



County of Los Angeles CHIEF EXECUTIVE OFFICE

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Chief Executive Officer

July 16, 2013

To: Supervisor Mark Ridley-Thomas, Chairman
Supervisor Gloria Molina
Supervisor Don Knabe
Supervisor Michael D. Antonovich
Supervisor Zev Yaroslavsky

From: William T Fujioka
Chief Executive Officer

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SECOND QUARTERLY REPORT ON ACTIONS TAKEN IN RESPONSE TO COMPLAINTS REGARDING MATERNITY HOTELS (ITEM NO. 4, AGENDA OF FEBRUARY 5, 2013)

On February 5, 2013, the Board adopted the following recommendations:

1. Approve the recommendations provided by the Director of Planning dated January 14, 2013, for the continued investigation of public complaints regarding Postpartum Recovery Homes known as "Maternity Hotels";
2. Direct the Chief Executive Officer to take the lead in facilitating the multi-agency inspections with the Departments of Regional Planning, Public Works, Public Health, Children and Family Services, Public Social Services, Fire, Sheriff, Registrar-Recorder/County Clerk, District Attorney, Franchise Tax Board, Employment Development Department (EDD) and any other County Departments, as necessary;
3. Direct County Counsel, in consultation with the Director of Planning, and appropriate community stakeholders, to define the use and draft a proposed ordinance for consideration by the Board and provide a recommendation by the Regional Planning Commission to appropriately regulate the use of Maternity Hotels through zoning regulations to ensure the public's health, safety and welfare;
4. Direct the Chief Executive Officer to identify additional funding to assist the multi-agency inspectors with additional staff and Mandarin/Cantonese translators to communicate with occupants at these Maternity Hotels; and
5. Direct the Chief Executive Officer to provide a report to the Board in 60 days and quarterly thereafter, on the progress of the cases.

"To Enrich Lives Through Effective And Caring Service"

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Background

On February 5, 2013, the Board approved Recommendation No. 1. Also as instructed in Recommendations No. 2 and No. 5, on April 9, 2013, the Chief Executive Officer (CEO) submitted to the Board the first quarterly report regarding the multi-agency inspections. In follow-up to Board adopted Recommendation No. 4, the CEO reported that a Mandarin and Cantonese speaking District Attorney Investigator (DAI) was assigned to accompany the team on all investigations.

Multi-Agency Inspections

The County multi-agency team, coordinated by the CEO and led by the Department of Regional Planning (DRP), includes the Department of Public Works (DPW), the Department of Public Health (DPH), Fire, the District Attorney (DA), Treasurer and Tax Collector (TTC), and the Department of Children and Family Services. As the lead department for coordinating site visits, DRP has maintained a centralized log for each complaint that includes each department's inspection status and updates. A DAI has accompanied the multi-agency team on all investigations and serves as a Mandarin and Cantonese translator to communicate with occupants.

As of June 17, 2013, DRP has received complaints for 85 alleged Maternity Hotel operations. DRP attempted 82 inspections, and was able to obtain consent and gain access to complete 70 inspections. Twenty-four, or 34 percent, of the 70 locations inspected by DRP were confirmed as Maternity Hotels and were cited for operating a boarding house in violation of Title 22 of the Los Angeles County Code (Planning and Zoning). As of May 2013, DRP has received three new complaints, a significant decrease in the number of pending new investigations.

The multi-agency team has closed six, approximately 25 percent, of the 24 identified Maternity Hotel cases. There are 12 locations that DRP has not gained access to after three inspection attempts. DRP and County Counsel will meet to discuss next steps in addressing these 36 cases and any other new cases that are verified as Maternity Hotels during the next reporting period.

Attachment I includes the inspection status charts for DRP, DPW, DPH, Fire, and TTC. Attachment II provides detailed County departmental and outside agency reports related to the Board motion.

Draft Ordinance

Based on the inspections conducted to date, Maternity Hotels are primarily located and operate in single-family residential neighborhoods. The County Zoning Ordinance does not allow boarding houses to operate in a single-family residential zone. Maternity Hotels fall under the definition of boarding houses. Therefore, DRP currently has the authority to issue notices of violation where Maternity Hotels are operating illegally. Additionally, the multi-agency inspection efforts, including a translator, have improved access and communication between County

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agencies and occupants. Based on these factors, DRP will continue to review and evaluate reported cases, and if determined necessary, as directed by the Board, County Counsel, in consultation with the Director of Planning, will prepare a proposed ordinance for consideration by the Board.

Conclusion

The October 4, 2013 quarterly report will include: 1) updated multi-agency inspection reports on Maternity Hotel cases; and 2) recommendations regarding a proposed ordinance.

If you have any questions, please contact Rita Robinson at (213) 893-2477, or via email at rrobinson@ceo.lacounty.gov.

WTF:RLR
DSP:TH:os

Attachments (2)

c: Executive Office, Board of Supervisors
County Counsel
Children and Family Services
District Attorney
Fire
Public Health
Public Social Services
Public Works
Regional Planning
Registrar-Recorder/County Clerk
Sheriff
Treasurer and Tax Collector
Federal Franchise Tax Board, Criminal Investigation Bureau
State Employment Development Department, Tax Branch Field Audit
and Compliance Division

Status of Inspections as of June 17, 2013

Regional Planning

Location	Complaints	Attempted Inspections	Actual Inspections	Notices of Violation Issued	No Access onto Property	Pending Inspections	Maternity Hotel Confirmed	Maternity Hotel Cases Pending	Maternity Hotel Cases Closed	Overall Cases Closed
Rowland Heights	69	66	55	21	11	3	18	15	3	35
Hacienda Heights	12	12	12	5	0	0	6	3	3	9
East Pasadena/ East San Gabriel	1	1	1	0	0	0	0	0	0	1
South San Jose Hills/ Valinda	3	3	2	0	1	0	0	0	0	1
Total	85	82	70	26	12	3	24	18	6	46

The following definitions describe each of the inspection categories:

- * **Complaints:** Total number of complaints as reported by Regional Planning.
- * **Attempted Inspections:** Number of locations visited by department whether or not access was granted. This does not include number of follow-up visits.
- * **Actual Inspections:** Number of locations visited where access was granted. This also includes instances where the lead inspector entered the property and indicated to multi-agency team members that an inspection by the whole team was not warranted.
- * **Notices of Violation Issued:** Overall number of notices issued or mailed to a property owner and/or occupant. This includes notices issued for Maternity Hotels, and other locations investigated where unpermitted uses were observed. A single property may be cited for multiple violations.
- * **No Access onto Property:** Number of locations visited where access was denied or no one was at home.
- * **Pending Inspections:** Number of locations departments have not visited.
- * **Maternity Hotel Confirmed:** Number of locations where access was granted and a Maternity Hotel was confirmed as operating.
- * **Maternity Hotel Cases Pending (open):** Number of cases where a Maternity Hotel was confirmed and the case remains open.
- * **Maternity Hotel Cases Closed:** Locations where a case was opened and Maternity Hotel operations ceased, the property was brought into compliance, or the property was vacated.
- * **Overall Cases Closed:** Includes locations that upon inspection, no code violations were observed and locations (Maternity Hotels and non-Maternity Hotels), where a case was opened (including Maternity Hotels) and upon inspection the violations were corrected.

Department of Public Works-Building and Safety

Location	Complaints	Attempted Inspections	Actual Inspections	Notices of Violation Issued	No Access onto Property*	Pending Inspections	Maternity Hotel Confirmed	Maternity Hotel Cases Pending	Maternity Hotel Cases Closed	Overall Cases Closed
Rowland Heights	69	61	43	22	18	8	18	15	3	22
Hacienda Heights	12	12	10	5	2	0	6	3	3	7
East Pasadena/ East San Gabriel	1	1	1	0	0	0	0	0	0	1
South San Jose Hills/ Valinda	3	3	1	1	2	0	0	0	0	1
Total	85	77	55	28	22*	8	24	18	6	31

* Some No Access onto Property: Based on DRP's reporting, 12 of the 22 properties need to be verified as to whether or not they are Maternity Hotels. The remaining 10 properties that DPW could not gain access to are not Maternity Hotels.

Department of Public Health-Environmental Health

Location	Complaints	Attempted Inspections	Actual Inspections	Notices of Violation Issued*	No Access onto Property	Pending Inspections	Maternity Hotel Confirmed	Maternity Hotel Cases Pending	Maternity Hotel Cases Closed	Overall Cases Closed**
Rowland Heights	69	66	55	25	11	3	18	15	3	39
Hacienda Heights	12	11	11	3	0	1	6	3	3	8
East Pasadena/ East San Gabriel	1	1	1	0	0	0	0	0	0	1
South San Jose Hills/ Valinda	3	3	2	0	1	0	0	0	0	1
Total	85	81	69	28*	12	4	24	18	6	49**

* Some properties received multiple Notices of Violation (NOVs) where the master lessee was identified as the responsible party along with the property owner. Six of the 28 NOVs issued pertain to non-Maternity Hotel locations: three for green pools, one for liquid waste discharge, and two for licensed hotel operation inspections.

** Includes cases closed for four properties with non-Maternity Hotel violations (e.g., green pool, liquid waste discharge, and food safety).

Los Angeles County Fire Department

Location	Complaints	Attempted Inspections	Actual Inspections	Notices of Violation Issued (Verbal Warnings)*	No Access onto Property	Pending Inspections	Maternity Hotel Confirmed	Maternity Hotel Cases Pending**	Maternity Hotel Cases Closed***	Overall Cases Closed***
Rowland Heights	69	66	55	12	11	3	18	0	0	0
Hacienda Heights	12	12	12	5	0	0	6	0	0	0
East Pasadena/ East San Gabriel	1*	1	1	0	0	0	0	0	0	0
South San Jose Hills/ Valinda	3	3	2	1	1	0	0	0	0	0
Total	85	82	70	18*	12	3	24	0**	0***	0***

* These numbers indicate verbal warnings at locations of confirmed Maternity Hotels.

** The Fire Department does not issue Notices of Violations at single family dwellings except new construction. Therefore no cases were opened.

*** Routine inspections are not required by the Fire Department at single-family dwellings except new construction; therefore, no cases were opened or closed.

Treasurer and Tax Collector

Location	Complaints	Attempted Inspections	Actual Inspections	Notices of Violation Issued	No Access onto Property*	Pending Inspections	Maternity Hotel Confirmed	Maternity Hotel Cases Pending	Maternity Hotel Cases Closed	Overall Cases Closed
Rowland Heights	69	66	50	18	16	3	18	15	3	32
Hacienda Heights	12	12	12	6	0	0	6	3	3	6
East Pasadena/ East San Gabriel	1	1	1	0	0	0	0	0	0	1
South San Jose Hills/ Valinda	3	3	2	0	1	0	0	0	0	2
Total	85	82	65	24	17*	3	24	18	6	41

* No Access onto Property: Based on DRP's reporting, 12 of the 17 properties need to be verified as to whether or not they are Maternity Hotels. The remaining 5 properties that T&TC could not gain access to are not Maternity Hotels.

COUNTY DEPARTMENT REPORTS ON MATERNITY HOTELS

Specific findings reported by participating County departments and other agencies are summarized as follows:

County Multi-Agency Code Enforcement Inspection Team

Department of Regional Planning (DRP)

DRP has received complaints regarding 85 locations of alleged Maternity Hotels operating within the County unincorporated areas. As of May 2013, DRP has only received three new complaints, a significant decrease in the number of pending new investigations. To date, DRP has attempted to inspect 82 properties and has gained access to 70 properties.

As there is no land use classification specific to Maternity Hotels, DRP classifies this use as a boarding house which is defined as a single-family residence wherein rooms are rented to five or more individuals. A majority of the locations inspected, 78 of the 82, are single-family residences located in single family residential zones (including R-1, R-A, RPD, and A-1 zones) where boarding houses are prohibited. The remaining four complaint locations are located in zones that allow boarding houses (i.e., hotels, apartments).

DRP investigations identified 24 locations operating as Maternity Hotels in violation of the boarding house prohibition set forth in Title 22 of the Los Angeles County Code (Zoning Code). Six Maternity Hotel locations have ceased operations and those cases have been closed.

There are 18 Maternity Hotel cases pending and 12 locations that DRP has not gained access. DRP has closed 46 enforcement cases including six Maternity Hotels and 40 non-Maternity Hotel locations. DRP confirmed that 11 of the 40 non-Maternity Hotel cases had zoning violations such as garage conversions or unpermitted second units. Subsequent re-inspections disclosed that violations were corrected at five of those locations. Currently, the six remaining non-Maternity Hotel locations have 26 outstanding violations and will be referred to the respective zoning enforcement investigator for follow-up.

DRP has not received any further complaints involving the Pheasant Ridge apartment complex located in Rowland Heights which had been the focus of media attention and subject of previous complaints.

Department of Public Works (DPW)

Out of the 85 total complaints received of alleged Maternity Hotel operations, DPW attempted inspections at 77 locations, conducted actual inspections at 55 locations, and issued 28 Notices of Violations (NOVs). Six of the 24 locations, where Maternity Hotel operations were confirmed, have ceased operation upon re-inspection. To date, 31 of the

overall closed cases include: 1) the six Maternity Hotels discussed above; and 2) 25 non-Maternity Hotel locations either with building, electrical, plumbing, and/or mechanical code violations that were cited and abated, or locations where no building, electrical, plumbing, and/or mechanical violations were identified. The following code violations were issued at locations confirmed as Maternity Hotels:

- Unpermitted room conversions and room additions; and,
- Unpermitted plumbing, electrical or mechanical work.

Whenever a building, electrical, plumbing, or mechanical code violation was detected, DPW issued a NOV to the occupants and property owners of the residence indicating the type of violations(s) and requested that the violations be abated. Notices indicated that approvals may be required from other agencies, whenever applicable prior to approving any future permits. DPW will continue to follow-up as a part of the coordinated multi-agency team for locations confirmed as Maternity Hotels until these cases are closed. In addition, the remaining non-Maternity Hotel cases solely involving building code violations will be pursued by DPW separately to mitigate the violations.

Department of Public Health (DPH)

DPH-Environmental Health (DPH-EH) inspectors attempted 81 investigations of alleged Maternity Hotel complaints with the multi-agency team. During DPH's inspections particular attention was paid to issues which may pose a threat to the public's health and safety such as: sanitation, sewage, refuse, illegal food service, and vermin. DPH-EH was granted access to 69 properties, which resulted in the issuance of 28 NOV's, including one Housing Official Inspection Report (HOIR) and one Food Official Inspection Report (FOIR). Twenty-four of the properties inspected by DPH were found to be operating as boarding houses or Maternity Hotels.

Per Los Angeles County Code (Title 11, Health and Safety Code), DPH defines a boarding house as five or more unrelated occupants where sleeping or rooming accommodations are provided. One of the 24 Maternity Hotel properties cited was also found to have an adverse health condition, green pool, present.

All 24 properties were cited as operating a boarding house without a valid Public Health License. Other code violations found at properties confirmed as Maternity Hotels and non-Maternity Hotels include:

- Unsafe/mosquito breeding conditions due to green pools;
- Discharge of liquid waste, grey water, onto ground surface; and
- Improper food storage, unclean food equipment, blocked access to the hand wash sink and risk of food contamination, (kitchen of licensed hotel only).

Whenever a code violation was detected, DPH-EH issued a NOV to the property owners and when applicable, to the master lessee requesting that all violations be abated. Additionally, in cases where mosquito breeding was detected referrals were sent to the local Mosquito Abatement District/Agency for follow-up. Six of the Maternity Hotel Cases have been closed.

One of the complaint locations investigated was a fully licensed hotel. The investigation of the hotel did not reveal any health code violations within the guest rooms and a HOIR was issued as required by Department policy for licensed facilities to document the inspection. However, inspection of the hotel kitchen revealed violations of the California Health and Safety Code that were documented on an FOIR issued to the hotel operator.

Fire Department

As a participant of the County multi-agency team, the Fire Department attempted joint inspections of 82 locations of alleged Maternity Hotels, and conducted actual inspections at 70 locations. In 35 instances, where access was granted and it was determined that a Maternity Hotel was not in operation by the lead agency, the inspector did not enter the property.

Routine inspections are not required within the Fire Code for single-family dwellings, except for new construction, which requires the installation of fire sprinklers and hard-wired smoke detection systems. Therefore, the Fire Department does not have the authority to issue NOVs to the property owners of single-family dwellings. For clarification, the Fire Department has not issued NOV's, but gave verbal warnings on past inspections. The Fire Departments' role as part of the multi-agency team has been that of an observer, and resulted in verbal warnings and recommendations to occupants of both Maternity Hotels and other properties investigated regarding the following concerns:

- Smoke detectors: Missing smoke detectors from bedrooms, hallways, and other areas were identified.
- Extension cords: Electric extension cords are to be used in a temporary nature only, not as a substitute for permanent wiring. Occupants observed to have electric cords providing power to additional refrigerator/freezers were asked to remove them.
- Fire extinguishers: Extinguishers are not required in a single-family dwelling; however, it appeared that in some confirmed Maternity Hotels, large scale cooking operations using cooking oils for meal preparation were occurring. Occupants were warned of the potential danger of a cooking/flash fire on the stove.

Occupants and responsible parties at ten locations responded to the Fire Departments verbal warnings and made corrections in the presence of the inspector. Three occupants have called the Fire Prevention Office in follow-up to the inspection for further instruction or explanation to ensure a safe environment. The Department is committed to participating as part of the multi-agency team until all properties have been investigated and/or re-inspected

and closed. The Fire Department will continue to identify and discuss with the occupants/owners, any potential fire safety hazards as they are observed.

Treasurer and Tax Collector (TTC)

The Business and Public Health License Section of TTC is responsible for the issuance of business licenses for businesses operating within the unincorporated areas of the County. As part of the multi-agency team, TTC attempted 82 inspections of alleged Maternity Hotels and gained access to 65 locations.

TTC identified 24 locations as confirmed Maternity Hotels operating as boarding houses without a Business License. Under Title 7, Section 7.50.010, of the Los Angeles County Code, a boarding house is defined as sleeping and living accommodations for five or more persons unrelated to the operator. The owners/occupants of the 24 properties illegally operating without a Business License were issued NOVs and advised to cease operations until they met the required zoning requirements and obtained a Business License.

As of June 17, 2013, six of the 24 operators were referred to DRP for zoning review and have ceased operations. TTC will follow-up with the remaining 18 locations to ensure compliance with Business License requirements and will continue to participate with the multi-agency team until all locations have been re-inspected and the cases are closed.

District Attorney (DA)

The DA-Bureau of Investigations Division has assigned two District Attorney Investigators (DAI) to participate in the multi-agency team investigations. One of the DAIs is a certified bilingual (Chinese) speaker, who speaks both Mandarin and Cantonese dialects fluently. The DAI assists with communicating with occupants of alleged Maternity Hotels and will be available to the team throughout the duration of these investigations. The DAIs are dressed in plainclothes, which has proven more successful in gaining the cooperation of the occupants of suspected locations. Accompanied with a Planning Inspector, the DAI makes the initial contact with the owner and/or tenants of the residence, often gaining cooperation due to their language skills.

DAIs are capable of handling any law enforcement related duties, which free up local law enforcement resources. DAIs have participated in the inspection of 82 locations and had contact with 69 Chinese speakers. Criminal activities were not observed during the inspections. There are no cases that warrant filing through the DA's Office at this time. The DAIs will be available to participate in any future and ongoing multi-agency team activities.

Other County Department Inspections and Reports

Department of Children and Family Services (DCFS)

As of April 30, 2013, DCFS assigned a Multi-Agency Response Team (MART) Unit caseworker to accompany the multi-agency team in the weekly operations. A MART Unit caseworker met with the County multi-agency team beforehand and established the roles and parameters of DCFS' participation during these investigations. The multi-agency team was advised that in order for DCFS to initiate contact with occupants, it was required that suspected abuse, neglect, or endangerment of a child first be reported. It was subsequently decided that the DAI, as a mandated reporter, would determine if there was suspected child endangerment during the course of the investigations and, if so, the MART caseworker would be present to enter the home to conduct an investigation.

DCFS additionally conducted background searches on each of the alleged and confirmed Maternity Hotel locations prior to their involvement with the multi-agency investigations. There were no direct matches between any of the past locations and/or names of individuals within the DCFS system that raised child endangerment concerns. DCFS reviewed these locations with the members of the multi-agency team who provided input and collectively reported that no child endangerment factors were observed that would warrant a DCFS investigation. Therefore, no new investigations and/or referrals were generated based on past investigations.

During the week of June 4, 2013, one referral was generated at an alleged Maternity Hotel location in Rowland Heights that was visited by the DCFS multi-agency team. The home was later confirmed not to be a Maternity Hotel, but a private residence. The home was observed as having swimming pool maintenance issues, and since children were present a referral for "General Neglect" to DCFS was generated for continued monitoring of the home until the maintenance issues are resolved. Additionally, MART responded to a complaint regarding an alleged Maternity Hotel location in the City of Alhambra. A separate inspection team was assembled and the allegations were not founded.

DCFS will continue to participate in the task force and will utilize any needed resources during the course of this initiative.

Department of Public Social Services (DPSS)

DPSS researched the 24 addresses confirmed as operating Maternity Hotels to determine if any benefits issued by DPSS were obtained illegally. DPSS determined that there were Medi-Cal recipients residing at five of the Maternity Hotel addresses. Based on eligibility criteria, which examines household composition, case comments, income limits, and residency, an assessment indicated that all aided individuals were found eligible to receive their assigned benefits and there was no clear evidence of fraud. DPSS will continue to research future addresses reported by DRP of confirmed Maternity Hotels to determine if eligibility requirements have been followed by the occupants.

Sheriff's Department

The Sheriff's Department did not receive any calls for service, nor did any station personnel assist with investigations on Maternity Hotel related issues during this past quarter. It has proven to be more effective to utilize non-uniformed DAIs as the law enforcement presence on multi-agency inspections. This allows for Sheriff's Department resources to be utilized elsewhere. The Sheriff's Department is available to provide support and respond when needed.

Registrar-Recorder/County Clerk (RR/CC)

RR/CC has reviewed the issues surrounding Maternity Hotels and determined that there is not a direct role with the on-site investigations or fraud involving the processing and application of birth certificates of newborns associated with the operation of Maternity Hotels. It was determined that Maternity Hotel operations operate from outside of the country, therefore, a Fictitious Business Name application is not required by RR/CC.

Referrals to Other Agencies

Per the instructions within the motion, DRP has shared locations of confirmed Maternity Hotels and other relevant details, with other agencies such as the Criminal Investigation Bureau of the State Franchise Tax Board, the Tax Branch Field Audit and Compliance Division of the State Employment Development Department, the Identity Theft and Economic Crime Task Force Branch of the Federal Internal Revenue Service, and the Federal Bureau of Investigation. All of the above mentioned agencies report that due to the confidential nature of their reports, they are unable to disclose the status of their investigations. DRP will continue to share information with these agencies as it is obtained.