WHO CAN APPLY?
Landlords or owners of rent-stabilized properties in the City of Los Angeles who have made improvements to their rental housing units that do not require the temporary or permanent relocation of tenants. If any relocation (temporary or permanent) is required, please review the requirements for a Primary Renovation Program permanent rent increase.

WHY APPLY?
Applying for a capital improvement rent surcharge permits owners to legally and temporarily increase tenant rents to recapture up to 60% of their capital improvement expenditures in most cases, subject to the review and approval of the Housing + Community Investment Department of Los Angeles (HCIDLA). The approved surcharge does not become part of the base rent and normally lasts 72 months.

WHEN TO APPLY:
APPLICATION DEADLINE: An application must be made to the Department within 12 months of completing the work that will be included as the basis for a capital improvement rent surcharge. The application will be returned to the owner if improvements were completed more than 12 months before submitting the application. (Rent Adjustment Commission (RAC) Regulation 213.)

HOW TO APPLY:
1. Request a Capital Improvements application packet by:
   - Calling the Rent Stabilization Hotline at: 213-275-3493 or 866-557-RENT (if outside the 213 area code)
   - Accessing the HCIDLA’s internet Home page at: HCIDLA.lacity.org
     (Under the Landlords drop down tab, select Capital Improvement application. It can be downloaded as a hard copy or filled out on line and then downloaded.)
   - Follow the instructions for the application process carefully, noting the deadline imposed by the RAC Regulations.
   - There is no fee for the first capital improvement application for the housing complex made by the landlord within the calendar year. Subsequent applications within the same calendar year shall be accompanied by a $25 filing fee. (LAMC 151.07 A2a)
WHERE TO APPLY:
Mail to: Los Angeles Housing + Community Investment Department
       Cost Recovery Section
       P.O. Box 57398
       Los Angeles, CA 90057-0398

OR, deliver: “Attention: Cost Recovery Section,” to any of the following offices:

Offices open daily 9 A.M. - 4 P.M., except Holidays, include:
   Main Office, 1200 W. 7th St, Los Angeles, CA 90012
   3550 Wilshire Blvd., 15th Floor, Los Angeles, CA 90010-2314
   6640 Van Nuys Boulevard, Van Nuys CA 91405-4617
   1645 Corinth Ave., #104, Los Angeles, CA 90025
   690 Knox Street, #125, Los Angeles, CA 90052-1305
   2215 North Broadway, Los Angeles, CA 90031

Office with reduced hours:
   8475 South Vermont Avenue, 2nd Floor, Los Angeles, CA 90044-3424
   (Open Tuesday & Thursday, 9 A.M. - 4 P.M., closed 12 P.M. - 1 P.M.)

INTRODUCTION

Landlords in the City of Los Angeles may make capital improvements to their rental property at any
time without the consent of their tenants. The landlord must submit an application to the Rent Stabi-
lication Division (RSD) of the Los Angeles Housing & Community Investment Department (HCIDLA).
The RSD must review the application and approve the amount and duration of the rent pass- through
before the landlord may increase tenant rents. The rent pass-through is considered a rent surcharge
to the maximum allowable rent.

A capital improvement is defined by the Rent Stabilization Ordinance (RSO) as: “the addition or re-
placement of the following improvements to a rental unit or common areas of the housing complex
containing the rental units, provided such new improvement has a useful life of five years or more:
roofing, carpeting, draperies, stuccoing the outside of a building, air conditioning, security gates,
swimming pool, sauna or hot tub, fencing, garbage disposals, washing machine, or clothes dryer,
dishwasher, children's play equipment permanently installed on the premises, smoke detectors, and
similar improvements as determined by the Rent Adjustment Commission.” (LAMC 151.02.C)

A capital improvement must:
• primarily benefit the tenant rather than the landlord.
• have a life expectancy of five years or more.
be permanently affixed in place or be relatively immobile.

- have been completed within the 12 months preceding the date of application.
- not be normal routine maintenance and repair work to the rental unit and/or the building.

PRE-PLANNING CAPITAL IMPROVEMENT WORK

If you know in advance that you will be applying for a capital improvement rent pass-through:

1. Read and understand the RAC Capital Improvement Regulations (available online or upon request). They are the basis for the information and requirements contained in this packet and address other less common issues not discussed herein.

2. Determine if the work that will be done requires a permit from a public agency such as the Los Angeles Department of Building and Safety, the LA County Health Department or some other agency. (Common Permits contains a listing of common items that require Permits, but any questions about them should be directed to the appropriate agency.) If a required permit is not included with your capital improvement application for work performed, that amount will be disallowed, i.e. not approved, and that cost cannot be passed through to eligible tenants.

3. Hire a state licensed contractor for the type of work to be performed, if a permit is required, and make sure you obtain that permit from the contractor as soon as possible following completion of the work. REMEMBER: No permit (if required) = disallowance of that cost as part of a capital improvements rent surcharge.

4. If the owner, owner’s family member, owner’s agent or employee will be doing the work, you must obtain two estimates or bids by non-related licensed contractors that specify both material and labor cost. Ensure the bids are in the same format, so you can compare them easily. For example: if you are replacing flooring, get the flooring price per square foot and the labor cost by type of labor performed, the number of hours to perform the work, and the rate paid for the work. (See RAC Regulation 211.06 – 211.07.) In this manner you can easily compute how much flooring was used in each rental unit and how to allocate the labor appropriately.

5. Check your records to see if any aspect of the work planned has been part of an earlier capital improvement application within the last five years. If it has, and the collection of the related rent surcharge has not ended, you cannot include it for an additional rent surcharge. In other words, it would be wise to wait until the work is eligible for another capital improvement rent pass-through application. If work included in a previously approved capital improvement application has not lasted five years and needs to be re-done, that work will not be eligible for a new capital improvement rent adjustment (increase). On the other hand, if you are currently collecting a rent surcharge for an earlier capital improvement rent adjustment, any additional rent adjustment approved by HCIDLA may only be collected as long as the total does not exceed $55 per month.

6. Consider whether the addition of a capital improvement will result in a loss of a service currently covered by tenant rents. For example conversion of a master metered utility to individual meters means that the landlord will no longer be paying for the utility from rents collected. It is a reduction in service to the tenant, who will therefore be eligible for a rental reduction. Rent reductions associated with meter conversions must be approved by the Cost Recovery section as part of the capital improvement process, not as a tenant complaint. (See RAC Regulation 211.02.h.)

7. Consider whether you will be able to take advantage of any capital improvement rent pass-through permitted by the RSO. If your project has a concurrent affordable housing loan regulatory
agreement or land use covenant restricting rents on some or all of your units, you may or may not be able to pass through the rent adjustment. If you do have such an agreement, any capital improvement rent surcharge permitted may not exceed the amount agreed to on that document.

8. Figure out in advance how you will organize all the information you will collect and attach it to the application. Organize the invoices, bids, permits by project type or work type. A project like a kitchen renovation may encompass various types of work, e.g. flooring, cabinets, plumbing, etc., but if you are doing a plumbing job throughout the building and only one kitchen renovation in one unit, where is that kitchen plumbing bill going to go? Then analyze the type of work and itemize it numerically. See sample application handout or online.

9. Plan on making or obtaining photocopies of all invoices, bids, permits, final inspection record cards, financial documents, lease-purchased agreements, cancelled checks, cost estimates, bids by competing contractors, and cost comparisons submitted by vendors on equipment and supplies.

PREPARING THE APPLICATION FOR CAPITAL IMPROVEMENTS RENT PASSTHROUGH
If you completed the pre-planning step above, you should have all the information and copies you will need with which to complete the application. If something is not applicable, write “N/A”.

Part 1. Owner and Designated Contact Person Information
Provide the owner and property manager’s address, phone number and email address (if available).

Part 2. Property Information
Provide the Assessor’s parcel number (APN), number of buildings, total units in the complex, Los Angeles Business License number, and address of the building. Indicate “yes” or “no” whether the rental units have different street addresses instead of unit numbers (e.g. 111 A Street and 111 ½ A Street) and any previous capital improvement application case numbers submitted for this property.

Note: If the property has more than one Assessor’s Parcel Number, you must provide a separate application for the building(s) or unit(s) on each parcel.

Part 3. General Contractor or Hired Labor Information
Provide the names of all licensed contractors and/or hired laborers, their addresses, phone numbers, email addresses (if any), and contractor license numbers (if applicable). If you, your employee(s), or day laborer(s) are doing the work, attach the two bids or estimates you obtained from non-related contractors specifying material and labor costs, and documented time cards for all work performed.

Part 4. Capital Improvement Cost Per Unit
Fill in the table.

Item No. is just a numerical ordering of each type of work done on the rental property.

Work Description - be brief but not too general, e.g. “plumbing work” is too general, but “copper re-piping for units with one fixture” provides sufficient information.

Date Work Started and Date Work Finished - provide the dates requested. If the work was finished more than 12 months from the start date, the costs for that item will be disallowed (disapproved).
Rent Stabilization Bulletin

Rent Stabilization Bulletin

*Invoice No.* - provide the invoice numbers for each item. If more than one type of work is on the invoice, that invoice number will appear more than once.

*Invoice Total Cost (TC)* - provide the total cost on the invoice for each item. It is imperative that the contractor provide you with a detailed invoice, otherwise it will be difficult to complete this portion of the application. For example, if a plumbing invoice has combined the costs for units with one fixture and two fixtures, you will need the contractor to separate the costs, as the averaged costs will result in a higher cost to the one-fixture units and too low a cost to the 2-fixture units.

\[(TC ÷ 2)\div 60 = Amortized cost (AC)\] - This column computes monthly cost automatically.

*Total No. of Units Benefited* - Enter the total number of units that will benefit, including vacant units, and property manager or owner-occupied units.

*Increase per Unit = AC\div Units Benefited* - This column computes the monthly rent surcharge for each Item listed.

**Part 5. Tenant Information and Proposed Rent Surcharge**

Fill in the table.

*Move-in Date* column establishes whether the tenant is eligible for the proposed rent surcharge.

*Tenant Name* and *Tenant Street Address w/ Building and Unit No.’s (if applicable)* column requires the tenants’ names and addresses, or enter “Vacant”. If the whole complex shares the same street address listed in Part 1, the Building and/or Unit numbers are sufficient.

*Items Benefiting Unit column*. Select those improvements itemized in Part 4 that are specific to the unit and/or are common area improvements that will benefit all units and enter each Item Number separated by commas.

*Present Rent column*. Provide the tenant’s current rent.

*Proposed Rent Surcharge column*. Automatically adds up the *Increase per Unit* from every relevant Item in Part 4 that benefits each rental unit to which it is assigned.

*Proposed New Rent column*. Automatically adds the *Present Rent* to the *Proposed Rent Surcharge*.

*Apply Rent Surcharge column*. Indicates whether the rent surcharge will be applied to the unit. Check the “No” box if the tenant moved in after the work was completed, the unit is vacant, or for any other reason you do not wish to apply the rent surcharge to the tenant. Note that you can obtain approval to apply a rent surcharge and “bank” it for some future date, if you do not wish to increase that tenant’s rent at the time of approval.

**Part 6. Submitting the Application**

The Application MUST be filed with the Department NO LATER than 12 months from the completion of work. (If your invoice shows the work completed as of July 3, 2016, the deadline is July 2, 2017, no exceptions.) It is therefore recommended that you obtain proof of delivery or use the online application. Mail the application by Certified Mail, or, if delivered personally to one of the HCIDLA offices, request a date-stamped copy of the application’s first page.

Use the check lists below to organize the application packet and ensure all necessary documentation is included:
1. Application
   - Parts 1-7 are filled out.
   - Attach copies of current Business Tax License or Exemption and Rent Stabilization Registration Certificate.
   - Attach a copy of any Order to Repair, Notice to Comply, or similar government order, if the work was done in response to such an order.
   - Make sure all Unit Numbers have been entered, OR
   - Enter the complete property address for all units, if the street addresses differ from the official property street address noted in Part 2.
   - Make sure that all Tenant Names have been provided for all units benefiting from a capital improvement in Part 5.
   - Check that all rental units that will benefit from that capital improvement in Part 5 have been accurately identified and listed, as only those costs applicable to each unit can be included in any unit’s rent surcharge.
   - Provide present rent amounts to ensure the Proposed New Rent + Surcharge is correct.

2. Supporting documentation should be attached in “Item No.” order as per your listing in Part 4 of the application and organized as follows:
   - Duplicate copy of contract for each applicable item. If a contract contains information for more than one item, highlight the appropriate information for the item in question.
   - Bids from unrelated contractors, if applicable, per RAC Regulation 211.07a and b.
   - Duplicate copies of invoices paid in full for each applicable item. If an invoice contains information for more than one item, annotate or highlight the relevant information for the item in question.
   - Duplicate copies of canceled checks for each applicable item. If a check includes payment for more than one item, indicate the amount on the copy that is applicable to the item in question.
   - Documented time cards obtained for work performed, if applicable, per RAC Regulation 211.07a and b.
   - All necessary permits and final inspection documents must be attached. FAILURE TO INCLUDE A REQUIRED PERMIT WILL RESULT IN MAJOR DELAYS AND/OR REJECTION OF THE APPLICATION.

Notes:
1. Composite bids which fail to detail the specific work items requested in the application shall not be accepted by the department. For example the description, Kitchen renovation, does not fully explain the work done. A more complete description would separate the items, for example: new granite countertop installed, sink replaced, new fixtures installed, etc.
2. Item numbers for units with individual addresses instead of Unit Numbers may be listed once, if all applicable units have had the work done on them as described by that item number. For example: if front doors have been replaced on units at 659, 671, 673 and 673 ½ Example Way, the
item number for door replacement would only be listed once, but it would be ascribed to all four units. See sample application.

As you review your invoices and itemize each item or project, make sure you deduct any costs that are related to normal maintenance expenses, e.g. repairing screens, painting the interior of a rental unit, unclogging drains, etc. Inclusion of these costs in the total costs for an itemized capital improvement will cause the whole item to be disallowed.

**Part 7. Landlord Certification**

Sign and Date the application and mail it to the address on the application. You may also hand deliver it to any HCIDLA satellite office listed on page 2 of this bulletin.

**KEEP A COMPLETE COPY OF YOUR APPLICATION AND ALL ATTACHMENTS FOR YOUR RECORDS.**

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**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.”
## Part 1: Property Information

<table>
<thead>
<tr>
<th>Property Information</th>
<th>Case Number:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessor's Parcel Number (APN): 5031-001-002</td>
<td></td>
</tr>
<tr>
<td>LA Business License No.: N/A</td>
<td></td>
</tr>
<tr>
<td>Expires:</td>
<td></td>
</tr>
<tr>
<td>Name of Apartment Complex (if applicable): Capital Apartment Complex</td>
<td></td>
</tr>
<tr>
<td>Official Address per RSO Certificate: 448 Vista</td>
<td></td>
</tr>
<tr>
<td>City/State/ZIP: Los Angeles, CA 90054</td>
<td></td>
</tr>
<tr>
<td>Do all units share the same street address above?</td>
<td>Yes ☒ No ☐</td>
</tr>
<tr>
<td>Is this a condominium complex? Yes ☐ No ☐</td>
<td></td>
</tr>
<tr>
<td>Number of Buildings on the Property: 1</td>
<td></td>
</tr>
<tr>
<td>Total Number of Units in the complex: 3</td>
<td></td>
</tr>
<tr>
<td>List any previous rent adjustment case number: 30938LO</td>
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</tr>
</tbody>
</table>

## Part 2: Contact Information

<table>
<thead>
<tr>
<th>Contact Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner's Name: Mr. Owner</td>
</tr>
<tr>
<td>Company Name: Owner’s Investment Properties</td>
</tr>
<tr>
<td>Address: 448 Vista</td>
</tr>
<tr>
<td>City/State/ZIP: Los Angeles, CA 90054</td>
</tr>
<tr>
<td>Phone No.: 213-111-1111</td>
</tr>
<tr>
<td>FAX No.: N/A</td>
</tr>
<tr>
<td>Email Address: <a href="mailto:OWNER@GMAIL.COM">OWNER@GMAIL.COM</a></td>
</tr>
</tbody>
</table>

## Part 3: Contractor’s Information

<table>
<thead>
<tr>
<th>Contractor’s Information (For additional contractors, use a separate sheet.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contractor’s License No.: 810691</td>
</tr>
<tr>
<td>Expires:</td>
</tr>
<tr>
<td>LA Business License No.: N/A</td>
</tr>
<tr>
<td>Expires:</td>
</tr>
<tr>
<td>Name: Mr. G Worker</td>
</tr>
<tr>
<td>Company Name: Good Work Contractor</td>
</tr>
<tr>
<td>Address: 1234 Los Angeles Drive</td>
</tr>
<tr>
<td>City/State/ZIP: Los Angeles, CA 90057</td>
</tr>
<tr>
<td>Phone No.: 213-112-1212</td>
</tr>
<tr>
<td>FAX No.: 213-112-1213</td>
</tr>
<tr>
<td>Email Address: <a href="mailto:goodworker@aol.com">goodworker@aol.com</a></td>
</tr>
</tbody>
</table>

Contractor is a (underline one): General Contractor, Agent, Hired Laborer, Landlord, Landlord’s Employee, Landlord’s Family Member, Hazardous Material Abatement Contractor.
### Part 4. Capital Improvement Costs per Unit

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Work Description</th>
<th>Date Work:</th>
<th>Invoice No.</th>
<th>Invoice Total Cost (TC)</th>
<th>Total No. of Units Benefited</th>
<th>Increase per Unit = AC/Units Benefited</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Copper repiping for units with 1 fixture</td>
<td>12/1/08</td>
<td>#1234</td>
<td>$1,000</td>
<td>1</td>
<td>$8.33</td>
</tr>
<tr>
<td>2</td>
<td>Copper repiping for units w/ 2 fixtures</td>
<td>12/1/08</td>
<td>#1234</td>
<td>$3,000</td>
<td>2</td>
<td>$12.50</td>
</tr>
<tr>
<td>3</td>
<td>1 awning installed</td>
<td>1/7/09</td>
<td>#2</td>
<td>$1,000</td>
<td>2</td>
<td>$4.17</td>
</tr>
<tr>
<td>4</td>
<td>2 awnings installed</td>
<td>1/7/09</td>
<td>#2</td>
<td>$2,000</td>
<td>2</td>
<td>$8.33</td>
</tr>
</tbody>
</table>

### Part 5. Tenant Information and Proposed Rent Surcharge

<table>
<thead>
<tr>
<th>Move-in Date</th>
<th>Tenant Name</th>
<th>Tenant Street Address w/ Bldg &amp; Unit No. (if applicable)</th>
<th>Items Benefiting Unit</th>
<th>Present Rent</th>
<th>Proposed Rent Surcharge</th>
<th>Proposed New Rent</th>
<th>Apply Rent Surcharge?</th>
</tr>
</thead>
<tbody>
<tr>
<td>10/1/08</td>
<td>Tenant A</td>
<td>450 Vista</td>
<td>1,3</td>
<td>$500.00</td>
<td>$16.66</td>
<td>$516.66</td>
<td>Y</td>
</tr>
<tr>
<td>1/1/09</td>
<td>Tenant B</td>
<td>450 1/2 Vista</td>
<td>2,4</td>
<td>$600.00</td>
<td>$41.67</td>
<td>$641.67</td>
<td>Y</td>
</tr>
<tr>
<td>N/A</td>
<td>Mr. Owner</td>
<td>448 Vista</td>
<td>2,3</td>
<td>N/A</td>
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<td>N</td>
</tr>
</tbody>
</table>

### Part 6. Submitting the Completed Application

Please review **Part 6. Submitting the Completed Application** on page 5 of the Application Packet for detailed instructions on how to organize all requisite supporting documentation.

Submit the completed application with supporting documentation to: Los Angeles Housing & Community Investment Department, Cost Recovery Section, P.O. Box 57398, Los Angeles, CA 90057-0398.

### Part 7. Landlord Certification

Under penalty of perjury, L.A.M.C. Section 151.10b, “I certify that this information is true and correct to the best of my knowledge.”

---

Signature of Owner or Owner’s Agent: __________________________

Date: 06.30.2016
# APPLICATION FOR CAPITAL IMPROVEMENTS RENT SURCHARGE

**Eric Garcetti, Mayor**

## Part 1: Property Information

<table>
<thead>
<tr>
<th>Field</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessor’s Parcel Number (APN):</td>
<td>Case Number:</td>
</tr>
<tr>
<td>Name of Apartment Complex (if applicable):</td>
<td>LA Business License No.:</td>
</tr>
<tr>
<td>Official Address per RSO Certificate:</td>
<td>Expires:</td>
</tr>
<tr>
<td>City/State/ZIP:</td>
<td>Is this a condominium complex?</td>
</tr>
<tr>
<td>Do all units share the same street address above?</td>
<td>Yes ☐ No ☐</td>
</tr>
<tr>
<td>Number of Buildings on the Property:</td>
<td>Total Number of Units in the complex:</td>
</tr>
<tr>
<td>List any previous rent adjustment case number:</td>
<td></td>
</tr>
</tbody>
</table>

## Part 2: Contact Information

<table>
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<tr>
<td>Company Name:</td>
<td>Company Name:</td>
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<tr>
<td>Address:</td>
<td>Address:</td>
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<tr>
<td>City/State/Zip:</td>
<td>City/State/Zip:</td>
</tr>
<tr>
<td>Phone No.:</td>
<td>FAX No.:</td>
</tr>
<tr>
<td>Email Address:</td>
<td>Email Address:</td>
</tr>
</tbody>
</table>

## Part 3: Contractor’s Information

(For additional contractors, use a separate sheet.)

<table>
<thead>
<tr>
<th>Field</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contractor’s License No.:</td>
<td>Contractor’s License No.:</td>
</tr>
<tr>
<td>LA Business License No.:</td>
<td>LA Business License No.:</td>
</tr>
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<td>Name:</td>
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<td>Company Name:</td>
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<td>Address:</td>
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<td>City/State/ZIP:</td>
<td>City/State/ZIP:</td>
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<tr>
<td>Phone No.:</td>
<td>Phone No.:</td>
</tr>
<tr>
<td>Email Address:</td>
<td>Email Address:</td>
</tr>
<tr>
<td>Contractor is a (underline one):</td>
<td>Contractor is a (underline one):</td>
</tr>
<tr>
<td>General Contractor, Agent, Hired Laborer,</td>
<td>General Contractor, Agent, Hired Laborer,</td>
</tr>
<tr>
<td>Landlord, Landlord’s Employee, Landlord’s</td>
<td>Landlord, Landlord’s Employee, Landlord’s Family</td>
</tr>
<tr>
<td>Family Member, Hazardous Material</td>
<td>Family Member, Hazardous Material Abatement</td>
</tr>
<tr>
<td>Abatement Contractor.</td>
<td>Contractor.</td>
</tr>
</tbody>
</table>
### Part 4. Capital Improvement Costs per Unit

<table>
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<tr>
<th>Item No.</th>
<th>Work Description</th>
<th>Date Work:</th>
<th>Invoice No.</th>
<th>Invoice Total Cost (TC)</th>
<th>(TC+2)+60 = Amortized cost (AC)</th>
<th>Total No. of Units Benefited</th>
<th>Increase per Unit = AC/Units Benefited</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Started</td>
<td>Ended</td>
<td></td>
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<tr>
<th>Move-in Date</th>
<th>Tenant Name</th>
<th>Tenant Street Address w/ Bldg &amp; Unit No. (if applicable)</th>
<th>Items Benefiting Unit</th>
<th>Present Rent</th>
<th>Proposed Rent Surcharge</th>
<th>Proposed New Rent</th>
<th>Apply Rent Surcharge?</th>
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### Part 6. Submitting the Completed Application

Please review Part 6. Submitting the Completed Application on page 5 of the Application Packet for detailed instructions on how to organize all requisite supporting documentation.

Submit the completed application with supporting documentation to: Los Angeles Housing & Community Investment Department, Cost Recovery Section, P.O. Box 57398, Los Angeles, CA 90057-0398.

### Part 7. Landlord Certification

Under penalty of perjury, L.A.M.C. Section 151.10b, “I certify that this information is true and correct to the best of my knowledge.”

______________________________  _________________________
Signature of Owner or Owner’s Agent  Date

9.29.2014
Common Permits

Prepared by: Cost Recovery Section of the Rent Stabilization Division, Housing + Community Investment Department
All Building and Mechanical Permits are issued by the Los Angeles Department of Building and Safety (LADBS). Individuals planning to do construction, rehabilitation or repair work on rental-income property at a cost of $500 or more must verify with the LADBS if a building permit will be necessary for the type of work contemplated. Permits for work to be done at a rental-income property must be obtained by an individual with a valid State of California Contractor’s License. Both property owner and contractor must also have a current Business License on file with the City of Los Angeles, Office of the City Clerk, if required by the City of Los Angeles. All inspections, Correction Notices, and Final approvals of the work authorized by the permit, is done through the LADBS.

If an owner wishes to recover a portion of the cost of the improvements (that affect the tenant(s) directly), they may prepare and submit a rent adjustment application to the Housing & Community Investment Department (HCIDLA) in order to legally raise the affected tenants rent for a period of 72 months or more. After the authorized work is completed and approved by LADBS, copies of the Permits, inspection approvals, and other required documentation, are submitted to HCIDLA Cost Recovery staff to facilitate the processing and potential approval of their application.

The following list is NOT inclusive of every permit that might be required. It has been put together by Cost Recovery staff to assist applicants for Capital Improvement rent increases, based on staff experience reviewing capital improvement applications. Applicants must refer to the LADBS or other agencies that sign off on building permits for complete information relevant to their particular case.

AIR CONDITIONING
Air Conditioning appliances that impact a number of units, and/or are permanently installed, or are replacements for those units, and all rooftop A/C’s require permits as would an air-conditioning system in a gym, recreation room, or other place of assembly.  
Exception: An air conditioning unit that is installed in a window of an individual rental unit, and plugged into an existing receptacle, does not require a permit.

AWNING
If the awning material is metal and is bolted to the building.  
Exception: Cloth awnings do not require a permit.

BALCONY
A permit is required for a new balcony or structural repair to an existing one.  
Exception: Replacement of a few of the guardrail uprights or recoating of the balcony surface does not require a permit.

BATHTUB
A plumbing permit is required for a bathtub installation and/or alterations to the plumbing system; and a building permit is also required if the floor, sub-floor, and/or wall(s) need to also be repaired or portions replaced due to dry-rot, structural, or termite damage.  
Exception: Re-coating or repairing the surface of a bathtub does not require a permit.

BIRD SPIKES
Do not require a permit.
CABINETS
New cabinets installed in a Kitchen or Bathroom require a permit. 
*Exception:* Repair/replacement of broken or missing drawers, doors, or shelving, or refinishing of the cabinet surface does not require a permit.

CARPETING
Does not require a permit.

CHILLER
Permit is required for installation, replacement or replacement of major components. A Chiller is a large piece of cooling equipment that removes heat from a liquid, such as water. It has four major components, the compressor, evaporator and condenser, and controller unit. It cools and dehumidifies air in mid- to large-size commercial and industrial facilities, and they are sometimes connected to outside cooling towers.

COUNTERTOPS
In the kitchen or bathroom, do not require a permit.

DECORATIONS
On the walls or outside of the building do not require a permit.

DOORS
Permit required for any new doorway, or replacement/alteration of wall framing around doorway. 
*Exception:* Door itself, unless it’s a Fire Door.

DRAPES
Do not require a permit.

DRYWALL
Permit is required is the sheets are installed; especially on the ceiling where the drywall can fall down. The $500 rule applies.

ELECTRICAL
Permits are required for all new electrical work, including new receptacles, switches, outlet boxes for smoke detectors or light fixtures, exterior lighting exterior receptacles, appliances, sub-panels, and/or main panels. 
*Exception:* Replacement of receptacles, switches, light fixtures, or smoke detectors where there is existing, approved, electrical wiring. 
*Exception:* Low Voltage wiring for intercom or alarm systems, speakers, phone, computer network, TV cable & outside Low-Voltage lighting.

ELECTRIC METERS
Permits are required for the conversion of a “Master Metered” system to individual meters, (or the reverse).

ELEVATORS
Permits are required for various aspects of elevator repair, remodeling, alteration or modification, as
well as, for the installation of new elevators. It’s best to check with a Building and Safety Elevator Inspector for a specific determination as to the need for a permit. Ancillary work, such as the installation of a phone and smoke detectors for elevators must be up to code for Inspectors to sign off on an elevator permit.

**FANS**
Portable fans or ceiling fans do not require a permit, if there is an existing electrical box.

**FASCIA WOOD**
Replacement is a capital improvement. No permit needed if cost expended is less than $500.

**FENCES**
All concrete block walls over 42” high and wood or metal fences over 8 feet high require a permit.

**FIRE DOORS**
The installation or replacement of any Fire doors requires a permit.

**FIRE EXTINGUISHERS**
Do not require a permit.

**FIXTURES**
Bathroom and kitchen fixtures, e.g. Shower heads, tub spouts, faucets, handles, and trim.

**FLOORING**
Requires a permit if sub-floor (wood planks or plywood over floor joists) is replaced, or any structural repair.

*Exception:* Installation of linoleum, tile, carpet, hardwood or other cosmetic floor covering material.

**FOUNDATION**
A new or replaced section of the foundation of a building or structural re-enforcement of the foundation of a building requires as permit.

**GARBAGE DISPOSAL**
Requires a Permit if replaced, however, if the same unit is reinstalled, no permit is required.

**GARAGE**
Permits are required for a new garage, an addition, structural alteration, a change in use (such as a change to a storage building), or demolition.

**GARAGE DOOR MOTOR**
Permit is required for motor and electrical work.

**HEATER**
Floor, wall, attic, or ceiling heating appliances all require a permit for installation, or replacement of the control valve or venting system.
HOOD, STOVE
New with electrical wiring installed, requires a permit.

MAGNESITE
Requires a permit if the magnesite is removed for repairs to the sub-floor, walkway, landing or steps. 

Exception: Re-coating of surface. Defined as: A floor coating, opaque, formulated for or applied to flooring; including but not limited to decks, porches, and steps; a clear coating formulated and applied to concrete flooring.

PAVING
New or replacement paving of a parking lot, with parking stripes, and wheel stops requires a permit. 

An “A” permit is required from the Department of Public Works if the sidewalk or driveway “apron” (the area between the street and private property line) is added or replaced.

Exception: “Flatwork”, such as paving of an area, walkway, driveway, or installation, repair, or replacement of “black top” (asphalt material).

PLUMBING
Any installation, alteration, or replacement of plumbing appliances, fixtures, or piping (water, drain, venting, or gas). Any type of plumbing work valued at $500 or more performed on the premises.

COPPER RE-PIPING: Valuation is based on number of fixtures in one-bathroom units and two-bathroom units; and common area (universal) fixtures (such as those for a Laundry Room), are paid by all tenants. This includes Vertical and Horizontal water lines and Shut-Off valves that are installed along with the new water lines. Plastering and patching drywall related to copper re-piping is a capital improvement;

MAIN LINE: The “Water Service” main line runs from the Water Meter, located in the parkway area, adjacent to the street; or from a water meter located adjacent to a rear alley, to the building. A trench is usually required to be dug between the Water Meter and the building. A permit is always required to install or replace a Water Service main line.

PLUMBING TRAP(S): The installation of a new trap, commonly found under the kitchen or bathroom sink, or under a shower, bathtub, or near a washing machine always require a permit.

SPRINKLERS: The installation or replacement of piping and/or fire sprinklers always requires a permit, as does the installation of a new sprinkler valve for yard watering. Except for the valves, yard-sprinkler piping does not require a permit.

VALVES: The installation or replacement of any Water (Angle stops, shower, and/or bathtub valves) or Gas valve requires a permit.

WATER HEATERS: The installation or replacement of any Water Heater or storage tank requires a permit. It usually requires strapping of the appliance to resist horizontal displacement during an earthquake.

YARD DRAINS: Drain piping voluntarily installed in order to drain water away from a building and to the street does not require a permit. If it is done involuntarily, this means that HCIDLA issued an Order. Based on the work completed it may require a permit.

POST
Installation or replacement of any post requires a permit if it is needed for structural support of any
portion of the building, such as for the under floor framing or to support a section of roof located over
the porch.

RAILINGS
Permit is required. Hand rails require a permit if there are more than three (3) steps.
Exception: Decorative railings that are for appearance only and will not have to support the
weight of anyone leaning on it.

REMODELING
Permits are required for all aspects of the remodeling of a unit, bathroom, kitchen, common area or
exterior of a building. Permits are also required for any installation, replacement, or substantial repair
of the Building, Plumbing, Electrical, or Heating system of any building.

ROOFING OF 4 TO 200 UNITS.
Replacement of 50% or more of the roofing.

ROOFING (DUPLEX)
If 50% or more of the roofing is replaced on a Duplex, a permit is issued, and a Certificate of
Compliance can be substituted for the final inspection from the LADBS.

SHOWER PAN
New installation or replacement requires a plumbing permit.

SMOKE DETECTOR
Permits are required for new smoke detectors installed with new electrical wiring.

STAIRS
New or replacement stairways, guardrails, or any structural repair, or steps to the roof require
permits.
Exception: Replacement of a few stair treads, or guardrail uprights.

STEPS
Permit is required for concrete or wood steps that are installed, constructed or rebuilt, if over 3 steps
are involved.

STUCCO
New installation, or removal & replacement (where the building framing is exposed) and/or when
new plywood installed.
Exception: Repair to the surface, such as patching, sealing, or painting.

SWIMMING POOL
Requires a permit from the Los Angeles County Health Department. The lighting inside the pool, the
depth-lines, and one-hand and/or two-hand rails must be inspected and approved.
**SUB-FLOORING**
Installation or replacement of any sub-floor, or the repair or re-enforcement of structural supports requires a permit.

**TOILET**
If a toilet is newly installed or replaced, or if the sub-floor under the toilet is replaced, then a permit is required.

*Exception*: If the same toilet is re-installed, no permit is required for the installation of the toilet.

*Additional note*: If the Landlord receives a rebate from a water conservation program, then subsidized amount is removed from the total cost of the capital improvement.

**WALKWAY**
Walkways do not require a permit. (See Paving for additional information.)

**WALLS**
(See Fence.)

**WATER HEATER**
Permit required for the replacement and installation of a Water Heater (strapping for an earthquake is usually included). (See listing under Plumbing.)

**WINDOW TREATMENTS**
Do not require a permit.

**WINDOWS**
Permits are required for new window opening or replacement of any window frame that is attached to the wall. Pop-in windows also require a permit and are no longer an exception.