - 6/30/87	5%	7/1/02 - 6/30/03	3%
7/1/87 - 6/30/88	4%	7/1/03 - 6/30/04	3%
7/1/88 - 6/30/89	4%	7/1/04 - 6/30/05	3%
7/1/89 - 6/30/90	5%	7/1/05 - 6/30/06	3%
7/1/90 - 6/30/91	5%	7/1/06 - 6/30/07	3%
7/1/91 - 6/30/92	5%	7/1/07 - 6/30/08	4%
7/1/92 - 6/30/93	5%	7/1/08 - 6/30/09	5%
7/1/93 - 6/30/94	3%	7/1/09 - 6/30/10	3%
7/1/94 - 6/30/95	3%	7/1/10 - 6/30/11	4%
7/1/95 - 6/30/96	3%	7/1/11 - 6/30/12	3%
7/1/96 - 6/30/97	3%	7/1/12 - 6/30/13	3%
7/1/97 - 6/30/98	3%	7/1/13 - 6/30/14	3%
7/1/98 - 6/30/99	3%	7/1/14 - 6/30/15	3%
7/1/99 - 6/30/00	3%	7/1/15 - 6/30/16	3%

***Does the one percent (1%) increase apply to hot water or the gas used to heat water in a common boiler?*** No. Neither cost can be passed through to the tenant.

***When can the increase percentage exceed the annual allowable increase?*** If the rental unit has not had an increase since May 31, 1976, then the landlord can increase the rent by an amount not to exceed 19 percent (LAMC 151.06 A), or if the unit has not had an increase since May 31, 1977, then the increase can be 13 percent (LAMC 151.06.B). The one percent (1%) for each utility also applies.

***Are there any exceptions to the annual increase?*** Yes, an increase may not be imposed for:

1. A substandard housing unit for which a notice of noncompliance has been sent to the State Franchise Tax Board, if the violations that were the subject of the notice have not been corrected.
2. Rental units in the REAP Rent Reduction program and for one year after the removal of the unit from REAP. (LAMC 151.06.D Exception)

***Can a security deposit, last month's rent, etc. be increased?*** Yes, only by the annual allowable percentage and only at the same time that the percentage is applied. A new landlord cannot ask for an additional security deposit. (Security Deposits are defined under California Civil Code 1950.5 and LAMC 151.02 Definitions - Rent.)

***Can the landlord request the annual allowable increase if the tenant has a two-year lease?*** It depends on whether or not the increase violates the terms of the lease. Any increase must be addressed in the terms of the lease agreement.

***Can a late fee be charged if a tenant is late with the rent?*** Yes, but only if the late fee amount is included in the original rental agreement/contract. Otherwise, addition of a late fee amount violates the maximum allowable rent allowed by the RSO.

***When is rent considered late?*** Rent is due on the day specified by the landlord or the lease agreement. The Ordinance does not provide for a grace period. A grace period and its specified duration exist only if it is a part of the original rental agreement.

## **RECOVERY OF REGISTRATION FEE (LAMC 151.05 F)**

Rental property owners may recover \$12.25 of the \$24.51 registration fee from the tenant **only during the month of June** of the year in which the registration fee was paid. The property owner must serve the tenant with a 30-day written notice before collecting this annual surcharge.

## **RECOVERY OF THE SYSTEMATIC CODE ENFORCEMENT PROGRAM (SCEP) FEE**

Rental property owners may recover 100% of the annual \$43.32 SCEP fee per rental unit in the form of monthly surcharge of \$3.61, provided that the landlord has paid the SCEP fee and given the tenant a 30-day notice of the increase from the previous monthly surcharge amount.

## **ADDITIONAL TENANT (LAMC 151.06.G)**

The maximum rent or maximum adjusted rent may be increased by an amount not to exceed ten percent (10%) for each additional tenant who joins the occupants of the rental unit. However, the rent may not be increased for the first minor dependent child added to a tenancy. Effective July 15, 2011, the additional tenant rent increase is disallowed if the landlord fails to notify the tenants within 60 days of having actual or constructive knowledge of the additional tenant(s). When the additional tenant(s) vacate(s) the unit, the remaining tenant(s) must notify the landlord in writing, and the rent shall be reduced by a dollar amount equal to the increase.

## **Questions and Answers**

***Can the landlord increase the rent for a newborn baby?*** Yes, but NOT if the baby is the first minor dependent child added to the



tenancy. Multiple births (twins, etc.) shall be considered as one child added to an existing tenancy.

***Is the amount of the additional tenant increase subject to the annual increase?***

Yes. However, it should be noted that once the additional tenant has left the unit or has been removed from the unit, the ten percent (10%) increase, plus its related annual adjustments, must be deducted from the rent. The yearly allowable increase remains as part of the rent.

***Is a replacement roommate considered an additional tenant?*** No. For example, when two (2) tenants occupy a unit and one of the tenants vacates the unit and the remaining tenant gets a replacement roommate, the replacement roommate does not constitute an additional tenant. However, the landlord does have the right to approve a new adult tenant. Approval cannot be unreasonably withheld.

## **SMOKE DETECTORS (LAMC 151.06.1)**

All landlords are required by law to have installed permanently wired smoke detectors in all dwelling units in the City of Los Angeles by August 1, 1983. (LAMC 151.06.1)

The landlord can assess a \$3 per detector per month surcharge until the cost, including installation of the detectors, is recovered. The landlord must serve a tenant with a written 30-day notice, within two (2) months after installation, showing the actual purchase and installation cost and the month and year the surcharge will terminate. Eligible costs are detailed in the Smoke Detector Guidelines, RAC Regulations Sections 343.02 and 344.00.

RAC Regulation Sections 343.02 and 344.00 may also apply to permanently wired detectors that detect both smoke and carbon monoxide.

## **Questions and Answers**

***Can the cost be recovered if the landlord fails to notify the tenant within the***

***two (2) month deadline required by the Smoke Detector Guidelines?*** Yes. The landlord can apply for a Capital Improvement rent increase within 12 months of installation of new smoke detectors. (LAMC 151.07.A)

***Can the cost of a combination smoke and carbon monoxide detector be recovered under this regulation?*** Yes, as long as the smoke detector portion of the device meets the guidelines provided under RAC Regulations 343.02. If the detector is solely a carbon monoxide detector, the landlord may utilize the Rehabilitation Work Program, which requires submission of an application to the HCIDLA for approval of a rent surcharge.

## **MANAGERS AS TENANTS**

There are two types of managers: manager-tenants and employee-managers. The manager-tenant is someone who resides on the premises and acts as the owner's agent in maintaining the premises. A manager-tenant is fully protected by the RSO. An employee-manager, as defined in RAC Regulation 920.02, is a resident manager with duties similar to those of a manager-tenant, but who is required to live on the premises as a condition of employment. The employee-manager receives compensation in the form of a free rental unit plus income.

## **Rental Level after Termination of a Manager's Services**

The establishment of the rent level and applicable rent increases when a manager's services are terminated depends upon the type of manager that was terminated.

If the manager was a tenant in the unit before being appointed a manager-tenant, the rent charged to the manager-tenant shall not exceed the rent the tenant was paying before being appointed manager, plus annual adjustments authorized under the RSO. (RAC 925.03)

If the manager was an employee-manager who moved in as a condition of employment and the initial rent was de-

controlled when the employee-manager moved in, the landlord, in a written contract, may set the rent of the unit, upon termination of managerial services. If no such provision was provided for in a written contract, the rent for the unit shall be the average of the rents of the comparable occupied units in the building. If there are no comparable occupied units in the building, then the rent shall be the average of the rents of the occupied units in the building. (RAC 925.01).

## Questions and Answers

***Where can I obtain additional information on the subject of apartment managers?*** The RAC Guidelines Section 920.00 and the bulletin titled “Managers as Tenants” may be obtained at HCIDLA’s Public Counter or by calling HCIDLA’s Public Information Hotline at 213-808-8888 or 866-557-RENT.

***Which agency administers the City law that requires that a manager be on the premises of a building having 16 or more units?*** The City of Los Angeles Fire Department administers the *Responsible Resident Required* law, LAMC 57.112.04, amended by Ordinance 170954, effective 4/16/96. For questions regarding this Ordinance, contact the Fire Safety & Education Program at 213-978-3600 or 818-756-9675. Local fire stations enforce this Ordinance. The property owner needs to register his properties at the nearest fire station or go on line at <http://www.lafd.org>.

## ADDITIONAL SERVICES CONTRACT (LAMC 151.18)

A landlord and tenant may enter into a contract for a housing service that was not part of the original terms of tenancy. A valid additional services contract must:

- Be written,
- Describe the additional service(s),
- Specify the length of the service(s),
- Specify the monthly charge for the service(s).

Monies paid for an additional service are not considered rent. Additional Services Contracts are voluntary, and neither the refusal of a tenant to enter into such agreement, nor the breach of such a contract by the tenant shall be grounds for eviction.

## RENT LEVEL AFTER A VACANCY (151.06.C)

The allowable rent level after a vacancy depends on the reason for the vacancy. The RSO allows rent levels to be decontrolled, if the vacancy is due to any of the following reasons:

- The tenant voluntarily vacated the unit.
- The tenant was evicted for non-payment of legal rent.
- The tenant was evicted for violating the terms of the rental agreement and failing to cure the violation.
- The tenant refused to move according to a *Tenant Habitability Plan* approved by the HCIDLA.
- The tenant was evicted for Residential Hotel conversion and/or demolition only after the HCIDLA approved an Application for Clearance.

The Ordinance requires the rent for a new tenant to remain the same if the vacancy occurred for any other reason.

### Examples where the landlord may NOT raise the rent upon re-rental:

- The landlord evicted the previous tenant to recover the unit for the occupancy by the landlord or the landlord's spouse, parent(s), children or manager.
- Following an eviction for occupancy by the landlord or a member of his immediate family, and the landlord or his family member subsequently vacated the rental unit.
- The tenant was evicted for using or permitting the rental unit to be used for an illegal purpose.

- The tenant was evicted for refusing to enter into a new written rental agreement of like terms and duration.
- The tenant was evicted for refusing the landlord reasonable access to the rental unit.
- Rental assistance was terminated when the landlord canceled or failed to renew a Section 8 Housing Assistance Payments contract. Ordinance 174,501 in effect as of April 9, 2002, makes it “unlawful for any landlord to terminate or fail to renew a rental assistance contract with

the Housing Authority of the City of Los Angeles (HACLA), and then demand that the tenant pay rent in excess of the tenant’s portion of the rent under the rental assistance contract.” This ordinance is intended to prohibit landlords from terminating Section 8 rental assistance payments as a means of forcing a tenant, who could not otherwise be evicted, to voluntarily vacate the unit or evict them on the grounds of nonpayment of rent.

## CHAPTER FIVE

### Payment of Interest on Security Deposits

The Los Angeles City Council amended the RSO effective December 6, 1990, requiring rental property owners subject to the provisions of Section 1950 of the California Civil Code, to pay interest on security deposits. The Ordinance was further amended on June 7, 2001 (Ordinance Number 174017), which revised the interest rates accrued to security deposits.

#### DEFINITION AND USE OF A SECURITY DEPOSIT

A security deposit is any money paid by a tenant to a landlord, which is subsequently held by the landlord for the purpose of providing compensation for a tenant’s failure to pay rent. Additionally, the deposit may be used for repairing damages to the premises (exclusive of ordinary wear and tear) caused by the tenant or a guest or licensee of the tenant; for cleaning the premises upon termination of the tenancy; and for remedying any future defaults by the tenant in complying with any term under the rental agreement to restore, replace, or return personal property or appurtenances, exclusive of ordinary wear and tear, should the rental agreement authorize the security deposit for this

use. For more information on security deposits, refer to Section 1950.5(b) of the California Civil Code or contact the Department of Consumer Affairs.

#### PROPERTIES SUBJECT TO PAYMENT OF INTEREST ON SECURITY DEPOSITS

Landlords of rental units covered by the RSO, which includes dwelling units, suites, condominiums, duplexes, guest rooms, and rooms in a hotel, motel, rooming house or boarding house occupied by the same tenant for more than 30 consecutive days, with a first Certificate of Occupancy issued before October 1, 1978, for units which are subject to the provisions of California Civil Code, Section 1950.5, must pay annually interest on all security deposits held for at least one (1) year for their tenants. This provision does not cover mobile home parks.

#### HOW TO CALCULATE INTEREST DUE ON TENANTS’ SECURITY DEPOSITS

Under the provisions of the RSO, landlords may pay either the actual rate of interest earned or the interest rate established each year by the RAC. The next table indicates the interest rates adopted by the RAC.



## CHRONOLOGY OF INTEREST RATES ON SECURITY DEPOSITS

For Time Period:	Interest Rate	For Time Period:	Interest Rate
11-01-1990 to 12-31-2000	5%	01-01-2008 to 12-31-2008	3.22%
01-01-2001 to 12-31-2001	2%	01-01-2009 to 12-31-2009	1.76%
01-01-2002 to 12-31-2002	0%*	01-01-2010 to 12-31-2010	.55%
01-01-2003 to 12-31-2003	1%	01-01-2011 to 12-31-2011	.29%
01-01-2004 to 12-31-2004	.26%	01-01-2012 to 12-31-2012	.22%
01-01-2005 to 12-31-2005	1.21%	01-01-2013 to 12-31-2013	.15%
01-01-2006 to 12-31-2006	1.74%	01-01-2014 to 12-31-2014	.18%
01-01-2007 to 12-31-2007	2.39%	01-01-2015 to 12-31-2015	.12%

\* No interest was required on security deposits for the period of January 1, 2002, through December 31, 2002 by Council action (Ordinance 175020).

### WHEN TO PAY INTEREST ON SECURITY DEPOSITS TO TENANTS

***During the Tenancy*** - A tenant is to be given the unpaid accrued interest on a security deposit in the form of either a direct payment or a credit towards rent. The landlord must choose between the two (2) methods of payment and must notify the tenant in writing of his/her choice. The landlord may choose to pay the accrued interest on a monthly or yearly basis.

***Upon Termination of the Tenancy*** - Payment of any unpaid accumulated interest on the tenant's security deposit must be made at the same time and in the same manner as required for return of security deposits in California Civil Code Section 1950.5(f).

***Upon Termination of a Landlord's Interest in a Property*** - All accumulated interest on security deposits must be disposed of in the same manner as required for security deposits by California Civil Code Sections 1950.5(g) and 1950.5(h).

***May landlords still exercise their own discretion in investing security deposits?*** Yes. Nothing in the Ordinance prevents landlords from exercising their own discretion in investing deposits. (LAMC 151.06.02.F) How-

ever the landlord must still pay interest on the security deposit. The landlord may not claim that the security is earning 0% interest and fail to pay interest on the deposit.

### WHAT CAN TENANTS DO TO OBTAIN PAYMENT OF SECURITY DEPOSIT INTEREST?

The tenant may bring an action in a court of appropriate jurisdiction including Small Claims Court to recover the security deposit interest amount owed, per LAMC 151.06.02.G. The Rent Stabilization Division of the City of Los Angeles will not investigate complaints concerning non-payment of interest on security deposits, as the Ordinance provides only a civil remedy. For information on Section 1950.5 of the California Civil Code, you may contact:

Los Angeles County,  
Department of Consumer Affairs  
500 W. Temple Street, Room B-96,  
Los Angeles, CA 90012  
Phone: 800-593-8222 (inside the County)  
Website: <http://consumer-affairs.co.la.ca.us>

California Department of Consumer Affairs  
Website: <http://www.dca.ca.gov>.

## CHAPTER SIX

### Evictions (LAMC 151.09)

#### LEGAL REASONS FOR EVICTION UNDER THE RSO

A landlord may bring an action to recover possession of a rental unit only for any of the following reasons:

1. The tenant has failed to pay the rent to which the landlord is entitled including amounts due under Subsection D of Section 151.06.
2. The tenant has violated a lawful obligation or covenant of the tenancy other than the obligation to surrender possession, upon proper notice and has failed to cure such violation after having received written notice thereof from the landlord.
3. The tenant is committing or permitting to exist a *nuisance* in or is causing damage to the rental unit, or to the appurtenances thereof, or to the common areas of the complex containing the rental unit, or is creating an unreasonable interference with the comfort, safety, or enjoyment of any of the other residents of the rental complex or within a 1,000 foot radius extending from the boundary line of the rental complex.
4. The tenant is using, or permitting a rental unit, the common areas of the rental complex containing the rental unit, or an area within a 1,000 foot radius from the boundary line of the rental complex to be used for any *illegal purpose*.
5. The tenant, who had a written lease or rental agreement which terminated on or after the effective date of this Chapter, has refused, after a written request or demand by the landlord, to execute a written extension or renewal for a further term of like duration with similar provisions and in such terms as are not inconsistent with or violate of any provision of this Chapter or any other provision of law.
6. The tenant has refused the landlord reasonable access to the unit for the purpose of making repairs or improvements, or for the purpose of inspection as permitted or required by the lease or by law, or for the purpose of showing the rental unit to any prospective purchaser or mortgagee.
7. The person in possession of the rental unit at the end of a lease term is a subtenant not approved by the landlord.
8. The landlord seeks in good faith to recover possession of the rental unit for use and occupancy as a primary place of residence by:
  - a. The landlord. In order to recover possession of a rental unit for owner occupancy, a landlord must own title to at least 25 percent of the property or be a beneficiary with an interest of at least 25 percent in a trust that owns the property, pursuant to Ordinance 180741.
  - b. The landlord's spouse, children, parents, grandparents, or grandchildren provided the landlord is a natural person (not a corporation or partnership) and only once for that person in each rental complex owned by the landlord. A landlord may recover possession of a rental unit for resident manager only if the landlord is a natural person who possesses legal title to at least 50 percent of the property

or is a beneficiary with an interest of at least 50 percent in a trust that owns the property, pursuant to Ordinance 180741.

- c. A resident manager, provided that no alternative vacant unit is available for occupancy by the resident manager; except that where a building has an existing resident manager, the owner may only evict the existing resident manager in order to replace him/her with a new manager.

**Mom and Pop** landlords may qualify to pay reduced relocation amounts for evictions from rent-stabilized units for occupancy by an owner, eligible family member or resident manager. For more information on the reduced relocation fees, refer to Chapter Seven.

**Good Faith Intention to Occupy and Verification Requirement** — The new occupant, as defined by 8a above, must move in within 3 months of vacancy and intend to occupy the rental unit for at least 2 years. Failure to do either may be evidence of a bad faith eviction. The landlord must file a post-tenancy termination notice with HCIDLA within 3 months of evicting a tenant and on the 1<sup>st</sup> and 2<sup>nd</sup> year filing anniversary after the tenant vacates the rental unit, stating the replacement tenant still occupies the unit. An owner who offers a rental unit that was subject to tenancy termination under Subdivision 8 of Subsection F of Section 151.30 for rent or lease within two years after the tenant vacated the rental unit must first offer to rent the rental unit to the displaced tenant(s), provided that the tenant(s) advised the landlord in writing within 30 days of displacement of the tenant's desire to consider an offer to renew tenancy, pursuant to Ordinance 180747.

**Tenant Protections** — Ordinance 180747 imposes certain tenant protections and limits the selection of the unit

for eviction. A landlord cannot evict if another unit with the required number of bedrooms is vacant. The landlord must evict the most recent tenant to occupy a unit with the needed number of bedrooms, unless the landlord needs a different unit because of medical necessity, as certified by a treating physician. Tenants who have resided in the rental unit for at least ten years and are at least 62 years of age or disabled, and/or tenants who are terminally ill as certified by a treating physician are protected from evictions for owner, eligible relative, or resident manager occupancy.

**Penalties and Fees** — There is an administrative fee of \$75 per tenancy termination for the installation of an owner, eligible relative, or resident manager. A landlord who evicts in bad faith is liable to the evicted tenant for treble damages, equitable relief and attorneys' fees, and the City may sue for punitive damages and equitable relief. If a landlord fails to file the required notices, the landlord is liable for a fee of \$250 per day of delinquency.

9. The landlord, having complied with all applicable notices required by law, seeks in good faith to recover possession so as to undertake Primary Renovation Work of the rental unit or the building housing the rental unit, in accordance with a *Tenant Habitability Plan* accepted by the Department, and the tenant is unreasonably interfering with the landlord's ability to implement the requirements of the *Tenant Habitability Plan* by engaging in any of the following actions:
  - a. The tenant has failed to temporarily relocate as required by the accepted *Tenant Habitability Plan*; or
  - b. The tenant has failed to honor a permanent relocation agreement with the landlord pursuant to Section 152.05 of the RSO. (Amended

by Ordinance no. 176544, effective May 2, 2005.)

10. The landlord seeks in good faith to recover possession of the rental units to either:
  - a. Demolish the rental unit; or
  - b. Remove the rental unit permanently from rental housing use. (Amended by Ordinance no. 176544, effective May 2, 2005.)
11. The landlord seeks in good faith to recover possession of the rental unit in order to comply with a governmental agency's order to vacate the building housing the rental unit, as a result of a violation of the Los Angeles Municipal Code or any other provision of law.
12. The Secretary of Housing and Urban Development is both the owner and plaintiff and seeks to recover possession in order to vacate the property prior to its sale and has complied with all tenant notification requirements under federal law and administrative regulations. (Amended by Ordinance No. 173224, effective May 11, 2000.)
13. The rental unit is in a Residential Hotel, and the landlord seeks to recover possession of the rental unit in order to convert or demolish the unit, as those terms are defined in Section 47.73 of the Los Angeles Municipal Code. A landlord may recover possession of a rental unit pursuant to this paragraph only after the Department has approved an *Application for Clearance* pursuant to the provision of Section 47.78. (Amended by Ord. No. 180,175, Eff. 9/29/08.)
14. The landlord seeks to recover possession of the rental unit to convert the property to Affordable Housing Accommodations, in accordance with an affordable housing exemption issued by the Department, (RSO Section 151.09.A.14)

## EVICCTIONS REQUIRING THE FILING OF A DECLARATION

The following reasons for eviction require that a landlord file a *Landlord Declaration of Intent to Evict* form with the HCIDLA:

#3 – Nuisance, related to illegal drug or gang activity;

#4 – Illegal purpose, related to illegal drug or gang activity;

#8 – Owner, eligible relative, or resident manager's occupancy;

#9 – Failure to move out pursuant to a Tenant Habitability Plan;

#10 – Permanent removal or demolition;

#11 – To comply with a governmental order;

#12 – HUD evictions;

#13 – Residential Hotel conversion and demolition;

#14 – Conversions to an Affordable Housing Accommodation.

The landlord must attach a copy of the processed *Landlord Declaration* to the written eviction form.

Evictions for reason 8, owner or eligible relative occupancy or for installation of a resident manager, require that a copy of the filed *Landlord Declaration* is served upon the tenant on the date in which the tenant is served a written 30- or 60-Day Notice to Quit as required by State law.

Evictions for reason 10, demolition or permanent removal, require:

- An appointment with the Landlord Declaration Section of the HCIDLA;
- A Notice of Intent to Withdraw a rental unit from rental housing use application;
- A copy of the filed *Landlord Declaration* be served upon the tenant on the date on which the tenant is served a written 120-day notice;

- Tenants who are at least 62 years of age or disabled and have lived in the property for one year or more when the units are to be withdrawn from the rental market (amended by Ordinance Number 173868), are entitled to an extension of up to one year from the date of service to the tenant. The landlord must disclose this entitlement on the original 120-day notice;
- Qualified tenants have 60 days from the date of delivery to the department of the Notice of Intent to Withdraw to respond in writing to the owner requesting the entitlement of a one year extension.

Evictions for reason 11, to comply with a governmental order, require that a copy of the governmental order be attached to the *Landlord Declaration* and that it must be served to the tenant in the manner prescribed by Section 1162 of the California Code of Civil Procedure instead of simply attaching the standard written notice to quit.

Evictions 8, 10, 11, 12, 13, and 14 require that Relocation Assistance (discussed in Chapter Seven) be paid by the landlord *within* the first fifteen (15) days of the service of the Notice to Quit. This can either be done by direct payment to the tenant or through an escrow account. No relocation assistance is required when utilizing the 11th legal reason for eviction, should the hazardous conditions resulting in the governmental agency's order to vacate be due to hazardous conditions caused by natural disaster. (LAMC 151.09.G)

## **EVICTIONS NOT REQUIRING PRIOR APPROVAL OF A DECLARATION**

Landlords must file a *Landlord Declaration of Intent to Evict* for reasons 3 and 4 when evicting for illegal drug activity, but this eviction does not require the HCIDLA's prior approval. No relocation assistance is required. The evictions numbered 1, 2, 5, 6, and 7 of Section A above do not require a *Landlord Declaration* or any additional forms to be filed with the HCIDLA.

## **Questions and Answers**

***What steps follow a Three (3) Day Notice to Pay or Quit?*** If the obligation demanded (i.e., payment of rent) has not been satisfied within three (3) days after the notice was served, the landlord may then file suit, known as an Unlawful Detainer, against the tenant in Superior Court to have the tenant evicted. The purpose of this process is to allow the landlord to recover the possession of the rental unit from the tenant.

***How can I learn more about the Unlawful Detainer process?*** State law regulates the Unlawful Detainer process. Further questions should be directed to:

- Los Angeles County Consumer Affairs at: 213-974-1452
- Los Angeles Superior Court General Information line at 213-974-6135, or its website at: <http://www.lasuperiorcourt.org>.
- Los Angeles Superior Court -Unlawful Detainer Section at: 213-893-2392 or 213-974-7802
- See also the Legal Services list in the Referral Information Bulletin, which may be obtained online, by calling the HCIDLA Hotline, or by visiting an HCIDLA public information counter.

***What happens if the tenant pays part of the rent?*** The landlord is legally entitled to the full amount of rent when it is due. If only partial rent is paid, the landlord is entitled to file a 3-Day Notice to Pay or Quit.

***What happens if the landlord refuses to accept timely rent?*** It is illegal for a landlord to refuse to accept rent when it is due. Such refusal, however, is not covered under the RSO. Please call the Los Angeles County Department of Consumer Affairs for relevant State laws. The tenant may wish to send the rent due to the landlord via Registered or Certified Mail with a return receipt requested.

***Is there a grace period for late rent?***

Rent is due on the day stated in the rental agreement. If that date has passed, the landlord is entitled to file a 3-Day Notice to Pay or Quit. The landlord may allow a grace period in a written rental agreement, which may include late fees. *The law does not mandate a grace period.*

***How long can a tenant remain in the dwelling without paying rent if he is moving out or he is being evicted?*** The tenant is responsible for rent for every day he remains in the unit. The landlord may sue the tenant in court for any unpaid rent.

***Can a security deposit be used for the last month's rent?*** No. If a tenant has not specifically paid the last month's rent when he moved in, the regular rent must be paid during the last month of tenancy. A landlord may use the security deposit, however, if the tenant defaults by not paying all of the rent before moving out. (Civil Code Section 1950.5 (b)(1) *California Law provides further information on the collection and use of the security deposits.*)

***Can a tenant be evicted if the unit is overcrowded?*** Yes, if the numbers of tenants exceed those stated in the rental/lease agreement (LAMC 151.09.A.2.b). The written agreement made between a landlord and tenant will determine how many persons are allowed in a dwelling unit. This agreement is legally binding. The violation of such an agreement addressing occupancy limits falls within the legal reasons for a lawful eviction. Contact the City of Los Angeles Fire Department for guidance on this issue.

***May a tenant be evicted for keeping a dog when his contract has a no pet clause?*** Yes. Keeping a pet when the rental agreement specifically forbids a pet is a violation of the written rental agreement. Pursuant to State and Federal Fair Housing laws, a landlord must make an exception, to the *No Pets* policy for guide dogs for the blind or for a disabled person who has submitted verifiable medical information that he/she requires an emotional support animal. The landlord may

otherwise give a 3- or 30-Day Notice to Cure or Quit to remedy the situation. Failure to "cure" the problem can result in an *Unlawful Detainer* action filed legally against the tenant. (See *Legal Reasons for Eviction Under the RSO*, Reason #2.)

***Can a landlord change the terms of tenancy to prohibit a pet in order to evict a tenant?*** No. A landlord may not change the terms of a tenancy to prohibit a pet(s) in order to evict the tenant for keeping a pet, which was kept and allowed prior to the change, unless the landlord can establish that the pet constitutes a nuisance and the nuisance has not been abated upon proper notice to the tenant.

***Can a tenant be evicted for violation of his rental agreement?*** Yes. Violation of a rental agreement is one of the legal reasons for eviction. The landlord must serve the tenant with a 3-Day Notice to Cure or Quit. This notice gives the tenant a written statement as to what he must "cure" to be in compliance with the Rental Agreement. (See *Legal Reasons for Eviction Under the RSO*, Reason #2.)

***Can a tenant be evicted for playing loud music during the night and if other tenants are complaining?*** Loud music is covered under the Noise Ordinance. (LAMC 112.01 Section C) If the noise level is excessive, *regardless of the hour*, the landlord or tenant should contact the Police Department. Tenants who are a *nuisance* may be subject to eviction. (See *Legal Reasons for Eviction Under the RSO*, Reason #3.)

***Can a tenant be evicted for selling drugs?*** Yes. Allowing the rental unit to be used for any illegal purpose is legal grounds for eviction. (See *Legal Reasons for Eviction Under the RSO*, Reason #4.)

***Is a tenant entitled to notification before a landlord may enter the apartment?*** Generally, a 24-hour written notice is required, however, *in case of an emergency*; the notice requirement may be waived. (California Civil Code, Section 1954)



***May a tenant be evicted for not giving reasonable access to the landlord?*** Yes. Refusal to grant the landlord *reasonable access* to the rental unit (after 24-hour notice or in the case of an emergency) for making repairs or improvements; inspecting the unit as permitted or required by the lease or by law; or showing the rental unit to any prospective purchaser or mortgagee is a reason for eviction. (See *Legal Reasons for Eviction Under the RSO*, Reason #6.)

***What is the procedure for evicting tenants who do not permit the landlord reasonable access to the rental unit?*** The landlord can serve the tenant a *3-Day Notice to Cure or Quit*. If the tenant has not allowed the landlord reasonable access within three (3) days after being served the Notice, the landlord is entitled to begin ***Unlawful Detainer*** proceedings through the Superior Court.

***May the tenant be evicted for having an unauthorized tenant in the unit?*** Yes. A landlord maintains the right to approve or disapprove a prospective adult tenant, provided that approval is not unreasonably withheld. If the disapproved tenant remains in the rental unit, the landlord may evict the tenant for failing to cure a violation of the rental agreement or lease. In the absence of a written rental agreement, *if a landlord accepts rent from the unauthorized tenant, the courts may decide that the landlord has implied authorization for the tenant to reside in the unit.* (LAMC 151.09.A.2.b)

***If a tenant vacated an apartment and gave the keys to a friend who is currently residing in the unit, what can the landlord do?*** The landlord can evict the authorized tenant as well as the friend who is a subtenant not approved by the landlord.

***What is the procedure to evict for occupancy by an owner or eligible relative?*** A *Landlord Declaration of Intent to Evict* must first be filed with and processed by the HCIDLA. A copy of the *Landlord Declaration*, along with the appropriate written Notice citing RSO Eviction Reason #8(a) or

(b), must be served to the tenant(s). The required notice time varies for different types of tenants who have resided in the rental unit for a year or longer. Relocation assistance is required to be paid by the owner within 15 days after serving the Notice. (See Chapter 7 - Relocation Assistance.)

***Can an owner evict because he/she is selling the property?*** No. Sale of a property is not a legal reason for eviction.

***May a tenant be evicted to install a resident manager?*** Yes, provided that no alternative vacant unit is available for occupancy by a resident manager. The owner is required to pay the relocation assistance within 15 days of serving the notice. If the building has an existing resident manager, however, the owner may only evict the existing resident manager in order to replace him/her with a new manager.

***What is the procedure to withdraw a unit from the rental market for a resident manager (Eviction Reason #8(c))?*** A *Landlord Declaration of Intent to Evict* must first be filed with the HCIDLA. A copy of the filed declaration must be attached to the written 30- or 60-day *Notice to Quit* based upon Eviction Reason #8(c). Both the *Landlord Declaration* and the written *Notice to Quit* are served on the tenant. The tenant is entitled to relocation assistance which must be made available in full by the fifteenth (15) day of the *Notice to Quit*. Failure to have the relocation funds available to the tenant in the first fifteen (15) days of the notice nullifies the notice. The required notice time is 60 days for tenants who have resided in the rental unit for a year or longer.

***What is the procedure to withdraw a unit from the rental market?*** The permanent removal of a unit from the rental housing market requires compliance with the *Ellis Act*; which requires that the landlord record with the County of Los Angeles Recorder's Office, a *Non-Confidential Memorandum and Extension* of the date of *Withdrawal from Rental Housing Use* form. (This form is attached to the *Landlord Declaration of Intent*

to *Evict for Permanent Removal* form provided by HCIDLA). A copy of the recorded *Non-Confidential Memorandum* along with the *Landlord Declaration of Intent to Evict* should be submitted concurrently to HCIDLA. Within five (5) days of submitting the *Non-Confidential Memorandum* and *Landlord Declaration* to the City, the Landlord shall provide the tenant(s) with a 120-Day *Notice to Quit* and a copy of the *Landlord Declaration*.

Tenants who are over 62 years of age or disabled and have lived in their accommodations for at least one year prior to the delivery to the City of the *Notice of Intent to Withdraw*, may request a tenancy extension

up to one (1) year to move from the accommodation. The tenant is required to give written notice of his/her entitlement within the first 60 days of the date of delivery to the Department of the *Intent to Withdraw*. A Relocation Assistance payment must be paid to the tenant within the first 15 days of the *Notice to Quit*, regardless of the length of notice.

**Should HCIDLA be notified if the unit is again re-rented?** Yes. It is the owner's responsibility to file a *Notice of Intent to Re-Rent Withdrawn Accommodations* form with the HCIDLA.

## CHAPTER SEVEN

### Relocation Assistance (LAMC 151.09G)

#### WHEN IS RELOCATION ASSISTANCE REQUIRED?

For rental units subject to the RSO, relocation assistance is required when evicting for the following reasons:

- Owner or eligible relative occupancy (LAMC 151.09.A.8.a or b);
- Eviction of a tenant for occupancy by a resident manager (151.09.A.8.c);
- Demolition (151.09.A.10);
- Permanent Removal from the Rental Housing Market (151.09. A.10.b);
- Compliance with a Governmental Agency Order (151.09.A.11);
- HUD Re-conveyance, i.e. when the Secretary of HUD seeks to vacate the property prior to a sale (151.09.A.12);
- Residential Hotel Unit Conversion and Demolition (151.09.A.13);
- Conversions to Affordable Housing Accommodations (151.09.A.14).

If the building is not in compliance with a governmental agency due to hazardous conditions caused by a natural disaster or act of God, then relocation assistance is not required. Any eviction requiring payment of relocation assistance requires the filing of a *Landlord Declaration of Intent to Evict* form with the HCIDLA. Failure to file the Landlord Declaration with the HCIDLA makes the eviction invalid.

For rental units NOT subject to the RSO, relocation assistance is required when evicting tenants for condo, hotel or commercial conversions or demolitions. (LAMC 47.06, 47.07)

#### HOW MUCH RELOCATION ASSISTANCE IS REQUIRED?

Under the provisions of the RSO, the amount of relocation due depends on whether the tenant is an eligible or qualified tenant, the length of tenancy, and the tenant's income. Monetary relocation assistance is available to eligible and qualified tenants. Relocation Assistance is paid per unit, not per tenant. The amount of relocation assis-



Relocation Assistance Amounts Effective July 1, 2014 through June 30, 2015			
Tenants	Tenants with Less Than 3 Years	Tenants with 3 or More Years	Income Below 80% of Area Median Income
Eligible Tenant	\$7,800	\$10,300	\$10,300
Qualified Tenant	\$16,500	\$19,500	\$19,500

tance also depends on whether the property qualifies as a **Mom & Pop** ownership evicting for owner or eligible relative occupancy as defined below.

**Eligible Tenant** — Unless a tenant is a qualified tenant, the tenant is an eligible tenant and is entitled to receive a relocation assistance amount that depends on length of time in the unit and income.

**Qualified tenant** — A qualified tenant is any tenant who on the date of service of the written notice of termination is 62 years of age or older; handicapped, as defined in Section 50072 of the California Health and Safety Code, or disabled, as defined in Title 42 of the United States Code, Section 423; or who has one or more minor dependent children (as determined for federal income tax purposes).

**Low Income Tenant** — A tenant whose income is 80 percent or less of the Area Median Income, as adjusted for household size and high housing costs, as defined by the U.S. Department of Housing and Urban Development, regardless of the length of tenancy.

Refer to the Relocation Assistance charts on this page.

Qualifying **Mom & Pop** landlords may pay

Relocation Assistance Payable By Mom & Pop Landlords Effective July 1, 2014 through June 30, 2015	
Eligible Tenant	\$7,550
Qualified Tenant	\$15,150

reduced relocation assistance payments to their tenants for a good faith eviction for occupancy by the owner, family member or a resident manager, provided that all the following conditions are met, as prescribed in LAMC Section 151.30:

- The building containing the rental unit contains four or fewer rental units;
- The **Mom and Pop** landlord has not used this provision during the previous three (3) years;
- The property containing the rental unit contains 4 or less units;
- The landlord owns no more than one other single-family home on a separate lot in Los Angeles; and
- Any eligible relative for whom the landlord is recovering possession of the rental unit does not own residential property in the City.

2015 HUD Low Income Limits for Los Angeles—Long Beach HUD Metro Fair Market Rent Area								
Household Size	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Income Limit	\$46,500	\$53,150	\$59,800	\$66,400	\$71,750	\$77,050	\$82,350	\$87,650

## HOW AND WHEN SHALL LANDLORDS PROVIDE PAYMENT?

- The Ordinance requires that relocation assistance payments be made as follows: The entire fee shall be paid to a tenant who is the only tenant in a rental unit.
- If two or more tenants occupy a rental unit, any one of whom is a qualified tenant, then each tenant of the unit shall be paid a pro-rata share of the relocation fee. In other words, if more than one fee payment amount applies to a unit, the landlord pays the higher amount for the unit. Each tenant then shares on an equal pro-rata basis.
- If two or more tenants occupy a rental unit, none of whom is a qualified tenant, then each tenant of the unit shall be paid a pro-rata share of the relocation fee.
- The landlord is not required to pay more than the amount of relocation assistance due to tenants that have resided in a unit three (3) years or more. (Refer to Relocation Assistance Amounts Chart)

The Ordinance requires timely relocation assistance payments as follows:

- Payment shall be made available within fifteen (15) days of service of the written notice of eviction; however,
- The landlord may, at the landlord's sole discretion and at the landlord's cost, establish an escrow account for the tenant(s) in lieu of the payment described above. The monies must be placed in the escrow account within the required 15-day period. The escrow account must provide for payments to the tenant(s) for actual relocation expenses incurred by the tenant prior to vacating the unit for the following relocation expenses: first and last month's rent; security deposit; utility connection charges; moving expenses. Payments from the escrow account shall be made within three (3) working days of receiving a request for

payment. (Refer to RAC Regulations, Section 960.00.)

## EXEMPTIONS

Landlords are exempt from paying relocation assistance when:

- Evicting a resident manager to replace him/her with another resident manager. If the resident manager is a *Manager-Tenant* receiving free or reduced rent with no other compensation, he/she may be entitled to relocation assistance. (See RAC Regulations 920.00, Managers as Tenants.)
- The tenant received actual written notice, prior to entering into a written or oral tenancy agreement, that an application to subdivide the property or convert the building to condominiums, a stock cooperative, or community apartment project was on file with or had been approved by the City.
- They are required to utilize the eleventh (11th) legal reason for eviction due to hazardous conditions caused by a natural disaster and, therefore, not caused by any negligence on the part of the landlord.

## ADMINISTRATIVE FEES RELATED TO RELOCATION ASSISTANCE

All landlords filing a *Landlord Declaration* for owner, eligible relative, or resident manager occupancy shall pay a fee to cover the cost of administering and enforcing the provisions of Section 151.30 of the RSO. (Refer to the Fee Chart above.)

All landlords must pay the City a fee for the purpose of providing relocation assistance by the City's *Relocation Assistance Service Provider* to each affected tenant in connection with the conversion of a building into a condominium, community apartment or stock cooperative; demolition of a building or its relocation to another site; permanent removal of rental units from rental housing use; evictions for owner, eligible rel-

ADMINISTRATIVE FEE TYPES	AMOUNT PER UNIT
Relocation Service Fee for Eligible Tenants	\$443
Relocation Service Fee for Qualified Tenants	\$711
Relocation Service Administrative Fee	\$61
Demolition Monitoring Administrative Fee	\$45
Income Dispute Resolution Fee	\$200
Filing Fee for Landlord Declaration for Owner, Eligible Relative, or Resident Manager	\$75

ative or resident manager; to comply with a governmental agency order to comply.

All property owners that seek the HCID-LA's clearance of a Planning or Building and Safety Department demolition permit shall pay a *Demolition Monitoring Administrative Fee*.

Dispute of the relocation amount based on a tenant's self-certified income level shall pay an *Income Dispute Resolution Fee*.

## Questions & Answers

***How far in advance should tenants be given the required notice of a demolition to build condominiums or a conversion to condominiums?*** The demolition to build a condominium and remove the unit from the rental market requires compliance with the *Ellis Act* (California Government Code 7060.4) and filing a *Landlord Declaration of Intent to Evict* with the HCIDLA, a copy of which should be attached to the eviction notice. Notification periods vary:

- A minimum of 120 days notice to the tenant(s) is required.
- A tenant who is 62 years of age or disabled may request an extension of up to one (1) year. The tenant may be entitled to relocation assistance.
- Each tenant of a unit within a development must be given a 180-day notice prior to the actual conversion to condominium [California Government Code 66452.50(a)]. Please refer to *Chapter*

*Six, Evictions*, for further RSO details, or contact the Planning Department at 213-485-6171, for more information concerning these requirements.

***How and where do I establish an escrow account if I choose to do so?*** The landlord may place the escrow account in any bank, savings and loan association, or credit union with federal deposit insurance, or with any broker who is licensed by the California Real Estate Commission, or with any escrow service licensed by the California Corporate Commission that is reasonably accessible to the tenant(s) during normal business hours. (RAC Guidelines 960.00) Escrow instructions must provide:

- Payments to tenants in order to assist them in relocating to another dwelling unit, which include:
  - First and last months' rent;
  - Security deposits;
  - Utility connection charges and deposits;
  - Moving expenses.
- Release of the remaining funds when the tenant vacates the unit.
- A dispute resolution process.
- That all payments from the escrow account must be made within three (3) working days of receiving a written request for payment by the tenant.
- Payments may be made directly to the tenant(s) upon presentation of a receipt

and/or to the recipient of the expense on behalf of the tenant.

- The landlord is entitled to receive a copy of all escrow documents.

***On what basis does a tenant file a complaint, and how?***

***Non-payment dispute*** — In an action by the landlord to recover possession of a rental unit, the tenant may raise as an affirmative defense the failure of the landlord to provide relocation assistance. Complaint forms may

be obtained and filed with the HCIDLA for illegal eviction when the landlord has not provided relocation assistance.

***Escrow Dispute*** — Where there is an escrow dispute, dispute notices must be sent by registered mail or delivered to the HCIDLA, at any of the Public Information Counters listed on the inside of the front cover, on the second (2nd) working day following presentation of the dispute notice to the opposing party. A copy of the escrow instructions must accompany the notice.

## CHAPTER EIGHT

### Mobile Home Parks

The RSO applies to mobile homes and mobile home parks. The procedure for rent increases, the amount of rent increase under certain circumstances, and the procedures for closing a mobile home park differ, however, from provisions which apply to tenants in other types of dwelling units.

#### QUESTIONS AND ANSWERS

***Why are the procedures different for mobile homes and mobile home parks?*** Mobile homes and mobile home parks are primarily regulated by State law.

***What are some examples of how the procedures differ?***

- State law requires a written 90-day notice for rent increases.
- Leases that exceed 12 months are exempt from the RSO.
- If the park owner wants to close the park and intends to use the land for a purpose which does not require rezoning of the land or special permits, then the tenants must receive a one-year notice of intent to close the park from the park owner.

***Is the rent decontrolled for a mobile home site located within a mobile home park when a tenant sells the mobile home, which remains on the same site?*** No. In accordance with Section 151.06.F.2 of the RSO, if the site of a mobile home is voluntarily vacated by all the tenants as the result of a sale of a mobile home, and the mobile home is not removed from the site, then the maximum rent may not be increased to exceed the rent on any existing comparable site in the park, or ten percent (10%), whichever is lower.

***Are there any additional rent increases that may be passed on when a new tenant takes possession of a mobile home?*** Yes. A landlord may pass on to tenants an annual rent increase, if such an increase has not been assessed on the mobile home during the previous twelve months or more.

***Is rent decontrolled for a mobile home site within a mobile home park when a mobile home is removed from the site?*** Yes, except when a mobile home is temporarily removed from a site for repairs, or when a mobile home is being replaced with a new mobile home, which will be occupied by at least one of the original tenants.

***Under what other circumstances is the rent on a mobile home site decontrolled?*** After a voluntary vacancy (except when the vacancy is the result of a sale of a mobile home that remains at the same site within the mobile home park), when a tenant is evicted for non-payment of rent or violating the terms of the rental agreement, or when a lease is of more than 12 months is in effect.

***Who can I contact regarding mobile home State law?*** Contact the State Housing and Community Development Department at 909-782-4420 or the State Department of Housing at 800-952-5275.

***What is GSMOL?*** GSMOL is the Golden State Mobile Home Owners League. This or-

ganization provides information and legal services to its members. They can be contacted at:

**Golden State Mobile Home Owners League**

6101 Ball Road, #202  
Cypress, CA 90630  
Phone: 800-888-1727

***Is there additional information available regarding mobile home parks?*** Yes. For additional information on mobile home parks, please refer to the HCIDLA's Mobile Home Park Reference Guide. A copy of the guide may be obtained at any HCIDLA Public Information counter, by calling the Public Information Hotline at 866-557-RENT or 213-808-8888, or downloading it from the HCIDLA web site at: <http://hcidla.lacity.org>.

## CHAPTER TEN

# Tenant RSO Complaint Process

### FILING PROCEDURES

***Who accepts and processes complaints?*** The Rent Investigation & Enforcement Section of the Rent Stabilization Division, HCIDLA, receives and processes all Rent Stabilization complaints. Habitability concerns should be referred to the Code Enforcement Division. All complaints can be filed by calling the Public Information Hotline at 866-557-RENT.

***What reasons justify filing a complaint?*** There are six (6) areas for which a tenant may file a Rent Stabilization Complaint: a) non-registration of a rental unit; b) failure to post a *Notice of Property Subject to the RSO Notice*, c) notice to evict based on false and deceptive grounds; d) non-receipt of relocation assistance when due; e) illegal rent increase; and f) illegal reduction of housing services.

***How is the complaint filed?*** The tenant may file a complaint by using any one of the

following procedures: by accessing the HCIDLA website at: <http://hcidla.lacity.org> and completing and submitting the form on-line; by requesting a complaint form from the Public Information Hotline; by filing a complaint on the telephone Hotline; or in person at any HCIDLA Public Information Counter.

***What supporting evidence must accompany a complaint form?*** Complainants should provide photocopies (not originals) of rent receipts, canceled checks, lease or rental agreements, additional services contracts, notices to evict, relevant correspondence, and/or any other supporting documents relevant to the complaint. Failure to provide necessary documentation may prevent the complaint from being processed and investigated in a timely manner. The investigator assigned to the complaint may also request additional information. Failure to supply any requested information may result in the case being closed.



***What are the steps in the complaint process?*** The complaint process involves the following steps:

1. The tenant files a RSO complaint with HCIDLA.
2. After filing a complaint with HCIDLA, the tenant receives a letter or phone call from the Rent Investigations Section stating the case number and the name of the investigator assigned to the case.
3. The investigator assigned to the case contacts the tenant. If there is evidence of a violation of the RSO, the investigator then contacts the landlord.
4. The Investigator attempts to resolve the issue between the tenant and the landlord. If resolved, the case is closed. If not resolved, the case may be referred to the City Attorney's Office.

***When should a tenant visit the investigator?*** Only when there is an appointment set up in advance at the request of the investigator or tenant.

## THE INVESTIGATION

***Does the investigator speak to the landlord?*** Yes. The investigator speaks with the landlord only after first speaking with the tenant, and if it appears a violation of the RSO has occurred.

***Should tenants pay an illegal rent increase during the complaint process?*** Yes. Since the timeframe will vary depending on the severity of the complaint, the tenant should pay the rent to prevent eviction proceedings against them. Payment also helps establish that the rent amount is illegal; the tenant must supply receipts to the investigator of the amount paid both prior to and after the increase. If the case is referred to the City Attorney, it will take additional time to resolve the Complaint.

***Can tenants get back an illegal rent increase paid to the landlord?*** The Investigator will try to make arrangements for res-

titution from the landlord. If unsuccessful, the case may be referred to the City Attorney as a violation of the RSO.

***Does filing a complaint stop the eviction process?*** No. The investigator attempts to assist both landlord and tenant in resolving RSO violations before evictions go to court. *Evictions that receive final judgment in court supersede the RSO complaint process.* The tenant or landlord must then seek appeal rights through the judicial system.

***When does the investigator refer a case to the City Attorney?*** When violations of the RSO are not resolved within the HCIDLA and there is sufficient documentation and clear evidence that the RSO has been violated.

***What does the City Attorney do?*** The City Attorney reviews cases referred from the HCIDLA and may schedule hearings where both the tenant and landlord are present to resolve violations of the RSO. If the violations are not resolved, the City Attorney may file criminal charges to prosecute the landlord.

## REDUCTIONS IN HOUSING SERVICES

***Can the landlord reduce the number of existing services while maintaining the same rent?*** No. If a service is reduced or removed, there must be a corresponding reduction in rent.

***How is the corresponding reduction in rent calculated?*** The RAC has adopted Regulations 410.00 to provide a guide in determining a reasonable corresponding reduction in rent.

***What about the removal of an item such as a refrigerator?*** If the landlord provided the refrigerator at the beginning of the tenancy, its removal would constitute a reduction in housing services.

***Does the lack of hot water constitute a reduction in services?*** Yes. This type of loss of service affects the habitability of a rental unit and constitutes a violation of

housing codes. Tenants may contact the Los Angeles County Department of Health at 626-430-5100 and/or file a habitability complaint with the HCIDLA.

***What type of notice is required to increase or remove a service?*** A written 30-day notice is required under California Civil Code (State law).

***Can a tenant file a complaint under the provisions of the RSO for harassment or non-return of security deposits?*** No. The California Civil Code covers these issues, and the tenant must contact Los Angeles County Consumer Affairs Department and/or the Fair Housing Council for further information. (Contact the Hotline for a list of Referral Agencies or visit the HCIDLA website.)

## CHAPTER ELEVEN

# The Systematic Code Enforcement Program

### WHAT IS THE SYSTEMATIC CODE ENFORCEMENT PROGRAM?

The Systematic Code Enforcement Program (SCEP) was established by the Los Angeles City Council (Ordinance No. 172,109, effective 7/15/98) to ensure that all residential living space with two (2) or more units on parcels within the City are safe and habitable. This program, through systematic inspections, guarantees that those who reside in rental units in Los Angeles have a safe, livable space, which meets requirements set forth in the California Health and Safety Code and the Los Angeles Municipal Code.

### HOW THE PROGRAM WORKS

Under SCEP, HCIDLA thoroughly inspects the City's residential rental properties with two (2) or more units once every four years to ensure compliance with State and local health and safety codes. Any properties that do not meet the requirements of City and State codes are cited within five days, and the HCIDLA issues the property owner a Notice to Comply that provides 30 days to complete the needed repairs. HCIDLA conducts a property re-inspection to verify compliance with HCIDLA orders to repair the outstanding violations. The property owner may request a 30-day extension; however, approval is subject to the percentage of work completed when the request is made.

The SCEP identifies habitability violations at rental properties and enforces compliance. The goal of the SCEP program is to ensure conformance with State and local health and safety codes, to preserve the City's rental housing stock, and to protect the health, safety and welfare of their occupants and of the public. Property owners have the responsibility to make certain that tenants have a safe environment in which to live.

### Questions & Answers

***What is the fee for a habitability inspection?*** The SCEP fee is \$43.32 annually. The fee may be passed through to tenants at the rate of \$3.61 per month. (See RAC Guideline 370.00, Pass Through of the SCEP Fee.)

***What does this fee cover?*** This fee covers a rental housing habitability inspection, which includes one re-inspection if the property has received a Notice to Comply. If the property is referred to the General Manager for non-compliance, the fee also covers hearing costs.

***What happens if deficiencies are not corrected within a specified time?*** If deficiencies are not corrected within a specific time, the property may be subjected to other enforcement actions, including recommendations that the property be placed in

the Rent Escrow Account Program (REAP), or that civil or criminal prosecution be initiated. In order to enforce habitability requirements in residential rental units subject to the Housing Codes of the City, the SCEP now includes the Rent Escrow Account Program (REAP), LAMC 162.00, and Rent Reduction Program (RRP) established by the RSO.

***What conditions may be considered deficiencies?*** Deficient conditions include but are not limited to:

- Lack of proper maintenance or the existence of unsanitary conditions in a building or on its premises, ;
- Deteriorated or defective interior walls, ceilings, floors or floor coverings;
- Deteriorated or defective exterior walls or roof coverings, wood trim or fascia; or lack of weatherproofing;
- Broken or missing windows, window screens or foundation vent screens;
- Lack of quick-release mechanisms on security bars over sleeping room windows;
- Defective, missing or improperly installed smoke detectors or other life safety items;
- Lack of required light, ventilation, required minimum floor area, or required ceiling height in a habitable room;
- Defective or missing required light fixtures, electrical outlets, switches, etc., or exposed/unsafe electrical wiring;
- Deteriorated, leaking, missing or improperly installed plumbing faucets, valves, fixtures or other such items;
- Lack of required hot water, water heater strapping, positive vent connections, combustion air/or properly installed temperature-pressure relief valve, with its drain extended to an approved location;

- Lack of required heat due to missing, defective or improperly installed heating unit;
- Any unapproved use, unapproved occupancy, additions, alterations, or improvements made without permits and approval from the City of Los Angeles Department of Building & Safety.

***When will inspections be conducted?*** Inspections will be conducted approximately once every four years unless a complaint is received on a property. All property owners will be given a 15-day notice by phone or in writing before an inspection is to take place.

***What is the Complaint-Based Inspection Program?*** HICIDLA's Complaint-Based Inspection Program provides a system for tenants or concerned citizens to file habitability complaints regarding multi-family residential rental units.

***How does the Complaint-Based Inspection Program work?*** Tenants who live in a multi-family rental unit (apartment) and believe there are Housing Code violations existing in their unit or the surrounding common areas, may file a complaint with the Housing Department. An inspector is assigned to investigate the complaint, and if violations are found, the property owner is notified that the deficiencies must be corrected. The Department generally provides property owners up to 30 days to make the necessary repairs. At the end of the time allowed for the repair, the inspector will return to re-inspect the unit or area of concern. If the deficiencies have been corrected and no other violations are found, the case is closed.

If the violations have not been corrected, the property is referred to a General Manager's Hearing and the Department will refer the case for further enforcement activity.

***How does one comply?*** Inspectors will issue a written notice for any deficiencies found and the owner will be allowed up to 30 days (depending on the severity of the deficiencies) to make the repairs.



### ***What is a General Manager's Hearing?***

If repairs are not made within the specified time, the owner will be summoned to an administrative hearing to determine the reason for non-compliance. Based on the determination, a substandard order may be recorded against the property. After the hearing, the

owner will be required to pay for all subsequent inspections to determine compliance. The owner may file an appeal of the General Manager's decision 10 days after the decision's notice is sent.

## **CHAPTER TWELVE**

# **The Rent Escrow Account Program (REAP)**

### **WHAT IS THE RENT ESCROW ACCOUNT PROGRAM (REAP)?**

REAP was established by the Los Angeles City Council (LAMC 162.00, et seq.) to ensure that minimum housing standards are maintained in rental buildings and to encourage the maintenance and repair of residential buildings. When a property is cited for health, safety, deprivation of housing services, and/or habitability violations, and the time allowed for compliance, including any extensions, has expired without compliance, a property is placed into REAP, and a corresponding rent reduction is determined for the tenants of the affected units.

If the landlord does not file an appeal of the decision to place the property into REAP (LAMC 162.06A), the HCIDLA will notify tenants that they may deposit their reduced rents into an escrow account established and administered by the HCIDLA as an alternative to paying their rent to their landlord. The purpose of the rent escrow account is to encourage compliance by landlords with respect to the maintenance and repair of residential buildings, structures, premises and portions of those buildings, structures and premises. At any time during a building's participation in REAP, a landlord, any tenant, enforcement agency, and/or any creditor may apply to the General Manager for a release of funds from the REAP escrow account (See LAMC Section 162.07B) for the

following reasons and any other adopted by regulation:

- When necessary to prevent a significant diminution of an essential service to the building, including utilities;
- When necessary for the correction of deficiencies, including but not limited to that which caused the acceptance into REAP;
- When, requested by a tenant who has performed or wishes to repair conditions that affect the tenant's health and safety that result in deprivation of housing services.
- When requested by a tenant who intends to or has relocated from the unit or building.
- When requested by a tenant who has sustained expenses due to uninhabitable conditions;
- When ordered by a court.

To offset the cost of administering the escrow account, a non-refundable fee of \$50 per each cited unit shall be deducted from the accounts collected by the City. Only one such fee shall be deducted from each residential unit for each month. The rent money deposited into REAP will not be turned over to the building's owner until the entire building is habitable with all citations signed off as completed by the citing agency.

## **WHAT IS A RENT REDUCTION DETERMINATION?**

Affected tenants are legally permitted to temporarily reduce their rent by the percentage determined by the HCIDLA, as listed on the Rent Reduction Determination. The rent reduction amount ranges from 10 to 50 percent and is determined according to the nature of the violation, the severity of the violation, and the history and duration of the uninhabitable conditions.

## **HOW DOES REAP WORK?**

HCIDLA's decision to place the property into REAP is final if the landlord does not appeal the decision or if the appeal is not accepted. Once the decision is final, the HCIDLA records it with the Los Angeles County Records Office. Tenants may place their rents into an escrow account as an alternative to paying the rent to their landlord. REAP accounts include a reduction in rent. (For further information, refer to the RAC Guidelines 970.00 and LAMC Section 162.00, Rent Escrow Account Program.)

## **HOW DOES THE RENT REDUCTION WORK?**

Once the Rent Reduction Determination becomes final, the Department notifies the landlord and affected tenants as to when the rent reduction begins. The rent reduction continues until the landlord abates the substandard conditions and the citing agency verifies that the corrections have been made.

## **HOW IS THE PROPERTY REMOVED FROM REAP?**

When compliance is attained and verified by the enforcement agency, HCIDLA will recommend that the City Council remove the property from the REAP and Rent Reduction Program. The City Council votes on whether to terminate the escrow account and rent reductions. Subsequently, all rent payments are made directly to the landlord, and the rent is restored to the original level 30 days

after the date the HCIDLA mails the tenants a notice of the restoration. Until the unit is removed from REAP and for one year thereafter, the landlord and any subsequent landlord may not increase the rent for the current or any subsequent tenants.

If the unit is subject to the RSO, after the expiration of this period, neither capital improvement nor cited rehabilitation work rent adjustments shall be allowed for work related to the order that resulted in the placement into REAP or any additional orders issued while in REAP.

## CHAPTER THIRTEEN

# Hearings and Appeals

### GENERAL MANAGER'S HEARINGS

The Hearings Section is responsible for operating the HCIDLA's administrative hearings in accordance with the provisions of the RSO, the RAC regulations, the Los Angeles Housing Code, and the REAP Ordinance. The Hearings Section performs all eligibility determinations, scheduling, noticing, coordinating, decision issuance, and technical assistance related activities.

The hearings are held in response to appeals by landlords, tenants, and/or parties with an interest in HCIDLA decisions or recommendations regarding rent increase, exemption certificate, and re-rental certificate applications; acceptance into the REAP and the corresponding rent reduction; Department of Water and Power (DWP) referrals for inclusion into the Utility Maintenance Program (UMP) or REAP; the establishment of an escrow account for Urgent Repair Program (URP), Tenant Relocation Assistance Program (TRIP) cases; release of escrow funds appli-

cations; and other various determinations and disputes.

All requests for hearings and appeals are first reviewed to ensure that deadlines and filing requirements have been met and that there is documentation to support the appeal. Reasons for requesting a hearing may involve new, relevant information which was not available at the time of the Department's initial determination or the appellant's belief that the Department committed an error or abuse of discretion in the determination of a case. The chart below lists any applicable fees for the various types of administrative public hearings and RAC and Appeals Board appeals, while the chart on the following page outlines the levels of review for each type of appeal.

ADMINISTRATIVE FEES FOR HEARINGS		
TYPE OF FEE	TYPE OF CASE	FEE
Hearing Request	Capital Improvement Rehabilitation Work Seismic Rehabilitation Work Primary Renovation	\$25 per case
	Utility Maintenance Program (UMP)	\$50 per case
	Income Dispute Resolution	\$200 per case
RAC Appeals Board Request	General Manager's decision (criminal, REAP, TRIP, release of escrow funds cases)	\$150 per case
	Utility Maintenance Program (UMP) Just and Reasonable	\$50 per case

TYPE OF CASE	LEVELS OF REVIEW FOR RSO PROGRAM DETERMINATIONS			
	DEPARTMENT	GENERAL MANAGER/ HEARING OFFICER	RAC/APPEALS BOARD APPEAL	CITY COUNCIL
Capital Improvement Rehabilitation Work Luxury Exemption Seismic Primary Renovation	Decision to approve, modify, or disapprove the landlord's application	Decision to uphold, modify or reverse the Department's determination	No appeal	No appeal
Just and Reasonable	Preparation of a staff analysis of the landlord's application	Decision to approve, modify, or disapprove the rent in- crease application	Decision to affirm, modi- fy, or reverse the hearing officer's decision	
Rent Escrow Account Program and Rent Reduction Determination	Decision to accept the unit/property into REAP with corresponding rent reduction	Decision to affirm, modify, or reverse the Department's decision upon appeal of the landlord	As Appeals Board, de- termination to affirm, modify, or reverse the determination of the General Manager	Decision to remove a unit or property from REAP and return escrow account funds
Re-Rental Certificate After Major Rehabili- tation Eviction	Decision to approve, modify, or disapprove the landlord's application	Decision to uphold, modify, or reverse the Department's decision	No appeal	No appeal
Relocation Assis- tance Escrow Ac- counts	Decision to order the funds in dispute to be paid or to remain in es- crow	Decision to order the funds in dispute to be paid or to remain in escrow	No appeal	
Urgent Repair Pro- gram (URP)	No decision	Decision to place property into REAP to recover costs if the City makes necessary repairs	No appeal	
Criminal Code En- forcement Referrals	Department determines if case should be referred for General Manager's Hearing based on non- compliance with an Order to Comply	Determination on referral to City Attorney's Office for prosecution, and other or- ders as appropriate	As Appeals Board, de- termination to affirm, modify, or reverse the determination of the General Manager	
Release of Escrow Account Funds	Department reviews ap- plication for release of escrow account funds for eligibility.	Determination on application for release of escrow ac- count funds	As Appeals Board, de- termination to affirm, modify, or reverse the determination of the General Manager	
Tenant Relocation Assistance Program (TRIP)	Department issues No- tice to Vacate and deter- mines eligibility of pay- ment of relocation benefits	Determination on order to pay relocation assistance upon appeal of the landlord	As appeals Board, deter- mination to affirm, modi- fy, or reverse the determination of the General Manager	
		Determination on accounting report appeal of the landlord		
Any case	No decision	Decision to deny the appli- cation per RSO 151.14D	Decision to uphold, mod- ify, or reverse the hear- ing officer's decision	

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## REQUEST FOR INFORMATION

The HCIDLA has numerous publications available to the public **FREE OF CHARGE**. If you are interested in receiving additional publications, please circle the information by number as listed below.

APPLICATIONS & FORMS		BULLETINS		ORDINANCES & REGULATIONS	
14	Capital Improvement Application	3	Allowable Rent Increase	20a	Additional Tenants Regulations
7	Complaint Form	13	Capital Improvement Bulletin	25	Assessment Pass Through Reg.
54	Foreclosure Eviction Moratorium	37	Emergency Housing	12	Capital Improvement Regulation
19	Just & Reasonable Application	8	Eviction for L/L, Family or Manager	29	Eviction Good Faith Requirements
	LANDLORD DECLARATIONS for:-	36	Eviction, Legal Reasons for	22	Introduction Policy Statement of RAC
38	Ellis Evictions Package	A	First Time Homebuyers' Program	18	Just & Reasonable Regulations
9d	Illegal Drugs	35	Foreclosure – RSO info	9f	Landlord Declaration HUD
9a	Owner Occupancy	2	General Information	28	Luxury Exemption Cert.
9b	Resident Manager	B	Handy Worker Program	53	Major Rehabilitation Ord. #174721
9c	Governmental Order	C	Home Equity Fraud Brochure	30	Manager as Tenant Regulations
9f	HUD	D	HOPWA Brochure	27	Mobile Home Park Transfer of Utility mts.
9e	Nuisance – Gangs	48	Landlord/Tenant Handbook	6	REAP Regulations
41	Notice of Re-Rental after Removal from Market	F	Lead Based Information	39	RAC Regulations (complete)
16	Rehabilitation Application	50	Mobile Home Guide	24	Reduction in Housing Services
40	Relocation Assistance Escrow Acct.	17	Primary Renovation Package	15	Rehabilitation Work Regulations
51	Sample Lease Agreement	5	REAP Bulletin	45	Rent Reduction Program Regulations
		32	Referral Information	1	RSO Ordinance
		4	Registration	49	SCEP Ordinance
		33	Relocation Assistance Bulletin	42	SCEP Pass Through (370.00)
		E	Roster of Bond Rental Developments	23	Seasonal Rent Adjustment
		44	Security Deposit Bulletin	52	Section 8 Ordinance
		46	What I Should Know Before I Rent?	11	Smoke Detector Surcharge Regs
				31	Substandard Housing Regulations
				21	Transfer of Utility Payment to Tenants

Circle the information you would like mailed to you:

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37  
38 39 40 41 42 44 45 46 47 48 49 50 51 52 53 54 A B C D E F

Please Mail the information requested to:

Name:	
Address:	
City, State ZIP:	
EMAIL (optional):	

Return this request to:

**HCIDLA, P.O. Box 17280 Los Angeles, CA 90017-0280** .....

Revised:



# NOTICE

## THIS PROPERTY IS SUBJECT TO THE RENT STABILIZATION ORDINANCE

**TENANTS:** You are hereby notified that this building is subject to the Los Angeles Rent Stabilization Ordinance (RSO), LAMC Chapter XV.

### The RSO regulates rent increases:

- Landlords may only collect rents of units registered with the *Los Angeles Housing + Community Investment Department (HCIDLA)*.
- Generally, a landlord may not raise the rent in excess of the annual allowable rent increase unless otherwise permitted by *HCIDLA* or the Los Angeles Municipal Code (LAMC).
- A reduction in services may also constitute an unlawful rent increase.

### The RSO limits the reasons for which a tenant may be evicted:

- The landlord may be required to pay relocation assistance for certain evictions.
- Foreclosure or sale of a property is not an allowable reason of eviction.

All rental properties in the City of Los Angeles must meet the minimum habitability requirements set forth in the Building Code and the California Health and Safety Code.

For further information, or to file a complaint, please contact *HCIDLA's* Hotline at 213-808-8888 or log on to:

<http://hcidla.lacity.org>.

# AVISO

## ESTA PROPIEDAD ES SUJETA A LA ORDENANZA DE ESTABILIZACION DE ALQUILER

**INQUILINOS:** Están notificados que esta propiedad es sujeta a la Ordenanza de la Estabilización de Alquiler (RSO) de la Ciudad de Los Ángeles, Capítulo XV del Código Municipal (LAMC).

### El RSO regula los aumentos de renta:

- El dueño solamente puede recibir pagos de renta si su unidad esta registrada con el Departamento de Vivienda e Inversión Comunitaria de los Ángeles (HCIDLA, siglas en inglés).
- Por lo general, no se le permite al dueño subir la renta mas del porcentaje anual sin el permiso del HCIDLA, o si es permitido por el Código Municipal (LAMC)
- Una reducción en los servicios también podría constituir un aumento de renta ilegal.

### El RSO pone limites en las razones para desalojar a los inquilinos:

- El dueño podría ser sujeto a pagar asistencia de reubicación por ciertos desalojos.
- La ejecución hipotecaria, el remate, o la venta de una propiedad no son razones aceptables de desalojar a inquilinos.

Todas las propiedades de renta en la Ciudad de Los Ángeles tienen que cumplir con los requisitos mínimos de habitabilidad expuestos por el Código de Edificios y el Código de Salud y Seguridad de California.

Para obtener mas información o entablar una queja, comuníquese con HCIDLA llamando al 213-808-8888, o por la red a <http://hcidla.lacity.org>.

#### OWNERS

OWNERS ARE REQUIRED TO POST THIS NOTICE IN A CONSPICUOUS LOCATION LIKE THE LOBBY OR NEAR A MAILBOX USED BY ALL PROPERTY RESIDENTS, OR IN , OR NEAR A PUBLIC ENTRANCE TO THE PROP-

#### DUEÑOS

DUEÑOS DEBEN FIJAR ESTE AVISO EN UN LUGAR VISIBLE COMO EL VESTÍBULO O CERCA DE LOS BUSONES DE TODOS LOS RESIDENTES, O DENTRO O CERCA DE LA ENTRADA PÚBLICA DE LA PROPIEDAD.

