



Los Angeles Housing Department

RENT STABILIZATION DIVISION - CUSTOMER SERVICE & INFORMATION

**LAHD**

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## PRIMARY RENOVATION

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### Tenant Habitability Program – General Information & Instructions

#### STATEMENT OF PURPOSE

The City of Los Angeles has adopted the Tenant Habitability Program to facilitate landlord investment in Primary Renovation Work without subjecting tenants to either untenable housing conditions during such renovation work or forced permanent displacement. The Tenant Habitability Program requires landlords to mitigate such temporary untenable conditions, either through actions to ensure that tenants can safely remain in place during construction or through the temporary relocation of tenants to alternative housing accommodations. These two options should not be regarded as mutually exclusive but rather as complementary approaches that might be appropriate to different stages of the renovation process.

#### GOVERNING AUTHORITY

The Tenant Habitability Program went into effect on May 2, 2005. The requirements of the Program are set forth in Los Angeles Municipal Code (LAMC) Section 152.00 and in Rent Adjustment Commission (RAC) Regulation 710.00. Both of these documents provide more detailed information about the Tenant Habitability Program than is presented in this program summary.

#### KEY TERMS

**Primary Renovation Work.** Work performed either on a rental unit or on the building containing the rental unit that improves the property by prolonging its useful life or adding value, and involves either or both of the following:

- (1) Replacement or substantial modification of any structural, electrical, plumbing or mechanical system that requires a permit under the Los Angeles Municipal Code.
- (2) Abatement of hazardous materials, such as lead-based paint and asbestos, in accordance with applicable federal, state and local laws.

**Related Work.** Improvements or repairs which, in and of themselves, do not constitute Primary Renovation Work but which are undertaken in conjunction with and are necessary to the initiation and/or completion of Primary Renovation Work.

**Tenant Habitability Plan.** A document, submitted by a landlord to the Housing Department, identifying any impact Primary Renovation Work and Related Work will have on the habitability of a tenant's permanent place of residence and the steps the landlord will take to mitigate the impact on the tenant and the tenant's personal property during the period Primary Renovation Work and Related Work are undertaken.

**Temporary Relocation.** The moving of a tenant from the tenant's permanent residence to habitable temporary housing accommodations in accordance with a Tenant Habitability Plan. The temporary relocation of a tenant from his/her permanent place of residence shall not constitute the voluntary vacation of the unit and shall not terminate the status and rights of a tenant, including the right to reoccupy the same unit, upon the completion of the Primary Renovation Work and any Related Work, subject to any rent adjustments as may be authorized under the Ordinance.

**Notice of Primary Renovation Work.** Written notice, served by the landlord upon a tenant or tenant household at least 60 days prior to commencement of any Primary Renovation Work or Related Work and using a form established by the Housing Department, advising the tenant of forthcoming Primary Renovation Work and Related Work, the impact of such work on the tenant, and measures the landlord will take to mitigate the impact on the tenant.

### **FURTHER CRITERIA FOR IDENTIFYING PRIMARY RENOVATION WORK**

The following criteria shall be used to determine whether proposed permitted work constitutes Primary Renovation Work:

- (1) The proposed work includes the replacement of existing water or gas supply lines, the replacement of existing drain waste lines, or the installation of additional new supply or waste lines;
- (2) The proposed work includes the replacement of electrical wiring or circuits, the replacement of an electrical service panel, or the addition of new wiring or circuits;
- (3) The proposed work includes the replacement or upgrading of a heating, ventilation, or air conditioning (HVAC) system or the replacement, upgrading, or initial installation of an elevator system;
- (4) The proposed work includes additions, modification or improvements to the foundation or to the structure (including the roof) that expose the building frame or compromise the building's security, weather protection or fire protection; or
- (5) The proposed work includes the abatement of hazardous materials, such as but not limited to lead-based paint and asbestos, in accordance with applicable federal, state and local laws.

### **TEMPORARY RELOCATION**

In completing a Tenant Habitability Plan, a landlord must indicate whether the temporary relocation of one or more tenant households is necessary. Temporary relocation is required whenever Primary Renovation Work will (a) make the rental unit an untenable dwelling outside of the hours of 8:00 am through 5:00 pm, Monday through Friday, (b) expose the tenant at any time to toxic or hazardous materials including, but not limited to, lead-based paint and asbestos, or (c) otherwise endanger the health or safety of the tenant.

The temporary relocation of a tenant under the Tenant Habitability Program does not constitute the voluntary vacating of that rental unit and does not terminate the status and rights of a tenant, including the right to reoccupy the tenant's rental unit upon the completion of the Primary Renovation Work. A tenant who is temporarily relocated as a result of Primary Renovation Work continues to pay rent in the manner prescribed by any lease provision or acceptance in the course of business between the landlord and the tenant. The landlord, in turn, pays for all temporary housing accommodation costs regardless of whether those costs exceed rent paid by the tenant.

**PER DIEM PAYMENT TO TENANTS**

A landlord and tenant may mutually agree to allow the landlord to pay the tenant a *per diem* amount for each day of temporary relocation instead of the landlord providing temporary replacement housing. A landlord and tenant may also agree for the landlord to pay the tenant a fixed payment to cover moving and temporary storage of tenant personal property. In either case, the agreement shall be written in the language in which the original lease was negotiated, signed by the landlord and tenant, and contain the tenant’s acknowledgment that the tenant received notice of tenant rights under the Tenant Habitability Program and understands those rights. The landlord shall provide the Department with a copy of this agreement within 15 days of its execution. Agreement forms for both purposes are included in the Notice of Primary Renovation Work.

**PERMANENT RELOCATION**

Any tenant who will be affected by Primary Renovation Work for a period of 30 days or more may elect Permanent Relocation Assistance, provided the tenant notifies the landlord of the decisions within 15 days from the service of the Notice of Primary Renovation Work. In addition, a tenant may demand Permanent Relocation Assistance following written notice from either the landlord or the Housing Department that the Primary Renovation Work and Related Work will continue for 30 or more days longer than the projected completion date stated in the Tenant Habitability Plan or any modifications thereto accepted by the Department.

The landlord has 15 days from the receipt of an eligible request for relocation assistance to provide same, either through a direct payment to the tenant or through payment to an escrow account. Relocation amounts are as follows:

Effective **July 1, 2009**:

<u>Type of Tenant</u>	<u>Less than 3 years</u>	<u>3 years or more</u>	<u>Less than 80% AMI</u>
Eligible	\$ 7,300	\$ 9,650	\$ 9,650
Qualified	\$15,500	\$18,300	\$18,300

Households which include a senior citizen or disabled person or minor dependent child are qualified tenant households. All other households are eligible tenants.

**COST RECOVERY**

In most instances, landlords of properties subject to the Rent Stabilization Ordinance may recover some or all of the costs of Primary Renovation Work and Related Work through rent adjustments, subject to the Housing Department’s review and approval of a landlord’s rent increase application under one of the provisions of LAMC Sec. 151.07. In conjunction with the adoption of the Tenant Habitability Program, the City has added cost recovery provisions specific to Primary Renovation Work that allow a permanent rent increases that is in most cases higher than the temporary rent increase allowed for Capital Improvements, subject to the work being completed in accordance with a Tenant Habitability Plan. The requirements for the recovery of Primary Renovation Work costs are set forth in LAMC Sec. 151.07 A.1.d. and in RAC Regulation 220.00.

Upon completion of Primary Renovation Work, units vacated by tenant households accepting Permanent Relocation Assistance may be rented at market rate, but are not eligible for rent increases under the cost recovery provisions of the Rent Stabilization Ordinance.

**SEQUENCE OF EVENTS**

The Primary Renovation Work process will generally conform to the following sequence of events:

- (1) Landlord applies for a plumbing, electrical, mechanical or general building permit from the Department of Building and Safety;
- (2) Building and Safety employs a questionnaire to identify probable Primary Renovation Work and refers landlords undertaking such work to the Housing Department for permit clearance;

- (3) Landlord submits Tenant Habitability Plan to the Housing Department.
- (4) Housing Department reviews the Tenant Habitability Plan for adequacy and notifies landlord of either the Department's acceptance of or required modifications to the Plan within five (5) working days of Plan submission.

[Should the landlord and the Housing Department be unable to agree on an acceptable Tenant Habitability Plan, the landlord has the option to appeal the Department's decision to a Hearing Officer, provided the request for an appeal is filed within 15 days from the receipt of the Department's determination.]

- (5) Landlord serves a Notice of Primary Renovation Work to each affected tenant within five (5) days of the Housing Department's acceptance of the Tenant Habitability Plan, together with a copy of the non-confidential portions of the Tenant Habitability Plan.
- (6) Landlord submits a declaration to the Housing Department affirming the service of Notices and Plan copies to all affected tenants, and the Department clears the building permit.

[An affected tenant may appeal the Housing Department's acceptance of a Tenant Habitability Plan to a Hearing Officer in cases where the tenant does not agree with the landlord regarding the necessity for the tenant to either be temporarily displaced or remain in place during Primary Renovation Work, provided such request is submitted to the Department within 15 days of the tenant's receipt of the Notice of Primary Renovation Work and the non-confidential portions of the Tenant Habitability Plan.]

- (7) Tenants are relocated as needed to accomplish the Primary Renovation Work in accordance with the Tenant Habitability Plan.
- (8) Primary Renovation Work and Related Work commences no sooner than 60 days after the landlord files a declaration with the Department indicating the service of a Notice of Primary Renovation Work and a copy of the non-confidential portions of an accepted Tenant Habitability Plan upon all affected tenants.
- (9) Landlord provides any temporarily relocated tenants with notice of re-occupancy date, and those tenants re-occupy their rental units.
- (10) Landlord applies for cost recovery under the Primary Renovation Program or other rent adjustment provision, if eligible.

## **FURTHER INFORMATION**

Further information on the Tenant Habitability Program, along with information on Primary Renovation Cost Recovery and the Rent Stabilization Ordinance, is available at the Housing Department's website, <http://www.lacity.org/lahd>, or by telephone at **866.557.RENT**.

## Tenant Habitability Plan Instructions

1. **Property Information:** Identifying information for the property where the Primary Renovation Work will be undertaken.
  2. **Owner and Designated Contact Person Information:** Owner information; a separate contact person needs to be designated only if the owner does not wish to be the contact person for this project.
  3. **General Contractor Information:** Information identifying the general contractor responsible for the Primary Renovation Work.
  4. **Contractor Responsible for Hazardous Material Abatement:** Information identifying the contractor or subcontractor responsible for hazardous material abatement, if applicable. If this is the same person as the general contractor for the project, please indicate.
  5. **Overall Project Scope of Work:** General description of all work that will be undertaken at the site, including work at common areas. This should include, but is not limited to, all work covered by building permits. Please include a project sequence of construction. Attach additional pages or plans as necessary.
  6. **Will Any Work Be Undertaken in Response to a Government Order?:** Please attach a copy of the order or notice.
  7. **Estimated Duration of Overall Work:** Time frame for overall project scope of work.
  8. **Estimated Cost of Overall Work:** Please distinguish between the cost for all Primary Renovation Work and Related Work and the cost for all other improvements with a useful life of 5 or more years.
- Page 2 of the Tenant Habitability Plan.** Please copy this page as necessary. You may combine more than one unit on this page provide that the scope of work, estimated cost, impact on habitability, and mitigation measures, including temporary relocation, are the same for each of the grouped units.
9. **Scope of Work for Individual or Similar Units:** The specific work, timing, and cost for this unit or group of units. Either use Section 15 of the Plan to provide additional information or attach additional sheets.
  10. **Impact of Work on Habitability of Individual or Similar Units:** Identify and describe the impacts from Primary Renovation Work and Related Work on this unit or group of units.
  11. **Mitigation of Impacts on Individual or Similar Units:** Indicate measures that will be taken to ensure that tenants are not required to occupy an untenable dwelling outside of the hours of 8:00 am through 5:00 pm, Monday through Friday, and are not exposed at any time to toxic or hazardous materials including, but not limited to, lead-based paint and asbestos. Mitigation may include a combination of work practices that allow a tenant to remain in place for some of the construction and temporary relocation for the part of construction where the work will not allow the tenant to remain in place. Details of work procedures that allow tenants to remain in place should be discussed in Section 15 of the Plan.
  12. **Temporary Relocation:** If Primary Renovation Work makes a tenant's rental unit uninhabitable outside of the hours of 8:00 am through 5:00 pm, Monday through Friday, or exposes a tenant to toxic or

hazardous materials at any time, the tenant must be temporarily relocated in replacement housing. During the period of temporary relocation, the tenant continues to pay rent to the landlord; the landlord, in turn, is responsible for arranging and paying for temporary replacement housing.

If temporary relocation is for a period of less than 30 days, a tenant household may be housed in a motel or hotel provided that enough rooms are rented to accommodate the size of the household. Tenants may also be temporarily housed in habitable replacement housing in another building or another unit at the property that is not affected by Primary Renovation Work. If temporary relocation is for a period of 30 days or more, the tenant household needs to be housed in comparable temporary replacement housing either in the same building or in another building. In either case, if a tenant is deprived of essential housing services that currently exists at the rental unit, such as cooking facilities, pet accommodations, free laundry, etc., the landlord must provide compensation for that temporary loss. Details of temporary relocation arrangements may be provided in Section 15 of the Plan.

**13. Impact of Primary Renovation Work on Tenant Personal Property & Mitigation Measures:**

The landlord has a responsibility to secure and protect tenant property from reasonably foreseeable damage or loss related to Primary Renovation Work. Use the checklist to identify possible loss exposures, provide a discussion of the timing, severity, and duration of any loss exposure, and indicate the mitigation measures that will be taken to prevent such loss. Use Section 15 of the Plan for additional discussion.

**Page 3 of the Tenant Habitability Plan.** The information on this page is considered confidential in accordance with California Civil Code Sec. 1798 and should not be distributed. Do not include this page in the documents provided tenants.

**14. Identification of Affected Tenants:** Copy as necessary and complete as indicated. A qualified tenant is a tenant who is (a) 62 years of age or older, (b) disabled, or (c) living with a dependent child under the age of 18.

**Page 4 of the Tenant Habitability Plan.**

**15. Additional Information:** Use this section to provide additional information, particularly with regard to measures to be used to mitigate the impact of Primary Renovation Work.

**16. Landlord Certification:** Sign and date.

**PLAN REVIEW AND PERMIT CLEARANCE**

Tenant Habitability Plans should be brought to the following location for review, filing, and building permit clearance:

**Los Angeles Housing Department  
3550 Wilshire Blvd. Suite 1500  
Los Angeles, CA 90010**

**Please contact Senior Inspector Joe Guerrero at (213) 252-1464 to set an appointment to review your application or answer any questions you may have.**