

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



Eric Garcetti, Mayor

## LOS ANGELES HOUSING DEPARTMENT

1200 West 7th Street, 9th Floor  
Los Angeles, CA 90017  
Tel: 213.808.8808  
[housing.lacity.org](http://housing.lacity.org)

September 26, 2022

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

Attention: City Clerk

### REMOVAL OF PROPERTIES FROM THE RENT ESCROW ACCOUNT PROGRAM (REAP)

The Los Angeles Housing Department (LAHD) recommends the termination of the rent reductions and the termination of the escrow account for the properties listed below, thereby removing the properties from the RENT ESCROW ACCOUNT PROGRAM (REAP).


Please calendar the following REAP cases for the **10/4/2022** City Council agenda.

1. Case No. **606944** represents the property at **811 W 41ST DR**, Assessor I.D. No. **5019003015**. The notice of acceptance into REAP was sent on **6/16/2017**. Since that time, the owner of the indicated 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 **LAHD Code Enforcement Unit** independently evaluated and determined the cited code violations were corrected.
2. Case No. **704798** represents the property at **1004 S SPENCE ST**, Assessor I.D. No. **5188014015**. The notice of acceptance into REAP was sent on **12/31/2019**. Since that time, the owner of the indicated 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 **LAHD Code Enforcement Unit** 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:  \_\_\_\_\_

Matthew Holen

Rent Escrow Account Program

AS:MP:MH:HB:nf

Attachments: Resolutions

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September 26, 2022

The Honorable Kevin De León  
Council Member, Fourteenth District  
Room 465, City Hall Office  
200 North Spring Street  
Los Angeles, CA 90012

Attention: Sarah Palacios

### 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: **1004 S SPENCE ST (Case No. 704798)**. Inner City Law Center has provided their advisory opinion to the Department as to the completion of the work and the **LAHD Code Enforcement Unit** inspected and determined the cited code violations were corrected. Attached is the referral letter, listing the outstanding deficiencies noted by the citing department. The matter is scheduled to be heard by the City Council on **10/4/2022**.

Should you or your staff need additional information, please call the REAP Unit at (844) 864-REAP.

ANN SEWILL

GENERAL MANAGER

Attachments: Referral Notice

**STATUS REPORT FOR CITY COUNCIL MEETING**

**City Council Date: 10/4/2022**

**To:** Honorable Members of the City Council  
**From:** Matthew Holen  
Rent Escrow Account Program  
**Date:** September 26, 2022  
**REAP Case No.:** 704798  
**Address:** 1004 S SPENCE ST  
**Effective date:** 6/26/2019  
**Citing Agency:** LAHD Code Enforcement Unit  
**Violations:** Fire Warning Devices, Sanitation, Maintenance, Electrical, Plumbing/Gas, Heating/Ventilation, Illegal Construction  
**Recommendation:** REMOVAL

**Background:**

On 9/30/2019, the LAHD Hearings Unit received the referral from the LAHD Code Enforcement Unit listing outstanding Fire Warning Devices, Sanitation, Maintenance, Electrical, Plumbing/Gas, Heating/Ventilation, Illegal Construction violations with an effective date of 6/26/2019. The owner failed to comply and therefore was referred to REAP.

**Update:**

The Notice of Acceptance into REAP was sent on 12/31/2019. Since that time, the owner of the indicated 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. Subsequently, the LAHD Code Enforcement Unit 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 **1004 S SPENCE ST**, hereinafter "the subject property," was cited for violations which caused the placement of the property into REAP (Case No. **704798**); 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 **Inner City Law Center** 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.

REAP RESOLUTION WORKSHEET

COUNCIL FILE NO.: \_\_\_\_\_

CD: 14 \_\_\_\_\_

REMOVAL x INCLUSION \_\_\_\_\_

RELEASE OF ESCROW FUNDS \_\_\_\_\_

CITED BY: LAHD Code Enforcement Unit

ADDRESS: 1004 S SPENCE ST

CASE NO.: 704798

EFFECTIVE DATE: 6/26/2019

TYPE OF VIOLATION(S): Fire Warning Devices, Sanitation, Maintenance, Electrical, Plumbing/Gas, Heating/Ventilation,  
Illegal Construction

ASSESSOR ID NO.: 5188014015

REGISTRATION NO. NONE

OTHER      REAP-RELATED      ACTIVITIES      AND/OR      PREVIOUS      COUNCIL      ACTIONS:

None \_\_\_\_\_

COMMENTS: Inner City Law Center has provided their advisory opinion to the Department as to the completion of the  
work.