

ORDINANCE NO. 176544

An ordinance amending Sections 151.02, 151.06, 151.07 and 151.09 and adding Article 2 of Chapter XV of the Los Angeles Municipal Code relating to the Rent Stabilization Ordinance and the Tenant Habitability Program.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. The first unnumbered paragraph in Section 151.02 of the Los Angeles Municipal Code is amended to read:

The following words and phrases, whenever used in this chapter, shall be construed as defined in this section. Words and phrases not defined herein shall be construed as defined in Sections 12.03 and 152.02 of this Code, if defined therein.

Sec. 2. Section 151.02 of the Los Angeles Municipal Code is amended by adding, in proper alphabetical order, the following definition for "Average Per Unit Primary Renovation Cost":

Average Per Unit Primary Renovation Work Cost. An amount determined by dividing the costs associated with primary renovation work by the total number of all rental units in a complex with respect to which primary renovation costs were incurred, irrespective of whether all such dwellings are subject to this chapter.

Sec. 3. Section 151.02 of the Los Angeles Municipal Code is amended by deleting the definitions of "Collateral Work" and "Primary Work."

Sec. 4. Section 151.02 of the Los Angeles Municipal Code is amended by adding, in proper alphabetical order, the following definition for "Primary Renovation Work":

Primary Renovation Work. Work performed either on a rental unit or on the building containing the rental unit that improves the property by prolonging its useful life or adding value, and involves either or both of the following:

1. Replacement or substantial modification of any structural, electrical, plumbing or mechanical system that requires a permit under the Los Angeles Municipal Code.

2. Abatement of hazardous materials, such as lead-based paint and asbestos, in accordance with applicable federal, state and local laws.

Sec. 5. Section 151.02 of the Los Angeles Municipal Code is amended by adding, in proper alphabetical order, the following definition for "Related Work":

Related Work. Improvements or repairs which, in and of themselves, do not constitute Primary Renovation Work but which are undertaken in conjunction with and are necessary to the initiation and/or completion of Primary Renovation Work.

Sec. 6. Section 151.02 of the Los Angeles Municipal Code is amended by adding, in proper alphabetical order, the following definition for "Tenant Habitability Plan":

Tenant Habitability Plan. A document, submitted by a landlord to the Department, identifying any impact Primary Renovation Work and Related Work will have on the habitability of a tenant's permanent place of residence and the steps the landlord will take to mitigate the impact on the tenant and the tenant's personal property during the period Primary Renovation Work and Related Work are undertaken.

Sec. 7. Numbered paragraph 3 of Subsection C of Section 151.06 of the Los Angeles Municipal Code is deleted.

Sec. 8. Numbered paragraphs 7 and 8 of Subsection C of Section 151.06 of the Los Angeles Municipal Code shall be amended to read:

7. If the rental unit is the subject of a notice of rent reduction or a notice of acceptance into the Rent Escrow Account Program issued pursuant to Section 162.00 *et seq.* of this Code, and the conditions that caused the placement have not been corrected.

8. If the rental unit is the subject of a criminal conviction related to the landlord's failure to comply with a citation or order issued by the Department, Department of Building and Safety, Fire Department, or Department of Health with respect to the subject rental unit, and the conditions that caused the conviction have not been corrected.

Sec. 9. The first paragraph of Subdivision 1 of Subsection A of Section 151.07 of the Los Angeles Municipal Code shall be amended to read:

1. The Department, in accordance with such regulations and guidelines as the Commission may establish, shall have the authority to grant adjustments in the rent for a rental unit or units located in the same housing complex upon receipt of an application for an adjustment filed by the landlord of the unit or units if it finds that one or more of the grounds set forth in this subdivision exist. Nothing in this section shall prevent the Department from granting rent adjustments under more than one provision of this section, provided the rent adjustments are for different work or improvements. The Department shall not grant a rent adjustment for a rental unit under more than one provision of this section for the same work or improvement.

Sec. 10. The third and fourth unnumbered paragraphs of the "EXCEPTION" in paragraph a of Subdivision 1 of Subsection A of Section 151.07 of the Los Angeles Municipal Code shall be amended to read:

If the rental unit is the subject of a notice of rent reduction or a notice of acceptance into the Rent Escrow Account Program issued pursuant to Section 162.00 *et seq.* of this Code, and the work is to correct the conditions that caused the placement.

If the rental unit is the subject of a criminal conviction related to the landlord's failure to comply with a citation or order issued by the Department, the Department of Building and Safety, Fire Department, or Department of Health with respect to the subject rental unit, and the work is to correct the conditions that caused the conviction.

Sec. 11. Subdivision 1 of Subsection A of Section 151.07 of the Los Angeles Municipal Code is amended by adding a new paragraph d to read:

d. That on or after the effective date of this amendment, the landlord has completed Primary Renovation Work and any Related Work in conformance with a Tenant Habitability Plan accepted by the Department and has not increased the rent to reflect the cost of such improvement. For the purposes of this provision, any portion of the Primary Renovation Work and Related Work paid for with public funds is not eligible for this monthly rent increase until the landlord is immediately obligated to repay the public funds.

If the Department so finds, the landlord shall be entitled to a permanent monthly rent increase that shall not exceed the lesser of:

(i) 100% of the Average Per Unit Primary Renovation Work Cost amortized in accordance with a term schedule established by the Commission and an interest rate corresponding to the monthly composite rate for average yields from the sale of ten-year constant maturity U.S. government securities plus one full percentage point; or

(ii) 10% of the Maximum Adjusted Rent at the time an application for a rent increase was filed.

The maximum 10% rent increase permissible under this provision may be imposed no more than once during the tenancy of any tenant household with an annual income at or below 80% of the Area Median Income as established by the U.S. Department of Housing and Urban Development for the Los Angeles-Long Beach primary metropolitan statistical area. For all other tenants, the Commission may promulgate regulations with respect to the number of times during any tenancy that the maximum 10% rent increase may be imposed.

For the purposes of this provision, costs associated with Primary Renovation Work shall include the documented incurred costs for Primary Renovation Work, Related Work, and temporary relocation of tenants undertaken in accordance with an accepted Tenant Habitability Plan.

Any rent increase granted pursuant to this provision shall be imposed in two equal increments over a two-year period. Upon receipt of the Department's approval of a primary renovation rent increase, the landlord may impose the first increment after providing notice to each affected tenant pursuant to Section 827 of the California Civil Code. The second increment may be imposed no earlier than 12 calendar months after the first increment is imposed and after providing notice to each affected tenant pursuant to Section 827 of the California Civil Code.

For the purposes of this provision, seismic work shall not be eligible for cost recovery as Primary Renovation Work.

EXCEPTION:

This paragraph shall not apply in the following circumstances:

If the rental unit is the subject of a notice of noncompliance sent to the Franchise Tax Board pursuant to Section 17274 of the Revenue and Taxation Code, and the work is to correct the violations that were the subject of the Notice.

If the rental unit is the subject of a notice of rent reduction or a Notice of Acceptance into the Rent Escrow Account Program issued pursuant to Section 162.00 *et seq.* of this Code, and the work is to correct the conditions that caused the placement.

If the rental unit is the subject of a criminal conviction related to the landlord's failure to comply with a citation or order issued by the Department, the Department of Building and Safety, Fire Department, or Department of Health with respect to the subject rental unit, and the work is to correct the conditions that caused the conviction.

If the rental unit is the subject of a citation or order from a government agency to abate hazardous materials and the citation or order is issued before the acceptance of a Tenant Habitability Plan by the Department.

Sec. 12. The first paragraph of Paragraph a of Subdivision 2 of Subsection A of Section 151.07 of the Los Angeles Municipal Code is amended to read:

a. **Applications.** An application for a rent adjustment under this subsection shall be made within twelve months after the completion of the work. The application shall be filed with the Department upon a form and with the number of copies prescribed by the Department and shall include, among other things, the addresses and unit numbers of the unit or units for which an adjustment was requested. If the rent adjustment request is the result of the same capital improvement, Primary Renovation Work, seismic work, or rehabilitation work, the application may include all rental units in a housing complex for which an application for a rent increase is filed.

Sec. 13. Subdivision 7 of Subsection A of Section 151.07 of the Los Angeles Municipal Code is repealed.

Sec. 14. Subdivision 8 of Subsection A of Section 151.07 of the Los Angeles Municipal Code is amended to read:

8. The Commission shall promulgate regulations to establish the health, safety, and habitability standards which shall be followed for any capital improvement, Primary Renovation Work, Related Work, or rehabilitation work performed while a tenant is residing in the rental unit. These regulations shall include, but not be limited to, provisions regarding advance notification, security, fire standards, pest control, the operation of dangerous equipment, utility interruptions, the use of potentially dangerous construction materials, and the protection of tenants and their property from exposure to natural elements.

Sec. 15. Subdivision 9 of Subsection A of Section 151.09 of the Los Angeles Municipal Code is amended to read:

9. The landlord, having complied with all applicable notices and advisements required by law, seeks in good faith to recover possession so as to undertake Primary Renovation Work of the rental unit or the building housing the rental unit, in accordance with a Tenant Habitability Plan accepted by the Department, and the tenant is unreasonably interfering with the landlord's ability to implement the requirements of the Tenant Habitability Plan by engaging in any of the following actions:

- a. The tenant has failed to temporarily relocate as required by the accepted Tenant Habitability Plan; or
- b. The tenant has failed to honor a permanent relocation agreement with the landlord pursuant to Section 152.05 of this Code.

Sec. 16. Subdivision 10 of Subsection A of Section 151.09 of the Los Angeles Municipal Code is amended to read:

10. The landlord seeks in good faith to recover possession of the rental unit under either of the following circumstances:

- a. to demolish the rental unit; or
- b. to remove the rental unit permanently from rental housing use.

Sec. 17. Subdivision 3 of Subsection C of Section 151.09 of the Los Angeles Municipal Code is amended to read:

3. When a termination of tenancy is based on the ground set forth in Section 151.09A9 of this Code, the landlord shall file with the Department a declaration on a form prescribed by the Department that sets forth the address of the rental unit, the name of the tenant, a copy of the Tenant Habitability Plan accepted by the Department, documentation of the landlord's good faith efforts to provide notice pursuant to Section 152.00 *et seq.* of this Code, documentation of efforts to provide relocation assistance, if applicable, and the reason for the termination with specific facts, including but not limited to the date, place, witnesses and circumstances concerning the reason for termination. This declaration shall be served on the tenant in the manner prescribed by Section 1162 of the California Code of Civil Procedure in lieu of the notice required in Subdivision 1 of this subsection.

Sec. 18. The first paragraph of Subsection G of Section 151.09 of the Los Angeles Municipal Code is amended to read:

G. If the termination of tenancy is based on the grounds set forth in Subdivisions 8, 10, 11, or 12 of Subsection A of this section, then the landlord shall pay a relocation fee of \$8,000 to qualified tenants and a \$3,200 fee to all other tenants. For the year beginning July 1, 2005 and all subsequent years, the fee amounts shall be adjusted on an annual basis pursuant to the formula set forth in Section 151.06D of this Code. The adjusted amount shall be rounded to the nearest fifty dollar increment.

Sec. 19. Subdivision 1 of Subsection G of Section 151.09 of the Los Angeles Municipal Code is amended to read:

1. This payment shall be made as follows:

a. The entire fee shall be paid to a tenant who is the only tenant in a rental unit;

b. If a rental unit is occupied by two or more tenants, any one of whom is a qualified tenant, then each tenant of the unit shall be paid a pro-rata share of the \$8,000 fee;

c. If a rental unit is occupied by two or more tenants, none of whom is a qualified tenant, then each tenant of the unit shall be paid a pro-rata share of the \$3,200 fee.

d. In no event shall the landlord be liable to pay more than \$8,000 to all tenants residing in a unit in which at least one qualified tenant lives, or to pay more than \$3,200 to all tenants residing in a unit in which no tenant is a qualified tenant.

e. Nothing in this subsection relieves the landlord from the obligation to provide relocation assistance pursuant to City administrative agency action or any other provision of local, state or federal law. If a tenant is entitled to monetary relocation benefits pursuant to City administrative agency action or any other provision of local, state or federal law, then such monetary benefits shall operate as a credit against monetary benefits required to be paid to the tenant under this subsection.

Sec. 20. Paragraphs b and c of Subdivision 4 of Subsection G of Section 151.09 of the Los Angeles Municipal Code are amended to read:

b. The tenant received actual written notice, prior to entering into a written or oral tenancy agreement, that an application to subdivide the property for condominium, stock cooperative or community apartment purposes was on file with the City or had already been approved, whichever the case may be, and that the existing building would be demolished or relocated in connection with the proposed new subdivision, and the termination of tenancy is based on the grounds set forth in Subdivision 10 of Subsection A of this section.

c. The tenant received actual written notice, prior to entering into a written or oral agreement to become a tenant, that an application to convert the building to a condominium, stock cooperative or community apartment project was on file with the City or had already been approved, whichever the case may be, and the termination of tenancy is based on the grounds set forth in Subdivision 10 of Subsection A of this section.

Sec. 21. Chapter XV of the Los Angeles Municipal Code is amended by adding a new Article 2 to read:

ARTICLE 2

TENANT HABITABILITY PROGRAM

SEC. 152.00. TITLE.

This article shall be known as the Tenant Habitability Program.

SEC. 152.01. DECLARATION OF PURPOSE.

In its adoption of Section 151.00 *et seq.* of this Code, the City recognized that displacement from rental housing creates hardships on renters who are senior citizens, persons on fixed incomes and low and moderate income households, particularly when there is a shortage of decent, safe and sanitary housing at affordable rent levels in the City. The City has also declared, in its adoption of Section 161.101 *et seq.* of this Code, that it is in the public interest of the people of Los Angeles to protect and promote the existence of sound and wholesome residential buildings, dwelling units and neighborhoods by the adoption and enforcement of such standards, regulations and procedures as will remedy the existence or prevent the development or creation of dangerous, substandard, or unsanitary and deficient residential buildings and dwelling units.

The primary renovation program has been established to encourage landlords to extend the useful life of the rental housing stock in Los Angeles by reinvesting in the infrastructure of their properties. Through rent adjustments authorized by this chapter, landlords are able to recover a substantial portion of these renovation costs. However, Primary Renovation Work involves the replacement or substantial modification of major building systems or the abatement of hazardous materials and, by its very nature, such work generally makes rental units untenable, as defined by California Civil Code Section 1941.1, on a temporary basis.

This article is adopted to facilitate landlord investment in Primary Renovation Work without subjecting tenants to either untenable housing conditions during such renovation work or forced permanent displacement. The tenant habitability program requires landlords to mitigate such temporary untenable conditions, either through actions to ensure that tenants can safely remain in place during construction or through the temporary relocation of tenants to alternative housing accommodations. These two options should not be regarded as mutually exclusive but rather as complementary approaches that might be appropriate to different stages of the renovation process.

SEC. 152.02. DEFINITIONS.

The following words and phrases, whenever used in this article, shall be construed as defined in this section. Words and phrases not defined here shall be construed as defined in Sections 12.03, 151.02 and 162.02 of this Code, if defined in those sections.

Notice of Primary Renovation Work. Written notice, served by the landlord upon a tenant or tenant household at least 60 days prior to commencement of any Primary Renovation Work or Related Work and using a form established by the Department, advising the tenant of forthcoming Primary Renovation Work and Related Work, the impact of such work on the tenant, and measures the landlord will take to mitigate the impact on the tenant.

Temporary Relocation. The moving of a tenant from the tenant's permanent residence to habitable temporary housing accommodations in accordance with a Tenant Habitability Plan. The temporary relocation of a tenant from his/her permanent place of residence shall not constitute the voluntary vacation of the unit and shall not terminate the status and rights of a tenant, including the right to reoccupy the same unit, upon the completion of the Primary Renovation Work and any Related Work, subject to any rent adjustments as may be authorized under this chapter.

SEC. 152.03. PROCEDURE FOR UNDERTAKING PRIMARY RENOVATION WORK.

A. Building Permits.

1. No landlord shall undertake Primary Renovation Work without first obtaining a permit, pursuant to Sections 91.106, 92.0129, 92.0132, 93.0201, 94.103, or 95.112.2 of this Code. This requirement applies to all Primary Renovation Work, regardless of whether such work is eligible for a rent adjustment under any of the provisions of Section 151.07A1 of this Code and regardless of which provision of that subdivision, if any, is intended to be used as a ground for seeking a rent adjustment following the completion of the work.

2. The Department shall clear a landlord's application for a permit for Primary Renovation Work if both of the following conditions have been met:

a. The landlord has submitted a Tenant Habitability Plan which, in accordance with Subsection C of this section, the Department finds to adequately mitigate the impact of Primary

Renovation Work and any Related Work upon affected tenants;
and

b. The landlord has submitted a declaration documenting service to affected tenants of both a Notice of Primary Renovation Work and a copy of the non-confidential portions of the Tenant Habitability Plan.

B. Tenant Habitability Plan. At a minimum, a Tenant Habitability Plan shall provide the following information, together with any other information the Department deems necessary to ensure that the impact of Primary Renovation Work and any Related Work upon affected tenants is adequately mitigated:

1. Identification of the landlord, the general contractor responsible for the Primary Renovation Work, and any specialized contractor responsible for hazardous material abatement, including but not limited to lead-based paint and asbestos.

2. Identification of all affected tenants including the current rent each tenant pays and the date of each tenant's last rent increase. In accordance with California Civil Code Sec. 1798 *et seq.*, information regarding tenants shall be considered confidential.

3. Description of the scope of work covering the Primary Renovation Work and any Related Work. Such description shall address the overall work to be undertaken on all affected units and common areas, the specific work to be undertaken on each affected unit, an estimate of the total project cost and time, and an estimate of the cost and time of renovation for each affected unit.

4. Identification of the impact of the Primary Renovation Work and Related Work on the habitability of affected rental units, including a discussion of impact severity and duration with regard to noise, utility interruption, exposure to hazardous materials, interruption of fire safety systems, inaccessibility of all or portions of each affected rental unit, and disruption of other tenant services.

5. Identification of the mitigation measures that will be adopted to ensure that tenants are not required to occupy an untenable dwelling, as defined in California Civil Code Section 1941.1, outside of the hours of 8:00 am through 5:00 pm, Monday through Friday, and are not exposed at any time to toxic or hazardous materials including, but not limited to, lead-based paint and asbestos. Such measures may include the adoption of

work procedures that allow a tenant to remain on-site and/or the temporary relocation of tenants.

6. Identification of the impact of the Primary Renovation Work and Related Work on the personal property of affected tenants, including work areas which must be cleared of furnishings and other tenant property, and the exposure of tenant property to theft or damage from hazards related to work or storage.

7. Identification of the mitigation measures that will be adopted to secure and protect tenant property from reasonably foreseeable damage or loss.

C. Plan Acceptance.

1. The Department shall make a determination regarding the adequacy of a landlord's Tenant Habitability Plan within five working days of the Department's receipt of the plan for review. The Department shall accept those plans which meet the requirements of Subsection B of this section and which it determines, with reference to the standards set forth in California Civil Code Section 1941.1 and in accordance with any regulations or guidelines adopted by the Commission, will adequately mitigate the impacts of Primary Renovation Work and any Related Work upon tenants. The Tenant Habitability Plan may allow for the temporary disruption of major systems during the hours of 8:00 a.m. to 5:00 p.m., Monday through Friday, without requiring the relocation of tenants in order to adequately mitigate the impacts upon the affected tenants. However tenants should not be exposed at any time to toxic or hazardous materials including, but not limited to, lead-based paint and asbestos.

2. The Department's acceptance of a Tenant Habitability Plan shall be subject to the landlord having no outstanding balances due for rent registration or code enforcement fees.

3. The Department shall provide landlords with written indications of deficiencies which must be addressed whenever a Tenant Habitability Plan is determined to be inadequate. A landlord may submit an amended plan in order to correct identified deficiencies.

4. Landlords and tenants may appeal the Department's determination regarding a Tenant Habitability Plan to a hearing officer. The appeal shall be made in writing, upon appropriate forms provided by the Department, and shall specify the grounds for appeal. The appeal

shall be filed within 15 calendar days of the service of the Department's determination, as required by Section 152.04 of this Code and shall be accompanied by the payment of an administrative fee of \$35.00. The requested hearing shall be held within 30 calendar days of the filing of the appeal following the procedures set forth in Section 151.07A3 of this Code. The hearing officer shall issue a written decision within ten calendar days of the hearing on the appeal, with a copy of the decision served on the landlord and the tenants by first class mail, postage prepaid, or in person.

D. Notice of Primary Renovation Work. Notice of Primary Renovation Work shall be written in the language in which the original lease was negotiated and shall provide the following information:

1. The estimated start and completion dates of any Primary Renovation Work and Related Work associated with a Tenant Habitability Plan accepted by the Department.
2. A description of the Primary Renovation Work and Related Work to be performed and how it will impact that particular tenant or household.
3. The details of temporary relocation, if necessitated by the Primary Renovation Work, and associated tenant rights under this article.
4. Instructions that tenants with questions should consult the landlord, the Department, or the Department's designee.
5. Notice of a tenant's right to reoccupy the units under the existing terms of tenancy upon completion of Primary Renovation Work, subject to rent adjustments as authorized under this chapter.
6. Notice that the tenant may appeal the Department's acceptance of a Tenant Habitability Plan in cases where the tenant does not agree with the landlord regarding the necessity for the tenant to either be temporarily displaced or remain in place during Primary Renovation Work, provided such request is submitted within 15 days of the tenant's receipt of the Notice of Primary Renovation Work.

SEC. 152.04. NOTICE AND SERVICE REQUIREMENTS.

After the Department accepts the Tenant Habitability Plan, a landlord shall serve a copy of the Tenant Habitability Plan, Notice of Primary Renovation Work, a summary of the provisions of this article and, if applicable, a permanent relocation agreement

form on any tenant affected by the Primary Renovation Work. Service of these items shall be provided in the manner prescribed by Section 1162 of the California Code of Civil Procedure and at least 60 days prior to the date on which the Primary Renovation Work and any Related Work is scheduled to begin.

SEC. 152.05. PERMANENT RELOCATION ASSISTANCE.

A. If the Primary Renovation Work and any Related Work will impact the habitability of a rental unit for 30 days or more, any tenant affected by the Primary Renovation Work and Related Work shall have the option to voluntarily terminate the tenancy in exchange for permanent relocation assistance pursuant to Section 151.09G of this Code and the return of any security deposit that cannot be retained by the landlord under applicable law. If the Primary Renovation Work and Related Work continues for 30 days longer than the projected completion date set forth in the later of either the Tenant Habitability Plan or any modifications thereto accepted by the Department, the tenant's option to accept permanent relocation assistance shall be renewed.

B. A tenant may request to receive permanent relocation assistance within 15 days of service of the Tenant Habitability Plan. The tenant must inform the landlord of the decision to select permanent relocation by mailing or personally delivering a completed Permanent Relocation Agreement form to the landlord or agents thereof. Thereafter, the landlord shall have 15 days to provide the tenant with relocation assistance in the manner and for the amounts set forth in Section 151.09G of this Code.

C. Nothing in this section relieves the landlord from the obligation to provide relocation assistance pursuant to an administrative agency action or any other provision of federal, state or local law. If a tenant is entitled to monetary relocation benefits pursuant thereto, such monetary benefits shall operate as credit against any other monetary benefits required to be paid to the tenant under this section.

SEC. 152.06. TEMPORARY RELOCATION AND TEMPORARY REPLACEMENT HOUSING.

A. The landlord shall indicate in its Tenant Habitability Plan whether the temporary relocation of one or more tenant households is necessary. Pursuant to Section 152.03 of this Code, the Department independently may determine whether temporary relocation is necessary in conjunction with its review of the Tenant Habitability Plan. The Department may also require the temporary relocation of a tenant at any time during the project if the Department determines temporary relocation is necessary to ensure the health or safety of the tenant.

B. The temporary relocation of a tenant pursuant to this article shall not constitute the voluntary vacating of that rental unit and shall not terminate the status and rights of a tenant, including the right to reoccupy the tenant's rental unit upon the completion of the Primary Renovation Work and any Related Work.

C. A tenant who is temporarily relocated as a result of Primary Renovation Work shall continue to pay rent in the manner prescribed by any lease provision or accepted in the course of business between the landlord and the tenant.

D. A landlord shall pay for all temporary housing accommodation costs and any costs related to relocating the tenant to temporary housing accommodations, regardless of whether those costs exceed rent paid by the tenant. The landlord shall also pay any costs related to returning the tenant to his/her unit, if applicable. The Commission may adopt guidelines or regulations regarding the payment of moving costs.

E. A landlord may choose to place a tenant's rent and any other required payments in an escrow account. All costs of opening and maintaining the escrow account shall be borne by the landlord. Monies deposited into the escrow account shall be distributed in accordance with guidelines or regulations established by the Commission. The cost of opening an escrow account mandated by the Department is not recoverable under Section 151.07A1d of this Code.

F. A landlord must temporarily relocate a tenant to habitable temporary housing accommodations if the Primary Renovation Work and any Related Work will make the rental unit an untenable dwelling, as defined in California Civil Code Section 1941.1, outside of the hours of 8:00 am through 5:00 pm, Monday through Friday, or will expose the tenant at any time to toxic or hazardous materials including, but not limited to, lead-based paint and asbestos.

1. Temporary Replacement Housing Accommodations for 30 or more consecutive days. If the temporary relocation lasts 30 or more consecutive days, the landlord shall make available comparable housing either within the same building or in another building. For purposes of this section, a replacement unit shall be comparable to the existing unit if both units are comparable in size, number of bedrooms, accessibility, proximity to services and institutions upon which the displaced tenant depends, amenities, including allowance for pets, if necessary, and, if the tenant desires, location within five miles of the rental unit. The landlord and tenant may agree that the tenant will occupy a non-comparable

replacement unit provided that the tenant is compensated for any reduction in services.

2. Temporary Replacement Housing Accommodations for fewer than 30 consecutive days. If the temporary relocation lasts less than 30 consecutive days, the landlord shall make available temporary housing that, at a minimum, provides habitable replacement accommodations within the same building or rental complex, in a hotel or motel, or in other external rental housing. The Commission may adopt guidelines or regulations regarding temporary housing. If the temporary housing is in a hotel, motel or other external rental housing, it shall be located no greater than two miles from the tenant's rental unit, unless no such accommodation is available, and contain standard amenities such as a telephone.

3. Per Diem Payment. A landlord and tenant may mutually agree to allow the landlord to pay the tenant a per diem amount for each day of temporary relocation in lieu of providing temporary replacement housing. The agreement shall be in writing and signed by the landlord and tenant and shall contain the tenant's acknowledgment that he/she received notice of his/her rights under this section and that the tenant understands his/her rights. The landlord shall provide a copy of this agreement to the Department.

G. The landlord shall provide written notice, before the tenant is temporarily displaced, advising the tenant of the right to reoccupy the unit under the existing terms of tenancy once the Primary Renovation Work and any Related Work is completed. Unless the landlord provides the temporary replacement housing, the tenant shall provide the landlord with the address to be used for future notifications by the landlord. When the date on which the unit will be available for reoccupancy is known, or as soon as possible thereafter, the landlord shall provide written notice to the tenant by personal delivery, or registered or certified mail, and shall provide a copy of that notice to the Department. If the tenant was temporarily relocated for over 30 days and has a separate tenancy agreement with a third party housing provider, the landlord shall give the tenant a minimum of 30 days written notice to reoccupy. In all other cases, the landlord shall give the tenant a minimum of seven days written notice to reoccupy, unless the landlord gave the tenant written notice of the date of reoccupancy prior to the start of temporary relocation.

SEC. 152.07. REMEDIES.

A. A landlord who fails to abide by the terms of an accepted Tenant Habitability Plan shall be denied individual rent adjustments under Section 151.07A1d of this Code, absent extenuating circumstances.

B. In any action by a landlord to recover possession of a rental unit, the tenant may raise as an affirmative defense the failure of the landlord to comply with any provisions contained in this article.

C. Any person who willfully or knowingly with the intent to deceive, makes a false statement or representation, or knowingly fails to disclose a material fact in any plan or notice required under this article, or in any declaration, application, hearing or appeal permitted under this article, including oral or written evidence presented in support thereof, shall be guilty of a misdemeanor.

Any person convicted of a misdemeanor under the provisions of this chapter shall be punished by a fine of not more than \$1,000.00 or by imprisonment in the County Jail for a period of not more than six months or both. Each violation of any provision of this chapter and each day during which such violation is committed, or continues, shall constitute a separate offense.

D. Any person who fails to provide relocation assistance pursuant to Section 152.05 of this Code shall be liable in a civil action to the person to whom such assistance is due for damages in the amount of the unpaid relocation assistance, together with reasonable attorney's fees and costs as determined by the court.

E. Any person who breaches any duty or obligation set forth in Section 152.06 of this Code shall be liable in a civil action by any person, organization or entity, for all actual damages, special damages in an amount not to exceed the greater of twice the amount of actual damages or \$5,000, and reasonable attorney's fees and costs as determined by the court. Damages of three times the amount of the actual damages may be awarded in a civil action for willful failure to comply with the payment obligations, to provide safe, decent and sanitary temporary replacement housing, or to allow a tenant to reoccupy a rental unit once the primary work is completed.

F. Any agreement, whether written or oral, waiving any of the provisions contained in this article shall be void as contrary to public policy.

G. Nothing in this article shall be construed to deprive a person of due process rights guaranteed by law, including, but not limited to, a right to appeal

the Department's determination regarding a Tenant Habitability Plan to a hearing officer.

H. The remedies provided by this article are in addition to any other legal or equitable remedies and are not intended to be exclusive.

SEC. 152.08. AUTHORITY OF COMMISSION TO REGULATE.

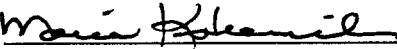
The Commission shall be responsible for carrying out the provisions of this article and shall have the authority to issue orders and promulgate policies, rules and regulations to effectuate the purposes of this article. All such rules and regulations shall be published once in a daily newspaper of general circulation in the City of Los Angeles, and shall take effect upon such publication. The Commission may make such studies and investigations, conduct such hearings, and obtain such information as it deems necessary to promulgate, administer and enforce any regulation, rule or order adopted pursuant to this article.

(106769)

Sec. 22. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located in the Main Street lobby to the City Hall; one copy on the bulletin board located at the ground level at the Los Angeles Street entrance to the Los Angeles Police Department; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

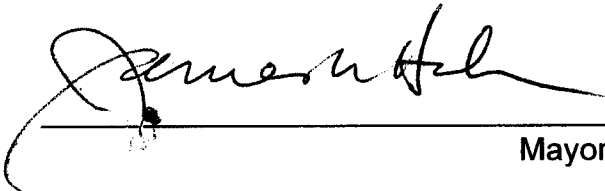
I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting of MAR 09 2005.

FRANK T. MARTINEZ, City Clerk

By  Deputy


MAR 18 2005

Approved _____

 Mayor

Approved as to Form and Legality

ROCKARD J. DELGADILLO, City Attorney

By 
Sharon Siedorf Cardenas
Assistant City Attorney

Date FEB 15 2005

File No. CF01-0593 - S2

DECLARATION OF POSTING ORDINANCE

I, MARIA C. RICO, state as follows: I am, and was at all times hereinafter mentioned, a resident of the State of California, over the age of eighteen years, and a Deputy City Clerk of the City of Los Angeles, California.

Ordinance No. 176544 - Amending Sections 151.02, 151.06, 151.07 & 151.09 & adding Article 2 of Chapter XV of the L.A.M.C. relating to the Rent Stabilization Ordinance & the Tenant Habitability Program - a copy of which is hereto attached, was finally adopted by the Los Angeles City Council on March 9, 2005, and under the direction of said City Council and the City Clerk, pursuant to Section 251 of the Charter of the City of Los Angeles and Ordinance No. 172959, on March 23, 2005, I posted a true copy of said ordinance at each of three public places located in the City of Los Angeles, California, as follows: 1) One copy on the bulletin board at the Main Street entrance to Los Angeles City Hall; 2) one copy on the bulletin board at the ground level Los Angeles Street entrance to the Los Angeles Police Department; and 3) one copy on the bulletin board at the Temple Street entrance to the Hall of Records of the County of Los Angeles.

Copies of said ordinance were posted conspicuously beginning on March 23, 2005 and will be continuously posted for ten or more days.

I declare under penalty of perjury that the foregoing is true and correct.

Signed this 23rd day of March 2005 at Los Angeles, California.



Maria C. Rico, Deputy City Clerk

Ordinance Effective Date: May 2, 2005

Council File No. 01-0593-S2