Ann Sewill, General Manager
Tricia Keane, Executive Officer

Daniel Huynh, Assistant General Manager
Anna E. Ortega, Assistant General Manager
Luz C. Santiago, Assistant General Manager

City of Los Angeles



Karen Bass, Mayor

LOS ANGELES HOUSING DEPARTMENT
1200 West 7th Street, 9th Floor
Los Angeles, CA 90017
Tel: 213.808.8808

housing.lacity.org

January 5, 2023

Honorable Members of the City Council
City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, CA 90012

Attention: Office of the City Clerk

TERMINATION OF RENT REDUCTION AND THE REMOVAL OF PROPERTIES FROM THE RENT ESCROW ACCOUNT PROGRAM (REAP)

The Los Angeles Housing Department (LAHD) respectfully submits this transmittal for your approval and recommends the termination of rent reductions and REAP case removal for the properties listed below.

Please calendar the following REAP cases for the January 17, 2023 City Council agenda.

1. Case No. 752607 represents the property at 1431 S MALVERN AVE, Assessor Parcel Number (APN) 5135-008-017. The notice of acceptance into REAP was issued on March 11, 2022. The owner of the noted property has corrected the cited deficiencies. Inquilinos Unidos has provided their advisory opinion to the Department as to the completion of the work. Furthermore, the Los Angeles Housing Department's (LAHD) Code Enforcement Division independently evaluated and determined the cited code violations were corrected.

2. Case No. 752889 represents the property at 1450 S SHERBOURNE DR, Assessor Parcel Number (APN) 4303-019-018. The notice of acceptance into REAP was issued on February 25, 2022. The owner of the noted property has corrected the cited deficiencies. Inquilinos Unidos has provided their advisory opinion to the Department as to the completion of the work. Furthermore, the Los Angeles Housing Department's (LAHD) Code Enforcement Division independently evaluated and determined the cited code violations were corrected.

3. Case No. 754174 represents the property at 8521 W SATURN ST, Assessor Parcel Number (APN) 4303-034-012. The notice of acceptance into REAP was issued on March 23, 2022. The owner of the noted property has corrected the cited deficiencies. Coalition for Economic Survival has provided their advisory opinion to the Department as to the completion of the work. Furthermore, the Los Angeles Housing Department's (LAHD) Code Enforcement Division independently evaluated and determined the cited code violations were corrected.

4. Case No. 717673 represents the property at 6524 W OLYMPIC BLVD, Assessor Parcel Number (APN) 5087-007-004. The notice of acceptance into REAP was issued on May 14, 2021. The owner of the noted property has corrected the cited deficiencies. Inner City Law Center has provided their advisory opinion to the Department as to the completion of the work. Furthermore, the Los Angeles Housing Department's (LAHD) Code Enforcement Division independently evaluated and determined the cited code violations were corrected.

5. Case No. 782408 represents the property at 7667 W ROSEWOOD AVE, Assessor Parcel Number (APN) 5527-025-014. The notice of acceptance into REAP was issued on August 10, 2022. The owner of the noted property has corrected the cited deficiencies. Strategic Actions for a Just Economy has provided their advisory opinion to the Department as to the completion of the work. Furthermore, the Los Angeles Housing Department's (LAHD) Code Enforcement Division independently evaluated and determined the cited code violations were corrected.

6. Case No. 712471 represents the property at 4968 W FERNDALE ST, Assessor Parcel Number (APN) 5049-011-004. The notice of acceptance into REAP was issued on February 20, 2020. The owner of the noted property has corrected the cited deficiencies. Coalition for Economic Survival has provided their advisory opinion to the Department as to the completion of the work. Furthermore, the Los Angeles Housing Department's (LAHD) Code Enforcement Division independently evaluated and determined the cited code violations were corrected.

7. Case No. 764674 represents the property at 3817 W 21ST ST, Assessor Parcel Number (APN) 5060-017-019. The notice of acceptance into REAP was issued on July 13, 2022. The owner of the noted property has corrected the cited deficiencies. Inquilinos Unidos has provided their advisory opinion to the Department as to the completion of the work. Furthermore, the Los Angeles Housing Department's (LAHD) Code Enforcement Division independently evaluated and determined the cited code violations were corrected.

The LAHD requests the City Council to consider this matter as soon as possible for the purpose of removing the properties from the REAP.

ANN SEWILL

GENERAL MANAGER

By: Michael L. Prendergast

Michael L. Prendergast, Director

Rent Escrow Account Program

Compliance Division

AS:MP:HB:nf

Attachments: Resolutions

Ann Sewill, General Manager
Tricia Keane, Executive Officer

Daniel Huynh, Assistant General Manager
Anna E. Ortega, Assistant General Manager
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January 5, 2023

The Honorable Eunisses Hernandez
Council Member, First District
Room 460, City Hall Office
200 North Spring Street
Los Angeles, CA 90012

Attention: Yvette Serna, Chief of Staff

PROPERTY RECOMMENDED FOR REMOVAL FROM THE RENT ESCROW ACCOUNT PROGRAM (REAP)

The Los Angeles Housing Department (LAHD) is recommending to the City Council the termination of the rent reductions and the termination of the escrow account for the units placed into the REAP program at the following address:

1431 S MALVERN AVE (Case No. 752607).

The LAHD outreach contractor Inquilinos Unidos has provided their advisory opinion to the Department as to the completion of the work and the LAHD's Code Enforcement Division inspected and determined the cited code violations were corrected. Attached is the referral letter, listing the outstanding deficiencies noted by the citing department. The REAP Case removal recommendation has been referred to the Office of the City Clerk and it is anticipated that it will be calendared to be heard by the City Council on January 17, 2023.

Should you or your staff need additional information, please contact the REAP Supervisor, Hovsep (Joe) Babujyan at hovsep.babujyan@lacity.org.

Michael L. Prendergast, Director
Compliance Division

ANN SEWILL
GENERAL MANAGER

Attachments: Referral Notice

To:	Honorable Members of the City Council
From:	Michael L. Prendergast
	Rent Escrow Account Program
Date:	January 5, 2023
REAP Case No.:	752607
Address:	1431 S MALVERN AVE
Effective date:	April 21, 2021
Citing Agency:	LAHD Code Enforcement Division
Violations:	Fire Warning Devices, Weatherproofing, Maintenance, Electrical, Plumbing/Gas, Heating/Ventilation

Background:

On November 2, 2021, the LAHD Hearings Unit received the referral from the LAHD Code Enforcement Division listing outstanding Fire Warning Devices, Weatherproofing, Maintenance, Electrical, Plumbing/Gas, Heating/Ventilation violations with an effective date of April 21, 2021. The owner failed to comply and therefore was referred to REAP.

Current Status:

The Notice of Acceptance into REAP was sent on March 11, 2022. Since that time, the owner of the indicated property has corrected the cited deficiencies. Inquilinos Unidos has provided their advisory opinion to the Department as to the completion of the work. Subsequently, the LAHD Code Enforcement Division inspected the property and determined the cited code violations were corrected. LAHD recommends that the property be removed from REAP.

RESOLUTION

WHEREAS, the City of Los Angeles has made a commitment to preserve the City's housing stock in safe and sanitary conditions using code enforcement and encouraging landlord compliance with respect to the maintenance and repair of residential buildings; and

WHEREAS, Ordinance 173810, the Rent Escrow Account Program (REAP) was adopted by the City Council and Mayor to be cumulative to and in addition to any other remedy available at law, to enforce the purposes of the Housing Code and to encourage compliance by landlords with respect to the maintenance and repair of residential buildings, structures, premises and portions of those buildings, structures, premises; and

WHEREAS, the owner(s) of the property located at **1431 S MALVERN AVE**, hereinafter "the subject property," was cited for violations which caused the placement of the property into REAP (Case No. **752607**); and

WHEREAS, the Los Angeles Housing Department's (LAHD) Code Enforcement Unit independently evaluated and determined the cited code violations were corrected; and

WHEREAS, the property owner has paid to the satisfaction of the Los Angeles Department of Water and Power (LADWP) any outstanding and non-appealable electric service and/or water charges; and

WHEREAS, the contractor **Inquilinos Unidos** has provided their advisory opinion to the Department as to the completion of the work; and

WHEREAS, LAHD is recommending closing the REAP escrow account, terminating the rent reductions and that the City Council allow LAHD to release escrow funds as provided for in the REAP Ordinance; and

WHEREAS, the Los Angeles Municipal Code (LAMC) Section 162.08 (D) through (G) (REAP) provides recovery by LAHD of administrative fees and penalties including outstanding rent registration fees and penalties, inspection fees, added inspection costs or administrative costs, and pre-paid monitoring fees for two annual inspections beyond the initial inspection and re-inspections included in the Systematic Code Enforcement Program (SCEP) fee;

NOW, THEREFORE, BE IT RESOLVED BY THE LOS ANGELES CITY COUNCIL THAT:

All orders affecting the units and the common areas have been signed off by the appropriate Enforcement Agency; that there are no other outstanding orders affecting the units or common areas of the building; and all outstanding and non-appealable electric service and/or water charges pertaining to the property have been paid to the satisfaction of LADWP.

FURTHERMORE, City Council terminates the rent reductions and pursuant to Section 162.08.F the rent will be restored to the original level 30 days after the Department mails the tenants the notice of the restoration. The Department shall file and record with the Los Angeles County Recorder's Office a certificate terminating the REAP recording on the subject property.

IN ADDITION, City Council terminates the rent escrow account and the funds in the escrow account shall be paid to the extent available in the following order: Administrative fees pursuant to Section 162.07.B.1 that have not yet been collected, any outstanding fees and penalties imposed pursuant to Article 1 of Chapter XVI of the LAMC, any outstanding rent registration fees due if the subject property is subject to the Rent Stabilization Ordinance and any penalties thereto pursuant to Section 151.05. Any remaining funds shall be returned to the current landlord.

SPECIFICALLY, the subject property shall be removed from REAP and the Controller is authorized to expend funds from the Code Enforcement Trust Fund #41M to reduce liability from the REAP Escrow Account #2220 upon proper demand by the General Manager of LAHD.

IN ADDITION, LAHD shall conduct an expedited systematic inspection of the subject property and impose inspection fees and administrative costs associated with such inspections; the owner of the subject property shall prepay LAHD for two annual inspections beyond the initial inspection and re-inspection included in the SCEP fee for the subject property.