

MOTION

The Systematic Code Enforcement Program (SCEP) is a proactive inspection program for rental housing. Under the program, City Code Enforcement inspects Tier 1 rental units every four years and Tier 2 properties every two years. The program is an important tool in the midst of a housing affordability crisis. It helps to ensure that rental housing is safe and healthy for tenants and that recurring and unaddressed habitability violations are not used as an extra-legal means to remove tenants from their homes. The City also performs complaint-based inspections when individual tenants make complaints to Code Enforcement. This, too, is important to ensure that tenants do not suffer needlessly from habitability violations but instead have a means of redress through the City.

While an important means of redress for many tenants and for making sure repairs occur, in certain aspects, SCEP and complaint-based inspections are lacking accountability measures used by Code Enforcement departments in other cities. Inadequate forms of documentation of code violations and broad discretion to give extensions to landlords to make repairs has led to instances of tenants waiting long periods of time for repairs after inspection or receiving improper repairs from their landlords, resulting in a cycle of recurring habitability issues. Patterns of inadequate repairs, harassment, and opaque guidelines within the current SCEP and complaint-based inspection systems also highlight the need for broader application of Tenant Habitability Plans (THP). Tenants are sometimes temporarily relocated when SCEP and complaint-based inspections require repairs. If the work being performed meets the requirements for primary renovation under the Los Angeles Municipal Code, the landlord must first create and file a THP with the Housing Department for how to mitigate impacts of upcoming renovations on existing tenants, including a plan for where and how tenants will be relocated with minimal impacts to the tenants' lives. Currently, the THP process is not triggered for all of these repairs, allowing the displacement of tenants to inadequate lodging for unknown periods of time because the repairs are not considered primary renovation. Any required repairs that justifies the temporary relocation of tenants should go through a THP to ensure all processes and protections are in place.

Additionally, as a means to encourage landlords to make timely repairs, most California cities with municipal rent control, such as Santa Monica, Alameda, and San Francisco, have a petition process that allows tenants to file petitions for downward adjustments of rent based on the habitability of the unit, along with other decreases in services. The landlord is entitled to increase the rent to its original value once the defects are corrected. Under such a system, a tenant can file a petition for one, two, three, or more defects, and need not prove that the entire property is uninhabitable in order to receive a downward rent adjustment where a landlord fails to make repairs. Landlords are incentivized to make repairs because a downward rent adjustment remains in place until they make them.

Currently, the Rent Adjustment Commission Regulations allows petitions for decreases in services but bars those based on the habitability of a unit, except for petitions through the REAP program (RAC Regs., § 411.01.) This means that in addition to proving a decrease in services, a tenant must also prove that the conditions are subject to an existing order and that the time for compliance with the order has expired, including any extensions. (RAC Regs., § 1200.03). However, in practice, tenants may continue to wait for repairs and not be entitled to any compensation through the Rent Adjustment Commission for what is otherwise a decrease in services. This also lessens the financial incentive of the landlord to make immediate repairs.

Accordingly, and as called for in companion efforts such as CF 23-0930, the City should explore these policies and practices used successfully in other cities in order to encourage timely and quality repairs and to encourage tenants and landlords to fully participate in the SCEP and complaint-based inspections processes.

I THEREFORE MOVE that the City Council instruct the Los Angeles Housing Department, with the assistance of the Department of Building and Safety, the Office of the City Attorney, and any other relevant departments, report back in 60 days with recommendations to address various limitations of the Systematic Code Enforcement Program (SCEP) and complaint-based inspections. The report should consult stakeholder organizations, including tenant advocacy groups and landlords, and consider findings produced in various reports compiled by such organizations. Specifically, the report should include an analysis and recommendations that consider the following:

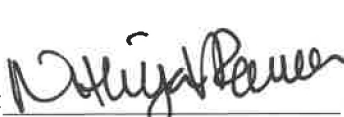
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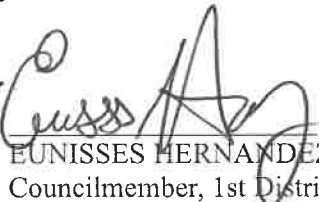
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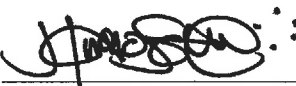
- Provide avenues to increase compliance with timely and good quality repairs, as well as strategies to maximize efficacy of SCEP inspections such as providing tenants and landlords more notice, information, and resources prior to inspections and providing transparent updates on schedules, open complaints and citations, and assigned inspectors;
- Establish clear protocols and remedies for common code violations, such as:
 - Require before-and-after photos, including follow-up visual inspections to verify required work is completed
 - Provide landlords with pre-approved options for specific repairs, and
 - Collect proof and receipt of completed work
- Increase coordination between various code enforcement units within LAHD and with other departments that interface with tenants and landlords on any relevant issues;
- Evaluate options to reduce delays for inspections, such as limiting opportunities for denying inspectors entry and expediting process for obtaining inspection warrants;
- Strategies to improve language justice and accessibility throughout the inspection process for tenants and landlords;
- Study the use of escalated fines to motivate compliance with citations;
- Identify resources to help small landlords with financial difficulties to make repairs;
- Assess a potential process to allow tenants to file a petition with the Rent Adjustment Commission for a rent adjustment based on a landlord's failure to remedy citations for violations of housing codes related to the habitability of a dwelling after a certain period of time;
- Consider adjustments to the threshold for triggering Tenant Habitability Plans (THP) that capture disruptive activities or temporary displacement of tenants due to required repairs that are not primary renovation, including the following requirements for non-primary renovation plans:
 - Require that emergency repairs that must be completed within 48 hours will not trigger the requirement that a Tenant Habitability Plan form be completed,
 - Determine and assign which staff will receive the plans and complete review within two business days unless there is good cause for longer time, such as the need for a permit,
 - Provide that tenants shall have 5 business days to object after service by the landlord and that a hearing shall occur within 10 business days if there is no resolution between the parties in response to the objections, and
- Evaluate existing shortcomings of THP, including appeal process, enforcement, notification, and length of time a tenant can be relocated under THP

I FURTHER MOVE that the City Council instruct the Los Angeles Housing Department, with assistance from any other departments needed, to report back within 60 days with information about how many rental properties subject to SCEP are designated as Tier 1 and Tier 2, and among those how many have gone more than two or five years without a SCEP inspection. The report should speak to program and staffing needs to effectuate 4-year inspection cycles for Tier 1 properties and 2-year inspection cycles for Tier 2 properties.

In addition, the report should address the staffing and resources needed to implement these strategies.

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