1	SUZANNE ANDREWS Regional Counsel			
2	EDGAR P. CORAL			
3	Assistant Regional Counsel U.S. Environmental Protection Agency 3:00, 2025			
4	Region IX			
5	Region IX 75 Hawthorne Street San Francisco, CA 94105 (415) 972-3898			
6	coral.edgar@epa.gov			
7				
8	UNITED STATES ENVIRONMENTAL PROTECTION AGENCY			
9	REGION IX			
10	In the matter of:) Docket No. TSCA-09-2025-0094			
11				
12	Security Building Loft Partners, LP,) CONSENT AGREEMENT			
13) AND FINAL ORDER) pursuant to 40 C.F.R. §§ 22.13(b),			
14	Respondent.) $22.18(b)(2)$, and $22.18(b)(3)$			
15	I. <u>CONSENT AGREEMENT</u>			
16	The United States Environmental Protection Agency, Region IX ("EPA"), and Security			
17	Building Loft Partners, LP (the "Respondent") agree to settle this matter and consent to the entry			
18	of this Consent Agreement and Final Order ("CAFO"). This CAFO simultaneously initiates and			
19	concludes this proceeding in accordance with 40 C.F.R. §§ 22.13(b) and 22.18(b).			
20	A. AUTHORITY AND PARTIES			
21	1. This is a civil administrative penalty action instituted against Respondent pursuant to			
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23	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			
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25				
26	1018 at 40 C.F.R. Part 745, Subpart F. Violation of Section 1018 through its implementing			
27	regulations at 40 C.F.R. Part 745, Subpart F constitutes violation of Section 409 of TSCA, 15			
	U.S.C. § 2689.			

2. Complainant is the Manager of the Toxics Section in the Enforcement and Compliance Assurance 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. Respondent, a California limited partnership headquartered in Denver, Colorado, owns and rents residential properties located in the State of California.

B. STATUTORY AND REGULATORY BASIS

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 disclose to the lessee the presence of any known lead-based paint and/or lead-based paint hazards in the target housing being leased. 40 C.F.R. § 745.107(a)(2).

9. Before a lessee is obligated under any contract to lease target housing, the lessor shall provide the lessee with any records or reports available to the lessor pertaining to lead-based paint and/or lead-based paint hazards in the target housing being leased. 40 C.F.R. § 745.107(a)(4).

10. As provided at 40 C.F.R. § 745.118(e), failure to comply with 40 C.F.R. §§ 745.107 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 \$22,263 for violations occurring after November 2, 2015, where penalties are assessed on or after January 8, 2025, pursuant to the Civil Monetary Penalty Inflation Adjustment Rule at 40 C.F.R. Part 19 (as amended by 90 Fed. Reg. 1375 (January 8, 2025)).

C. ALLEGED VIOLATIONS

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

12. At all times relevant to this matter, Respondent was a "lessor" of the two residential properties located at 510 South Spring Street (Unit 701) and 510 South Spring Street (Unit 1105) in Los Angeles, California, as that term is defined at 40 C.F.R. § 745.103.

13. At all times relevant to this matter, the two residential properties referenced in Paragraph 12 were "target housing," as that term is defined at 40 C.F.R. § 745.103.

14. On or around October 14, 2021, Respondent entered into a lease for the residential property located at 510 South Spring Street (Unit 701) for an occupancy greater than 100 days or 100 days or less where lease renewals or extensions could occur (the "Unit 701 2021 Lease").

15. On or around January 9, 2023, Respondent entered into a lease for the residential property located at 510 South Spring Street (Unit 701) for an occupancy greater than 100 days or 100 days or less where lease renewals or extensions could occur (the "Unit 701 2023 Lease").

16. On or around July 1, 2022, Respondent entered into a lease for the residential property located at 510 South Spring Street (Unit 1105) for an occupancy greater than 100 days or 100 days or less where lease renewals or extensions could occur (the "Unit 1105 2022 Lease").

17. Before the lessees were obligated under the Unit 701 2021 Lease, the Unit 701 2023 Lease, and the Unit 1105 2022 Lease to lease the respective target housing, Respondent failed to disclose to the lessees the presence of any known lead-based paint and/or lead-based paint hazards in the target housing being leased, as required by 40 C.F.R. § 745.107(a)(2).

18. Respondent's failures to disclose to the lessees the presence of any known lead-based paint and/or lead-based paint hazards in the target housing being leased before the lessees were obligated under the Unit 701 2021 Lease, the Unit 701 2023 Lease, and the Unit 1105 2022 Lease constitutes three violations of 40 C.F.R. § 745.107(a)(2) and Section 409 of TSCA, 15 U.S.C. § 2689.

19. Before the lessees were obligated under the Unit 701 2021 Lease, the Unit 701 2023 Lease, and the Unit 1105 2022 Lease to lease the respective target housing, Respondent failed to provide the lessees with any records or reports available to the Respondent pertaining to lead-based paint and/or lead-based paint hazards in the target housing being leased, as required by 40 C.F.R. § 745.107(a)(4).

20. Respondent's failures to provide the lessees with any records or reports available to the Respondent pertaining to lead-based paint and/or lead-based paint hazards in the target housing being leased before the lessees were obligated under the Unit 701 2021 Lease, the Unit 701 2023 Lease, and the Unit 1105 2022 Lease constitutes three violations of 40 C.F.R. § 745.107(a)(4) and Section 409 of TSCA, 15 U.S.C. § 2689.

D. <u>RESPONDENT'S ADMISSIONS</u>

12 21. In accordance with 40 C.F.R. § 22.18(b)(2) and for the purpose of this proceeding, Respondent: (i) admits that EPA has jurisdiction over the subject matter of this CAFO and over 13 14 Respondent; (ii) neither admits nor denies the specific factual allegations contained in Section 15 I.C of this CAFO; (iii) consents 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) waives any 16 17 right to contest the allegations contained in this CAFO; and (v) waives the right to appeal the 18 Final Order contained in this CAFO. In addition, by signing this CAFO, Respondent waives any 19 rights or defenses that Respondent has or may have for this matter to be resolved in federal court, 20 including but not limited to any right to a jury trial, and waives any right to challenge the 21 lawfulness of the Final Order contained in this CAFO.

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E. <u>CIVIL ADMINISTRATIVE PENALTY</u>

23 22. In full and final settlement of the violations specifically alleged in Section I.C of this
24 CAFO, Respondent shall pay a civil administrative penalty of TWENTY-ONE THOUSAND,
25 THREE HUNDRED, AND SEVENTY-FOUR DOLLARS (\$21,374). Respondent shall pay this
26 civil penalty within thirty (30) days of the effective date of this CAFO. The civil penalty shall be
27 paid by remitting a certified or cashier's check, including the name and docket number of this
28 case, for the amount, payable to "Treasurer, United States of America," (or be paid by one of the

Consent Agreement and Final Order In re Security Building Loft Partners, LP Page 4

1	other methods listed below) and sent as follows:	
2	Regular Mail:	
3	U.S. Environmental Protection Agency	
4	Fines and Penalties Cincinnati Finance Center	
5	PO Box 979077 St. Louis, MO 63197-9000	
6	Wire Transfers:	
7	Wire transfers must be sent directly to the Federal Reserve Bank in New York City with the following information:	
8	Federal Reserve Bank of New York ABA = 021030004	
9	ADA = 021050004 $Account = 68010727$ $SWIFT address = FRNYUS33$	
10	33 Liberty Street New York, NY 10045	
11	Beneficiary = U.S. Environmental Protection Agency	
12	Certified or Overnight Mail:	
13	U.S. Bank 1005 Convention Plaza	
14 15	Mail Station SL-MO-C2GL ATTN Box 979077 St. Louis, MO 63101	
16	ACH (also known as Remittance Express or REX):	
17	Automated Clearinghouse (ACH) payments to EPA can be made through the U.S. Treasury using the following information:	
18	U.S. Treasury REX/Cashlink ACH Receiver	
19	ABA = 051036706 Account = 31006, Environmental Protection Agency	
20	CTX Format Transaction Code 22 – checking	
21	Physical location of U.S. Treasury facility:	
22	5700 Rivertech Court Riverdale, MD 20737	
23	Remittance Express (REX) = (866) 234-5681	
24	On Line Payment:	
25	This payment option can be accessed from the information below:	
26	www.pay.gov	
27 28	Enter "SFO 1.1" in the search field Open form and complete required fields	
20	Consent Agreement and Final OrderPage 5In re Security Building Loft Partners, LP	

1 If clarification regarding a particular method of payment remittance is needed, contact the EPA's Cincinnati Finance Center at (513) 487-2091. 2 A copy of each check, or notification that the payment has been made by one of the other 3 methods listed above, including proof of the date payment was made, shall be sent with a 4 transmittal letter, indicating Respondent's name, the case title, and docket number, to the 5 following regular mail or email addresses: 6 7 **Regional Hearing Clerk** Office of Regional Counsel (ORC-1) 8 U.S. Environmental Protection Agency, Region IX 9 75 Hawthorne Street San Francisco, CA 94105 10 **Christopher Rollins** Hazardous Waste and Chemicals Section 11 Enforcement Division (ENF-2-2) U.S. Environmental Protection Agency, Region IX 12 75 Hawthorne Street San Francisco, CA 94105 13 14 23. Respondent shall not use payment of any penalty under this CAFO as a tax deduction 15 from Respondent's federal, state, or local taxes, nor shall Respondent allow any other person to 16 use such payment as a tax deduction. 1724. If Respondent fails to pay the assessed civil administrative penalty of TWENTY-18 ONE THOUSAND, THREE HUNDRED, AND SEVENTY-FOUR DOLLARS (\$21,374), as 19 identified in Paragraph 22, by the deadline specified in that Paragraph, then Respondent shall pay 20 a stipulated penalty to EPA of FIVE HUNDRED DOLLARS (\$500) per day in addition to the 21 assessed penalty. Stipulated penalties shall accrue until such time as the assessed penalty and all 22 accrued stipulated penalties are paid and shall become due and payable upon EPA's written 23 request. Failure to pay the civil administrative penalty specified in Paragraph 22 by the deadline 24 specified in that Paragraph may also lead to any or all of the following actions: 25 (1) EPA may refer the debt to a credit reporting agency, a collection 26 agency, or to the Department of Justice for filing of a collection action in the appropriate United 27 States District Court. 40 C.F.R. §§ 13.13, 13.14 and 13.33. The validity, amount, and 28 appropriateness of the assessed penalty or of this CAFO is not subject to review in any such Consent Agreement and Final Order Page 6 In re Security Building Loft Partners, LP

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collection proceeding.

(2) The U.S. Government may collect the debt 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 U.S. Government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds. 40
 C.F.R. §§ 13(C) and 13(H).

(3) Pursuant to 40 C.F.R. § 13.17, EPA may either: (i) suspend or revoke
 Respondent's licenses or other privileges, or (ii) suspend or disqualify Respondent from doing
 business with EPA or engaging in programs EPA sponsors or funds.

(4) Pursuant to 31 U.S.C. § 3701 *et seq.* and 40 C.F.R. Part 13, the U.S.
Government may assess interest, administrative handling charges, and nonpayment penalties
against the outstanding amount that Respondent owes to EPA for Respondent's failure to pay the
civil administrative penalty specified in Paragraph 22 by the deadline specified in that Paragraph.
(a) Interest. Pursuant to 31 U.S.C. § 3717 and 40 C.F.R.

\$13.11(a)(1), any unpaid portion of the assessed penalty shall bear interest at the rate established
according to 26 U.S.C. § 6621(a)(2) from the effective date of this CAFO, provided, however,
that no interest shall be payable on any portion of the assessed penalty that is paid within thirty
(30) days of the effective date of this CAFO.

(b) Administrative Handling Charges. Pursuant to 31 U.S.C.
Section 3717(e)(1) and 40 C.F.R. § 13.11(b), Respondent shall pay a monthly handling charge,
based on either actual or average cost incurred (including both direct and indirect costs), for
every month in which any portion of the assessed penalty is more than thirty (30) days past due.
(c) Nonpayment Penalties. Pursuant to 31 U.S.C. § 3717(e)(2)
and 40 C.F.R. § 13.11(c), a monthly penalty charge, not to exceed six percent (6%) annually,

25 may be assessed on all debts more than ninety (90) days delinquent.

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Consent Agreement and Final Order In re Security Building Loft Partners, LP

25. In executing this CAFO, Respondent certifies that, to the best of its current to implement Section 1018 at 40 C.F.R. Part 745, Subpart F. G. RETENTION OF RIGHTS 26. In accordance with 40 C.F.R. § 22.18(c), this CAFO only resolves Respondent's 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 any violation of this CAFO or any violation not specifically alleged in Section I.C of this CAFO. 27. This CAFO does not exempt, relieve, modify, or affect in any way Respondent's and permits. H. ATTORNEYS' FEES AND COSTS 28. Each party shall bear its own attorneys' fees, costs, and disbursements incurred in this proceeding. I. EFFECTIVE DATE 29. In accordance with 40 C.F.R. \S 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 30. The undersigned representative of Complainant and the undersigned representative of Respondent 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.

31. The provisions of this CAFO shall apply to and be binding upon Respondent and its

Consent Agreement and Final Order In re Security Building Loft Partners, LP

F. CERTIFICATION OF COMPLIANCE

knowledge, it is now fully in compliance with Section 1018 and federal regulations promulgated

liabilities 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, (including, but not limited to, injunctive or other equitable relief or criminal sanctions) to address

duties to comply with all applicable federal, state, and local laws, regulations, rules, ordinances,

1	officers, directors, employees, agents, trustees, servants, authorized representatives, successors,
2	and assigns.
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5	FOR RESPONDENT SECURITY BUILDING LOFT PARTNERS, LP:
6	0.0.00
7	5/29/2025
8	DATE FRANK ROONEY Chief Executive Officer, Colomba LLC, the Concerned Bostners of Simpson Housing, LLL B
9	Chief Executive Officer, Colomba LLC, the General Partner of Simpson Housing, LLLP, the Manager of SHS Historic G.P., LLC, the General Partner of Security Building Loft Partners, LP
10	the General Farmer of Security Bunding Lott Farmers, Li
11	FOR COMPLAINANT EPA:
12	MATTHEW Digitally signed by MATTHEW
13	7/2/2025 SALAZAR SALAZAR Date: 2025.07.02 12:09:28 -07'00'
14 15	DATE MATT SALAZAR, P.E. Manager, Toxics Section Enforcement and Compliance Assurance Division
16	U.S. Environmental Protection Agency, Region IX
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1	II. <u>FINAL ORDER</u>		
2	EPA and Security Building Loft Partners, LP having entered into the foregoing Consent		
3	Agreement,		
4	IT IS HEREBY ORDERED that this CAFO (Docket No. TSCA-09-2025-0094) be		
5	entered, and Respondent shall pay a civil administrative penalty in the amount of TWENTY-ONE		
6	THOUSAND, THREE HUNDRED, AND SEVENTY-FOUR DOLLARS (\$21,374), and comply		
7	with the terms and conditions set forth in the Consent Agreement.		
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10	DATE Steven Jawgiel		
11	DATE Steven Jawgiel Regional Judicial Officer U.S. Environmental Protection Agency, Region IX		
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CERTIFICATE OF SERVICE

I certify that the original of the fully executed Consent Agreement and Final Order in the matter of Security Building Loft Partners, LP (Docket No. TSCA-09-2025-0094) was filed with Regional Hearing Clerk, U.S. EPA, Region IX, 75 Hawthorne Street, San Francisco, CA 94105, and that a true and correct copy of the same was served on the parties, via electronic mail, as indicated below:

RESPONDENT:	David A. Franchina, Esq. McGuireWoods LLP 201 North Tryon Street, Suite 3000 Charlotte, NC 28202-2146 Dfranchina@mcguirewoods.com
COMPLAINANT:	Edgar Coral Assistant Regional Counsel U.S. EPA – Region IX Air & Toxics Section I (ORC-2-1) 75 Hawthorne Street San Francisco, CA 94105 Coral.Edgar@epa.gov

Ponly Tu Regional Hearing Clerk U.S. EPA – Region IX