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City Clerk

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Executive Officer

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relative to this matter
refer to File No.

CITY OF LOS ANGELES

CALIFORNIA



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07-0005-S92

CD 14

February 16, 2007

Bureau of Engineering
Fire Department,
Attn: Legal Liaison Unit
L.A. Housing Department, Stop 958
cc: Bob Mitschel " "
cc: Marc Lipton " "
Controller, Room 300
Accounting Division, F&A
Disbursement Division

Councilmember Wesson
Councilmember Huizar

Victor Godinez


RE: PROPERTY LOCATED 2524 EAST FOLSOM STREET IS REMOVED FROM THE RENT ESCROW
ACCOUNT PROGRAM - CASE NO. 4125

At the meeting of the Council held FEBRUARY 14, 2007, the following action was taken:

Attached resolution adopted.....	<u>X</u>
Attached motion () adopted	_____
Ordinance adopted.....	_____
FORTHWITH.....	_____
Motion adopted to approve attached report.....	_____
Findings adopted	_____
Negative Declaration adopted	_____
Categorically exempt	_____

Frank T. Martinez

City Clerk
kw

RESOLUTION

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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, (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 **2524 East Folsom Street**, hereinafter "the subject property", was cited for violations which caused the placement of the property into the Rent Escrow Account Program, (REAP Case No. **4125**); and

WHEREAS, the property owner has corrected the cited violations and the staff of the Los Angeles Housing Department have verified compliance with regard to the above mentioned REAP Case; and

WHEREAS, the property owner has paid to the satisfaction of the Department of Water and Power any electric service and/or water charges; and

WHEREAS, the **Inner City Law Center** verified that all tenant issues have been addressed; and

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

WHEREAS, LAMC section 162.08 (d) through (g) (REAP) provides recovery by the Los Angeles Housing Department 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 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 electric service and/or water charges pertaining to the property have been paid to the satisfaction of the Department of Water and Power.

FURTHERMORE, City Council terminates the rent reductions and pursuant to Section 162.08F the rent will be restored to the original level 30 days after the Department mails the tenants the notice of the restoration.

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 162.07B1 that have not yet been collected, any outstanding fees and penalties imposed pursuant to Article 1 of Chapter XV of the Rent Stabilization Ordinance, any outstanding rent registration fees in an RSO building 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 the Rent Escrow Account Program 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 the Los Angeles Housing Department.

IN ADDITION, the Los Angeles Housing Department 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 the Los Angeles Housing Department for two annual inspections beyond the initial inspection and re-inspection included in the Systematic Code Enforcement fee for the subject property. Termination of the REAP recording, filed with the County Recorder's Office, and release of the escrow funds to the owner of the subject property shall be conditioned on the payment of all outstanding fees penalties, and costs to the Los Angeles Housing Department.

RESOL.

ADOPTED

PRESENTED BY: _____

(last revised 04/06)

FEB 14 2007

SECONDED BY: _____

LOS ANGELES CITY COUNCIL