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COUNTY OF LOS ANGELES
**DEPARTMENT OF CONSUMER
AND BUSINESS AFFAIRS**

"To Enrich Lives Through Effective and Caring Service"



Joseph M. Nicchitta
Director

Joel Ayala
Chief Deputy

Rafael Carbajal
Chief Deputy

**Hearing Officer/Department of
Consumer & Business Affairs**

Hearing Date
09/26/2019
Agenda Item No.
2

Transmittal Checklist

Petitioner Name: Carlos Cruz Reyes
Case Number: RSQ19-10444
Case(s): IRSO Petition for Noncompliance
DCBA Staff: Shannon Louis

- Petition Summary
- Parcel Profile Report (separate attachment)
- Staff Report
- Burden of Proof Statement(s)
- Notice of Increase (separate attachment)
- Rent Receipts (separate attachment)

Reviewed By: _____



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Case Number
RSQ19-10444

Hearing Date
9/26/2019

PETITION SUMMARY

PETITIONER NAME

Carlos Cruz Reyes

PETITION DATE

August 29, 2019

PETITION OVERVIEW

Petitioner has filed a Petition for Noncompliance, requesting a reduction in rent in accordance with the Interim Rent Stabilization Ordinance, Ordinance Number 2018-0045. The Petitioners' rent increase became effective on February 23, 2019.

PROPERTY ADDRESS

1019 1/2 N. Ditman Avenue Los Angeles, California 90063

KEY ISSUES

- Rent was increased from \$1,095.00 to \$1,395.00, effective February 23, 2019
- Total increase is in the amount of 27.39%
- Per the effective date of the rent increase, the February through September 2019 rent payments (8 months) will be due by the hearing date.

STAFF RECOMMENDATION

Approval

DCBA STAFF:

Shannon Louis 213-974-4118 SLouis@dcba.lacounty.gov



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September 18, 2019

TO: Gina Natoli, AICP
Hearing Officer

FROM: Shannon Louis

Case No. RSQ19-10444
Carlos Cruz Reyes vs. Benjamin Talamantes
Hearing Officer Meeting: September 26, 2019 – Agenda Item: 2

Petition Description

Interim Rent Stabilization Ordinance (IRSO) Petition for Noncompliance

Tenant is disputing a rent increase issued for the covered rental unit located at 1019 ½ N. Ditman Avenue Los Angeles, California 90063 in the unincorporated area of Belvedere in Los Angeles County.

The Petitioner reported receiving a Notice of Increase dated November 20, 2018 increasing the rent to \$1,395.00 – effective February 23, 2019. The Petitioner's base rent on September 11, 2018 was \$1,095.00 – which constitutes a \$300.00 rent increase. The Petitioner also reports receiving a 60-Day Notice to Quit on June 19, 2019. The petition was filed with the Department of Consumer & Business Affairs (DCBA) on August 29, 2019.

Use Type

Multi-Family Residential; 0400

Year Built/Certificate of Occupancy(COO)

1929

Previous Petitions/History

N/A

Staff Evaluation & Burden of Proof

According to Ordinance No. 2018-0045, DCBA has determined that the rental unit located at 1019 ½ N. Ditman Avenue Los Angeles, California 90063 is covered under the Los Angeles County Interim Rent Stabilization Ordinance and is subject to its conditions.

The IRSO covers residential dwellings on properties with two or more units in the unincorporated areas of Los Angeles County with initial certificates of occupancy or equivalent issued on or before February 1, 1995. **Ordinance No. 2018-0045 Section 1(A) and Section 1(B).**

The IRSO limits rent increases to 3% once per 12-month period and applies to any rent increase taking effect on or after September 11, 2018. **Ordinance No. 2018-0045 Section 3(A).**

The IRSO regulates Housing Service Adjustments and indicates that a decrease in Housing Services can be considered an increase in Rent. Rent and Housing Services are defined in Section 2 of the IRSO. **Ordinance No. 2018-0045 Section 3(C).**

The rent increase in the amount of \$300.00 increased the Petitioner's rent from \$1,095.00 to \$1,395.00 (27.39%). According to the ordinance, the tenant's maximum allowable rent should be \$1,127.85. If approved and the tenant has paid the requested increase, the landlord will need to credit the tenant for any overpayments above 3% that have occurred since the rent increase took effect – which would total \$2,137.20 for the months of February through September 2019. **Ordinance No. 2018-0045 Section 3(A)(1).**

Lump Sum Credit Option

<i>October 1, 2019</i>	<i>\$2,137.20</i>
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Six Month Credit Option

<i>October 1, 2019</i>	<i>\$356.20</i>
<i>November 1, 2019</i>	<i>\$356.20</i>
<i>December 1, 2019</i>	<i>\$356.20</i>
<i>January 1, 2020</i>	<i>\$356.20</i>
<i>February 1, 2020</i>	<i>\$356.20</i>
<i>March 1, 2020</i>	<i>\$356.20</i>

Proof of Service/Notice of Hearing

The Petitioner, Carlos Cruz Reyes, returned the Proof of Service form to DCBA on July 23, 2019. DCBA sent the Notice of Hearing on August 30, 2019.

Public Comments

N/A

Fees/Deposits

N/A

Landlord Contact

On September 12, 2019, DCBA counseled the landlord respondent on their rights under Ordinance No. 2018-0045. The landlord respondent was unaware of the IRSO, but understood the need to set rent in accordance with the allowable limit, along with return

any overpayment to the tenant. The landlord respondent stated he would provide written notice to DCBA that the rent increase would be rescinded and that rent would be set in accordance with the ordinance.

On September 18, 2019, the landlord respondent contacted DCBA to determine if he needed to attend the hearing scheduled for September 26, 2019. The landlord respondent was informed that if he provides written notice to DCBA that the rent increase will be rescinded and that rent will be set in accordance with the ordinance prior to the hearing date, then it may be possible he will not need to attend the hearing.

Staff Recommendation

The following recommendation is made prior to the public hearing and is subject to change based upon testimony and/or documentary evidence presented at the public hearing:

Staff recommends APPROVAL of the Interim Rent Stabilization Ordinance Petition for Noncompliance – Case Number RSQ19-10444.

SUGGESTED STATEMENT

I, THE HEARING OFFICER, CLOSE THE PUBLIC HEARING AND FIND THAT THE INTERIM RENT STABILIZATION ORDINANCE PETITION FOR NONCOMPLIANCE – CASE NUMBER RSQ19-10444 IS **APPROVED**, SUBJECT TO THE ATTACHED CONDITIONS.

Suggested Approval Statement

Prepared by Shannon Louis
Reviewed by Jessica Gallegos

Attachments

Initials JMN:JG: sl
(9/18/19)

BURDEN OF PROOF STATEMENT

DCBA Case #:

Section III: Reason for Petition *(explain in detail why you are requesting a hearing)*

I was previously paying \$1,095 and on February 23, 2019 the landlord raised the rent to \$1,395. He raised it \$300.00 more per month.

Current Rent: \$1,095.00	Proposed Rent (if known): 1395
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HAVE YOU RECEIVED OR ISSUED A NOTICE OF RENT INCREASE IN EXCESS OF THE ALLOWABLE LIMIT?

Yes No

IS THIS MATTER URGENT?

Yes No

REASON FOR URGENCY *(must attach relevant documents in order to be considered):*

The landlord has given me a notice of Eviction for 60 days, and need money to find a new place. And I can't save because he is requiring me to pay those 60 days of rent.

Section IV: Respondent Information

Respondent Type: Tenant(s) Landlord Mobilehome Homeowner(s) Mobilehome Park Owner

Benjamin Talamantes
Respondent Name/Organization *(Please list the names of each Tenant or Mobilehome Homeowner who received a copy of this petition below)*

Landlord
Respondent Title (Tenant, Landlord, Mobilehome Homeowner or Mobilehome Park Owner)