

ANALYSIS

This ordinance amends Chapter 8.52 – Rent Stabilization and Tenant Protections of Title 8 – Consumer Protection, Business and Wage Regulations of the Los Angeles County Code by: (1) requiring that any tenant in the unincorporated areas of the County presented with a voluntary buyout agreement be offered an amount equal to or greater than the relocation assistance amount a tenant would be entitled to under a no-fault eviction; (2) clarifying that tenants have an affirmative defense to an unlawful detainer action should a landlord fail to provide a copy of the notice of termination or eviction to the Department of Business and Consumer Affairs as required under Chapter 8.52; (3) requiring that for any at-fault termination of tenancy, the termination notice set forth specific facts to permit a determination of the date, place, witnesses, and circumstances concerning the eviction reason; (4) increasing the current 3% rental increase cap to 4% effective January 1, 2024, and extending it through June 30, 2024; and (5) providing additional technical or clarifying language as recommended by Department of Business and Consumer Affairs and County Counsel.

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BT:lr

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ORDINANCE NO. _____

This ordinance amends Chapter 8.52 – Rent Stabilization and Tenant Protections of Title 8 – Consumer Protection, Business and Wage Regulations of the Los Angeles County Code by: (1) requiring that any tenant in the unincorporated areas of the County presented with a voluntary buyout agreement be offered an amount equal to or greater than the relocation assistance amount a tenant would be entitled to under a no-fault eviction; (2) clarifying that tenants have an affirmative defense to an unlawful detainer action should a landlord fail to provide a copy of the notice of termination or eviction to the Department of Business and Consumer Affairs as required under Chapter 8.52; (3) requiring that for any at-fault termination of tenancy, the termination notice set forth specific facts to permit a determination of the date, place, witnesses and circumstances concerning the eviction reason; (4) increasing the 3% rental increase cap to 4% effective January 1, 2024, and extending it through June 30, 2024; and (5) providing additional technical or clarifying language as recommended by Department of Business and Consumer Affairs and County Counsel.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Section 8.52.030 is hereby amended to read as follows:

8.52.030 Definitions.

The following terms shall have the meaning provided below when used in this Chapter, whether plural or singular.

...

L. "Fully Covered Rental Unit" means (1) Rental Units in the Unincorporated areas of the County, which include two or more dwelling units, as defined under California Civil Code section 1940 subsection (c), Rental Units offered for Rent and accessory dwelling units for which a certificate of occupancy or equivalent permit for residential occupancy is issued on or before February 1, 1995, and (2) Mobilehomes in a mobilehome park offered for Rent by the owner of the mobilehome regardless of the date of the certificate of occupancy or equivalent permit. The following are not considered a Fully Covered Rental Unit:

...

SECTION 2. Section 8.52.040 is hereby amended to read as follows:

8.52.040 General Applicability and Exemptions.

A. This Chapter shall be effective on April 1, 2020, and apply to all Landlords and Tenants in Rental Units within the Unincorporated areas of the County, unless otherwise exempted by federal or State law or the provisions of this Chapter.

B. Exemptions. The following Rental Units are Fully Exempt from this Chapter:

...

2. ~~Government-Assisted~~ or Owned Housing. Housing accommodations owned, managed or operated by or on behalf of the County or another public agency or authority, or which are specifically exempted under State or federal law or administrative regulation.

...

4. Owner-Occupied Shared Housing. A Rental Unit in a single family residence, condominium, mobilehome or stock cooperative where the Landlord or Landlord's Family Member lives in the residence as their principal residence.

...

SECTION 3. Section 8.52.050 is hereby amended to read as follows:

8.52.050 Permitted Rent Increases for Fully Covered Rental Units.

...

C. Annual Rent increases for Fully Covered Rental Units shall be limited to reflect the percentage change in the average CPI over the previous twelve (12) month period ending in September with a maximum of eight percent (8%), unless otherwise determined by the Department as set forth in Section 8.52.060 and as specified below:

...

6. Notwithstanding the above, effective January 1, 2023 through December 31, 2023, the maximum allowable annual Rent increase for Fully Covered Rental Units shall not exceed three percent (3%) and effective January 1, 2024 through June 30, 2024, the maximum allowable annual Rent increase for Fully Covered Rental Units shall not exceed four percent (4%), unless otherwise determined by the Department pursuant to this Chapter.

...

SECTION 4. Section 8.52.060 is hereby amended to read as follows:

8.52.060 Applications for Rent Increase and Adjustment for Fully Covered Rental Units.

...

B. Tenant Application for Adjustment. A Tenant of a Fully Covered Rental Unit who believes they should receive an adjustment in their monthly obligation because of a Landlord's violation of this Chapter may file an Application for Adjustment with the Department. A Tenant must file such Application for Adjustment within one hundred eighty (180) Days from the date the Tenant knew, or reasonably should have known, of the Landlord's potential violation of this Chapter.

...

2. Failure to Maintain Habitable Premises. A Tenant may file an Application for Adjustment with the Department to request a refund of, or decrease in, Rent proportional to the Landlord's failure to maintain the Fully Covered Rental Unit as a habitable premise in accordance with applicable State rental housing laws, State and local health and safety laws, or the Rental Agreement.

a. Prior to filing an Application for Adjustment with the Department, a Tenant shall:

(i) Provide written notice to the Landlord identifying one or more habitability issues and a reasonable opportunity for the Landlord to correct the condition.

(ii) ~~The Department may require the Tenant to~~ file a complaint with the proper enforcement agency and provide such proof of complaint filing to the Department.

...

4. Review and Determination of Application for Adjustment. The Department shall consider the following factors, in accordance with its procedures and guidelines, as well as any other relevant factors, in making its determination, and no one (1) factor shall be determinative.

a. Increases or decreases in Rent or Housing Services since September 11, 2018.

...

SECTION 5. Section 8.52.080 is hereby amended to read as follows:

8.52.080 Annual Registration.

...

E. Registration Fee Pass-Through. A Landlord may recover up to fifty percent (50%) of a registration fee from the Tenant of a Fully Covered Rental Unit. The registration fee pass-through cost shall be calculated in accordance with the Department's policies and procedures. A Landlord may only collect one annual registration fee pass-through cost at a time and must also meet the following requirements to pass-through this registration fee:

1. Timely and accurately submits ~~an~~ the annual registration and pays all applicable registration fees for each Rental Unit and Housing Services ~~in~~ on the Rental Property;

...

SECTION 6. Section 8.52.090 is hereby amended to read as follows:

8.52.090 Termination of Tenancy.

...

B. When terminating a Tenancy either At-Fault or No-Fault, a Landlord must comply with all of the following:

1. The Landlord must serve a written notice in accordance with California Civil Code sections 1946 through 1946.5 and California Code of Civil Procedure section 1161, to the Tenant that states that, in addition to any information required by federal or State law, the Landlord will terminate the Tenancy, and that indicates at least one At-Fault or No-Fault reason. When the termination of Tenancy is based on any of the grounds set forth in Subsections D.2 through 6 of Section 8.52.090, the termination notice must set forth specific facts to permit a determination of the date, place, witnesses, and circumstances concerning the eviction reason; and

...

D. **At-Fault Termination of Tenancy.** If a Landlord can show any of the following circumstances with respect to a termination of Tenancy in a Fully or Partially Covered Rental Unit, the termination qualifies as an At-Fault termination.

1. **Failure to Pay Rent Exceeding Monetary Threshold.** Tenant failed to pay Rent to which the Landlord is legally entitled pursuant to the Rental Agreement and under the provisions of State or local laws, unless the Tenant has withheld Rent pursuant to applicable law; and said failure has continued after service on the Tenant of

a written notice setting forth the amount of Rent then due and requiring it to be paid, within a period, specified in the notice, of not less than three (3) Days. A Tenant may only be evicted for nonpayment of Rent if the Tenant's total rental debt owed exceeds a monetary threshold amount equal to one month of fair market rent for the Los Angeles-Long Beach-Glendale, CA HUD Metro FMR Area ("FMR"), set annually by the U.S. Department of Housing and Urban Development ("HUD") for 0-4 bedroom Rental Units, dependent on the type of Rental Unit occupied by the Tenant and further outlined in the Department's procedures and guidelines and this Chapter. The written notice shall be served in accordance with California Civil Code sections 1946 through 1946.5 and California Code of Civil Procedure section 1161, and shall also state the fair market rental value of the Rental Unit and number of bedrooms in the Tenant's Fully or Partially Covered Rental Unit.

...

E. No-Fault Termination of Tenancy.

1. If a Landlord can show any of the following circumstances with respect to a termination of Tenancy in a Fully or Partially Covered Rental Unit, the termination qualifies as a No-Fault termination.

a. Landlord or Landlord's Family Member Occupancy. A Landlord who owns the Fully or Partially Covered Rental Unit, and seeks in good faith to recover possession of said Fully or Partially Covered Rental Unit for the Landlord's or Landlord's Family Member's own use and occupancy as the Landlord's or Landlord's Family Member principal residence. The Landlord shall demonstrate good faith if the

Landlord or the Landlord's Family Member moves into the Fully or Partially Covered Rental Unit within sixty (60) Days after Tenant has vacated the Fully or Partially Covered Rental Unit and occupies said Fully or Partially Covered Rental Unit as the Landlord's or Landlord's Family Member's principal residence for at least three (3) years, unless extenuating circumstances exist.

...

(iii) Owner-Occupancy Disclosure.

(a) Not less than sixty (60) Days prior to the final date of the Tenancy, in addition to any notice required by California Civil Code section 8271946.1, the Landlord must disclose to the Department the name of the eligible individual who will occupy the Fully or Partially Covered Rental Unit, and the relationship of said individual(s) to the Landlord.

...

c. Government Agency or Court Order.

(i) The Landlord shall comply with any of the following:

(a) An order issued by a government agency or court relating to habitability that necessitates vacating the Fully or Partially Covered Rental Unit;

(b) An order issued by a government agency or court to vacate the Fully or Partially Covered Rental Unit; ~~or~~

~~(c) A local ordinance that necessitates vacating the Fully or Partially Covered Rental Unit.~~

...

SECTION 7. Section 8.52.100 is hereby amended to read as follows:

8.52.100 Tenant Buyout Agreements.

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B. Requirement for Buyout Agreements. The Buyout Agreement shall:

...

2. Include the following statement in bold letters in at least 12-point boldface type in close proximity to the space reserved for the signature of the Tenant:

...

c. "You may choose to consult with an attorney before signing this buyout agreement. The County of Los Angeles Department of Consumer and Business Affairs may also have information about other buyout agreements in your neighborhood."

3. ~~A Buyout Agreement that does not satisfy all of the requirements of this Section shall be void and unenforceable against the Tenant. The Tenant shall be entitled to all remedies authorized by law and Section 8.52.170; provided, however, that said remedies shall not include the displacement of a subsequent Tenant in the Fully or Partially Covered Rental Unit.~~ The Buyout Agreement offers the Tenant an amount equal to or greater than the relocation assistance payments, in accordance with this Section and the Department's procedures and guidelines, which a Tenant would be entitled to under Section 8.52.110.

...

E. A Buyout Agreement that does not satisfy all of the requirements of this Section shall be void and unenforceable against the Tenant. The Tenant shall be entitled to all remedies authorized by law and Section 8.52.170; provided, however, that said remedies shall not include the displacement of a subsequent Tenant in the Fully or Partially Covered Rental Unit.

SECTION 8. Section 8.52.110 is hereby amended to read as follows:

8.52.110 Relocation Assistance.

...

B. Temporary Relocation Assistance. A Landlord must pay temporary relocation assistance to a Tenants of a Fully or Partially Covered Rental Unit who ~~are~~ is temporarily displaced due to repairs, rehabilitation of ~~Fully or Partially Covered Rental Unit~~, health and safety violations, or other work on the Fully or Partially Covered Rental Unit that cannot be completed while the Tenant remains in the Fully or Partially Covered Rental Unit.

...

SECTION 9. Section 8.52.170 is hereby amended to read as follows:

8.52.170 Remedies.

...

F. Affirmative Defense. Any protections included in this Chapter shall constitute an affirmative defense for a Tenant in any civil unlawful detainer action brought pursuant to California Code of Civil Procedure section 1161, and any other civil

action seeking repossession and repayment of rental debt. The Tenant shall have the burden to prove the basis of their affirmative defense.

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