

MANAGERS AS TENANTS

Rent Adjustment Commission (RAC) Regulations • Section
920.00 • Effective November 17, 1982 • Amended April 23,
1992; March 15, 2007

Rent Adjustment Commission Regulations & Guidelines

920.00 DEFINITIONS

920.01 RESIDENT MANAGER - A manager, custodian, housekeeper, or other responsible person who resides on the premises and acts as the owner's agent in maintaining the premises. A resident manager is entitled to the protections of the Rent Stabilization Ordinance (RSO) unless they are an employee-manager as defined in Regulation 920.02.

920.02 EMPLOYEE-MANAGER - An employee-manager is a resident manager who is required to reside on the premises as a condition of employment. The employee-manager receives compensation in the form of a free rental unit plus income. The income received by the employee-manager shall meet the minimum wage standards of the State of California. Unless already a tenant, or granted a right of tenancy in a written agreement, the employee-manager is not entitled to the eviction protections of the RSO.

921.00 EVICTIONS TO MOVE IN A RESIDENT MANAGER

921.01 A landlord, in good faith, can evict a tenant to recover possession of the rental unit for use and occupancy by a resident manager, provided that no alternative vacant unit is available for occupancy by a resident manager. (LAMC 151.09.A.8)

921.02 A landlord may not evict a tenant to recover possession of the rental unit for use and occupancy by a resident manager if the building has a unit which is already occupied by the existing resident manager. The landlord may evict the existing resident manager in order to replace him/her with a new manager. (LAMC 151.09.A.8)

921.03 One can infer an intent to circumvent the RSO if a landlord is evicting tenant(s) in a lower rent unit for occupancy by a resident manager where the building has less than 16 units (California Code of Regulations Title 25, Section 42) and there are no unique circumstances pertaining to the building that would otherwise require the use of an on-site manager. (RAC Regulation 613.04.4)



Rent Adjustment Commission Regulations & Guidelines

922.00 RESIDENT MANAGER UNIT SUBJECT TO REGISTRATION

922.01 A rental unit occupied by a resident manager must be registered with the City and the fees paid as specified in LAMC Section 151.05.

923.00 INITIAL RENT FOR A RESIDENT MANAGER'S UNIT

923.01 If the landlord evicted a tenant to recover possession of the rental unit for occupancy by a resident manager, the initial rent charged to the resident manager shall not exceed the prior rent of the tenant that was evicted, plus annual adjustments authorized under the RSO. (LAMC 151.06.C)

923.02 If the landlord gave to the resident manager a unit that was vacated by the prior tenant because of an eviction under LAMC 151.09.A.5, 6, 7, 8, or 11, the initial rent charged to the resident manager shall not exceed the prior rent of the tenant that was evicted, plus annual adjustments authorized under the RSO. (LAMC 151.06.C)

923.03 If the landlord gave to the resident manager a unit that was vacated by the prior tenant because of an eviction under LAMC 151.09.A.1, 2 or 9, the initial rent charged to the resident manager can be set at any amount by the landlord. (LAMC 151.06.C)

923.04 If the landlord gave to the resident manager a unit that was vacated by the prior tenant because of an eviction under LAMC 151.09.A.3 or 4, the initial rent charged to the resident manager can be set at any amount by the landlord only if 1) the notice of intent to terminate tenancy was served on the tenant by the landlord prior to the City Attorney commencing a court action against the tenant pursuant to LAMC Section 47.50; and 2) the eviction or termination of tenancy is based upon information provided by a law enforcement agency or prosecution agency that the tenant is committing or permitting to exist any drug-related nuisance, illegal drug activity or gang-related crime as those terms are defined in LAMC 47.50. Otherwise, the initial rent charged to the resident manager shall not exceed the prior rent of the tenant that was evicted, plus annual adjustments authorized under the RSO. (LAMC 151.06.C)

923.05 If the resident manager was a tenant in the unit before being appointed resident manager, the rent charged to the resident manager shall not exceed the rent the tenant had already been paying plus annual adjustments authorized under the RSO.

924.00 AUTOMATIC RENT INCREASES DURING EMPLOYMENT

924.01 Whenever, under the rental agreement between the landlord and a resident manager, the manager must make partial rent payments to the landlord, only the partial rent payments shall be subject to the annual adjustments authorized under the RSO pursu-

Rent Adjustment Commission Regulations & Guidelines

ant to LAMC 151.06. The landlord must comply with the notice requirements of California Civil Code Section 827 prior to any changes in terms of tenancy, including an increase in the rent.

925.00 DETERMINATION OF THE RENT WHERE MANAGERIAL SERVICES ARE TERMINATED

925.01 Where, pursuant to Regulations 923.03 or 923.04, the initial rent of the unit was de-controlled when the resident manager moved in, and where the resident manager will continue to occupy the unit after termination of managerial services, the landlord, in a written contract, may establish the rent of the unit for the resident manager upon termination of managerial services. Where no such provision has been provided in a written contract, the rent of the unit shall be the average of the rents of the comparable occupied units in the building. If there are no comparable occupied units, then the rent shall be the average of the rents of the occupied units in the building.

925.02 If the initial rent of the unit was controlled pursuant to Regulations 923.01, 923.02, or 923.04, the rent of the unit upon termination of managerial services shall not exceed the rent of the tenant preceding the resident manager plus annual adjustments authorized under the RSO.

925.03 As per Regulation 923.05, if the resident manager was already a tenant in the unit before being appointed resident manager, the rent charged to the resident manager upon termination of managerial services shall not exceed the rent the tenant had already been paying plus annual adjustments authorized under the RSO.

925.04 The landlord must make available to the resident manager the rent records used in calculation of the rent of the unit upon termination of the managerial services.

925.05 If the resident manager surrenders the unit voluntarily, the rent of the unit shall be set at any amount by the landlord. (LAMC 151.06.C)

925.06 If the landlord evicts the resident manager pursuant to LAMC 151.09.A.1, 2, or 9, the rent of the unit shall be set at any amount by the landlord. (LAMC 151.06.C)

925.07 If the landlord evicts the resident manager pursuant to LAMC 151.09.A.5, 6, 7, 8 or 11, the rent charged to the next tenant shall not exceed the rent permissible under Regulations 925.01-925.04, plus annual adjustments authorized under the RSO.

925.08 If the landlord evicts the resident manager pursuant to LAMC 151.09.A.3 or A.4, the landlord can set the rent at any amount only if 1) the notice of intent to terminate tenancy was served on the resident manager by the landlord prior to the City Attorney commencing a court action against the resident manager pursuant to LAMC 47.50; and 2) the eviction or termination of tenancy is based upon information provided by a law

Rent Adjustment Commission Regulations & Guidelines

enforcement agency or prosecution agency that the resident manager is committing or permitting to exist any drug-related nuisance, illegal drug activity or gang-related crime as those terms are defined in LAMC 47.50. Otherwise, the landlord shall not charge rent that exceeds the rent permissible under Regulations 925.01-925.04, plus annual adjustments authorized under the RSO.

926.00 EVICTION OF THE RESIDENT MANAGER

926.01 The landlord can only evict a resident manager pursuant to LAMC 151.09. This provision shall not apply to employee-managers, unless they were already a tenant or they were granted a right of tenancy in a written agreement. (Regulation 920.02)

926.02 If a resident manager continues to reside in the unit after termination of the managerial services, the resident manager becomes a tenant subject to all of the provisions of the RSO.

926.03 An employee manager who is not entitled to the eviction protections of the RSO pursuant to Regulation 920.02 may be evicted without cause, subject to limitations under local, state or federal law.

926.04 Person(s) residing with an employee-manager who is not entitled to the eviction protections of the RSO pursuant to Regulation 920.02, may also be evicted without cause, subject to limitations under local, state or federal law, unless they have been approved as tenant(s) by the landlord.

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