



FESIA A. DAVENPORT  
Chief Executive Officer

## County of Los Angeles CHIEF EXECUTIVE OFFICE OPERATIONS CLUSTER

### **REVISED**

**DATE:** June 23, 2021  
**TIME:** 2:00 p.m. – 4:00 p.m.  
**LOCATION:** **TELECONFERENCE CALL-IN NUMBER: 1(323)776-6996**  
**TELECONFERENCE ID: 605696861#**

To join via phone, dial 1(323)776-6996, then press 605696861#.

**YOU CAN ALSO JOIN THIS MEETING BY CLICKING ON THE FOLLOWING LINK:**

[Click here to join the meeting](#)

**DUE TO THE CLOSURE OF ALL COUNTY BUILDINGS, MEMBERS OF THE PUBLIC  
WILL NEED TO CALL IN TO PARTICIPATE IN THE MEETING.**

### **AGENDA**

Members of the Public may address the Operations Cluster on any agenda item after all Informational Items are presented.  
Two (2) minutes are allowed for each item.

1. **Call to order – Tamela Omoto-Frias/Anthony Baker**
2. **INFORMATIONAL ITEM(S):**  
**(5 minutes)**
  - A) AMENDMENTS TO TITLE 8 – CONSUMER PROTECTION, BUSINESS AND WAGE REGULATIONS DIVISION 3 (HOUSING) TO IMPLEMENT CLARIFYING CHANGES TO THE MOBILEHOME RENT STABILIZATION, RENT STABILIZATION, AND RENTAL HOUSING OVERSIGHT COMMISSION ORDINANCES  
DCBA – Dana Pratt, Deputy Director
  - B) APPROVE A PROPOSED NINE-YEAR LEASE FOR THE CONTINUED USE OF OFFICE AND PARKING SPACE FOR DPSS AT 14714 CARMENITA ROAD, NORWALK, CA 90650  
CEO/RE/DPSS – Michael Navarro, Chief Program Specialist

**CONTINUED ON PAGE 2**

C) COUNTYWIDE CLASSIFICATION ACTIONS TO IMPLEMENT THE  
JULY 13, 2021 GENERAL RECLASS BOARD LETTER  
CEO/CLASSIFICATION – Irish Wong, Principal Analyst

3. **PRESENTATION/DISCUSSION ITEMS:**

None available.

4. **Public Comment**  
(2 minutes each speaker)

5. **Adjournment**

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**FUTURE AGENDA TOPICS**

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**CALENDAR LOOKAHEAD:**

- A) BOS/EO – FISH AND WILDLIFE PROPAGATION FUND GRANT  
AWARDS (CERRITOS YOUTH FISHING DERBY)
- B) BOS/EO – FISH AND WILDLIFE PROPAGATION FUND GRANT  
AWARDS (LA MIRADA YOUTH FISHING DERBY)

## BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

☒ Board Letter☐ Board Memo☐ Other

<b>OPS CLUSTER AGENDA REVIEW DATE</b>	6/23/2021	
<b>BOARD MEETING</b>	7/13/2021	
<b>DELEGATED AUTHORITY BOARD LETTER</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	All Districts	
<b>DEPARTMENT</b>	Department of Consumer and Business Affairs (DCBA)	
<b>SUBJECT</b>	Amendments to the Rent Stabilization Ordinance (RSO), Mobilehome Rent Stabilization Ordinance (MRSO), and Rental Housing Oversight Committee (RHOC) Ordinance	
<b>PROGRAM</b>	Rent Stabilization	
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If Yes, please explain why:	
<b>DEADLINES/ TIME CONSTRAINTS</b>	August 2021	
<b>COST &amp; FUNDING</b>	Total cost: \$0	Funding source: N/A
	TERMS (if applicable):	
	Explanation:	
<b>PURPOSE OF REQUEST</b>	Recommendation to adopt amendments to the RSO, MRSO, and RHOC.	
<b>BACKGROUND (include internal/external issues that may exist)</b>	Consistent with your Board's policy directives on September 10, 2019, and November 19, 2019, related to the establishment of a rent stabilization program, and based on additional departmental review and stakeholder testimony and feedback, DCBA recommends adopting clarifying provisions to the RSO, MRSO, and RHOC.	
<b>DEPARTMENTAL AND OTHER CONTACTS</b>	Name, Title, Phone # & Email: Dana Pratt, Deputy Director Department of Consumer & Business Affairs 213-634-5923 dpratt@dcba.lacounty.gov	



LOS ANGELES COUNTY

# CONSUMER & BUSINESS AFFAIRS

Board of Supervisors

Hilda L. Solis  
First District

Holly J. Mitchell  
Second District

Sheila Kuehl  
Third District

Janice Hahn  
Fourth District

Kathryn Barger  
Fifth District

Director

Rafael Carbajal

Chief of Staff

Joel Ayala

July 13, 2021

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**AMENDMENTS TO TITLE 8 – CONSUMER PROTECTION, BUSINESS  
AND WAGE REGULATIONS DIVISION 3 (HOUSING) TO IMPLEMENT  
CLARIFYING CHANGES TO THE MOBILEHOME RENT  
STABILIZATION, RENT STABILIZATION, AND RENTAL HOUSING  
OVERSIGHT COMMISSION ORDINANCES  
(3 VOTES - ALL DISTRICTS)**

**SUBJECT**

Adopt amendments to the Los Angeles County Code (LACC) Title 8 - Consumer Protection, Business and Wage Regulations to make clarifying changes to Section 8.57 - Mobilehome Rent Stabilization Ordinance (MRSO), Section 8.52 - Rent Stabilization Ordinance (RSO), and Section 8.64 - Rental Housing Oversight Commission (RHOC). These changes are intended to clarify the rights and responsibilities of property owners and renters and standardize procedures contained in the ordinances.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Introduce, waive reading, and set for adoption the attached ordinance that amends the LACC Title 8 – Consumer Protection, Business and Wage Regulations, Chapter 8.57 - Mobilehome Rent Stabilization.
2. Introduce, waive reading, and set for adoption the attached ordinance that amends the LACC Title 8 – Consumer Protection, Business and Wage Regulations, Chapter 8.52 - Rent Stabilization.
3. Introduce, waive reading, and set for adoption the attached ordinance that amends the LACC Title 8 – Consumer Protection, Business and Wage Regulations, Chapter 8.64 - Rental Housing Oversight Commission.
4. Delegate authority to the Rental Housing Oversight Commission to review and approve Mobilehome Park Relocation Impact Reports, pursuant to Section 658.63.7 of the Civil Code.



**dcba.lacounty.gov**  
**info@dcba.lacounty.gov**

320 W. Temple St., Room G-10, Los Angeles CA, 90012-2706  
(213) 974-1452 • (800) 593-8222 • Fax: (213) 687-1137

## **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Consistent with your Board's policy directives on September 10, 2019 and November 19, 2019, related to the establishment of a rent stabilization program, and based on additional departmental review and stakeholder testimony and feedback, the Department of Consumer and Business Affairs (DCBA) recommends adopting clarifying provisions to the MRSO, RSO, and RHOC (collectively, Ordinances). Recommended changes are detailed below.

## **FISCAL IMPACT/FINANCING**

The proposed ordinance amendments will have no fiscal impact on the MRSO, RSO, or RHOC programs.

## **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

### **Recommended Amendments to Section 8.57 - Mobilehome Rent Stabilization Ordinance**

The recommended amendments to the MRSO would do all the following:

1. Amend the short title of the ordinance to "Mobilehome Stabilization and Owner Protections Ordinance" to better reflect the rights and protections provided by the ordinance (LACC Section 8.57.010.).
2. Revise the definition of "Capital Improvement" to correspond with definition in LACC Section 8.52.030 (LACC Section 8.57.030.).
3. Clarify that the Department will use the percentage change in CPI for the purpose of determining allowable rent increases (LACC Section 8.57.030.).
4. Clarify that the Department is the only entity with administrative capacity of the MRSO by removing reference to the Los Angeles County Development Authority from the definition of "Department" (LACC Section 8.57.030.).
5. Clarify the definition of "Housing Service" by adding fees and costs that do not qualify as a housing service (LACC Section 8.57.030.).
6. Clarify the definition of "Rent" by updating the language to reflect that certain items must be separately listed and identified in the lease or rental agreement including discounts, incentives, concessions, and credits as in LACC Section 8.52.030 (LACC Section 8.57.030.).

7. Remove definition and all references for “payment standard,” as government assisted housing is no longer exempt from this Chapter (LACC Section 8.57.030.).
8. Add language that addresses base rent and its establishment on February 13, 2018, excess rent paid, and housing service adjustments (LACC Section 8.57.045.).
9. Align notification requirements for permitted rent increases with Mobilehome Residency Law, by changing “thirty (30) days” to “ninety (90) days” (LACC Section 8.57.050.).
10. Clarify that any 12-month period for implementing a permitted rent increase is on or after February 13, 2018 (LACC Section 8.57.050.).
11. Clarify that the calculation of allowable annual rent increases and notices of such increases will be determined by the Department and outlined in the Department’s procedures and guidelines (LACC Section 8.57.050.).
12. Add clarifying language that rent increases following vacancy will not incorporate any approved pass-through costs that applied to the previous tenancy and add a “Rent Excess Paid” section outlining requirements for refunding overpayments (LACC Section 8.57.050.).
13. Revise Section title to “Applications for Rent Increases and Adjustments” to better capture scope and intent of section (LACC Section 8.57.060.).
14. Revise order and update language of Application for Rent Adjustment to provide clarity around Application for Rent Adjustment requirements (LACC Section 8.57.060.).
15. Add language reflecting Mobilehome Owners’ right to file an Application for Rent Adjustment for unauthorized rent increases, that such application may be used to recover excess costs paid for certain pass-through charges and fees, and remove requirement for Mobilehome Owners to file proof of service with the Department for notifying Mobilehome Park Owner of such application (LACC Section 8.57.060.).
16. Add language clarifying that the Department shall have the authority to determine the validity of any Rent increases, charges, or pass-throughs demanded or collected that are in violation of the Chapter (LACC Section 8.57.060.).
17. Clarify that fees and costs incurred by a Mobilehome Park Owner to file, pursue, or prepare an Application for Rent Adjustment are not allowable as operating expenses for consideration of a fair return increase, clarify that the required proof of

service from the landlord to the Department informing tenants of such application must be on a form approved by the Department and must be submitted to the Department within ten (10) calendar days of submitting application, and clarify that the Park Owner must make the application available to each mobilehome owner within five (5) days of submitting the request to the Department (LACC Section 8.57.060.).

18. Add section that outlines requirements if a Mobilehome Park Owner has collected more than the allowable rent increase and/or fees, charges, and pass-throughs including how and when overpayments should be refunded (LACC Section 8.57.060.).

19. Clarify that combined passthrough and allowable annual rent increase can exceed ten percent pending approval by the Department or Commission (LACC Section 8.57.060.).

20. Clarify that the occupancy rate of other Mobilehome Parks in the area does not have an impact on the Department's assessment of a requested rent increase (LACC Section 8.57.060.).

21. Revise section title to "Pass-Through Capital Improvement Cost Recovery," to reflect that pass-through costs applicable to Mobilehome Owners relate only to capital improvements (LACC Section 8.57.070.).

22. Clarify that pass-through costs to Mobilehome Owners for certain repairs can only occur as a result of a Mobilehome Park Owner seeking to recover costs related to capital improvements (LACC 8.57.070.).

23. Add requirements for addressing overpayment of pass-through costs and ceasing of pass-through collections (LACC Section 8.57.070.).

24. Revise language around departmental procedures for cost recovery calculations to align with LACC Section 8.52.070 by changing "expiration date," to "amortization period" (LACC Section 8.57.070.).

25. Add requirements for notices to mobilehome owners of applications for pass-through costs, clarify that only notice of application itself to mobilehome owners is required, and clarify when proof of service must be provided to the Department demonstrating that mobilehome owners have received such notices (LACC Section 8.57.070.).

26. Clarify that fees and costs incurred by a Mobilehome Park Owner to file, pursue, or prepare an Application for a capital improvement may not be passed on to Mobilehome Owners (LACC Section 8.57.070.).

27. Revise title of sub-section J to "Examination and Inspection," to more accurately capture scope and intent (LACC Section 8.57.070.).

28. Revise and add clarifying language to 8.57.080 including revising title to "Annual Registration," specify when landlord must alert Department of changes to annual rental registration applications, clarify that owner must include move-in dates of mobilehome owners as part of annual rental registration, clarify when owner must provide notice to mobilehome owner of such fee, and specify that only one approved registration fee pass-through may be collected at a time (LACC Section 8.57.080.). Revise this Section by changing the sub-title to "Pass-Through of Registration Fee," and reorder Section to align with LACC Section 8.52.080 (LACC Section 8.57.080.).

29. Revise title of Section to "Mobilehome Owners Rental Agreements," to more accurately capture its scope and intent (LACC Section 8.57.090.).

30. Clarify how notices to Mobilehome Owners shall be distributed by adding specifications for time, place, and providing copies to tenants, that notices shall be provided in the primary language of the Mobilehome Owner, and that the Park Owner must provide incoming mobilehome owners with notice of the potential of adding pass-through costs to monthly obligations to be included with Rental Agreement (LACC Section 8.57.090.).

31. Align options for length of potential rental agreements with updates to Mobilehome Residency Law by removing references to twelve (12) month terms (LACC Section 8.57.090.)

32. Revise process for notifying mobilehome owners of Mobilehome Owner's Rights (LACC Section 8.57.095.).

33. Add language that allows a court to assess civil penalties for Mobilehome Owners who experience retaliation by a Mobilehome Park Owner or employee, and the ability to assess additional fines if the aggrieved Mobilehome Owner is part of a special population (LACC Section 8.57.100.).

34. Revise title of Section to "Administrative Review and Appeals to the Rental Housing Oversight Commission," to more accurately capture its scope and intent (LACC Section 8.57.120.).

35. Change "Commission secretary or clerk" to "Department staff assigned to the Commission by the Director," to more accurately capture Departmental process for supporting the work of the RHOC (LACC Section 8.57.120.).



36. Revise the time limit for a party to file a request to review a determination to the Rental Housing Oversight Commission (LACC Section 8.57.120.).

37. Revise the basis for appeals where there was an error or abuse of discretion (LACC Section 8.57.120.).

38. Add language that provides a Mobilehome Owner a private right of action in pursuing a civil action for a violation of this Chapter (LACC Section 8.57.140.).

39. Add provisions for persons who wish to convert, close, or cease the use of a Mobilehome Park to address impacts to Mobilehome Owners who may be displaced and provide options to mitigate such impacts by adding Section 8.57.200 "Mobilehome Park Relocation Impact Reports," to Chapter (LACC Section 8.57.200.).

## **Chapter 8.52 - Rent Stabilization Ordinance**

The recommended amendments to the RSO would do all the following:

1. Revise the title of the ordinance to "Rent Stabilization and Tenant Protections Ordinance" to better reflect its full intent and purpose (LACC Section 8.52.010.).
2. Revise the definition of "Capital Improvement" to correspond with definition in LACC Section 8.57.030 (LACC Section 8.52.030.).
3. Clarify the definition of "Consumer Price Index" (LACC Section 8.52.030.).
4. Clarify the definition of "Housing Services" by reordering, revising, and changing "such as" to "including, but not limited to," to ensure that definition is not interpreted as an exhaustive list of qualifying services (LACC Section 8.52.030.).
5. Revise the definition of "Landlord" to read "...occupancy of a Dwelling Unit, and the agent, representative, or successor of any of the foregoing" (LACC Section 8.52.030.).
6. Remove definition and all references for "Payment Standard," as government assisted housing is no longer exempt from this Chapter (LACC Section 8.52.030.).
7. Revise the definition of "rent" to clarify that it does not include utility charges, as in LACC Section 8.57.030 (LACC Section 8.52.030.).

8. Add language that addresses base rent and its establishment on September 11, 2018 and excess rent paid (LACC Section 8.52.030, 8.52.050.).
9. Clarify the definition of “Covered Rental Unit,” to indicate that these units are fully covered and rent stabilized under the RSO (LACC Section 8.52.030.).
10. Add definition for “Service Reduction” as in LACC Section 8.57.030 (LACC Section 8.52.030.).
11. Add definition for “Rental Unit” (LACC Section 8.52.030.).
12. Revise the definition of “tenancy” to clarify that it includes the use of Housing Services provided by the landlord, as in LACC Section 8.57.030. (LACC Section 8.52.030.).
13. Clarify that the occupancy of Hotels, Motels, or other facilities by transient guests for which tax is applicable to the entire term of the tenancy are exempt from this section (LACC Section 8.52.050.).
14. Remove sub-section “H.4,” to clarify that Government Owned housing is no longer exempted from this Chapter (LACC Section 8.52.050.).
15. Add language to clarify that housing units in inns, tourist homes, boarding and group homes, licensed residential treatment or care facilities, and interim housing facilities are exempt from this Chapter (LACC Section 8.52.050.).
16. Add language to clarify that rooms rented to boarders in a dwelling unit owned by a landlord where the landlord or landlord’s family member uses the dwelling as their principal residence and shares a kitchen or bath facility with the tenant (s) are exempt from this Chapter (LACC Section 8.52.050.).
17. Add language that addresses base rent and its establishment as of September 11, 2018 and housing service adjustments to the Section to align with LACC Section 8.57.030, 8.57.045, 8.57.050 (LACC Section 8.52.030, 8.52.050.).
18. Add language that addresses “Rent Excess Paid,” outlining requirements for refunding overpayments – including how, when, and what happens if a Tenant leaves the unit prior to the conclusion of the repayment period (LACC Section 8.52.050.).
19. Add language clarifying tenants have a right of refusal to pay a rent increase in violation of this Chapter, as in LACC Section 8.57.050 (LACC Section 8.52.050.).

20. Add language that defines security deposits for purposes of the Chapter and outlines that a Landlord may not increase the amount of the security deposit beyond what was collected at the initiation of the tenancy (LACC Section 8.52.055.).

21. Revise Section title to “Applications for Rent Increases and Adjustments” to better capture scope and intent of section (LACC Section 8.52.060.).

23. Clarify that an increase in the number of tenants in the covered rental unit does not constitute a valid rent adjustment by removing “a change in the number of Tenants occupying the Covered Rental Unit” (LACC Section 8.52.060.).

24. Remove requirement that a tenant must submit a proof of service to the Department for providing notice to the landlord of a submitted application for rent adjustment (LACC Section 8.52.060.).

25. Clarify that a tenant may use an application for rent adjustment to recover excess costs paid for certain pass-through charges and fees (LACC Section 8.52.060.).

26. Add section that outlines requirements if a Landlord has collected more than the allowable rent increase including how and when overpayments should be refunded (LACC Section 8.52.060.).

27. Clarify that the tenant must have filed a complaint with the Department of Public Health alleging the landlord’s failure to maintain a habitable premise prior to Departmental review of an application for rent adjustment over habitability concerns (LACC Section 8.52.060.).

28. Clarify that any increase in rent over eight (8) percent in a 12-month period, including any approved pass-through costs, must be approved by the Department or Commission (LACC Section 8.52.070.).

29. Clarify that approved pass-through costs recovered by the landlord are not considered rent by changing “against the Rent” to “towards any monthly obligation(s)” (LACC Section 8.52.070.).

30. Clarify and align language to outline what capital improvements do not include, application for capital improvements pass-through requirements, and notices to tenants regarding these pass-through costs, with LACC Section 8.57.070 (LACC Section 8.52.070.).

31. Add requirements for notices to tenants of applications for pass-through costs and clarify when proof of service must be provided to the Department demonstrating that tenants have received such notices (LACC Section 8.52.070.).

32. Revise the title of this Section to "Annual Registration," to align with LACC Section 8.57.080 (LACC Section 8.52.080.).

33. Clarify when landlords must notify the Department of changes to annual rental registration applications, add provisions for what must be included in the registration of amenities, and specify that only one approved registration fee pass-through may be collected at a time (LACC Section 8.52.080.).

34. Add requirements for addressing overpayment of registration fee pass-through costs (LACC Section 8.52.80.).

34. Clarify circumstances under which a landlord may initiate a termination of tenancy and add language to reflect that a landlord may submit a copy of the termination of tenancy via the Department's online registration system (LACC Section 8.52.090.).

35. Clarify requirements for landlords who pursue a for-cause or no-fault termination of tenancy and add language to specify that an addition of occupants pursuant to this subsection does not authorize a rent increase or increased security deposit (LACC Section 8.52.090.).

36. Revise requirements for a no-fault termination of tenancy for landlord or landlord family member occupancy, including requirements for disclosure, family member move in, unit that can be occupied, right of return for previous tenants, allowable rent once unit is available on rental market, and Department's ability to verify landlord or family member occupancy (LACC Section 8.52.090.).

37. Clarify circumstances under which a tenant may be subject to a for-cause termination of tenancy by changing language to "threatening to commit" (LACC Section 8.52.090.).

38. Add language clarifying that all no-fault terminations of tenancy are eligible for relocation assistance (8.52.090.).

39. Clarify that a landlord must submit an intent to terminate a tenancy to the Department by adding "intent" to E.2 (LACC Section 8.52.090.).

40. Add language specifying tenant's right of first return to covered rental units previously withdrawn from the market for landlord occupancy (LACC Section 8.52.090.).

41. Clarify that a landlord's obligation for disclosure prior to making a buyout offer must be written in the primary language of the tenant, and add that requirements for how buyout agreements and disclosures must be submitted to the Department will be outlined in the Department's procedures and guidelines (LACC Section 8.52.100.).

42. Clarify time period that tenants will have to rescind a buyout agreement where a landlord has not met the requirements of buyout agreements in this Chapter by removing "within forty-five (45) days of execution" (LACC Section 8.52.100.).

43. Clarify requirements for relocation assistance including when payment is to be made to the tenant, that the landlord has the option of providing funds directly to the tenant if the tenant and landlord mutually agree to such arrangement, and that funds deposited into an Escrow account will be according to the Department's procedures and guidelines (LACC Section 8.52.110.).

44. Clarify that per diem payments made to the tenant for temporary relocation assistance may include applicable transient occupancy taxes (LACC Section 8.52.110.).

45. Add requirements that landlord provide incoming tenants with notice of the potential of adding pass-through costs to monthly obligations to be included with Rental Agreement (LACC Section 8.52.120.).

46. Add language that allows a court to assess civil penalties for Tenants who experience harassment or retaliation by a Landlord, and the ability to assess additional fines if the aggrieved Tenant is part of a special population (LACC Section 8.52.130.).

47. Add Section titled "Enforcement" to clarify Departmental authority to enforce Chapter (LACC Section 8.52.145.).

48. Revise title to "Administrative Review and Appeals to the Rental Housing Oversight Commission," to align with LACC Section 8.57.120, and to more accurately capture its scope and intent (LACC Section 8.52.150.).

49. Change "Commission secretary or clerk" to "Department staff assigned to the Commission by the Director," to more accurately capture Departmental process for supporting the work of the RHOC (LACC Section 8.52.150.).

50. Clarify that the department will only review and evaluate applications by removing all references to "petitions" from section (LACC Section 8.52.150.).

51. Clarify that the conclusions and findings of the Department will be reviewable by the Commission (LACC Section 8.52.150.).

52. Clarify that notices of violation and administrative fines and administrative appeals and judicial reviews are in accordance with Title 1 Chapter 1.25 of the Code by adding "Title 1" as in LACC 8.57.130 (LACC Section 8.52.160.).

53. Add language that provides a Tenant a private right of action in pursuing a civil action for a violation of this Chapter (LACC Section 8.52.170.).

54. Clarify how civil remedies will be pursued by adding "in a court of competent jurisdiction," as in LACC 8.57.140 (LACC Section 8.52.170.).

### **Recommended Amendments to Section 8.64 - Rental Housing Oversight Commission**

The recommended amendments to the RHOC Ordinance would do all the following:

1. Add language that is reflective of the Commission's authority to implement procedures and guidelines, hear, determine and resolve appeals, and act as the advisory agency concerning Mobilehome Park Impact Reports, and will also have the authority to take additional actions as delegated by the Board (LACC 8.64.050.).
2. Clarify available stipend payments for Commissioners and the number of times Commissioners may meet in one calendar year (LACC Section 8.64.060.).
3. Change "Commission secretary or clerk" to "Department staff assigned to the Commission by the Director," to more accurately capture Departmental process for supporting the work of the RHOC (LACC Section 8.64.070.).

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The adoption of these proposed amendments will have no impact on current services or projects and will facilitate the County's ability to implement the RSO, MRSO, and RHOC.

**CONCLUSION**

DCBA requests that the Executive Officer, upon approval by the Board, return one adopted-stamped copy of this letter to the Director of DCBA.

Respectfully submitted,

RAFAEL CARBAJAL  
Director

RC:dp:vv:sl

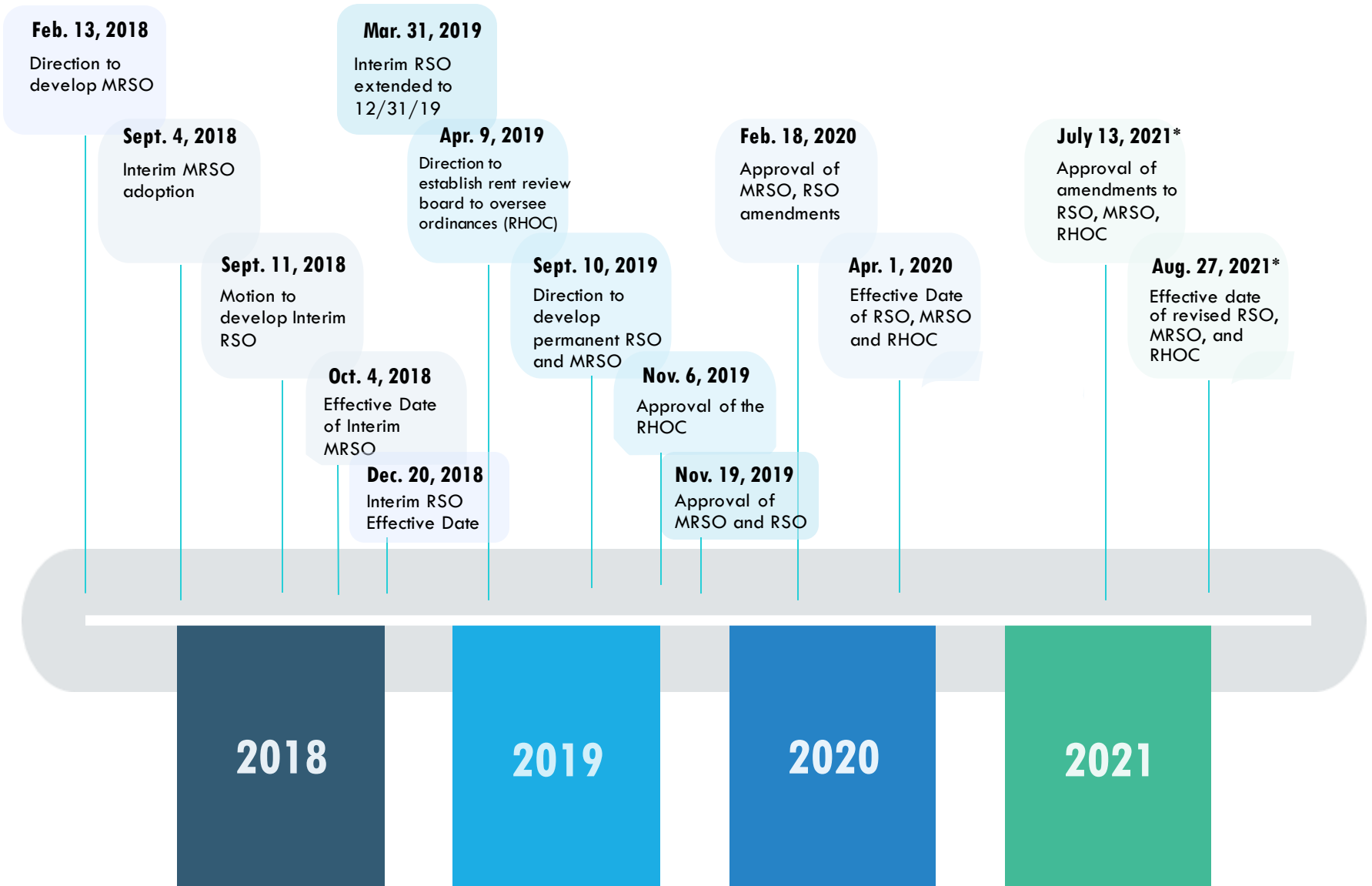
# RSO, MRSO, RHOC PROPOSED AMENDMENTS

Operations Cluster, 6/23/2021





# RSO, MRSO, RHOC TIMELINE



# IMPACT OF COVID-19 PANDEMIC

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Stay-at-home Order

March 19, 2020

RSO/MRSO/RHOC Effective Date

April 1, 2020

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Cancellation of in-person events,  
services, and outreach efforts

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Outreach to target populations  
more challenging with digital divide

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Resources pivoted to Eviction  
Moratorium

# THE NEED FOR PROPOSED AMENDMENTS

- Current RSO and MRSO lack full protections that were initially intended to be included
- Helps ensure no lapse in proper protections with lifting of Eviction Moratorium
- Accounts for lessons learned over the course of the past year to close gaps and streamline processes
- Assists with alignment of rent stabilization across other major jurisdictions, with consideration of the County's property owners and renters

# OUTREACH EFFORTS



## Program Website and Materials

- Dedicated website with ordinance info and materials
- Ability to submit questions/complaints/inquiries directly on our website



## Rent Registry Promotion

- Directing public to website to learn more about the registry, and general RSO/MRSO requirements



## Working with other Jurisdictions

- Learn more about industry trends
- Receive input for enhanced policies and procedures, and streamline processes



## Stakeholder Meetings

- Met with property owner groups (AAGLA, CAA, Marina Lessees Assoc.)
- Meeting scheduled with Mobilehome Park Owners Association
- Briefing sheets shared with Tenant Advocates

# OVERVIEW OF PROPOSED AMENDMENTS

- Provides clarification to ordinance provisions
- Amends County codes that update policies
- Reinstates necessary protections previously adopted in IRSO, IMRRO

# OVERVIEW OF PROPOSED AMENDMENTS CONT.

- Significant Proposed Changes Include:
  - Eliminating Section 8 exemption
  - Establishing new requirements for security deposits
  - Tightening Owner Move-In Requirements
  - Expanding scope of Mobilehome Application for Rent Adjustments
  - Giving the Rental Housing Oversight Commission authority to approve Relocation Impact Reports
  - Increasing penalties for retaliation & harassment of special populations

# REVIEW OF PROPOSED AMENDMENTS

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# RENT STABILIZATION ORDINANCE

- Revision to Short Title
- Revision to Definitions
- Clarification of Base Rent
- Revisions to Allowable Rent Increases
- Security Deposits
- Revisions to Due Process
- Revisions to Just Cause Evictions
- Revisions to Relocation Assistance
- Revision to Notice to Tenants
- Addition to Remedies
- Clarification of Enforcement



# MOBILEHOME RENT STABILIZATION ORDINANCE

- Revision to Short Title
- Clarification of Base Rent
- Addition to Allowable Rent Increases
- Revisions to Due Process and Appeals
- Revisions to Mobilehome Owner Rental Agreements
- Clarification of Enforcement
- Addition to Remedies
- Relocation Impact Reports

# RENTAL HOUSING OVERSIGHT COMMISSION ORDINANCE

- Clarification of powers
- Clarification of stipends for Commissioners

# STAKEHOLDER FEEDBACK

## Property Owners

- **Current and proposed iterations have not included or considered the following needs:**
  - Individual renters' financial situations, such as those for higher-income tenants
- **Concerns with specific Amendments:**
  - Proposed Owner Move-In requirements places additional limitations on property owners
  - Security Deposit requirements
  - Section 8 exemption

# STAKEHOLDER FEEDBACK

## Tenants and Tenant Advocates

- Provide Private Right of Action to ensure Tenants can seek appropriate representation in civil actions or proceedings
  - Ensure attorney's fees and court costs are recuperable by the Tenant if they prevail
- Provide authority to assess additional fines and penalties if Tenant(s) experiencing harassment or retaliatory actions are over 62 or disabled
- Ensure a Landlord cannot increase a Tenant's security deposit after the initiation of the tenancy to recoup additional funds in rent stabilized units
- Tighten requirements for owner occupancy to protect vulnerable Tenants in rent stabilized units from being evicted so that the landlord can charge higher rents

# IMPORTANT DATES

- Target Board Meeting Date: July 13, 2021
- Effective Date of Amended Ordinances: August 27, 2021

# QUESTIONS?



# THANK YOU!



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## ANALYSIS

An ordinance amending Title 8 – Consumer Protection, Business and Wage Regulations of the Los Angeles County Code, relating to Chapter 8.52 (Rent Stabilization) by modifying or clarifying: (1) section, titles and definitions; (2) landlord and tenant obligations; (3) permitted pass-through costs; (4) requirements for relocation assistance provided to tenants; (5) termination of tenancies; (6) remedies and penalties for violations of retaliation and anti-harassment provisions and imposing additional penalty if tenant is age 62 or older or disabled; and (7) tenant's ability to pursue a private right of action for violations of this Chapter 8.52.

RODRIGO A. CASTRO-SILVA  
County Counsel

*Behnaz Tashakorian*

By  
BEHNAZ TASHAKORIAN  
Principal Deputy County Counsel  
Government Services Division

BT:eb

Requested: 04/17/2020  
Revised: 06/18/2021

**ORDINANCE NO. \_\_\_\_\_**

An ordinance amending Title 8 – Consumer Protection, Business and Wage Regulations of the Los Angeles County Code, relating to Chapter 8.52 (Rent Stabilization) by modifying or clarifying: (1) section, titles and definitions; (2) landlord and tenant obligations; (3) permitted pass-through costs; (4) requirements for relocation assistance provided to tenants; (5) termination of tenancies; (6) remedies and penalties for violations of retaliation and anti-harassment provisions and imposing additional penalty if tenant is age 62 or older or disabled; and (7) tenant's ability to pursue a private right of action for violations of this Chapter 8.52.

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

**SECTION 1.** Chapter 8.52 is hereby amended to read as follows:

**Chapter 8.52 RENT STABILIZATION AND TENANT PROTECTIONS.**

**SECTION 2.** Section 8.52.010 is hereby amended to read as follows:

**8.52.010 Short Title.**

This Chapter shall be known as "Rent Stabilization and Tenant Protections."

**SECTION 3.** 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.

A. "Base Rent" means the Rent charged since September 11, 2018, when the County Board declared its intent to regulate Rent for residential properties in the unincorporated County, plus any Rent increase allowed thereafter pursuant to the Interim Rent Stabilization Ordinance adopted by the County Board on November 20, 2018, and this Chapter unless otherwise provided.



AB. "Board" means the County of Los Angeles Board of Supervisors.

BC. "Capital Improvement" means the addition, substantial repair or replacement of any improvements to dwelling units or common areas of the building which materially adds to the value of the building and appreciably prolongs its useful life or adapts it to new uses, and which is the same type of improvement as those allowed to be amortized over the useful life of the improvement in accordance with the Internal Revenue Code and its regulations and as specified in Section 8.52.070.

CD. "Code" means the Los Angeles County Code.

DE. "Commission" means the Rental Housing Oversight Commission created by the Board pursuant to County Code Chapter 8.64 to oversee the implementation of this Chapter.

EF. "County" means the County of Los Angeles.

FG. "Covered Rental Unit" means a Dwelling Unit that is rent-stabilized, located in the unincorporated County, and not designated as exempt under Section 8.52.050.

GH. "CPI" means Consumer Price Index for all urban consumers ~~for~~of the Los Angeles-Riverside-Orange County, California area, or any successor designation of that index that may later be adopted by the U.S. Department of Labor. Calculation of the change in CPI percentage will be determined by the County and outlined in its procedures and guidelines.

HI. "Department" means the County's Department of Consumer and Business Affairs.

IJ. "Dwelling Unit" means a dwelling unit, as defined under California Civil Code section 1940 subsection (c), including joint living and work quarters, that is used or occupied in consideration of payment of rent, and applies to any dwelling space that is actually used for residential purposes, whether or not the residential use is legally permitted, including live-work spaces, mobilehomes rented by the owner to a tenant, and any accessory dwelling unit in the unincorporated areas of the County.

JK. "Ellis Act" means California Government Code sections 7060 - 7060.7, as may be amended from time to time.

KL. "Housing Services" means all services provided by the Landlord related to the use or occupancy of a Covered Rental Unit, ~~such as insurance, repairs, replacement, maintenance, painting, utilities, heat, water, elevator service, laundry facilities, recreational areas and/or pools, janitorial service, refuse removal, furnishings, storage space (including for one or more automobiles), including but not limited to,~~ water, heat, utilities, painting, elevator service, refuse removal, janitorial service, maintenance, repairs, replacement, recreational areas (including pools), laundry facilities, furnishings, storage space and/or parking (including one or more automobiles), and security services, insurance, and the payment of property taxes. The term "Housing Services" shall not include legal fees or mortgage payments, whether for principal, interest, or both, bonuses of any nature paid to employees; penalties, fees, damages, or interest assessed or awarded for violations of this Chapter or any other law; or any expenses for which the Landlord has been reimbursed by any security deposit, insurance, settlement, judgment for damages, or any other method.

~~L~~M. "Landlord" means an owner, lessor, sublessor, or any other person entitled to offer any Dwelling Unit for Rent or entitled to receive Rent for the use and occupancy of a Dwelling Unit, and the ~~representative~~, agent, representative, or successor of any of the foregoing.

~~M~~N. "Landlord's Family Member" means a Landlord's parent, child, spouse or registered domestic partner, grandparent, grandchild, aunt or uncle at least sixty-two (62) years of age, or other dependent over which the Landlord has guardianship, the spouse or registered domestic partner's parent, child, grandparent, grandchild, aunt or uncle at least sixty-two (62) years of age, and other dependent over which the Landlord's spouse or domestic partner has guardianship.

~~N~~—. "~~LACDA~~" means the ~~Los Angeles County Development Authority~~.

O. "Luxury Unit" means a Covered Rental Unit that meets all of the following criteria:

1. Has two (2) bedrooms or less;
2. Is located within a single structure that contains at least twenty-five (25) or more Dwelling Units; and
3. As of September 11, 2018, Landlord received at least four thousand dollars (\$4,000) per month in Rent.

~~P~~—. "~~Payment Standard~~" means the ~~amount determined by the LACDA that is used to set the amount of housing assistance paid on behalf of a tenant under the Section 8 Housing Choice Voucher Program pursuant to 24 Code of Federal Regulations Part 982~~.

QP. "Primary Renovation" means work performed either on a Dwelling Unit or the building containing the Dwelling Unit(s) that improves the property by prolonging its useful life or adding value as specified in Section 8.52.070.

RQ. "Rent" means the consideration paid for the use or occupancy of a Dwelling Unit or for Housing Services provided, or both, but does not include any of the following, each of which shall be separately listed and identified in the lease or rental agreement:

1. Security deposits;
2. User fees for services or facilities which may be utilized at the option of the Tenant and are expressly not included as Rent in the Rental Agreement;
3. Utility charges for those Dwelling Units that are billed separately whether or not the Dwelling Units are individually metered.
- ~~34.~~ Any rent discounts, incentives, concessions, or credits offered by the Landlord; or
- ~~45.~~ Any pass-through authorized pursuant to this Chapter.

SR. "Rental Agreement" means a lease or other oral or written agreement between the Landlord and Tenant establishing the terms and conditions of the Tenancy.

S. "Service Reduction" means any decrease or diminution in the level of Housing Services provided by the Landlord on or after September 11, 2018, including but not limited to, services the Landlord is required to provide pursuant to:

1. California Civil Code section 1941 et. seq., as it may be amended from time to time;

2. The Landlord's implied warranty of habitability, which cannot be contractually excluded or waived;

3. A Rental Agreement between the Landlord and the Tenant; and

4. The level of service as implied by the condition of improvements, fixtures, and equipment, and their availability for use by the Landlord at the time of execution of the Rental Agreement with the Landlord.

T. "State" means the State of California.

U. "Tenancy" means the legal right of a Tenant or any other original occupant who took possession of the Dwelling Unit for the use or occupancy of the Dwelling Unit, including the use of the Housing Services provided by the Landlord, subject to the terms of the Rental Agreement. This includes a lease or a sublease.

V. "Tenant" means a tenant, subtenant, lessee, sublessee, or any other person entitled under the terms of a Rental Agreement to the use or occupancy of any Dwelling Unit.

**SECTION 4.** Section 8.52.045 is hereby added as follows:

**8.52.045 Base Rent**

A. Except as hereinafter provided, a Landlord shall not demand, accept, or retain Rent for a Dwelling Unit exceeding the Rent in effect for said Dwelling Unit on September 11, 2018, when the County Board declared its intent to regulate Rent in the unincorporated County, plus any Rent increase allowed thereafter pursuant to the Interim Rent Stabilization Ordinance adopted by the County Board on November 20, 2018, and this Chapter unless otherwise provided.

B. If a Dwelling Unit is rented for the first time after September 11, 2018, the Landlord shall not demand, accept or retain Rent for said Dwelling Unit exceeding the Rent first charged for the Dwelling Unit, including any allowable increases as specified by Section 8.52.050.

**SECTION 5.** Section 8.52.050 is hereby amended to read as follows:

**8.52.050 Permitted Rent Increases for Covered Rental Units.**

A. A Landlord may impose an annual Rent increase for any Covered Rental Unit, as allowed in this Section, only after providing at least thirty (30) ~~days~~days written notice to the Tenant of the Rent increase pursuant to California Civil Code section 827, as may be amended from time to time.

B. A Landlord may not impose an annual Rent increase, ~~unless only upon registering, the Covered Rental Unit is registered with the Department, and not delinquent in registration payments paying required annual registration fees required pursuant to Section 8.52.080, and being in compliance with State and local laws and requirements.~~

C. Annual Rent increases shall be limited to reflect the ~~average~~ annual percentage change in the average CPI over the previous twelve (12) month period ending in September with a maximum of eight percent (8%), as specified below:

...

E. Only one Rent increase may be imposed on a Tenant household in any twelve (12) month period, since September 11, 2018, unless otherwise permitted by the Department pursuant to this Chapter.

F. ~~Rent Increase Following Vacancy. When a Tenant voluntarily moves out of a Covered Rental Unit, or following an eviction for a For Cause Termination specified in Section 8.52.090(B), the Landlord may set the initial Rent for the next Tenant, without restriction, at the commencement of the new Tenancy~~Notice and Calculation of Allowable Annual Rent Increase.

1. Calculation of Annual Rent Increase. The allowable annual Rent increase shall be calculated annually by the Department.

2. Notice of Annual Rent Increase. The amount of the annual Rent increase shall be provided in accordance with the Department's procedures and guidelines.

G. ~~Rent Banking. A Landlord who does not impose an annual Rent increase or a portion of the permitted annual Rent increase in any twelve (12) month period, as provided in this Section, waives the annual Rent increase or the remaining portion of the permitted annual Rent increase for the remainder of the Tenancy~~Rent Excess Paid.

1. In the event a Tenant paid Rent in excess of that permitted since September 11, 2018, and/or hereunder, the Landlord shall reimburse the Tenant for the Rent overpayment.

2. The Landlord may elect to either:  
a. Reimburse the Tenant for the Rent overpayment through one lump sum direct payment; or

b. Reimburse the Tenant for the Rent overpayment over a six (6) month period in the form of six (6) consecutive, equal monthly credits against Rent otherwise due from the Tenant.

3. Time for Repayment.

a. If the Landlord elects a lump sum direct payment, such payment must be paid by the time the next rental payment is due.

b. If the Landlord elects six (6) consecutive, equal monthly credits, the first credit must be applied at the time the next rental payment is due.

4. Reimbursement Exceeds Overpayment Due. Where the reimbursement due to the Tenant exceeds the Rent due for the entire term of the tenancy, the remaining balance shall be paid pursuant to the Department's procedures and guidelines.

H. Rent Paid Following Vacancy of Covered Rental Unit. When a Tenant voluntarily moves out of a Covered Rental Unit, or following an eviction for a For Cause Termination specified in Section 8.52.090(B), the Landlord may set the initial Rent for the next Tenant, without restriction, at the commencement of the new Tenancy. Rent increases following vacancy shall not incorporate any previously approved pass-through costs.

I. Rent Banking. A Landlord who does not impose an annual Rent increase or a portion of the permitted annual Rent increase in any twelve (12) month period, as provided in this Section, waives the annual Rent increase or the remaining portion of the permitted annual Rent increase for the remainder of the Tenancy.



~~HJ.~~ Exemptions. The following are exempt from this Section:

1. Dwelling Units that are expressly exempt under State or federal law. This includes any Dwelling Unit that has a certificate of occupancy or equivalent permit for residential occupancy issued after February 1, 1995. For this purpose, a certificate of occupancy is the certificate issued before the property is used for any residential purposes.

2. Occupancy of Hotels, Motels, or Other Facilities by Transient Guests. Housing units in hotels, motels, inns, tourist homes and boarding houses, and rooming houses, or other facilities, for which the County's Treasurer and Tax Collector has received or is entitled to receive payment of transient occupancy tax pursuant to Code Chapter 4.72 (Transient Occupancy Tax) and California Civil Code section 1940 subdivision (b), and for which tax is applicable to the entire term of the Tenancy.

3. Institutional Facilities. Housing accommodations in any hospital, convent, monastery, extended medical facility, asylum, fraternity or sorority house, a licensed residential treatment or care facility, interim housing facility as defined in California Health and Safety Code section 1250, any facility managed by a bona fide educational institution for occupancy by its students, or any other facility licensed by the state to provide medical care for residents, ~~including a licensed residential care facility for the elderly pursuant to California Health and Safety Code section 1569.2.~~

4. ~~Government Owned or Assisted Housing.~~

a. ~~Government Owned.~~ Housing accommodations which the County, LACDA, or another public agency or authority owns or operates, or which are specifically exempted under State or federal law or administrative regulation.

b. ~~Assisted Housing.~~

(i) ~~Housing accommodations for which the County, LACDA, or another public agency or authority provides a tenant-based Section 8 Housing Choice Voucher Program or other similar housing subsidy is exempt under this Section if the Rent paid is equal to or less than the standards as determined by the subsidy program for the bedroom size of the Dwelling Unit, such as the Payment Standard or the U.S. Department of Housing and Urban Development's fair market rent standard.~~

(ii) ~~This exemption shall not apply if:~~

(a) ~~The portion of the Rent paid by the Tenant is greater than the Payment Standard for the bedroom size of the Dwelling Unit; or~~

(b) ~~A proposed Rent increase would result in the portion of the Rent paid by the Tenant being greater than the Payment Standard for the bedroom size of the Dwelling Unit.~~

5. Any Dwelling Unit that is alienable separate (i.e., separately transferable) from the title to any other Dwelling Unit, including, without limitation, single family residences and condominiums, but excluding mobilehomes offered for rent by a

Tenant; or is a subdivided interest in a subdivision, as specified in California Business and Professions Code section 11004.5 subdivisions (b), (d), or (f).

6. Accessory Dwelling Units. An accessory dwelling unit for which a certificate of occupancy or equivalent permit for residential occupancy was issued after February 1, 1995, is exempt, unless it was occupied on or before February 1, 1995, and a Tenant provides evidence indicating as such, regardless of the legal or permit status of the Dwelling Unit.

7. Rooms Rented to Boarders. A Dwelling Unit in a single-family residence, condominium or stock cooperative where the Landlord owns the residence and shares kitchen or bath facilities with the Tenant and where the Landlord or Landlord's Family Member also occupies a Dwelling Unit in the residence as his or her principal residence.

K. Tenant's Right of Refusal. A Tenant may refuse to pay a Rent increase which is in violation of this Chapter. Such refusal to pay the increased amount shall be a defense in any action brought to recover possession of a Covered Rental Unit or to collect the Rent increase.

**SECTION 6.** Section 8.52.055 is hereby added to read as follows:

**8.52.055 Security Deposits.**

A. As used in this section, security means any payment, fee, deposit or charge that is imposed at the beginning of the Tenancy to be used to reimburse the Landlord for costs associated with processing a new Tenant or that is imposed as an advance payment for Rent.

B. A Landlord may not demand or receive a security deposit, however denominated, in an amount or value in excess of the security deposit charged or received at the initiation of the Tenancy.

**SECTION 7.** Section 8.52.060 is hereby deleted in its entirety.

**~~8.52.060 Applications for Rent Adjustments.~~**

~~A. Landlord Applications for Rent Adjustment for Fair Return. Landlords who believe they are not receiving a fair return on their property may file an application with the Department to request an increase in Rent beyond that which is permitted under Section 8.52.050.~~

~~1. Presumption. It shall be a rebuttable presumption that the annual net operating income earned by a Landlord on September 11, 2018 and Rent increases allowed under Section 8.52.050, provide the Landlord with a fair return on the investment. A Landlord shall have the burden to prove the necessity of any additional Rent increase necessary to earn a fair return.~~

~~2. Nothing in this Section shall be interpreted to authorize a Rent increase for a Covered Rental Unit in excess of the amount authorized pursuant to California Civil Code section 1947.12, as may be amended.~~

~~3. All Rent adjustment increases authorized by the Department may become effective only after all of the following:~~

~~a. A Landlord has provided written notice of the Rent increase for the Covered Rental Unit in accordance with California Civil Code section 827, as may be amended;~~

~~b. A Landlord has registered each Dwelling Unit in the property pursuant to Section 8.52.080; and~~

~~c. A Landlord provides a copy of the completed application with all supporting documents, to each Tenant of a Covered Rental Unit, upon request, at the Landlord's expense.~~

~~4. Standard for Approving an Application for Landlord Rent Adjustment:~~

~~a. The Department shall approve an application for a Rent adjustment if the Department determines the adjustment is necessary and appropriate to ensure the Landlord receives a fair and reasonable return on the Landlord's investment, will not cause an undue financial burden on the affected Tenants, and complies with all provisions of this Chapter.~~

~~b. The Department shall approve a lesser Rent adjustment if the Department determines the lesser Rent adjustment more appropriately ensures a fair return on the Landlord's investment, will not cause an undue financial burden on the affected Tenants, and complies with all provisions of this Chapter.~~

~~5. Notices Upon Filing Application.~~

~~a. Within five (5) calendar days after submission of a Landlord's application for Rent Adjustment for Fair Return to the Department, the Landlord shall serve each affected Tenant with a notice of said application via personal service or certified mail, return receipt requested. The Landlord must provide the application, with~~

~~all supporting documents, reasonably available to each affected Tenant that shall be provided at the Landlord's expense.~~

~~b. Within ten (10) calendar days after service on each affected Tenant, the Landlord shall file with the Department a proof of service, signed under penalty of perjury, stating that a copy of the notice of application was served upon each affected Tenant.~~

~~6. Fees and costs incurred by a Landlord to file, pursue, or prepare an application for Rent increase pursuant to this Section are not allowable as operating expenses and may not be passed on to Tenants. Such fees and costs include, but are not limited to, attorney fees, accountant fees, and other similar professional services costs.~~

~~7. In making an individual Rent adjustment, the Department shall consider the purposes of this Chapter and all other relevant factors including, but not limited to:~~

- ~~a. Increases or decreases in property taxes;~~
- ~~b. Unavoidable increases or any decreases in maintenance and operating expenses;~~
- ~~c. A change in the number of Tenants occupying the Covered Rental Unit, living space, furniture, furnishings, equipment, other Housing Services provided, or occupancy rules;~~
- ~~d. Substantial deterioration of the Covered Rental Unit other than normal wear and tear;~~

e. ~~\_\_\_\_\_ The pattern of recent Rent increases or decreases; or~~  
f. ~~\_\_\_\_\_ Whether or not the Landlord has received Rent in violation of the terms of this Chapter or has otherwise failed to comply with this Chapter.~~

B. ~~\_\_\_\_\_ Tenant Applications for Rent Adjustment. Tenants of a Covered Rental Unit who believe they should receive a decrease in Rent because of a Landlord's violation of this Chapter may file an application with the Department to request a decrease in Rent. Tenants must file such application for Rent adjustment within one hundred eighty (180) days from the date the Tenant knew, or reasonably should have known, of the Landlord's potential violation.~~

1. ~~\_\_\_\_\_ Unlawful Rent. If a Tenant believes that the Landlord's demand for Rent is in excess of the Rent permitted for a Covered Rental Unit as specified in Section 8.52.050, then the Tenant may request that the Department determine the validity of the subject demand for Rent.~~

a. ~~\_\_\_\_\_ If a Landlord demands, receives, or retains any payment in excess of the maximum allowable Rent permitted by this Chapter, then a Tenant may withhold the increased amount that is above the Tenant's Rent.~~

b. ~~\_\_\_\_\_ In any action to recover possession based on nonpayment of Rent, possession shall not be granted where the Tenant has withheld Rent in good faith under this Section.~~

2. ~~\_\_\_\_\_ Failure to Maintain Habitable Premises. A Tenant may file an application with the Department to request a refund of, or decrease in, Rent proportional to the Landlord's failure to maintain the 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 with the Department, a Tenant shall provide written notice to the Landlord identifying one or more habitability issues and a reasonable opportunity for the Landlord to correct the condition.~~

~~b. A Landlord shall not be liable to a Tenant for a failure to maintain habitable premises if the Tenant caused the condition that is the subject of the application.~~

~~3. Decrease in Housing Services. A decrease in Housing Services of a Covered Rental Unit, without a corresponding reduction in Rent, is considered an increase in Rent. Before filing an application with the Department, a Tenant shall provide the Landlord all of the following:~~

~~a. Prior written notice identifying the decrease in Housing Services of a Covered Rental Unit; and~~

~~b. A reasonable opportunity to correct the issue(s).~~

~~4. Notices Upon Filing Application.~~

~~a. Within five (5) calendar days after submission of an application with the Department for Rent adjustment, the Tenant shall serve the Landlord with a notice of said application, via personal service or certified mail, return receipt requested.~~

~~b. Within ten (10) calendar days after service on the Landlord, the Tenant shall file with the Department a proof of service, signed under penalty of~~



~~perjury, stating that a copy of the notice of application for Rent adjustment was served on the Landlord.~~

~~5. In making an individual Rent adjustment, the Department shall consider the purposes of this Chapter and all other relevant factors including, but not limited to:~~

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

~~b. The pattern of recent Rent or Housing Service increases or decreases; or~~

~~c. Whether or not the Landlord has received Rent in violation of the terms of this Chapter or has otherwise failed to comply with this Chapter.~~

~~C. Application. Upon the Department's receipt of an application for Rent adjustment, the Department shall review and evaluate whether the Rent may be adjusted in accordance with this Section and its procedures and guidelines.~~

~~1. The application shall be in the form provided by the Department, signed under penalty of perjury, and must be accompanied by an applicable fee, if any.~~

~~2. An application for Rent adjustment must include all of the following:~~

~~a. The specific Rent adjustment requested;~~

~~b. Copies of any books, records, and papers deemed relevant in review of the application; and~~

~~c. Other documentation required by the Department.~~

~~3. Application Fees. The Department may set a reasonable fee to be paid by the applicant at the time of the filing based on the administrative expenses incurred in reviewing and processing applications for Rent adjustment.~~

~~4. The Department shall have the authority to deem an application complete.~~

~~D. Right of Assistance. All parties to an application for Rent adjustment may seek assistance from attorneys, recognized tenant organization representatives, or any other person designated by said parties.~~

~~E. Consolidation. All Landlord applications for Rent adjustment pertaining to Tenants in the same building shall be consolidated for determination. Tenant applications for Rent adjustment who live in the same building may be consolidated at the election of the Department.~~

~~F. Notwithstanding any other provision of this Section, if a determination for Rent adjustment for a Covered Rental Unit was made within the previous six (6) months by either the Department or the Commission, then the Department or the Commission may refuse to hold a hearing or refuse to grant an individual a Rent adjustment for such Covered Rental Unit.~~

**SECTION 8.** Section 8.52.060 is hereby added to read as follows:

**8.52.060 Applications for Rent Increase and Adjustments.**

A. Landlord's Application for Rent Increase. A Landlord who believes he or she is not receiving a fair and reasonable return from the allowable increases for a Covered Rental Unit, as determined in Section 8.52.050, may file an Application for

Rent Increase with the Department to request an increase in Rent for a Covered Rental Unit(s) beyond that which is permitted under Section 8.52.050.

1. Presumption. It shall be a rebuttable presumption that the annual net operating income earned by a Landlord on September 11, 2018, and Rent increases allowed under Section 8.52.050, provide the Landlord with a fair and reasonable return on the investment. A Landlord shall have the burden to prove the necessity of any additional Rent increase necessary to earn a fair and reasonable return.

2. Nothing in this Section shall be interpreted to authorize a Rent increase for a Covered Rental Unit in excess of the amount authorized pursuant to California Civil Code section 1947.12, as may be amended from time to time.

3. Approval of the Landlord's Application for Rent Increase may become effective only after all of the following:

a. A Landlord has provided written notice of the Rent increase for the Covered Rental Unit in accordance with California Civil Code section 827, as may be amended from time to time;

b. A Landlord has registered each Dwelling Unit in the rental property, has not lapsed on registration of Dwelling Units in previous years, and is current on payment of registrations fees, pursuant to Section 8.52.080; and

c. Any other conditions imposed for the Rent increase as determined by the Department's procedures and guidelines.

4. Review and Approval of Application for Rent Increase.

a. The Department shall consider the following factors, in accordance to its procedures and guidelines, as well as any other relevant factors, in reviewing the application and making its determination, and no one (1) factor shall be determinative.

(i) Changes in the CPI. If the Bureau of Labor Statistics subsequently changes the geographic reporting in which the County is located, the Department shall use the most current applicable reporting area established.

(ii) The rental history of the rental property since September 11, 2018:

(a) The Base Rent;

(b) The pattern of past Rent increases or decreases;

(c) The Landlord's income and expenses as they relate to the rental property.

(iii) Increases or decreases in property taxes.

(iv) The length of time since either the last hearing and final determination on an Application for Rent Increase by Landlord or the last Rent increase if no previous Application for Rent Increase has been made by Landlord.

(v) The addition of Capital Improvements on the rental property.

(vi) The physical condition of the affected Covered Rental Unit and building, including the quantity and quality of maintenance and repairs performed during the preceding 12 months, as well as the long-term patterns of operating, maintenance and capital improvement expenditures.

(vii) The need for repairs caused by circumstances other than ordinary wear and tear.

(viii) Any increase or reduction of Housing Services since the last Rent increase.

(ix) Any existing written Rental Agreement lawfully entered into between the Landlord and the Tenant(s).

(x) A decrease in net operating income.

(xi) A fair and reasonable return on the building prorated among the Dwelling Units in the building.

(xii) If Landlord received Rent in violation of this Chapter or has otherwise failed to comply with this Chapter.

b. The Department may approve an Application for Rent Increase and make the following determinations, in compliance with its procedures and guidelines and all provisions of this Chapter:

(i) The Department determines the Rent increase is necessary and appropriate to ensure the Landlord receives a fair and reasonable return on the Landlord's investment and will not cause an undue financial burden on the affected Tenant(s).

(ii) The Department determines a lesser Rent increase more appropriately ensures a fair and reasonable return on the Landlord's investment and will not cause an undue financial burden on the affected Tenant(s).

(iii) The Department determines a Rent increase beyond that which is permitted under Section 8.52.050 appropriately ensures a fair and reasonable return on the Landlord's investment and will not cause an undue financial burden on the affected Tenant(s).

c. An Application for a Rent Increase shall not be approved if any Rent increase for that year, plus any amount allowed for a fair and reasonable return on the Landlord's investment, would result in an increase of the Rent from the prior year of an affected Tenant by more than eight percent (8%), or of a Luxury Unit by more than ten percent (10%), unless otherwise determined by the Department.

5. Notices Upon Filing Application for Rent Increase.

a. Within five (5) calendar days after submission of a Landlord's Application for Rent Increase with the Department, the Landlord shall serve each affected Tenant with a notice of said application via personal, service or certified mail, return receipt requested. The Landlord, at his or her own expense, must make the supporting documents, reasonably available to each affected Tenant within five (5) calendar days of such request.

b. Within ten (10) calendar days after submission of a Landlord's application with the Department, the Landlord shall file with the Department a proof of service, on a form approved by the Department, signed under penalty of

perjury, stating that a copy of the notice of Application for Rent Increase, was served upon each affected Tenant.

c. Fees and costs incurred by a Landlord to file, pursue, or prepare an Application for Rent Increase pursuant to this Section are not allowable as operating expenses and may not be passed on to Tenants. Such fees and costs include, but are not limited to, attorney fees, and other similar professional services costs.

6. Examination and Inspection. A Landlord, at his or her expense shall make available for examination the Application for Rent Increase, any supporting documents, and the final decision, reasonably available for review and/or copy for six (6) months following the completion of the appeal process set forth in Section 8.52.150.

B. Tenant Applications for Adjustments. Tenants of a Covered Rental Unit who believe they should receive an adjustment in their monthly obligation(s) because of a Landlord's violation of this Chapter may file an Application for Adjustments with the Department due to either unlawful Rent increase and/or fees, charges or pass-throughs collected by the Landlord or there is a Service Reduction in Housing Services. Tenants must file such Application for Adjustments within one hundred eighty (180) days from the date the Tenant knew, or reasonably should have known, of the Landlord's potential violation(s).

1. Unlawful Rent and/or Fees, Charges or Pass-Throughs. If a Tenant believes that the Landlord's demand for Rent, and or fees, charges or pass-

throughs is in excess of that permitted for a Covered Rental Unit, or in excess of the Rent permitted since the Base Rent, then the Tenant may file an Application for adjustments with the Department for its determination.

a. If a Landlord demands, receives, or retains any payment in excess of the maximum allowable Rent and/or fees, charges or pass-throughs permitted by this Chapter, then a Tenant may withhold the increased amount.

b. In any action to recover possession based on nonpayment of Rent, possession shall not be granted where the Tenant has withheld Rent in good faith under this Section.

2. Failure to Maintain Habitable Premises. A Tenant may file an application with the Department to request a refund of, or decrease in, Rent proportional to the Landlord's failure to maintain the 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) File a complaint with the proper enforcement agency.

Tenant shall provide proof of complaint filing to the Department.



b. A Landlord shall not be liable to a Tenant for a failure to maintain habitable premises if the Tenant caused the condition that is the subject of the application.

3. Decrease in Housing Services. A decrease in Housing Services of a Covered Rental Unit, without a corresponding reduction in Rent, may be considered an increase in Rent. Before filing an application with the Department, a Tenant shall provide the Landlord all of the following:

a. Prior written notice identifying the decrease in Housing Services of a Covered Rental Unit; and

b. A reasonable opportunity to correct the issue(s).

4. Review and Determination of Application for Adjustments. 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;

b. The pattern of recent Rent or Housing Service increases or decreases;

c. Whether the Landlord has received payment in excess of the maximum allowable Rent and/or fees, charges or pass-throughs permitted by this Chapter or has otherwise failed to comply with this Chapter;

d. The date the Service Reduction in the Housing Services was first noticed by the Tenant and when and how notice, orally or in writing, was provided to the Landlord of the alleged Service Reduction in Housing Services and Landlord's response to such notice and whether it was reinstated or restored by the Landlord, and if so, when and how;

e. Whether the habitability violations stated by the Tenant in the application was improved or corrected, and if so, when and how; or

f. The status of the habitability issues as of the date the application is signed.

5. Notice Upon Filing Application for Adjustments. Within five (5) calendar days after submission of an application with the Department, the Tenant shall serve the Landlord with a notice of said application, via personal service or certified mail, return receipt requested.

C. Application Submittal to Department for Rent Increase or Adjustments. Upon the Department's receipt of an application with the Department shall review and evaluate whether there should be a Rent increase or adjustment in accordance with this Section and its procedures and guidelines.

1. The application shall be on a form provided by the Department, signed under penalty of perjury, and must be accompanied by an application fee, if any, and must include the following:

a. The specific Rent increase or adjustment requested;

b. Copies of any books, records, and papers or other financial information deemed relevant in review of the application; and

c. Other documentation required by the Department in accordance with this Section and its procedures and guidelines.

2. Application Fees. The Department may set a reasonable application fee to be paid by the applicant at the time of the filing based on the administrative expenses incurred in reviewing and processing the application.

3. The Department shall have the authority to deem an application complete.

D. Right of Assistance. All parties to an Application for Rent Increase or Adjustments may seek assistance from attorneys or any other person designated by said parties.

E. Consolidation. A Landlord's Applications for Rent Increase pertaining to Tenants in the same building shall be consolidated for determination. Tenants' Applications for Rent Adjustment who live in the same building may be consolidated at the election of the Department.

F. Notwithstanding any other provision of this Section, if a determination for an Application for Rent Increase or Adjustment for a Covered Rental Unit was made within the previous six (6) months by either the Department, then the Department may refuse to grant an application for such Covered Rental Unit(s).

**Section 9**

Section 8.52.070 is hereby amended to read as follows:

**8.52.070**

**Pass-Through Cost Recovery.**

A. Pursuant to this Section, a Landlord may file an application with the Department, on a form approved by the Department, to pass-through costs to ~~existing~~affected Tenants in Covered Rental Units. Such application may include a request to exceed any prescribed limitations described in Section 8.52.050 if necessary for the Landlord to pass-through costs.

B. A Landlord may not pass-through costs to Tenants in Covered Rental Units until the Department approves the Landlord's application and the Landlord registers each Dwelling Unit pursuant to Section 8.52.080. The approved pass-through costs should appear as a separate line item on the Rent statement along with the end date of the amortization period and any remaining pass-through balance. An approved pass-through is not considered Rent.

1. A Landlord must cease collecting the pass-through cost when the Landlord recovers the costs permitted by the Department pursuant to this Chapter.

2. ~~In the event a Tenant paid pass-through costs in excess of that permitted by the Department or beyond the date of expiration of the pass-through, the Landlord shall credit the Tenant for the balance of the overpayment. The Landlord may elect to either: (a) pay the Tenant the balance of the overpayment directly in one lump sum; or (b) give the Tenant a credit against the Rent otherwise due from the Tenant over a six (6) month period~~In the event a Tenant paid pass-through costs in excess of

that permitted by the Department or beyond the date of expiration of the pass-through, the Landlord shall credit the Tenant for the balance of the overpayment.

a. The Landlord may elect to either:

(i) Reimburse the Tenant for the overpayment through one lump sum direct payment; or

(ii) Reimburse the Tenant for overpayment over a six (6) month period in the form of a monthly credit towards any monthly obligation(s) due from the Tenant over a six (6) month period, to which the first credit must be applied at the time the next monthly obligation(s) is due.

b. Where the reimbursement due to the Tenant exceeds the total monthly obligation(s) due for the term of the Tenancy, the remaining balance shall be paid pursuant to the Department's procedures and guidelines.

C. ~~Notices to Tenants. A Landlord shall provide written notice of a pass-through cost to Tenants in accordance with California Civil Code section 827, as may be amended.~~ Pursuant to this Section, no pass-through cost recovery shall be approved if the amount allowed to be a pass-through cost, plus any Rent increase for that year, would result in an increase of the Rent of a Covered Rental Unit by more than eight percent (8%), or of a Luxury Unit by more than ten percent (10%) over the prior year's Rent, unless approved by the Department.

GD. ~~Notices to Tenants. A Landlord shall provide written notice of a pass-through cost to Tenants in accordance with California Civil Code section 827, as may be amended~~ from time to time.

E. Notices Upon Filing Application.

1. Within five (5) calendar days after submission of a Landlord's application for pass-through cost recovery with the Department, the Landlord shall serve each affected Tenant with a notice of said application via personal service or certified mail, return receipt requested.

2. Notice must include copies of the Landlord's application, together with a notice of the projected monthly cost to be passed through to each Tenant.

3. Notice must state that all documentation supporting the application can be reviewed at the Landlord's office during regular business hours.

4. Within ten (10) calendar days after submission of a Landlord's application for Pass-Through Cost Recovery, the Landlord shall file with the Department a proof of service, on a form approved by the Department, signed under penalty of perjury, stating that a copy of the notice of application was served upon the affected Tenant.

5. Proof of mailing or personal delivery of the notice to the Tenants shall be required before the application will be reviewed by the Department.

DE. Safe, Clean Water Act Parcel Tax Pass-Through. A Small Landlord may pass-through the Safe, Clean Water Act parcel tax to Tenants. For purposes of this subsection DE only:

...

EG. Capital Improvements Pass-Through. A Landlord may recover up to fifty percent (50%) of a Capital Improvement cost from existing Tenants in Covered Rental

Units if the Capital Improvement is in accordance with the Departments procedures and guidelines and with this Chapter.

1. ~~Capital Improvements include, but are not limited to, the complete exterior painting of the building, landscaping, flooring, fixtures, doors, windows, fences, security items, meter conversions, major appliances, or window screens and coverings.~~

2. Capital Improvements must have be for the primary benefit, use and enjoyment of Tenants, cost-factored and amortized over a useful life of at least five (5) years and cannot include regular maintenance or repairs from wear and tear, or be the result of a Landlord's failure to perform regular maintenance and repairs, and permanently fixed in place or relatively immobile and appropriated to the use of the rental property.

3. Timeline for Filing Applications. A Landlord must submit an application pursuant to this Section within one hundred twenty (120) days of completion of a Capital Improvement.

2. Capital Improvements do not include the following:

a. Normal routine maintenance and repair, including, but not limited to routine maintenance or repair of a street or driveway by means of patching a seal coat for slurry seal.

b. Costs of maintenance and repair, as opposed to replacement.

c. Costs of replacement if the replacement was necessary because of the Landlord's failure to carry out said maintenance responsibilities, as determined by the Department.

d. Costs to maintain physical improvements in the common facilities in good working order and condition.

e. Additions or replacements made to bring the Dwelling Unit into compliance with a provision of State or local law where the Dwelling Unit has not been in compliance with said provision from the time of its original construction or addition and such provision was in effect at the time of such construction or addition.

f. Not coin-operated or one for which a "use fee" or other charge is imposed on affected Tenants for their use.

3. Application for Recovery of Pass-Through Capital Improvement Costs.

a. A Landlord must submit an application for recovery of Capital Improvement costs with the County, in a form approved by the Department, for review and determination, within one hundred twenty (120) days of completion of the Capital Improvement(s).

b. Said application must be in compliance with the Department's procedures and guidelines, contain the following information, and be accompanied by copies of relevant supporting documentation:

(i) A description of the completed Capital Improvement;



(ii) A copy of all estimates, contracts, bills, invoices, canceled checks and other documentation reasonably necessary to establish the reasonable cost of the Capital Improvement and the cost of financing the Capital Improvement;

(iii) The proposed amortization period to be used based on the Department's procedures and guidelines, if the period differs from one hundred twenty (120) months;

(iv) A list of the Tenants that will be affected by or benefit from the Capital Improvement;

(v) The formula used to calculate the pro rata share of each Tenant;

(vi) The monthly cost to each affected or benefiting Tenant;

(vii) The commencement and completion dates of the Capital Improvements; and

(viii) Such other information as the Department may request.

FH. Primary Renovation Pass-Through. A Landlord may recover up to fifty percent (50%) of a Primary Renovation cost from existing Tenants in Covered Rental Units.

1. A Primary Renovation involves either or both of the following:
  - a. Replacement or substantial modification of any structural, electrical, plumbing, or mechanical system that requires a permit pursuant to State or local law.
  - b. Abatement of hazardous materials, such as lead-based paint or asbestos, in accordance with applicable federal, State, and local laws.
2. Timeline to Request A Primary Renovation Pass-Through Cost.
  - a. Prior to starting any Primary Renovation work, and for review and approval by the Department, a Landlord must provide the Department, on a form approved by the Department, all of the following:
    - (i) A summary of any impact the Primary Renovation work will have on the Tenant's Covered Rental Unit; and
    - (ii) Steps that the Landlord will take to mitigate the impact, including potentially providing relocation assistance pursuant to Section 8.52.110, required during the Primary Renovation work.
  - b. Once the Primary Renovation work is complete, the Landlord must submit an application to the Department, on a form approved by the Department, for approval of a pass-through cost to the Tenants.
3. A Landlord is permitted to apply for and receive only one Primary Renovation pass-through cost to Tenants every five (5) years.

I. Examination and Inspection.

1. Landlord, at his or her expense, shall make available for examination within ten (10) business days of the written request of any affected Tenant copies of bills for property taxes, any government required service charges, copies of insurance policies and records of insurance payments, and the books and records of the Landlord relating to costs of the Capital Improvements or Primary Renovation to verify any increases or decreases sought by the Landlord under this Section.

2. Department shall be permitted by a Landlord, during reasonable business hours, to visit the residential property and/or the affected Covered Rental Unit and confirm the Capital Improvement and/or Primary Renovation was completed and that the Capital Improvement and/or Primary Renovation cost amount is justified.

3. The Landlord is responsible for the Capital Improvement and/or Primary Renovation and confirming that it is in compliance with all federal, State or local laws.

J. Standards for Approving Pass-Through Cost.

1. The Department may approve an application for a pass-through cost if the Department determines the Capital Improvement or Primary Renovation cost(s) are reasonable based on the prevailing costs of such improvements, considering the following and any other factors set forth in its procedures and guidelines:

a. The unique features of the residential property and/or Covered Rental Unit affecting the cost;

b. That the costs incurred were necessary and appropriate to complete the Capital Improvement or Primary Renovation;

c. Whether the work was necessary to bring the rental property into compliance or maintain compliance with Code requirements affecting health and safety; and

d. Any supplemental information provided by the Tenant to the Department in support of or in opposition to the Landlord's application.

2. The proposed amortization of the Capital Improvement or Primary Renovation and all other aspects of the application comply with the provisions of this Chapter and the Department's procedures and guidelines.

3. Fees and costs incurred by a Landlord to file, pursue, or prepare an the application pursuant to this Section may not be passed on to Tenants. Such fees and costs include, but are not limited to, attorney fees and other similar professional services costs.

~~G. The Department's procedures and guidelines will set forth all of the following:~~

~~1. The cost recovery calculations and amortization period for the Capital Improvement or Primary Renovation pass through cost for each Covered Rental Unit; and~~

~~2. Factors for the Department to evaluate a Landlord's application for a pass-through cost of a Capital Improvement or Primary Renovation including, but not~~

~~limited to, whether the work was necessary to bring the property into compliance or maintain compliance with Code requirements affecting health and safety.~~

~~3. Notices to Tenants to file objections to the Landlord's application for pass-through cost of a Capital Improvement or Primary Renovation with the Department.~~

~~H. Pursuant to this Section, no pass-through cost recovery may be approved if the amount allowed to be a pass-through cost, plus any Rent increase for that year, would result in an increase of the Rent for the prior year of a Covered Rental Unit by more than eight percent (8%), or of a Luxury Unit by more than ten percent (10%).~~

**SECTION 10.** Section 8.52.080 is hereby amended to read as follows:

**8.52.080 Annual Rental Registration.**

A. Registration of Dwelling Unit. On or before September 30th of each year, a Landlord must register each Dwelling Unit that is rented or is available for Rent in the County's Registry System or in a form approved by the Department. A Landlord must contact the Department or update the County's ~~Registry~~ System if there are any errors or subsequent changes to the Dwelling Unit or information entered into the County's Registry System within thirty (30) calendar days.

B. Registration of ~~Amenities~~ Housing Services. When registering each Dwelling Unit, the Department may also require a Landlord to register all ~~amenities~~ Housing Services available to the Tenant pursuant to the Department's procedures and guidelines.

C. ~~County Registry System.~~ Registration under this Section must be completed through the County's registry system or in a form approved by the Department. The Department shall be responsible for accepting annual rental registration and any subsequent changes made or requested by the Landlord. Registration must include, but is not limited to, the following information:

1. Rent for each Dwelling Unit in the rental property and the date of the last Rent increase for the Covered Rental Unit;
2. The name(s), address(es), telephone number(s) of each Landlord for the property;
3. The number of Dwelling Units on the property;
4. The name(s) and mailing address of each Tenant;
5. A description of Housing Services provided by the Landlord; and
6. Move-in and vacancy dates for each Tenancy.

D. ~~Rental Registration Fee.~~ A Landlord must pay an annual rental registration fee for each Dwelling Unit on the rental property. This fee shall be determined by the Board and shall be sufficient to pay operating costs for this Chapter including, but not limited to, administrative time and costs, legal fees and costs, and any other expense incurred to implement, administer, ~~or~~ and enforce this Chapter.

E. ~~Rental Registration Fee Pass-Through.~~ A Landlord may recover up to fifty-percent (50%) of a rental registration fee from the Tenant of a ~~Covered Rental Dwelling Unit where.~~ The pass-through registration fee shall be calculated in accordance to 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. ~~A Landlord t~~Timely and accurately submits an annual rental registration for each Dwelling Unit and Housing Services in the rental property prior to any deadline published by the Department;

2. ~~A Tenant's payment to the Landlord for the pass-through cost is paid in twelve (12) equal, monthly installments;~~

3. ~~The pass-through cost appears as a separate line item; and~~

4. ~~The Landlord provides to the Department the amount of the pass-through cost to the Tenants.~~The registration fee pass-through cost appears as a separate line item;

3. Provides Tenant with thirty (30) days prior notice before collecting any registration fee pass-through cost; and

4. A Tenant's payment to the Landlord for the registration fee pass-through cost is paid in twelve (12) equal, monthly installments, unless otherwise agreed to by the Tenant.

F. Excess Registration Fee Pass-Through Costs Paid.

1. In the event a Tenant paid registration fee pass-through costs in excess of that permitted hereunder, the Landlord shall reimburse the Tenant for the registration fee pass-through costs overpayment.

2. The Landlord may elect to either:

a. Reimburse the Tenant for the registration fee pass-through costs overpayment through one lump sum direct payment; or

b. Reimburse the Tenant for the registration fee pass-through costs overpayment over a six (6) month period in the form of six (6) consecutive, equal monthly credits against monthly obligation(s) otherwise due from the Tenant.

3. Time for Repayment.

a. If the Landlord elects a lump sum direct payment, such payment must be paid by the time the next monthly obligation(s) payment is due.

b. If the Landlord elects six (6) consecutive, equal monthly credits, the first credit must be applied at the time the next monthly obligation(s) payment is due.

**SECTION 11.** Section 8.52.090 is hereby amended to read as follows:

**8.52.090 Termination of Tenancy.**

A. No Landlord may terminate a Tenancy of a ~~Tenant occupying an~~ occupied Dwelling Unit, unless the Landlord can demonstrate either a For Cause or No-Fault termination.

B. When terminating a Tenancy either ~~For Cause 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, as they may be amended from time to time, to the Tenant stating that, in addition to any information required by federal or State law, as they may be amended from time to time, the Landlord will terminate the



~~Tenant's Tenancy because of~~ and indicating at least one For Cause or No-Fault reason;  
and

2. The Landlord has not accepted and will not accept Rent or any other consideration in return for the continued use of the Dwelling Unit beyond the term of the terminated Tenancy in compliance with California Civil Code sections 1945 through 1946.5, as they may be amended from time to time; and

3. The Landlord qualifies the termination as For Cause or No-Fault, as specified in this Section; and

4. The Landlord has submitted to the Department ~~via certified mail, return receipt requested,~~ within five (5) days after service of the notice of termination on the Tenant, a true and accurate copy of the Landlord's written notice of termination, and proof of such service, signed under penalty of perjury, on the Tenant. The Landlord shall maintain proof of service to the Department as evidence that the Landlord has complied with this Section.

C. A Landlord who is unable to show a For Cause or No-Fault ~~termination~~ of reason to terminate Tenancy, must instead pursue one of the following options:

1. Renew the Rental Agreement. At the conclusion of a term of Tenancy under a Rental Agreement, a Landlord may offer to renew the Rental Agreement, under substantially similar material terms including, but not limited to, Rent, amenities, services, facilities, and term of the Tenancy.

2. Permit the Tenancy to Continue. At the conclusion of a term of Tenancy under a Rental Agreement, a Landlord may permit the Tenancy to continue in

accordance with California Civil Code section 1945, as may be amended from time to time.

3. Propose New Tenancy Terms. At the conclusion of a term of Tenancy under a Rental Agreement, a Landlord may provide notice of new proposed terms of Tenancy in accordance with California Civil Code section 827, as may be amended from time to time. This is not applicable to Covered Rental Units.

D. For Cause Termination of Tenancy. If a Landlord can show any of the following circumstances with respect to a termination of Tenancy in a Dwelling Unit, the termination qualifies as a For Cause Termination.

1. Failure to Pay Rent. 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 law, 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.

2. Violation of Material Term of Rental Agreement. Tenant has continued to substantially violate any material term of the Rental Agreement as provided in California Code of Civil Procedure section 1161 subdivision (3), as may be amended from time to time, after written notice to cease, and did not cure such violation within ten (10) days after receiving written notice from the Landlord of such violation.

a. New terms added to an existing Rental Agreement cannot be considered a material Rental Agreement term, unless expressly consented to in writing by the Tenant.

b. Adding additional occupants in an existing Tenancy is not a breach of a material Rental Agreement term so long as the number of occupants does not exceed the maximum number of occupants as determined by State or local laws. An addition of occupants pursuant to this Subsection does not authorize a Rent increase or an increased security deposit.

c. ~~Tenant has willfully caused or allowed~~ Any term regarding a Tenant's willful cause or allowance of substantial damage to the Dwelling Unit beyond normal wear and tear and ~~has refused~~ Tenant's refusal, after written notice, to pay the reasonable costs of repairing such damages and cease damaging said Dwelling Unit is considered a material term of the Rental Agreement.

3. Nuisance or Illegal Purpose. Tenant creates a nuisance or uses the Dwelling Unit for an illegal purpose as provided in California Code of Civil Procedure section 1161 subsection (4), as may be amended from time to time, including:

a. Any crime or act of violence committed by a Tenant of a Dwelling Unit which involves use of a gun or a deadly weapon, or inflicts serious bodily injury and for which a police report has been filed, but not a crime or act of violence that is committed against a person residing in the same Dwelling Unit as the person committing the crime;

b Any threat of violent crime or violence, which includes any statement made by a Tenant, or at the Tenant's request, by the Tenant's agent, to any person who is on the property where the Dwelling Unit is located, threatening the ~~commission~~to commit of a crime or violence which will result in death or serious bodily injury to another person, with the specific intent that the statement is to be taken as a threat, even if there is no intent of actually carrying it out, when on its face and under the circumstances in which it is made, it is unequivocal, immediate, and specific as to convey to the person threatened, a gravity of purpose and an immediate prospect of execution of the threat, and thereby causes that person reasonably to be in sustained fear for his or her own safety or for his or her immediate family's safety, but not including a threat that is committed against a person who is residing in the same Dwelling Unit as the person making the threat;

...

E. ~~No Fault Termination of Tenancy. If a Landlord can show any of the following circumstances with respect to a termination of Tenancy in a Dwelling Unit, the termination qualifies as a No Fault termination.~~

1. ~~Landlord or Landlord's Family Member Occupancy. A Landlord who owns a Dwelling Unit and seeks in good faith to recover possession of said Dwelling Unit for the Landlord's own use and occupancy as the Landlord's principal residence for at least thirty-six (36) consecutive months, or for the use and occupancy as the principal residence by the Landlord's Family Member for at least thirty-six (36) consecutive months.~~

~~a.——Sixty-Day Notice Period. A Landlord must provide the Tenant sixty (60) days' written notice that the Landlord intends to terminate the Tenancy. The Tenant may not waive the required sixty (60) days' notice.~~

~~b.——Fifty Percent Ownership Interest. In order to evict for Landlord or Landlord's Family Member occupancy, the Landlord must possess legal title to at least fifty percent (50%) of the building or be a beneficiary with an interest of at least fifty percent (50%) in a trust that owns the building. If the Landlord is a corporation, partnership, or limited liability company, then each individual who intends to evict a Tenant under this Section and occupy the Dwelling Unit, must have at least a fifty percent (50%) beneficial interest in that business entity. Additionally, if two persons purchase a duplex and each own fifty percent (50%) of the building each may evict a Tenant under this Section.~~

~~c.——Dwelling Unit Limitation. A Landlord with less than one hundred percent (100%) ownership interest in a property may occupy only one Dwelling Unit on that property. A Landlord with one hundred percent (100%) ownership interest in a property may occupy up to two Dwelling Units on that property.~~

~~d.——A Landlord may only terminate a Tenancy under this Section if the Landlord or Landlord's Family Member who will reside in the Dwelling Unit is similarly situated as the Tenant, who is being displaced:~~

~~(i)——If the Tenant is at least sixty-two (62) years of age or older, then the Landlord or the Landlord's Family Member who will reside in the Dwelling Unit must also be sixty-two (62) years of age or older;~~

~~(ii) If the Tenant is a person with a disability who has a physical or mental impairment that limits one or more of a person's major life activities within the meaning of the California Fair Housing and Employment Act pursuant to California Government Code section 12926, then the Landlord or the Landlord's Family Member who will reside in the Dwelling Unit must also be a person with a disability;~~

~~(iii) If the Tenant has a terminal illness as verified by their medical primary care provider, then the Landlord or the Landlord's Family Member who will reside in the Dwelling Unit must also have a terminal illness; or~~

~~(iv) If the Tenant is a low income tenant (low income tenant means a person and family whose income does not exceed the qualifying limits for lower income families as established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937, or as otherwise defined in California Health and Safety Code section 50079.5), then the Landlord or the Landlord's Family Member who will reside in the Dwelling Unit must also be a low income individual.~~

~~e. It shall be rebuttably presumed that the Landlord has not acted in good faith if the Landlord or the Landlord's Family Member who displaced the Tenant does not move into the Dwelling Unit within sixty (60) days after Tenant has vacated the Dwelling Unit and occupy said unit as that person's principal residence for a minimum of thirty-six (36) consecutive months.~~

~~2. Withdrawal of Dwelling Units from Rental Market. A Landlord seeks to withdraw from the residential rental market pursuant to the Ellis Act, subject to the following conditions and requirements:~~

a. ~~Landlord complies with all provisions of the Ellis Act, unless otherwise indicated in this Section.~~

b. ~~Not less than one hundred twenty (120) days from the date the Landlord intends to withdraw the Dwelling Units in a building or structure from the rental market, and after completion of all required proceedings, if any, the Landlord shall provide written notice of termination of Tenancy to the Department and all affected Tenants, on a form approved by the Department.~~

c. ~~Landlord's notice of termination of Tenancy to the Department shall contain the following information:~~

- ~~(i) Address and legal description of the subject property;~~
- ~~(ii) Identify the Landlord of the property;~~
- ~~(iii) Number of Dwelling Units being removed;~~
- ~~(iv) The names of all Tenants residing in the Dwelling Units being removed;~~
- ~~(v) Date upon which the building(s) are intended to be withdrawn; and~~
- ~~(vi) The relocation assistance that the Tenant is qualified to receive in order to mitigate any impact on the Tenant from being displaced in accordance with Section 8.52.110 as well as any additional assistance if the Tenant is low-income, has minor children, is an elderly person, and/or a disabled person in accordance with Section 8.52.110.~~

d. ~~Landlord's notice to all affected Tenants shall contain the following information:~~

(i) ~~That the Landlord is evicting the Tenant pursuant to this Subsection and will provide the County with the written notice required in this Section;~~

(ii) ~~That within thirty (30) days of receipt of notice to terminate, the Tenant may notify the Landlord in writing that the Tenant would be interested in re-renting the Dwelling Unit if any of the Dwelling Units are re-offered for rent at a future time and advising the Tenant to notify the Landlord of future address changes.~~

(iii) ~~A description of the Tenant's rights.~~

(iv) ~~The notice shall be accompanied by relocation assistance and any additional special assistance provided to the Tenant in accordance with Section 8.52.110; and~~

(v) ~~A description of the Tenant's rights to relocation assistance and any other rights set forth in this Chapter.~~

e. ~~The following Tenants who have resided in the Dwelling Unit for at least one year prior to the Landlord's notice of intent to withdraw the Dwelling Unit in a building or structure from the residential rental market, and after receiving one hundred twenty (120) days' written notice, may submit a written request to the Landlord to receive an extension of one year from the Tenant's date of notice:~~



~~(i) — A Tenant who is at least sixty-two (62) years of age;~~

~~or~~

~~(ii) — A Tenant with a disability who has a physical or mental impairment that limits one or more of a person's major life activities within the meaning of the California Fair Housing and Employment Act pursuant to California Government Code section 12926.~~

~~3. — Government Agency or Court Order.~~

~~a. — The Landlord shall comply with any of the following:~~

~~(i) — An order issued by a government agency or court relating to habitability that necessitates vacating Dwelling Unit;~~

~~(ii) — An order issued by a government agency or court to vacate the Dwelling Unit; or~~

~~(iii) — A local ordinance that necessitates vacating the Dwelling Unit.~~

~~b. — If it is determined by any government agency or court that the Tenant is at fault for the condition or conditions triggering the order or need to vacate under this Section, the Tenant shall not be entitled to relocation assistance as outlined in Section 8.52.110.~~

~~4. — Tenant's Right of First Return.~~

~~a. — Return Within Five (5) Years to a Covered Rental Unit. A Tenant may return to the Covered Rental Unit if a Landlord returns the Covered Rental Unit to the residential rental market within five (5) years after the effective date of~~

~~withdrawal of the building. The Tenant of a Covered Rental Unit is entitled to receive notice of the first right to return to rent the same Covered Rental Unit at the Rent previously charged plus any annual Rent increases allowed under this Chapter. The Landlord must deliver the notice to the Tenant in a form approved by the Department.~~

~~b. Return Within Ten (10) Years of A Dwelling Unit. A Landlord of a building containing a Dwelling Unit that was withdrawn from the residential rental market within the previous ten (10) years must provide one hundred twenty (120) days written notice to the County and previous Tenants of the Landlord's intent to return the Dwelling Unit to the residential rental market. Any Tenant displaced from a Dwelling Unit may request the first right of return from the Landlord within thirty (30) days of receiving notice from the County of the Landlord's intent to return the Dwelling Unit to the residential rental market.~~

~~c. Nothing in this Section shall be construed to relieve the Landlord of the obligation to directly contact the former Tenant and to advise the Tenant that the withdrawn Dwelling Unit will again be offered for Rent. Notice shall be on a form approved by the Department.~~

~~d. Registry. The County may create a registry of Tenant contact information for use by Tenants and Landlords to facilitate communication regarding the first right of return. Each Landlord shall use relevant information in the registry, in addition to information provided voluntarily by each Tenant, when complying with first right of return obligations and relocation assistance under this Chapter.~~

~~5.—— Fees. The County may establish fees for County-incurred costs when a Landlord withdraws Dwelling Units from the residential rental market. The fees shall be paid to the County prior to the Landlord's notice to a Tenant to withdraw the Dwelling Unit. Failure to pay the fees prior to service of the notice to the Tenants shall invalidate such notice.~~

~~6.—— Recordation of Memorandum. The Landlord shall record a memorandum, on a County approved form, with the County's Registrar Recorder/County Clerk encumbering the property where the Dwelling Unit is located within ten (10) days of providing notice to the County of the Landlord's intent to withdraw the Dwelling Units from the residential rental market.~~

~~a.—— The memorandum must be executed by the Landlord.~~

~~b.—— The memorandum shall summarize the obligations of the Landlord, and any successor in interest to the Landlord, and include the Tenant's right to receive notice of the first right to return to Rent the Dwelling Unit returned to the residential rental market.~~

~~c.—— The summary memorandum must encumber the property for ten (10) years from the date of Landlord's notice to the County to withdraw from the residential rental market.~~

~~d.—— The Landlord shall deliver to the Department a conformed copy of the recorded memorandum within sixty (60) days after filing notice to the County to withdraw from the residential rental market~~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 Dwelling Unit, the termination qualifies as a No-Fault termination.

a. Landlord or Landlord's Family Member Occupancy. A Landlord who owns a Dwelling Unit, and seeks in good faith to recover possession of said Dwelling 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 by moving into the Dwelling Unit within sixty (60) days after Tenant has vacated the Dwelling Unit and occupies said Dwelling Unit as the Landlord's or Landlord's Family Member principal residence for at least thirty-six (36) consecutive months, unless extenuating circumstances exist.

(i) Displacement. To recover possession of said Dwelling Unit for the Landlord's own use and occupancy as the Landlord's or Landlord's Family Member's principal residence, Landlord must first seek to occupy a vacant Dwelling Unit. If no vacant Dwelling Unit is available, then Landlord may displace the current Tenant and Tenant's household members in order to move into the Dwelling Unit subject to the conditions set forth in this Chapter.

(ii) Sixty-Day Notice Period to Tenant. A Landlord must provide the Tenant sixty (60) days' written notice that the Landlord intends to terminate the Tenancy. The Tenant may not waive the required sixty (60) days' notice.

(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 827, the Landlord must disclose to the Department the name(s) of the eligible individual(s) who will occupy the Dwelling Unit, and the relationship of said individual(s) to the Landlord.

(b) The Department may contact Landlord at any time during the tenancy to confirm that the Landlord or Landlord's family member resides in the recovered Dwelling Unit(s), and may obtain written verification of residency.

(iv) Fifty-Percent Ownership Interest. In order to evict for Landlord or Landlord's Family Member occupancy, the Landlord must be a natural person and possess legal title to at least fifty percent (50%) of the building or be a beneficiary with an interest of at least fifty percent (50%) in a trust that owns the building. If two persons purchase a duplex and each own fifty percent (50%) of the building, each may evict a Tenant under this Section.

(v) Dwelling Unit Limitation. A Landlord with less than one hundred percent (100%) ownership interest in a property may occupy only one Dwelling Unit on that property. A Landlord with one hundred percent (100%) ownership interest in a property may occupy up to two (2) Dwelling Units on that property.

(vi) A Landlord may only terminate a Tenancy under this Section if the Landlord or Landlord's Family Member who will reside in the Dwelling Unit

is similarly situated as the Tenant or Tenant's household members who are being displaced:

(a) If the Tenant or one of Tenant's household members is at least sixty-two (62) years of age or older, then the Landlord or the Landlord's Family Member who will reside in the Dwelling Unit must also be sixty-two (62) years of age or older;

(b) If the Tenant or one of Tenant's household members is a person with a disability who has a physical or mental impairment that limits one or more of a person's major life activities within the meaning of the California Fair Housing and Employment Act pursuant to California Government Code section 12926, then the Landlord or the Landlord's Family Member who will reside in the Dwelling Unit must also be a person with a disability;

(c) If the Tenant or one of the Tenant's household members has a terminal illness as verified by their medical primary care provider, then the Landlord or the Landlord's Family Member who will reside in the Dwelling Unit must also have a terminal illness; or

(d) If the Tenant is a low-income household (low-income household means a household whose income does not exceed the qualifying limits for lower income households as established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937, or as otherwise defined in California Health and Safety Code section 50079.5), then the Landlord or the

Landlord's Family Member who will reside in the Dwelling Unit must also be a low-income household.

(vii) Tenant's Right of First Return.

(a) Return Within Three (3) Years to a Dwelling Unit. A Tenant may return to the Dwelling Unit if a Landlord or Landlord's Family Member ceases occupation of the Dwelling Unit within three (3) years after the final date of tenancy, the Tenant of a Dwelling Unit is entitled to receive notice of the first right to return to rent the same Dwelling Unit at the Rent previously charged plus any annual Rent increases allowed under this Chapter. The Landlord must deliver the notice to the Tenant in a form approved by the Department.

(b) Nothing in this Section shall be construed to relieve the Landlord of the obligation to directly contact the former Tenant and to advise the Tenant that the recovered Dwelling Unit will again be offered for Rent. Notice shall be on a form approved by the Department.

(c) Registry. The County may create a registry of Tenant contact information for use by Tenants and Landlords to facilitate communication regarding the first right of return. Each Landlord shall use relevant information in the registry, in addition to information provided voluntarily by each Tenant, when complying with first right of return obligations and relocation assistance under this Chapter.

(vii) Rent to Tenant Not Previously Displaced. If a Landlord or Landlord's Family member ceases occupation of the Dwelling Unit, and the

recovered Dwelling Unit is offered for Rent to a Tenant who was not the previously displaced Tenant, the new Tenant is entitled to rent the Dwelling Unit at the Rent previously charged at the time of the prior tenancy plus any annual Rent increases allowed under this Chapter.

b. Withdrawal of Dwelling Units from Rental Market. A

Landlord seeks to withdraw from the residential rental market pursuant to the Ellis Act, subject to the following conditions and requirements:

(i) Landlord complies with all provisions of the Ellis Act, unless otherwise indicated in this Section.

(ii) Not less than one hundred twenty (120) days from the date the Landlord intends to withdraw the Dwelling Units in a building or structure from the rental market, and after completion of all required proceedings, if any, the Landlord shall provide written notice of intent to terminate Tenancy to the Department on a form approved by the Department, and a written notice of termination of Tenancy to all affected Tenants.

(iii) Notice of Intent to Terminate Requirements.

Landlord's notice of intent to terminate Tenancy to the Department shall contain the following information:

(a) Address and legal description of the subject property;

(b) Identify the Landlord of the property;

(c) Number of Dwelling Units being removed;



(d) The names of all Tenants residing in the Dwelling Units being removed;

(e) Date upon which the Dwelling Units are intended to be withdrawn; and

(f) The relocation assistance that the Tenant is qualified to receive in order to mitigate any impact on the Tenant from being displaced in accordance with Section 8.52.110 as well as any additional assistance if the Tenant is low-income, has minor children, is an elderly person, and/or a disabled person in accordance with Section 8.52.110.

(iv) Notice of Termination Requirements. Landlord's notice of termination to all affected Tenants shall contain the following information:

(a) That the Landlord is evicting the Tenant pursuant to this Subsection and will provide the County with the written notice required in this Section;

(b) That within thirty (30) days of receipt of notice of termination, the Tenant may notify the Landlord in writing that the Tenant would be interested in re-renting the Dwelling Unit if any of the Dwelling Units are re-offered for rent at a future time and advising the Tenant to notify the Landlord of future address changes; and

(c) A description of the Tenant's rights, including the Tenant's rights to relocation assistance and any other rights set forth in this Chapter.

(d) The notice shall be accompanied by relocation assistance and any additional special assistance provided to the Tenant in accordance with Section 8.52.110.

(v) The following Tenants who have resided in the Dwelling Unit for at least one year prior to the Landlord's notice of termination to withdraw the Dwelling Unit in a building or structure from the residential rental market, and within thirty (30) days after receiving notice of termination, may submit a written request to the Landlord to receive an extension of one year from the Tenant's date of notice:

(a) A Tenant who is at least sixty-two (62) years of age; or

(b) A Tenant with a disability who has a physical or mental impairment that limits one or more of a person's major life activities within the meaning of the California Fair Housing and Employment Act pursuant to California Government Code section 12926.

(vi) Tenant's Right of First Return.

(a) Return Within Five (5) Years to a Covered Rental Unit. A Tenant may return to the Covered Rental Unit if a Landlord returns the Covered Rental Unit to the residential rental market within five (5) years after the effective date of withdrawal of the building. The Tenant of a Covered Rental Unit is entitled to receive notice of the first right to return to rent the same Covered Rental Unit at the Rent previously charged plus any annual Rent increases allowed under this

Chapter. The Landlord must deliver the notice to the Tenant in a form approved by the Department.

(b) Return Within Ten (10) Years of A Dwelling Unit. A Landlord of a building containing a Dwelling Unit that was withdrawn from the residential rental market within the previous ten (10) years must provide one hundred twenty (120) days written notice to the County and previous Tenants of the Landlord's intent to return the Dwelling Unit to the residential rental market. Any Tenant displaced from a Dwelling Unit may request the first right of return from the Landlord within thirty (30) days of receiving notice from the County of the Landlord's intent to return the Dwelling Unit to the residential rental market.

(c) Nothing in this Section shall be construed to relieve the Landlord of the obligation to directly contact the former Tenant and to advise the Tenant that the withdrawn Dwelling Unit will again be offered for Rent. Notice shall be on a form approved by the Department.

(d) Registry. The County may create a registry of Tenant contact information for use by Tenants and Landlords to facilitate communication regarding the first right of return. Each Landlord shall use relevant information in the registry, in addition to information provided voluntarily by each Tenant, when complying with first right of return obligations and relocation assistance under this Chapter.

(vii) Recordation of Memorandum. The Landlord shall record a memorandum, on a County approved form, with the County's Registrar

Recorder/County Clerk encumbering the property where the Dwelling Unit is located no sooner than forty (40) days after providing notice to the County of the Landlord's intent to withdraw the Dwelling Units from the residential rental market.

(a) The memorandum must be executed by the Landlord.

(b) The memorandum shall summarize the obligations of the Landlord, and any successor in interest to the Landlord, and include the Tenant's right to receive notice of the first right to return to Rent the Dwelling Unit returned to the residential rental market.

(c) The summary memorandum must encumber the property for ten (10) years from the date of Landlord's notice to the County to withdraw from the residential rental market.

(d) The Landlord shall deliver to the Department a conformed copy of the recorded memorandum within ninety (90) days after filing notice to the County to withdraw from the residential rental market.

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 Dwelling Unit;

(b) An order issued by a government agency or court to vacate the Dwelling Unit; or

(c) A local ordinance that necessitates vacating the Dwelling Unit.

(ii) If it is determined by any government agency or court that the Tenant is at fault for the condition or conditions triggering the order or need to vacate under this Section, the Tenant shall not be entitled to relocation assistance as outlined in Section 8.52.110.

2. Fees. The County may establish fees for County-incurred costs when a Landlord recovers possession of or withdraws Dwelling Units from the residential rental market. The fees shall be paid to the County prior to the Landlord's notice to a Tenant to recover possession or withdraw the Dwelling Unit. Failure to pay the fees prior to service of the notice to the Tenants shall invalidate such notice.

3. All No-Fault terminations of Tenancy are eligible for relocation assistance.

**SECTION 12.** Section 8.52.100 is hereby amended to read as follows:

**8.52.100 Tenant Buyout Agreements.**

A. Landlord's Disclosure Prior to Buyout Offer. ~~Prior to making a buyout offer~~At the time a proposed buyout agreement is provided, the Landlord shall provide each Tenant in the Dwelling Unit a written disclosure in the primary language of the Tenant, on a form approved by the Department, translated at the Landlord's expense, that shall include all of the following:

...

B. Requirement for Buyout Agreements. A buyout agreement that does not satisfy all the requirements of this Section may be rescinded by the Tenant ~~within forty-five (45) days of execution of the buyout agreement~~ for up to forty-five (45) days after it is fully executed. The buyout agreement shall:

1. Be in writing in the primary language of the Tenant, at the expense of the Landlord. The Landlord shall give each Tenant a copy of the proposed buyout agreement ~~at least ten (10) business~~ forty-five (45) days before it is executed by the parties.

2. Include the following statement in bold letters in at least ~~fourteen-point (14 pt)~~ 12-point boldface type in close proximity to the space reserved for the signature of the Tenant(s):

...

3. Provide to the Tenant a copy of the fully executed buyout agreement within ten (10) days of execution.

C. Rescission of Buyout Agreement. A Tenant shall have the right to rescind a buyout agreement for up to forty-five (45) days after its execution by all parties. In order to rescind a buyout agreement, the Tenant must hand-deliver, email, or send by certified mail, return receipt requested, a statement to the Landlord indicating that the Tenant has rescinded the buyout agreement.

D. Filing of Buyout Agreement and Disclosure Notice. The Landlord shall file with the Department, pursuant to its procedures and guidelines, a copy of the executed buyout agreement, along with proof of service to the Tenant of the disclosure notice as

required in this Section, within ~~sixty (60)~~ten (10) days after the buyout agreement is executed by all parties. Buyout agreements and disclosure notices shall be filed with the Department.

**SECTION 13.** Section 8.52.110 is hereby amended to read as follows:

**8.52.110 Relocation Assistance.**

A. Permanent Relocation Assistance. When relocation assistance is ~~required by this Section~~must be paid to Tenants who are evicted from their Dwelling Unit pursuant to Section 8.52.090(E), the Landlord must make the relocation assistance payment to an escrow in accordance with the Department's procedures and guidelines ~~simultaneously~~this Section. The relocation assistance payment shall be served simultaneously with the notice of termination of Tenancy.

1. The County will determine standard relocation assistance amounts based on the following:

- a. Three times the Countywide median rent based on the Dwelling Unit size;
- b. Estimated costs associated with disconnecting and reconnecting utilities;
- c. Estimated packing and moving costs;
- d. Estimated storage costs for three (3) months;
- e. Packing supplies;
- f. Application fees; and
- g. Taxes.

2. A Tenant who is either a Qualified Tenant or a Lower-Income Tenant, as defined in this Section, may receive additional relocation assistance.

a. Qualified Tenant. If one of the Tenants living in the Dwelling Unit from which the Tenants are to be displaced includes a person who is sixty-two (62) years of age or older, disabled, or has children under the age of eighteen (18), then all Tenants living in the Dwelling Unit are collectively entitled to the Qualified Tenant relocation assistance listed in the relocation fee schedule.

b. Lower-Income Tenant. If one of the Tenants living in the Dwelling Unit from which the Tenants are to be displaced includes a lower-income person, as defined by California Health and Safety Code section 50079.5, then all Tenants living in the Dwelling Unit are collectively entitled to the Lower-Income Tenant relocation assistance listed in the relocation fee schedule.

3. Permanent Relocation Assistance Payments shall be paid as follows and only upon the mutual agreement between the Landlord and Tenant:

a. Escrow Account. Permanent relocation assistance payments may be deposited into an escrow account and pursuant to the Department's procedures and guidelines; or

b. Direct Payment. Permanent relocation assistance payments may be paid directly to the Tenant.

B. Temporary Relocation Assistance. A Landlord must pay temporary relocation assistance to Tenants of a Dwelling who are temporarily displaced due to



repairs, rehabilitation of Dwelling Unit, health and safety violations, or other work that cannot be completed while the Tenant remains in the Dwelling Unit.

1. Thirty (30) Days or Less. A Landlord must provide the Tenant a per-diem payment if the Tenant will be temporarily displaced for thirty (30) days or less.

2. Thirty-One (31) Days or More. A Landlord must provide the Tenant either a per-diem payment or comparable temporary accommodations, if available.

3. Per-Diem Payment. ~~Per-diem payment will be based on the Federal General Services Administration per diem rate for lodging in Los Angeles County, which is updated on a yearly basis.~~

a. Per-diem payment will be based on the Federal General Services Administration per-diem rate for lodging in Los Angeles County, which is updated on a yearly basis, unless otherwise agreed upon by the Landlord and Tenant, and may include any applicable transient occupancy taxes.

b. Upon mutual agreement by the Landlord and Tenant, per-diem payments may be paid directly to the Tenant, or in the event of a hotel or motel accommodation, directly to the hotel or motel.

4. Temporary Relocation Assistance payments will be made in accordance with the Department's procedures and guidelines.

5. Temporary Hotel or Motel Accommodation. If relocation is to a hotel or motel, the Landlord must provide a hotel or motel accommodation which is safe, sanitary, and unless otherwise agreed upon by the Landlord and Tenant, within a reasonable distance of the Tenant's Dwelling Unit.

~~C. Escrow Account. Relocation assistance shall be deposited into an escrow account pursuant to the County's procedures and regulations.~~

~~D. No Waiver.~~ No Waiver. A Tenant cannot waive his or her right to receive relocation assistance required by this Chapter.

~~E. Relocation Specialist Services.~~ Relocation Specialist Services. A Landlord must, at the Landlord's own expense, hire a relocation specialist with experience in providing relocation services to Tenants in the County. A Landlord must also obtain the Department's approval of the relocation specialist services prior to providing relocation services to the Tenant.

~~F. Refund of Security Deposit.~~ Refund of Security Deposit. A Landlord must refund to the Tenant any security deposit paid by the Tenant. A Landlord may withhold any properly itemized deductions from the security deposit in accordance with California Civil Code section 1950.5.

~~G. Relocation Assistance Set By the Board.~~ Relocation Assistance Set By the Board. The relocation assistance per Dwelling Unit shall be set by the Board and may be based on the number of bedrooms per Dwelling Unit or as provided by the Board.

~~H. Any action brought by a Tenant for a violation of this Section must be brought in a court of competent jurisdiction.~~ Any action brought by a Tenant for a violation of this Section must be brought in a court of competent jurisdiction. In a civil suit, a Landlord found to violate this Section shall be liable to the aggrieved Tenant. A prevailing Tenant in a civil action shall be awarded attorneys' fees and costs. No administrative remedy need be exhausted prior to filing suit pursuant to this Section.

**SECTION 14.** Section 8.52.120 is hereby amended to read as follows:

**8.52.120 Notices to Tenants.**

A. **Mandatory Notices to Tenants.** Landlords must provide to each Tenant, prior to, or at the time of agreeing to Rent a Covered Rental Unit, a notice of Tenant rights under this Chapter. The Department shall publish a form notice of Tenant rights in English and other frequently spoken languages. Landlords must provide the form notice in the following circumstances ~~and provide a copy to the Department:~~

1. Within thirty (30) calendar days of enactment of this Chapter;
2. When entering into a Rental Agreement, by including a copy of the form notice as an exhibit or attachment to the written Rental Agreement;
3. When renewing a Rental Agreement; and
4. When providing notice of a Rent increase or decrease in a Covered Rental Unit or a Housing Service.

B. Notice Regarding Potential Pass-Through Costs and Fees. A Landlord shall include language in the Rental Agreement that Tenant may be subject to pass-through costs that have been reviewed and approved by the Department.

BC. If the Rental Agreement is negotiated or written in a language other than English, the Landlord must also provide the form notice of Tenant rights in English and the language in which the Rental Agreement was negotiated or written.

CD. **Posting on Property.** A Landlord must post a copy of the form notice of Tenant rights poster, as published by the Department, in an accessible area of the property.

**SECTION 15.** Section 8.52.130 is hereby amended to read as follows:

**8.52.130 Retaliatory Eviction and Anti-Harassment.**

**A. Retaliatory Eviction.**

1. If the main intent of the Landlord in terminating a Tenancy or refusing to renew a Tenancy is retaliatory in nature, and if the Tenant is not in default as to the payment of Rent, then the Landlord may not terminate the Tenancy or refuse to renew the Tenancy or cause the Tenant to quit involuntarily.

~~2. In an action to recover possession of the Dwelling Unit, proof of the exercise by the Tenant of rights under the law within six (6) months prior to the alleged act of retaliation shall create a rebuttable presumption that the Landlord's act was retaliatory.~~

~~3. A Tenant may assert retaliation affirmatively or as a defense to the Landlord's action without the aid of the presumption regardless of the period of time which has elapsed between the Tenant's assertion or exercise of rights under this Chapter and the alleged act of retaliation.~~

43. Retaliation against a Tenant because of the Tenant's exercise of rights under this Chapter is prohibited. Retaliation claims may only be brought in court and may not be addressed administratively. A court may consider the protections afforded by this Chapter in evaluating a claim of retaliation.

**B. Anti-Harassment.** No Landlord, or any person, acting as a principal or agent, offering a rental housing unit for Rent, or any contractor, subcontractor or employee of the Landlord shall, with respect to property used as a Dwelling Unit under

any Rental Agreement or other Tenancy or estate at will, however created, do any of the following ~~in bad faith~~:

1. Interrupt, terminate, or fail to provide Housing Services required by ~~contract~~ Rental Agreement or by federal, State, County, or local housing, health, or safety laws; or threaten to do so, or violate or threaten to violate California Civil Code section 789.3, as amended from time to time.

2. ~~Fail~~ Acting in bad faith.

a. Fail to perform repairs and maintenance required by Rental Agreement or by federal, State or local housing, health, or safety laws;

b. Fail to exercise due diligence in completing repairs and maintenance once undertaken;

c. Fail to follow appropriate industry repair, containment or remediation protocols designed to minimize exposure to noise, dust, lead, paint, mold, asbestos, or other building materials with potentially harmful health impacts; or

d. Conduct elective renovation or construction of Dwelling Unit for the purpose of harassing a Tenant.

3. ~~Fail to exercise due diligence in completing repairs and maintenance once undertaken or fail to follow appropriate industry repair, containment or remediation protocols designed to minimize exposure to noise, dust, lead, paint, mold, asbestos, or other building materials with potentially harmful health impacts;~~

4. ~~Abuse the Landlord's Right of Access Into a Dwelling Unit~~ right of access into a Dwelling Unit as established by California Civil Code section 1954 or other

applicable law. This includes entries for inspections that are not related to necessary repairs or services; entries excessive in number; entries that improperly target certain Tenants or are used to collect evidence against the occupant or otherwise beyond the scope of an otherwise lawful entry; entries or demands for entry at times outside of normal business hours; entries contrary to a Tenant's reasonable request to change the date or time of entry; photographing or otherwise recoding portions of a Dwelling Unit that are beyond the scope of lawful entry or inspection; and misrepresenting the reasons for accessing a Dwelling Unit.

~~5. Abuse the Tenant with words which are offensive and inherently likely to provoke an immediate violent reaction. This includes words used during in-person conversations, through social media postings or messages, or other communications;~~

~~64.~~ Influence or attempt to influence a Tenant to vacate a Dwelling Unit through fraud, misrepresentation, intimidation or coercion, which shall include threatening to report a Tenant to the United States Department of Homeland Security;

~~75.~~ Threaten the Tenant, by word or gesture, with physical harm; or abuse Tenant with words, either orally or in writing, which are offensive and inherently likely to provoke an immediate violent reaction. This includes words used during in-person conversations, through social media postings or messages, or other communications.

~~86.~~ Violate any law which prohibits discrimination based on race, gender, sexual preference, sexual orientation, ethnic background, nationality, religion,

age, parenthood, marriage, pregnancy, disability, human immunodeficiency virus (HIV)/ acquired immune deficiency syndrome (AIDS), occupancy by a minor child, or source of income;

97. Take action to terminate any Tenancy including service of any notice to quit or other eviction notice or bring any action to recover possession of a Dwelling Unit based upon facts which the Landlord has no reasonable cause to believe to be true or upon a legal theory which is untenable under the facts known to the landlord. No Landlord shall be liable under this Subsection for bringing an action to recover possession unless and until the Tenant has obtained a favorable termination of that action;

408. Remove from the Dwelling Unit personal property, furnishings, or any other items without the prior written consent of the Tenant, except when done pursuant to enforcement of a legal termination of Tenancy;

9. Provide false written or verbal information regarding any federal, State, County or local Tenant protections, including mischaracterizing the nature or effect of a notice to quit or other eviction notice. False information includes, without limitation, requesting or demanding a Tenant:

a. Sign a new Rental Agreement not in the Tenant's primary language if

(i) Rental Agreement negotiations were conducted in the Tenant's primary language.

(ii) The existing Rental Agreement is in the Tenant's primary language, or

(iii) Landlord is otherwise aware that the new Rental Agreement is not in Tenant's primary language;

b. Enter into a Rent repayment plan to take advantage of Tenant protection laws that do not require such plans.

10. Acting in bad faith.

a. Refuse to acknowledge or accept receipt of a Tenant's lawful Rent payment as set forth in a Rental Agreement, by usual practice of the parties, or in a notice to pay Rent or quit;

b. Refuse to cash or process a rent check or other form of acceptable Rent payment for over thirty (30) days after it is tendered;

c. Fail to maintain a current address for delivery of Rent payments;

d. Violate a Tenant's right to privacy without limitation, by requesting information regarding residence or citizenship status, protected class status, or social security number, except as required by law or in the case of a social security number, for the purpose of obtaining information for the qualifications for a Tenancy;

e. Release such information except as required or authorized by law; or

f. Request or demand an unreasonable amount of information from Tenant in response to a request for reasonable accommodation.



11. Offer payments to:

a. ~~\_\_\_\_\_a~~A Tenant to vacate more than once in six (6) months, after the Tenant has notified the Landlord in writing that the Tenant does not desire to receive further offers of payments to vacate;

b. Attempt to coerce Tenant to vacate which are accompanied with threats or intimidation. This shall not include settlement offers made in good faith and not accompanied with threats or intimidation in pending eviction actions.

~~12. Attempt to coerce a Tenant to vacate with offers of payment to vacate which are accompanied with threats or intimidation. This shall not include settlement offers made in good faith and not accompanied with threats or intimidation in pending eviction actions;~~

~~13. Refuse to acknowledge receipt of a Tenant's lawful Rent payment;~~

~~14. Refuse to cash a Rent check for over thirty (30) days;~~

~~15. Request information that violates a Tenant's right to privacy including, but not limited to, residence or citizenship status, protected class status, or social security number, except as required by law or in the case of a social security number, for the purpose of obtaining information for the qualifications for a Tenancy, or not release such information except as required or authorized by law;~~

~~16. Interfere with a Tenant's right to privacy including, but not limited to, entering or photographing portions of a Dwelling Unit that are beyond the scope of a lawful entry or inspection;~~

12. Acting in bad faith, communicate with a Tenant in a language other than the Tenant's primary language for the purpose of intimidating, confusing, deceiving or annoying the Tenant.

~~17~~13. Interfere with a Tenant's right to quiet use and enjoyment of a ~~rental housing unit~~Dwelling Unit as that right is defined by State law;\_

~~18~~14. ~~Other~~Commit other repeated acts or omissions of such significance as to substantially interfere with or disturb the comfort, repose, peace, or quiet of any person lawfully entitled to occupancy of such Dwelling Unit and that cause, are likely to cause, or are intended to cause any person lawfully entitled to occupancy of a Dwelling Unit to vacate such Dwelling Unit or to surrender or waive any rights in relation to such occupancy;\_

~~19~~15. Remove a Housing Service for the purpose of causing the Tenant to vacate the Dwelling Unit. For example, taking away a parking space knowing that a Tenant cannot find alternative parking and must move;\_and\_

~~20~~16. Interfere with the right of Tenants to organize as Tenants and engage in concerted activities with other Tenants for the purpose of mutual aid and protection; provide property access to tenant organizers, advocates, or representatives working with or on behalf of Tenants living at a property; convene tenant or tenant organization meetings in an appropriate space accessible to Tenants under the terms of their Rental Agreement; or distribute and post literature informing other Tenants of their rights and of opportunities to involve themselves in their project in common areas, including lobby areas and bulletin boards.

C. This Section shall not apply to any attorney who in good faith initiates legal proceedings against a Tenant on behalf of a Landlord to recover possession of a Dwelling Unit.

D. Remedies and Penalties. For the purposes of this Section:

1. If any Landlord or any person, acting as a principal or agent, offering a Dwelling Unit for rent, or any contractor, subcontractor or employee of the Landlord violates the terms of this Section, an aggrieved Tenant may institute a civil action for injunctive relief, direct money damages, and any other relief that the court deems appropriate, which such relief shall include a civil penalty of no less than Two Thousand Dollars (\$2,000), and no more than Five Thousand Dollars (\$5,000), per violation, at the discretion of the court. If the aggrieved Tenant is older than sixty-two (62) or disabled, the court may award an additional civil penalty of up to Five Thousand Dollars (\$5,000) per violation, at the discretion of the court.

2. The court may award reasonable attorneys' fees and costs to a Tenant who prevails in any such action. The court may award reasonable attorneys' fees and costs to a Landlord who prevails in any such action if the court determines that the Tenant's action was frivolous.

3. The above remedies are not exclusive and do not preclude any Tenant from seeking other remedies or penalties provided by applicable law. No administrative remedy need be exhausted prior to filing suit pursuant to this Section.

**SECTION 16.** Section 8.52.140 is hereby amended to read as follows:

**8.52.140 Procedures and Guidelines.**

The Director of the Department, or designee, may develop and publish procedures and guidelines to aid in the implementation of this Chapter.

**SECTION 17.** Section 8.52.145 is hereby added to read as follows:

**8.52.145 Enforcement.**

The Department is authorized to take any and all appropriate steps it deems necessary to enforce this Chapter.

**SECTION 18.** Section 8.52.150 is hereby amended to read as follows:

**8.52.150 Administrative Review and Appeals to the Rental**

**Housing Oversight Commission.**

A. ~~Administration Determination~~ Administrative Review.

1. The Department shall review and evaluate applications ~~or petitions~~ pursuant to this Chapter.

2. The Department may request documents, interview affected parties, and gather necessary evidence to review and make appropriate findings.

3. The conclusions and findings of the Department shall be ~~reviewed~~ reviewable by the Commission. The decision of the Commission shall be final.

...

D. Filing of Appeals. An appeal shall be filed with the secretary or clerk of the Commission on the prescribed form, along with any accompanying appeal fee, and shall state specifically whether the basis of the appeal is that:

1. The Department's determination or interpretation is not in accord with the purposes of this Chapter;

2. There was an error or abuse of discretion by the Department;

3. The record includes inaccurate information; or

4. The Department's decision is not supported by the record.

E. Procedures for Appeals.

1. Hearing Dates. The Commission may delegate the setting of hearing dates to its secretary or ~~clerk~~ Department staff assigned to the Commission by the Director.

2. Public Hearing. The appeal hearing shall be conducted at a hearing open to the public. At the hearing, the Commission shall review the record of the decision and hear testimony of the party requesting the appeal, representatives of the Department, and any other interested party.

3. Application and ~~m~~Materials. At an appeal hearing, the Commission shall consider only the application that was the subject of the Department's final decision.

F. Decision and Notice.

1. After the hearing, the Commission shall either:

a. Affirm, modify, or reverse the Department's decision and specify the reasons for its decision; or

b. Refer the matter back to the Department for further review.

2. Decisions shall be rendered within thirty (30) days of the close of the hearing. If the Commission fails to act within thirty (30) days of the close of the hearing, the Department's decision shall be deemed affirmed.

3. The secretary or ~~clerk of the Commission~~ Department staff assigned to the Commission by the Director shall mail the Commission's decisions to the parties within ten (10) days after it is rendered.

G. Final decision. The decision of the Commission shall be final and not subject to further appeal.

**SECTION 19.** Section 8.52.160 is hereby amended to read as follows:

**8.52.160 Administrative Fines.**

A. Administrative Fines. Any Landlord or Tenant who violates any provision of this Chapter, or Department's procedures and guidelines, is subject to an administrative fine not to exceed One Thousand Dollars (\$1,000).

...

C. Notices of Violation and Administrative Fine. If the Department determines that a Landlord or Tenant has violated this Chapter, or Department's procedures and guidelines, the Department may issue Notices of Violation and Administrative Fine in accordance with the authority and procedures set forth in County Code, Chapter 1.25.

D. Administrative Appeals and Judicial Review.

1. Administrative Appeal. Any Landlord or Tenant who receives a Notice of Administrative Fine may request an administrative hearing before a hearing officer in accordance with County Code, Chapter 1.25.

2. Judicial Review of Hearing Officer Decision. Any Landlord or Tenant may seek judicial review of a hearing officer's decision pertaining to the imposition of an administrative fine in accordance with County Code, Chapter 1.25.

**SECTION 20.** Section 8.52.170 is hereby amended to read as follows:

**8.52.170 Remedies.**

A. ~~Civil Remedies~~Liability. ~~County Counsel~~Any Tenant, or any other person or entity acting on behalf of the Tenant who will fairly and adequately represent the Tenant's interest, including the County, is authorized to bring a civil action and/or proceeding in a court of competent jurisdiction for violation of this Chapter, or any Department's procedures and guidelines, for civil penalties, injunctive, declaratory and other equitable relief, restitution and reasonable attorneys' fees and costs and may take such other steps as necessary to enforce this Chapter.

B. Civil Penalty. Any person violating any of the provisions, or failing to comply with any of the requirements of this Chapter, may be liable for a civil penalty not to exceed One Thousand Dollars (\$1,000) for each violation.

C. Criminal Penalty. Any person violating any of the provisions or failing to comply with any of the requirements of this Chapter, shall be guilty of a misdemeanor and punished by a fine of not more than One Thousand Dollars (\$1,000-00), or by imprisonment in the County jail for a period of not more than six (6) months, or by both.

D. Each violation of any provision of this Chapter, and each day during which any such violation is committed, permitted or continued, shall constitute a separate offense.

E. The above remedies are not exclusive and do not preclude any Tenant from seeking other remedies or penalties provided by applicable law.

[852010BTCC]



## ANALYSIS

This ordinance amends Chapter 8.57 (Mobilehome Rent Stabilization) of Title 8 (Consumer Protection, Business and Wage Regulations) of the Los Angeles County Code by modifying or clarifying: (1) definitions; (2) permitted rent increases and applications for rent adjustments; (3) permitted pass-through recovery of costs; (4) annual registration requirements; (5) remedies and penalties for violations of retaliation and anti-harassment provisions and imposing additional penalty if tenant is age 62 or older or disabled; and (6) tenant's ability to pursue a private right of action for violations of this Chapter 8.57.

RODRIGO A. CASTRO-SILVA  
County Counsel

*Behnaz Tashakorian*  
By

BEHNAZ TASHAKORIAN  
Principal Deputy County Counsel  
Government Services Division

BT:eb

Requested: 04/17/2020  
Revised: 06/18/2021

**ORDINANCE NO. \_\_\_\_\_**

This ordinance amends Chapter 8.57 (Mobilehome Rent Stabilization) of Title 8 (Consumer Protection, Business and Wage Regulations) of the Los Angeles County Code by modifying or clarifying: (1) definitions; (2) permitted rent increases and applications for rent adjustments; (3) permitted pass-through recovery of costs; (4) annual registration requirements; (5) remedies and penalties for violations of retaliation and anti-harassment provisions and imposing additional penalty if tenant is age 62 or older or disabled; and (6) tenant's ability to pursue a private right of action for violations of this Chapter 8.57.

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

**SECTION 1.** Chapter 8.57 is hereby amended to read as follows:

**Chapter 8.57** **MOBILEHOME RENT STABILIZATION AND OWNER PROTECTIONS.**

**SECTION 2.** Section 8.57.010 is hereby amended to read as follows:

**8.57.010** **Short Title.**

This Chapter shall be known as "Mobilehome Rent Stabilization And Owner Protections."

**SECTION 3.** Section 8.57.030 is hereby deleted in its entirety:

**~~8.57.030~~** **~~Definitions.~~**

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

~~A. "Board" means the County of Los Angeles Board of Supervisors.~~

~~B. "Capital Improvement" means the addition, substantial repair or replacement of any improvement to a Mobilehome Space within the geographic boundaries of a Mobilehome Park which materially adds to the value of the Mobilehome Park and appreciably prolongs its useful life or adapts it to new uses, and which is of the same type of improvement as those allowed to be amortized over the useful life of the improvement in accordance with the Internal Revenue Code and its regulations.~~

~~C. "Code" means the Los Angeles County Code.~~

~~D. "County" means the County of Los Angeles.~~

~~E. "CPI" means Consumer Price Index for all urban consumers of the Los Angeles-Riverside-Orange County, California area, or any successor designation of that index that may later be adopted by the United States Department of Labor. Calculation of the CPI percentage will be determined by the County and outlined in its procedures and/or guidelines.~~

~~F. "Department" means the County's Department of Consumer and Business Affairs.~~

~~G. "Housing Services" means all services provided by a Mobilehome Park Owner related to the use or occupancy of a Mobilehome Space, including water and sewer, natural gas, electricity, refuse removal, management and administration, maintenance and repairs, recreation facilities (including pools), laundry facilities, storage space, and parking (including one or more automobiles), security services, insurance and the payment of property taxes. The term "Housing Services" shall not include legal fees or mortgage payments, whether for principal, interest, or both.~~

H. ~~—"LACDA" means the Los Angeles County Development Authority.~~

I. ~~—"Mobilehome" means the definition set forth in California Civil Code section 798.3, as it may be amended from time to time.~~

J. ~~—"Mobilehome Park" means any area of land in the unincorporated area of the County where two or more Mobilehome Spaces are rented, or held out for rent, to accommodate Mobilehomes used as residences.~~

K. ~~—"Mobilehome Owner" means a person who owns a Mobilehome and is also renting a Mobilehome Space in a Mobilehome Park under a Rental Agreement with the Mobilehome Park Owner, which may include the use of services of the Mobilehome Park and other amenities.~~

L. ~~—"Mobilehome Residency Law" means California Civil Code sections 798 through 799.11, as it may be amended from time to time.~~

M. ~~—"Mobilehome Space" means the site within a Mobilehome Park intended, designed, or used for the location or accommodation of a Mobilehome and any accessory structures or appurtenances attached thereto whether or not the Mobilehome space is permitted pursuant to State or local law.~~

N. ~~—"Mobilehome Park Owner" means the owner, lessor, operator or manager of a Mobilehome Park in the unincorporated County who receives, or is entitled to receive, rent for the use and occupancy of any Mobilehome Space, and the agent, representative or successor of any of the foregoing.~~

~~O. "Rent" means consideration paid for the use or occupancy of a Mobilehome Space or for Housing Services provided, or both, but does not include any of the following:~~

- ~~1. Any amount paid for renting the Mobilehome;~~
- ~~2. Security deposits;~~
- ~~3. User fees for services or facilities which may be utilized at the option of the Mobilehome Owners and are expressly not included as Rent in the Rental Agreement;~~
- ~~4. Utility charges for those Mobilehome Parks which bill Mobilehome Owners separately whether or not the Mobilehomes are individually metered; or~~
- ~~5. Any pass-through authorized pursuant to this Chapter.~~

~~P. "Rental Agreement" means a lease or other oral or written agreement between the Mobilehome Park Owner and Mobilehome Owner establishing the terms and conditions of the Tenancy.~~

~~Q. "Rental Housing Oversight Commission" or "Commission" means the Commission created by the Board pursuant to Code Chapter 8.64 to oversee the implementation of this Chapter.~~

~~R. "Service Reduction" means any decrease or diminution in the level of Housing Services provided by the Mobilehome Park on or after February 13, 2018, including but not limited to, services the Mobilehome Park Owner is required to provide pursuant to:~~

~~1. California Civil Code section 1941 et. seq., as it may be amended from time to time;~~

~~2. The Mobilehome Residency Law;~~

~~3. The Mobilehome Parks Act, California Health and Safety Code section 18200 et seq., as it may be amended from time to time;~~

~~4. The Mobilehome Park Owner's implied warranty of habitability, which cannot be contractually excluded or waived;~~

~~5. A Rental Agreement between the Mobilehome Park Owner and the Mobilehome Owner;~~

~~6. The level of service as implied by the condition of improvements, fixtures, and equipment, and their availability for use by the Mobilehome Owner at the time of execution of the Rental Agreement with the Mobilehome Park Owner; and~~

~~7. Applicable rules or regulations of the Mobilehome Park.~~

~~S. "State" means the State of California.~~

~~T. "Tenancy" means the legal right of a Mobilehome Owner to use a Mobilehome Space within a Mobilehome Park on which to locate, maintain, and occupy a Mobilehome, site improvements, and accessory structures for residence, including the use of the Housing Services and facilities of the Mobilehome Park.~~

**SECTION 4.** Section 8.57.030 is hereby added to read as follows:

**8.57.030 Definitions.**

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

A. "Base Rent" means the Mobilehome Space Rent charged since February 13, 2018, when the County Board declared its intent to regulate Rent for Mobilehome Parks in the unincorporated County, plus any Rent increase allowed thereafter pursuant to the Interim Mobilehome Rent Regulation Ordinance adopted by the County Board on September 4, 2018, and this Chapter unless otherwise provided.

B. "Board" means the County of Los Angeles Board of Supervisors.

C. "Capital Improvement" means the addition, substantial repair, or replacement of any improvement to a Mobilehome Space within the geographic boundaries of a Mobilehome Park which materially adds to the value of the Mobilehome Park and appreciably prolongs its useful life or adapts it to new uses, and which is of the same type of improvement as those allowed to be amortized over the useful life of the improvement in accordance with the Internal Revenue Code and its regulations and as specified in Section 8.57.070.

D. "Code" means the Los Angeles County Code.

E. "Commission" means the Rental Housing Oversight Commission created by the Board pursuant to Code Chapter 8.64 to oversee the implementation of this Chapter. The Commission shall also act as the advisory agency for overseeing mobilehome park closures as specified in Section 8.57.200.

F. "County" means the County of Los Angeles.

G. "CPI" means Consumer Price Index for all urban consumers of the Los Angeles-Riverside-Orange County, California area, or any successor designation of that index that may later be adopted by the United States Department of Labor. Calculation of the percentage change in CPI will be determined by the Department and outlined in its procedures and guidelines.

H. "Department" means the County's Department of Consumer and Business Affairs.

I. "Housing Services" means all services provided by a Mobilehome Park Owner related to the use or occupancy of a Mobilehome Space, including but not limited to, water and sewer, natural gas, electricity, refuse removal, management and administration, maintenance and repairs, recreation facilities (including pools), laundry facilities, storage space, parking (including one or more automobiles), security services, insurance and the payment of property taxes. The term "Housing Services" shall not include legal fees, mortgage payments, whether for principal, interest, or both, bonuses of any nature paid to Mobilehome employees; penalties, fees, damages, or interest assessed or awarded for violations of this Chapter or any other law; or any expenses for which the Mobilehome Park Owner has been reimbursed by any security deposit, insurance, settlement, judgment for damages, settlement, or any other method.

J. "Mobilehome" means the definition set forth in California Civil Code section 798.3, as may be amended from time to time.



K. "Mobilehome Park" means any area of land in the unincorporated area of the County where two or more Mobilehome Spaces are rented, or held out for Rent, to accommodate Mobilehomes used as residences.

L. "Mobilehome Owner" means a person who owns a Mobilehome and is also renting a Mobilehome Space in a Mobilehome Park under a Rental Agreement with the Mobilehome Park Owner, which may include the use of services of the Mobilehome Park and other amenities.

M. "Mobilehome Residency Law" means California Civil Code sections 798 through 799.11, as may be amended from time to time.

N. "Mobilehome Space" means the site within a Mobilehome Park intended, designed, or used for the location or accommodation of a Mobilehome and any accessory structures or appurtenances attached thereto whether or not the Mobilehome Space is permitted pursuant to State or local law.

O. "Mobilehome Park Owner" means the owner, lessor, operator or manager of a Mobilehome Park in the unincorporated County who receives, or is entitled to receive, Rent for the use and occupancy of any Mobilehome Space, and the agent, representative or successor of any of the foregoing.

P. "Rent" means consideration paid for the use or occupancy of a Mobilehome Space or for Housing Services provided, or both, but does not include any of the following, each of which shall be separately listed and identified in the Rental Agreement:

1. Any amount paid for renting the Mobilehome;
2. Security deposits;
3. User fees for services or facilities which may be utilized at the option of the Mobilehome Owners and are expressly not included as Rent in the Rental Agreement;
4. Utility charges for those Mobilehome Parks which bill Mobilehome Owners separately whether or not the Mobilehomes are individually metered;
5. Any Rent discounts, incentives, concessions, or credits offered by the Mobilehome Park Owner; or
6. Any pass-through authorized pursuant to this Chapter.

Q. "Rental Agreement" means a lease or other oral or written agreement between the Mobilehome Park Owner and Mobilehome Owner establishing the terms and conditions of the Tenancy.

R. "Service Reduction" means any decrease or diminution in the level of Housing Services provided by the Mobilehome Park on or after February 13, 2018, including but not limited to, services the Mobilehome Park Owner is required to provide pursuant to:

1. California Civil Code section 1941 et. seq., as it may be amended from time to time;
2. The Mobilehome Residency Law;
3. The Mobilehome Parks Act, California Health and Safety Code section 18200 et seq., as it may be amended from time to time;

4. The Mobilehome Park Owner's implied warranty of habitability, which cannot be contractually excluded or waived;

5. A Rental Agreement between the Mobilehome Park Owner and the Mobilehome Owner;

6. The level of service as implied by the condition of improvements, fixtures, and equipment, and their availability for use by the Mobilehome Owner at the time of execution of the Rental Agreement with the Mobilehome Park Owner; and

7. Applicable rules or regulations of the Mobilehome Park.

S. "State" means the State of California.

T. "Tenancy" means the legal right of a Mobilehome Owner to use a Mobilehome Space within a Mobilehome Park on which to locate, maintain, and occupy a Mobilehome, site improvements, and accessory structures for residence, including the use of the Housing Services and facilities of the Mobilehome Park subject to the terms and conditions of the Rental Agreement and Mobilehome Residency Law.

**SECTION 5.** Section 8.57.045 is hereby added as follows:

**8.57.045 Base Rent.**

A. Except as hereinafter provided, a Mobilehome Park Owner shall not demand, accept, or retain Rent for a Mobilehome Space exceeding the Rent in effect for said Mobilehome Space on February 13, 2018, when the County Board declared its intent to regulate Rent for Mobilehome Parks, plus any Rent increase allowed thereafter pursuant to the Interim Mobilehome Rent Regulation Ordinance adopted by the County Board on September 4, 2018, and this Chapter.

B. If a Mobilehome Space is rented for the first time after February 13, 2018, the Mobilehome Park Owner shall not demand, accept or retain Rent for said Mobilehome Space exceeding the Rent first charged for the Mobilehome Space, plus any allowable Rent increases as permitted by Section 8.57.050.

**SECTION 6.** Section 8.57.050 is hereby amended to read as follows:

**8.57.050 Permitted Rent Increases for Mobilehome Spaces.**

A. A Mobilehome Park Owner may impose an annual Rent increase for any Mobilehome Space, as allowed in this Section, only after providing at least thirty (30) days written notice to the Mobilehome Owner of the Rent increase pursuant to the California Civil Code section 798.30, as may be amended from time to time.

B. A Mobilehome Park Owner may ~~not~~ impose an annual Rent increase, ~~unless only upon registering the Mobilehome Space is registered with the Department, is not delinquent in registration payments required~~ paying required annual registration fees pursuant to Section 8.57.080, and ~~is being~~ in compliance with federal, State or local laws and requirements.

C. Annual Rent increases shall be limited as specified below:

1. Seventy-five percent (75%) of the percentage change in the average CPI over the previous twelve (12) month period ending in September; or
2. Three percent (3%) of the Rent charged at the time of increase, whichever is greater.
3. In no event shall a Rent increase exceed eight percent (8%) per each twelve (12) month period.

D. Notice and Calculation of Allowable Annual Rent Increase.

1. Calculation of Annual Rent Increase. The allowable annual Rent increase shall be calculated annually by the Department.

2. Notice of Annual Rent Increase. The amount of the annual Rent increase shall be provided in accordance to the Department's procedures and guidelines.

~~DE.~~ Only one Rent increase may be imposed on a Mobilehome Owner in any twelve (12) month period, since February 13, 2018, unless otherwise permitted by the Department pursuant to this Chapter.

~~E. Exemptions. The following are exempt from this Section:~~

~~1. Mobilehome Spaces that meet the exemption requirements of the Mobilehome Residency Law, or are otherwise expressly exempt under State or federal law.~~

~~2. Newly constructed Mobilehome Spaces which were initially held out for Rent on or after January 1, 1990, per California Civil Code section 798.45.~~

~~3. Mobilehome Spaces Rented for non-residential uses.~~

~~4. Mobilehome Spaces owned, managed, or operated by a government agency.~~

F. Rent Excess Paid.

1. In the event a Mobilehome Owner paid Rent in excess of that permitted since February 13, 2018, and/or hereunder, Mobilehome Park Owner shall reimburse the Mobilehome Owner for the Rent overpayment.

2. The Mobilehome Park Owner may elect to either:

a. Reimburse the Mobilehome Owner for the Rent

overpayment through one lump sum direct payment; or

b. Reimburse the Mobilehome Owner for the Rent

overpayment over a six (6) month period in the form of six (6) consecutive, equal monthly credits against Rent otherwise due from the Mobilehome Owner.

3. Time for Repayment.

a. If the Mobilehome Park Owner elects a lump sum direct

payment, such payment must be paid at the time the next rental payment is due.

b. If the Mobilehome Park Owner elects six (6) consecutive,

equal monthly credits, the first credit must be applied at the time the next rental payment is due.

4. Reimbursement Exceeds Overpayment Due. Where the

reimbursement due to the Mobilehome Owner exceeds the Rent due for the entire term of the Tenancy, the remaining balance shall be paid pursuant to the Department's procedures and guidelines.

FG. Rent Increases Paid Following Vacancy of Mobilehome Space.

1. A Mobilehome Park Owner may set the initial Rent for the next

Mobilehome Owner for a Mobilehome Space as provided in this Section, whenever either of the following events occurs:

a. The termination of the Tenancy of the affected Mobilehome

Owner in accordance with the Mobilehome Residency Law; or

b. The voluntary, permanent removal of a Mobilehome by a Mobilehome Owner from a Mobilehome Space. A removal of the Mobilehome from the Mobilehome Space due to fire, earthquake or water damage, or for the purpose of upgrading the Mobilehome, shall not constitute a voluntary removal of the Mobilehome.

2. Upon the sale of a Mobilehome located in a Mobilehome Space where the Rental Agreement with the original Mobilehome Owner has expired, a Mobilehome Park Owner may increase the Rent for that Mobilehome Space in an amount not to exceed ten percent (10%) of the Rent for that Mobilehome Space then in effect.

3. Rent increases following vacancy shall not incorporate any previously approved pass-through costs.

G.H. Allowable Rent Following Expiration of an Exempt Lease. In the event a Mobilehome Space was previously exempt under a Rental Agreement pursuant to California Civil Code section 798.17, the Rent for purposes of calculating the annual Rent adjustment, shall be the Rent in effect as of the date of expiration of the Rental Agreement.

H.I. Allowable Rent Increases upon "In-Place" Transfer of Mobilehome Ownership.

1. For Mobilehome Spaces subject to this Chapter, upon the Mobilehome Owner's "in-place" sale, transfer, or other conveyance of a Mobilehome to a new Mobilehome Owner, the Mobilehome Park Owner may increase the Rent in an

amount not to exceed ten percent (10%) of the annual Rent paid by the prior Mobilehome Owner.

2. No Rent increase under an existing Rental Agreement subject to this Chapter may be imposed pursuant to this Section when either:

a. An existing Mobilehome Owner or resident replaces an existing Mobilehome with another Mobilehome, and occupies the same Mobilehome Space under an existing Rental Agreement subject to the provisions of this Chapter;

b. Title to the Mobilehome passes to one or more person(s) who, at the time of the title transfer, (i) was/were also lawful, authorized resident(s) of the Mobilehome, or (ii) were/are a spouse, registered domestic partner, children, grandchildren under 18 years of age, parents, or grandparents of the Mobilehome Owner and the Mobilehome remains in the same Mobilehome Space; or

c. A Rent increase was previously imposed pursuant to this Section within the twelve (12) month period preceding the most recent proposed Rent increase.

IJ. Mobilehome Owner's Right of Refusal. A Mobilehome Owner may refuse to pay a Rent increase which is in violation of this Chapter. Such refusal to pay the increased amount shall be a defense in any action brought to recover possession of a Mobilehome Space or to collect the Rent increase.

JK. Rent Banking. A Mobilehome Park Owner who does not impose an annual Rent increase or a portion of the permitted annual Rent increase; in any twelve (12) month period, as provided in this Section, waives the annual Rent increase



or the remaining portion of the permitted annual Rent increase, for the remainder of the Tenancy.

L. Exemptions. The following are exempt from this Section:

1. Mobilehome Spaces that meet the exemption requirements of the Mobilehome Residency Law, or are otherwise expressly exempt under State or federal law.

2. Newly constructed Mobilehome Spaces which were initially held out for Rent on or after January 1, 1990, per California Civil Code section 798.45.

3. Mobilehome Spaces used or rented for non-residential uses.

4. Mobilehome Spaces owned, managed, or operated by a government agency.

**SECTION 7.** Section 8.57.060 is hereby deleted in its entirety:

~~**8.57.060 Application for Rent Adjustments.**~~

~~A. Mobilehome Park Owner's Application for Rent Adjustment for Fair Return. Mobilehome Park Owners, who believe they are not receiving a fair return on their Mobilehome Park or Space(s) may file an application with the Department to request an increase in Rent beyond that which is permitted under Section 8.57.050.~~

~~1. Presumption. It shall be a rebuttable presumption that the annual net operating income earned by a Mobilehome Park Owner on February 13, 2018, and Rent increases allowed under Section 8.57.050, provide the Mobilehome Park Owner with a fair return on the investment. A Mobilehome Park Owner shall have the burden to prove the necessity of any additional Rent increase necessary to earn a fair return.~~

~~2. Application. Upon the Department's receipt of an application for Rent adjustment, the Department shall review and evaluate whether the Rent may be adjusted in accordance with this Section and its procedures and guidelines.~~

~~a. The application shall be in a form provided by the Department, signed upon penalty of perjury, and must be accompanied by any applicable fee.~~

~~b. An application for a Rent adjustment must include the following:~~

~~(i) The specific Rent adjustment requested increase.~~

~~(ii) Copies of any books, records and papers deemed pertinent in review of the application; and~~

~~(iii) Other documentations required by the Department.~~

~~c. Application fees. The Department may set a reasonable fee per Mobilehome Space to be paid by the Mobilehome Park Owner at the time of filing based on the administrative expenses incurred in reviewing and processing applications for Rent adjustment.~~

~~d. The Department shall have the authority to deem an application complete.~~

~~3. Notices Upon Filing Application.~~

~~a. Within five (5) calendar days after submission of a Mobilehome Park Owner's Application with the Department for Rent adjustment, the Mobilehome Park Owner shall serve each affected Mobilehome Owner with a notice of~~

~~said application, via personal service or certified mail, return receipt requested. The Mobilehome Park Owner must provide the application with all supporting documents, reasonably available to each affected Mobilehome Owner that shall be provided at the Mobilehome Park Owner's expense.~~

~~b. Within ten (10) calendar days after service on the affected Mobilehome Owner, the Mobilehome Park Owner shall file with Department, a proof of service, signed under penalty of perjury, stating that a copy of the notice of application was served upon each affected Mobilehome Owner.~~

~~4. Fees and costs incurred by a Mobilehome Park Owner to prepare and submit an application for a Rent increase pursuant to this Section are not allowable as operating expenses and may not be passed on to Mobilehome Owners. Such fees and costs include, but are not limited to, attorney fees, accountant fees, and other similar professional services costs.~~

~~5. Standard for Approving an Application for Rent Adjustment.~~

~~a. The Department shall approve an application for a Rent adjustment if the Department determines the adjustment is necessary and appropriate to ensure the Mobilehome Park Owner receives a fair and reasonable return on the Mobilehome Park Owner's investment in the property, will not cause an undue financial burden on the affected Mobilehome Owner(s), and complies with all provisions of this Chapter.~~

~~b. The Department may approve a lesser Rent adjustment if the Department determines the lesser Rent adjustment more appropriately ensures a~~

~~fair return on the Mobilehome Park Owner's investment and does not cause an undue financial burden on the affected Mobilehome Owners, and complies with all provisions of this Chapter.~~

~~6. All Rent adjustment increases authorized may become effective only after all of the following:~~

~~a. A Mobilehome Park Owner has provided written notice of the Rent increase for the Mobilehome Space in accordance with California Civil Code section 798.30, as may be amended;~~

~~b. A Mobilehome Park Owner has registered all Mobilehome Spaces in the Mobilehome Park pursuant to Section 8.57.080; and~~

~~c. A Mobilehome Park Owner makes the completed application with all supporting documents, reasonably available to each Mobilehome Owner, that shall be provided at the Mobilehome Park Owner's expense upon request.~~

~~B. Mobilehome Owner's Application for Rent Adjustment. Mobilehome Owners, subject to Section 8.57.050, who believe they should receive a decrease in Rent because of a Mobilehome Park Owner's violation of this Chapter may file an application with the Department to request a decrease in Rent as a result of a Service Reduction in Housing Services. Mobilehome Owners must file such application for Rent adjustment within one hundred eighty (180) days from the date the Mobilehome Owner knew, or reasonably should have known, of the Mobilehome Park Owner's potential violation. A Service Reduction, without a corresponding reduction in Rent, is considered an increase in Rent. Before filing an application with the Department, a~~

~~Mobilehome Owner shall provide the Mobilehome Park Owner prior written notice identifying the Service Reduction in Housing Services and provide a reasonable opportunity to correct the issue(s).~~

~~1. Application.~~

~~a. The application shall be made in a form provided by the Department and shall be accompanied by any applicable fee.~~

~~b. The application must include the following information:~~

~~(i) The affected Mobilehome Spaces;~~

~~(ii) The prior level of Housing Service established by the Mobilehome Park Owner for that Mobilehome Owner's Mobilehome Space and common Housing Services and facilities used by that Mobilehome Owner;~~

~~(iii) The specific changes in the prior level of Housing Services and facilities comprising the alleged Service Reduction in Housing Services;~~

~~(iv) The date the Service Reduction was first noticed by the Mobilehome Owner;~~

~~(v) The date of notice to the Mobilehome Park Owner of the alleged Service Reduction, and if such notice was given and whether the notice was given orally or in writing;~~

~~(vi) When and how the Mobilehome Park Owner responded to the Mobilehome Owner's notice, if notice was given;~~

~~(vii) Whether the condition was improved or corrected, and if so, when and how;~~

~~(viii) The status of the condition as of the date the complaint is signed;~~

~~(ix) Whether such Service Reduction was the result of a vote of a majority of the affected Mobilehome Owner; and~~

~~2. Notices Upon Filing Application.~~

~~a. Within five (5) calendar days after submission of an application with the Department, the Mobilehome Owner shall serve the Mobilehome Park Owner with a notice of said application via personal service or certified mail, return receipt requested.~~

~~b. Within ten (10) calendar days after service on the Mobilehome Park Owner, the Mobilehome Owner shall file with Department a proof of service, signed under penalty of perjury, stating that a copy of the notice of application for Rent adjustment was served upon such Mobilehome Park Owner.~~

~~3. Standard for Approving Application for Rent Reduction. The Department shall approve an application for a Rent reduction as a result of a Service Reduction if the application complies with all provisions of this Chapter and the Department finds:~~

~~a. The Service Reduction was material;~~

~~b. Deprived the Mobilehome Owner of a Housing Service to which the Mobilehome Owner was entitled to pursuant to a Rental Agreement; or~~

~~c. — By established practice such that the Mobilehome Owner reasonably understood that the Housing Service was included as part of the Rental Agreement without additional cost.~~

~~C. — The Department may consider any and all evidence submitted by the Mobilehome Owner or Mobilehome Park Owner in making its determination. Either the Mobilehome Owner or Mobilehome Park Owner may contest the Department's decision regarding approval or disapproval of the rental decrease by requesting a hearing before the Commission in accordance with Section 8.57.120.~~

~~D. — Notwithstanding any other provision of this Section, if a determination has been made with regard to the Rent adjustment for a Mobilehome Park or Space within the previous six (6) months by either the Department or the Commission, then the Department may refuse to hold a hearing or refuse to grant an individual a Rent adjustment for such Mobilehome Park or Space.~~

~~E. — Right of Assistance. All parties to an application for Rent adjustment may seek assistance from attorneys, recognized organization representatives, or any other persons designated by said parties.~~

~~F. — Consolidation. All Mobilehome Park Owner applications for Rent adjustment pertaining to Mobilehome Owners in the Mobilehome Park shall be consolidated for determination. Mobilehome Owner applications for Rent adjustment who live in the same Mobilehome Park may be consolidated at the election of the Department.~~

**SECTION 8.** Section 8.57.060 is hereby added to read as follows:

**8.57.060 Application for Rent Increase and Adjustments.**

A. Mobilehome Park Owner's Application for Rent Increase for Fair Return.

A Mobilehome Park Owner who believes he or she is not receiving a fair and reasonable return from the allowable increases, as determined in Section 8.57.050, may file an Application for Rent Increase with the Department to request an increase in Rent for Mobilehome Space(s) beyond that which is permitted under Section 8.57.050.

1. Presumption. It shall be a rebuttable presumption that the annual net operating income earned by a Mobilehome Park Owner on February 13, 2018, and Rent increases allowed under Section 8.57.050, provide the Mobilehome Park Owner with a fair and reasonable return on the investment. A Mobilehome Park Owner shall have the burden to prove the necessity of any additional Rent increase necessary to earn a fair and reasonable return.

2. Approval of the Mobilehome Park Owner's Application for Rent Increase may become effective only after all of the following:

a. A Mobilehome Park Owner has provided written notice to Mobilehome Owners of the approved Rent increase for the Mobilehome Space in accordance with California Civil Code section 798.30, as may be amended from time to time;

b. A Mobilehome Park Owner has registered each Mobilehome Spaces in the Mobilehome Park, has not lapsed on registration of Mobilehome Spaces



in previous years, and is current on payment registration fees, pursuant to Section 8.57.080; and

c. Any other conditions imposed for the Rent increase as determined by the Department's procedures and guidelines.

3. Review and Approval of Application for Rent Increase.

a. The Department shall consider the following factors, in accordance to its procedures and guidelines, as well as any other relevant factors, in reviewing the application and making its determination, and no one (1) factor shall be determinative.

(i) Changes in the CPI. If the Bureau of Labor Statistics subsequently changes the geographic reporting in which the County is located, the Department shall use the most current applicable reporting area established.

(ii) The rental history of the affected Mobilehome Space(s) and the Mobilehome Park since February 13, 2018:

(a) The Base Rent;

(b) The frequency of past Rent increases; and

(c) The Mobilehome Park Owner's income and expenses as they relate to the Mobilehome Park.

(iii) Increases or decreases in property taxes.

(iv) The length of time since either the last hearing and final determination by the Department or the Commission on an Application for Rent

Increase by Mobilehome Park Owner or the last Rent increase if no previous Application for Rent Increase has been made by Mobilehome Park Owner.

(v) The addition of any Capital Improvements by the Mobilehome Park Owner seeking the Application for Rent Increase.

(vi) The physical condition of the affected Mobilehome Spaces and Mobilehome Park, including the quantity and quality of maintenance and repairs performed during the preceding twelve (12) months, as well as the long-term patterns of operating, maintenance and Capital Improvement expenditures.

(vii) The need for repairs caused by circumstances other than ordinary wear and tear.

(viii) Any increase or reduction of Housing Services since the last Rent increase.

(ix) Any existing written Rental Agreement lawfully entered into between the Mobilehome Park Owner and the Mobilehome Owner(s).

(x) A decrease in net operating income.

(xi) A fair return on the Mobilehome Park prorated among the Mobilehome Spaces of the Mobilehome Park.

(xii) If Mobilehome Park Owner received Rent in violation of this Chapter or has otherwise failed to comply with this Chapter.

b. The Department may approve an Application for Rent Increase and make the following determinations, in compliance with its procedures and guidelines and all provisions of this Chapter:

(i) The Department determines the Rent increase is necessary and appropriate to ensure the Mobilehome Owner receives a fair and reasonable return on Mobilehome Park Owner's investment, and will not cause an undue financial burden on the affected Mobilehome Owner(s).

(ii) The Department determines a lesser Rent increase more appropriately ensures a fair and reasonable return on the Mobilehome Park Owner's investment and will not cause an undue financial burden on the affected Mobilehome Owner(s).

(iii) The Department determines a Rent increase beyond that which is permitted under Section 8.57.050 appropriately ensures a fair and reasonable return on the Mobilehome Park Owner's investment and will not cause an undue financial burden on the affected Mobilehome Owner(s).

c. An Application for a Rent Increase shall not be approved if the Rent increase for that year, plus any amount allowed for a fair and reasonable return on the Mobilehome Park Owner's investment, will result in an increase of the Rent from the prior year of an affected Mobilehome Space by more than eight percent (8%), unless otherwise determined by the Department.

4. Notices Upon Filing an Application for Rent Increase.

a. Within five (5) calendar days after submission of a Mobilehome Park Owner's Application for Rent Increase with the Department, the Mobilehome Park Owner, at his or her own expense, shall serve each affected Mobilehome Owner with a notice of said application, via personal service or certified

mail, return receipt requested. The Mobilehome Park Owner, at his or her own expense, must make the supporting documents, reasonably available to each affected Mobilehome Owner within five (5) calendar days of such request.

b. Within ten (10) calendar days after submission of a Mobilehome Park Owner's application with the Department, the Mobilehome Park Owner shall file a proof of service with the Department, on a form provided by the Department, stating that a copy of the notice of Application for Rent Increase, was served upon each affected Mobilehome Owner.

c. Fees and costs incurred by a Mobilehome Park Owner to file, pursue, or prepare an Application for Rent Increase pursuant to this Section are not allowable as operating expenses and may not be passed on to Mobilehome Owners. Such fees and costs include, but are not limited to, attorney fees and other similar professional services costs.

5. Examination and Inspection. A Mobilehome Park Owner must retain the Application for Rent Increase, any supporting documents, and the final decision, available for review and/or copy, at Mobilehome Park Owner's expense, for six (6) months following the duration of the appeal process set forth in Section 8.57.120.

B. Mobilehome Owner's Application for Adjustments. Mobilehome Owners who believe they should receive an adjustment in their monthly obligation(s) because of a Mobilehome Park Owner's violation of this Chapter may file an Application for Adjustments with the Department due to either unlawful Rent and/or fees, charges or pass-throughs collected by the Mobilehome Park Owner or if there is a Service

Reduction in Housing Services. Mobilehome Owners must file such Application for Adjustments of Mobilehome Owner's monthly obligation(s) within one hundred eighty (180) days from the date the Mobilehome Owner knew, or reasonably should have known, of the Mobilehome Park Owner's potential violation(s).

1. Unlawful Rent and/or Fees, Charges or Pass-Throughs. If a Mobilehome Owner believes that the Mobilehome Park Owner's demand for Rent and/or fees, charges or pass-throughs is in excess of that permitted for the Mobilehome Space, or in excess of the Rent permitted since the Base Rent, then the Mobilehome Owner may file an Application for Adjustments with the Department for its determination.

a. If a Mobilehome Park Owner demands, receives, or retains any payment in excess of the maximum allowable Rent and/or fees, charges or pass-throughs permitted by this Chapter, then the Mobilehome Owner may withhold the increased amount.

b. In any action to recover possession based on nonpayment of Rent, possession shall not be granted where the Mobilehome Owner has withheld Rent in good faith under this Section.

2. Decrease in Housing Services. A Service Reduction in Housing Services, without a corresponding reduction in Rent, may be considered an increase in Rent. Before filing an application with the Department, a Mobilehome Owner shall provide the Mobilehome Park Owner all of the following:

a. Prior written notice identifying the Service Reduction; and

- b. A reasonable opportunity to correct the issue(s).

3. Review and Determination of Application for Adjustments. The Department shall consider the following factors, in accordance to 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 February 13, 2018;
- b. The pattern of recent Rent or Housing Service increases or decreases;
- c. Whether the Mobilehome Park Owner has received payment in excess of the maximum allowable Rent and/or fees, charges or pass-throughs permitted by this Chapter or has otherwise failed to comply with this Chapter;
- d. The date the Service Reduction in the Housing Services was first noticed by the Mobilehome Owner and when and how notice, orally or in writing, was provided to the Mobilehome Park Owner of the alleged Service Reduction in Housing Services and Mobilehome Park Owner's response to such notice and whether it was reinstated or restored by the Landlord, and if so, when and how; or
- e. Whether such Service Reduction in Housing Services was the result of a vote of a majority of the affected Mobilehome Owners.

4. Notice Upon Filing Application for Adjustments. Within five (5) calendar days after submission of an application with the Department, the Mobilehome

Owner shall serve the Mobilehome Park Owner with a notice of said application, via personal service or certified mail, return receipt requested.

C. Application Submittal to Department for Rent Increase or Adjustments.

Upon the Department's receipt of an application, the Department shall review and evaluate whether there should be a Rent increase or adjustment in accordance with this Section and its procedures and guidelines.

1. The application shall be on a form provided by the Department, signed under penalty of perjury, and must be accompanied by an application fee, if any, and must include the following:

a. The specific Rent increase or adjustment requested for the Mobilehome Space(s);

b. Copies of any books, records and papers or other financial information deemed relevant in review of the application;

c. Other documentation required by the Department in accordance with this Section and its procedures and guidelines.

2. Application fees. The Department may set a reasonable application fee to be paid by the applicant at the time of filing based on the administrative expenses incurred in reviewing and processing the application.

3. The Department shall have the authority to deem an application complete.

D. Right of Assistance. All parties to an Application for Rent Increase or Adjustments may seek assistance from attorneys or any other persons designated by said parties.

E. Consolidation. A Mobilehome Park Owner's Application for Rent Increase pertaining to Mobilehome Owners in the Mobilehome Park shall be consolidated for determination. Mobilehome Owners' Applications for Adjustment who live in the same Mobilehome Park may be consolidated at the election of the Department.

F. Notwithstanding any other provision of this Section, if a determination has been made with regard to an Application for Rent Increase or Adjustment for a Mobilehome Park or Mobilehome Space within the previous six (6) months by either the Department or the Commission, then the Department or the Commission may refuse to hold a hearing or refuse to grant an application for such Mobilehome Space(s).

**SECTION 9.** Section 8.57.070 is hereby deleted in its entirety.

**~~8.57.070~~ ~~Pass-Through Cost Recovery.~~**

~~A. Pursuant to this Section, a Mobilehome Park Owner may file an application with the Department, on a form approved by the Department, to pass-through Capital Improvement costs to affected Mobilehome Owners in Mobilehome Spaces subject to Section 8.57.050.~~

~~B. A Mobilehome Park Owner may not pass-through Capital Improvement costs to Mobilehome Owners until the Department approves the Mobilehome Park Owner's application, the Mobilehome Park Owner registers each Mobilehome Space pursuant to Section 8.57.080 and is in compliance with State or federal law~~



~~requirements. The approved pass-through Capital Improvement costs should appear as a separate line item on the Rent statement along with their date of expiration. An approved pass-through is not considered Rent.~~

~~C. Pursuant to this Section, no pass-through cost recovery may be approved if the amount allowed to be a pass-through cost, plus any Rent increase for that year, would result in an increase of the Rent for the prior year of an affected Mobilehome Space by more than eight percent (8%).~~

~~D. Pass-throughs of Capital Improvement costs shall be subject to the following pre-conditions and limitations:~~

~~1. The Capital Improvement shall primarily benefit the majority of impacted Mobilehome Owners rather than Mobilehome Park Owners and be a functional improvement serving primarily the Mobilehome Owners.~~

~~2. The Capital Improvement shall have a life expectancy of five (5) years or more.~~

~~3. The Capital Improvement shall be permanently fixed in place.~~

~~E. Capital Improvement Cost Recovery.~~

~~1. A Mobilehome Park Owner can only recover up to fifty percent (50%) of the Capital Improvements costs from Mobilehome Owners, subject to this Chapter.~~

~~2. A Mobilehome Park Owner must cease collecting Capital Improvement costs when the Mobilehome Park Owner recovers the costs permitted by the Department pursuant to this Chapter.~~

~~3. In the event a Mobilehome Owner paid Capital Improvement costs in excess of that permitted by the Department or beyond the date of expiration of the Capital Improvement pass-through, as determined by the Department, the Mobilehome Park Owner shall credit the Mobilehome Owner for the balance of the overpayment. The Mobilehome Park Owner may elect to either: (a) pay the Mobilehome Owner the balance of the overpayment directly in one lump sum; or (b) give the Mobilehome Owner a credit against the Rent otherwise due from the Mobilehome Owner over a six (6) month period.~~

~~F. The Department's procedures and guidelines will set forth all of the following:~~

~~1. The cost recovery calculations and date of expiration for the Capital Improvement pass-through cost for each Mobilehome Space; and~~

~~2. Factors for the Department to evaluate a Mobilehome Park Owner's application for a pass-through cost of a Capital Improvement include, but are not limited to, whether the work was necessary to bring the Mobilehome Park into compliance or maintain compliance with Code requirements affecting health and safety.~~

~~G. Capital Improvements do not include the following:~~

~~1. Normal routine maintenance and repair, including, but not limited to routine maintenance or repair of a street or driveway by means of patching a seal coat for slurry seal.~~

~~2. Costs of maintenance and repair, as opposed to replacement.~~

~~3.——Costs of replacement if the replacement was necessary because of the Park Owner's failure to carry out said maintenance responsibilities, as determined by the Department.~~

~~4.——Costs to maintain physical improvements in the common facilities in good working order and condition pursuant to California Civil Code section 798.15.~~

~~5.——Additions or replacements made to bring the Mobilehome Park into compliance with a provision of the State or local law where the Mobilehome Space has not been in compliance with said provision from the time of its original construction or installation and such provision was in effect at the time of such construction or installation.~~

~~H.——Application for Recovery of Capital Improvements Costs.~~

~~1.——A Mobilehome Park Owner must submit an application for recovery of Capital Improvement costs with the County, in a form approved by the Department, for review and determination, within one hundred twenty (120) days of completion of the Capital Improvement(s) in the Mobilehome Park.~~

~~2.——Said application must contain the following information and be accompanied by copies of relevant supporting documentation:~~

~~a.——A description of the completed Capital Improvement;~~

~~b.——A copy of all estimates, contracts, bills, invoices, canceled checks and other documentation reasonably necessary to establish the reasonable cost of the Capital Improvement and the cost of financing the Capital Improvement;~~

c. ~~— The proposed amortization period to be used, if the period differs one hundred twenty (120) months;~~

d. ~~— A list of the Mobilehome Owners that will be affected by or benefit from the Capital Improvement;~~

e. ~~— The formula used to calculate the pro rata share of each Mobilehome Owner;~~

f. ~~— The monthly cost to each affected or benefiting Mobilehome Owner;~~

g. ~~— The commencement and completion dates of the Capital Improvements; and~~

h. ~~— Such other information as the Department may request.~~

i. ~~— Notice to Mobilehome Owners.~~

1. ~~— Mobilehome Park Owner must provide notice within ten (10) days to affected Mobilehome Owners of his or her application with the Department.~~

2. ~~— Notice must include copies of the Mobilehome Park Owner's application and shall be mailed or personally delivered to all affected Mobilehome Owners, together with a notice of the projected monthly cost to be passed through for each Mobilehome Space.~~

3. ~~— Notice must state that the complete documentation supporting the application can be reviewed at the Mobilehome Park office during regular business hours.~~

~~4. Proof of mailing or personal delivery of the notice to the Mobilehome Owners shall be required before the application will be deemed complete by the Department.~~

~~J. Mobilehome Park Owner shall make available for examination within ten (10) business days of the written request of any Mobilehome Owner copies of bills for property taxes, any government required services charges, copies of insurance policies and records of insurance payments, and the books and records of the Mobilehome Park Owner relating to costs of the Capital Improvements to verify any increases or decreases sought by the Mobilehome Park Owner under this Section.~~

~~K. Department shall be permitted by a Mobilehome Park Owner, during reasonable business hours, to visit the Mobilehome Park and confirm the Capital Improvement was completed and that the Capital Improvement cost amount is justified. The Mobilehome Park Owner is responsible for the Capital Improvement and confirming that it is in compliance with all federal, State or local laws.~~

~~L. Standard for Approving Capital Improvement Pass-through Cost.~~

~~1. The Department shall approve an application for a Capital Improvement pass-through if the Department determines the Capital Improvement costs are reasonable based on the prevailing costs of such improvements, considering the following:~~

~~a. The unique features on the Mobilehome Park affecting the cost;~~

~~b. That the costs incurred were necessary and appropriate to complete the Capital Improvement; and~~

~~c. That the proposed amortization of the Capital Improvement and all other aspects of the application comply with the provisions of this Chapter.~~

~~2. The Department may approve a Capital Improvement cost recovery or amortization schedule different than that proposed by the Mobilehome Park Owner if the Department finds the different cost recovery or amortization schedule is necessary to comply with the provisions of this Chapter, provided the approved Capital Improvement cost shall not be greater than that requested by the Mobilehome Park Owner.~~

**SECTION 10.** Section 8.57.070 is hereby added to read as follows:

**8.57.070 Pass-Through Capital Improvement Costs.**

A. Pursuant to this Section, a Mobilehome Park Owner may file an application with the Department, on a form approved by the Department, to pass-through Capital Improvement costs to affected Mobilehome Owners in Mobilehome Spaces subject to Section 8.57.050. Such application may include a request to exceed any prescribed limitations described in Section 8.57.050 if necessary for the Mobilehome Park Owner to pass-through Capital Improvement costs.

B. A Mobilehome Park Owner may not pass-through Capital Improvement costs to Mobilehome Owners until the Department approves the Mobilehome Park Owner's application, the Mobilehome Park Owner registers each Mobilehome Space pursuant to Section 8.57.080 and is in compliance with federal, State or local law

requirements. The approved pass-through Capital Improvement costs should appear as a separate line item on the Rent statement along with their end date of the amortization period and any remaining pass-through balance. An approved pass-through is not considered Rent.

1. A Mobilehome Park Owner must cease collecting the pass-through Capital Improvement cost when the Mobilehome Park Owner recovers the costs permitted by the Department pursuant to this Chapter.

2. In the event a Mobilehome Owner paid pass-through Capital Improvement costs in excess of that permitted by the Department or beyond the date of expiration of the pass-through, the Mobilehome Park Owner shall credit the Mobilehome Owner for the balance of the overpayment.

a. The Mobilehome Park Owner may elect to either:

- (i) Reimburse the Mobilehome Owner for the overpayment through one lump sum direct payment; or
- (ii) Reimburse the Mobilehome Owner for the overpayment over a six (6) month period in the form of a monthly credit towards any monthly obligation(s) due from the Mobilehome Owner over a six (6) month period, to which the first credit must be applied at the time the monthly obligation(s) is due.

b. Where the reimbursement due to the Mobilehome Owner exceeds the total monthly obligation(s) due for the term of the Tenancy, the remaining balance shall be paid pursuant to the Department's procedures and guidelines.

C. Capital Improvement Costs Pass-Through. A Mobilehome Park Owner may recover up to fifty percent (50%) of the a Capital Improvements costs from Mobilehome Owners if the Capital Improvement cost is in accordance with the Department's procedures and guidelines and with this Chapter.

1. Capital Improvements do not include the following:

- a. Normal routine maintenance and repair, including, but not limited to routine maintenance or repair of a street or driveway by means of patching a seal coat for slurry seal.
- b. Costs of maintenance and repair, as opposed to replacement.
- c. Costs of replacement if the replacement was necessary because of the Mobilehome Park Owner's failure to carry out said maintenance responsibilities, as determined by the Department.
- d. Costs to maintain physical improvements in the common facilities in good working order and condition pursuant to California Civil Code section 798.15.
- e. Additions or replacements made to bring the Mobilehome Park into compliance with a provision of the State or local law where the Mobilehome Space has not been in compliance with said provision from the time of its original construction or installation and such provision was in effect at the time of such construction or installation.



f. Not coin-operated or one for which a "use fee" or other charge is imposed on Mobilehome Owners for their use.

2. Pass-throughs of Capital Improvement costs shall be subject to the following pre-conditions and limitation:

a. The Capital Improvement shall primarily benefit the majority of Mobilehome Owners rather than Mobilehome Park Owners and be a functional improvement serving the Mobilehome Owners.

b. The Capital Improvement shall have a life expectancy of five (5) years or more.

c. The Capital Improvement shall be permanently fixed in place.

D. Application for Recovery of Pass-Through Capital Improvement Costs.

1. A Mobilehome Park Owner must submit an Application for Recovery of Pass-Through Capital Improvement Costs with the County, on a form approved by the Department, for review and determination, within one hundred twenty (120) days of completion of the Capital Improvement(s) in the Mobilehome Park.

2. Said application must be in compliance with the Department's procedures and guidelines, contain the following information, and be accompanied by copies of relevant supporting documentation:

a. A description of the completed Capital Improvement;

b. A copy of all estimates, contracts, bills, invoices, canceled checks and other documentation reasonably necessary to establish the reasonable cost of the Capital Improvement and the cost of financing the Capital Improvement;

c. The proposed amortization period to be used based on the Department's procedures and guidelines, if the period differs from one hundred twenty (120) months;

d. A list of the Mobilehome Owners that will be affected by or benefit from the Capital Improvement;

e. The formula used to calculate the pro rata share of each Mobilehome Owner;

f. The monthly cost to each affected or benefiting Mobilehome Owner;

g. The commencement and completion dates of the Capital Improvements; and

h. Such other information as the Department may request.

3. Notice Upon Filing An Application.

a. Within five (5) calendar days after submission of a Mobilehome Park Owner's application with the Department, the Mobilehome Park Owner shall serve each affected Mobilehome Owners with a notice of said application via personal service or certified mail return, return receipt requested.

b. Notice must include copies of the Mobilehome Park Owner's application, together with the projected monthly Capital Improvement cost to be passed through to Mobilehome Owner.

c. Notice must state that all documentation supporting the application can be reviewed at the Mobilehome Park's office during regular business hours.

d. Within ten (10) calendar days after submission of a Mobilehome Park Owner's application, the Mobilehome Park Owner shall file with the Department a proof of service, on a form approved by the Department, signed under penalty of perjury, stating that a copy of the notice of application was served upon the affected Mobilehome Owners.

e. Proof of mailing or personal delivery of the notice to the Mobilehome Owners shall be required before the application will be reviewed by the Department.

E. Examination and Inspection.

1. Mobilehome Park Owner, at his or her expense, shall make available for examination within ten (10) business days of the written request of any Mobilehome Owner copies of bills for property taxes, any government required service charges, copies of insurance policies and records of insurance payments, and the books and records of the Mobilehome Park Owner relating to costs of the Capital Improvements to verify any increases or decreases sought by the Mobilehome Park Owner under this Section.

2. Department shall be permitted by a Mobilehome Park Owner, during reasonable business hours, to visit the Mobilehome Park and confirm the Capital Improvement was completed and that the Capital Improvement cost amount is justified.

3. The Mobilehome Park Owner is responsible for the Capital Improvement and confirming that it is in compliance with all federal, State or local laws.

F. Standard for Approving Pass-Through of Capital Improvement Costs.

1. The Department may approve an application for a Capital Improvement cost pass-through if the Department determines the Capital Improvement costs are reasonable based on the prevailing costs of such improvements, considering the following and any other factors set forth in its procedures and guidelines:

- a. The unique features of the Mobilehome Park affecting the cost;
- b. That the costs incurred were necessary and appropriate to complete the Capital Improvement;
- c. Whether the work was necessary to bring the Mobilehome Park into compliance or maintain compliance with County Code requirements affecting health and safety; and
- d. Any supplemental information provided by the Mobilehome Owner to the Department in support of or in opposition to the Mobilehome Park Owner's application.

2. The proposed amortization of the Capital Improvement and all other aspects of the application comply with the provisions of this Chapter and the Department's procedures and guidelines.

3. Fees and costs incurred by a Mobilehome Park Owner to file, pursue, or prepare an application pursuant to this Section may not be passed on to Mobilehome Owners. Such fees and costs include, but are not limited to, attorney fees and other similar professional services costs.

G. Pursuant to this Section, no Capital Improvement cost pass-through shall be approved if the amounts allowed to be a pass-through cost, plus any Rent increase for that year, would result in an increase of the Rent from the prior year of an affected Mobilehome Space by more than eight percent (8%), unless otherwise determined by the Department.

**SECTION 11.** Section 8.57.080 is deleted in its entirety:

~~**8.57.080 Annual Rental Registration.**~~

~~A. Registration of Mobilehome Space. On or before September 30 of each year, a Mobilehome Park Owner must register all Mobilehome Spaces in the Mobilehome Park as of February 13, 2018. Mobilehome Park Owner will contact Department if there are any subsequent changes to the Mobilehome Park.~~

~~1. Registration of Amenities. When registering each Mobilehome Space, the Department may also require a Landlord to register all amenities available to the Mobilehome Owners pursuant to the Department's procedures and guidelines.~~

~~2. County Registry System. Registration under this Section must be completed through the County's registry system or in a form approved by the Department. The Department is responsible for accepting annual rental registration and any subsequent changes made or requested by the Mobilehome Park Owner.~~

~~B. Registration must include, but not limited to, the following information:~~

~~1. Rent for each Mobilehome Space in the Mobilehome Park and the date of the last Rent increase for the Mobilehome Space.~~

~~2. The name(s), business address(es), business telephone number(s) of each Mobilehome Park Owner in the Mobilehome Park and the nature of such ownership interest.~~

~~3. The number of Mobilehome Spaces in the Mobilehome Park.~~

~~4. The name and address to which all required notices will be sent.~~

~~5. A map of the Mobilehome Park.~~

~~6. The name and mailing address of each Mobilehome Owner.~~

~~7. A description of Housing Services provided by the Mobilehome Park Owner.~~

~~C. Rental Registration Fee. Each Mobilehome Park Owner must pay an annual rental registration fee for each Mobilehome Space in the Mobilehome Park.~~

~~1. This fee shall be determined by the Board and be sufficient to pay operating costs for this Chapter, including but not limited to administrative time and costs, legal fees and costs, and any other expense incurred to implement, administer, and enforce this Chapter.~~

~~2. Rental Registration Pass-through Fee. A Mobilehome Park Owner may recover up to fifty percent (50%) of a rental registration fee from the Mobilehome Owners subject to the permitted rent increases contained in Section 8.57.050. A Mobilehome Park Owner must meet the following requirements to pass through this rental registration fee:~~

- ~~a. The pass-through cost appears as a separate line item;~~
- ~~b. Mobilehome Park Owner timely and accurately submits an annual rental registration for each Mobilehome Space in the Mobilehome Park prior to any deadline published by the Department;~~
- ~~c. A Mobilehome Owner's payment to the Mobilehome Park Owner for the pass-through cost is paid in twelve (12) equal, monthly installments; and~~
- ~~d. The Mobilehome Park Owner provides to the Department the amount of the pass-through cost to the Mobilehome Owners.~~

**SECTION 12.** Section 8.57.080 is hereby added to read as follows:

**8.57.080 Annual Registration.**

A. Registration of Mobilehome Spaces. On or before September 30<sup>th</sup> of each year, a Mobilehome Park Owner must register all Mobilehome Spaces in the Mobilehome Park in the County's Registry System or in a form approved by the Department. A Mobilehome Park Owner must contact the Department or update the County's Registration System within thirty (30) calendar days if there are any errors or subsequent changes to the Mobilehome Space or information entered into the County Registry System within thirty (30) calendar days. No fee shall be imposed for any

Mobilehome Space exempted from this Chapter pursuant to the Mobilehome Residency Law.

B. Registration of Housing Services. When registering each Mobilehome Space, the Department may also require a Mobilehome Park Owner to register all Housing Services available to the Mobilehome Owners pursuant to the Department's procedures and guidelines.

C. Registration must include, but is not limited to, the following information:

1. Rent for each Mobilehome Space in the Mobilehome Park and the date of the last Rent increase for the Mobilehome Space.
2. The name(s), business address(es), business telephone number(s) of each Mobilehome Park Owner in the Mobilehome Park and the nature of such ownership interest.
3. The number of Mobilehome Spaces in the Mobilehome Park.
4. The name and address to which all required notices will be sent.
5. A map of the Mobilehome Park.
6. The name and mailing address of each Mobilehome Owner and move-in and vacancy date for each Mobilehome Owner.
7. A description of Housing Services provided by the Mobilehome Park Owner.

D. Registration Fee. Each Mobilehome Park Owner must pay an annual registration fee for each Mobilehome Space in the Mobilehome Park. This registration fee shall be determined by the Board and shall be sufficient to pay operating costs for



this Chapter, including but not limited to, administrative time and costs, legal fees and costs, and any other expense incurred to implement, administer, and enforce this Chapter.

E.     Registration Fee Pass-Through. A Mobilehome Park Owner may recover up to fifty percent (50%) of a registration fee from the Mobilehome Owners. The registration fee pass-through cost shall be calculated in accordance to the Department's procedures and guidelines. A Mobilehome Park Owner may only collect one 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 annual registration for each Mobilehome Space and Housing Services in the Mobilehome Park;
2.     The registration fee pass-through appears as a separate line item;
3.     The Mobilehome Park Owner provides Mobilehome Owner thirty (30) days prior notice before collecting any registration fees pass-through cost; and
4.     A Mobilehome Owner's payment to the Mobilehome Park Owner for the registration fee pass-through cost be paid in twelve (12) equal, monthly installments, unless otherwise agreed to by the Mobilehome Owner.

F.     Excess Registration Fee Pass-Through Costs Paid:

1.     In the event a Mobilehome Owner paid registration fee pass-through costs in excess of that permitted hereunder, the Mobilehome Park Owner shall reimburse the Mobilehome Owner for the registration fee pass-through cost overpayment.

2. The Mobilehome Park Owner may elect to either:

- a. Reimburse the Mobilehome for the registration fee pass-through cost overpayment through one lump sum direct payment; or
- b. Reimburse the Mobilehome Owner for the registration pass-through cost overpayment over a six (6) month period in the form of six (6) consecutive, equal monthly credits against monthly obligation(s) otherwise due from the Mobilehome Owner.

3. Time for Repayment.

- a. If the Mobilehome Park Owner elects a lump sum direct repayment, such repayment must be paid by the time the next monthly obligation(s) payment is due.
- b. If the Mobilehome Park Owner elects six (6) consecutive, equal monthly credits, the first credit must be applied at the time the next monthly obligation(s) payment is due.

**SECTION 13.** Section 8.57.090 is hereby deleted in its entirety:

~~**8.57.090**~~ ~~**Notice to Mobilehome Owners.**~~

~~A. A Mobilehome Owner shall be offered a Rental Agreement for: (1) a term of twelve (12) months, or (2) a lesser period as the Mobilehome Owner may request, or (3) a longer period as mutually agreed upon by both the Mobilehome Owner and the Mobilehome Park Owner or its management.~~

~~B. No Rental Agreement shall contain any terms or conditions with respect to charges for Rent, utilities, or incidental reasonable service charges that would be~~

~~different during the first twelve (12) months of the Rental Agreement from the corresponding terms or conditions that would be offered to the Mobilehome Owners on a month-to-month basis.~~

~~C. No Rental Agreement for a term of twelve (12) months or less shall include any provision which authorizes automatic extension or renewal of, or automatically extends or renews, the Rental Agreement at the sole option of either the Mobilehome Park Owner or the Mobilehome owner beyond the initial term for a term longer than twelve (12) months.~~

~~D. No Rental Agreement for a Mobilehome Space shall contain a provision by which the Mobilehome Owner waives his or her rights under the provisions of the Mobilehome Residency Law. Any such waiver shall be deemed contrary to public policy and void.~~

~~E. Neither a Mobilehome Owner nor a prospective Mobilehome Owner shall be required to sign a Rental Agreement that is exempt from the provisions of this Chapter.~~

~~F. Prior to, or at the time of agreeing to Rent a Mobilehome Space to a new Mobilehome Owner in a Mobilehome Park, the Mobilehome Park Owner must provide each new Mobilehome Owner with a copy of the Mobilehome Residency Law.~~

~~G. Mobilehome Park Owner shall provide a notice, which conforms to the following language and printed in at least 12-point boldface type, to the Mobilehome Owner at the time a Rental Agreement is presented creating a Tenancy with a term greater than twelve (12) months:~~

~~IMPORTANT NOTICE TO PROSPECTIVE MOBILEHOME OWNER  
REGARDING THE PROPOSED RENTAL AGREEMENT FOR TENANCY.~~

~~PLEASE TAKE NOTICE THAT THIS RENTAL AGREEMENT CREATES A  
TENANCY WITH A TERM IN EXCESS OF 12 MONTHS. BY SIGNING THIS RENTAL  
AGREEMENT, YOU ARE EXEMPTING THIS TENANCY FROM THE PROVISIONS OF  
THE MOBILEHOME RENT STABILIZATION ORDINANCE OF THE COUNTY OF LOS  
ANGELES FOR THE TERM OF THIS RENTAL AGREEMENT. THE MOBILEHOME  
RENT STABILIZATION ORDINANCE (COUNTY OF LOS ANGELES CODE CHAPTER  
8.57) AND THE STATE MOBILEHOME RESIDENCY LAW (CALIFORNIA CIVIL CODE  
SECTION 798, et seq.) GIVE YOU CERTAIN RIGHTS, INCLUDING THE RIGHT TO A  
TENANCY OF 12 MONTHS OR LESS THAT IS NOT EXEMPT FROM THE  
PROVISIONS OF THE MOBILEHOME RENT STABILIZATION ORDINANCE.  
BEFORE SIGNING THIS RENTAL AGREEMENT, YOU MAY WANT TO CONSULT AN  
ATTORNEY. YOU MAY CANCEL THE RENTAL AGREEMENT BY NOTIFYING THE  
PARK MANAGEMENT IN WRITING OF THE CANCELLATION WITHIN 72 HOURS OF  
YOUR EXECUTION OF THE RENTAL AGREEMENT. IT IS UNLAWFUL FOR A  
MOBILEHOME PARK OWNER OR ANY AGENT OR REPRESENTATIVE OF THE  
PARK OWNER TO DISCRIMINATE OR RETALIATE AGAINST YOU FOR  
EXERCISING OF ANY RIGHTS YOU MAY HAVE UNDER THE MOBILEHOME RENT  
STABILIZATION ORDINANCE OF THE COUNTY OF LOS ANGELES, OR BECAUSE  
OF YOUR CHOICE TO ENTER INTO A RENTAL AGREEMENT THAT IS SUBJECT  
TO THE PROVISIONS OF THAT ORDINANCE.~~

~~H. The notice described above must be translated into the primary language of the Mobilehome Owner and must contain a place for the prospective Mobilehome Owner to acknowledge receipt of the notice and shall also contain an acknowledgment signed under penalty of perjury by the person offering the Rental Agreement that the notice has been given to the prospective Mobilehome Owner in accordance with the previous subsection. A copy of the notice executed by the person offering the Rental Agreement shall be provided to the prospective Mobilehome Owner.~~

~~I. A prospective Mobilehome Owner may cancel a Rental Agreement by notifying the Mobilehome Park Owner or its management in writing of the cancellation within seventy-two (72) hours of the execution of the Rental Agreement.~~

~~J. Mobilehome Park Owner shall post a notice containing the material provisions of this Chapter. The notice shall be provided by the Department and shall be posted in the Mobilehome Park Owner's on-site management office.~~

**SECTION 14.** Section 8.57.090 is hereby added to read as follows:

**8.57.090 Mobilehome Owner Rental Agreements.**

A. A Mobilehome Owner shall be offered a Rental Agreement for: (1) term of twelve (12) months, or (2) a lesser period as the Mobilehome Owner may request, or (3) a longer period as mutually agreed upon by both the Mobilehome Owner and the Mobilehome Park Owner or its management.

B. Rental Agreements executed between Mobilehome Park Owner and Mobilehome Owner shall be in compliance with the requirements and procedures set forth in the Mobilehome Residency Law and this Chapter.

C. No Rental Agreement for a Mobilehome Space shall contain a provision by which the Mobilehome Owner waives his or her rights under the provisions of the Mobilehome Residency Law. Any such waiver shall be deemed contrary to public policy and void.

D. Neither a Mobilehome Owner nor a prospective Mobilehome Owner shall be required to sign a Rental Agreement that is exempt from the provisions of this Chapter.

E. Mobilehome Park Owner shall include language in the Rental Agreement that Mobilehome Owner may be subject to pass-through costs that have been reviewed and approved by the Department.

F. A prospective Mobilehome Owner may cancel a Rental Agreement by notifying the Mobilehome Park Owner or its management in writing of the cancellation within seventy-two (72) hours of the execution of the Rental Agreement.

**SECTION 15.** Section 8.57.095 is hereby added to read as follows:

**8.57.095 Notices to Mobilehome Owners.**

A. Mandatory Notices to Mobilehome Owners. Mobilehome Park Owners must provide to each Mobilehome Owner, prior to, or at the time of agreeing to Rent a Mobilehome Space, a notice of Mobilehome Owner's rights under this Chapter and a copy of the Mobilehome Residency Law. The Department shall publish a form notice of Mobilehome Owner's rights in English and other frequently spoken languages. Mobilehome Park Owner must provide the published form notice in the following circumstances:

1. Within thirty (30) calendar days of enactment of this Chapter;
2. When entering into a Rental Agreement, by including a copy of the form notice as an exhibit or attachment to the written Rental Agreement;
3. When renewing a Rental Agreement; and
4. When providing a notice of a Rent increase or decrease in an affected Mobilehome Space or a Housing Service.

B. Notice Regarding Potential Pass-Through Costs and Fees. A Mobilehome Park Owner shall include language in the Rental Agreement that Mobilehome Owner may be subject to pass-through costs that have been reviewed and approved by the Department.

C. If the Rental Agreement is negotiated or written in a language other than English, the Mobilehome Park Owner must also provide the form notice of Mobilehome Owner's rights in English and the language in which the Rental Agreement was negotiated or written.

D. Posting on property. A Mobilehome Park Owner must post a copy of the form notice of Mobilehome Owner's rights, as published by the Department, in an on-site management office or in an accessible area of the Mobilehome Park.

**SECTION 16.** Section 8.57.100 is hereby amended to read as follows:

**8.57.100 Retaliatory Eviction.**

A. No Mobilehome Park Owner may retaliate against a Mobilehome Owner for the Mobilehome Owner's assertion or exercise of rights under this Chapter in any manner, including but not limited to:

1. Threatening to bring or bringing an action to recover possession of a Mobilehome Space;

2. Engaging in any form of harassment that causes a Mobilehome Owner to quit the Mobilehome Space;

3. Preventing a prospective Mobilehome Owner from freely exercising his or her legal options to choose a month-to-month Rental Agreement;

4. Decreasing Housing Services;

5. Increasing the Mobilehome Space Rent; or

6. Imposing or increasing a security deposit or any other charge payable by a Mobilehome Owner.

B. Mobilehome Owners have a right to organize an association without ~~hinderance~~hindrance from the Mobilehome Park Owner to exercise the rights provided under the provisions of this Chapter.

...

~~E. Any action to recover possession of a Mobilehome Space by a Mobilehome Park Owner brought within one (1) year of an application filed with the Department by the Mobilehome Owner pursuant to this Chapter shall be presumed to be retaliatory. This presumption affects the burden of proof, and is rebuttable by the Mobilehome Park Owner.~~Remedies and Penalties. For purposes of this Section:

1. If any Mobilehome Park Owner or any person, acting as a principal or agent, offering a Mobilehome Space for Rent, or any contractor, subcontractor, or employee of the Mobilehome Park Owner violates the terms of this Section, an



aggrieved Mobilehome Owner may institute a civil action for injunctive relief, direct money damages, and any other relief that the court deems appropriate, which such relief shall include a civil penalty of no less than Two Thousand Dollars (\$2,000), and no more than Five Thousand Dollars (\$5,000), per violation, at the discretion of the court. If the aggrieved Mobilehome Owner is older than sixty-two (62) or disabled, the court may award an additional civil penalty of up to Five Thousand Dollars (\$5,000) per violation, at the discretion of the court.

2. The court may award reasonable attorneys' fees and costs to a Mobilehome Owner who prevails in any such action. The court may award reasonable attorneys' fees and costs to a Mobilehome Park Owner who prevails in any such action if the court determines that the Mobilehome Owner's action was frivolous.

3. The above remedies are not exclusive and do not preclude any Mobilehome Owner from seeking other remedies or penalties provided by applicable law. No administrative remedy need be exhausted prior to filing suit pursuant to this Section.

~~F. Any action brought by a Mobilehome Owner for a violation of this Section must be brought in a court of competent jurisdiction. In a civil suit, a Mobilehome Park Owner found to violate this Section shall be liable to the aggrieved Mobilehome Owner. A prevailing Mobilehome Owner in a civil action shall be awarded attorneys' fees and costs. No administrative remedy need be exhausted prior to filing suit pursuant to this Section.~~  
This Section shall not apply to any attorney who in good faith initiates legal

proceedings against a Mobilehome Owner on behalf of a Mobilehome Park Owner to recover possession of a Mobilehome Space.

**SECTION 17.** Section 8.57.110 is hereby amended to read as follows:

**8.57.110 Procedures and Guidelines.**

The Director of the Department, or designee, may develop and publish procedures and guidelines to aid in the implementation of this Chapter.

**SECTION 18.** Section 8.57.115 is hereby added to read as follows:

**8.57.115 Enforcement.**

The Department is authorized to take any and all appropriate steps it deems necessary to enforce this Chapter.

**SECTION 19.** Section 8.57.120 is hereby amended to read as follows:

**8.57.120 ~~Administration Determination~~Administrative Review and Appeals to the Rental Housing Oversight Commission.**

**A. ~~Administration Determination~~Administrative Review:**

1. The Department shall review and evaluate applications pursuant to this Chapter.
2. The Department may request documents, interview affected parties, and gather necessary evidence to review and make appropriate conclusion and findings.
3. ~~The conclusions and findings of the Department shall be reviewable by the Commission. The decision of the Commission shall be final.~~

B. Authorization. Any party dissatisfied by the Department's final decision pursuant to this Chapter may request an appeal of ~~that~~ the Department's decision to the Commission, unless otherwise prohibited by this Chapter. The Department's administrative record shall be reviewable by the Commission. The decision of the Commission shall be final.

C. Time Limit. A party must file a request to review ~~before~~ by the Commission within fifteen (15) days of the Department's final decision. The Commission shall have no authority to consider matters not filed within fifteen (15) days of the Department's final decision.

D. Filing of Appeals. An appeal shall be filed with the secretary ~~or clerk~~ of the Commission or Department staff assigned to the Commission by the Director, on the prescribed form, along with any accompanying appeal fee, and shall state specifically whether the basis of the appeal is that:

1. The Department's determination or interpretation is not in accord with the purposes of this Chapter;
2. ~~It is claimed that t~~ There was an error or abuse of discretion by the Department;
3. The administrative record includes inaccurate information; or
4. The Department's decision is not supported by the administrative record.

E. Procedures for Appeals.

1. Hearing Dates. The Commission may delegate the setting of hearing dates to its secretary or ~~clerk~~Department staff assigned to the Commission by the Director.

2. Public Hearing. The appeal hearing shall be conducted at a hearing open to the public. At the hearing, the Commission shall review the record of the decision and hear testimony of the party requesting the appeal, representatives of the Department, and any other interested party.

3. Application and ~~m~~Materials. At an appeal hearing, the Commission shall consider only the ~~application~~administrative record that was the subject of the Department's final decision.

F. Decision and Notice.

1. After the hearing, the Commission shall either:

a. Affirm, modify, or reverse the Department's decision and specify the specific reasons for its decision; or

b. Refer the matter back to the Department for further review.

2. Decisions shall be rendered within thirty (30) days of the close of the hearing. If the Commission fails to act within thirty (30) days of the close of the hearing, the Department's decision shall be deemed affirmed.

3. The secretary or ~~clerk of the Commission~~Department staff assigned to the Commission by the Director shall mail the Commission's decisions to the parties within ten (10) days after it is rendered.

G. Final decision. The decision of the Commission shall be final and not subject to further appeal.

**SECTION 20.** Section 8.57.130 is hereby amended to read as follows:

**8.57.130 Administrative Fines.**

A. Administrative Fines. Any Mobilehome Park Owner or Mobilehome Owner who violates any provision of this Chapter, or Department's procedures and guidelines, is subject to an administrative fine not to exceed One Thousand Dollars (\$1,000).

B. Remedies are Cumulative. Each day that a violation continues shall constitute a separate and distinct offense. The remedies set forth in this Section are cumulative and in addition to any other penalty provided by law, including any remedies which may be sought in a civil action. The provisions of this Chapter shall not be construed as limiting any party's right to obtain relief to which he or she may be entitled at law or in equity.

C. Notices of Violation and Administrative Fine. If the Department determines that a Mobilehome Park Owner or Mobilehome Owner has violated this Chapter, or Department's procedures and guidelines, the Department may issue Notices of Violation and Administrative Fine in accordance with the authority and procedures set forth in Title 4 County Code, Chapter 1.25 ~~of this Code~~.

D. Administrative Appeals and Judicial Review.

1. Administrative Appeal. Any Mobilehome Park Owner or Mobilehome Owner who receives a Notice of Administrative Fine may request an

administrative hearing before a hearing officer in accordance with ~~Title 4~~County Code, Chapter 1.25 ~~of this Code~~.

2. Judicial Review of Hearing Officer Decision. Any Mobilehome Park Owner or Mobilehome Owner may seek judicial review of a hearing officer's decision pertaining to the imposition of an administrative fine in accordance with ~~Title 4~~County Code, Chapter 1.25 ~~of this Code~~.

**SECTION 21.** Section 8.57.140 is hereby amended to read as follows:

**8.57.140 Remedies.**

A. ~~Civil Remedies~~Liabilities. ~~County Counsel~~Any Mobilehome Owner, or any other person or entity acting on behalf of the Mobilehome Owner who will fairly and adequately represent Mobilehome Owner's interest, including the County, is authorized to bring a civil action and/or proceeding in a court of competent jurisdiction for violation of this Chapter, or any Department's procedures and guidelines, for civil penalties, injunctive, declaratory and other equitable relief, restitution and reasonable attorneys' fees and costs and may take such other steps as necessary to enforce this Chapter.

B. Civil Penalty. Any person violating any of the provisions, or failing to comply with any of the requirements of this Chapter, may be liable for a civil penalty, not to exceed One thousand dollars (\$1,000-00) for each violation.

C. Criminal Penalty. Any person violating any of the provisions or failing to comply with any of the requirements of this Chapter, shall be guilty of a misdemeanor and punished by a fine of not more than One thousand dollars (\$1,000-00), or by imprisonment in the County jail for a period of not more than six (6) months, or by both.

D. Each violation of any provision of this Chapter, and each day during which any such violation is committed, permitted or continued, shall constitute a separate offense.

**SECTION 22.** Section 8.57.180 shall be added to read as follows:

**8.57.180 Mobilehome Park Closure, Conversion or Change of Use - Relocation Impact Reports.**

A. Statement of Purpose. The purpose of this Section is to implement Sections 65863.7-65863.8 and 66427.4-66427.5 of the California Government Code, which require a person or entity proposing to convert, close or cease the use of a Mobilehome Park to address the impact on the Mobilehome Owners to be displaced, and, where required, to take steps to mitigate the adverse impacts on the Mobilehome Owners.

B. Definitions. For purposes of this Section, the following definitions shall apply in addition to the definitions set forth in Section 8.57.030.

1. "Applicant" means any person or entity seeking approval of a Mobilehome Park Closure. Applicant can also mean a Mobilehome Park Owner whose Mobilehome Park has been determined to be undergoing conversion due to reduced occupancy.

2. "Closure, Conversion or Change of Use" means the Mobilehome Park closure, conversion, or change of use means the changing the use of a Mobilehome Park such that no longer contains occupied Mobilehomes, as described in and regulated by California Government Code section 66427.4.

a. A "Closure" includes ceasing to Rent Mobilehome Spaces for human habitation and displacement of Mobilehome Residents, or when 25 percent or more of the Mobilehome Spaces within a Mobilehome Park become vacant.

b. "Conversion" means the conversion of a mobilehome park composed of rental spaces to a condominium or common interest development, as described in and/or regulated by California Government Code section 66427.5 and/or section 66428.1.

c. "Change of Use" has the meaning set forth in California Civil Code section 798.10, and means the use of the Mobilehome Park for a purpose other than the rental, or the holding out for Rent, of two or more Mobilehome Spaces to accommodate Mobilehomes used for human habitation, and does not mean the adoption, amendment or repeal of a Mobilehome Park rule or regulation. A "Change of Use" may affect an entire Mobilehome Park or any portion thereof, and includes, but is not limited to, a change of the Mobilehome Park or any portion thereof to a condominium, stock cooperative, planned unit development or any form of ownership wherein Mobilehome Spaces within the Mobilehome Park are to be sold.

3. "Comparable Housing" means housing that meets the minimum standards of the California Building Code, and that is similar to the subject Mobilehome in term of rent, size, number of bedrooms and bathrooms, and other relevant factors such as location and proximity to the Resident's place of employment, amenities, schools and public transportation.



4. "Comparable Mobilehome" means a Mobilehome that is similar in size, age, condition, number of bedrooms and amenities to the Mobilehome that is being displaced by Closure, Conversion or Change of Use of the Mobilehome Park.

5. "Relocation Impact Report" means a written report meeting the requirements of this Section and that describes (1) the impacts of the Closure, Conversion or Change of Use of the Mobilehome Park on affected Residents, and (2) the measures that will be taken to mitigate adverse impacts of such Closure, Conversion or Change of Use on affected Residents.

6. "Relocation Specialist" means the Department-approved individual or firm retained by the Applicant, as required by this Chapter, to assist in the preparation of the Relocation Impact Report and to provide the support described herein to eligible Residents. The Relocation Specialist shall be familiar with region's housing market and qualified to assist Residents to evaluate, select, and secure placement in Comparable Housing, to arrange the moving of all the Resident's personal property, and to render financial advice on qualifying for various housing types.

7. "Resident" means a Mobilehome Owner and/or other person legally residing in a Mobilehome Park whose Mobilehome was located in a Mobilehome Park on the date of issuance of a Notice of Intent to apply for an application for Closure, Conversion or Change of Use of the Mobilehome Park. Residents includes the spouse, parents, children, and grandchildren of the Resident in the Mobilehome Space on the date of the application.

C. Requirements.

1. Notice of Intent of Closure, Conversion or Change of Use of Mobilehome Park. Applicant shall provide each Resident a Notice of Intent of Closure, Conversion or Change of Use of a Mobilehome Park at least one hundred twenty (120) days prior to a Relocation Impact Report being filed with the Department. Proof of service, on a form approved by the Department, of the Notice of Intent on the Residents of the Mobilehome Park must be provided to the Department within ten (10) days of providing each Resident a Notice of Intent of Closure, Conversion or Change of Use.

a. A Notice of Intent provided to each Resident does not relieve a Resident from his or her obligation to pay Rent.

b. Upon the Notice of Intent to each Resident, the Applicant shall advise, in writing, each prospective new Resident, prior to the commencement of escrow to purchase a Mobilehome and/or execution of any Rental Agreement, that there will be Closure, Conversion or Change of Use of the Mobilehome Park, or that the Mobilehome Park has been determined to be undergoing Closure, and that the new Resident will not be entitled to any relocation assistance under this Section.

c. Applicants shall advise prospective Residents, in writing, before a Rental Agreement is executed that either a Notice of Intent was provided to each Resident, an application for Closure, Conversion or Change of Use has been filed, or that the Mobilehome Park has been determined to be undergoing Closure due to reduced occupancy, and that the new Resident may not be entitled to any relocation assistance.

2. No Applicant shall cause or permit the filing of an application for Change of Use with the County's Department of Regional Planning and/or permit the Closure, Conversion or Change of Use of a Mobilehome Park until the Relocation Impact Report has been reviewed and approved by the Commission, which will enable each displaced Resident to relocate into Comparable Housing.

D. Relocation Assistance. As a condition of a Mobilehome Park Closure, Conversion or Change of Use, an Applicant shall be required to employ a Relocation Specialist and provide relocation assistance to Residents in an amount not to exceed the reasonable costs of relocation. The minimum relocation assistance required shall be determined based on the Department's procedures and guidelines.

1. Eligibility for Relocation Assistance. A Resident is entitled to relocation assistance so long as his or her Rental Agreement is still in effect prior to the date of the filing of a Relocation Impact Report.

2. Protections.

a. No Applicant shall require any Resident to waive his or her rights to relocation assistance as a condition of renting a Mobilehome Space in the Mobilehome Park.

b. Residents who are eligible for relocation assistance shall be entitled to the assistance required by the Department, consistent with this Section, as a condition of Closure, Conversion or Change of Use even if they move out of the Mobilehome Park before the Commission's final determination on the Relocation Impact Report.

3. Reasonable Cost of Relocation. Reasonable cost of relocation includes a moving allowance and other applicable types of relocation assistance based on the Relocation Impact Report and set forth in this Section and the Department's procedures and guidelines.

E. Relocation Impact Report. The Relocation Impact Report shall be in compliance with this Section and set forth the impact of the Closure, Conversion or Change of Use upon the Residents who will be displaced.

1. Timing for Filing Relocation Impact Report. A Relocation Impact Report, prepared by an Applicant or Relocation Specialist, must be filed with the Department within one hundred twenty (120) days of Applicant providing a Notice of Intent to the Residents. Applicant must use a Relocation Specialist to assist Residents as required by this Section and the Department's procedures and guidelines.

2. Contents of Relocation Impact Report. A Relocation Impact Report shall contain the following information:

a. Resident Information.

(i) The names and address of all Residents within the Mobilehome Park; and

(ii) The total number of Residents, categorized on a space by space basis identifying the following categories:

(a) If the Residents are owners or renters of the Mobilehome;

(b) Residents under the age of eighteen (18);

(c) Residents who are physically disabled,  
including the chronically ill; and

(d) Residents who are over the age of sixty-  
two (62).

b. Converting Mobilehome Park Information.

(i) A legal description of the property;  
(ii) The age of the Mobilehome Park;  
(iii) The proposed schedule for Closure, Conversion or  
Change of Use of the Mobilehome Park;

(iv) A description of any proposed new use for the  
Mobilehome Park, including the approximate number of proposed residential units, if  
any;

(v) The number of Mobilehomes existing in the  
Mobilehome Park, length of occupancy by the current Resident of each Mobilehome  
Space, and the current Rent for each Mobilehome Space; and

(vi) A site plan of the Mobilehome Park showing all  
Mobilehome Spaces within the Mobilehome Park, identified by number.

c. Comparable Housing Information.

(i) Applicant shall provide information regarding the  
availability of Comparable Housing.

(ii) Each Comparable Housing shall be identified by: (A)  
name and address; (B) age; (C) lease or rental rates; (D) terms, policies, and

restrictions on the types of homes and residents accepted; an estimate of number of replacement spaces within each Mobilehome Park as of the date of survey.

d. Relocation Assistance Information. The Applicant shall state how relocation assistance will be implemented to comply with this Section. The Relocation Impact Report shall include the following:

(i) Mobilehome Park Owner's or Applicant's procedure to accommodate the Residents or unrelocatable homes and the specific relocation assistance and options available to each Resident;

(ii) Identification of the Relocation Specialist assisting the Residents in finding and moving to Comparable Housing;

(iii) The specific relocation assistance and options proposed shall be provided to each Resident by certified or registered mail at least fifteen (15) days prior to filing the Relocation Impact Report with the Department. Proof of Service of the specific relocation assistance and options proposed to the Residents of the Mobilehome Park must be provided to the Department at the time of filing of the Relocation Impact Report;

(iv) Proposed measures to mitigate the adverse impacts of the Mobilehome Park Closure, Conversion or Change of Use on the Residents in the Mobilehome Park; and

(v) An appraisal if a displaced Resident cannot obtain Comparable Housing in another Mobilehome Park, in compliance of Government Code section 65863.7, as may be amended from time to time.

e. Any other information and mitigation measures as the Department shall deem necessary, as set forth in its procedures and guidelines.

3. Failure to Prepare Relocation Impact Report.

a. The failure of an Applicant to prepare a complete Relocation Impact Report within the time required pursuant to this Section is hereby determined to have a severely adverse economic effect on Residents due to the delay in providing necessary relocation assistance which would result from such failure. Such failure is hereby determined to be a public nuisance. b. If the Applicant fails to prepare or cause to be prepared a Relocation Impact Report within such required time, the Department shall cause such Relocation Impact Report to be prepared at the expense of the Applicant. Failure of the Applicant to reimburse the County for such cost within thirty (30) days of receipt of such statement, may result such matter to be brought before the Commission resulting in potential fines and penalties assessed against the Applicant.

F. Hearing and Notice.

1. Department Review of the Relocation Impact Report. The Commission shall not be required to take any action to hold public hearings to consider a Relocation Impact Report until the Department has had a reasonable time, not to exceed thirty (30) days, within which to verify that the Relocation Impact Report is complete and contains all of the information required by this Section. If the Department determines that the Relocation Impact Report does not contain all of the information required by this Section, it shall set forth in writing the specific deficiencies.

2. Setting of Hearing. The Department will deem a Relocation Impact Report complete and shall set a time, date, and place for hearing to take place not less than sixty (60) days of the date the Department determines the Relocation Impact Report is complete and upon Applicant payment of any applicable fees in accordance with this Section and the Department's procedures and guidelines.

3. Notice of Hearing. The Department shall provide Applicant a Notice of Hearing containing a general explanation of the matters to be considered by the Commission. The secretary of the Commission or Department staff may give such additional notice as it deems necessary or desirable. Such time may be extended to the extent necessary to comply with any State regulations, including the California Environmental Quality Act.

a. Applicant shall furnish a written Notice of Hearing to each Resident proposed to be displaced in the Mobilehome Park at least sixty (60) days prior to the hearing to Residents described in Section 65863.7(b) of the California Government Code, informing Residents that the Applicant will appear at the Commission for review and approval of a Relocation Impact Report.

b. The Notice of Hearing shall contain a general explanation of the matters to be considered by the Commission and any other information as the Department shall deem necessary, as set forth in the procedures and guidelines. A copy of the Relocation Impact Report, which shall include the appraisal of the Mobilehome owned or resided in by that particular notice Resident within the Mobilehome Park referenced in this Section shall be included in with this Notice of



Hearing. Applicant, at his or her expense, must provide the Relocation Impact Report in English and the language in which the Rental Agreement was negotiated or written.

Applicant must provide a proof of service, on a form approved by the Department, of a Notice of Hearing sent to each Resident within ten (10) days of the review and approval of the Relocation Impact Report before the Commission.

c. The Commission shall not hold any hearing on the Relocation Impact Report or render a decision thereon before the Applicant has satisfactorily verified that the Residents have been notified as required by State and this Chapter.

d. The Applicant shall pay all costs associated with providing notices, including any publishing and postage expenses and translation expenses.

G. Findings and Decision.

1. The Commission shall conduct a hearing to review the Relocation Impact Report at the noticed date and time. The Commission may consider all relevant evidence presented at the hearing and shall render its findings and decision within thirty (30) days therefrom. Approval by the Commission of a Relocation Impact Report shall be effective ten (10) days after such approval is granted. The secretary of the Commission or Department staff assigned by the Director shall mail the Commission's decision within ten (10) days after it is rendered to the Applicant, Residents and to all persons who have filed a written request for notification. The decision of the Commission shall be final and not subject to further review by the County.

2. The Commission shall approve, conditionally approve or disapprove Relocation Impact Report. The Commission shall approve the Relocation Impact Report if it finds that the Relocation Impact Report has satisfactorily addressed the following:

a. The Relocation Impact Report contains the information required pursuant to the County's procedures and guidelines and Sections 65863.7 and 66427.4-66427.5 of the California Government Code, as applicable;

b. The Applicant has complied with all applicable notice requirements as provided for by State Law and by this Section and each Resident has had adequate notification of the Relocation Impact Report;

c. The Relocation Impact Report accurately represents the total costs associated with the relocation of each Resident;

d. Each Resident will receive the reasonable costs of relocation from Applicant consistent with State law, this Section and the Department's procedures and guidelines; and

e. Whether or not approval of the Mobilehome Park Closure, Conversion or Change of Use and the Mobilehome Park's Conversion into is intended new use, taking into consideration both the Relocation Impact Report as a whole and the overall housing availability within the County, will result in or materially contribute to a shortage of housing opportunities and choices for low-and moderate-income households within the County.

3. In approving of the Relocation Impact Report, the Commission may require the imposition of such conditions as it finds necessary to mitigate the adverse impacts on the Residents to find Comparable Housing in a Mobilehome Park.

4. Extensions. Any of the time limits specified in this Section may be extended by mutual consent of Applicant and the Commission, on requests for hearing.

5. No person shall cause or permit the Mobilehome Park Closure, Conversion or Change of Use until the Relocation Impact Report has been approved by the Commission, as the advisory agency, and the specified mitigation measures have been completed.

H. Performance of Mitigation Measures. The Applicant shall fully perform the mitigation measures set forth in, and the conditions imposed in connection with, the approved Relocation Impact Report and such performance shall also be a condition of approval of any concurrent or subsequent development application proposing an alternate or replacement use of the Mobilehome Park. No Resident or person shall be required to remove his or her Mobilehome and no Resident shall be required to vacate a Mobilehome Park until all of the following conditions have been satisfied:

1. The Commission's decision approving the Relocation Impact Report;

2. The Applicant has given six (6) months or more notice of termination of tenancy required by California Civil Code section 798.56(g) and that at least a six-month period has elapsed;

3. Each Resident has received the reasonable costs of relocation from the Applicant as required by the Commission and pursuant to California Government Code section 65863.7(e); and

4. Such performance has been verified by the Department.

I. Modification of Relocation Impact Report.

1. The Commission may, upon request of Applicant, modify the provisions of an approved Relocation Impact Report. A modification may be approved where the Commission finds that there has been a change in circumstances, or there is new information that could not have reasonably been known or considered at the time of the original hearing on approval of the Relocation Impact Report.

2. The Commission may impose additional conditions as deemed necessary to mitigate any adverse impacts resulting from a modification of an approved Relocation Impact Report.

J. Nullification of Relocation Impact Report.

1. The Commission, upon request of the Department and after holding a public hearing, may order an approved Relocation Impact Report null and void. No nullification shall be ordered unless the Commission makes either of the following findings:

a. Approval of the Relocation Impact Report was obtained fraudulently;

b. The Applicant has failed to comply with the mitigation measures set forth in, or the conditions imposed in connection with, the approved Relocation Impact Report.

2. If a Relocation Impact Report is nullified, then the Applicant shall not be entitled to perform the Closure, Conversion or Change of Use of the Mobilehome Park until a new Relocation Impact Report is approved in accordance with this Section.

K. Evictions Pending Compliance with Relocation Impact Report.

Termination of a Tenancy of any Mobilehome Owner pursuant to California Civil Code section 798.56 or any other provision of law shall not relieve Applicant of its obligation to comply with the conditions or requirements of the Relocation Impact Report applicable to that Applicant. However, if the termination of tenancy is based on subdivisions (a), (b), (c), (d) or (e) of Section 798.56 of the California Civil Code, the Commission, upon request by Applicant, may grant the Applicants extensions of time within which to comply with the conditions of the Relocation Impact Report.

L. Remedies.

1. The failure of an Applicant to comply with this Section or with any condition of the Relocation Impact Report shall be defense in any action to terminate tenancy under subdivision (f) of Section 798.56 of the California Civil Code.

2. Violation of any valid condition of a Relocation Impact Report imposed by the Commission pursuant to this Chapter shall be subject to the remedies and penalties set forth in Sections 8.57.140 and 8.57.180.

M. Cost Recovery and Fees.

1. The County is entitled to recover the full costs of administering this Section from an Applicant.

2. The County shall establish reasonable fees to cover the cost of administering this Section.

N. Effective Date. The provisions of this Section shall apply to any judgment. Accordingly, any affirmative defenses to an unlawful detainer proceeding created or modified by this Section shall apply to any such proceeding not reduced to final judgment, as of the effective date of this Section.

[857010BTCC]

## ANALYSIS

This ordinance amends Title 8 – Consumer Protection, Business and Wage Regulations of the Los Angeles County Code, relating to the Rental Housing Oversight Commission (Commission) by: (1) adding the Commission's authority to act as the advisory agency concerning Mobilehome Park Relocation Impact Reports; and (2) clarifying available stipend payments and meeting schedules for the members of the Commission.

RODRIGO A. CASTRO-SILVA  
County Counsel

By *Behnaz Tashakorian*  
BEHNAZ TASHAKORIAN  
Principal Deputy County Counsel  
Government Services Division

BT:eb

Requested: 08/13/2020  
Revised: 06/22/2021

**ORDINANCE NO. \_\_\_\_\_**

An ordinance amending Title 8 – Consumer Protection, Business and Wage Regulations of the Los Angeles County Code, relating to the Rental Housing Oversight Commission (Commission) by: (1) adding the Commission's authority to act as the advisory agency concerning Mobilehome Park Relocation Impact Reports; and (2) clarifying available stipend payments and meeting schedules for the Commissioners of the Commission.

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

**SECTION 1.** Section 8.64.020 is hereby amended to read as follows:

**8.64.020      Membership and Qualifications.**

...

B.      The members of the Commission shall be as follows:

...

2.      Two Renter Members. Two of the members of the Commission shall be renters referred to as the "Renter Members."

a.      One member shall be:

(i)      A renter whose primary residence is a dwelling subject to rent stabilization and tenant protections pursuant to ~~Los Angeles County~~ Code (Code), Chapter 8.52 (~~Rent Stabilization~~); or

(ii)      An individual who is a representative of an organization that represents the interests of renters subject to ~~Rent Stabilization~~ County Code, Chapter 8.52.



b. One member shall be:

(i) A renter whose primary residence is a mobilehome owned by the renter who is eligible or subject to mobilehome rent stabilization protections, pursuant to County Code, Chapter 8.57 (~~Mobilehome Rent Stabilization~~); or

(ii) An individual who is a representative of an organization that represents the interests of mobilehome owners renting a mobilehome space who are eligible or subject to ~~Mobilehome Rent Stabilization~~ mobilehome protections, pursuant to County Code, Chapter 8.57.

3. Two Owner Members. Two of the members of the Commission shall be owners referred to as the "Owner Members."

a. One member shall be:

(i) An owner of a dwelling that is subject to ~~Rent Stabilization~~ County Code, Chapter 8.52 and whose primary residence is located in the County; or

(ii) An individual who is a representative of an organization that represents the interests of owners of dwellings subject to ~~Rent Stabilization~~ County Code, Chapter 8.52.

b. One member shall be:

(i) An owner of a mobilehome park that is subject to ~~Mobilehome Rent Stabilization~~ County Code, Chapter 8.57 and whose primary residence is located in the County; or

(ii) An individual who is a representative of an organization that represents the interests of owners of mobilehome parks subject to ~~Mobilehome Rent Stabilization~~County Code, Chapter 8.57.

**SECTION 2.** Section 8.64.050 is hereby amended to read as follows:

**8.64.050 Powers.**

The Commission shall have the following powers under this chapter:

A. ~~Implement~~Enforce the procedures and guidelines approved by the County, ~~concerning rent stabilization and tenant protection~~Department of Consumer and Business Affairs (Department) to aid in the implementation of County Code, Chapters 8.52 and 8.57.

B. Authority to hear, determine and ~~resolve appeals of~~review the administrative decisions made by the County or the Los Angeles County Development Authority (LACDA)Department in its review of applications submitted by renters and owners related to Rent Stabilization, Mobilehome Rent Stabilization, and tenant protectionsCounty Code, Chapters 8.52 and 8.57, including but not limited to, appeals of determinations regarding:

...

C. ~~Authority to take other actions delegated by the Board~~Authority to conduct hearings and render decisions on mobilehome park relocation impact reports, pursuant to County Code, Chapter 8.57.

D. Authority to take other actions delegated by the Board.

**SECTION 3.** Section 8.64.060 is hereby amended to read as follows:

**8.64.060 Stipend.**

~~Notwithstanding anything to the contrary in the Code, Commission members shall be entitled to receive a stipend, such sum as shall be established from time to time by resolution of the Board, not to exceed the statutory limits of such stipend, if any, which may exist. Such stipend shall be paid to Commission members for each Commission meeting attending in their official capacity up to 52 meetings in any one calendar year. The Commission may meet more than 52 times in any one calendar year; however, no stipend will be provided for such additional meetings.~~

A. For each scheduled meeting of the Commission attended, each member shall be paid a stipend of \$150 for up to 52 meetings in any one calendar year;

B. The Commission may meet more than 52 times in any one calendar year; however, no stipend will be provided for such additional meetings.

[CH864BTCC]

# BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

☒ Board Letter

☐ Board Memo

☐ Other

<b>OPS CLUSTER AGENDA REVIEW DATE</b>	6/23/2021	
<b>BOARD MEETING</b>	7/13/2021	
<b>DELEGATED AUTHORITY BOARD LETTER</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	4 <sup>th</sup>	
<b>DEPARTMENT</b>	Department of Public and Social Services (DPSS)	
<b>SUBJECT</b>	Approve a proposed nine-year lease for the continued use of 44,250 square feet of existing office space and 174 on-site parking spaces at 14714 Carmenita Road, Norwalk, CA 90650	
<b>PROGRAM</b>	Information Technology Division (ITD)	
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If Yes, please explain why:	
<b>DEADLINES/ TIME CONSTRAINTS</b>	The existing lease has been on a month-to-month holdover with a 20% premium fee over the existing rent since March 2019.	
<b>COST &amp; FUNDING</b>	Total cost: \$14,682,000 for rent, low voltage, and electrical costs over a 9-year term.	Funding source: The rental costs will be funded 82.88 percent with State and Federal revenues and 17.12 percent net County cost.
	TERMS (if applicable): The proposed lease is subject to 2.5% annual increases. The Landlord will provide a base improvement work on a turnkey basis at no cost to the County for interior upgrades and fencing to the premises.	
	Explanation: Sufficient funding to cover the proposed rent, for the first year of the proposed lease term is included in the Fiscal Year (FY) 2021-22 Rent Expense budget and will be billed back to DPSS. DPSS has sufficient funding in its FY 2021-22 operating budget to cover the proposed rent, electrical cost, low voltage, and furniture cost for the first year. Beginning in FY 2022-23, ongoing funding for costs associated with the proposed lease will be part of the budget for DPSS.	
<b>PURPOSE OF REQUEST</b>	Approval of the recommended actions will authorize and adequately provide the necessary office space for DPSS.	
<b>BACKGROUND (include internal/external issues that may exist)</b>	The proposed lease will provide DPSS the continual use of 44,250 square feet of office space and 174 parking spaces for the DPSS ITD office.	
<b>DEPARTMENTAL AND OTHER CONTACTS</b>	Michael Navarro CEO- Real Estate Division 213-974-4364 Mnavarro@ceo.lacounty.gov	



FESIA A. DAVENPORT  
Chief Executive Officer

## County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

*"To Enrich Lives Through Effective And Caring Service"*

Board of Supervisors  
HILDA L. SOLIS  
First District

HOLLY J. MITCHELL  
Second District

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Third District

JANICE HAHN  
Fourth District

KATHRYN BARGER  
Fifth District

July 13, 2021

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**NINE-YEAR LEASE  
DEPARTMENT OF PUBLIC SOCIAL SERVICES  
14714 CARMENITA ROAD, NORWALK  
(FOURTH DISTRICT) (3 VOTES)**

**SUBJECT**

Approval of a proposed nine-year lease to replace an existing lease to provide the Department of Public Social Services (DPSS) continued use of 44,250 square feet of office space and 174 on-site parking spaces for the DPSS Information Technology Division (ITD).

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the proposed lease is exempt from the California Environmental Quality Act (CEQA), for the reasons stated in this Board letter and in the record of the project.
2. Authorize the Chief Executive Officer, or her designee, to execute the proposed lease with Liberty West, Inc. and Hager Investments, Inc. (Landlord), for approximately 44,250 square feet of office space, and 174 on-site parking spaces located at 14714 Carmenita Road, Norwalk, CA 90650, to be occupied by DPSS. The estimated maximum first year rental cost of \$1,194,750 is adjusted to \$1,094,748, to include a rent reimbursement credit of approximately \$100,003. The estimated total lease cost is \$14,682,000 over the nine-year term, including utility cost of \$1,355,000 to be paid through the Internal Services Department (ISD) and low voltage cost of \$1,533,000, to be paid by DPSS directly to ISD. The rental costs will be funded 82.88 percent with State and Federal revenues and 17.12 percent net County cost.

3. Authorize the Director of DPSS to contract with and direct ISD, in coordination with the Chief Executive Officer, or her designee, for the acquisition and installation of telephone, data, and low voltage systems (Low Voltage Items) at a total cost not to exceed \$1,302,275 if paid in a lump sum, or \$1,533,000 if amortized over five years at 8 percent interest per annum. The cost for the Low Voltage Items is in addition to the rental costs payable to the Landlord.

4. Authorize and direct the Chief Executive Officer, or her designee, to execute any other ancillary documentation necessary to effectuate the proposed lease, and to take actions necessary and appropriate to implement the proposed lease, including, without limitation, exercising early termination rights and right of first refusal to purchase the building.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The DPSS ITD has occupied the entire subject facility since 1999. The ITD manages the Department's information technology (IT) infrastructure, provides technical support to offices, and develops and maintains proprietary IT systems and applications. This facility is a non-public office and is occupied by 190 employees.

DPSS continues to explore and support teleworking for its operations where practical. The operations at this location provide IT support, and IT staff have been early adopters of telework. However, given the need to continually address hardware issues, a physical presence is still required. Consequently, staff at this location use a hybrid telework/hoteling model to ensure that staff are available on site at all times to maintain IT capital assets and other sensitive physical equipment required to support the department's operations. Currently 114 employees, or 60 percent of the 190 employees, are on some form of telework schedule. This hybrid telework/hoteling model will allow DPSS to relocate and absorb 70 employees who are being displaced from 12440 East Imperial Highway in Norwalk into this new leased building.

The existing lease expired on March 18, 2019 and has been on a month-to-month holdover basis with a 20 percent holdover fee. DPSS has requested that the lease be renewed so that it may continue to provide services at this location.

The existing facility is located in the 4th Supervisorial District. It is near public transportation including Metrolink Norwalk/Santa Fe Transportation Center, Metro bus lines, and the Metro Norwalk Green Line Station.

The Landlord will provide certain improvements as part of the lease renewal on a turnkey basis at its sole cost and expense.

Approval of the recommended actions will find that the proposed lease is exempt from CEQA and will allow DPSS to continue to operate at this location.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan Goal 1 - "Make Investments That Transform Lives" - provides that we will aggressively address society's most complicated social, health, and public safety challenges. We want to be a highly responsive organization capable of responding to complex societal challenges – one person at a time.

The proposed lease is consistent with the Strategic Asset Management Plan Goal 2 – Strengthen Connection between Service Priorities and Asset Decisions; and Key Objective 4 – Guide Strategic Decision-Making.

The proposed lease supports these goals and objective by continuing to provide a centrally located facility to manage the Department's IT infrastructure providing technical support for the department.

The proposed lease conforms with the Asset Management Principles outlined in Enclosure A.

### **FISCAL IMPACT/FINANCING**

Sufficient funding to cover the proposed rent for the first year of the proposed lease term is included in the Fiscal Year (FY) 2021-22 Rent Expense budget and will be billed back to DPSS. DPSS has sufficient funding in its FY 2021-22 Operating Budget to cover the proposed rent, utility costs and Low Voltage Items, as well as furniture, for the first year. Beginning in FY 2022-23, ongoing funding for costs associated with the proposed lease will be part of the budget for DPSS. The rental costs will be funded 82.88 percent with State and Federal revenues and 17.12 percent with net County cost. The costs for Low Voltage Items will be paid by DPSS directly to ISD and are not part of the proposed lease costs. DPSS will contract and pay for furniture separately from the proposed lease.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

In addition to the terms previously stated, the proposed lease also includes the following provisions:

- Upon commencement of the proposed lease, the annual rental rate will increase from \$801,759 to \$1,194,750 per annum. Base rent is subject to fixed annual increases of 2.5 percent as shown in Enclosure B-1.
- The Landlord will provide base improvement work at its sole cost and expense, which is estimated to be approximately \$1,327,500 (\$30 psf) and includes, but is not limited to, supplemental air-conditioning in the network rooms, electrical outlets throughout the premises, upgrades to restrooms, refurbishment to elevators, and new perimeter fencing with motorized gates for vehicular ingress/egress.
- If the County initiates a change to the Landlord's base improvement work, the Landlord will provide a maximum change order allowance of up to \$5,000, which shall be paid by the County to the Landlord in a lump sum payment.
- The Landlord is responsible for the operating and maintenance costs of the exterior of the building and is also responsible for janitorial costs. The County is responsible for operating and maintenance costs for the interior of the building and electrical costs. The County is not subject to property tax increases.
- The 174 on-site parking spaces are included at no additional cost.
- The estimated \$150,450 annual cost of electricity is subject to utility rate and usage changes.

- The Landlord owes the County \$100,002.60 as a result of overpayment of base rent under the existing lease. Pursuant to the lease terms, the estimated maximum first year base rent of \$1,194,750, including parking, will be adjusted to \$1,094,747 after deducting a rent reimbursement credit of \$100,002.60 from the first two months' rent.
- The aggregate cost associated with the proposed lease over the entire term is \$14,682,000 as shown in Enclosure B-2.
- A nine-year initial term with no options to extend the term.
- The County has the right to terminate the lease anytime following the fifth anniversary of the Commencement date subject to payment of a termination fee and the unamortized portion of the Landlord's base improvement work. The termination fee adjusts depending on the year the Early Termination Right is exercised.
- Holdover at the proposed lease expiration is permitted on the same lease terms and conditions except the monthly base rent during the holdover period will increase by 25 percent of the base rent at the expiration of the lease for the initial three months and on the fourth month and thereafter, shall increase to 50 percent of the base rent at the expiration of the lease. If the County renews its tenancy of the premises, either by amendment or a new lease, any amount paid in excess of the base rent at the expiration of the lease shall be treated as a rent credit toward the base rent due under the amendment or new lease.
- The County has a right of first refusal to purchase the building in the event a bona-fide offer is received by the Landlord.
- The proposed lease will be effective upon the first day of the first calendar month following approval by the Board and full execution of the proposed lease.

The Chief Executive Office (CEO) conducted a market search of available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$27.60 and \$33.00 per square foot, per year. The base annual rental rate of \$27.00 per square foot, per year, for the proposed lease represents a rate that is below the market range for the area. Further, relocation to a new building would require costly improvements. We recommend the proposed facility as the most suitable to meet the County's space requirements.

Enclosure C shows County-owned or leased facilities within the surveyed area, and there are no suitable County-owned or leased facilities available for this space requirement.

The Department of Public Works has inspected this facility and found it suitable for the County's occupancy. The required notification letter to the City of Norwalk has been sent in accordance with Government Code Section 25351. County Counsel has reviewed the enclosed proposed lease and approved it as to form.

The proposed lease will continue to provide an appropriate location for the program, which is consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012, as outlined in Enclosure D.



## **ENVIRONMENTAL DOCUMENTATION**

This project is exempt from the California Environmental Quality Act (CEQA), as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities). The proposed lease, which involves the leasing of existing office space with minor tenant improvements within an existing building, with no expansion of the existing building, is within a class of projects that have been determined not to have a significant effect on the environment and meets the criteria set forth in section 15301 of the State CEQA Guidelines (Guidelines), and Class 1 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G. In addition, based on the proposed project records, it will comply with all applicable regulations, and there are no cumulative impacts, unusual circumstances, damage to scenic highways, listing on hazardous waste site lists compiled pursuant to Government Code section 65962.5, or indications that it may cause a substantial adverse change in the significance of a historical resource that would make the exemption inapplicable.

Upon the Board's approval of the recommended actions, a Notice of Exemption will be filed with the Registrar-Recorder/County Clerk in accordance with section 21152 of the California Public Resources Code.

## **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The proposed lease will adequately provide the necessary office space and parking for this County requirement. DPSS concurs with the proposed lease and recommendations.

## **CONCLUSION**

It is requested that the Executive Office of the Board return one certified copy of the Minute Order and the adopted-stamped copy of this letter to the CEO, Real Estate Division, at 320 West Temple Street, 7th Floor, Los Angeles, CA 90012, for further processing.

The Honorable Board of Supervisors

7/13/2021

Page 6

Respectfully submitted,

FAD:JMN:VBM:DL

JLC:MN:MT:gw

Enclosures

c: Executive Office, Board of Supervisors  
County Counsel  
Auditor-Controller  
Public Social Services

**DEPARTMENT OF PUBLIC SOCIAL SERVICES  
14714 CARMENITA ROAD, NORWALK**

**Asset Management Principles Compliance Form<sup>1</sup>**

<b>1.</b>	<b><u>Occupancy</u></b>		<b>Yes</b>	<b>No</b>	<b>N/A</b>
	A	Does lease consolidate administrative functions? <sup>2</sup>	<b>X</b>		
	B	Does lease co-locate with other functions to better serve clients? <sup>2</sup>			<b>X</b>
	C	Does this lease centralize business support functions? <sup>2</sup>	<b>X</b>		
	D	Does this lease meet the guideline of 200 sq. ft of space per person? <sup>2</sup> <b>Ratio is approximately 170 SF per person for computer and office space.</b>		<b>X</b>	
	E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? <sup>2</sup> <b>3.93/1,000. The lease includes 174 parking spaces for staff.</b>		<b>X</b>	
	F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? <sup>2</sup>	<b>X</b>		
<b>2.</b>	<b><u>Capital</u></b>				
	A	Is it a substantial net County cost (NCC) program? <sup>2</sup> <b>The rental costs will be funded 82.88 percent with State and Federal revenues and 17.12 percent net County cost.</b>		<b>X</b>	
	B	Is this a long-term County program?	<b>X</b>		
	C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		<b>X</b>	
	D	If no, are there any suitable County-owned facilities available?		<b>X</b>	
	E	If yes, why is lease being recommended over occupancy in County-owned space?			<b>X</b>
	F	Is Building Description Report attached as Enclosure C?	<b>X</b>		
	G	Was build-to-suit or capital project considered? <sup>2</sup> <b>The County already occupies the facility and a capital project was not considered.</b>		<b>X</b>	
<b>3.</b>	<b><u>Portfolio Management</u></b>				
	A	Did department utilize CEO Space Request Evaluation (SRE)?	<b>X</b>		
	B	Was the space need justified?	<b>X</b>		
	C	If a renewal lease, was co-location with other County departments considered?	<b>X</b>		
	D	Why was this program not co-located with other County departments?			<b>X</b>
		1. ____ The program clientele requires a "stand alone" facility.			
		2. ____ No suitable County occupied properties in project area.			
		3. ____ No County-owned facilities available for the project.			
		4. ____ Could not get City clearance or approval.			
		5. ____ The Program is being co-located.			
	E	Is lease a full-service lease? <sup>2</sup> <b>It's a modified gross lease whereby the County is responsible for interior expenses and electrical costs.</b>		<b>X</b>	
	F	Has growth projection been considered in space request?	<b>X</b>		
	G	<sup>1</sup> Has the Dept. of Public Works completed seismic review/approval?	<b>X</b>		
<sup>1</sup> As approved by the Board of Supervisors 11/17/98					
<sup>2</sup> If not, why not?					

**COMPARISON OF THE PROPOSED LEASE TO EXISTING LEASE**  
**Department of Public Social Services**

	<b>Existing Lease:</b> <b>14714 Carmenita Road,</b> <b>Norwalk</b>	<b>Proposed Lease</b> <b>14714 Carmenita Road,</b> <b>Norwalk</b>	<b>Change</b>
Area (Square Feet)	44,250 SF	44,250 SF	No Change
Term (years)	5 Years	9 years	+4 years
Annual Base Rent <sup>(1)</sup> (Base Rent includes 174 parking spaces)	\$801,759 \$18.12 RSF annually	\$1,194,750 <sup>(2)</sup> \$27.00 RSF annually	+\$392,991
Utilities Paid Through ISD	\$136,765	\$150,450	+\$13,685
Rental Rate Adjustment	None	2.5% fixed annual increases	+2.5%

<sup>(1)</sup> The existing rent includes a holdover fee of 20% of the existing base rent.

<sup>(2)</sup> The proposed lease is a modified gross lease whereby the Landlord is only paying for operation and maintenance costs related to the exterior of the building. The Landlord will also pay janitorial costs. The County is responsible for all costs related to the interior of the premises. The annual rent for the first year will be reduced by \$100,002.60 in the first two months for a base rent reimbursement due to the County by the Landlord.

## OVERVIEW OF THE PROPOSED BUDGETED LEASE AND RELATED COSTS

Department of Public Social Services  
14174 Carmenita Road, Norwalk

### Basic Lease Assumptions

Leased Area (sq.ft.)	44,250					
Term (months)	108					
Annual Rent Adjustment	2.50%					
Base Rent	Cost Per RSF Per Month \$2.25	Cost Per RSF Per Year \$27.00				
Low Voltage (Lump Sum) (Labor + TESMA Material Cost)	ISD Labor Cost (Lump Sum) \$238,000	TESMA Labor Cost \$463,053	TESMA Material Cost \$545,326	Tax (10.25%) \$55,895.88	Interest \$0.00	Low Voltage Total \$1,302,275
Low Voltage (Amortized) (Labor + TESMA Material Cost)	\$238,000	\$463,053	\$545,326	\$55,895.88	\$230,505	\$1,532,779

	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year	4 <sup>th</sup> Year	5 <sup>th</sup> Year	6 <sup>th</sup> Year	7 <sup>th</sup> Year	8 <sup>th</sup> Year	9 <sup>th</sup> Year	Total 9 Year Rental Costs
Annual Base Rent Costs <sup>1</sup>	1,194,750	1,224,619	1,255,234	1,286,615	1,318,780	1,351,750	1,385,544	1,420,182	1,455,687	11,894,000
Rent Credit <sup>2</sup>	(100,002.6)									(100,000)
Total Paid to Landlord	1,094,748	1,224,619	1,255,234	1,286,615	1,318,780	1,351,750	1,385,544	1,420,182	1,455,687	11,794,000
Low Voltage <sup>3</sup>	496,956	258,956	258,956	258,956	258,956	0	0	0	0	1,533,000
Utilities Paid Through ISD <sup>4</sup>	150,450	150,450	150,450	150,450	150,450	150,450	150,450	150,450	150,450	1,355,000
Total Annual Lease Costs	1,742,154	1,634,025	1,664,640	1,696,021	1,728,186	1,502,200	1,535,994	1,570,632	1,606,137	14,682,000

### Footnotes

<sup>1</sup> Annual Base rent is based upon a Modified Gross rental rate excluding electrical. The Annual Base Rent costs include an annual escalation of two and one-half percent (2.5%) per annum.

<sup>2</sup> The Landlord shall reimburse Tenant \$100,002.60 for an overpayment of rent made by the County. The \$100,002.60 will be deducted from the first two months rent.

<sup>3</sup> The total Low Voltage cost is 1,302,274.87. The Low Voltage TESMA cost of \$1,064,274.87 (\$463,053 + \$545,326 + \$55,896) will be amortized over 5 years at 8 percent. The ISD Labor cost of \$238,000 will be paid via a lump sum payment to ISD.

<sup>4</sup> Electrical expenses are paid directly by ISD. The electrical expense provided above is an estimation based on the average cost paid the previous year.

\*Calculation note: All numbers are rounded up to ensure sufficient funds available to pay the specified expense.

## DEPARTMENT OF PUBLIC SOCIAL SERVICES

## SPACE SEARCH – 3 MILE RADIUS FROM 14714 CARMENTIA ROAD, NORWALK

Property ID	Name	Address	Ownership Type	Property Use	Gross SqFt	Vacant
D221	DPSS - Norwalk WS District Office	12727 Norwalk Blvd. Norwalk 90650	Leased	Multiple Use Building - Office	40,500	None
A402	PW - Inc City Office (Cerritos)	18125 S Bloomfield Ave. Cerritos 90703	Gratis Use	Multiple Use Building - Office	123,710	None
A068	Norwalk Government Center (aka Bechtel Building)	12440 E. Imperial Hwy. Norwalk 90650	Leased	Multiple Use Building - Office	216,324	None
5685	Norwalk Courthouse	12720 Norwalk Blvd. Norwalk 90650	CA - Superior Courts	Multiple Use Building - Office	225,008	None
X168	Harry Hufford Registrar - Recorder/Co Clerk Building	12400 E. Imperial Hwy. Norwalk 90650	Financed	Multiple Use Building - Office	262,510	None
A126	DA - Criminal Justice Information System/ISAB	12750 Center Court Dr. Cerritos 90703	Leased	Multiple Use Building - Office	20,187	None
Y533	Star Center - Academy Building C	11515 S. Colima Rd. Whittier 90604	Financed	Multiple Use Building - Office	15,578	None
Y534	Star Center - Academy Building D	11515 S. Colima Rd. Whittier 90604	Financed	Multiple Use Building - Office	16,551	None
Y535	Star Center - Academy Building E	11515 S. Colima Rd. Whittier 90604	Financed	Multiple Use Building - Office	19,984	None
A553	DMH - Government Center Building	12440 E Imperial Hwy. Norwalk 90650	Leased	Multiple Use Building - Office	10,838	None

## FACILITY LOCATION POLICY ANALYSIS

**Proposed lease:** Nine-year lease for DPSS – 14714 Carmenita Road, Norwalk – Fourth District.

**A. Establish Service Function Category – Information Technology Division**

**B. Determination of the Service Area –** The existing office space has been occupied since 1999. The proposed term will provide DPSS with continued use of 44,250 square feet of office space, and 174 on-site parking spaces for ITD.

**C. Apply Location Selection Criteria to Service Area Data**

- Need for proximity to service area and population: This location meets the needs of DPSS and remains in an appropriate area.
- Need for proximity to existing County facilities: N/A
- Need for proximity to Los Angeles Civic Center: N/A
- Economic Development Potential: N/A
- Proximity to public transportation: The location is adequately served by local transit services, i.e., by various public transportation routes, including the Norwalk/Santa Fe Transportation Center, several MTA bus lines, and the MTA Norwalk Green Line Station.
- Availability of affordable housing for County employees: The surrounding area provides for affordable housing and rental opportunities.
- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: There are no alternative buildings available to meet the Department's needs. Staff has been at this location since 1999.
- Compatibility with local land use plans: The city of Norwalk has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.
- Estimated acquisition/construction and ongoing operational costs: The initial annual base rent of \$1,194,750, including onsite parking, low voltage cost of \$496,956, and the estimated \$150,450 annual electrical cost, total approximately \$1,742,154 over the first year of the lease, after deducting the rent reimbursement credit of \$100,002.60.

**D. Analyze results and identify location alternatives**

The Chief Executive Office (CEO) conducted a market search of available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$27.60 and \$33.00 per square foot, per year. The base annual rental rate of \$27.00 per square foot, per year, for the proposed lease represents a rate that is below the market range for the area. Further, relocation to a new building would require costly improvements. We recommend the proposed facility as the most suitable to meet the County's space requirements.

**E. Determine benefits and drawbacks of each alternative based upon functional needs, service area, cost, and other Location Selection Criteria**

The proposed lease will provide adequate and efficient office space for DPSS employees and clients consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012. There are no available buildings in the area that meet the department requirements.



**COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE**

**LEASE AGREEMENT**

**COUNTY OF LOS ANGELES – Tenant**

**Liberty West, Inc. and Hager Investments, Inc. – Landlord**

**14714 CARMENITA ROAD**

**NORWALK, CALIFORNIA 90650**

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## **EXHIBITS**

- Exhibit A – Floor Plan of the Premises
- Exhibit B – Commencement Date Memorandum and Confirmation of Lease Terms
- Exhibit C – Heating, Ventilation, and Air Conditioning Standards
- Exhibit D – Cleaning and Maintenance Schedule
- Exhibit E – Subordination, Non-disturbance and Attornment Agreement
- Exhibit F – Tenant Estoppel Certificate
- Exhibit G – Community Business Enterprises Form
- Exhibit H – Memorandum of Lease Terms
- Exhibit I – Tenant's Design

## **ADDENDUM NO. 1 – Additional Terms to Lease Agreement**

COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

This LEASE AGREEMENT ("Lease") is entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ between Liberty West, Inc., a California corporation and Hager Investments, Inc., a California corporation. ("Landlord"), and COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant" or "County").

Landlord and Tenant agree:

**1. BASIC LEASE INFORMATION**

**1.1 Terms**

The following terms as used herein shall have the meanings provided in this Section 1, unless otherwise specifically modified by provisions of this Lease:

(a) Landlord's Address for Notices:	<u>16027 Ventura Blvd.</u> Suite 550 Encino, CA 91436 Attn: Moshe Hager Email: mhager@hagerpacific.com
(b) Tenant's Address for Notices:	County of Los Angeles Chief Executive Office - Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, CA 90012 Attention: Director of Real Estate  With a copy to:  County of Los Angeles Office of the County Counsel 648 Kenneth Hahn Hall of Administration 500 West Temple Street, Suite 648 Los Angeles, CA 90012-2713 Attention: Property Division
(c) Premises:	Approximately 44,250 rentable square feet, designated as the entire Building (defined below), as shown on <u>Exhibit A</u> attached hereto including park area containing approximately 174 parking spaces.

(d) Building:	The Building located at 14714 Carmenita Road, Norwalk, California, 90650 which is currently assessed by the County Assessor as APN 8069-002-062 (collectively, the "Property");
(e) Term:	Nine (9) years, commencing upon the first day of the first calendar month following approval of this Lease by the Board of Supervisors' and full execution of this Lease by both Parties (the "Commencement Date"), and terminating at midnight on the day before the <u>ninth (9<sup>th</sup>)</u> annual anniversary of the Commencement Date (the "Termination Date").
(f) Estimated Commencement Date:	August 1, 2021
(g) Irrevocable Offer Expiration Date: (see Section 33)	August 1, 2021
(h) Base Rent:	(\$2.25 per rentable square foot per month) \$99,562.50 per month  \$ <u>1,194,750.00</u> per year
(i) Early Termination (Section 4.4)	Any time after the fifth (5 <sup>th</sup> ) anniversary of the Commencement Date upon six (6) months' written notice to terminate.
(j) Rentable Square Feet in the Premises:	44,250 rentable square feet (total building square footage)
(k) Initial Departmental Use:	<u>Department of Public Social Services</u> , subject to Section 6.
(l) Parking Spaces:	<u>174</u> exclusive reserved spaces and 0 unreserved spaces
(m) Tenant's Hours of Operations	Tenant maintains and will use servers and security 24 hours a day and 7 days a week.
(n) Tenant's Regular Office Hours	7:00 am – 6:00 pm Monday through Friday.
(o) Asbestos Report:	A report dated November 2020 prepared by Terra Environmental, a licensed California Asbestos contractor.

(p) Seismic Report:	A report dated April 16, 2020 prepared by the Department of Public Works.
(q) Disabled Access Survey	A report dated <u>December 16</u> , 2020 prepared by CASp Experts LLC.

## 1.2 Defined Terms Relating to Landlord Work

(a) Landlord Work:	In accordance with Section 24 (Landlord Work), Landlord to provide certain Improvements and other work at Landlord's sole cost and expense.
(b) Tenant's TI Contribution:	<u>N/A</u>
(c) Tenant's TI Contribution Amortization Rate and Change Authorization Amortization Rate:	<u>Intentionally Omitted</u>
(d) Estimated Monthly Payments Attributable to Total TI Costs in Excess of Landlord's TI Allowance	<u>Intentionally Omitted</u>
(e) Tenant's Landlord Work Representative:	County of Los Angeles Chief Executive Office - Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, CA 90012 Attention: <u>Edgar Pejoro</u> <u>(213) 974-4262</u>
(f) Landlord's Landlord Work Representative:	<u>Moshe Hager</u>
(g) Landlord's Address for Landlord Work Notices:	<u>16027 Ventura Blvd.</u> Suite 550 Encino, CA 91436
(h) Tenant's Address for Landlord Work Notices:	County of Los Angeles Chief Executive Office - Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, CA 90012 Attention: Director of Real Estate



1.3 <u>Exhibits to Lease</u>	Exhibit A - Floor Plan of Premises Exhibit B - Commencement Date Memorandum and Confirmation of Lease Terms Exhibit C - HVAC Standards Exhibit D - Cleaning and Maintenance Schedule Exhibit E - Subordination, Non-Disturbance and Attornment Agreement Exhibit F - Tenant Estoppel Certificate Exhibit G - Community Business Enterprises Form Exhibit H - Memorandum of Lease Exhibit I - Tenant's Design
1.4 <u>Addendum No. 1</u>  (Executed concurrently with this Lease and incorporated herein by this reference):	Additional Terms to Lease Agreement

## 2.     **PREMISES**

### 2.1     Lease of Premises

Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, upon the terms and conditions herein set forth, the Premises described in Section 1.1 and depicted on Exhibit A attached hereto.

### 2.2     Measurement of Premises

Tenant is currently in possession of the Property. Therefore, Landlord and Tenant stipulate to the rentable square footage set forth in 1.1 (c) above.

## 3.     **COMMON AREAS**

The "Common Areas" are defined to mean the portions of the Property outside of the Building, all of which are also being leased to Tenant.

## 4.     **COMMENCEMENT AND EXPIRATION DATES**

### 4.1     Term

The term of this Lease shall be for a period of nine (9) years, commencing upon the first day of the first calendar month following approval of this Lease by the Board of Supervisors and full execution of the Lease by both parties, and ending nine (9) years thereafter.

4.2 Intentionally Omitted

4.3 Intentionally Omitted

4.4 Early Termination

Tenant shall have one option to terminate the Lease (the "Termination Option") at any time following the Fifth (5<sup>th</sup>) Anniversary of the Commencement Date. The Termination Option is granted subject to the following terms and conditions: (a) Landlord receives not less than six (6) months written notice prior to the date on which Tenant intends to terminate the Lease (the "Termination Notice"); (b) within thirty (30) days of delivery of the Termination Notice, Tenant shall pay Landlord the Termination Fee, as hereinafter defined; (c) within thirty (30) days of delivery of the Termination Notice, Tenant shall pay Landlord the unamortized portion of the Landlord Work in accordance with Section 24 of the Lease; and (d) Tenant is not in Default under the Lease.

The Termination Fee shall be calculated as follows:

If the Termination Option is exercised anytime following the 5<sup>th</sup> anniversary of the Commencement date, the Termination Fee shall be equal to five (5) months' rent at the time the Termination Option is exercised. If the Termination Option is exercised anytime following the 6<sup>th</sup> anniversary of the Commencement date, the Termination Fee shall be equal to four (4) months' rent at the time the Termination Option is exercised. If the Termination Option is exercised anytime following the 7<sup>th</sup> anniversary of the Commencement date, the Termination Fee shall be equal to three (3) months' rent at the time the Termination Option is exercised. If the Termination Option is exercised anytime following the 8<sup>th</sup> anniversary of the Commencement date, the Termination Fee shall be equal to two (2) months' rent at the time the Termination Option is exercised.

4.5 Lease Expiration Notice

No later than six (6) months, nor earlier than twelve (12) months, prior to the expiration of the Lease Term, Landlord shall provide a written notice to Tenant notifying Tenant of the Termination Date. Landlord's failure to deliver proper notice in this case shall not constitute a default by Landlord, however, in the event Landlord fails to timely deliver this notice, then the date which Tenant shall be subject to paying any Holdover Premium (as later defined) shall be extended for each day Landlord delays in providing notice.

**5. RENT**

5.1 Base Rent

Tenant shall pay Landlord the Base Rent stated in Section 1.1 during the Term hereof within fifteen (15) days after (a) the Commencement Date, and (b) the first day of each calendar month thereafter, provided that at least fifteen (15) business days prior to the Commencement Date, Landlord must provide the Auditor of the County of Los Angeles with the following information: (i) name and address of Landlord or other party to whom Base Rent should be paid; (ii) Landlord's federal tax ID number; (iii) name of contact person and contact information (including phone number) for Landlord; (iv) a completed IRS form W-9; and (v) evidence of

insurance in compliance with Section 20.2. If Landlord fails to timely provide the information required pursuant to this Section 5.1, or to provide updates for any changed information, then Tenant shall not be required to pay Base Rent to Landlord until fifteen (15) business days after Landlord provides such information. Base Rent for any partial calendar month during the Term shall be prorated in proportion to the number of days during the Term within such calendar month.

Landlord and Tenant agree that Landlord owes Tenant \$100,002.60 as a result of Tenant's overpayment of Base Rent. Landlord agrees that Tenant shall be permitted to apply the \$100,002.60 as a rent credit towards the Base Rent payments due under this Lease (to be applied over the first two months of rent).

5.2. **Base Rent Adjustments**

Tenant shall pay Base Rent during the Term as follows:

Months of Term	Monthly Base Rent
1-12	\$99,562.50
13-24	\$102,051.56
25-36	\$104,602.85
37-48	\$107,217.92
49-60	\$109,898.37
61-72	\$112,645.83
73-84	\$115,461.98
85-96	\$118,348.53
97-108	\$121,307.24

6. **USES**

Landlord agrees that the demised Premises, together with all appurtenances thereto, shall be used by the Tenant for the government department set forth in Section 1.1, any other County Department the County designates, any other governmental purposes, or other lawful purposes during Tenant's Regular Office Hours, Tenant's Hours of Operation, after Tenant's Hours of Operation, and on weekends and holidays.

7. **HOLDOVER**

If Tenant remains in possession of the Premises or any part thereof after the expiration of the term of this Lease, such occupancy shall be a tenancy which is terminable only upon ninety (90) days written notice from Landlord or thirty (30) days written notice from Tenant's Chief Executive Officer or his/her designee and subject to all of the terms, covenants and conditions of this Lease. The Rent during the holdover period shall be at 125% of the Base Rent at the expiration of the Lease for the initial three (3) months and on the fourth month and thereafter, shall increase to 150% of the Base Rent at the expiration of the Lease (collectively "Holdover Premium"); provided, however, if Tenant renews its tenancy of the Premises, either by amendment or a new lease, any amount paid by Tenant in excess of 100% of the Base Rent at the expiration of the Lease shall be treated as a rent credit toward the Base Rent due under the amendment or new lease.

## **8. COMPLIANCE WITH LAW**

Tenant shall, at Tenant's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect during the term hereof regulating the use, occupancy or improvement of the Premises by Tenant. Landlord, not Tenant, shall, at its sole cost, at all times cause the Premises and the Building to comply with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect during the term hereof, including but not limited to the Americans with Disabilities Act ("ADA"), except if such compliance is made necessary as a result of Tenant's particular use of or alterations or improvements to the Premises.

## **9. DAMAGE OR DESTRUCTION**

### **9.1 Damage**

If any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable, and the Premises may be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than one hundred eighty (180) days after receipt of the applicable permits, but in no event longer than two hundred and seventy (270) days, then Landlord shall promptly, at Landlord's expense, repair such damage, and this Lease shall continue in full force and effect. If all or any portion of the Premises shall be made unusable by fire or other casualty, Landlord shall immediately secure the area to prevent injury to persons and/or vandalism to the improvements. Landlord shall promptly, but in any event within thirty (30) days of notice of casualty, cause an architect or general contractor selected by Landlord to provide Landlord and Tenant with a written estimate of the amount of time required to substantially complete the repair and restoration of the Premises and make the Premises leasable again using standard working methods. Landlord's failure to do so shall be a material default of the Lease. Base Rent shall abate to the extent that the Premises are unusable by Tenant.

### **9.2 Tenant Termination Right**

If any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable, and the Premises will not be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than one hundred eighty (180) days after receipt of applicable permits, but in no event longer than two hundred and seventy (270) for any reason, then Tenant may terminate this Lease by giving Landlord written notice within ten days after Tenant's receipt of written notice from Landlord or its agents specifying such time period of repair; and this Lease shall terminate and the Base Rent shall be abated from the date the Premises became unusable. If Tenant does not elect to terminate this Lease, then Landlord shall promptly commence and diligently prosecute to completion the repairs to the Building or Premises, provided that insurance proceeds are available to repair the damages.

### **9.3 Damage In Last Year**

Notwithstanding the foregoing provisions, if any material destruction (defined to be damage which would take at least 180 days to repair) to the Premises occurs during the last year of the Term, then either Landlord or Tenant may terminate this

Lease by giving written notice to the other not more than thirty (30) days after such destruction, in which case:

- (a) Landlord shall have no obligation to restore the Premises;
- (b) Landlord may retain all insurance proceeds relating to such destruction, and
- (c) This Lease shall terminate as of the date which is thirty (30) days after such written notice of termination.

#### 9.4 Default By Landlord

If Landlord is required to repair and restore the Premises as provided for in this Section 9, and Landlord thereafter fails to diligently prosecute said repair and restoration work to completion, as determined by Tenant in its reasonable discretion, after notice to Landlord and opportunity to cure, then Tenant may, at its sole election:

- (a) Declare a default hereunder, or
- (b) Perform or cause to be performed the restoration work and deduct the cost thereof, plus interest thereon at ten percent (10%) per annum, from the next installment(s) of Base Rent due as a charge against the Landlord.

### 10. REPAIRS AND MAINTENANCE

#### 10.1 Landlord Representations

- (a) Landlord represents to Tenant that, as of the date hereof and on the Commencement Date:
  - i. The Premises, the Building, and all Common Areas (including electrical, heating, ventilating, and air conditioning ("HVAC"), mechanical, plumbing, gas and fire/life safety systems in the Building and similar building service systems) comply with all current laws, codes, and ordinances, including but not limited to the Americans With Disabilities Act, and are in good working order and condition;
  - ii. The Building and the Premises comply with all covenants, conditions, restrictions and insurance underwriter's requirements;
  - iii. The Premises, the Building and the Common Areas are free of the presence of Hazardous Materials (as hereinafter defined); and
  - iv. Landlord has not received any notice from any governmental agency that the Building or the Premises are in violation of any law or regulation.
- (b) Landlord represents, based upon a professional inspection of the Premises and the Building and the Asbestos Report (as defined in Section 1.1) that the Premises and the Building contain no asbestos containing materials

(other than as may be reflected in the Asbestos Report). Landlord shall, prior to Tenant's occupancy, abate, at Landlord's sole cost and expense, all asbestos-containing materials to the extent required by law and provide Tenant with an updated report from a licensed California Asbestos contractor to that effect.

(c) CASp Inspection:

In accordance with California Civil Code Section 1938, Landlord hereby states that the Premises and the Common Areas:  
*[Check the appropriate box]*

☐ Have undergone inspection by a Certified Access Specialist (a "CASp") and have been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53. Landlord shall provide Tenant with a copy of the CASp inspection report and a current disability access inspection certificate for the Premises within seven (7) days after the execution of this Lease.

☒ Have undergone inspection by a Certified Access Specialist and have not been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53. Landlord has provided Tenant with a copy of the CASp inspection report at least 48 hours prior to the execution of this Lease. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

☐ Have not undergone inspection by a Certified Access Specialist. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

The foregoing statement is provided solely for the purpose of complying with California Civil Code Section 1938 and shall not affect the

Landlord's and Tenant's respective responsibilities for compliance with any design and construction related accessibility obligations as provided under this Lease.

- (d) Landlord agrees to indemnify and hold harmless Tenant from all damages, costs, and expenses, which result from a material breach of Landlord's representations contained in this Section 10.1.

## 10.2 Landlord Repair and Maintenance Obligations

- (a) Landlord, at its sole cost and expense, shall keep, maintain and repair the Property and Premises in good condition and repair and promptly make repairs to and perform maintenance upon and replace as needed:
  - i. the structural elements of the Building, including without limitation, all permanent exterior and interior walls, floors and ceilings, foundations, roof, concealed plumbing, stairways, and concealed electrical systems;
  - ii. mechanical (including HVAC maintained and calibrated to HVAC standards in Exhibit C), electrical, plumbing and fire/life systems serving the Building except for the supplemental HVAC units servicing the server rooms located on first floor also referred to as the "Telephone Room" and "Staging Room" which is the responsibility of Tenant to maintain in good condition and repair, provided (i) Landlord promptly following such installation provides Tenant with all applicable information related to the brand, model, serial number, user manuals, as well as, any information related to the effectiveness of any warranties or guarantees in connection with the supplemental HVAC systems and (ii) Landlord cooperates with Tenant to enforce any applicable warranties or guarantees related to such supplemental HVAC systems;
  - iii. the Common Areas;
  - iv. exterior windows and window systems of the Building, including without limitation glazing, film, frames and gaskets;
  - v. elevators serving the Building;
  - vi. floor covering, as needed (beginning the fifth year of the Term);
  - vii. doors, door frames and hardware;
  - viii. the interior side of demising walls (which shall be repainted as needed but not less often than every five (5) years);
  - ix. signage;
  - x. emergency exit signage and battery replacement;

- xi. light fixtures, bulbs, tubes and ballast;
  - xii. perimeter fencing and gates; and
  - xiii. parking lot surfaces and striping.
- (b) Landlord shall, to the best of its ability, provide all reports, maintenance records, or other documentation as may be requested from time to time.

### 10.3 Tenant Obligations

Without limiting Landlord's repair and maintenance obligations set forth in section 10.2 above, and subject to section 20.4, Tenant shall be responsible for (i) the cost of repairing any area of the Property damaged by Tenant or by Tenant's agents, employees, invitees or visitors, and (ii) the repair of low voltage electronic, phone and data cabling and related equipment that is installed by or for the exclusive benefit of Tenant. All repairs and replacements shall:

- (a) be made and performed by contractors or mechanics approved by Landlord, which consent shall not be unreasonably withheld, conditioned or delayed;
- (b) be at least equal in quality, value and utility to the original work or installation; and
- (c) be in accordance with all applicable laws.

### 10.4 Tenant's Right to Repair

- (a) If Tenant provides written notice (or oral notice in the event of an emergency, such as damage or destruction to or of any portion of the Building structure and/or the Building systems, and/or anything that could cause material disruption to Tenant's business) to Landlord of an event or circumstance which requires the action of Landlord with respect to repair and/or maintenance which is otherwise Landlord's responsibility per section 10.2 above, and if Landlord fails to provide such action within a reasonable period of time given the circumstances after the giving of such notice, but in any event not later than five (5) days after the giving of such notice, then Tenant may proceed to take the required action (provided, however, that no such notice shall be required in the event of an emergency which threatens life or where there is imminent danger to property or a possibility that a failure to take immediate action could cause a material disruption in Tenant's normal and customary business activities). Tenant shall have access to the Building to the extent necessary to perform the work contemplated by this provision. If such action was required under the terms of this Lease to have been taken by Landlord and was not taken by Landlord within such period (unless such notice was not required as provided above), and Tenant took such required action, then Tenant shall be entitled to prompt reimbursement by Landlord of Tenant's reasonable costs and expenses in having taken such action plus interest thereon at ten percent (10%) per annum. If not reimbursed by Landlord within ten (10) days after written notice, then Tenant shall be entitled to deduct from Base



Rent payable by Tenant under this Lease the amount set forth in its invoice for such work. The remedies provided in this Section are in addition to the remedies provided in Section 15.

## **11. SERVICES AND UTILITIES**

### **11.1 Services**

#### **(a) Heating, Ventilation, and Air Conditioning (HVAC)**

Landlord shall furnish heating, ventilation and air conditioning ("HVAC"), during Tenant's Regular Office Hours in amounts required for the use and occupancy of the Premises for normal office purposes to a standard comparable to other first-class buildings and not less than the standard set forth in Exhibit C attached hereto. In addition, Landlord shall furnish HVAC at all times during Tenant's Hours of Operations (i.e., twenty-four (24) hours per day, seven (7) days per week, three hundred sixty-five (365) days per year) to the server rooms (Telephone Room and Staging Room) housing Tenant's computer servers and related equipment.

Pursuant to Section 10.2 (a) ii. above, any maintenance, repairs, or replacement of the supplemental HVAC units servicing the Telephone Room and Staging Room on the first floor is the responsibility of Tenant to maintain in good condition and repair, provided Landlord cooperates with Tenant to enforce any applicable warranties or guarantees related to such HVAC system.

#### **(b) Electricity**

Landlord shall furnish to the Premises a minimum the amount of electric current of seven (7) watts (connected load) per square foot of rentable square feet in the Premises, for power and lighting and electric current for HVAC, and Landlord shall provide the existing or new transformers or sub-panels on each floor of the Premises necessary for Tenant to utilize such capacity in the Premises.

#### **(c) Elevators**

Landlord shall furnish passenger elevator services to the Premises during Tenant's Regular Office Hours. During all other hours, Landlord shall furnish passenger elevator cab service in the elevator bank serving the Premises on an as needed basis.

#### **(d) Water**

Landlord shall make available in the Premises warm and cold water for normal lavatory and kitchen purposes and potable water for drinking purposes, all of which shall meet applicable government standards.

#### **(e) Janitorial**

Landlord, at its sole cost and expense, shall provide janitorial service five (5) nights per week, generally consistent with that furnished in comparable

office buildings in the County of Los Angeles, but not less than the services set forth in the specifications set forth in Exhibit D attached hereto.

(f) Access

Tenant shall have uninterrupted access to the Building, Premises and Common Areas on a seven day per week, 24 hour per day basis. Tenant shall be responsible for providing access cards to Tenant's employees and agents for secured access.

(g) Pest Control

Landlord at its sole cost and expense shall provide any and all pest control services to the Premises per the specifications set forth in Exhibit D attached hereto.

11.2 Utilities

Landlord agrees to pay, at its sole cost, when due, all charges for the use of the sewer, effluent treatment (when and if imposed by any governmental authority), all water, sprinkler standby charges, gas, heating and common area power and lighting, trash removal service, fire/life safety systems, charges associated with the HVAC, and other utility rents and charges accruing or payable in connection with the Premises and the Common Areas during the Term of this Lease or any renewal, extension, or holdover thereof, whether the same are pro-rated or measured by separate meters.

Tenant agrees to pay when due all charges for the use of electricity, other lighting and power charges accruing or payable in connection with the demised Premises during the term of this Lease or any renewal, extension, or holdover thereof, whether the same are pro-rated or measured by separate meters.

12. TAXES

Landlord, at its sole cost and expense, shall pay, prior to delinquency, all real property taxes, assessments and special assessments which may be levied or assessed against the Premises or the Building during the term of this Lease or any renewal or holdover period thereof.

In the event Landlord fails or refuses to pay any or all taxes or assessments when due, Tenant may, at its sole discretion, give Landlord thirty (30) calendar days prior written notice and thereafter pay such taxes and assessments and deduct the payments from the next installments of rent due as a charge against the Landlord.

Tenant shall pay, prior to delinquency, all taxes assessed against and levied upon Tenant's personal property, furnishings and equipment.

13. LANDLORD ACCESS

Tenant shall permit Landlord and its agents to enter the Premises during Tenant's Regular Office Hours upon prior written notice only for the purpose of inspecting the Premises for any reasonable purpose. If Landlord temporarily closes any portion of the Building or the Premises, Base Rent shall be prorated based upon the percentage of the Premises or the

Building rendered unusable and not used by Tenant. Landlord shall have the right at any and all times to enter the Premises in the event of an emergency and notify Tenant immediately thereafter.

## **14. TENANT DEFAULT**

### **14.1 Default**

The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by Tenant ("Default"):

- (a) the failure by Tenant to make any payment of Base Rent or any other payment required to be made by Tenant hereunder (except to the extent an offset is expressly permitted hereunder) as and when due, and the failure continues for a period of ten (10) days after written notice to Tenant;
- (b) the failure by Tenant to observe or perform any of the other covenants, conditions or provisions of this Lease, where such failure shall continue for a period of thirty (30) days after written notice from Landlord specifying in detail the nature of the default; provided, however, if more than thirty (30) days are reasonably required for its cure then Tenant shall not be deemed to be in default if Tenant commences such cure, within said original thirty (30)-day period and thereafter diligently prosecutes such cure to completion.

### **14.2 Termination**

Tenant agrees that if a Default should occur and should not be cured within the time periods set forth above, it shall be lawful for Landlord to terminate this Lease upon the giving of written notice to Tenant. In addition thereto, Landlord shall have such other rights or remedies as may be provided by law.

### **14.3 No Effect on Indemnity**

Nothing in this Article shall be deemed to affect either Landlord or Tenant's right to indemnification under any indemnification clause or clauses set forth in this Lease.

## **15. LANDLORD DEFAULT**

### **15.1 Remedies**

In addition to the provisions for Landlord's default provided by Sections 9.4, 10.4, 19, and 32.3, Landlord shall be in default ("Landlord Default") in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within five (5) days after the giving of written notice with respect thereto by Tenant (which notice shall be, if appropriate, the same notice given under Section 10.4); provided, however, that if the nature of the Landlord Default is such that the same cannot reasonably be cured within such five day period, Landlord shall not be deemed to be in Landlord Default if Landlord shall within such period commence such cure and thereafter diligently prosecute the same to completion. If the Landlord Default is of such a nature that it materially and substantially interferes with Tenant's occupancy and use of the Premises and if such Landlord Default is not cured within the foregoing cure period, then Tenant

shall have the right, at its option, with or without further notice or demand of any kind to Landlord or any other person, to any one or more of the following described remedies in addition to all other rights and remedies provided at law or in equity or elsewhere herein:

- (a) to remedy such default or breach and deduct the costs thereof (including but not limited to attorney' fees) plus interest at the rate of ten percent (10%) per annum from the installments of Base Rent next falling due;
- (b) to pursue the remedy of specific performance;
- (c) to seek money damages for loss arising from Landlord's failure to discharge its obligations under this Lease or offset such damages against Base Rent next coming due; and/or
- (d) to terminate this Lease.

#### 15.2 Waiver

Nothing herein contained shall relieve Landlord from its duty to effect the repair, replacement, correction or maintenance required to restore any affected services, or to perform any other obligations to the standard prescribed in this Lease, nor shall this Section be construed to obligate Tenant to undertake any such work.

#### 15.3 Emergency

Notwithstanding the foregoing cure period, Tenant may cure any default where the failure promptly to cure such default would, in the reasonable opinion of Tenant, create or allow to persist an emergency condition, or materially and adversely affect the operation of Tenant's business in the Premises. In such cases, Tenant may perform the necessary work through its Internal Services Department and deduct the cost of said work from the Base Rent next due.

### 16. **ASSIGNMENT AND SUBLETTING**

#### 16.1 Assignment and Subletting

Tenant may assign, mortgage, encumber or otherwise transfer this Lease or sublet the whole or any part of the Premises without first obtaining Landlord's prior consent to a governmental affiliate of Tenant; provided, however, no such assignment, subletting or other transfer shall relieve Tenant of any liability under this Lease unless Landlord has given its written consent thereto, which Landlord shall not unreasonably withhold if the assignee has a financial condition which is reasonably sufficient for it to be responsible for all future obligations under this Lease.

#### 16.2 Sale

If Landlord sells or conveys the Property, then all liabilities and obligations of Landlord accruing under this Lease after the sale or conveyance shall be binding upon the new owner, and the transferor shall be released from all liability under this Lease accruing subsequent to such sale or conveyance, provided that the transferee assumes Landlord's remaining obligations hereunder in writing.

Nothing in this Section 16.2 shall be deemed to release Landlord's successor in interest from responsibility for any condition (including but not limited to deferred maintenance) existing on the date of transfer.

Upon any sale or transfer of the Property by Landlord, Landlord shall provide thirty (30) days prior written notice of said sale or transfer to Tenant. In addition, Landlord shall provide the following information to Tenant, at Tenant's Address for Notice (set forth in Section 1.1 hereof), as a condition of Tenant's obligation to pay Base Rent to the new owner:

- (a) A letter from the Landlord confirming that the Property was transferred to the new owner, along with written evidence of the transfer of the Property (e.g., a recorded deed).
- (b) A signed letter from the new owner including the following information:
  - i. Name and address of new owner or other party to whom Base Rent should be paid
  - ii. Federal tax ID number for new owner
  - iii. Name of contact person and contact information (including phone number) for new owner
  - iv. Proof of insurance
- (c) A W-9 form for new owner.

Tenant shall not be obligated to pay any rental amounts to any party other than the Landlord named herein until such time as all the requirements of this Section 16.2 are satisfied.

## **17. ALTERATIONS AND ADDITIONS**

### **17.1 Landlord Consent**

Tenant shall not make any structural alterations, improvements, additions, or utility installations in or about the Premises (collectively, "Alterations") without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. If Landlord fails to respond in writing within thirty (30) days after Tenant's request, then Landlord shall be deemed to have approved the requested Alterations. However, Landlord's consent shall not be required for any non-structural Alteration that satisfies all of the following criteria:

- (a) complies with all laws, rules and regulations;
- (b) is not visible from the exterior of the Premises or Building or otherwise affects the footprint of the Building; and
- (c) will not materially affect the systems or structure of the Building.

## 17.2 End of Term

Any Tenant Alterations not removed by Tenant shall become the property of Landlord and remain upon and be surrendered with the Premises at the expiration of the Term. If, as a condition of Landlord's initial consent for a Tenant Alteration, Landlord provides written notice that the Tenant will be required to remove the Tenant Alteration before Term, Tenant shall be responsible for removal of said Tenant Alteration. In the event Tenant fails to remove said conditioned Tenant Alterations by the expiration of the Term, Landlord may remove the conditioned Tenant Alterations at Tenant's expense. At date hereof and on the Commencement Date Parties acknowledge that there are no Tenant Alterations.

## 17.3 Code Compliant Work

In the event any future Alterations performed by Tenant results in the need to perform any code compliant work, Tenant shall be responsible to perform such code compliant work at Tenant's sole cost and expense.

# 18. CONDEMNATION

## 18.1 Controlling Terms

If during the Term, or during the period of time between the execution of this Lease and the Commencement Date, there is any taking of all or any part of the Premises or any interest in this Lease by Condemnation (as defined below), this Section shall determine the rights and obligations of Tenant and Landlord. "Condemnation" shall mean the exercise of any governmental power to take title to any portion of the Premises, whether by legal proceedings or otherwise, by a Condemnor (as defined below) or a voluntary sale or transfer by Landlord to any Condemnor either under threat of a Condemnor's exercise of such power or while legal proceedings are pending for the exercise of such power. "Condemnor" shall mean any public or quasi-public authority, or private corporation or individual, having the power of Condemnation.

## 18.2 Total Taking

If the Premises are totally taken by Condemnation, this Lease shall terminate on the date the Condemnor has a right to possession of the Premises (the "Date of Taking").

## 18.3 Partial Taking

If any portion, but not all, of the Premises or the Common Areas is taken by Condemnation, this Lease shall remain in effect, except that Tenant may elect to terminate this Lease if, in Tenant's reasonable judgment, the remaining portion of the Premises (including the space available for parking) is rendered unsuitable for Tenant's continued use of the Premises. If Tenant elects to so terminate this Lease, Tenant must exercise its right to terminate by giving notice to Landlord within thirty (30) days after the date that the nature and the extent of the Condemnation have been determined (the "Determination Date"), which notice shall set forth the date of termination. Such termination date shall not be earlier than thirty (30) days nor later than ninety (90) days after Tenant has notified Landlord of its election to terminate; except that this Lease shall terminate on the

Date of Taking if the Date of Taking falls on a date before the termination date designated by Tenant. If Tenant does not so notify Landlord within thirty (30) days after the Determination Date, all obligations of Tenant under this Lease shall remain in effect, except that Base Rent shall be equitably abated in proportion to the degree to which Tenant's use of the Premises and the Common Areas is impaired by such Condemnation.

#### 18.4 Restoration

Notwithstanding the preceding paragraph, if, within thirty (30) days after the Determination Date, Landlord notifies Tenant that Landlord, at its sole cost, will add to the remaining Premises and/or the Common Areas so that the Premises and the space available for parking, will be substantially the same (as reasonably determined by Tenant) after the Date of Taking as they were before the Date of Taking, and Landlord commences the restoration promptly and, subject to reasonable allowance for delays that are not caused by Landlord, completes it within ninety (90) days after Landlord so notifies Tenant, then this Lease shall continue in effect. In such event, all obligations of Tenant under this Lease shall remain in effect, except that Base Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

#### 18.5 Award

The Award (as defined below) shall be divided between Landlord and Tenant as their respective interests may appear. "Award" shall mean all compensation, sums or anything of value awarded, paid or received on a total or partial Condemnation of the Premises. Tenant shall be entitled to any awards for relocation benefits or goodwill belonging to Tenant.

#### 18.6 Waiver of Statute

Landlord and Tenant hereby waive the provision of California Code of Civil Procedure Section 1265.130 allowing Landlord or Tenant to petition the Superior Court to terminate this Lease in the event of a partial taking of the Premises.

### 19. INDEMNIFICATION

#### 19.1 Landlord's Indemnity

The Landlord shall indemnify, defend and hold harmless the Tenant from and against any and all liability, loss, injury or damage including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from or connected with the Landlord's repair, maintenance and other acts and omissions arising from and/or relating to the Landlord's ownership of Premises.

#### 19.2 Tenant's Indemnity

The Tenant shall indemnify, defend and hold harmless the Landlord, from and against any and all liability, loss, injury or damage, including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees) arising from or connected with the Tenant's repair, maintenance and

other acts and omissions arising from and/or relating to the Tenant's use of the Premises.

## **20. INSURANCE**

During the term of this Lease, the following insurance requirements will be in effect:

### **20.1 Waiver**

Both the Tenant and Landlord each agree to release the other and waive their rights of recovery against the other for damage to their respective property arising from perils insured in the Causes-of-Loss Special Form (ISO form CP 10 30).

### **20.2 General Insurance Provisions – Landlord Requirements**

Without limiting the Landlord's indemnification of Tenant and during the term of this Lease, and until all of its obligations pursuant to this Lease have been met, Landlord shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in this Lease. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Landlord pursuant to this Lease. The Tenant in no way warrants that the Required Insurance is sufficient to protect the Landlord for liabilities which may arise from or relate to this Lease.

#### **(a) Evidence of Coverage and Notice to Tenant**

- i. Certificate(s) of insurance coverage ("Certificate") satisfactory to Tenant, and a copy of an Additional Insured endorsement confirming that Tenant and its Agents (defined below) has been given insured status under the Landlord's General Liability policy, shall be delivered to Tenant at the address shown below and provided prior to the start day of this Lease.
- ii. Renewal Certificates shall be provided to Tenant not less than 10 days prior to Landlord's policy expiration dates. The Tenant reserves the right to obtain complete, certified copies of any required Landlord insurance policies at any time.
- iii. Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Lease by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Landlord identified in this Lease. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding twenty-five thousand (\$25,000.00) dollars, and list any Tenant-required endorsement forms.
- iv. Neither the Tenant's failure to obtain, nor the Tenant's receipt of, or failure to object to a non-complying insurance certificate or



endorsement, or any other insurance documentation or information provided by the Landlord, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

- v. Certificates and copies of any required endorsements, and/or notices of cancellation shall be delivered to:

County of Los Angeles  
Chief Executive Office - Real Estate Division  
320 West Temple Street, 7th Floor  
Los Angeles, CA 90012  
Attention: Director of Real Estate

Landlord also shall promptly notify Tenant of any third party claim or suit filed against Landlord which arises from or relates to this Lease, and could result in the filing of a claim or lawsuit against Landlord and/or Tenant.

(b) Additional Insured Status and Scope of Coverage

The Tenant, which is the County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively, "Tenant and its Agents"), shall be provided additional insured status under Landlord's General Liability policy with respect to liability arising from or connected with the Landlord's acts, errors, and omissions arising from and/or relating to the Landlord's operations on and/or its ownership of the premises. Tenant's additional insured status shall apply with respect to liability and defense of suits arising out of the Landlord's acts or omissions. The full policy limits and scope of protection also shall apply to the Tenant as an additional insured, even if they exceed the Tenant's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

(c) Cancellation of or Changes in Insurance

Landlord shall provide the Tenant with, or Landlord's insurance policies shall contain a provision that the Tenant shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to the Tenant at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Lease, in the sole discretion of the Tenant, upon which the Tenant may suspend or terminate this Lease.

(d) Failure to Maintain Insurance

Landlord's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Lease, upon which County immediately may withhold payments due to Landlord, and/or suspend or terminate this Lease. County, at its sole

discretion, may obtain damages from Landlord resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Landlord, deduct the premium cost from sums due to Landlord or pursue Landlord reimbursement.

(e) Insurer Financial Ratings

Insurance is to be provided by an insurance company authorized to do business in California, with an A.M. Best rating of not less than A:VII, unless otherwise approved by the Tenant.

(f) Landlord's Insurance Shall Be Primary

Landlord's insurance policies, with respect to any claims related to Landlord's indemnity set forth in Section 19.1, shall be primary with respect to all other sources of coverage available to Tenant. Tenant's insurance policies, with respect to any claims related to Tenant's indemnity as set forth in Section 19.2 shall be primary with respect to all other sources of coverage available to Landlord.

(g) Waiver of Subrogation

To the fullest extent permitted by law, the Landlord and Tenant hereby mutually waive their and their insurer(s) rights of recovery against each other under all required insurance policies for any loss arising from or related to this Lease. The Landlord and Tenant shall each require its insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver. In the event, Tenant decides to no longer self-insure, Tenant shall require any future insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver.

(h) Deductibles and Self-Insured Retentions ("SIRs")

Landlord's policies shall not obligate the Tenant to pay any portion of any Landlord deductible or SIR. The Tenant retains the right to require Landlord to reduce or eliminate policy deductibles and SIRs as respects the Tenant, or to provide a bond guaranteeing Landlord's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

(i) Claims Made Coverage

If any part of the Required Insurance is written on claims made basis, any policy retroactive date shall precede the start date of this Lease. Landlord understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Lease expiration, termination or cancellation.

(j) Application of Excess Liability Coverage

Landlord may use a combination of primary and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

(k) Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

(l) Tenant Review and Approval of Insurance Requirements

The Tenant reserves the right to review and adjust the Required Insurance provisions, conditioned upon Tenant's determination of changes in risk exposures.

20.3 Insurance Coverage Types And Limits

(a) Tenant Requirements: During the term of this Lease, Tenant shall maintain a program of insurance coverage as described below:

i. Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Landlord and its Agents as an additional insured, with limits of not less than:

General Aggregate:	\$ 5 million
Products/Completed Operations Aggregate:	\$ 5 million
Personal and Advertising Injury:	\$ 5 million
Each Occurrence:	\$ 5 million

ii. Property. Tenant shall obtain and maintain insurance coverage on all of Tenant's personal property, trade fixtures, and tenant owned alterations and improvements (if any). Such insurance shall (i) be written under a form insuring all causes of loss (also known as "all-risk") with coverage equal to or broader than that provided by ISO's Causes of Loss - Special Form CP 10 30; (ii) include an equipment breakdown coverage endorsement; and (iii) include full replacement cost coverage with a deductible not to exceed \$5,000 per occurrence, without Landlord's prior approval.

iii. Tenant shall obtain and maintain Worker's Compensation insurance in such amount as may be required by applicable law including \$1,000,000 employer's liability insurance. Such policy(ies) shall include a Waiver of Subrogation endorsement in favor of Landlord. Tenant shall provide Landlord with a copy of such endorsement along with the certificate of insurance.

Tenant, at its sole option, may satisfy all or any part of this insurance requirement through use of a program of self-insurance (self-funding of its liabilities). Certificate evidencing coverage or letter evidencing self-funding

will be provided to Landlord after execution of this Lease at Landlord's request.

20.4 **Landlord Requirements:** During the term of this Lease, Landlord shall provide and maintain the following programs of insurance coverage:

- (a) Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Tenant and Tenant's Agents as an additional insured, with limits of not less than:

General Aggregate:	\$ 10 million
Products/Completed Operations Aggregate:	\$ 10 million
Personal and Advertising Injury:	\$ 5 million
Each Occurrence:	\$ 5 million

- (b) Commercial Property Insurance. Such insurance shall:

- i. Provide coverage for any tenant-made alterations and betterments to the Premises; this coverage shall be at least as broad as that provided by the Causes-of-Loss Special Form (ISO form CP 10 30), excluding earthquake and including flood and ordinance or law coverage.
- ii. Be written for the full replacement cost of the Property, with a deductible no greater than \$250,000 or 5% of the Property Value, whichever is less. Insurance proceeds shall be payable to the Landlord and Tenant, as their interests may appear.

## 21. **PARKING**

### 21.1 **Tenant's Rights**

Tenant shall have the right to all of the parking spaces and unreserved parking spaces as set forth in Section 1.1 (I) in the Common Area, without charge, for the Term of this Lease. Tenant's parking rights shall be subject to reasonable parking rules and regulations adopted by Landlord from time to time.

Tenant shall have complete control and exclusive use of the parking lot. Tenant shall have the right to use the parking lot as it needs to suit its operational needs, including but not limited to the use of valet parking.

### 21.2 **Remedies**

Landlord acknowledges that it is a material term of this Lease that Tenant receives all of the parking spaces to which it is entitled under this Lease for the entire Term of this Lease and that it would be impracticable and extremely difficult to fix the actual damages for a breach of such provisions. It is therefore agreed that if, for any reason whatsoever, a material number (defined as no more than seventeen (17)) of the parking spaces required above are not available to Tenant (in addition to the rights given to Tenant under Section 14 and Sections 9 and 17 in the event of casualty or condemnation), then Tenant may:

- (a) deduct from the Base Rent thereafter accruing hereunder an amount each month equal to the Base Rent times the percentage of parking spaces not so provided times the number 1.5, but such deduction from Base Rent shall be not less than ten percent (10%) nor more than one hundred percent (100%) of the Base Rent; or
- (b) if the total number of parking spaces is reduced (which is 174 spaces) by ten percent (10%) or more, and if the parking spaces are not restored within fifteen (15) days after Landlord's receipt of written notice, then Tenant may terminate this Lease for default by giving written notice of such termination to Landlord, which notice shall be effective thirty (30) days thereafter.

## **22. ENVIRONMENTAL MATTERS**

### **22.1 Hazardous Materials**

Tenant shall not cause nor permit, nor allow any of Tenant's employees agents, customers, visitors, invitees, licensee, contractor, assignees or subtenants to cause or permit, any Hazardous Materials to be brought upon, stored, manufactured, generated, blended, handled, recycled, treated, disposed or used on, under or about the Premises, the Building or the Common Areas, except for routine office and janitorial supplies in usual and customary quantities stored, used and disposed of in accordance with all applicable Environmental Laws. As used herein, "Hazardous Materials" means any chemical, substance, material, controlled substance, object, condition, waste, living organism or combination thereof, whether solid, semi solid, liquid or gaseous, which is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity, phytotoxicity, infectiousness or other harmful or potentially harmful properties or effects, including, without limitation, molds, toxic levels of bacteria, tobacco smoke within the Premises, petroleum and petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs), refrigerants (including those substances defined in the Environmental Protection Agency's "Refrigerant Recycling Rule," as amended from time to time) and all of those chemicals, substances, materials, controlled substances, objects, conditions, wastes, living organisms or combinations thereof which are now or become in the future listed, defined or regulated in any manner by any Environmental Law based upon, directly or indirectly, such properties or effects. As used herein, "Environmental Laws" means any and all federal, state or local environmental, health and/or safety-related laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future which are or become applicable to Tenant, the Premises, the Building or the Common Areas.

### **22.2 Landlord Indemnity**

Landlord shall indemnify, protect, defend (by counsel acceptable to Tenant) and hold harmless Tenant from and against any and all claims, judgments, causes of action, damage, penalties, fines, taxes, costs, liabilities, losses and expenses arising at any time during or after the Term as a result (directly or indirectly) of, or in connection with, the presence of Hazardous Materials on, under or about the Premises, Building or Common Areas or other violation of laws relating to

Hazardous Materials other than those caused by Tenant or any Agent, regardless of whether same occurred before or after the Commencement Date. This indemnity shall include, without limitation, the cost of any required or necessary repair, cleanup or detoxification, and the preparation and implementation of any closure, monitoring or other required plans, as such action is required by local or state laws or any governmental agency. Landlord shall promptly deliver to Tenant a copy of any notice received from any governmental agency during the Term of this Lease concerning the presence of Hazardous Materials in the Building or the Premises. Landlord's obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this Lease. A default by Landlord under this Section shall constitute a material default under this Lease.

## **23. ESTOPPEL CERTIFICATES**

Tenant shall, within thirty (30) business days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Exhibit F attached hereto (properly completed) but shall have no other obligation to deliver any other form of estoppel certificate. It is intended that any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest in the Premises or a holder of any mortgage upon Landlord's interest in the Premises. If the Tenant fails to timely deliver an executed estoppel certificate, Landlord may declare the Tenant in default if Tenant fails to cure after Landlord delivers, via certified mail, to Tenant a 15-day notice of intent to declare a default, including the name and contact for the escrow officer and date of closing.

## **24. LANDLORD WORK**

### **24.1 Landlord Work**

Landlord, at its sole cost and expense, shall be responsible to complete (i) the work as reflected in the County-approved plans and scope of work, including any additional code compliant work which may be required by the local authority in connection with Tenant's occupancy of the Premises and, (ii) the following work throughout the Premises as described below in sections (a) –(p) (the work described in Sections 24.1(i) and (ii) above are collectively the "Landlord Work"). The Landlord Work shall be performed by licensed contractors. Prior to commencement of the Landlord Work, Landlord shall, at its sole cost and expense, prepare a detailed set of construction drawings consistent with the plans and scope of work and a construction schedule which shall be submitted to Tenant for review and approval.

- (a) Refurbish two (2) passenger elevators, including mechanical refurbishment (per elevator inspection report recommendations performed by a reputable elevator inspection company and operating at commercially reasonable elevator speeds) and cosmetic refurbishment (replacing carpet and lights)
- (b) Re-roof entire roof area to ensure roof is watertight.
- (c) Landlord shall deliver thirteen (13) tons of HVAC to the Telephone Room (which shall include two (2) new five (5) ton supplemental HVAC units plus an existing three (3) ton supplemental HVAC unit) and five (5) tons of HVAC to the Staging Room (including a new five (5) ton supplemental HVAC unit). Landlord shall provide sufficient air to meet the performance specifications referenced above and the units shall be able to operate 24/7 with temperature

and humidity control range of 64F to 75F and the HVAC system (including all thermostats) shall be in a clean and good working order as certified by the same reputable third-party HVAC sub-contractor who has air balanced the Premises.

- (e) Replace flooring in Lobby, elevator, and 1st floor lunchroom areas and level outside walking surface at the entrance area.
- (h) Install 2 electric charging stations in the parking lot.
- (i) Install additional exterior lighting for back perimeter of the parking lot.
- (j) Install an eight foot high (8 ft) iron security fence around the perimeter of the parking area including (a) Carmenita Road - one motorized vehicular gate with exit loops and hand held remote control, and exit loop; (b) Pumice Street (West)— one pedestrian gate with mount and conduit pathway, one motorized vehicular gate, exit loop, pedestal, bollards, and conduit pathway for power and gate and intercom systems; (c) Pumice Street (East) one motorized vehicular gate and exit loop.
- (k) Refurbish eight (8) restrooms to comply with Code.
- (l) Install ADA compliant water fountain or bottle filling stations at each floor.
- (m) 1<sup>st</sup> floor Improvements – Remove existing panel wall. Demo existing wall between Telephone Room and MDF Room as referenced in plans. Build a hard enclosed office in the NW corner and on the SE corner. Install electrical and data for new offices and new modular furniture (modular furniture to be provided and installed by Tenant) per Tenant's Data and Power design attached as Exhibit I. In the network room, install outlets, subpanel and transformer (as required) per Tenant's design. Install electrical and data in conference room per Tenant's design.
- (n) 2<sup>nd</sup> floor Improvements - Remove door and infill wall at office on SE corner. Install electrical and data in conference room per Tenant's Data and Power design attached as Exhibit I.
- (o) 3<sup>rd</sup> floor Improvements – Replace panel wall with painted partition wall. Build a hard enclosed office on the NE corner. Install electrical and data per Tenant's design. Install new sink with fixtures at breakroom. In the network room, install outlets, subpanel and transformer (as required) per Tenant's design. Install electrical and data in conference rooms per Tenant's Data and Power design attached as Exhibit I.
- (p) 4<sup>th</sup> floor Improvements – Install electrical and data in conference rooms, per Tenant's Data and Power design attached as Exhibit I.

The Landlord Work shall be coordinated with Tenant's assigned Project Manager (PM) in advance of Landlord commencing any of the Landlord Work and the work must be performed after Tenant's Regular Office Hours, Monday thru Friday, anytime Saturday & Sunday, unless waived or modified by Tenant's PM in writing to Landlord. In connection with the performance of Landlord Work, Landlord agrees to move, to the extent necessary, Tenant's furniture (including furniture lift) and such other items (including computers, copiers and other personal property) as Landlord may require be moved in order to perform the Landlord Work. Landlord shall coordinate access and schedule with Tenant (and its vendors and/or sub-contractors) who will be performing work related to low voltage, IT, and furniture work within the Premises. Landlord will have regular meetings with Tenant, as needed to ensure proper coordination and to minimize any disruption to Tenant's operations. Landlord shall have the right to replace any specific product, machine, or appliance mentioned in Exhibit I with a functionally similar product machine, or appliance, materially possessing the same quality and performance of Tenant's

specifications, subject to Tenant's prior written approval which shall not be unreasonably withheld. Notwithstanding the above, no substitution of any nature shall be allowed related to any work, serving the Telephone Room or Staging Room unless expressly approved in writing by Tenant, and which approval shall be withheld at Tenant's sole discretion.

#### 24.2 Code Compliance

The Premises shall meet all applicable City, County, State and Federal building codes, regulations and ordinances required for legal occupancy, including without limitation ADA, Title 24 and fire life safety code requirements ("Code"). **Without limiting the generality of the foregoing, construction of the Landlord Work shall comply with all applicable laws and regulations, including but not limited to the provisions of the California Labor Code relating to the payment of prevailing wages on public works projects, unless the work is otherwise exempt therefrom pursuant to the California Labor Code. Under the provisions of the Labor Code, the State Department of Industrial Relations will ascertain the prevailing hourly wage rate and details pertinent thereto for each craft, classification, or type of workman or mechanic needed for the construction of the Landlord Work. Particulars of the current prevailing wage scale, as approved by the Board of Supervisors, which are applicable to the work, are filed with the Clerk of the Board of Supervisors and must be posted at the site.** Any work Landlord must undertake to obtain the necessary jurisdictional approvals for occupancy shall be at Landlord's sole cost and expense including, any work undertaken to meet applicable code requirements necessitated to complete the work described in this Article 24 shall be included as part of the Premises Improvement work.

#### 24.3 Inclusions in Landlord Work

Landlord as part of the Landlord Work shall be responsible for any required work related to asbestos abatement, fire sprinkler system, or conversion of air conditioning systems to eliminate use of CFC refrigerants that are harmful to the atmosphere. All work for required asbestos abatement, fire sprinkler system, or air conditioning system conversion shall be performed at the sole cost and expense of Landlord.

#### 24.4 Completion/Close Out

Landlord shall file for a building permit to construct the Landlord Work within thirty (30) days following mutual execution and unconditional delivery of the Lease. The parties agree that the estimated time for completion of said Landlord Work is one hundred and twenty (120) days from the date of issuance of the building permit.

Upon completion of the Landlord Work, Landlord shall notify Tenant in writing and, within five (5) calendar days of Tenant's receipt of such notice, Landlord and Tenant shall conduct a "walk-through" inspection of the Premises. During the walk-through inspection, Landlord shall prepare a punch-list of known or apparent deficiencies or incomplete work required to be corrected or completed by Landlord. Landlord, at Landlord's sole cost and expense, shall cause all punch-list items to be repaired or completed as soon as possible, but in no event later than thirty (30) days following the walk-through inspection.



Upon completion of the Landlord Work, Landlord will be responsible, at its sole cost and expense: (a) to clean or cleaning any areas affected by the Landlord Work; (b) provide Tenant with a copy of the final as-built plans and (c) provide Tenant with the total cost of the Landlord Work along with all supporting documentation and lien release waivers. Tenant shall have the right to audit the cost of Landlord Work at any time after the Commencement Date. Landlord shall require all contractors and subcontractors to cooperate with said audit of Landlord Work.

#### 24.5 Delay.

Completion may be delayed day for day by:

- a. Acts or omissions of Tenant or its employees or agents (including any change orders requested by Tenant), or
- b. Any act of God which Landlord could not have reasonably foreseen and provided for, or
- c. Any strikes, boycotts or like obstructive acts by employees or labor organizations which Landlord cannot overcome with reasonable effort and which Landlord could not have reasonably foreseen and provided for, or
- d. Any war or declaration of a state of national emergency, or
- e. The imposition by government action or authority of restrictions upon the procurement of labor or materials necessary for the completion of the Landlord Work.

#### 24.6 Change Requests

All Tenant-initiated and approved change requests shall not exceed a total cost of Five Thousand Dollars (\$5,000), and Landlord shall not be required to accept any particular change request if the total cost of prior Tenant-initiated change requests exceeds Five Thousand Dollars (\$5,000). The Chief Executive Officer or his/her designee is hereby authorized to approve change requests on behalf of Tenant. Tenant shall pay for change request costs in a lump sum. Landlord, or Landlord's contractor, shall submit to the Chief Executive Officer or his/her designee with each change request (a) the specific cost of the requested change; (b) the cumulative net total cost of all change requests previously approved; and (c) an estimate of the number of days by which construction time will be increased or shortened if the change request is approved. Each change request must be signed and dated by the Chief Executive Officer or his/her designee in order to be considered approved. Tenant shall have the right to audit the cost of the changes at any time after the Commencement Date. If Tenant requests a rent reduction due to its audit of these costs, Tenant shall provide Landlord with a copy of the audit summary as part of its request.

#### 24.7 Tenant Remedies

If Landlord fails to obtain the building permit within the period described above or if the Landlord Work have not been completed within one hundred and twenty (120) days from receipt of the building permit, then Tenant shall receive a day-for-

day rent abatement for each day of delay, subject to any acceptable Delays described in Section 24.5.

24.8 Notice of Nonresponsibility.

Landlord and the Contractor shall cooperate with Tenant in posting a notice or notices of nonresponsibility by Tenant in compliance with California Civil Code Section 8444.

**25. LIENS**

Tenant shall keep its interest in this Lease and the Premises free from any liens arising out of any work performed or materials ordered or obligations incurred by Tenant. Landlord shall keep its interest in this Lease and the Premises free from any liens which would impair the interest of Tenant hereunder and hereby indemnifies and holds Tenant harmless from any liability or loss from any such lien.

**26. SUBORDINATION AND MORTGAGES**

26.1 Subordination and Non-Disturbance

Tenant agrees, at Landlord's option, to subordinate this Lease to the lien of any mortgages or deeds of trust now or hereafter in force against the Building; provided, however, Tenant's obligation to subordinate this Lease is expressly conditioned upon Tenant receiving a written agreement in the form of Exhibit E attached hereto and provided further that no such subordination shall affect any option to extend the Term of this Lease, right of first offer to lease additional premises, option to purchase, or right of first offer to purchase the Property included herein.

26.2 Existing Deeds of Trust

The beneficiary under any existing deed of trust affecting the Building shall provide a written agreement to Tenant in the form of Exhibit E attached hereto, within 30 days after the execution of this Lease.

26.3 Notice of Default

If any mortgagee or beneficiary under a deed of trust affecting the Property gives written notice of its name and address to Tenant by registered mail and requests copies of any notice of default that Tenant serves upon Landlord, Tenant agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee or beneficiary a copy of any notice of default that Tenant serves upon Landlord which could permit Tenant to terminate this Lease, along with an additional ten days within which to cure such default.

**27. SURRENDER OF POSSESSION**

Subject to casualty, at the expiration of the Term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises to Landlord in a "broom-clean" condition. Tenant shall remove, at its own expense, all fixtures, equipment and all other personal property placed or installed in or upon the Premises by Tenant, or under its authority (including any modular furniture).

**28. SIGNAGE**

Tenant shall be allowed building standard signage on the directory located in the ground floor lobby of the Building and elevator lobbies of the floors of the Premises and suite signage, all of which shall be at Tenant's expense. Tenant shall have the right to install, at Tenant's sole cost and expense, up to two (2) lines per 1,000 rentable square feet of the Premises on the Building's directory board in the main lobby of the Building. Tenant shall be permitted to install signs at the Premises, including both monument and building top signage, that conform with any and all applicable laws and ordinances.

**29. QUIET ENJOYMENT**

So long as Tenant is not in default hereunder, Tenant shall have the right to the peaceful and quiet enjoyment and possession of the Premises and the Common Areas during the Term of this Lease, subject to the terms and conditions of this Lease.

**30. GENERAL**

**30.1 Headings**

Titles to Sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

**30.2 Successors and Assigns**

All of the covenants, agreements, terms and conditions contained in this Lease shall inure to and be binding upon the Landlord and Tenant and their respective successors and assigns.

**30.3 Brokers**

Other than Tenant's Agent Cushman & Wakefield Inc., who will be compensated pursuant to a separate agreement between Landlord and Agent, Landlord and Tenant each represent and warrant to each other that it has not engaged any other broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease other than as disclosed to the other in writing and shall indemnify and hold harmless each other against any loss, cost, liability or expense incurred by the other party as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made in variance with this representation.

**30.4 Entire Agreement**

This Lease (including all exhibits hereto) is the final and complete expression of Landlord and Tenant relating in any manner to the leasing, use and occupancy of the Premises, to Tenant's use of the Building and other matters set forth in this Lease. No prior agreements or understanding pertaining to the same shall be valid or of any force or effect, and the covenants and agreements of this Lease shall not be altered, modified or added to except in writing signed by both Landlord and Tenant.

30.5 Severability

Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof, and the remaining provisions hereof shall nevertheless remain in full force and effect.

30.6 Notices

The parties shall give all notices in writing by (i) personal delivery, (ii) national-recognized, next-day courier service, or (iii) first-class registered or certified mail, postage prepaid, to the Landlord's Address for Notice and Tenant's Address for Notice as set forth in Section 1.1. Without limiting the generality of the foregoing, Landlord's notices to Tenant shall not be effective if they are delivered to the Premises or to another address that is not set forth in Section 1.1(b) hereof. Any notice given under this Lease shall be deemed effective upon the date of delivery (whether accepted or refused), which, for certified mail and courier service, shall be established by U.S. Post Office return receipt or the courier's proof of delivery, respectively.

30.7 Governing Law and Venue

This Lease shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this Lease shall be conducted in the County of Los Angeles, State of California.

30.8 Waivers

No waiver by Landlord or Tenant of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Landlord or Tenant of the same or any other provision. Landlord's or Tenant's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Landlord's or Tenant's consent to or approval of any subsequent act by Landlord or Tenant.

30.9 Time of Essence

Time is of the essence for the performance of all of the obligations specified hereunder.

30.10 Consent

Whenever any consent is required by Landlord or Tenant hereunder, unless the consent in question states that it may be withheld in such party's sole and absolute discretion, then such consent shall not be unreasonably withheld, conditioned or delayed and, unless otherwise specifically provided herein, shall be deemed granted if not refused within ten (10) business days after written request is made therefore, together with all necessary information.

30.11 Community Business Enterprises

Landlord shall complete and deliver to Tenant concurrently with the execution hereof a Community Business Enterprises form set forth as Exhibit G attached hereto.

### 30.12 Memorandum of Lease

If requested by Tenant, Landlord and Tenant shall execute and acknowledge a Memorandum of Lease in the form of Exhibit H attached hereto, which Memorandum may be recorded by Tenant in the Official Records of Los Angeles County.

### 30.13 Counterparts; Electronic Signatures

This Lease and any other document necessary for the consummation of the transaction contemplated by this Lease may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic records and are executed electronically. An electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Lease and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called pdf format shall be legal and binding and shall have the same full force and effect as if a paper original of this Lease had been delivered had been signed using a handwritten signature. Landlord and Tenant (i) agree that an electronic signature, whether digital or encrypted, of a party to this Lease is intended to authenticate this writing and to have the same force and effect as a manual signature, (ii) intended to be bound by the signatures (whether original, faxed or electronic) on any document sent or delivered by facsimile or, electronic mail, or other electronic means, (iii) are aware that the other party will rely on such signatures, and (iv) hereby waive any defenses to the enforcement of the terms of this Lease based on the foregoing forms of signature. If this Lease has been executed by electronic signature, all parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and California Uniform Electronic Transactions Act ("UETA")(Cal. Civ. Code § 1633.1, et seq.), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

## 31. AUTHORITY

Only the County's Board of Supervisors ("Board of Supervisors") has the authority, by formally approving and/or executing this Lease, to bind Tenant to the terms included herein. Landlord understands that no material terms of this Lease may be altered or deleted, nor may any new material terms be added to this Lease, without the express written approval of the Board of Supervisors, either through an amendment to the Lease or by other formal board action. No County officer, employee, agent or independent contractor has any authority to alter, add or delete the material terms of this Lease, and Landlord may not rely upon any representations to the contrary. This limitation of authority applies to all material terms of the Lease including, without limitation, any monetary ceiling established for Landlord Work or other project costs of Landlord which are subject to reimbursement by Tenant. Tenant shall not reimburse Landlord for any expenses which exceed this ceiling. Notwithstanding the foregoing, the Chief Executive Office of the

County (the "Chief Executive Office") may take any administrative act on behalf of Tenant hereunder which does not have the effect of increasing Base Rent or other financial obligations of Tenant under this Lease, including without limitation, granting any approvals, terminating this Lease in the manner provided herein by an early termination notice or otherwise, signing estoppel certificates, signing the Commencement Date Memorandum and Confirmation of Lease Terms or subordinating this Lease. Each individual executing this Lease on behalf of Landlord represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Landlord, and that this Lease is binding upon Landlord in accordance with its terms.

### **32. ACKNOWLEDGEMENT BY LANDLORD**

Landlord acknowledges that it is aware of the following provisions:

#### **32.1 Consideration of GAIN Program Participants**

Should Landlord require additional or replacement personnel after the effective date of this Lease, Landlord shall give consideration for any such employment openings to participants in the County Department of Public Social Services' Greater Avenues for Independence ("GAIN") Program who meet Landlord's minimum qualifications for the open position. The County will refer GAIN participants by job category to Landlord.

#### **32.2 Solicitation of Consideration**

It is improper for any County officer, employee or agent to solicit consideration in any form from a landlord. A landlord shall not offer or give, either directly or through an intermediary, consideration in any form to a County officer, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of a lease.

Landlord shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

Landlord hereby represents and warrants that it has not provided, and will not provide, any financial benefits to any County official, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of this Lease. Landlord hereby agrees that if it violates any of the terms of this Section 32.2, then the County may declare this Lease null and void, and the County reserves the right to exercise any and all other remedies available under applicable law.

#### **32.3 Landlord Assignment**

- (a) Landlord may assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof (including the right to receive rental payments but excluding its duties and obligations hereunder), and Landlord may execute any and all instruments providing for the payment of Base Rent directly to an assignee or transferee, but only if the conditions set forth in this Section are met.

- (b) Any document or agreement purporting to assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease, or any portion thereof, as security for the Landlord's obligation to repay any monetary obligation, is hereinafter referred to as a "Security Agreement." Any Security Agreement which is executed without full compliance with the requirements of this Section shall be void.
- (c) Each assignee or transferee under the Security Agreement shall certify and agree in writing that such assignee or transferee has read and is familiar with the requirements of Sections 5950-5955 of California Government Code, which prohibits the offer or sale of any security constituting a fractional interest in this Lease or any portion thereof, without the prior written consent of the Tenant. Notwithstanding the foregoing, the Tenant hereby acknowledges and agrees that Landlord shall have the right to encumber the Property with CMBS (commercial mortgage backed securities) financing or other traditional real estate financing. However, Landlord may not encumber the Property through any type of bond financing vehicle, including but not limited to certificate of participation financing.
- (d) Violation by Landlord of the provisions of Section 5951 of the California Government Code will constitute a material breach of this Lease, upon which the Tenant may impose damages in an amount equal to the greater of \$500,000 or 10% of the aggregate principal portion of all rental payments payable by the Tenant during the entire Term of this Lease, it being expressly agreed that the aforesaid amount shall be imposed as liquidated damages, and not as a forfeiture or penalty. It is further specifically agreed that the aforesaid amount is presumed to be the amount of damages sustained by reason of any such violation, because from the circumstances and nature of the violation it would be impracticable and extremely difficult to fix actual damages. In addition, the Tenant may exercise or pursue any other right or remedy it may have under this Lease or applicable law.
- (e) Landlord shall give Tenant written notice and a copy of each and every assignment, transfer, hypothecation or encumbrance of Landlord's interest in this Lease and any instrument relating thereto (including, but not limited to, instruments providing for the payment of Base Rent directly to an assignee or transferee) at least thirty (30) days prior to the effective date thereof.
- (f) Landlord shall not furnish any information concerning Tenant or the subject matter of this Lease (including, but not limited to, offering memoranda, financial statements, economic and demographic information, and legal opinions rendered by the office of counsel for the Tenant) to any person or entity, except with Tenant's prior written consent. Landlord shall indemnify, defend and hold Tenant and its officers, agents and employees harmless from and against all claims and liability alleged to arise from the inaccuracy or incompleteness of any information furnished by Landlord in violation of this Section 32.3.
- (g) The provisions of this Section 32.3 shall be binding upon and applicable to the parties hereto and their respective successors and assigns. Whenever

in this Section Landlord is referred to, such reference shall be deemed to include Landlord's successors or assigns, and all covenants and agreements by or on behalf of Landlord herein shall bind and apply to Landlord's successors and assigns, whether so expressed or not.

- 32.4 Smoking in County Facilities. The Surgeon General of the United States has concluded that passive smoke exposure is the third leading cause of preventable death in the United States. The United States Environmental Protection Agency has found second-hand smoke to be a known carcinogen. It is recognized that the County has a responsibility to establish, maintain and promote a healthful and safe working environment and to reduce health and safety risks of its employees and the public at large. Tobacco smoke is a hazard to the health of County employees and the general public and represents an annoyance which should be regulated and banned in all county facilities to the end that air quality in all such facilities be improved for the preservation and improvement of the health of all County employees and the public. Therefore, to the greatest extent possible, the rights and comfort of all employees shall be respected. Reasonable effort shall be made to provide smokers a place to smoke in areas open to the sky or otherwise located outside County facilities and, except as provided under Los Angeles County, California - Code of Ordinances Chapter 2.126 ("LAMC 2.126"), all portions of County-owned facilities and all portions of facilities leased by or from the County, which areas are not open to the sky, shall be designated as "no smoking" areas. Smoking, including the use of electronic smoking devices, shall be prohibited in the following areas of County facilities: (1) Within 50 feet of any operable entry or exit door or operable window of any County building and within 25 feet of any access ramp or handicap path; (2) Within any County parking lot, parking structure, or parking garage, whether enclosed or open to the sky; or (3) Within any driving range and eating area, including outdoor eating areas, of any County golf course. International no-smoking signs and other appropriate signs which designate no-smoking areas shall be clearly, sufficiently and conspicuously posted in every room, building or other place so covered by LAMC 2.126. The manner of such posting, including the wording, size, color and place of posting, whether on the walls, doors, tables, counters, stands or elsewhere, shall be at the discretion of the building proprietor so long as clarity, sufficiency and conspicuousness are apparent in communicating the intent. (Los Angeles County, California - Code of Ordinances Chapter 2.126.)

### **33. IRREVOCABLE OFFER**

In consideration for the time and expense that Tenant will invest in this Lease, including but not limited to preliminary space planning, legal review, and preparation and noticing for presentation to the Tenant Real Estate Management Commission of Los Angeles County, as necessary, in reliance on Landlord's agreement to lease the Premises to Tenant under the terms of this Lease, Landlord irrevocably offers to enter into this Lease and not to revoke this offer until the Irrevocable Offer Expiration Date, as defined in Section 1.1.

### **34. RIGHT OF FIRST REFUSAL TO PURCHASE**

Tenant shall have the ongoing Right of First Refusal to Purchase the Building. If any bona fide offer to purchase is submitted by any third party, which Landlord desires to accept, Landlord shall within three (3) business days, provide such terms to Tenant. Tenant shall



have thirty (30) days to match such offer to Purchase and notify Landlord of its intent to purchase the Building. Failure of Tenant to notify Landlord within the 30-day period of its intent to exercise is Right of First Refusal to Purchase the Building shall be deemed as Tenant's election not to exercise its option. If Tenant fails to exercise the option, then Landlord shall have the right to sell the Building to the prospective purchaser or any other party on materially the same terms and conditions within 180 days of Tenant's election (or deemed election) not to purchase the Building.

IN WITNESS WHEREOF this Lease has been executed the day and year first set forth above.

LANDLORD:

Liberty West, Inc., a California corporation

By: 

Name: Adam Milstein

Its: President

Hager Investments, Inc., a California corporation

By: 

Name: David Hager

Its: President

TENANT:

COUNTY OF LOS ANGELES,  
a body corporate and politic

FESIA A. DAVENPORT  
Chief Executive Officer

By: \_\_\_\_\_

Joseph Nicchitta  
Chief Deputy

ATTEST:

DEAN C. LOGAN  
Registrar-Recorder/County Clerk  
of the County of Los Angeles

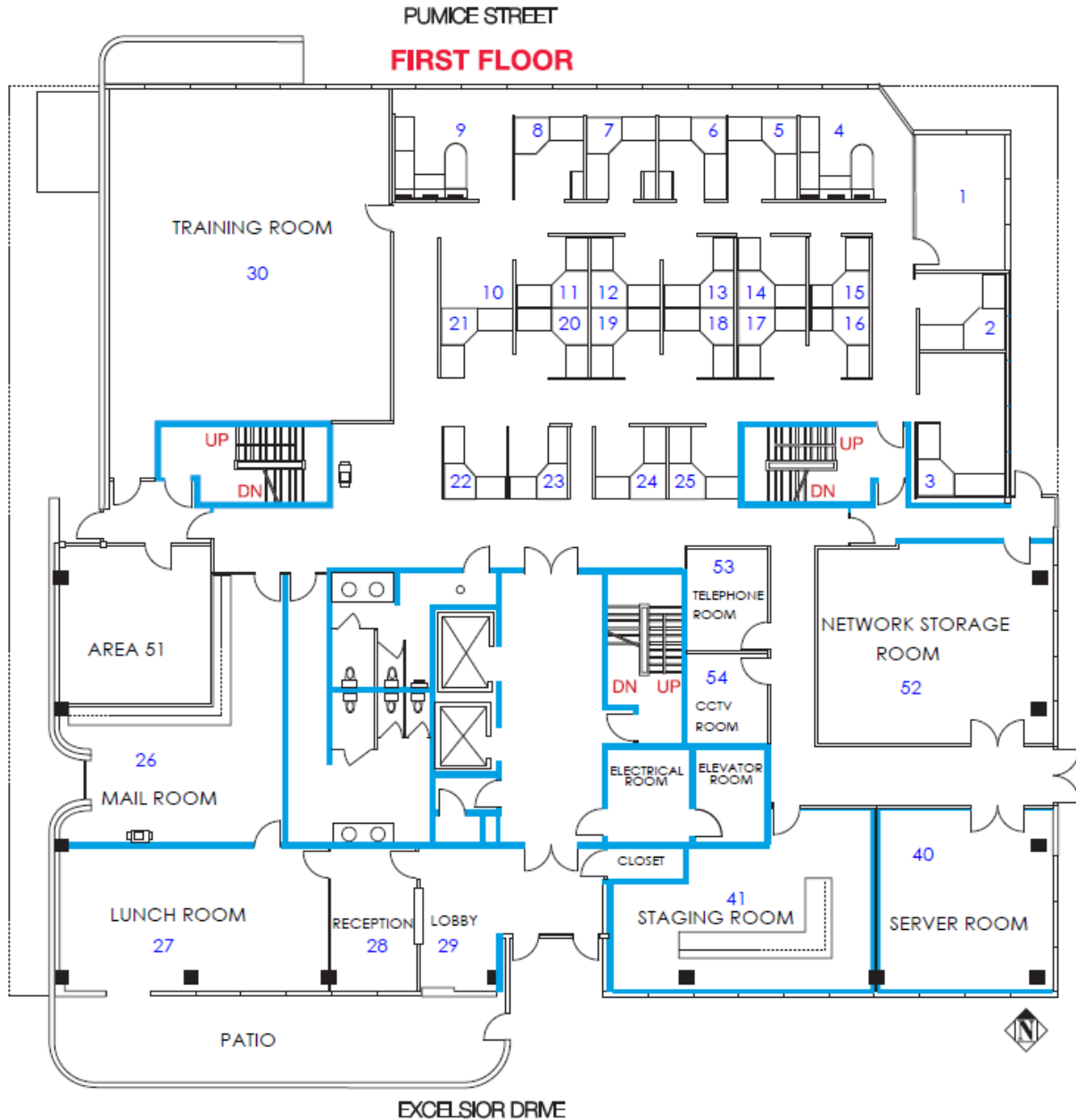
By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

RODRIGO A. CASTRO-SILVA  
County Counsel

By: \_\_\_\_\_  
Deputy

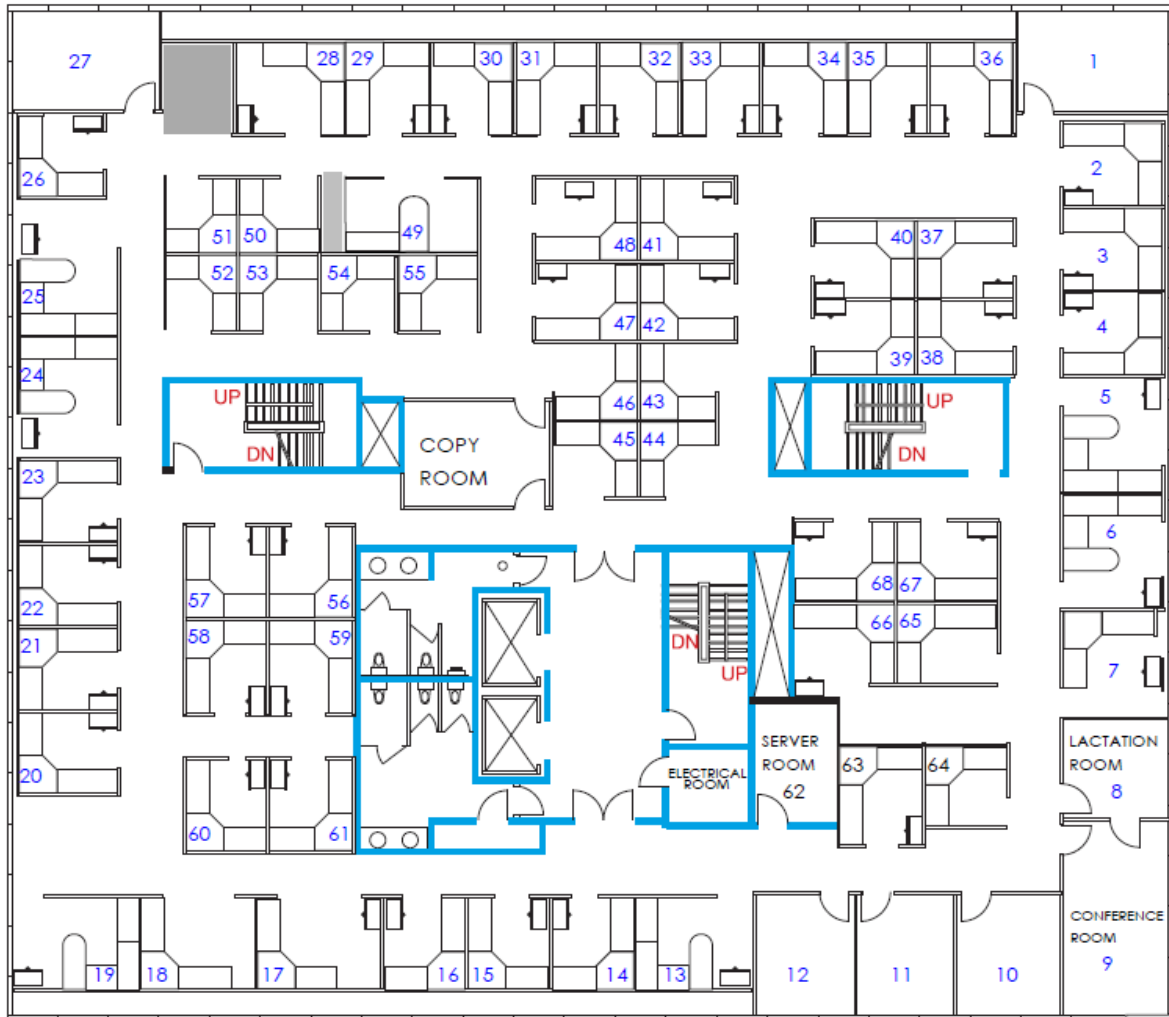
**EXHIBIT A**  
**FLOOR PLAN OF THE PREMISES**  
**FIRST FLOOR**



## SECOND FLOOR

ces

PUMICE STREET  
**SECOND FLOOR**



EXCELSIOR DRIVE



# THIRD FLOOR

PUMICE STREET

Services

## THIRD FLOOR



FOURTH FLOOR

PUMICE STREET

**FOURTH FLOOR**



## PARKING AREA

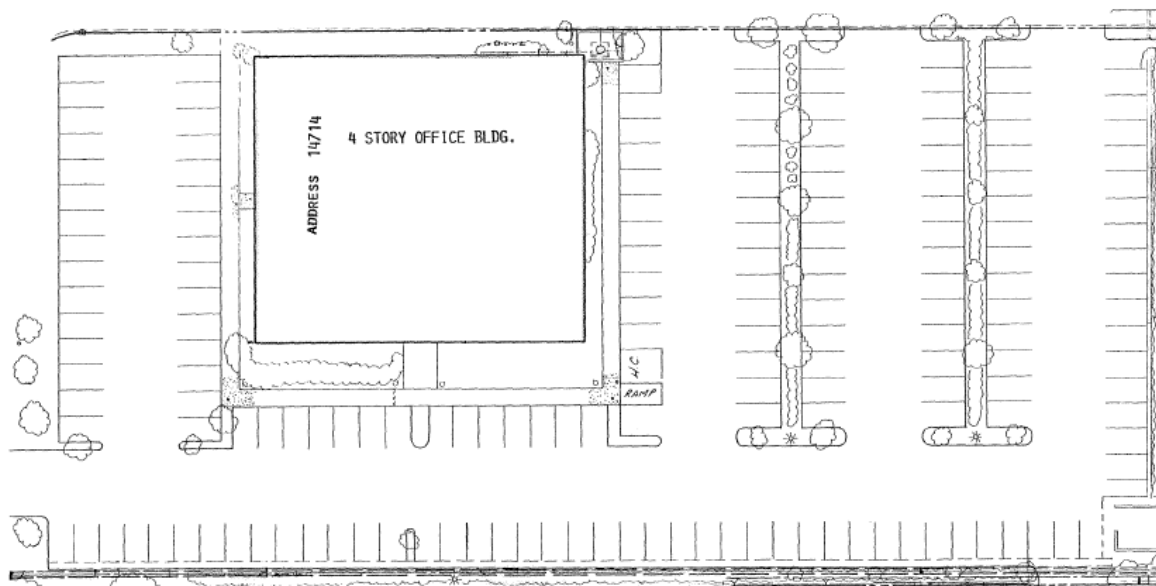


EXHIBIT B  
COMMENCEMENT DATE MEMORANDUM  
AND CONFIRMATION OF LEASE TERMS

Reference is made to that certain Lease Agreement ("Lease") dated \_\_\_\_\_, 20\_\_\_\_, between County of Los Angeles, a body corporate and politic ("Tenant"), and Liberty West, Inc., a California corporation and Hager Investments, Inc., a California corporation ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at 14714 Carmenita Road, Norwalk, California 90650 ("Premises"),

Landlord and Tenant hereby acknowledge as follow:

- 1) Landlord delivered possession of the Premises to Tenant in a Substantially Complete condition on \_\_\_\_\_ ("Possession Date");
- 2) Tenant has accepted possession of the Premises and now occupies the same;
- 3) The Lease commenced on \_\_\_\_\_ ("Commencement Date");
- 4) The Premises contain \_\_\_\_\_ rentable square feet of space; and
- 5) Landlord has paid a commission in the amount of \$\_\_\_\_\_ to Tenant pursuant to Section 30.3 of the Lease.

For clarification and the purpose of calculating future rental rate adjustments:

- 1) Base Rent per month is \$2.25 per square foot per month, or \$99,562.50.
- 2) The Base Rent shall increase by a fixed two and one half percent (2.5%) per annum



IN WITNESS WHEREOF, this memorandum is executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Tenant:

COUNTY OF LOS ANGELES,  
a body corporate and politic

Landlord:

Liberty West, Inc., a California corporation

By: \_\_\_\_\_  
Name \_\_\_\_\_  
Its \_\_\_\_\_

By: \_\_\_\_\_  
Name: Adam T. Milstein  
Its: President

Hager Investments, Inc., a California corporation

By: \_\_\_\_\_  
Name: David Hager  
Its: President

## **EXHIBIT C**

### **HEATING, VENTILATION AND AIR CONDITIONING**

Other than with respect to the server room, Landlord shall supply cooling, ventilating and heating with capacity to produce the following results effective during Tenant's Regular Office Hours established by the Lease and within tolerances normal in comparable office buildings; maintenance of inside space conditions of not greater than 78 degrees Fahrenheit when the outside air temperature is not more than 93 degrees Fahrenheit dry bulb and 70 degrees Fahrenheit wet bulb, and not less than 70 degrees Fahrenheit when the outside air temperature is not lower than 42 degrees Fahrenheit dry bulb. Interior space is designated at a rate of one zone for approximately each 1,000 square feet and one diffuser for each 200 square feet of usable/net square footage within the Premises. If energy requirements prohibit Landlord from complying with these requirements, Tenant shall not unreasonably withhold its consent to temporary waivers or modifications.

## **EXHIBIT D**

### **CLEANING AND MAINTENANCE SCHEDULE**

#### **A. DAILY (Monday through Friday)**

1. Carpets vacuumed.
2. Composition floors dust-mopped.
3. Desks, desk accessories and office furniture dusted. Papers and folders left on desk not to be moved.
4. Waste baskets, other trash receptacles emptied.
5. Chairs and waste baskets returned to proper position.
6. Fingerprints removed from glass doors and partitions.
7. Drinking fountains cleaned, sanitized and polished.
8. Lavatories, toilets and toilet rooms cleaned and mopped. Toilet supplies replenished.
9. Bulb and tube replacements, as required.
10. Emergency exit signage and egress battery replacement (if applicable)
11. Graffiti expunged as needed within two working days after notice by Tenant
12. Floors washed as needed.
13. Standard kitchen/lunchroom/restroom supplies replenished, including, but, not limited to, paper supplies and soap.

#### **B. WEEKLY**

14. Low-reach areas, chair rungs, baseboards and insides of door jambs dusted.
15. Window sills, ledges and wood paneling and molding dusted.

#### **C. MONTHLY**

16. Floors washed and waxed in uncarpeted office area.
17. High-reach areas, door frames and tops of partitions dusted.
18. Upholstered furniture vacuumed, plastic and leather furniture wiped
19. Picture moldings and frames dusted.
20. Wall vents and ceiling vents vacuumed.

- 21. Carpet professionally spot cleaned as required to remove stains.
- 22. HVAC chiller water checked for bacteria, water conditioned as necessary.

D. QUARTERLY

- 23. Light fixtures cleaned and dusted, but not less frequently than quarterly.
- 24. Wood furniture polished.
- 25. Draperies or mini-blinds cleaned as required, but not less frequently than quarterly.
- 26. HVAC units serviced for preventative maintenance purposes, all filters changed.

E. SEMI-ANNUALLY

- 27. Windows washed as required inside and outside but not less frequently than twice annually.
- 28. All painted wall and door surfaces washed and stains removed.
- 29. All walls treated with vinyl covering washed and stains removed.

F. ANNUALLY

- 30. Furniture Systems and any other fabric or upholstered surfaces including chairs, couches, walls, etc., spot cleaned, or if determined to be necessary in Tenant's sole discretion, professionally cleaned in their entirety using a water extraction system.
- 31. Bathroom and any other ceramic tile surfaces professionally cleaned using a hand scrub process. All grout and porous surfaces resealed with a professional grade sealant.
- 32. Touch-up paint all interior painted surfaces in a color and finish to match existing.

G. AS NEEDED

- 33. Premises and the sidewalks, driveways, parking areas and all means of access and egress for the Premises should be maintained in good repair, and in clean and safe condition at all times.
- 34. All lawns, shrubbery and foliage on the grounds of the Premises should be maintained in good condition and neat in appearance. Grass and shrubbery must be replanted as needed to maintain the grounds in good appearance and condition.
- 35. Interior and exterior pest control inspections and remediation frequency is to be determined by a licensed exterminator.

36. Carpets to be cleaned using a non-detergent, low moisture, soil encapsulation system as recommended by the carpet manufacturer. The following schedule will be maintained for carpet cleaning:

- i. heavy traffic areas cleaned as needed, with a minimum frequency of bi-monthly [six (6) times per year];
- ii. moderate traffic areas cleaned as needed, with a minimum of once every six (6) months [two (2) times per year]; and
- iii. clean light traffic areas a minimum of once per year.

Landlord agrees that bonnet cleaning is not an acceptable method of cleaning carpets.

38. All walls repainted and wall coverings replaced throughout the Premises. The paint finish should be eggshell or semi-gloss as directed by Tenant and in a color acceptable to Tenant. In no event will Landlord be required to repaint or replace wall coverings more than one (1) time in a five (5) year period (the "Occurrence") except for touch-up paint as provided in Paragraph 6.C. of this Exhibit E. The initial Landlord Work completed prior to Tenant's occupancy or as a condition to the renewal of the Lease shall not constitute an Occurrence for the purpose of determining the frequency of this work.

39. All HVAC ducts cleaned as needed, but no less than every five (5) years.

**EXHIBIT E**

**SUBORDINATION, NON-DISTURBANCE  
AND ATTORNMENT AGREEMENT**

**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

County of Los Angeles  
Chief Executive Office  
Real Estate Division  
320 W. Temple Street  
7th Floor  
Los Angeles, California 90012

)  
)  
)  
)  
)  
)  
)

Space above for Recorder's Use

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**SUBORDINATION, NON-DISTURBANCE  
AND ATTORNMENT AGREEMENT**

**NOTICE: THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT RESULTS IN YOUR LEASEHOLD ESTATE BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.**

This Subordination, Non-disturbance and Attornment Agreement ("Agreement") is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and among COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant"), [*Insert name of Landlord*], ("Borrower") and [*Insert name of Lender*], ("Lender").

**Factual Background**

A. Borrower owns certain real property more particularly described in the attached Exhibit A. The term "Property" herein means that real property together with all improvements (the "Improvements") located on it.

B. Lender has made or agreed to make a loan to Borrower. The Loan is or will be secured by a deed of trust or mortgage encumbering the Property (the "Deed of Trust").

C. Tenant and Borrower (as "Landlord") entered into a lease dated \_\_\_\_\_ (the "Lease") under which Borrower leased to Tenant a portion of the Improvements located within the Property and more particularly described in the Lease (the "Premises").

D. Tenant is willing to agree to subordinate certain of Tenant's rights under the Lease to the lien of the Deed of Trust and to attorn to Lender on the terms and conditions of this Agreement. Tenant is willing to agree to such subordination and attornment and other conditions, provided that Lender agrees to a non-disturbance provision, all as set forth more fully below.

**Agreement**

Therefore, the parties agree as follows:

1. Subordination. The lien of the Deed of Trust and all amendments, modifications and extensions thereto shall be and remain at all times a lien on the Property prior and superior to the Lease, except that if Tenant is granted any option to extend the Term of the Lease, right of first offer to lease additional premises or option to purchase the Property or right of first offer to purchase the Property in the Lease, such provisions shall not be affected or diminished by any such subordination.

2. Definitions of "Transfer of the Property" and "Purchaser". As used herein, the term "Transfer of the Property" means any transfer of Borrower's interest in the Property by foreclosure, trustee's sale or other action or proceeding for the enforcement of the Deed of Trust or by deed in lieu thereof. The term "Purchaser", as used herein, means any transferee, including Lender, of the interest of Borrower as a result of any such Transfer of the Property and also includes any and all successors and assigns, including Lender, of such transferee.

3. Non-disturbance. The enforcement of the Deed of Trust shall not terminate the Lease or disturb Tenant in the possession and use of the leasehold estate created thereby.

4. Attornment. Subject to Section 3 above, if any Transfer of the Property should occur, Tenant shall and hereby does attorn to Purchaser, including Lender if it should be the Purchaser, as the landlord under the Lease, and Tenant shall be bound to Purchaser under all of the terms, covenants and conditions of the Lease for the balance of the Lease term and any extensions or renewals of it which may then or later be in effect under any validly exercised extension or renewal option contained in the Lease, all with the same force and effect as if Purchaser had been the original landlord under the Lease. This attornment shall be effective and self-operative without the execution of any further instruments upon Purchaser's succeeding to the interest of the landlord under the Lease.

5. Lender Not Obligated. Lender, if it becomes the Purchaser or if it takes possession under the Deed of Trust, and any other Purchaser shall not:

(a) be liable for any damages or other relief attributable to any act or omission of any prior Landlord under the Lease, including Borrower, unless such act or omission continues after the date that Lender or Purchaser succeeds to the interest of such prior landlord; or

(b) be subject to any offset or defense not specifically provided for in the Lease which Tenant may have against any prior landlord under the Lease, unless resulting from a default or breach by such prior landlord which continues after Lender or Purchaser succeeds to the interest of such prior landlord; and provided that any offsets deducted by Tenant prior to the date that Lender or Purchaser succeeds to the interest of such prior landlord shall not be subject to challenge; or

(c) be bound by any prepayment by Tenant of more than one (1) month's installment of rent, unless the Lease expressly requires such prepayment; or

(d) be obligated for any security deposit not actually delivered to Purchaser; or

(e) be bound by any modification or amendment of or to the Lease which materially increases Landlord's obligations under the Lease or materially decreases Tenant's obligation under the Lease, unless Lender has approved such modification or amendment in writing, which approval shall not be unreasonably withheld, conditioned or delayed.

6. Notices. All notices given under this Agreement shall be in writing and shall be given by personal delivery, overnight receipted courier or by registered or certified United States mail, postage prepaid, sent to the party at its address appearing below. Notices shall be effective upon receipt (or on the date when proper delivery is refused). Addresses for notices may be changed by any party by notice to all other parties in accordance with this Section.

To Lender: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To Borrower: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To Tenant: County of Los Angeles  
Chief Executive Office  
Real Estate Division  
320 W. Temple Street, 7th Floor  
Los Angeles, California 90012  
Attention: Director of Real Estate

7. Miscellaneous Provisions. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns. This Agreement is governed by the laws of the State of California without regard to the choice of law rules of that State.



TENANT: COUNTY OF LOS ANGELES,  
a body corporate and politic

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

BORROWER: *[Insert name of Landlord]*

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

LENDER: *[Insert name of Lender],*

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



## EXHIBIT F

### TENANT ESTOPPEL CERTIFICATE

To: [Insert name of party to rely on document]

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

Re:    Date of Certificate: \_\_\_\_\_  
      Lease Dated: \_\_\_\_\_  
      Current Landlord: \_\_\_\_\_  
      Located at: \_\_\_\_\_  
      Premises: \_\_\_\_\_  
      Commencement Date of Term: \_\_\_\_\_  
      Expiration Date: \_\_\_\_\_  
      Current Rent: \_\_\_\_\_

County of Los Angeles ("Tenant") hereby certifies that, to its actual knowledge, as of the date hereof:

1.     Tenant is the present holder of the tenant's interest under the lease described above, as it may be amended to date (the "Lease"). The Lease covers the premises described above (the "Premises") in the building (the "Building") at the address set forth above.

2.     (a)    A true, correct and complete copy of the Lease (including all modifications, amendments, supplements, side letters, addenda and riders of and to it) is attached to this Certificate as Exhibit A.

      (b)    The current Rent is set forth above.

      (c)    The term of the Lease commenced on the Commencement Date set forth above and will expire on the Expiration Date set forth above, including any presently exercised option or renewal term. Tenant has no option or right to renew, extend or cancel the Lease, or to lease additional space in the Premises or Building, or to use any parking other than that specified in the Lease.

      (d)    Except as specified in the Lease, Tenant has no option or preferential right to purchase all or any part of the Premises (or the land of which the Premises are a part).

      (e)    Tenant has made no agreement with Landlord or any agent, representative or employee of Landlord concerning free rent, partial rent, rebate of rental payments or any other similar rent concession except as expressly set forth in the Lease.

3.     (a)    The Lease constitutes the entire agreement between Tenant and Landlord with respect to the Premises, has not been modified changed, altered or amended, except as set forth in Exhibit A, and is in full force and effect. There are no other agreements, written or oral, which affect Tenant's occupancy of the Premises.

[(b) To the knowledge of Tenant, Tenant has not given Landlord written notice of a material default under the Lease which has not been cured.]

(c) Tenant's interest in the Lease has not been assigned or encumbered.

(d) Tenant is not entitled to any credit against any rent or other charge or rent concession under the Lease, except as set forth in the Lease.

(e) No rental payments have been made more than one (1) month in advance.

4. All contributions required to be paid by Landlord to date for improvements to the Premises have been paid in full, and all of Landlord's obligations with respect to Landlord Work have been fully performed, except: \_\_\_\_\_.

IN WITNESS WHEREOF, the Tenant has executed this Tenant Estoppel Certificate as of the day set forth above.

COUNTY OF LOS ANGELES,  
a body corporate and politic

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

# EXHIBIT G

## COMMUNITY BUSINESS ENTERPRISE FORM

INSTRUCTIONS: All Landlords shall submit this form on an annual basis on or before December 30th of each year of the term of this agreement as evidence of MBE/WBE participation. The information requested below is for statistical purposes only. The final analysis and consideration of the lease will be determined without regard to race, creed, color or gender. *(Categories listed below are based on those described in 49 CFR Section 23.5)*

### I. Minority/Women Participation in Firm (Partners, Associate Partners, Managers, Staff, etc.)

1. Firm Name: _____		3. Contact Person/Telephone Number: _____				
2. Address: _____		_____				
_____		_____				
_____		4. Total number of employees in the firm: _____				
5. Provide the number of all minority employees and women in each category.	Owners, Partners and Associate Partners		Managers		Staff	
	All O,P & AP	Women	All Managers	Women	All Staff	Women
Black/African American						
Hispanic/Latin American						
Asian American						
Portuguese American						
American Indian/Alaskan Native						
All Others						

### II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM

1. Type of Business Structure: (Corporation, Partnership, Sole Proprietorship, Etc.) \_\_\_\_\_

2. Total Number of Ownership/Partners, Etc.: _____			<b>III. MINORITY/WOMEN-OWNED FIRM CERTIFICATION</b>		
3. Provide the percentage of ownership in each	All Employee	Women	Is your firm currently certified as a minority owned business firm by the:		
Black/African American			State of California? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Hispanic/Latin American			City of Los Angeles? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Asian American			Federal Government? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Portuguese American			<b>Section D. OPTION TO PROVIDE REQUESTED INFORMATION</b>		
American Indian/Alaskan Native			<input type="checkbox"/> We do not wish to provide the information required in this form.		
All Others			Firm Name: _____		
			Signature/Title: _____		
			Date: _____		

**EXHIBIT H**

**MEMORANDUM OF LEASE**

**RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:**

County of Los Angeles  
Chief Executive Office  
Real Estate Division  
320 W. Temple Street, 7th Floor  
Los Angeles, California 90012  
Attention: Director of Real Estate

This document is recorded for the benefit of the County of Los Angeles and recording is exempt from recording fees pursuant to California Government Code Section 27383. This transaction is exempt from documentary transfer tax pursuant to California Revenue and Taxation Code Section 11922.

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**MEMORANDUM OF LEASE**

This Memorandum of Lease ("Memorandum") is made and entered into by and between \_\_\_\_\_, a \_\_\_\_\_ (the "Landlord"), and the COUNTY OF LOS ANGELES, a public body corporate and politic, duly organized and existing under the laws of the State of California (the "Tenant"), who agree as follows:

Landlord and Tenant have entered into an unrecorded lease dated \_\_\_\_\_, 20\_\_ (the "Lease") of certain real property located in the County of Los Angeles, State of California, described in Exhibit A attached hereto and incorporated herein by reference, for a term commencing on \_\_\_\_\_, 20\_\_, and ending on a date \_\_\_\_\_ years after the commencement date, unless such term is extended or sooner terminated pursuant to the terms and conditions set forth in the Lease.

This Memorandum has been prepared for the purpose of giving notice of the Lease and of its terms, covenants, and conditions, and for no other purposes. The provisions of this Memorandum shall not in any way change or affect the provisions of the Lease, the terms of which remain in full force and effect.

Dated: \_\_\_\_\_, 20\_\_.

LANDLORD:

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_  
  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

TENANT:

COUNTY OF LOS ANGELES,  
a body corporate and politic

FESIA A. DAVENPORT  
Chief Executive Officer

By: \_\_\_\_\_  
Dean Lehman, P.E.  
Senior Manager, Property Division

ATTEST:

DEAN C. LOGAN  
Recorder/County Clerk  
of the County of Los Angeles

By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

RODRIGO A. CASTRO-SILVA  
County Counsel

By: \_\_\_\_\_  
Deputy

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) SS.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, before me,

\_\_\_\_\_ Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")  
personally appeared \_\_\_\_\_,

Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature (Seal)



**EXHIBIT I**  
**TENANT'S DESIGN**

Exhibit I shall be those plans and specifications which have been provided to Landlord and approved by Tenant dated October 10, 2020 and labeled as **“Department of Public Social Services Information Technology Division ITD TI Data, Power & AC Scope of Work”**.

## BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

☒ Board Letter

☐ Board Memo

☐ Other

<b>OPS CLUSTER AGENDA REVIEW DATE</b>	6/23/2021	
<b>BOARD MEETING</b>	7/13/2021	
<b>DELEGATED AUTHORITY BOARD LETTER</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	ALL DISTRICTS	
<b>DEPARTMENT</b>	CHIEF EXECUTIVE OFFICE	
<b>SUBJECT</b>	COUNTYWIDE CLASSIFICATION ACTIONS	
<b>PROGRAM</b>		
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If Yes, please explain why:	
<b>DEADLINES/ TIME CONSTRAINTS</b>		
<b>COST &amp; FUNDING</b>	Total cost: \$53,000 (savings) (all funds) \$3,500 (NCC)	Funding source:
	TERMS (if applicable):	
	Explanation:	
<b>PURPOSE OF REQUEST</b>		
<b>BACKGROUND (include internal/external issues that may exist)</b>	<p>This Board Letter includes:</p> <ol style="list-style-type: none"> <li>1. Add one (1) unclassified classification: <ul style="list-style-type: none"> <li>• Director, Patient Access and Experience (UC) (4580) (R18) \$16,227.75 - \$25,237.48 (Control Point \$20,955.75) This classification is being established to have administrative and executive management responsibility for the operational infrastructure of critical patient support and patient access services that significantly impact effectiveness and efficiency for delivery of care across multiple hospitals and clinic platforms within the Department of Health Services.</li> </ul> </li> <li>2. Add one (1) new classification: <ul style="list-style-type: none"> <li>• Park Aide, NC (9333) Flat Hourly Rate (\$15.00) This classification is being established to have responsibility for administrative and executive management for assisting in facilitating a variety of recreation programs and services within an assigned region of the Department of Parks and Recreation. The creation of this classification will allow the department to hire seasonal recreation staff more efficiently and provide employment opportunities in communities served. This classification will also assist the department in expanding recreation programming on a Countywide basis.</li> </ul> </li> <li>3. Title change one (1) classification: <ul style="list-style-type: none"> <li>• Head Child Support Officer (1618) This classification is recommended for a title change to Program Manager, Child Support Services in the Department of Child Support Services. The title change will align the classification with a recently updated classification specification and changes to the duties required for the job. These updates were made as a result of a collaborative effort between departmental management and the subject matter experts to ensure the classification captures the full scope of responsibility and oversight assigned.</li> </ul> </li> <li>4. Reclassification of six (6) positions in the Departments of Health Services, Mental Health, and Parks and Recreation.</li> </ol>	
<b>DEPARTMENTAL AND OTHER CONTACTS</b>	Name, Title, Phone # & Email: Irish Wong, Principal Analyst, (213) 893-7818, iwong@ceo.lacounty.gov Alex Evans, Principal Analyst, (213) 893-2370, aevans@ceo.lacounty.gov Tommy Patikamanant, Senior Analyst, (213) 893-0355, tpatikamanant@ceo.lacounty.gov Vanessa Tuculet, CEO Analyst, (213) 974-4016, vtuculet@ceo.lacounty.gov Latosha Thomas, Administrative Services III, (323) 914-5045, LThomas2@dhs.lacounty.gov	



**CEO July 13, 2021  
General Reclass  
Board Letter Summary**

CEO Classification Contact Information:

Irish Wong, Principal Analyst, (213) 893-7818, [iwong@ceo.lacounty.gov](mailto:iwong@ceo.lacounty.gov)

Alex Evans, Principal Analyst, (213) 893-2370, [aevans@ceo.lacounty.gov](mailto:aevans@ceo.lacounty.gov)

Tommy Patikamanant, Senior Analyst, (213) 893-0355, [tpatikamanant@ceo.lacounty.gov](mailto:tpatikamanant@ceo.lacounty.gov)

Vanessa Tuculet, CEO Analyst, (213) 974-4016, [vtuculet@ceo.lacounty.gov](mailto:vtuculet@ceo.lacounty.gov)

Latosha Thomas, Administrative Services III, (323) 914-5045, [LThomas2@dhs.lacounty.gov](mailto:LThomas2@dhs.lacounty.gov)

This Board Letter includes:

1. Add one (1) unclassified classification:

- Director, Patient Access and Experience (UC) (4580)  
(R18) \$16,227.75 - \$25,237.48 (Control Point \$20,955.75)

This classification is being established to have administrative and executive management responsibility for the operational infrastructure of critical patient support and patient access services that significantly impact effectiveness and efficiency for delivery of care across multiple hospitals and clinic platforms within the Department of Health Services. Areas of responsibility include scheduling specialty and primary care and ancillary services, the Nurse Advice Line/Physician After Hours Line, emergency room and urgent care clinic patient registrations, language access services, transfer center, patient relations, patient engagement and patient-facing communication, financial clearance, patient financial services, and billing inquiries.

2. Add one (1) new classification:

- Park Aide, NC (9333) Flat Hourly Rate (\$15.00)

This classification is being established to have responsibility for administrative and executive management for assisting in facilitating a variety of recreation programs and services within an assigned region of the Department of Parks and Recreation. The creation of this classification will allow the department to hire seasonal recreation staff more efficiently and provide employment opportunities in communities served. This classification will also assist the department in expanding recreation programming on a Countywide basis.

3. Title change one (1) classification:

- Head Child Support Officer (1618)

This classification is recommended for a title change to Program Manager, Child Support Services in the Department of Child Support Services. The title change will align the classification with a recently updated classification specification and changes to the duties required for the job. These updates were made as a result of a collaborative effort between departmental management and the subject matter experts to ensure the classification captures the full scope of responsibility and oversight assigned.



**CEO July 13, 2021  
General Reclass  
Board Letter Summary**

4. Reclassification of six (6) positions in the Departments of Health Services, Mental Health, and Parks and Recreation.

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FESIA A. DAVENPORT  
Chief Executive Officer

## County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

Board of Supervisors  
HILDA L. SOLIS  
First District

HOLLY J. MITCHELL  
Second District

SHEILA KUEHL  
Third District

JANICE HAHN  
Fourth District

KATHRYN BARGER  
Fifth District

July 13, 2021

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

### **COUNTYWIDE CLASSIFICATION ACTIONS (ALL DISTRICTS - 3 VOTES)**

#### **SUBJECT**

This letter and accompanying ordinance will update the tables of classes of positions and the departmental staffing provisions by adding one (1) unclassified classification and one (1) new classification; by changing the title of one (1) non-represented classification; and by reclassifying positions in various County departments.

#### **IT IS RECOMMENDED THAT THE BOARD:**

Approve the accompanying ordinance amending Title 6, Salaries, of the County Code to add one (1) unclassified classification in the Department of Health Services (DHS); to add one (1) new classification for the Department of Parks and Recreation (DPR); to change the title of one (1) non-represented classification for the Department of Child Support Services (DCSS); and to reclassify six (6) positions in DHS, Department of Mental Health, and DPR.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The Board of Supervisors (Board) has requested submission of classification letters on a periodic basis throughout the year to implement recommended actions in a timely manner. Approval will provide the ordinance authority for County departments to implement the classification and compensation changes in this letter.

These recommendations will ensure the proper classification and compensation of positions based upon the duties and responsibilities assigned to these jobs and as performed by the incumbents (Attachments A and B). This is a primary goal of the County's classification and compensation system.

These actions are recommended based upon generally accepted professional principles of classification and compensation. Furthermore, these actions are important in addressing departmental operational needs and in maintaining consistency in personnel practices throughout the County. The proper classification and compensation of positions facilitates efficient business operations and can reduce the number of costly personnel-related problems.

#### New Unclassified Classification

We are recommending the Director, Patient Access and Experience (UC) (Item No. 4580) classification to be established for DHS as part of the Health Services Administration Series (Attachment A). The classification has administrative and executive management responsibility for the operational infrastructure of critical patient support and patient access services for DHS. This single-position classification reports to and works under the guidance of the Director of Health Services and has management responsibility for key patient support activities that significantly impact effectiveness and efficiency for delivery of care across multiple hospitals and clinic platforms. Areas of responsibility include scheduling specialty and primary care and ancillary services, the Nurse Advice Line/Physician After Hours Line, emergency room and urgent care clinic patient registrations, language access services, transfer center, patient relations, patient engagement and patient-facing communication, financial clearance, patient financial services, and billing inquiries.

#### New Classification

We are recommending the establishment of the Park Aide, NC (Item No. 9333) classification for DPR (Attachment A). This classification will be responsible for assisting in facilitating a variety of recreation programs and services within an assigned region of the department. The creation of this classification will allow the department to hire seasonal recreation staff more efficiently and provide employment opportunities in communities served. This classification will also assist the department in expanding recreation programming on a Countywide basis.

### Title Change

We are recommending a title change for the Head Child Support Officer (Item No. 1618) classification to Program Manager, Child Support Services in DCSS (Attachment A). The title change will align the classification with a recently updated classification specification and changes to the duties required for the job. These updates were made as a result of a collaborative effort between departmental management and the subject matter experts to ensure the classification captures the full scope of responsibility and oversight assigned.

### Reclassifications

There are six (6) positions in three (3) departments being recommended for reclassification (Attachment B). The duties and responsibilities assigned to these positions have changed since the original allocations were made. The positions would be appropriately classified in the recommended classes.

### Implementation of Strategic Plan Goals

Approval of the accompanying ordinance will further the County Strategic Plan Goal III – Realize Tomorrow's Government Today. Specifically, it will address Strategy III.3 to Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability.

### FISCAL IMPACT/FINANCING

The projected budgeted annual savings resulting from these recommended actions is estimated to total \$53,000 (all funds). Net County cost is estimated to be \$3,500. Cost increases associated with upward reclassification actions will be absorbed within the Adopted Budget for each affected department. No additional funding is required.

### FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The County Charter authorizes the establishment and maintenance of "a classification plan and the classification of all positions." This responsibility is further delineated in Civil Service Rule 5.

Appropriate notifications have been made to the impacted employee organizations regarding the recommended classification actions. The accompanying ordinance implementing amendments to Title 6, Salaries, of the County Code, has been approved as to form by County Counsel.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of these classification recommendations will enhance the operational effectiveness of the departments through the proper classification and compensation of positions.

Respectfully submitted,

FESIA A. DAVENPORT  
Chief Executive Officer

FAD:JMN:AC:AYH  
IW:KP:mmg

Enclosures

c: Executive Office, Board of Supervisors  
County Counsel  
Auditor-Controller  
Human Resources  
Affected Departments



## CLASSIFICATION PLAN CHANGES

### ATTACHMENT A

#### UNCLASSIFIED CLASSIFICATION RECOMMENDED FOR ADDITION TO THE CLASSIFICATION PLAN

Proposed Savings/ Cafeteria Benefit Plan	Item No.	Title	Recommended Salary Schedule and Level	
Savings/ Megaflex	4580	Director, Patient Access and Experience (UC)	N23	R18

#### CLASSIFICATION RECOMMENDED FOR ADDITION TO THE CLASSIFICATION PLAN

Proposed Savings/ Cafeteria Benefit Plan	Item No.	Title	Recommended Salary Schedule and Level	
Horizons/ Options	9333	Park Aide, NC	N1	FH

#### NON-REPRESENTED CLASSIFICATION RECOMMENDED FOR TITLE CHANGE IN THE CLASSIFICATION PLAN

Item No.	Current Title	Recommended New Title
1618	Head Child Support Specialist	Program Manager, Child Support Services

## DEPARTMENTAL RECLASSIFICATION RECOMMENDATIONS

### ATTACHMENT B

#### DHS – ADMINISTRATION

No of Pos.	Present Classification	No of Pos.	Classification Findings
1	Nurse Practitioner Item No. 5121A N21 RN13 Represented	1	Senior Clinical Social Worker Item No. 9019A NMO 99L Represented

The subject position was allocated as part of a multi-disciplinary team in conjunction with the implementation of Measure H, specifically within Housing for Health, Countywide Benefits Entitlement Services Teams (CBEST), which assists individuals experiencing homelessness with complex health and/or behavioral conditions. CBEST staff identifies and supports individuals experiencing or at risk of experiencing homelessness who are likely eligible for Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI), or Cash Assistance Program for Immigrants (CAPI) benefits due to medical impairment. CBEST assists individuals by submitting a successful Social Security Administration (SSA) application to obtain sustainable income, through federal and State programs, including SSI and/or SSDI, and CAPI.

Based on the demands of the mental health records review and assessment, the duties and responsibilities of the subject position meet the classification standards for Senior Clinical Social Worker. This classification is responsible for developing social/emotional assessments; formulating diagnoses and treatment plans based upon evaluation of the patient's past, present, and future medical and socioeconomic functioning; and writing case summaries and reports documenting the social/emotional assessments and diagnoses made and treatment rendered in accordance with applicable regulatory standards for medical treatment. Therefore, we recommend downward reclassification to Senior Clinical Social Worker.

## DEPARTMENTAL RECLASSIFICATION RECOMMENDATIONS

### ATTACHMENT B

#### DHS – AMBULATORY CARE NETWORK

No of Pos.	Present Classification	No of Pos.	Classification Findings
1	Dentist Item No. 4763A N42 D01 Represented	1	Senior Dentist Item No. 4766A N42 D02 Represented

The subject position reports to a Senior Physician and is assigned to the dental clinic at Mid Valley Comprehensive Health Center. The subject position is responsible for the day-to-day operations of the dental clinic in addition to providing dental services. In this role, the subject position provides administrative and technical supervision to two (2) dental assistants. This includes planning, assigning, and evaluating employee performance; providing supervision of continuing professional education and training; updating policies and procedures; determining dental equipment and supply needs; projecting budgetary needs for the dental clinic; coordinating the dental care provided by dental specialists; and monitoring and maintaining infection control records.

Based on the information provided, the duties and responsibilities of the subject position are consistent with the scope and level of a Senior Dentist, a class that heads a small dental program at a County hospital or institution. Therefore, we recommend upward reclassification to Senior Dentist.

## DEPARTMENTAL RECLASSIFICATION RECOMMENDATIONS

### ATTACHMENT B

#### MENTAL HEALTH

No of Pos.	Present Classification	No of Pos.	Classification Findings
1	Mental Health Services Coordinator I Item No. 8148A N3MO 96J Represented	1	Psychiatric Social Worker II Item No. 9035A N3MWO 96K Represented
1	Rehabilitation Counselor II Item No. 8593A NMO 88D Represented	1	Medical Case Worker II Item No. 9002A NMO 87J Represented

The subject Mental Health Services Coordinator I position reports to a Mental Health Clinical Supervisor and is allocated to the Rio Hondo Mental Health Clinic, where it functions as a member of a multidisciplinary team tasked with providing clinical services to clients. Duties include conducting clinical intake assessments for clients to determine medical necessity for specialty mental health services; providing targeted case management, linkage, and referral services to clients; developing treatment plans; and conducting psychiatric 5150 evaluations including process involuntary 72-hour holds when a person is determined to be a danger to themselves or others. The duties and responsibilities meet the classification criteria for the Psychiatric Social Worker II, a class that is responsible for providing a variety of social work treatment and supportive services to clients. Therefore, we recommend upward reclassification to Psychiatric Social Worker II.

The subject Rehabilitation Counselor II position reports to a Mental Health Clinical Supervisor and is allocated to the Hollywood Mental Health Clinic, where it functions as a member of a multidisciplinary team tasked with providing case management and referral services to clients. Specifically, the subject position works with clients on establishing a path toward recovery and wellness through a multidisciplinary team approach. Duties include providing targeted case management, linkage, and referral services to clients; participating in the development of treatment plans; and participating in processing involuntary 72-hour holds when a person is determined to be a danger to themselves or others. The duties and responsibilities meet the allocation criteria for the Medical Case Worker II, a class that is responsible for providing case management and supportive services to clients. Therefore, we recommend downward reclassification to Medical Case Worker II.

## DEPARTMENTAL RECLASSIFICATION RECOMMENDATIONS

### ATTACHMENT B

#### PARKS AND RECREATION

No of Pos.	Present Classification	No of Pos.	Classification Findings
1	Administrative Services Manager III Item No. 1004A NMO 114K Non-Represented	1	Regional Operations Manager, Parks & Recreation Item No. 8773A N23 S11 Non-Represented
1	Intermediate Clerk Item No. 1138A NMVO 71C Represented	1	Warehouse Worker Aid Item No. 2329A NMO 75A Represented

The subject Administrative Services Manager III position reports to an Administrative Deputy II (UC) and is located within the Contracts Division of the Administrative Services Agency. The subject position is responsible for negotiating and conducting complex solicitations; evaluating bids for services, concessions, land leases, equipment, fixed assets, supplies, materials management, and inventory; and providing oversight of five warehouses. The duties and responsibilities meet the allocation standards of Regional Operations Manager, Parks and Recreation (ROM). Positions allocable to this class are responsible for assisting in the overall direction of park operations and are allocated to management assignments within the department. As contracts management aligns closely to the assignments currently allocated to the ROM class, we recommend downward reclassification to Regional Operations Manager, Parks and Recreation.

The subject Intermediate Clerk position reports to a Warehouse Worker III and assists with the operation of the department's Warehouse Unit. The subject position is responsible for loading and unloading items from delivery trucks, reconciling packing slips with the products received, product stocking, and data entry. The subject position performs other specialized duties related to the department's supply operation, including delivery verification, and inventory control. The duties and responsibilities meet the allocation criteria for Warehouse Worker Aid, a class responsible for assisting higher-level warehouse workers by performing manual and clerical tasks normally associated with a supply operation. Therefore, we recommend upward reclassification to Warehouse Worker Aid.

## **ANALYSIS**

This ordinance amends Title 6 - Salaries of the Los Angeles County Code by:

- Adding and establishing the salary for one unclassified classification and one employee classification;
- Changing the title of one employee classification; and
- Adding, deleting, and/or changing certain employee classifications and number of

ordinance positions in the departments of Child Support Services, Health Services, Mental Health, and Parks and Recreation.

RODRIGO CASTRO-SILVA  
County Counsel

By:

RICHARD D. BLOOM  
Principal Deputy County Counsel  
Labor & Employment Division

RDB:

**ORDINANCE NO. \_\_\_\_\_**

An ordinance amending Title 6 - Salaries of the Los Angeles County Code to add and establish the salaries for one unclassified classification and one employee classification; change the title of one employee classification; and add, delete, and/or change certain employee classifications and number of ordinance positions in various departments to implement the findings of classification studies.

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

**SECTION 1.** Section 6.28.050 (Tables of Classes of Positions with Salary Schedule and Level) is hereby amended to add the following classes:

ITEM NO.	TITLE	EFFECTIVE DATE	SALARY OR SALARY SCHEDULE AND LEVEL		
<u>4580</u>	<u>DIRECTOR,PATIENT ACCESS AND EXPERIENCE(UC)</u>	_____ *	<u>N23</u>	<u>R18</u>	
<u>9333</u>	<u>PARK AIDE,NC</u>	_____ *	<u>N1</u>	<u>FH</u>	<u>15.00</u>

\*The Executive Office/Clerk of the Board of Supervisors shall insert the effective date for the salary or salary schedule and level in the space provided for the classifications added to Section 6.28.050 of the County Code.

**SECTION 2.** Section 6.28.050 (Tables of Classes of Positions with Salary Schedule and Level) is hereby amended to change the title of the following class:

ITEM NO.	TITLE
1618	<u>HEAD CHILD SUPPORT SPECIALIST</u> <u>PROGRAM MANAGER,CHILD SUPPORT SERVICES</u>

**SECTION 3.** Section 6.55.010 (Child Support Services Department) is hereby amended to change the title of the following class:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
1618A	33	<del>HEAD CHILD SUPPORT SPECIALST</del> <u>PROGRAM MANAGER,CHILD SUPPORT SERVICES</u>

**SECTION 4.** Section 6.78.010 (Department of Health Services – Administration) is hereby amended to change the number of ordinance positions for the following classes:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
5121A	24 <u>23</u>	NURSE PRACTITIONER
9019A	-4 <u>5</u>	SENIOR CLINICAL SOCIAL WORKER

**SECTION 5.** Section 6.78.090 (Department of Health Services – Ambulatory Care Network) is hereby amended to add the following class and number of ordinance positions:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
<u>4766A</u>	<u>1</u>	<u>SENIOR DENTIST</u>

**SECTION 6.** Section 6.78.090 (Department of Health Services – Ambulatory Care Network) is hereby amended to change the number of ordinance positions for the following class:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
4763A	2 <u>1</u>	DENTIST



**SECTION 7.** Section 6.86.010 (Department of Mental Health) is hereby amended to change the number of ordinance positions for the following classes:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
9002A	<del>297</del> <u>298</u>	MEDICAL CASE WORKER II
8148A	<del>64</del> <u>63</u>	MENTAL HEALTH SERVICES COORD I
9035A	<del>1305</del> <u>1306</u>	PSYCHIATRIC SOCIAL WORKER II
8593A	<del>3</del> <u>2</u>	REHABILITATION COUNSELOR II

**SECTION 8.** Section 6.94.010 (Department of Parks and Recreation) is hereby amended to delete the following classes and number of ordinance positions:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
1004A	<del>4</del>	<del>ADMINISTRATIVE SERVICES MANAGER III</del>
1138A	<del>4</del>	<del>INTERMEDIATE CLERK</del>

**SECTION 9.** Section 6.94.010 (Department of Parks and Recreation) is hereby amended to add the following class and number of ordinance positions:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
<u>2329A</u>	<u>1</u>	<u>WAREHOUSE WORKER AID</u>

**SECTION 10.** Section 6.94.010 (Department of Parks and Recreation) is hereby amended to change the number of ordinance positions for the following class:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
8773A	6 <u>7</u>	REGIONAL OPERATIONS MGR,PARKS & REC

**SECTION 11.** Pursuant to Government Code Section 25123(f), this ordinance shall take effect immediately upon final passage.

[678010GENRECLASSKPCEO]

**County of Los Angeles  
POSITION DESCRIPTION**

**TITLE:** DIRECTOR, PATIENT ACCESS AND EXPERIENCE

**ITEM NUMBER:** 4580

**APPROVAL DATE:** TBD

**DEFINITION:**

Has overall administrative and executive management responsibility for the operational infrastructure of critical patient support and patient access services for the Department of Health Services (DHS).

**STANDARDS:**

This single-position class reports to and works under the guidance of the Director of Health Services and has management responsibility for key patient support activities that significantly impact effectiveness and efficiency of delivery of care. The position has primary oversight for patient access services, including the call centers (scheduling Specialty, Primary Care, Ancillary services, etc.), the Nurse Advice Line/Physician After-Hours Line, Patient Registration (ED/UCC), Language Access Services, Transfer Center for hospitalized patients, Patient Relations, Patient Engagement and Patient-Facing Communication, and Financial Clearance, Patient Financial Services/Billing Inquiry.

This unclassified position has primary responsibility for identifying and building system and process standardization of patient access operations, ensuring utilization of best practices, work integration, and communication of these services across all facilities in DHS. In addition, the position oversees operations through multiple managers assigned to central and facility operations, provides leadership and expertise in managing all aspects of patient access areas, and sets strategic priorities, determines goals, and ensures operational goals are met. The position works in conjunction with other areas of executive management, facility managers, and others to ensure patient engagement and service goals are accomplished.

**EXAMPLES OF DUTIES:**

Directs the planning, development, implementation, and administration of all aspects of Patient Access operations, programs, and services and identifies and sets strategic priorities. Assesses patient access operations in DHS and ensures compliance with professional and legal standards.

Provides leadership and administrative oversight of the Office of Patient Access (OPA). Oversees OPA's budget and monitors overall spending and hiring, and ensures existing resources are maximized to support the strategic direction of the organization. Directs budget and financial procedures and records, including development of strategic

partnerships with other governmental and private agencies, and other forms of resource development.

Directs and oversees human resource activities for assigned areas, including performance management, recruitment, and retention. Creates and continually reviews and refines organizational structure to meet departmental needs.

Oversees policies, procedures, workflows, strategies, initiatives, training and performance improvement in core areas to improve delivery of services, patient outreach and engagement.

Works with executive management to develop strategic objectives to meet departmental needs and system-wide strategic plan and priorities and ensures effective and creative programs and services are integrated into project design and budget for OPA.

Directs and controls operations and performance improvement of a large central call center, which is operational 24 hours a day, 7 days a week with numerous programmatic lines to link patients to primary, specialty care, substance use, and obstetric services, after-hours physicians, nurse advice, and any of programs determined to be of strategic priority or operationally aligned with the existing programs.

Oversees development and implementation of policies, procedures, workflows, workgroups, system optimization (including the electronic health record system for Scheduling and Registration), metrics, training, quality monitoring and internal communication for patient access staff system-wide.

Directs the front-end of the revenue cycle, including patient-facing operations responsible for screening and identifying coverage, scheduling and registration, completing program applications and enrollment, and obtaining authorization for treatment to help patients obtain the maximum coverage possible and receive services within DHS at no or low-cost.

Collaborates with Central Business Office to generate patient bills and assist patients with billing inquiries and payments, intake and processing of Medi-Cal and other program applications.

Directs the work of the Office of Language Access and Inclusion to develop system-wide comprehensive Language Access Services Program to ensure patients receive communication about their health care in a linguistically and culturally appropriate manner, improve care, increase patient satisfaction and meaningful engagement, and reduce adverse events and health disparities.

Directs the analysis of service utilization trends and interpretation of applicable local, State and Federal regulations and guidelines on programmatic and administrative manners.

Responsible for annual internal and external health plan access and availability and after-hours surveys, which are required by Federal and State entities.

Oversees response to information requests or requests for corrective action plans from health plans or other regulatory agencies pertaining to access to services and language access, including information on policies, procedures, quality monitoring, metrics, and improvement plans.

Directs the work of the Transfer Center to repatriate DHS' assigned and empaneled patients in out-of-network hospitals to come back into County hospitals, facilitate better care coordination and reduce out-of-network costs.

Directs the collaboration with hospital management and Emergency Medical Systems Medical Alert Center to monitor capacity, develop policies and workflows, and address challenges.

Direct patient-facing communication with system-wide impact, such as population-based health care related notifications, appointment reminders, outreach letters and other patient-engagement materials, and access related portions of the external website.

Directs the alignment of patient-facing communication with the DHS mission/vision and strategic plan in collaboration and with internal staff messaging.

Directs system-wide patient experience work related to access and engagement, including review and analysis of patient satisfaction surveys, engagement of patient-family advisory councils (PFACs), and system-wide strategies for improvement.

Directs the development, implementation, and monitoring of internal systems to track demographic information and outcome measures. Ensures that outcome information is used by staff to continuously monitor and improve patient outreach and experience.

Collaborates with local, public, private, and nonprofit leaders to craft and implement systems changes.

Coordinates labor-management partnership activities across the department to optimize relationships with organized labor and facilitate program improvements. Implements and monitors memorandums of understanding with vendors, agencies, and institutions as necessary analysis of service utilization trends.

#### **MINIMUM REQUIREMENTS:**

Graduation from an accredited college or university with a Bachelor's degree Business or Public Health Administration, or a closely related field -AND- Five (5) years of progressively responsible management experience in patient-facing health care operations for a multi-hospital healthcare system, overseeing work in insurance verification, call center operations, language interpretation services, and patient transfer and out-of-network utilization management, and patient outreach and engagement.

**DESIRABLE QUALIFICATIONS:**

- Thorough knowledge and demonstrated experience in various patient access operations and programs and related Federal and State laws and regulations.
- Thorough knowledge and demonstrated experience in providing administrative patient access services in a complex healthcare delivery system or network.
- Thorough knowledge and demonstrated experience in management and organizational principles necessary to analyze, evaluate, coordinate and oversee a variety of patient access operations.
- Thorough knowledge and demonstrated experience in managing through subordinate managers and subordinates in strategic planning, business plan development, performance-based management, budget and financial planning techniques.
- Excellent analytical skills, including the ability to think strategically and creatively on complex operational issues.
- Understanding of hospital and clinic operational processes and the ability to increase efficiency and effectiveness.
- Strong ability to use data to manage work.
- Experience working with public officials, other public agencies, legislative bodies, and community groups.

**LICENSE:**

A valid California Class C Driver's License or the ability to utilize an alternative method of transportation when needed to carry out job-related essential functions.

**PHYSICAL CLASS:**

2 – Light.