



LA County Rental Housing Habitability Program Virtual Stakeholder Meeting

Presenters:

Scott Abbott

Assistant Director, Environmental Health

Amelia Fay-Berquist

Specialist, Consumer & Business Affairs


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How to listen to Language Interpretation

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2. Click the language that you would like to hear: **English** or **Spanish**.
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Background: Rental Housing in Los Angeles County

- The health, social, and economic consequences of sub-standard housing conditions affect everyone
- Estimated 119,000 rental units in unincorporated Los Angeles County
- Enforcement of habitability standards is carried out by various County departments, including: Public Health, Public Works, Regional Planning, Consumer and Business Affairs, and the Los Angeles County Development Authority

Prior Board Actions to Address Rental Housing

- The County Board of Supervisors previously:
 - Adopted an Interim Ordinance to Temporarily Limit Rent Increases (9/11/18- Board Motion), and
 - Adopted a Rent Stabilization Ordinance that
 - Limits annual rent increases;
 - Limits reasons tenants can be evicted in the Unincorporated Areas; and
 - Established the Rent Registry

Main Purpose of the Rental Housing Habitability Board Motion

- To ensure all rental units within Unincorporated Los Angeles County are safe for human habitation and free of poor habitability conditions. This will be achieved by:
 - Requiring inspections of all rental housing units within the unincorporated areas of Los Angeles County.
 - Shortening time between a complaint and a resolution.
 - Greater responsiveness to concerns regarding habitability violations.
 - Ensuring tenants and landlords understand and can access the status of their case.
 - Improving interdepartmental coordination and efficiency.

Progress Since Board Motion

- Convened a workgroup of all relevant County departments that met six (6) times between January and October 2023.
- Researched effective rental housing inspection programs around the country, including LA City's Systematic Code Enforcement Program to identify lessons learned.
- Developed draft ordinances for the Rental Housing Inspections and Rent Escrow Account Programs.

Main Components of the Rental Housing Habitability Ordinance

- Covers any living quarters occupied in exchange for rent, whether or not the residential use is legally permitted, except as noted on the following slide.
- Requires pre-announced inspections of each property at least once every four (4) years, and potentially for specific properties every two (2) years.
- Provides complaint-based inspections to address issues that arise between scheduled inspections.
- Develops referral pathways to the appropriate Departments.
- Includes effective enforcement mechanisms that encourage repairs and proper maintenance (e.g., notices, fines, penalties for non-compliance, and referrals to REAP, the Rent Escrow Account Program).
- Includes the development of a web-based case management system that is integrated with the County's Rental Registry system.
- Clearly identifies overlaps between the new code enforcement program and existing programs prioritizing the reduction of duplication.

Main Components of the Rental Housing Habitability Ordinance

What Rental Units are covered?

- All rental properties in unincorporated areas of the County, including single family homes and all properties registered in the Rent Registry.

What Rental Units are not Covered?

- This ordinance will not apply to:
 - Owner occupied units in Rental Housing Properties
 - Mobile homes, or mobile home parks, recreational vehicles, or recreational vehicle parks
 - Properties that are subject to routine inspections for habitability by other local, state, or federal government agencies.
 - Vacant properties officially removed from the rental market.

Main Components of the Rental Housing Habitability Ordinance

Routine Inspections

- A routine inspection is a complete inspection of the property and every rental unit conducted every four years.
- For routine inspections, the County will serve written notice of the date and time of the scheduled inspection to the landlord/local contact representative at least 30 calendar days in advance of the inspection.
- The landlord shall post the notice within 24 hours of receipt at the property to be inspected.
- The landlord shall provide tenants at least 24 hours prior written notice of the upcoming routine inspection.
- A landlord may request to reschedule a routine inspection if it's requested at least 14 days before the scheduled inspection, and the inspection must take place within 30 days of the originally scheduled inspection.

Main Components of the Rental Housing Habitability Ordinance

Complaint-Based Inspections

- Complaint Inspections will be conducted without prior notice to the landlord/local representative for which a complaint was received.
- Inspections will be scheduled directly with the tenant.
- An emergency complaint will trigger an inspection within 24 hours of receipt of the complaint.
- A non-emergency complaint will trigger an inspection within 7 days
 - This will replace the current system in which an initial, non-emergency complaint resulted in a letter sent to the landlord, with 21 days to correct the violation, followed by an inspection if the alleged violation was not corrected.
- Investigation may expand to adjacent units if habitability violations are likely to exist in those units.

Main Components of the Rental Housing Habitability Ordinance

Inspection Results

- After an initial inspection, if the inspector finds one or more violations, the inspector shall issue a Rental Housing Official Inspection Report citing all violations observed and providing a date to correct the identified violations.
- Non-emergency violations: 21 days to correct
- Conditions posing imminent threat: 24 hours to abate with a re-inspection to be conducted in 24 hours and a one 24-hour extension if work is in progress.

Reinspection

- A reinspection to confirm that violations have been corrected will take place within five (5) days (or as soon thereafter as possible) of the compliance date specified in the Official Inspection Report.

Main Components of the Rental Housing Habitability Ordinance

Administrative Hearing

- If a property remains out of compliance, the County Housing Program Manager shall issue a Notice for Administrative Hearing within 10 days of the date of the last inspection where non-compliance remains and serve the notice at least 21 days before the hearing.
- Notice of the Administrative Hearing shall be *served by US mail* to tenants of affected units.
- The County Housing Program Manager, other government agencies, landlords, tenants, and any other interested persons may present oral or documentary evidence that is relevant to the case. The proceedings will be recorded.

Main Components of the Rental Housing Habitability Ordinance

Time Extensions

- If the violation(s) cited in the Rental Housing Official Inspection Report have not been corrected by the compliance date but there is evidence of significant progress being made, the Inspector may grant a single extension of time, not to exceed 30 days, to correct the violation(s).
- If upon subsequent reinspection, the Inspector's supervisor may grant a single additional extension not to exceed 30 days.
- Any further extension of time may only be granted by the County Housing Program Manager or designee.

Main Components of Proposed Ordinance

Administrative Hearing Process

- Upon hearing all relevant evidence and arguments, the Hearing Officer shall issue a written decision within 10 business days.
- The Hearing Officer may order any of the following*:
 - Order the Rental Unit/Property to be accepted into the Rent Escrow Account Program (REAP) and a rent reduction imposed
 - Order that the case be referred to the Office of the County Counsel for civil enforcement, which may include referral for Receivership
 - Impose inspection fees for the third inspection and all subsequent inspections until compliance has been obtained
 - Order relocation assistance

*Note -This is not the full list of possible orders.

Main Components of Proposed Ordinance

Appeals of Hearing Officer Decision

- The appeal may be filed within five (5) days from service of the decision
- The basis of an appeal:
 - There was an error or abuse of discretion by the Hearing Officer
 - The administrative record includes inaccurate information
 - The Hearing Officer's decision is not supported by the administrative record
- The Appeals Board will issue a written decision within 10 business days of the conclusion of the hearing.
- The Appeals Board may affirm, modify, or reverse the Hearing Officer's decision and specify the reasons for its decision.

Rental Housing Habitability Program Fee

- \$83 per unit/year fee (estimate).
- Collected as a direct assessment as part of the property taxes.
- Covers inspection costs, complaint center, housing training, hearing officers, DCBA's personnel costs.
- Additional fines for non-compliance may be imposed.
- Increase in cost due to posting of property in advance of inspection, mandatory inspection of every unit, hearing officer contracts, tenant advisory contractors, DCBA personnel costs, and customer concierge service.

Rental Housing Habitability Program Fee

Annual fee based on number of units

Number of Units	Current Fee	RHHP Fee
5	\$344	\$415
20	\$355	\$1,660
50	\$453	\$4,150
100	\$480	\$8,300
620	\$480	\$51,460

Los Angeles County Rent Escrow Account Program (REAP)



What is REAP and what is its purpose?



Who refers a property to REAP?



How are rent reductions calculated?



Where do escrow funds go and what are they used for?



Can a tenant be evicted for participating in REAP?



How is a property removed from REAP?

What is REAP and what is its purpose?

REAP is a consequential program for landlords who, after multiple inspections, remain out of compliance with health and building codes that are intended to ensure the safety and wellbeing of its occupants.

A property or unit may be referred to REAP if any of the following apply:

- The building or unit is subject to one or more orders or notices to comply, correct or abate a condition or violation issued by an enforcement agency;
- The period allowed by the Order(s) for compliance, including any extensions, has expired without compliance; and
- The violation(s) affects the health or safety of the occupants as defined in 8.52.030 (L) of the ordinance.

Who refers a property to REAP?

Any County code enforcement agency may refer any building or residential unit within the scope of this ordinance for inclusion in REAP for the following reasons:

- The building or unit is subject to one or more orders or notices to comply, correct or abate a condition or violation issued by an enforcement agency;
- The period allowed by the Order(s) for compliance, including any extensions, has expired without compliance; and
- The violation(s) affects the health or safety of the occupants as defined in 8.52.030 (L) of the ordinance.

How are rent reductions calculated?

Rent reductions will be calculated according to the type and severity of the violation(s).

- The County Housing Program Manager shall adopt by regulation, a schedule setting forth the amount by which the rent shall be reduced.

Where do escrow funds go and what are they used for?

Any funds deposited into the escrow account are held there as long as the property remains in REAP. Escrow funds can be withdrawn for the following reasons only:

- To prevent significant diminution of an essential service to the building;
- To repair deficiencies;
- To reimburse for repairs already completed;
- When a tenant wishes to relocate from the unit/building due to the persistent habitability violations; and/or
- To reimburse a tenant who has sustained expenses due to the uninhabitable conditions.

Can a tenant be evicted for participating in REAP?

No. The County's Rent Stabilization & Tenant Protections Ordinance (RSTPO) protect tenants from evictions without 'just cause.' Participation in REAP is not one of the 'just cause' eviction reasons.

All tenants residing in a rental unit subject to REAP will have the same RSTPO protections afforded to them even if their unit is not covered by the RSTPO. These protections are extended while the unit is actively in REAP and for 1-year thereafter.

How is a property removed from REAP?

After receiving notice that all orders have been complied with and all violations have been corrected, the County Housing Program Manager may recommend to the administrative Hearing Officer, the termination of REAP case and its applicable rent reductions.

Once the escrow account is terminated, any funds in the account shall be paid in the following order:

- Any administrative fees that have not been collected;
- Any outstanding fees, fines, and penalties imposed;
- Any outstanding rent registration fees or fine in buildings subject to the Rent Stabilization Ordinance;
- If applicable, prepayment of two annual inspection fees beyond the initial and re-inspection fee;
- Any balance remaining thereafter will be paid directly to the landlord.

REAP Fees

REAP Administrative Fee

- \$200 per unit/month administrative fee (estimate) for units placed in REAP;
- The administrative fee will fund the operation of the Rent Escrow Account Program.
- The administrative fee will be billed directly to the Landlord on a monthly basis.
- Upon termination of a property from REAP, any unpaid administrative fees will be collected from any remaining funds left in the escrow account as outlined in the Ordinance.

Public Health's Outreach and Engagement Plan

Upcoming Meetings

2/28/24 - Cluster Meeting

3/12/24 - Board Meeting

- After adoption, DPH and DCBA will host additional meetings to inform landlords and tenants about inspections and REAP.

We want to hear from you!

Rental Housing Habitability Program

Environmental Health Division

Los Angeles County Department of Public Health

ehconsultative@ph.lacounty.gov

Interested in learning more about the Rental Housing Habitability Program?

Please visit the RHH web pages:

Home page: <http://ph.lacounty.gov/eh/index.htm>

Housing page: <http://ph.lacounty.gov/eh/business/housing.htm>

RHH page: <http://ph.lacounty.gov/eh/about/rental-housing-habitability-program.htm>