



California Apartment Association
Los Angeles County
515 S. Flower Street, 18th Fl.
Los Angeles, CA 90071

June 2, 2020

Honorable Gil Cedillo
Chair, Housing and Community Investment Committee
City of Los Angeles
VIA EMAIL

Re: Request to Delay Hearing on Expanding Just Cause to Non-RSO properties

Dear Councilmember Cedillo:

The California Apartment Association has deep concerns and opposition regarding the expansion of the Rent Stabilization Ordinances' "Just Cause" provisions to non RSO properties that will be heard in the Housing Committee on June 4, 2020. We respectfully request that this item be tabled until further discussion and analysis can be made.

AB 1482 took effect on January 1, 2020. This landmark legislation applies "Just Cause" requirements on all multifamily properties. This is the strongest and most extensive housing regulation in the country. It was created through months of dialogue and compromise. To create further regulations and substitute AB 1482 protections with a flawed local action will jeopardize community safety, deter investment in much needed housing and is unnecessary. Data on any potential concerns with AB 1482 requirements should be reviewed before local action is taken.

Unlike AB 1482, there was no stakeholder input conducted by the Housing Department or Council offices during the formulation of the report to recommend the expansion of "Just Cause" policies. This ill-advised regulatory expansion did not have stakeholder input from those that operate and house Los Angeles. This ordinance also seeks to place "Just Cause" requirements on single family homes, a significant regulatory expansion. Proper stakeholder input and notification should take place before any action is taken.

Present RSO "Just Cause" policies have been a source of contention for decades. There has not been reform or modifications made which address long standing concerns and failures of the ordinance to address the extreme difficulty and expense for owners to evict problem tenants. These problems include tenants who engage in illegal behavior as well as disrupt their fellow tenants. Housing providers have countless stories about how the current restrictions make it almost impossible to evict such tenants even when they are being investigated and have had charges filed by the City or District Attorney. The economic costs are also very high for these owners who are working to create a friendly and respectful environment for their other tenants.

We have learned significant best practices since it was created in 1978. Expansion of these policies will result in similar failures and contentions. AB 1482 applies a simple 1 year "vesting" before "Just Cause" policies apply. This is specifically to enhance community safety and protect tenants from nuisance activity. The present Tenant Habitability Plan process for Major renovations is little used and deters the maintenance of housing stock. It allows and creates a

streamlined approach to rehabilitation and construction ensuring community members receive relocation assistance while allowing for housing providers to engage in needed repairs and major upgrades.

Also included along this correspondence is our original letter from 2017 outlining why Just Cause is problematic for both tenants and housing providers. These are long standing and complex issues. CAA is always ready to be at the table to create policies that offer best practices and don't unduly harm the very people who provide much needed housing in Los Angeles.

Delaying this matter until further discussion can occur is a reasonable request given the current Covid-19 restrictions on evictions. There is no urgency or reason to rush this through as evictions are not even taking place right now. We respectfully request for this item to be delayed so that the stakeholders can be involved in the process for a reasonable way forward.

Sincerely,

Beverly Kenworthy, Vice President
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