

RSO REGISTRATION OF RENTAL PROPERTY

Rent Stabilization Bulletin

The Los Angeles Municipal Code Section 151.05 requires all owners of rental units that are subject to the Rent Stabilization Ordinance register their units on an annual basis before the owner can legally demand or accept rent. It also requires owners provide emergency contact information and the rent amount and tenancy information for every rental unit subject to this chapter.

RENTAL UNITS SUBJECT TO THE RSO (LAMC 151.02)

The RSO applies to the entire City of Los Angeles, including San Pedro and the San Fernando Valley. Residential rental units covered by the RSO include: apartments, condominiums, town homes, duplexes, mobile homes, mobile home pads, rental units in new construction built to replace pre-1978 construction that was subject to the RSO, and rooms in a hotel, motel, rooming house or boarding house occupied by the same tenant for thirty (30) or more consecutive days.

Unless specifically exempted from RSO registration, an owner cannot legally collect rent from a tenant unless the owner has paid the annual rent registration fee and provided a copy of a valid registration statement to the tenant. Tenants may raise the non-payment of RSO registration and/or SCEP fees by the owner as an affirmative defense against eviction of the tenant.

EXEMPTIONS (LAMC 151.02)

Rental units that are *exempt* from the provisions of the RSO include:

- Properties located in other municipalities or unincorporated areas within the County of Los Angeles.
- Housing accommodations located in a structure where the first Certificate of Occupancy was issued after October 1, 1978. Ordinance No. 181744, effective July 15, 2011, clarifies that the exemption does not apply to properties constructed before Certificates of Occupancy were issued, if evidence, such as permits, indicates that the property was used for residential purposes prior to October 1, 1978.
- Detached single family residential dwellings where only one dwelling unit exists on the parcel.

Central (Wilshire) Regional Office 3550 Wilshire Blvd., 15[™] Floor Los Angeles, CA 90010

CD-8 Satellite Office 8475 S. Vermont Ave., 2nd Floor Los Angeles, CA 90044

East Regional Office 2130 E. 1st St, Suite 2600 Los Angeles, CA 90033

West Regional Office 1645 Corinth Ave., Suite 104 Los Angeles, CA 90025

South Regional Office 690 Knox St., Suite 125 Los Angeles, CA 90502

North (Valley) Regional Office 6400 Laurel Canyon Blvd., Suite 610 North Hollywood, CA 91606



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- Adaptive Reuse properties converted after October 1, 1978.
- Housing accommodations owned and operated by the Los Angeles City Housing Authority (HACLA), or which are owned, operated or managed by a government unit, agency or authority, specifically exempted from municipal rent regulation by state or federal law or administrative regulations, or housing accommodations specifically exempted from municipal rent regulation by state or federal law or administrative regulation.
- Affordable housing accommodations granted an exemption by HCIDLA are rental units that have a government-imposed regulatory agreement with specific Average Median Income (AMI) limits for at least 55 years and recorded with the Los Angeles County Recorder. (This exemption replaces the prior Non-profit housing accommodation designation, which stopped being granted as of July 15, 2011.)
- Non-Profit units granted an exemption.
- **Artist-In-Residence** units where an owner has obtained a Department of Building and Safety conditional use permit for a change of use Certificate of Occupancy and meet the requirements specified in *LAMC Section 91.8501*.
- Luxury units issued a HCIDLA Exemption Certificate. For further information, applicants should obtain and review the Luxury Exemption Regulations that are available at the HCIDLA Public Information Counters, by email request at rso@HCIDLA.lacity.org or by calling the HCIDLA hotline at 213-275-3493 or 866-557 RENT, or from the HCIDLA's website at: http://hcidla.lacity.org.
- Substantially renovated units issued an HCIDLA certificate. The **Substantial Renovation** exemption is applicable to only those rental units for which the landlord submitted an application for a certificate of exemption on or before October 4, 1989, and which were issued a certificate from the HCIDLA. The Substantial Renovation exemption was eliminated effective October 4, 1989. Therefore, this exemption is no longer available.
- Commercial buildings used as such, School owned on- or off-campus housing accommodations, Hotel/Motel rooms occupied by the same tenant less than 30 days, Co-ops with certain qualifications, Mobile Home parks with a first permit to operate issued after February 10, 1986, Hospitals and licensed care facilities with certain qualifications, and Convents and monasteries.

CLAIMING AN EXEMPTION FROM REGISTRATION AND/OR SCEP FEES (LAMC 151.05)

Annual bills reflect the HCIDLA's record of any permanent or temporary exemption processed from the prior year Registration process. There are various types of temporary exemptions that must be renewed annually and many types of exemptions as listed above. To claim an exemption which is not included on the annual bill, the landlord should follow the instructions provided with the annual bill. The renewal of temporary exemptions is due by January 31 of each year, as part of the annual registration process.



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Rental units subject to the RSO may receive a temporary, one-year exemption from registration and SCEP fees if the units are:

- Occupied by the landlord, family members and/or where no rents are collected.
- Held vacant for a year or longer with the units secured and the exemption is recorded against the Title.

REGISTRATION PROCEDURES

Under the City's RSO, landlords may not demand or accept rent without first obtaining a valid rental unit registration certificate from the HCIDLA. Registration of rental units requires payment of annual fees (\$24.51 per unit) and the provision of your contact information, an emergency phone number, and the rent amount and tenancy information for every rental unit including vacant units.

Only the property owner or his/her designated agent may register the rental units subject to the RSO. In cases of new ownership or first time registrants, legal ownership must be established by providing a copy of one of the following documents: Recorded Trust Deed; Recorded Grant Deed; Recorded Quit Claim Deed; Recorded Corporation Deed; or, Court Receivership papers.

New Owners - New owners have 45 days from the close of escrow or recording of the ownership change with the Los Angeles County Recorder's Office to register the rental units and/or request an exemption. No penalties are incurred for a previous owner's non-registration; however, no rent may legally be collected unless the units are currently registered. If registration fees are current, a new owner need not pay additional fees for the calendar year, but must change legal ownership on the registration record.

Annual Registration Renewal - Landlords are required to renew their registration annually by the last day in February; however, the renewal of a temporary exemption request is due by January 31 of each year. Registration renewal statements and exemption request forms are usually mailed during the last week of December to all landlords whose property has a registration record on file with the HCIDLA. If a landlord does not receive a registration renewal statement, it is the landlord's responsibility to make certain the annual registration fee is paid by the last day of February to avoid penalties.

Registration Certificates - Beginning in 2017, Certificates are issued in July of each year, instead of May as in previous years. Registration certificates are valid from July 1 of the year registered through June 30 of the following year, except that in 2017 certificates issued in 2016 will remain valid until June 30 instead of expiring on April 30. If payment is made online, a certificate can be downloaded and printed immediately.

Systematic Code Enforcement Program (SCEP) - The fee of \$43.32 per unit per year is used to finance the cost of inspection and enforcement by the HCIDLA and is collected during the annual Registration period. For more information, please request the SCEP Bulletin.



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Payment Due Date and Penalties for Late Registration - <u>Both SCEP and Rental Registration fees are due and payable yearly between January 1 and the last day in February for payment to be timely</u>.

The City assesses delinquent charges of \$61.28 per rental unit for RSO registration, and \$129.96 per rental unit for SCEP, to landlords who have unpaid annual fees. Failure to pay the required fees may result in additional collection efforts, including referral to a private collection agency, which reports to credit bureaus, and/or the filing of a legal action against the landlord by the City.

REGISTRATION OF RENTAL UNITS BY MAIL OR ONLINE

Landlords who receive an annual *Rental Unit Registration Application* form are encouraged to register by mail or online at http://www.hcidlabill.org (select Billing Information). Each application includes an instruction sheet and a two self-addressed return envelopes to reply by mail. A PIN number is provided under *Rental Property Information* on the first page of the Annual Bill. Any changes regarding ownership, owner's address, telephone number and related information should be made to the information provided on the form.

Landlords can now use the Department's website to view their billing statements, make payments, print current registration certificates, apply for exemptions, and register to receive email notifications. After paying the registration fees, owners can use the link to the *Rent Registry*, or visit <u>RegisterLARent.org</u>, where tenant information and rental amounts can be entered. The following forms may also be downloaded: *Request for Penalty Fee Waiver*, *New Ownership Registration/Exemption Application*, and Refund Requests. The billing payments link is http://www.hcidlabill.org.

Temporary exemptions are valid only for the current year and are not automatically "carried over" from the previous year. If any of the exemptions listed on the application form apply, provide the required information and modify the number of units to be registered accordingly. Landlords who do not receive a registration application form may register their rental property by mail or in person. The landlord must include the following information when registering without a preprinted application notice:

- Exact street address of the property. Use the lowest house address on the lot. RSO records are set up by the lowest address based on Los Angeles County Records.
- Name and mailing address of the owner or owner's agent. Include a telephone number if available.
- Number of units on the lot (total number of units before exemptions).
- Number of units to be registered. This may be less than the total units on the property due to exemptions.
- Specific units to be exempted and the reason for exemption.



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• Exact dates of ownership. If the property was purchased recently, the new owner must register within 45 days; provide a copy of the document reflecting legal ownership; and a check or money order payable to: <u>City of Los Angeles-HCIDLA</u>. Credit card payments are acceptable if registration is handled in person.

Registration is not complete until all fees are paid, and an emergency phone number, contact information and the rental amount of each rental unit is furnished. (RSO Section 151.05B)

REGISTRATION QUESTIONS

What fees and penalties per unit are due during the annual registration period? See the following table.

REGISTRATION FEE SCHEDULE			
FEES	BASIC FEES PER UNIT Due Jan 1	DELINQUENT FEES PER UNIT Effective Mar 1	TOTAL FEES PER UNIT Due July 1
Registration	\$24.51	\$36.77	\$61.28
SCEP	\$43.32	\$86.64	\$129.96
Total Due	\$67.83	\$123.41	\$191.24

How can I find out if a property is registered? Contact the Billings and Collections Section by telephone at 877-614-6873 or 213-275-3292, or by e-mail at http://www.hcidlabill.org

Are registration fees the only fees due for my rent-stabilized units? No. The annual SCEP fee is also billed annually on the same bill as the annual rental unit registration fees. Other fees billed separately may include additional inspection fees, substandard fees, Rent Escrow Account Program (REAP) fees, and legal fees. You may call the number above if you have any questions about a bill.

Is a landlord allowed to pass through part of the registration fee to the tenant? Yes, the landlord may pass through \$12.25 of the \$24.51 annual rental unit registration fee to the tenant(s), as a lump sum surcharge payable during the month of August only (beginning 2017), provided the landlord has paid the fee and given a 30-day written notice.

What part of the SCEP fee may be passed through to the tenant(s)? A landlord may pass through 100% of the annual \$43.32 SCEP fee per rental unit as a monthly surcharge of \$3.61, provided that the landlord has paid the SCEP fee and given the tenant an advance written thirty-day notice.



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I did not receive an annual rental unit registration or SCEP bill from the HCIDLA. Does that mean I do not have to pay? Annual bills are provided as a courtesy. The property owner, however, is responsible for timely payment regardless of whether or not a bill is received. If you own rental property in the City of Los Angeles for which you did not receive an annual bill, call the Billings and Collections Section at 213-275-3292.

What should I do if the information on the annual bill is incorrect? The information regarding the current property owner and number of units is obtained from the County Assessor. Should the information on the annual bill be incorrect, or if you wish to use a different billing address in the future, please provide updated information as directed on the bill. The Department encourages you to ensure that the information on file with the County Assessor for your property is current.

IDENTIFICATION OF RSO PROPERTIES

Landlords, who rent properties subject to the Los Angeles RSO, must post a notice providing information about the RSO, as well as contact information for the HCIDLA. The notice must be provided on the HCIDLA form provided and be posted in a conspicuous location in the lobby of the property, near a mailbox used by residents of the property, or in or near a public entrance to the property. The notice must be written in English and Spanish and in any other languages required by the HCIDLA.

The HCIDLA will inspect properties and notify property owners who fail to post the required notice. Landlords have 7 days to comply by posting the required notice. If the landlord fails to comply, a fine of \$250 per day may be charged after the seventh day that the landlord has failed to post the required notice.

THIS INFORMATION IS OFFERED FREE OF CHARGE TO THE GENERAL PUBLIC.

While this publication is designed to provide accurate and current information about the law, readers should consult an attorney or other expert for advice in particular cases, and should also read the relevant statutes and court decisions when relying on cited material. Laws and guidelines are frequently amended. The HCIDLA recommends that you verify information in the event that new changes are not yet reflected in this publication. The HCIDLA does not assume and hereby disclaims any liability to any party for any loss, damage, or disruption caused by errors or omissions, whether such errors or omissions result from negligence, accident, or any other cause.

AUXILIARY AIDS AND SERVICES: "As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services and activities."

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NOTICE

THIS PROPERTY IS SUBJECT TO THE RENT STABILIZATION ORDINANCE

TENANTS: You are hereby notified that this building is subject to the Los Angeles Rent Stabilization Ordinance (RSO), LAMC Chapter XV.

The RSO regulates rent increases:

- Landlords may only collect rents of units registered with the *Los Angeles Housing +Community Investment Department (HCIDLA*).
- Generally, a landlord may not raise the rent in excess of the annual allowable rent increase unless otherwise permitted by *HCIDLA* or the Los Angeles Municipal Code (LAMC).
- A reduction in services may also constitute an unlawful rent increase.

The RSO limits the reasons for which a tenant may be evicted:

- The landlord may be required to pay relocation assistance for certain evictions.
- Foreclosure or sale of a property is not an allowable reason of eviction.

All rental properties in the City of Los Angeles must meet the minimum habitability requirements set forth in the Building Code and the California Health and Safety Code.

For further information, or to file a complaint, please contact *HCIDLA's* Hotline at 866-557-RENT or log on to: http://hcidla.lacity.org.

AVISO

ESTA PROPIEDAD ES SUJETA A LA ORDENANZA DE ESTABILIZACION DE ALOUILER

INQUILINOS: Están notificados que esta propiedad es sujeta a la Ordenanza de la Estabilización de Alquiler (RSO) de la Ciudad de Los Ángeles, Capitulo XV del Código Municipal (LAMC).

El RSO regula los aumentos de renta:

- El dueño solamente puede recibir pagos de renta si su unidad esta registrada con el Departamento de Vivienda e Inversión Comunitaria de los Ángeles (HCIDLA, siglas en inglés).
- Por lo general, no se le permite al dueño subir la renta mas del porcentaje anual sin el permiso del HCIDLA, o si es permitido por el Código Municipal (LAMC)
- Una reducción en los servicios también podría constituir un aumento de renta ilegal.

El RSO pone limites en las razones para desalojar a los inquilinos:

- El dueño podría ser sujeto a pagar asistencia de reubicación por ciertos desalojos.
- La ejecución hipotecaria, el remate, o la venta de una propiedad no son razones aceptables de desalojar a inquilinos.

Todas las propiedades de renta en la Ciudad de Los Ángeles tienen que cumplir con los requisitos mínimos de habitabilidad expuestos por el Código de Edificios y el Código de Salud y Seguridad de California.

Para obtener mas información o entablar una queja, comuníquese con HCIDLA llamando al 866-557-RENT, o por la red a http://hcidla.lacity.org.

OWNERS

OWNERS ARE REQUIRED TO POST THIS NOTICE IN A CONSPICUOUS LOCATION LIKE THE LOBBY OR NEAR A MAILBOX USED BY ALL PROPERTY RESIDENTS, OR IN , OR NEAR A PUBLIC ENTRANCE TO

DUEÑOS

DUEÑOS DEBEN FIJAR ESTE AVISO EN UN LUGAR VISIBLE COMO EL VESTÍBULO O CERCA DE LOS BUSONES DE TODOS LOS RESIDENTES, O DENTRO O CERCA DE LA ENTRADA PÚBLICA DE LA PROPIEDAD.