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

June 8, 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 June 20, 2023 City Council agenda.

- Case No. 699616 represents the property at 2914 N ALTURA ST, Los Angeles CA 90031, Assessor Parcel Number (APN) 5204-023-018. The notice of acceptance into REAP was issued on August 28, 2019. Since that time, 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 cleared the property of all cited code violations.
- 2. Case No. 541320 represents the property at 3520 W HYDE PARK BLVD, Los Angeles CA 90043, Assessor Parcel Number (APN) 4006-020-006. The notice of acceptance into REAP was issued on August 31, 2016. 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.
- 3. Case No. 617203 represents the property at 4030 S DENKER AVE, Los Angeles CA 90062, Assessor Parcel Number (APN) 5021-004-027. The notice of acceptance into REAP was issued on December 15, 2017. Since that time,

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 cleared the property of all cited code violations

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: \_\_\_\_\_(FOR)

Michael L. Prendergast, Director Rent Escrow Account Program Compliance Division

AS:MP:LR: HB:nf

Attachments: Resolutions

# Ann Sewill, General Manager Tricia Keane, Executive Officer

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June 8, 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. The file will be submitted to the City Clerk and anticipated to be heard at the City Council meeting on June 20, 2023.

#### **PROPERTY PROFILE:**

Owner: ERIKA Y GALLO

Address: 2914 N ALTURA ST, Los Angeles CA 90031

APN: 5204023018 Number of Units: 2

#### **REAP INFORMATION:**

Case Number: 699616

REAP Units: 1

Case Opened: August 28, 2019

Initial Violations: 24

Should you or your staff have any questions regarding the REAP case or disposition, please contact Liseth Romero-Martinez, REAP Manager at 213-732-4570 or email <a href="mailto:liseth.romero-martinez@lacity.org">liseth.romero-martinez@lacity.org</a>.

Michael L. Prendergast, Director Compliance Division

CC: Eric Ares, Housing Deputy,
Lyric Kelkar, Legislative Deputy,
Helene Rotolo, Deputy Chief of Staff,
Lizette Montes, Area Director,
Tabatha Yelos, Community Advocacy Coordinator

# LAHD REAP Removal Recommendation Page 2

**To:** Honorable Members of the City Council

From: Michael L. Prendergast

Rent Escrow Account Program

**Date:** June 8, 2023

**REAP Case No.:** 699616

Address: 2914 N ALTURA ST, Los Angeles CA 90031

Citing Agency: Code Enforcement Division, Los Angeles Housing Department

Violations: Illegal Construction

#### **Background:**

On July 15, 2019, the Code Enforcement Division referred the property to the Compliance Division's Hearings Unit to initiate the acceptance process into REAP based on the above noted property violations and failure of the owner to address the cited violations.

#### **Current Status:**

The Notice of Acceptance into REAP was sent on August 28, 2019. Since that time, the LAHD Code Enforcement Division inspected the property and cleared the cited code violations. 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 by using code enforcement and encouraging landlord compliance with respect to the maintenance and repair of residential buildings; and

WHEREAS, Ordinance No. 173,810, 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, and premises and portions of those buildings, structures, and premises; and

WHEREAS, the owner(s) of the property located at **2914 N ALTURA ST, Los Angeles CA 90031**, hereinafter "the subject property," was cited for violations which caused the placement of the property into REAP (Case No. **699616**); and

WHEREAS, the Los Angeles Housing Department (LAHD) Code Enforcement Unit independently evaluated and cleared the cited code violations; 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, LAHD recommends closing the REAP escrow account and terminating the rent reductions ordered for the subject property and releasing escrow funds pursuant to REAP; and

WHEREAS, Los Angeles Municipal Code (LAMC) Section 162.08 (D) through (G) 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 cleared by the appropriate enforcement agency; no other outstanding orders affecting the units or common areas of the building remain; and all outstanding and non-appealable electric service and/or water charges pertaining to the subject property have been paid to the satisfaction of LADWP.

**THEREFORE,** City Council terminates rent reductions ordered pursuant to REAP and pursuant to LAMC Section 162.08.F, rent will be restored to the original levels 30 days after LAHD mails the tenants of the subject property 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.

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 LAMC 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 LAMC Sections 151.05 and 151.15. Any remaining funds shall be returned to the property owner.

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.