

Communication from Public

Name:

Date Submitted: 04/13/2021 11:02 AM

Council File No: 20-0922

Comments for Public Posting: I oppose raising any fee. When will the committee consider lifting the current rent freeze on residents who have not been affected financially by the pandemic?

Communication from Public

Name: Greg Spiegel

Date Submitted: 04/13/2021 03:43 PM

Council File No: 20-0922

Comments for Public Posting: Inner City Law Center asks you to support raising the SCEP to prevent more slum housing and to shift the fee payment to landlords to ensure they pay their fair share. Under resourcing code enforcement hurts everyone. The City used to under resource code enforcement - it was the pre-1998, pre-SCEP world of irregular and superficial inspections where there were few consequences for non-compliance. Usually, inspections relied on tenants to make complaints, which didn't work because few tenants were willing to risk retaliation that the complaint would often bring. The result of this system was rampant slum housing and deteriorating neighborhoods. The crisis necessitated the creation the citizens' blue-ribbon task force to address slum housing (report attached) and resulted in the Systematic Code Enforcement Program that is before you today. Please don't turn back the clock by under resourcing code enforcement. The City's SCEP is one of its jewels: A national good-government award-winning program that transformed the City's rental housing stock for the better. SCEP is a best-practice, envied by other cities plagued by slum housing. SCEP has been the most effective intervention to address slum housing that the City has ever implemented. In addition to stopping slums and maintaining the housing stock, SCEP stimulates the economy by triggering capital investments, renovations and construction jobs. SCEP even benefits the buildings operated by good landlords because the good landlords use a coming SCEP inspection as a reminder to make repairs they might have put off in anticipation of the coming inspection. That's the reason not to pick and choose who gets inspected. With a comprehensive systematic system, all housing benefits. SCEP works. SCEP fees need to increase. It is a false choice to oppose the increase under the guise of protecting tenants from the fee increase. That would be like protecting people who can't afford healthcare by denying it to them. Instead, correct the historic fee allocation by shifting the fee from the tenants, who currently pay 100%, to the landlords. Landlords need to pay their fair share. Landlords can afford it. While we hear in these hearings about landlords suffering, in the real world, the story is that many landlords are rejecting millions of dollars in rental assistance. But this is not surprising. Most rental housing is owned not by a struggling small business owner but by large

corporate entities, many of which are investment vehicles. Recent studies show that more than 2/3 of LA's rental housing stock is owned and operated by corporate entities. These corporate landlords reject rental assistance because it is more profitable to evict low-income tenants. Their goal is not a reasonable income to put a meal on the table but to maximize investor returns. Rather than giving a free ride to corporate landlords, the City could create a hardship exemption process. Where a landlord can show a hardship exists, they could be made exempt from the fee for the duration of the hardship. (The same could be done for tenants facing a hardship). Landlords paying the SCEP fee is more in line with other regulatory enforcement where the regulated industry pays fees to finance the enforcement. For instance, with lead poisoning prevention, the lead industry pays the fees that fund the State and county lead poisoning prevention programs. In this case, landlords are the regulated industry. The inspections are to ensure that they comply with State and local habitability laws. Landlords should pay for the inspection regime that ensures their compliance. Even if the regulated industry doesn't exclusively pay, it doesn't make sense to make tenants exclusively pay. And despite contentions to the contrary, landlords benefit from SCEP and have said so. In anonymous surveys under the City's 2009 Economic Study of the RSO, 60% of landlords reported that they benefit from SCEP. See chart on page 161. If the theory is that those who benefit should pay, then landlords should be paying fees. In addition to raising the SCEP fee, the Housing Committee should amend the code to make explicit that SCEP fees are not rent and must not be the basis for an eviction. Currently, the LA Municipal Code is not explicit about the fee not being rent (it isn't). Some landlords seek eviction based on unpaid SCEP fees, as if it were rent. Some judges catch it and dismiss the cause of action. Other judges don't catch it. And we don't know how many times tenants move without fighting the eviction because they don't know that SCEP fees aren't rent. Making it explicit in the code could help minimize these improper evictions.

Communication from Public

Name: Chris Wilson

Date Submitted: 04/13/2021 01:25 PM

Council File No: 20-0922

Comments for Public Posting: On behalf of the Los Angeles County Business Federation, we would like to submit a letter opposing Item #2 (20-0922) of the City of Los Angeles Housing Committee 4/14 agenda regarding the Systematic Code Enforcement Fee. Thank you.

April 13, 2021

Chair Gil Cedillo
City of Los Angeles Housing Committee
200 N. Spring St. Room 1050
Los Angeles, Ca 90012

RE: Item #2 (20-0922) Systematic Code Enforcement Program Fee

Dear Chair and members:

On behalf of the Los Angeles County Business Federation (BizFed), a grassroots alliance of more than 210 diverse business groups representing 450,000 employers with over four million employees in Los Angeles County, we wish to comment on Item #2 (20-0922) Systematic Code Enforcement Program Fee.

BizFed opposes this proposed increase unless a programmatic and cost savings review is conducted and considered first. It is reasonable for residents to expect government programs to operate as cost efficiently as possible before facing increased fees that will affect everyone. This is particularly true as businesses continue to reel from pandemic related shutdowns and restrictions. The City of Los Angeles should be consistent in how it operates and how it expects its residents to conduct their lives under its emergency orders.

This programmatic review should include:

1. Analyzing a different fee structure for complaint and non-complaint properties.
2. Analyzing cost savings by expanding inspection time frames for properties with a history of compliance from four years to five and six years.
3. Analyze cost savings by random sampling properties with a history of compliance as opposed to a 100%-unit inspection.
4. Review comparable jurisdictions and programmatic practices.

Finding potential cost savings in a programmatic review is important, reasonable and does not jeopardize the integrity of the program. To ensure housing costs to residents do not continue to rise, it is imperative we look at all regulatory costs and see if there is better and more efficient way to achieve our aims.

Thank you for your consideration and attention to this correspondence. Should you have any questions, please don't hesitate to contact me directly at (818) 429-0862.

Sincerely,



Donna Dupperon
BizFed Chair
Torrance Area Chamber



David Fleming
BizFed Founding Chair



Tracy Hernandez
BizFed Founding CEO
IMPOWER, Inc.

BizFed Association Members

7-Eleven Franchise Owners Association of Southern California
 Action Apartment Association
 Alhambra Chamber of Commerce
 American Beverage Association
 American Institute of Architects - Los Angeles
 Angeles Emerald
 Apartment Association of Greater Los Angeles
 Apartment Association, CA Southern Cities, Inc.
 Arcadia Association of Realtors
 AREAA North Los Angeles SFV SCV
 Armenian Trade and Labor Association
 Associated Builders & Contractors, Inc. Southern California Chapter
 Association of Club Executives
 Association of Independent Commercial Producers
 Azusa Chamber of Commerce
 Bell Gardens Chamber of Commerce
 Beverly Hills Bar Association
 Beverly Hills Chamber of Commerce
 Black Business Association
 BNI4SUCCESS
 Bowling Centers of Southern California
 Boyle Heights Chamber of Commerce
 Building Industry Association - Baldyview
 Building Industry Association - LA/Ventura Counties
 Building Industry Association - Southern California
 Building Owners & Managers Association of Greater Los Angeles
 Burbank Association of REALTORS
 Burbank Chamber of Commerce
 Business and Industry Council for Emergency Planning and Preparedness
 Business Resource Group
 CA Natural Resources Producers Assoc
 CalAsian Chamber
 California Apartment Association- Los Angeles
 California Asphalt Pavement Association
 California Bankers Association
 California Business Properties Association
 California Business Roundtable
 California Cannabis Industry Association
 California Cleaners Association
 California Construction Industry and Materials Association
 California Contract Cities Association
 California Fashion Association
 California Gaming Association
 California Grocers Association
 California Hispanic Chamber
 California Hotel & Lodging Association
 California Independent Oil Marketers Association (CIOMA)
 California Independent Petroleum Association
 California Life Sciences Association
 California Manufacturers & Technology Association
 California Metals Coalition
 California Restaurant Association
 California Retailers Association
 California Small Business Alliance
 California Self Storage Association
 California Society of CPAs - Los Angeles Chapter
 California Trucking Association
 Californians for Balanced Energy Solutions
 Carson Chamber of Commerce
 Carson Dominguez Employers Alliance
 CDC Small Business Finance
 Central City Association
 Century City Chamber of Commerce
 Cerritos Regional Chamber of Commerce
 Chatsworth/Porter Ranch Chamber of Commerce
 Citrus Valley Association of Realtors
 Coalition for Renewable Natural Gas
 Coalition for Small Rental Property Owners
 Commercial Industrial Council/Chamber of Commerce
 Construction Industry Air Quality Coalition
 Construction Industry Coalition on Water
 Quality
 Council on Trade and Investment for Filipino Americans
 Covina Chamber
 Crescenta Valley Chamber of Commerce
 Culver City Chamber of Commerce
 Downey Association of REALTORS
 Downey Chamber of Commerce
 Downtown Center Business Improvement District
 Downtown Long Beach Alliance
 El Monte/South El Monte Chamber
 El Segundo Chamber of Commerce
 Employers Group
 Encino Chamber of Commerce
 Engineering Contractor's Association
 EXP
 F.A.S.T.- Fixing Angelenos Stuck in Traffic FilmLA
 Friends of Hollywood Central Park
 FuturePorts
 Gardena Valley Chamber
 Gateway to LA
 Glendale Association of Realtors
 Glendale Chamber
 Glendora Chamber
 Greater Antelope Valley AOR
 Greater Bakersfield Chamber of Commerce
 Greater Lakewood Chamber of Commerce
 Greater Los Angeles African American Chamber
 Greater Los Angeles Association of REALTORS
 Greater Los Angeles New Car Dealers Association
 Greater San Fernando Valley Regional Chamber
 Harbor Association of Industry and Commerce
 Harbor Trucking Association
 Historic Core BID of Downtown Los Angeles
 Hollywood Chamber
 Hong Kong Trade Development Council
 Hospital Association of Southern California
 Hotel Association of Los Angeles
 Huntington Park Area Chamber of Commerce
 Independent Cities Association
 Industrial Environmental Association
 Industry Business Council
 Inland Empire Economic Partnership
 International Cannabis Business Women Association
 Irwindale Chamber of Commerce
 La Cañada Flintridge Chamber
 LA Fashion District BID
 LA South Chamber of Commerce
 Lancaster Chamber of Commerce
 Larchmont Boulevard Association
 Latin Business Association
 Latino Food Industry Association
 Latino Restaurant Association
 LAX Coastal Area Chamber
 League of California Cities
 Long Beach Area Chamber
 Long Beach Economic Partnership
 Los Angeles Area Chamber
 Los Angeles County Board of Real Estate
 Los Angeles County Waste Management Association
 Los Angeles Gateway Chamber of Commerce
 Los Angeles Gay & Lesbian Chamber of Commerce
 Los Angeles Latino Chamber
 Los Angeles Parking Association
 Malibu Chamber of Commerce
 Marketplace Industry Association
 Motion Picture Association of America, Inc.
 MoveLA
 Multicultural Business Alliance
 NAIOP Southern California Chapter
 National Association of Tobacco Outlets
 National Association of Women Business Owners - CA
 National Association of Women Business Owners - LA
 National Hispanic Medical Association
 National Hookah Community Association
 National Latina Business Women's Association
 Orange County Business Council
 Pacific Merchant Shipping Association
 Pacific Palisades Chamber
 Panorama City Chamber of Commerce
 Paramount Chamber of Commerce
 Pasadena Chamber
 Pasadena Foothills Association of Realtors
 PhRMA
 Planned Parenthood Affiliates of California
 Pomona Chamber
 Propel LA
 Rancho Southeast Association of Realtors
 ReadyNation California
 Recording Industry Association of America
 Regional Black Chamber-San Fernando Valley
 Regional Hispanic Chamber of Commerce
 Regional San Gabriel Valley Chamber
 Rosemead Chamber
 San Dimas Chamber of Commerce
 San Gabriel Chamber of Commerce
 San Gabriel Valley Economic Partnership
 San Pedro Peninsula Chamber
 Santa Clarita Valley Chamber
 Santa Clarita Valley Economic Development Corp.
 Santa Monica Chamber of Commerce
 Sherman Oaks Chamber
 South Bay Association of Chambers
 South Bay Association of Realtors
 South Gate Chamber of Commerce
 Southern California Contractors Association
 Southern California Golf Association
 Southern California Grantmakers
 Southern California Leadership Council
 Southern California Minority Suppliers Development Council Inc.
 Southern California Water Coalition
 Southland Regional Association of Realtors
 Sunland/Tujunga Chamber
 Torrance Area Chamber
 Town Hall Los Angeles
 Tri-Counties Association of Realtors
 United Cannabis Business Association
 United Chambers - San Fernando Valley & Region
 United States-Mexico Chamber
 Unmanned Autonomous Vehicle Systems Association
 US Green Building Council
 US Resiliency Council
 Valley Economic Alliance, The
 Valley Industry & Commerce Association
 Vermont Slauson Economic Development Corporation
 Vernon Chamber
 Veterans in Business Network
 Vietnamese American Chamber
 Warner Center Association
 West Hollywood Chamber
 West Los Angeles Chamber
 West San Gabriel Valley Association of Realtors
 West Valley/Warner Center Chamber
 Western Electrical Contractors Association
 Western Manufactured Housing Association
 Western States Petroleum Association
 Westside Council of Chambers
 Whittier Chamber of Commerce
 Wilmington Chamber
 World Trade Center