

WEDNESDAY, MARCH 21, 2018

LA landlords sued for allegedly converting apartment units to hotel

By Lila Seidman

Daily Journal Staff Writer

A Los Angeles couple has been accused of unlawfully converting tenants' rent-controlled apartments into hotel units under the pretense of making repairs and renovations, according to a lawsuit filed in Los Angeles County Superior Court.

Represented pro bono by the Legal Aid Foundation of Los Angeles and Kirkland & Ellis LLP, the residents are seeking an injunction requiring the defendants to maintain all units as residential, as well as a jury trial to determine damages.

The 137-unit former residential motel in the Westlake neighborhood was fully rent-controlled, providing "vulnerable groups of tenants," including the elderly, disabled and other low-income residents, with rents ranging from \$600 to \$1,100, according to the complaint.

When tenants began moving back in after repairs caused by a fire, they reported in the complaint their door locks were replaced with key card slots and that the units were being

listed on online travel sites, as part of an alleged scheme by the defendants to convert their residential units to hotel units. *James v. Royal Park Motel LP*, BC698003 (L.A. Super Ct., filed March 14, 2018).

The defendants purchased the motel around December 2013, according to court documents. The defendants, property co-owners Gerald and Diane Wang, have limited partnerships in Royal Park Motel LP. They could not be reached for comment Wednesday. Hotel staff said they could not be reached by press time.

The complaint alleges that the couple violated a host of city and municipal state laws governing rent control, habitability and eviction, including a 2006 ordinance barring the demolition or conversion of residential hotel units.

"Once affordable housing is lost, it is very difficult to get it back," said Paul Estuar, an attorney with the Legal Aid Foundation. "That's why it's important that we draw a line in the sand here with the Royal Park Motel."

The Center Lake Hotel, formerly the Royal Park Motel, caught fire on Christmas Eve in 2014, and several

units were damaged.

On Jan. 1, 2016, the property owners issued notices to all tenants requiring that they temporarily move out to accommodate necessary repairs, the complaint alleges. The hotel's management assured tenants that they would be able to return to their units after the repairs were completed, according to the complaint.

Several tenants claimed they were initially denied re-entry into their units, including named plaintiff Peter James, 61, who said in the complaint that he has a disability, and that he and his service dog became temporarily homeless after he could not find a replacement unit for the \$875 he paid per month in rent.

Another named plaintiff, Carolina Slavin, said in the complaint that she found the kitchen had been removed from her unit during her absence. She said in the lawsuit that after she filed a complaint with the city housing department, her rent was reduced by \$100 for loss of service.

lila_seidman@dailyjournal.com