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UNITED STATES  
ENVIRONMENTAL PROTECTION AGENCY  
REGION IX  
75 HAWTHORNE STREET  
SAN FRANCISCO, CA 94105

U.S. EPA. REGION IX  
REGIONAL HEARING CLERK

In the Matter of:	)	
	)	Docket No. TSCA <del>09</del> -200 <sup>7</sup> <del>6</del> -0001
2892 W. Seventh St. Apartments,	)	
Ltd.; Argyle Restoration	)	CONSENT AGREEMENT
Partnership; Brick Resurrection	)	AND FINAL ORDER
on Cherokee; Descanso Artiste,	)	PURSUANT TO 40 C.F.R.
Ltd.; 1234 Formosa Apartments,	)	§§ 22.13 and 22.18
Ltd.; 1516 Hobart Investments;	)	
Kelov Investment, Ltd.; Leland	)	
Regent Properties, Ltd.; Regent	)	
Properties Normandie; Normandie	)	
7 Associates; 1516 Normandie	)	
Investments, Ltd.; Oxford	)	
Resurrection, Ltd.; 7th Street	)	
Associates, Inc.	)	
	)	
Respondents.	)	

I. CONSENT AGREEMENT

The United States Environmental Protection Agency, Region IX ("EPA"), and 2892 W. Seventh St. Apartments, Ltd.; Argyle Restoration Partnership; Brick Resurrection on Cherokee; Descanso Artiste, Ltd.; 1234 Formosa Apartments, Ltd.; 1516 Hobart Investments; Kelov Investment, Ltd.; Leland Regent Properties, Ltd.; Regent Properties Normandie; Normandie 7 Associates; 1516 Normandie Investments, Ltd.; Oxford Resurrection, Ltd.; and 7th Street Associates, Inc.

("Respondents") agree to settle this matter and consent to the entry of this Consent Agreement and Final Order ("CAFO"), which simultaneously commences and concludes this matter in accordance

with 40 C.F.R. §§ 22.13(b) and 22.18(b).

A. AUTHORITY AND PARTIES

1. This is a civil administrative penalty action instituted against Respondents pursuant to Section 16(a) of the Toxic Substances Control Act ("TSCA"), 15 U.S.C. § 2615(a), for violation of Section 1018 of Title X of the Residential Lead-Based Paint Hazard Reduction Act of 1992 ("Section 1018"), 42 U.S.C. § 4852d, and federal regulations promulgated to implement Section 1018 at 40 C.F.R. Part 745, Subpart F, which constitutes violation of Section 409 of TSCA, 15 U.S.C. § 2689.

2. Complainant is the Director of the Communities and Ecosystems Division, EPA, Region IX, who has been duly delegated the authority to bring this action and to sign a consent agreement settling this action.

3. Respondents own and manage residential properties in California. (See Appendix A to this Consent Agreement).

B. APPLICABLE STATUTORY AND REGULATORY SECTIONS

4. 40 C.F.R. Part 745, Subpart F implements the provisions of Section 1018 that impose certain disclosure requirements concerning lead-based paint and/or lead-based paint hazards upon the sale or lease of target housing.

5. "Target housing" means any housing constructed prior to 1978, except housing for the elderly or persons with disabilities (unless any child who is less than 6 years of age

resides or is expected to reside in such housing) or any 0-bedroom dwelling. 40 C.F.R. § 745.103.

6. "Lessor" means any entity that offers target housing for lease, rent or sublease, including but not limited to individuals, partnerships, corporations, trusts, government agencies, housing agencies, Indian tribes, and nonprofit organizations. 40 C.F.R. § 745.103.

7. "Lessee" means any entity that enters into an agreement to lease, rent, or sublease target housing, including but not limited to individuals, partnerships, corporations, trusts, government agencies, housing agencies, Indian tribes, and nonprofit organizations. 40 C.F.R. § 745.103.

8. Before a lessee is obligated under any contract to lease target housing, the lessor shall provide the lessee with an EPA-approved lead hazard information pamphlet. 40 C.F.R. § 745.107(a)(1).

9. Each contract to lease target housing shall include, as an attachment or within the contract, a Lead Warning Statement containing language provided in 40 C.F.R. § 745.113(b)(1). 40 C.F.R. § 745.113(b)(1).

10. Each contract to lease target housing shall include a statement by the lessor disclosing the presence of known lead-based paint and/or lead-based paint hazards in the target housing being leased or indicating no knowledge of the presence of lead-based paint and/or lead-based paint hazards. 40 C.F.R.

§ 745.113(b) (2) .

11. Each contract to lease target housing shall include a list of any records or reports available to the lessor pertaining to lead-based paint and/or lead-based paint hazards in the target housing that have been provided to the lessee or indicate that no such records or reports are available. 40 C.F.R. § 745.113(b) (3) .

12. Each contract to lease target housing shall include a statement by the lessee affirming receipt of the information set forth in 40 C.F.R. §§ 745.113(b) (2) and (3) and the lead hazard information pamphlet required under 15 U.S.C. § 2696. 40 C.F.R. § 745.113(b) (4) .

13. Each contract to lease target housing shall include the signatures of the lessors, agents, and lessees certifying to the accuracy of their statements, to the best of their knowledge, along with the dates of signature. 40 C.F.R. § 745.113(b) (6) .

14. Failure to comply with 40 C.F.R. §§ 745.107 or 745.113 is a violation of Section 409 of TSCA, 15 U.S.C. § 2689, and the penalty for each such violation shall not be more than \$11,000 for violations occurring after July 28, 1997. 40 C.F.R. §§ 745.118(e) and (f) .

#### C. ALLEGATIONS

15. EPA has jurisdiction over this matter pursuant to Section 1018.

16. At all times relevant to this matter, Respondents were "lessors" of residential properties located at 1234 Formosa, 6731 Leland, 5406 Lexington, 109 Normandie, 746 Normandie, 1516 Normandie, 129 Oxford, 726 Van Ness, 2892 W. Seventh, 2017 N. Argyle, 1746 N. Cherokee, 3205 Descanso, 1516 Hobart and 245 Kenmore, in Los Angeles, California, as that term is defined at 40 C.F.R. § 745.103.

17. At all times relevant to this matter, the residential properties referenced in Paragraph 16 included "target housing," as that term is defined at 40 C.F.R. § 745.103.

18. In or about 2000, Respondents entered into no less than 227 leases for target housing units at the residential properties referenced in Paragraph 16 for occupancies greater than 100 days.

19. At the times that Respondents entered into the leases referenced in Paragraph 18, Respondents failed to provide the lessees with an EPA-approved lead hazard information pamphlet, as required by 40 C.F.R. § 745.107(a)(1).

20. At the times that Respondents entered into the leases referenced in Paragraph 18, Respondents failed to include, as an attachment to the leases or within the leases, a Lead Warning Statement containing language provided in 40 C.F.R. § 745.113(b)(1), as required by 40 C.F.R. § 745.113(b)(1).

21. At the times that Respondents entered into the leases referenced in Paragraph 18, Respondents failed to include in the

leases a statement by Respondents disclosing the presence of known lead-based paint and/or lead-based paint hazards in the units being leased or indicating no knowledge of the presence of lead-based paint and/or lead-based paint hazards, as required by 40 C.F.R. § 745.113(b) (2).

22. At the times that Respondents entered into the leases referenced in Paragraph 18, Respondents failed to include in the leases a list of any records or reports available to Respondents pertaining to lead-based paint and/or lead-based paint hazards in the units that had been provided to the lessees or indicate that no such records or reports are available, as required by 40 C.F.R. § 745.113(b) (3).

23. At the times that Respondents entered into the leases referenced in Paragraph 18, Respondents failed to include in the leases a statement by the lessees affirming receipt of the information set forth in 40 C.F.R. §§ 745.113(b) (2) and (3) and the lead hazard information pamphlet required under 15 U.S.C. § 2696, as required by 40 C.F.R. § 745.113(b) (4).

24. At the times that Respondents entered into the leases referenced in Paragraph 18, Respondents failed to include the signatures of Respondents and the lessees certifying to the accuracy of their statements, to the best of their knowledge, along with the dates of signature, as required by 40 C.F.R. § 745.113(b) (6).

25. Each of Respondents' alleged failures to comply with

40 C.F.R. §§ 745.107 and 745.113, as set forth in Paragraphs 18 through 24, constitutes a violation of Section 409 of TSCA, 15 U.S.C. § 2689, which can be assessed a penalty of up to \$11,000 per violation.

D. RESPONDENTS' ADMISSIONS

26. In accordance with 40 C.F.R. § 22.18(b)(2) and for the purpose of this proceeding, Respondents (i) admit that EPA has jurisdiction over the subject matter of this CAFO and over Respondents; (ii) neither admit nor deny the specific factual allegations contained in Section I.C of this CAFO; (iii) consent to any and all conditions specified in this CAFO and to the assessment of the civil administrative penalty under Section I.E of this CAFO; (iv) waive any right to contest the allegations contained in Section I.C of this CAFO; and (v) waive the right to appeal the proposed final order contained in this CAFO.

E. CIVIL ADMINISTRATIVE PENALTY

27. Respondents agree to the assessment of a penalty in the amount of SIXTY-TWO THOUSAND, FIVE HUNDRED DOLLARS (\$62,500) as final settlement of the civil claims against Respondents arising under TSCA as alleged in Section I.C of this CAFO.

28. In a separate agreement with the Department of Housing and Urban Development, which shares enforcement authority with EPA over Section 1018, Respondents also agree to the assessment of a penalty in the amount of SIXTY-TWO THOUSAND, FIVE HUNDRED DOLLARS (\$62,500) as final settlement of the civil claims

against Respondents arising under TSCA as alleged in Section I.C of this CAFO.

29. Respondents shall pay the assessed penalty no later than thirty (30) days from the effective date of this CAFO. Payment shall be made by **cashier's** or **certified check** payable to the **"Treasurer, United States of America,"** and shall be sent by **certified mail, return receipt requested,** to the following address:

**U.S. Environmental Protection Agency  
Region 9  
Regional Hearing Clerk  
P.O. Box 371099M  
Pittsburgh, Pennsylvania 15251**

The payment shall be accompanied by a transmittal letter identifying the case name, the case docket number, and this CAFO. Concurrent with delivery of the payment of the penalty, Respondents shall send a copy of the check and transmittal letter to the following addresses:

Regional Hearing Clerk  
Office of Regional Counsel (ORC-1)  
U.S. Environmental Protection Agency, Region IX  
75 Hawthorne Street  
San Francisco, CA 94105

Manager  
Toxics Office (CED-4)  
Communities and Ecosystems Division  
U.S. Environmental Protection Agency, Region IX  
75 Hawthorne Street  
San Francisco, CA 94105

30. Payment of the above civil administrative penalty



shall not be used by Respondents or any other person as a tax deduction from Respondents' federal, state, or local taxes.

31. If Respondents fail to pay the assessed civil administrative penalty specified in Paragraph 27 by the deadline specified in Paragraph 29, then Respondents shall pay to EPA a stipulated penalty of \$400 per day in addition to the assessed penalty. Stipulated penalties shall accrue until such time as the assessed penalty and all accrued stipulated penalties are paid and shall become due and payable upon written request by EPA. In addition, failure to pay the civil administrative penalty by the deadline specified in Paragraph 29 may lead to any or all of the following actions:

- a. The debt being referred to a credit reporting agency, a collection agency, or to the Department of Justice for filing of a collection action in the appropriate United States District Court. 40 C.F.R. §§ 13.13, 13.14, and 13.33. In any such collection action, the validity, amount, and appropriateness of the assessed penalty and of this CAFO shall not be subject to review.
- b. The debt being collected by administrative offset (i.e., the withholding of money payable by the United States to, or held by the United States for, a person to satisfy the debt the person owes the Government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds. 40

C.F.R. Part 13, Subparts C and H.

c. EPA may (i) suspend or revoke Respondents' licenses or other privileges; or (ii) suspend or disqualify Respondents from doing business with EPA or engaging in programs EPA sponsors or funds. 40 C.F.R. § 13.17.

d. In accordance with the Debt Collection Act of 1982 and 40 C.F.R. Part 13 interest, penalties charges, and administrative costs will be assessed against the outstanding amount that Respondents owe to EPA for Respondents' failure to pay the civil administrative penalty by the deadline specified in Paragraph 29.

Interest will be assessed at an annual rate that is equal to the rate of current value of funds to the United States Treasury (i.e., the Treasury tax and loan account rate) as prescribed and published by the Secretary of the Treasury in the Federal Register and the Treasury Fiscal Requirements Manual Bulletins. 40 C.F.R. § 13.11(a)(1). Penalty charges will be assessed monthly at a rate of 6% per annum. 40 C.F.R. § 13.11(c). Administrative costs for handling and collecting Respondents' overdue debt will be based on either actual or average cost incurred, and will include both direct and indirect costs. 40 C.F.R. § 13.11(b). In addition, if this matter is referred to another department or agency (e.g., the Department of Justice, the Internal Revenue Service), that department or

agency may assess its own administrative costs, in addition to EPA's administrative costs, for handling and collecting Respondents' overdue debt.

F. RESPONDENTS' CERTIFICATION

32. In executing this CAFO, Respondents certify that they are now fully in compliance with Section 1018 and federal regulations promulgated to implement Section 1018 at 40 C.F.R. Part 745, Subpart F.

G. RETENTION OF RIGHTS

33. In accordance with 40 C.F.R. § 22.18(c), this CAFO resolves Respondents' liability only for federal civil penalties for the violations and facts specifically alleged in Section I.C of this CAFO. Nothing in this CAFO is intended to or shall be construed to resolve (i) any civil liability for violations of any provision of any federal, state, or local law, statute, regulation, rule, ordinance, or permit not specifically alleged in Section I.C of this CAFO; or (ii) any criminal liability. EPA specifically reserves any and all authorities, rights, and remedies available to it (including, but not limited to, injunctive or other equitable relief or criminal sanctions) to address any violation of this CAFO or any violation not specifically alleged in Section I.C of this CAFO.

34. This CAFO does not exempt, relieve, modify, or affect in any way Respondents' duty to comply with all applicable federal, state, and local laws, regulations, rules, ordinances,

and permits.

H. ATTORNEYS' FEES AND COSTS

35. Each party shall bear its own attorneys' fees, costs, and disbursements incurred in this proceeding.

I. EFFECTIVE DATE

36. In accordance with 40 C.F.R. §§ 22.18(b)(3) and 22.31(b), this CAFO shall be effective on the date that the final order contained in this CAFO, having been approved and issued by either the Regional Judicial Officer or Regional Administrator, is filed.

J. BINDING EFFECT

37. The undersigned representative of Complainant and the undersigned representative of Respondents each certifies that he or she is fully authorized to enter into the terms and conditions of this CAFO and to bind the party he or she represents to this CAFO.

38. The provisions of this CAFO shall apply to and be binding upon Respondents and their officers, directors, employees, agents, trustees, servants, authorized representatives, successors, and assigns.

FOR COMPLAINANT, EPA REGION IX:

May 31, 2007  
DATE

Laura Sijó for  
Enrique Manzanilla  
Director  
Communities and Ecosystems Division  
U.S. ENVIRONMENTAL PROTECTION AGENCY,  
REGION IX

FOR RESPONDENTS:

2892 W. SEVENTH ST. APARTMENTS, LTD, a California Limited Partnership;

1234 FORMOSA APARTMENTS, LTD., a California Limited Partnership;

KELOV INVESTMENT, LTD., a California Limited Partnership; and

REGENT PROPERTIES NORMANDIE, a California Limited Partnership

7TH STREET ASSOCIATES, INC., a California Corporation

MARCH 30 2007  
DATE

Stanley Treitel  
Stanley Treitel  
President  
7th Street Associates, Inc.

FOR RESPONDENTS:

ARGYLE RESTORATION PARTNERSHIP, a California Limited Partnership;

BRICK RESURRECTION ON CHEROKEE, a California Limited Partnership;

DESCANSO ARTISTE, LTD., a California Limited Partnership;

1516 HOBART INVESTMENTS, a California Limited Partnership;

In the Matter of 2892 W. Seventh St. Apartments,  
Ltd., et al, Docket No. TSCA-9-2006-

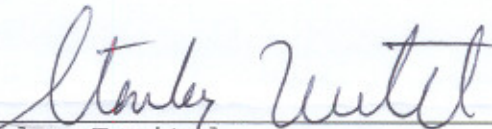
LELAND REGENT PROPERTIES, LTD., a California Limited Partnership;

NORMANDIE 7 ASSOCIATES, a California Limited Partnership;

1516 NORMANDIE INVESTMENTS, a California Limited Partnership;  
and

OXFORD RESURRECTION, LTD., a California Limited Partnership

March 30 2007  
DATE

  
\_\_\_\_\_  
Stanley Treitel  
President  
Brick Investment Corp., General Partner

**APPENDIX A:**

**Residential Properties Listed in Paragraph 16 of this Consent Agreement, Ownership and Management\* of those Properties, and Number of 0-Bedroom Units and 1 & 2 Bedroom Units at those Properties**

<b>Owner</b>	<b>Location</b>	<b>Mailing Address</b>	<b>0-Bedroom Units</b>	<b>1 &amp; 2 Bedroom Units</b>
2892 W. 7th Street Apartments, LTD	2892 W. 7th Street	P.O. Box 2109 Hollywood, CA 90078	50	9
Argyle Restoration Partnership	2017 Argyle	P.O. Box 2109 Hollywood, CA 90078	56	15
Brick Resurrection on Cherokee	1746 Cherokee	P.O. Box 2109 Hollywood, CA 90078	62	29
Descanso Artiste, LTD	3205 Descanso	P.O. Box 2109 Hollywood, CA 90078	16	10
1234 Formosa Apartments	1234 Formosa	P.O. Box 2109 Hollywood, CA 90078	4	12
1516 Hobart Investments	1516 Hobart	P.O. Box 2109 Hollywood, CA 90078	34	6
Kelov Investment, LTD	245 Kenmore	P.O. Box 2109 Hollywood, CA 90078	30	8
Leland Regent Properties	6731 Leland	P.O. Box 2109 Hollywood, CA 90078	69	4
Kelov Investment, LTD	5406 Lexington	P.O. Box 2109 Hollywood, CA 90078	34	8
Regent Properties Normandie	109 Normandie	P.O. Box 2109 Hollywood, CA 90078	29	7
Normandie 7 Associates	746 Normandie	P.O. Box 2109 Hollywood, CA 90078	29	6
1516 Normandie Investments, LTD	1516 Normandie	P.O. Box 2109 Hollywood, CA 90078	34	7
Oxford Resurrection Partnership	129 Oxford	P.O. Box 2109 Hollywood, CA 90078	12	12
Kelov Investment, LTD	726 Van Ness	P.O. Box 2109 Hollywood, CA 90078	17	3
<b>Total</b>			<b>476</b>	<b>136</b>

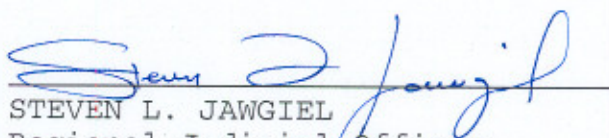
\* All properties managed by 7th Street Associates, Inc.

II. FINAL ORDER

Complainant and Respondents, having entered into the foregoing Consent Agreement,

IT IS HEREBY ORDERED that this CAFO (Docket No. TSCA-9-2007-0001) be entered, and that Respondents shall pay a civil administrative penalty in the amount of SIXTY-TWO THOUSAND, FIVE HUNDRED DOLLARS (\$62,500) and comply with the terms and conditions set forth in the Consent Agreement. This Consent Agreement and Final Order shall become effective upon filing.

05/31/07  
DATE

  
STEVEN L. JAWGIEL  
Regional Judicial Officer  
U.S. Environmental Protection  
Agency, Region IX



CERTIFICATE OF SERVICE

I certify that the original and one copy of the fully executed Consent Agreement and Final Order Pursuant to 40 C.F.R Sections 22.13 and 22.18 (Docket No. TSCA-09-2007- 0101) against 2892 W. Seventh St. Apartments, Ltd.; Argyle Restoration Partnership; Brick Resurrection on Cherokee; Descanso Artiste, Ltd.; 1234 Formosa Apartments, Ltd.; 1516 Hobart Investments; Kelov Investment, Ltd.; Leland Regent Properties, Ltd.; Regent Properties Normandie; Normandie 7 Associates; 1516 Normandie Investments; Oxford Resurrections, Ltd.; and 7<sup>th</sup> Street Associates, Inc. was filed this day with the Regional Hearing Clerk, U.S. EPA, Region IX, 75 Hawthorne Street, San Francisco, California 94105, and that a true and correct copy of the same was sent to Respondents at the following addresses:

Sent Certified Mail No. 7000-1670-0009-3120-7829

Matthew C. Brewer  
Latham & Watkins  
555 Eleventh Street, N.W. Suite 1000  
Washington, D.C. 20004-1304

Sent First Class Mail

Stanley Treitel  
President  
7<sup>th</sup> Street Associates, Inc.  
P. O. Box 2109  
Hollywood, CA 90078

  
Danielle Carr

Regional Hearing Clerk  
U.S. Environmental Protection Agency, Region IX

  
Date