

### **CITY OF BEVERLY HILLS**

### **COMMUNITY DEVELOPMENT**

### **MEMORANDUM**

**To:** Honorable Mayor & City Council

From: Susan Healy Keene, Director of Community Development

**Subject:** Habitability Standards

**Exhibits:** 1. Habitability Standards

2. Habitability Checklist

3. Beverly Hills Habitability Complaints4. Schedule of 14 California RSO Cities

### INTRODUCTION

This memorandum addresses habitability standards that were raised as part of discussions related to recent amendments to the City's Rent Stabilization Ordinance (RSO). The report provides information on the current standards in Beverly Hills; required habitability standards for other rent stabilized cities; enforcement of standards, and options to consider. Exhibit 4 identifies 14 cities in California with RSO programs and their Habitability standards relative to enforcement, inspection, and tenant protections.

### **BACKGROUND**

The City last explored habitability standards in 2007. At that time, staff brought City Council a preliminary proposal for a systematic housing inspection program in response to increasing multifamily building maintenance violations, some for failing to meet even minimum habitability or safety standards. Aging housing stock was cited as one of the chief reasons for the steady growth in complaints.

Over the next few months proposed ideas were shared with stakeholders, including housing providers, realtors, the Apartment Owners Association of Los Angeles (AAGLA), and the Beverly Hills Chamber's Government Affairs Committee. Concerns included cost; equity between buildings with significantly varying conditions; privacy, and negative experiences with similar programs.

In November 2007, an official proposal was presented to City Council. Then as now, Beverly Hills' inspection program was reactive in that only complaints trigger inspections. The proposed systematic inspection program was a step toward a proactive program, where a small

percentage of units would be randomly selected for inspection. As proposed, buildings with problems would undergo additional inspections to address specific issues. A hearing process would be available with an independent hearing officer. Enforcement would be outsourced. Cost for the program was originally estimated to be almost \$600,000 but was later downgraded to \$200,000. The program would be cost neutral because problem properties would be billed directly. The program would not include any new codes.

At that time, City Council explored the option of implementing a proactive inspection program for the enforcement of the existing habitability standards. However, the stakeholders expressed the following concerns: cost; equity (treating all apartments the same regardless of ownership or size); tenant privacy; and added bureaucracy. Ultimately, the plan did not move forward. Instead, staff recommended a combination of educating housing providers, self-assessment, and inspections for problem properties only.

During facilitated dialogue sessions between tenants and housing providers held last summer with Professor Sukhsimranjit Singh issues of habitability were discussed. There was concern expressed regarding the level of maintenance and habitability of some units and that housing providers might neglect repairs if limited by the maximum allowable annual rent increase. Both tenants and housing providers agreed that the City needs to adopt a higher standard of habitability and invest in more personnel for code enforcement. The suggestion was made that the ideal venue to discuss habitability issues was through "mediation boards" to mitigate potentially contentious conversations.

Participants also mentioned concerns previously identified and raised in 2007, such as privacy and additional bureaucracy. There was less agreement regarding specific policy. Tenants stated housing providers should only be able to raise rents if housing providers meet agreed upon standards and cited West Hollywood as an example. Furthermore, tenants said they feared housing providers' retribution over maintenance requests, and preferred to report code violations anonymously. Housing providers, on the other hand, stated they would agree to stringent standards only if the permissible annual allowable maximum rent increase was more than the ordinance's greater of 3% or CPI for Chapter 6 units.

### **DISCUSSION**

#### **Habitability Standards**

Habitability standards are found in various legislative codes including federal, state and local standards that identify substandard or unsanitary residential building conditions. Habitability codes are found in the Uniform Housing Code, International Building Code, International Property Maintenance Code, California Building Code, California Residential Code, California Existing Building Code, Los Angeles County Building Code and the Los Angeles County Health Code. Beverly Hills has directly adopted many of these codes by reference into the Municipal Code. These codes, although slightly different, work to remedy the existence of and prevent the creation of dangerous, substandard, unsanitary, and deficient residential buildings and dwelling units.

Habitability standards in residential properties include, but are not limited to, adequate plumbing, electrical, and heating systems and compliance with safety related issues related to flooring, windows, doors, structural defects, appliances, common area deficiencies and nuisance issues. These standards work to ensure that residential properties are habitable and free from substandard conditions. Most habitability standards are cited from California Civil Code §1941.1, Health and Safety Code §17920.3, and State building and maintenance codes.

Attached is a Habitability Standards (Exhibit 1), composed of both code sections, and provides a guide to help identify all of the issues that can affect habitability.

Habitability standards are of heightened interest in rent stabilized buildings due to concern of a potential decline in living conditions if housing providers put off repairs. Each local jurisdiction implements habitability standards differently based on not only State standards, but also additional requirements enforced locally. Of the 14 cities with some form of rent control, two cities have standards which exceed minimum habitability standards.

The City of West Hollywood expanded its habitability requirements to require replacement of items such as floor and window coverings, and repainting of units and common areas on a prescribed timeline. These standards are the most expansive of the 14 cities with rent stabilization. Housing providers must replace carpets, linoleum/vinyl, and window coverings every seven (7) years, paint interior common areas every four (4) years, and paint exterior common areas every seven (7) years. Appliances must be kept in good working condition.

San Francisco has enacted provisions for soft story seismic retrofit and has balcony and deck requirements that are inspected every five (5) years to assure their continued stability and safety. However, it is the responsibility of the housing provider to have balconies and decks checked for safety.

### **Complaint-based Enforcement**

Each city ensures compliance with habitability standards differently with the majority of the RSO cities in California using a complaint-based approach (Exhibit 4). Complaints in Beverly Hills related to rental unit habitability, substandard violations, and property maintenance; violations are becoming more frequent, particularly in older buildings. More than one-third of the RSO units were built before 1940, and more than half were built between 1940 and 1979. Some overall habitability issues may result from poor or inadequate repair and maintenance, which over time results in damage often needing substantial and expensive repairs. However, in some cases there may be habitability issues simply due to the age of the structure.

The substandard violations and aesthetic defects are applicable to the building structure exterior, all common areas, rental unit interiors and the exterior of the property itself. A list of the more common complaints, defects and violations observed by Beverly Hills code enforcement in recent years are listed in Exhibit 3.

Beverly Hills' complaint-based inspections are paid for in part by the Rent Control Administration Fee established in 2007. Originally \$20 per unit per year, it was raised to \$54 in 2012. The fee is collected through Utility Billing and is charged \$9 per unit per bill throughout the year.

The City contracted with Management Partners in April 2017, to assist with various tasks related to implementing the amended Rent Stabilization Ordinance. One of the tasks was preparation of a staffing plan for the program in which Management Partners identified the need for enforcement relative to the identification and enforcement of housing habitability standards. Management Partners recommended addition of Code Enforcement Officer to conduct habitability inspections based on complaints and to provide enforcement support for Rent Stabilization violations.

Eight other cities, (San Jose, Berkeley, Oakland, Los Gatos, East Palo Alto, Palm Springs, Santa Monica, and West Hollywood) conduct inspections on a complaint basis. Although most

inspections are conducted on a complaint basis, San Jose's inspections are conducted on a tier system and are based on those properties with a history of habitability code violations. Berkeley does proactive enforcement only when there is available staff.

### **Self-Certification Inspection Programs**

Some cities have incorporated a self-certification program which requires housing providers to submit a habitability standards checklist attesting to the building's condition under penalty of perjury. An example of such checklist is included in Exhibit 2. Self-Certification is intended to reward those housing providers with a history of responsible property management. In fact, one of the recommendations the Beverly Hills' Human Relations Commission made in January 2017 was a self-certification inspection process.

In Hayward, self-certification allows qualifying housing providers an opportunity to opt-out of the mandatory inspection program as long as their properties are in good standing. Oakland has an enforcement process that is initiated by a Courtesy Notice that informs the housing provider of an alleged violation with no prior code inspection. The Courtesy Notice provides 21 days for the owner to respond by providing a self-certified Housing Provider Certification form with photographs. By signing, the owner certifies that they will maintain the property free from additional notices. If another complaint is filed for the same violation, and confirmed by a code enforcement inspector, an immediate fee assessment is imposed.

### **Proactive/Routine Inspection Programs**

Several jurisdictions conduct regular inspection programs to ensure compliance with habitability standards, although there are variations in the frequency of inspection.

### City of Los Angeles

The City of Los Angeles has a Systematic Code Enforcement Program (SCEP) whereby all multi-family residential units, including RSO units, are inspected over a four year period of time as well as through a complaint based process. The General Manager determines how often properties are inspected, but inspections occur no less than once every four (4) years. The frequency depends on the current condition, history, age, record of the owners, or delinquent fees, taxes, or utility bills. The city charges a SCEP per unit, per year and additional fees if the case requires additional inspections. If an owner does not correct a violation in 30 days it is referred to a General Manager's hearing. The General manager can order a rent reduction, referral to the Rent Escrow Account Program (REAP), referral to the Urgent Repair Program, an imposition of additional inspection fees, referral into the Receivership Program, or issue an Order of Abatement against the property. The Tenant Habitability Program ensures tenants are properly housed during repairs and requires housing providers to mitigate the impacts of renovation.

### San Francisco

San Francisco has a routine inspection program in place for rental properties. Every five (5) years a property must be inspected by a housing inspector for habitability standards and housing safety. Inspections are funded through fees charged to housing providers that cannot be passed through to tenants. The Inspection fee is charged only if violations are found and only after the First Notice is issued and compliance was not obtained. Although inspections are completed on a five year rotation, most inspections are complaint based.

San Francisco also conducts a Code Enforcement Outreach program where it partners with five (5) area non-profit organizations to provide tenants with information; regarding their rights related to housing code habitability compliance, information on how to notify the housing providers about needed repairs; facilitate completion of repairs prior to housing inspections; act as a liaison between the tenant and the Department of Building and Safety to secure needed repairs; conduct workshops to educate tenants about their role in ensuring housing code compliance in their rental units.

The cities of Richmond, Mountain View and Hayward, conduct code enforcement by a combination of routine inspections and self-certification. The City of Richmond conducts rental unit inspections once every three (3) years. However, owners with three or more units are eligible to conduct a self-inspection and "certify" that each of their residential rental properties is well-maintained. Mountain View maintains periodic inspections, with a goal to inspect properties every five (5) years. Properties may claim an exemption in which case they are required to self-certify units every 2 years. Exempted properties are inspected once every eight (8) years. Inspections are also conducted on a complaint basis. The City of Hayward conducts a self-certification for qualifying housing providers which intends to reward housing providers with the history of responsible property management.

#### **Tenant Protections**

Beverly Hills requires a "Means and Method Plan" to protect tenants during construction. Anyone applying for a permit to alter or repair a structure that contains one or more dwelling units must submit a form to the City indicating whether or not those units contain tenants. If so, the applicant must submit a means and methods plan that indicates whether or not that work will impact sanitation or create structural hazards. It requires a description of the construction process; its impact; a plan to address those impacts; an assessment of whether or not the tenants need to be temporarily relocated, and mitigation measures. If relocation is required, the applicant must prepare a relocation plan. The applicant must also certify that tenants will receive information about the nature of the work; scheduling; assurance the tenancy will not be terminated; a statement informing tenants of their rights to seek mitigation, and other requirements.

In the City of Los Angeles non-compliance with a habitability violation triggers a hearing and potentially a referral to the Rent Escrow Account Program (REAP). Through the REAP program, if rental units are deemed substandard, tenant rents can be reduced 10% to 50% and paid into an escrow account, where the housing provider incurs fees and does not collect rent until deficiencies are addressed. Owners can, however, request funds from the REAP account to make the repairs on the associated code violations.

The City of Los Angeles also established a Tenant Habitability Plan (THP) for all work that requires a permit on occupied residential properties. The THP plan recognizes that displacement from rental housing creates hardships on renters who are senior citizens, persons on fixed incomes and low and moderate income households, particularly when there is a shortage of decent, safe and sanitary housing at affordable rent levels in the City. The THP details the work to be performed and how the owner will ensure for the tenants safety during this work period. It provides for temporary relocation, at the owner's costs, and requires that the tenant be returned to the unit at the same rental rate. The City is required to sign off on the THP and the owner is required to serve a copy to the tenant. The tenant has the right to appeal the THP and go before a hearing officer. The hearing officer decision is final. No permits can be issued without approval from the Rent Stabilization program.

In 2005, the City of Richmond unanimously approved the Residential Rental Dwelling Unit Inspection and Maintenance Code. It provides that if any residential rental dwelling unit is found to be unsafe to occupy, or is unfit to occupy pursuant to the Health and Safety Code or the unit is posted by the building official with an order not to enter or occupy, the costs and expenses of relocation to tenants are required.

In San Jose, tenants in rental units, including RSO units, can file a petition due to a decrease in housing services; issues with compliance with San Jose Building codes, and violations of the Housing providers' Implied Warranty of Habitability to assert a service reduction. The tenant has the burden of proof of their claim by submitting evidence such as maintenance records, photographs, and/or testimony.

In Mountain View tenants can file a petition for individual downward adjustment of rent for: failure to maintain a rental unit in compliance with health and safety or building codes; reduced service or maintenance; or for payment of rent in excess of lawful rent.

The Oakland Municipal Code provides that a Tenant Petition can be filed for a decrease in housing services. A decrease in housing service may exist where services that were originally included in the rent are taken away; where the conditions in a unit have changed substantially from the condition when it was originally rented; and/or where there is a serious defect in the unit which affects the health or safety of the tenants. A hearing officer determines the rent reduction allowed for the associated decrease in housing service.

Like Mountain View and Oakland, West Hollywood also has a procedure by which a tenant may file an application to decrease the amount of the rent based upon a decrease of housing services.

### **Inspection Fees**

Inspection fees vary for the 14 California Cities with RSO programs. The self-certified inspection fee imposes no costs from the cities as the owner is requested to conduct the inspection and report back to the city. The midrange fee for city inspections is approximately \$156 and ranges to a \$350 fee for inspections where violations are found. Inspection fees for the 14 California cities with RSO programs are detailed in Exhibit 4.

### **Policy Options**

There are several options that the City Council and the public could consider when determining whether to enhance habitability requirements and enforcement of standards. These options or a combination of the following policy options may also be considered.

- 1. **No Policy Change:** Continue to monitor and follow-up on habitability complaints with code enforcement staff.
  - Advantage to Housing Providers: Little to no advantage for housing providers.
     The complaint inspection process will remain with Code Enforcement staff on all RSO properties on the existing habitability code ordinances.
  - Disadvantage to Housing Providers: Housing providers would remain under the current Habitability Standards consistent with California State law and would not otherwise be disadvantaged.

- Advantage to Tenants: Tenants will continue to have the ability to contact the
  City to make a habitability complaint, and Code Enforcement will inspect the
  property for the alleged violations.
- Disadvantage to Tenants: Tenants may be disadvantaged because the scope
  of habitability will remain at the same minimal habitability standards offered by
  the State of California and related building codes. In addition, the tenant still is in
  a position of having to file a complaint, potentially receiving some level of
  retaliation from the housing provider.

Administrative Considerations: This option would maintain existing conditions. However, both Management Partners and the Matrix's study reports identified that a dedicated code enforcement officer for the Rent Stabilization Program is needed.

- 2. Establish a Self-Certification Process: Establish a process that would require housing providers to conduct their own annual habitability inspection and report to the City on an annual basis through the annual Rent Registry process. At the City Council meeting of January 24, 2017, Human Relations Commission liaison presented information to the Council on a similar policy option which included a self-certification program recommended by the Human Relations Commission.
  - Advantage to Housing Providers: The self-certification process would allow owners the opportunity to make repairs prior to the issuance of a formal code violation notice. It may also reduce the costs associated with code enforcement inspections. Housing providers would be provided the opportunity to inspect the units on an annual basis so that they can address concerns prior to the creation of a condition leading to a habitability violation.
  - Disadvantage to Housing Providers: Housing providers may incur the costs associated with self-certification as a result of conducting the annual inspection process because housing providers may have to hire a professional to complete the inspection process.
  - Advantage to Tenants: Tenants would obtain an annual inspection of their unit
    where habitability violations would be identified to the owner. This will inform the
    housing providers of pending habitability issues and action can be taken to
    remedy the issue.
  - Disadvantage to Tenants: Tenants may experience additional costs if housing providers are allowed to pass-through associated costs.

Administrative Considerations: This option would require additional RSO staff resources to ensure compliance and to review the photographs submitted in compliance with the self-certification process as well as to receive, investigate and inspect to make determinations on violations. This process will also require additional trained Code Enforcement inspection staff to determine violations of habitability standards dedicated exclusively to the RSO program.

- 3. Establish a Habitability Proactive Inspection Program: Establish a proactive inspection program which would require City Code Enforcement staff to inspect all RSO properties for habitability on a regular basis as determined by City Council.
  - Advantage to Housing Providers: The proactive inspection process will report
    to housing providers habitability conditions. Housing providers then would be
    able to make the necessary repairs thereby insuring that their properties are free

- of substandard conditions. As repairs to address the habitability standards are made, housing providers would receive less complaints from their tenants.
- **Disadvantage to Housing Providers:** Housing providers may have to incur additional costs associated with the inspection process.
- Advantage to Tenants: The majority of RSO tenants would benefit from this option and may decide to continue to reside in the unit for a longer period of time.
- Disadvantage to Tenants: Tenants may receive an increase in rent if, a housing
  provider who has never normally imposed an annual rent increase, chooses to
  impose the annual rent increase to cover the costs associate with the additional
  standards. In addition, if the housing provider's costs increase significantly, a rent
  increase application could be filed, and the tenants' rents would be increased if
  the application is successful.

Administrative Considerations: This option would require additional RSO staff resources to ensure compliance to inform housing providers and tenants and to receive, investigate and make determinations on violations. This process will also require additional trained Code Enforcement inspection staff to determine violations of habitability standards dedicated exclusively to the RSO program.

- **4.** Expand the Habitability Standards similar to West Hollywood: Establish required time frames for replacement of floor and window coverings and repainting of interior and exterior areas.
  - Advantage to Housing Providers: Expanding the habitability standards could help owners retain and obtain new tenants thereby reducing the costs associated with re-occupying the unit.
  - Disadvantage to Housing Providers: This may have an effect on the owner's
    costs, as additional requirements to replace flooring every seven years and to
    paint the interior every four years and common areas every seven years, may
    increase costs if the owner does not normally conduct this work under these time
    periods.
  - Advantage to Tenants: The majority of RSO tenants would benefit from this
    option and may decide to continue to reside in the unit for a longer period of time.
  - Disadvantage to Tenants: Tenants may receive an increase in rent if, a housing
    provider who has never normally imposed an annual rent increase, chooses to
    impose the annual rent increase to cover the costs associate with the additional
    standards. In addition, if the housing provider's costs increase significantly, a
    rent increase application could be filed, and the tenants' rents would be
    increased if the application is successful.

Administrative Considerations: This option would require additional RSO staff resources to ensure compliance to inform housing providers and tenants and to receive, investigate and make determinations on violations. This process will also require additional trained Code Enforcement inspection staff to determine violations of habitability standards dedicated exclusively to the RSO program.

- 5. Establish a reduction in rent tied to habitability violations like 12 of the 14 California cities with RSO programs.
  - Advantage to Housing Providers: There is little to no advantage to the housing provider to reduce its ability to collect its full amount of rent. The housing provider may be subject to additional costs if the City determines that an application process must be established to determine the associated reduction in rent for each violation of a habitability standard.
  - Disadvantage to Housing Providers: The housing providers would be disadvantaged as they would have fewer funds collected in rent to make any necessary repairs. Necessary repairs may be left unattended to for an extended period of time as a result of the housing provider's inability to collect the full amount of rent.
  - Advantage to Tenants: Tenants would have a corresponding reduction in rent when habitability violations are found and housing providers may be incentivized to make repairs prior to obtaining a code violation.
  - Disadvantage to Tenants: Tenants may be disadvantaged by the fact that the owners would have reduced funds with which to make repairs and may be required to reside in untenable conditions for an extended period of time.

Administrative Considerations: This option would require additional RSO staff resources to ensure compliance to inform housing providers and tenants and to receive, investigate, inspect and make determinations on violations. This process will also require additional trained Code Enforcement inspection staff to determine violations of habitability standards dedicated exclusively to the RSO program. There may also be additional costs relative to a hearing process to determine amounts of reduction in rents tied to each habitability standard and to provide guidance on how the associated habitability violation will relate to a reduction in rent. The City may also be required to establish an application and hearing process, which would require additional staff time and cost with the administration of an application process.

- 6. Create a Mediation Board: A typical mediation board composition varies from five to fifteen board members including both tenants and housing providers and neutral parties, usually a home or business owner. Some mediation boards are appointed by the mayor or by city council, other mediation boards may be elected to their positions. The city may propose a mediation board to deal with rent stabilization matters including habitability.
  - Advantage to Housing Providers: This would give housing providers a platform to establish a more balanced review of their housing concerns. This may also improve communication and relationships between housing providers and tenants.
  - **Disadvantage to Housing Providers:** Housing providers may be required to attend a mediation board review. This may also delay resolution of issues.
  - Advantage to Tenants: Like housing providers, this policy option would give tenants a platform to establish a more balanced review of their housing concerns.
     This may also improve communication and relationships between housing providers and tenants.
  - **Disadvantage to Tenants:** Tenants may be required to attend a mediation board review and delay resolution of issues.

Administrative Considerations: This option would require intensive administrative involvement by RSO staff to provide support to the mediation board. If this option is considered for implementation, further discussion would be necessary to determine the board's purview, structure, and composition.



# **Exhibit 1**



## **Habitability Standards**

	Int'l	CA	County	LA	SM	WH	BH
		Civ:	HSC:				
		"Untentable"	"Substandard"				
		HSC:	LACBC:				
		"Substandard"	"Substandard"			.=	0.5.0.4
Waterproofing and Weather	M-:+ 8204	Civ § 1941.1	HCC 8 11 20 140	§31.00	§8.92.030	§7.04.010	§5-3-1
Protection	Maint §304	HSC § 17920.3	HSC § 11.20.140	(Adopted)	(Adopted) §8.96.050	(Adopted)	(Adopted)
					§8.96.030 §8.92.030	§7.04.010	§5-3-1
Working Plumbing/Gas	Maint §504	Civ §1941.1	HSC § 11.20.140	§31.00	(Adopted)	(Adopted)	(Adopted)
Facilities	Maint 9304	HSC § 17920.3	HSC § 11.02.300	(Adopted)	§8.96.050	(Adopted)	(Adopted)
			HSC § 11.20.140	§31.00	§8.92.030	§7.04.010	§5-3-1
Hot/Cold Water	Maint §505	Civ § 1941.1	26 LACBC §	(Adopted)	(Adopted)	(Adopted)	(Adopted)
		HSC § 17920.3	9904	§91.8902.1	§8.96.050	(]	(
		Civ 1941.1	26 I A CD C 8		§8.92.030		§ 9-1-202
Heating facilities	Maint §108.1	HSC § 17920.3	26 LACBC §	§91.8902.1	(Adopted)		(Adopted)
		24 CCR §1204	9904		§8.96.050		
		Civ § 1941.1		-	§8.92.030		§ 9-1-202
Electrical Lighting	Maint §604	24 CCR §1205			(Adopted)		(Adopted)
		HSC § 17920.3			§8.96.050		
Building/ground clear of	Maint §302	Civ § 1941.1		§31.00	§8.92.030	§7.04.010	§5-3-1
debris, filth, rubbish, garbage,	Maint §308	HSC § 17920.3	HSC § 11.20.140	(Adopted)	(Adopted)	(Adopted)	(Adopted)
rodents, vermin		1150 3 17720.5		(Fluopieu)	§8.96.050		
Lack of garbage	3.5 1 . 0200	Civ § 1941.1		001 0000 1	§8.92.030		
receptacles/storage	Maint §308	HSC § 17920.3		§91.8902.1	(Adopted)		
F1/C4-:/D-:1::-	M-:+ 0100 1				§8.96.050		
Floors/Stairways/Railings in Good Repair	Maint §108.1 Maint §307	Civ § 1941.1					
Good Repail	Maint §108.1		HSC § 11.20.140	§31.00	§8.92.030	§7.04.010	§5-3-1
Defective/deteriorated floors	Maint §304	HSC § 17920.3	26 LACBC §	(Adopted)	(Adopted)	(Adopted)	(Adopted)
Defective/deteriorated floors	Maint §304 Maint §305	115C § 17720.5	9904	§91.8902.2	§8.96.050	(Adopted)	(Adopted)
Locking Mail Receptacle	mane 3505	Civ § 1941.1	,,,,,	371.0702.2	30.50.000		
<i>S</i>		3		221.00	§8.92.030	§7.04.010	§5-3-1
I1 £1t1	Maint 8502	HSC § 17920.3	HSC § 11.20.140	§31.00	(Adopted)	(Adopted)	(Adopted)
Lack of lavatory, shower	Maint §502	24 CCR §1210	HSC § 11.20.140	(Adopted) §91.8902.1	§8.96.050		§ 9-1-202
				891.8902.1			(Adopted)
				§31.00	§8.92.030	§7.04.010	§5-3-1
Lack of kitchen sink	Maint §505	HSC § 17920.3	HSC § 11.20.140	(Adopted)	(Adopted)	(Adopted)	(Adopted)
				§91.8902.1	§8.96.050		
					§8.92.030	§7.04.010	§5-3-1
Insufficient ventilation	Maint §108.1	24 CCR §1203	HSC § 11.02.300	§31.00	(Adopted)	(Adopted)	(Adopted)
	Maint §403	HSC § 17920.3		(Adopted)	§8.96.050		§ 9-1-202
					60.02.020		(Adopted)
Lack of Required Ventilation		HSC § 17920.3	26 LACBC §	§91.8902.1	§8.92.030 (Adopted)		
Equipment		113C g 17920.3	9904	891.8902.1	§8.96.050		
			HSC § 11.02.300	§31.00	§8.92.030	§7.04.010	§5-3-1
Insufficient natural light	Maint §108.1	HSC § 17920.3	26 LACBC §	(Adopted)	(Adopted)	(Adopted)	(Adopted)
	Maint §402	3 -17 - 110	9904	891.8902.1	§8.96.050	(	(**********)
		HGG 0 15000 2	26 I A GD G A	g	§8.92.030		§ 9-1-202
Inadequate Room and Space	Maint §108.1	HSC § 17920.3	26 LACBC §	§91.8902.1	(Adopted)		(Adopted)
		24 CCR §1208	9904		§8.96.050		
			26 LACBC §		§8.92.030		
Dampness		HSC § 17920.3	9904	§91.8902.1	(Adopted)		1
			77U <del>1</del>		§8.96.050		
					§8.92.030		1
Mold		HSC § 17920.3			(Adopted)		1
					§8.96.050		
Dilapidation/Improper	M-:+ 0100 1	HGC 8 17020 2		001.0104	§8.92.030		
Maintenance	Maint §108.1	HSC § 17920.3		§91.8104.	(Adopted)		
		<del> </del>			§8.96.050		1
Connection to sewage disposal	Maint §506	HSC 8 17020 2		801 8002 1	§8.92.030		]
system	ivianit 8300	HSC § 17920.3		§91.8902.1	(Adopted) §8.96.050		]
Inadequate Foundations	Maint §108.1	HSC § 17920.3	26 LACBC §	§91.8902.2	§8.92.030		<del>                                     </del>
madequate i bundations	iviaini g 100.1	1100 g 1/340.3	20 LACBC 8	871.0704.2	go.72.030		

### Memorandum – Habitability Standards

	15:	Т	0004	Т	(1.1		ı
	Maint §302		9904		(Adopted) §8.96.050		
Defective/deteriorated walls	Maint §108.1 Maint §302	HSC § 17920.3	HSC § 11.20.140 26 LACBC § 9904	§31.00 (Adopted) §91.8902.2	§8.92.030 (Adopted) §8.96.050	§7.04.010 (Adopted)	§5-3-1 (Adopted)
Defective/deteriorated ceiling	Maint §108.1 Maint §302	HSC § 17920.3	HSC § 11.20.140 26 LACBC § 9904	§31.00 (Adopted) §91.8902.2	§8.92.030 (Adopted) §8.96.050	§7.04.010 (Adopted)	§5-3-1 (Adopted)
Defective/deteriorated fireplaces/chimney	Maint §304	HSC § 17920.3	26 LACBC § 9904	§91.8902.2	\$8.92.030 (Adopted) \$8.96.050		
Safe/functioning wiring	Maint §605	HSC § 17920.3	26 LACBC § 9904	§91.8902.4	§8.92.030 (Adopted) §8.96.050		
Maintained/good/safe plumbing	Maint §504	HSC § 17920.3	26 LACBC § 9904	§91.8902.5	§8.92.030 (Adopted) §8.96.050		
Maintained/good/safe mechanical equipment	Maint §603	HSC § 17920.3	26 LACBC § 9904	§91.8902.4	§8.92.030 (Adopted) §8.96.050		
Deteriorated/crumbling/loose plaster	Maint §305	HSC § 17920.3		§91.8902.7	§8.92.030 (Adopted) §8.96.050		
Deteriorated/ineffective waterproofing	Maint §304	HSC § 17920.3		§91.8902.7	§8.92.030 (Adopted) §8.96.050		
Defective or lack of exterior weather protection	Maint §304	HSC § 17920.3	HSC § 11.20.140	§31.00 (Adopted)	§8.92.030 (Adopted) §8.96.050	§7.04.010 (Adopted)	§5-3-1 (Adopted)
Broken, rotted, split, bucked exteriors	Maint §108.1	HSC § 17920.3		§91.8902.7	§8.92.030 (Adopted) §8.96.050		
Anything that could cause a fire as determined by fire chief		HSC § 17920.3		§91.8902.8	§8.92.030 (Adopted) §8.96.050		
Construction materials maintained in good/safe conditions		HSC § 17920.3	26 LACBC § 9904	§91.8902.9	§8.92.030 (Adopted) §8.96.050		
Unsafe maintenance per Uniform Building Code		HSC § 17920.3			§8.92.030 (Adopted) §8.96.050		
Adequate Exit Facilities	Maint §108.1	HSC § 17920.3		§91.8902	§8.92.030 (Adopted) §8.96.050		
Any public nuisance known to common law or equity jurisprudence, and whatever is dangerous to human life or detrimental to health	Maint §108.1		HSC § 11.02.300	§31.00 (Adopted)	§5.08.370 (Adopted)	§7.04.010 (Adopted)	§5-3-1 (Adopted)
Uncleanliness or anything that renders air, food and drink detrimental to the health of human beings.	Maint §108.1		HSC § 11.02.300	§31.00 (Adopted)	§5.08.370 (Adopted)	§7.04.010 (Adopted)	§5-3-1 (Adopted)
Unsanitary plumbing/piping	Maint §504		HSC § 11.20.140 HSC § 11.02.300 HSC § 11.20.140	§31.00 (Adopted) §31.00	\$5.08.370 (Adopted) \$5.08.370	§7.04.010 (Adopted) §7.04.010	§5-3-1 (Adopted) §5-3-1
Unsanitary sewage disposal  Use of other than habitable	Maint §504		HSC § 11.02.300	(Adopted)	(Adopted) §5.08.370	(Adopted) §7.04.010	(Adopted) §5-3-1
rooms for living, cooking or eating purposes	Maint §404		HSC § 11.20.140	§31.00	(Adopted) §5.08.370	(Adopted) §7.04.010	(Adopted) §5-3-1
Incomplete Construction  Infestation by insects, vermin,	Maint §302		HSC § 11.20.140	§31.00 §31.00 (Adopted)	(Adopted) §5.08.370	(Adopted) §7.04.010	(Adopted) §5-3-1
rodents	Maint §309		HSC § 11.20.140	(Adopted) §91.8902.1 §31.00	(Adopted) §5.08.370	(Adopted) §7.04.010	(Adopted) §5-3-1
General dilapidation	Maint §108.1		HSC § 11.20.140	(Adopted) §91.8902.1	(Adopted)	(Adopted)	(Adopted)
Overcrowding	Maint §404		HSC § 11.02.300	§31.00 (Adopted)	§5.08.370 (Adopted)	§7.04.010 (Adopted)	§5-3-1 (Adopted)

### Memorandum – Habitability Standards

Lack of sound/effective roof covering	Maint §304	24 CCR §1207	26 LACBC § 9904	§91.8902.7	§8.12.010 (Adopted)		§ 9-1-202 (Adopted)
Lack of sound/effective exterior wall covering	Maint §304	24 CCR §1207	26 LACBC § 9904	§91.8902.7	§8.12.010 (Adopted)		§ 9-1-202 (Adopted)
Broken windows/doors	Maint §304		26 LACBC § 9904	§91.8104.5.1	(Adopted)	§13.04.010 (Adopted)	(Adopted)
Abandoned Buildings			26 LACBC § 9904			§13.04.010 (Adopted)	
Lack of paint causing dry rot, warping, termite infestation	Maint §304		26 LACBC § 9904			§13.04.010 (Adopted)	
Overgrown vegetation causing detriment to neighboring properties or property values			26 LACBC § 9904			§13.04.010 (Adopted)	
Dead trees, weeds, debris constituting unsightly appearance	Maint §302		26 LACBC § 9904			§13.04.010 (Adopted)	
Dead trees, weeds, debris constituting dangerous to public safety and welfare	Maint §302		26 LACBC § 9904			§13.04.010 (Adopted)	
Dead trees, weeds, debris detrimental to property values	Maint §302		26 LACBC § 9904			§13.04.010 (Adopted)	
Inoperable or abandoned vehicles, etc., causing depreciation of nearby property values	Maint §302		26 LACBC § 9904			§13.04.010 (Adopted)	
Nuisances dangerous to children in the form of abandoned/broken equipment	Maint §108.1		26 LACBC § 9904			§13.04.010 (Adopted)	
Nuisances dangerous to children in the form of neglected machinery	Maint §108.1		26 LACBC § 9904			§13.04.010 (Adopted)	
Nuisances dangerous to children in the form of swimming pools	Maint §303		26 LACBC § 9904			§13.04.010 (Adopted)	
Broken or discarded furniture and household equipment left in yard for unreasonable periods			26 LACBC § 9904			§13.04.010 (Adopted)	
Clotheslines in front yards.			26 LACBC § 9904			§13.04.010 (Adopted)	
Garbage cans stored in front or side yards and visible from public street except when placed in places of collection at the times permitted.			26 LACBC § 9904			§13.04.010 (Adopted)	
Packing boxes visible in yards			26 LACBC § 9904			§13.04.010 (Adopted)	
Lumber, junk, trash, debris	Maint §308		26 LACBC § 9904			§13.04.010 (Adopted)	
Abandoned/discarded/unused cars, furniture, stoves, refrigerators, freezers, cans		•	26 LACBC § 9904			§13.04.010 (Adopted)	
Stagnant water, excavations			26 LACBC § 9904			§13.04.010 (Adopted)	
Device/decoration unsightly by reason of condition or location			26 LACBC § 9904			§13.04.010 (Adopted)	

## Exhibit 2



### Exhibit 2

## **Habitability Checklist**

This list is a guide to help you identify all of the things that can affect habitability, based upon Civil Code §1941.1 and Health and Safety Code §17920.3. Due to the variety of circumstances which can arise in a given rental situation, all of the possible conditions can't be listed, so you should use your own judgment to determine whether a particular condition you are concerned with is like one of those listed here. Plainly stated, just because it's not on this list doesn't mean it isn't an uninhabitable one, particularly if it adversely affects living there.

Electrical	Plumbing	Drainage hose
The power is unstable (goes out)	Hot and cold water supplied	Washing Machine itself
Wall switches	Insufficient hot water	Broken pipes in ceiling, wall
some not working	Inadequate water pressure	Sewer/Septic system
Cover plates missing/broken	hot only	don't work
Light fixtures not all working	both	Inadequately maintained
Exterior grounds lights	faucets	Surface discharge, leaks
For exterior doors	Bathroom	odor
For stairways	Kitchen	discharge under building
For garage/parking	———Patio	Kitchen sink counter
For common walkways	Wet bar	tiled
Electrical outlets don't all work	washing machines	nonporous and cleanable
No shocks from any part	Sudden bursts	Exterior faucets
GFI plugs near water	pressure varies a lot	don't work/leak
kitchen sink	Dirty/unhealthy water	Swimming pool/jacuzzi
bathroom sink	rust/discoloration	don't work
Fans	Odors	leaks
ceiling [eg, bathroom]	bad taste [eg, sewage]	pump/filter broken
heater [eg, bathroom]	Inadequate drainage	will not heat
above stove	Backups into sink/tub	<del></del>
ceiling circulation fans	Slow drainage	Flooring
Smoke alarms don't work properly	Slow dramage Regularly a problem	Uncovered holes in floors
Doorbell doesn't work	kegularly a problem in shower/bathtub	Floor separating from wall
Security system doesn't work	Kitchen sinks	Weak or loose floorboards
Security system doesn't work	Bathroom sinks	Buckling or uneven floors
	Toilets	Loose/chipped/missing tiles
Heating/Air Conditioning	Slow fill and flush	Loose/torn/missing linoleum
Heating/Air Conditioning	Slow in and flush Sewage backups/overflows	Torn or loose carpeting
Furnace	Flushing mechanism broken	Nails sticking up through carpet
Missing or broken	Leaks	Exposed carpet tack strips
Does not work	From water line to wall	Exposed carpet tack strips Carpeting mildewed or moldy
Thermostat broken	from the base on the floor	Carpeting influewed of moldy Carpeting stinks/unsanitary
Inadequate heat	from the fixture itself	Carpet torn/frayed, trip hazard
Pilot goes out		Carpet torn/mayed, trip nazard
Produces odor	Garbage disposal Doesn't work	<b>**</b> 7* - <b>1</b>
Noisy during operation	<del></del>	Windows
Some rooms get no heat	Backs up	Inadequate number of windows
Ducts are broken	Bathtub drain doesn't work	Inadequate ventilation from windows
Asbestos in ducts	Sink stoppers don't work	cracks or broken glass
Air filters failed	Faucets on sinks and tub	gaps in panes or windows
Vents don't work	loose or broken	Inadequate weather sealing
Other heaters	hard to move	Windows that should open
heat lamps don't work	Drip/trickle	Don't open easily
wall heaters don't work	Other Leaky plumbing	stick
portable units don't work	Faucets leak	Don't stay open as needed
Air Conditioning	when used	Don't close completely
Units don't work	always	Don't latch
Inadequately cooling	Onto or under counter	Ground floor windows have no lock
Noisy	Drains under sink	Window screens
Thermostats don't work	Dishwasher	Holes or tears
	Garbage disposal	Missing from some/all
	Clothes washer	Frames unbent, unbroken
	Hoses -hot and cold intake	

Doors	unstable basement wans	Nulsances
Interior doors	Stairways/ rails	Infestations
Loose in frame/maladjusted	insecure, unsafe	mice/ rats/ rodents
stick	dilapidated, failing	cockroaches
Will not close securely	Exterior porch/deck unstable	ants
Missing knobs	Paint	spiders
Missing working latches	flaking or peeling	termites
Exterior doors	lead-based	bees/ wasps/ hornets
<del></del>	<del></del>	flies/mosquitos
Loose in frame/maladjusted		
stick		pigeons/bats
Will not close securely	<b>Appliances (supplied with unit)</b>	Raccoons/opposums
Missing knobs	TIPPITOTO (SUPPITOR WITH WITH)	Mold, mildew, mushrooms
Missing working latches	Appliances don't all work	Unsanitary water supply
Missing working deadbolts	Stove	raw sewage on exterior ground
Inadequate weather stripping	<del></del>	Noxious fumes from sewer
Key does not work well	Refrigerator	Toxic/noxious fumes
Threshhold is broken	Dishwasher	smoke from neighbors in building
Broken glass	Clothes washer/dryer	chemicals, paints, neighbors
Sliding glass doors	Air conditioner	Drug trafficking on the premises
stick	Garbage Disposal	Gang activity on the premises
Do not completely close	Trash compactor	Criminal acts by other tenants
will not lock securely		Assault /molestation
		<del></del>
tears or holes in screen		violent crimes
Screen door loose in track	Common Areas	prostitution in the building
Screen door will not latch		Noise
Cracks or broken glass	Entryway doesn't work	construction in the building
Other exterior screen doors	Security gate doesn't work	other tenants in the building
Improperly mounted	Swimming pool	noisy functioning of building
Will not close fully	doesn't work	Blocking entry and exit
Will not latch/lock	has stagnant/unhealthy water	of vehicles
Frame bent/broken	slippery pool deck	of pedestrian traffic
Holes /tears in screen	No fence around pool	
Does not close properly	Missing safety devices	
Cannot be secured open	inadequately lit	
Cannot be secured open	Elevator	NOTES
	doesn't work	<u>ITO TES</u>
G	works sporadically	
<u>Structure</u>	does not function properly	
Ceiling		
falling sown	Exterior lighting inadequate	
holes, flaking, looseness	walkways/hallways	
leaks, stains from leaks	stairwells	
collapsing or soft	parking areas	
damp	outside of units	
leaks during rains	Entrance to building	
leaks regularly	Intercom system doesn't work	
weak, damp or soft spots	Walkways have trip hazards	
Walls	laundry room	
<del></del>	machines don't work	
Weak/loose/unconnected	inadequately lit	
holes or gaps	filthy with debris and trash	
to outside	Inadequate trash bins/pickup	
missing wall surface		
at connection to floor/ceiling	Trash/debris/junk around grounds	
weak, damp or soft spots		
inadequate insulation		
permits water from outside		
Exterior walls not sealed		
Shower area waterproofed		
Basement		
<del></del>		
floods		

\_\_inadequately sealed



## List of Beverly Hills Most Common Habitability Complaints

### **Building Structure Exterior**

- Faulty electrical system, lights, receptacles, etc.
- Structural defects
- Dilapidated/broken surfaces
- Faulty doors and windows
- Faulty plumbing system (sewer and water supply)
- Faulty mechanical equipment
- Excessive lighting
- Excessive mechanical noise
- Dangerous conditions (general)
- Noncompliant ingress and egress access
- Defective building exterior (walls, roof, windows, doors)
- Unlawful or unpermitted construction

### Common Areas

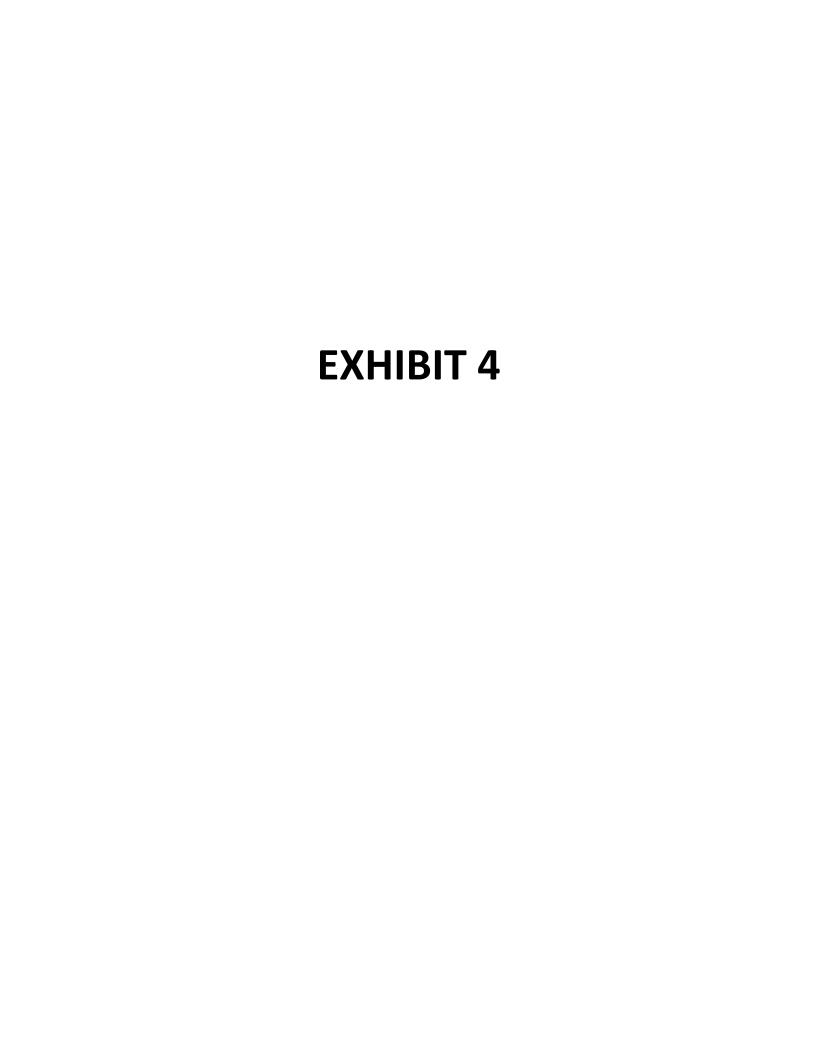
- Faulty/inoperable mechanical equipment
- Unsanitary conditions
- Ingress/egress violations
- Dangerous conditions in laundry rooms, storage rooms and common area spaces
- Junk storage
- Faulty or inoperable lighting
- General safety or hazardous conditions (stairways and hallways)
- Dilapidated floor coverings, walls, ceilings, doors and windows

### Rental Unit Interior

- Faulty plumbing systems
- Faulty electrical systems
- Faulty mechanical systems
- Faulty appliances
- Faulty/dilapidated floors, ceilings and walls
- Defective interior amenities
- Lack of or improper heating facilities
- Lack of or limited running water, hot and cold
- Dangerous conditions (general)
- Egress/ingress violations
- Faulty/no smoke and carbon monoxide alarms

### **Exterior Property Maintenance**

- Defective stairs and steps, baluster and handrails, walkways
- Faulty/defective plumbing and electrical systems
- Excessive vegetation
- Dead/no vegetation
- Junk storage
- Inoperable vehicles, RV storage
- Graffiti
- Unsanitary conditions



## EXHIBIT 4 Schedule of 14 California RSO Cities

City	Habitability Standards	Inspection	Inspection Fee	Rent Adjustment for Reduction of Services
Beverly Hills	• Civil Code §1941.1 • Health and Safety Code §17920.3	Complaint Based	None	None
City of LA	Civil Code §1941.1     Health and Safety Code §17920.3	Routine (no less than every four years)  ☐ Complaint based	■\$201.50 per Comlaint inspection if violations are found - SCEP annual unit fee \$43.32 (includes 2 free inspections)	Yes (REAP)
San Francisco	· Civil Code §1941.1 · Health and Safety Code §17920.3	- Routine - Complaint based	- \$170 / inspection	Yes
West Hollywood	Civil Code §1941.1     Health and Safety Code §17920.3  Additional Standards:      Repaint rental units every four years     Replace window coverings and carpet every seven years     Provide New Vinyl or Linoleum Floor Covering every seven years     Replace wallpaper every seven years     Maintain appliances in working order     Replace common area carpets, draperies, window coverings every seven years     Paint interior common areas every four years     Paint exterior common areas every seven years	Complaint Based	None	Yes
Richmond	· Civil Code §1941.1 · Health and Safety Code §17920.3	- Routine (once very three years) - Self-inspection option for >2 units	- \$157 per unit - \$66 for re-inspections	Yes
San Jose	• Civil Code §1941.1 • Health and Safety Code §17920.3	Complaint Based	- \$23-\$115 depending on history of code violations	Yes
Mountain View	Civil Code §1941.1     Health and Safety Code §17920.3	- Complaint Based - Routine (every 5 years; every 8 years for exempt properties)	- \$85 initial inspections - \$85 re-inspections	Yes
Oakland	· Civil Code §1941.1 · Health and Safety Code §17920.3	Complaint Based	\$125 for complaint investigation \$205 for follow-up inspection	Yes
Santa Monica	· Civil Code §1941.1 · Health and Safety Code §17920.3	Complaint Based	None	None
Berkeley	· Civil Code §1941.1 · Health and Safety Code §17920.3	- Complaint based - Proactive depending on staff resources	- None for initial inspection and re- inspection - \$26 if violations are found after re-inspection	Yes
Los Gatos	Civil Code §1941.1 Health and Safety Code §17920.3	Complaint Based	- \$156	Yes
E. Palo Alto	Civil Code §1941.1     Health and Safety Code §17920.3	Complaint Based	None	Yes
Hayward	• Civil Code §1941.1 • Health and Safety Code §17920.3	- Routine - Self-Certification option for properties with a good history	- None for first inspection - \$350 if violations exist with increases for each subsequent progress follow up: \$400 for 2nd, \$800 for 3rd, and \$1,600 for 4th	Yes
Palm Springs	· Civil Code §1941.1 · Health and Safety Code §17920.3	Complaint Based	\$158.34	Yes