Feburary 6<sup>th</sup>, 2024

Environmental Health Division Los Angeles County Department of Public Health VIA Email

Re: Proposed Los Angeles County Rental Habitability Program

Dear Los Angeles County Department of Public Health,

The California Apartment Association (CAA), representing a spectrum of housing providers and industry-supporting businesses, is committed to promoting fair and equitable housing policies in LA County. We appreciate participating in the stakeholder meeting held on January 24<sup>th</sup>, 2024.

On May 16, 2023, CAA sent a letter to the department as a follow up to the stakeholder meeting held on April 25<sup>th</sup>, 2023. We requested a review of alternative inspection timeframes and a cost assessment based on the risk profile of a building in the study process. In the most recent stakeholder meeting, these concerns and suggestions remain unaddressed. Viable alternatives which can potentially result in a reduction of fees, inspections and County resources while maintaining the goals of a program should be considered.

We urge the department to consider a third-tier inspection timeline and cost structure for "gold star" properties. Properties with a history of good compliance should face lower costs and less frequent or randomly sampled inspections. The goal of the program is compliance. Responsible housing providers should not face the same administrative burden as those with non-complaint histories.

We request an early release of the draft ordinance to ensure sufficient public review time. Although the outline of the program has been presented, the ordinace details are not available. The ordinace should be released prior to any official agenda posting.

It's concerning that there are no provisions for issues caused by residents, which can unfairly impact housing providers. There are a variety of situations where the resident, and not the housing provider, is the cause of code or health and safety violations. In some cases, housing providers are prevented from remedying the issue. Appropriate safeguards should be put in place to ensure the inspection process does not become part of a landlord-tenant dispute.

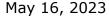
We thank you for your consideration.

Sincerely,

Fred Sutton

California Apartment Association

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Environmental Health Division Los Angeles County Department of Public Health Los Angeles County

VIA EMAIL

## **RE: Rental Housing Habitability Program: Comment Period**

Dear Environmental Health Division:

The California Apartment Association (CAA) supports an inspection program to ensure the County's housing stock is safe and habitable. On April 5<sup>th</sup>, 2022 the Los Angeles Board of Supervisors requested the department to convene relevant agencies and stakeholders as it developed a proactive rental inspection program.

CAA appreciates inclusion in the stakeholder session and urges the department to conduct more engagement meetings and include alternative frameworks for Board consideration. The proposed framework appears to be a specific model based primarily off the City of Los Angeles.

Housing providers only recently have been allowed to exercise a limited rental adjustment and were prohibited from collecting rent until April  $1^{\rm st}$ , 2023, while operational costs have skyrocketed. A proactive inspection program will result in a large fee to fund the program and create a mandatory inspection process which will impact all residents.

All viable alternatives which can potentially result in a reduction of fees and inspections while maintaining the goals of a program should be considered.

## **Alternative Inspection Timeframes**

When the city of Los Angeles reviewed their program, a report conducted by BAE Urban Economics¹ analyzed several jurisdictions with proactive inspection programs. Of those surveyed, it found Los Angeles was "the only program... that strives to achieve a four-year inspection frequency" and is the only program that "[inspects] 100 percent of eligible units at a given property". Any county program would be in addition to a complaint based rapid response program. Los Angeles Housing Department data also "indicates that 95 percent of property owners are maintaining well-kept rental properties and about 5 percent are not maintaining their properties." These facts create an opportunity for the county to explore cost saving alternatives modeled after other cities while maintaining the mission and integrity of a program.

Alternatives to explore include but are not limited to:

<sup>&</sup>lt;sup>1</sup> BAE Urban Economics: SCEP Fee Study Update. January 19, 2021.

- Extend the time frame further for inspection of properties which have demonstrated minimal risk of code violation. This is done in cities such as Minneapolis and San Jose.
- Review programs in Seattle and San Jose which randomly sample properties with a history of compliance.

## Assessment Based on Risk Profile

Several cities have a fee structure based on risk profile. Those that are out of compliance should pay higher base fees than responsible housing providers. A simple review of programs in other jurisdictions indicates fees per inspected unit can range widely and are much lower than fees currently incurred in the City of Los Angeles.

The County should explore:

A fee structure based on risk assessment.

## Other considerations

Housing providers want to fix maintenance issues. If they are not notified or are unaware of the problem, they cannot take action to fix it. In non-emergency instances a resident should be required to notify the operator prior to submitting an inspection complaint to the County. Routine maintenance issues can be resolved easily if notification is made. A housing provider must be given the opportunity to correct an issue before facing a complaint-based inspection.

We respectfully request more engagement and consideration as a program is developed. There are those who may have been unable to make the meeting on April 25<sup>th</sup> and still more who are unaware of the developing program. It is important for the department to get a wide range of feedback.

The goal of a program is to achieve compliance. This can be done in a less intrusive and cost-efficient way than the proposed framework which is modeled after the City of LA. Before any program is finalized, a comprehensive analysis of other jurisdictions should be conducted. Renters and housing providers should not have to pay more for a program that can deliver the same results at lesser cost.

Thank you for your consideration.

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Fred Sutton, Senior Vice President California Apartment Association