



California Apartment Association
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June 19, 2017

Honorable Gil Cedillo
Los Angeles City Council, District 1
200 N. Spring Street, Room 460
Los Angeles, CA 90012

RE: Housing Committee Agenda Item 14-0852-S1

Dear Councilmember Cedillo and Honorable Members of the Housing Committee:

The Los Angeles Division of the California Apartment Association (CAA) represents owners and managers of residential rental properties throughout the City of Los Angeles. We applaud the Housing and Community Investment Department (HCID) for being vigilant in exploring ways to promote ethical housing management practices throughout the City of Los Angeles. However, we strongly oppose the current recommendation to expand "Just Cause" to all non-RSO units as proposed in agenda item 14-0852-S1.

Just cause eviction ordinances are often described as simply requiring landlords to provide a valid reason why they are evicting the tenant when they serve a notice terminating the tenancy. The arguments relied upon by tenant advocates in support of just cause evictions ordinances often relate to the need to protect tenants from retaliatory eviction or evictions motivated by the landlord's desire to increase the rent. These explanations and arguments are misleading. Aside from the fact that just cause eviction ordinances usually include onerous requirements beyond merely requiring the landlord to have cause to terminate the tenancy, simplified explanations of just cause eviction requirements fail to account for the fact that for-cause evictions are substantially more difficult and expensive to complete. Similarly, arguments that just cause ordinances protect tenants from retaliatory eviction and prevent landlords from evicting tenants to raise the rent are simply untrue.

Just Cause - Bad for the Community

Taking away an owner's ability to terminate a month-to-month tenancy without cause, or to choose not to renew "without cause," takes away the ability of an owner to get rid of tenants that cause problems for other tenants in that community. The 'no-cause' notices are often used when a three-day notice could technically be given for nuisance issues as well as criminal activity. Using a thirty-day or sixty-day notice for a month-to-month tenant in that situation will often get that problem tenant out faster than if the owner has to prove a case in court.

While these tenants will still be evicted under a 3-day notice, it will take longer for the owner to log and document the offenses before a 3-day notice is served all the while the other tenants are suffering the bad behavior of their neighbor. Why should tenants suffer the nuisance of a bad neighbor? Tenants should also have the right to the quiet enjoyment of their home. Many owners are pressured by tenants to evict nuisance neighbors.

Landlords generally do not want to get rid of good tenants and incur turnover costs, and it shouldn't be more difficult to get rid of bad ones.

Just Cause - Hurts Tenants

There is a laundry list of unintended consequences that hurt tenants that come along with just-cause requirements: tenants are given only 3 days to move vs. 30 or 60; tenants are more likely to be served an unlawful detainer; large attorney fees can be placed on the tenant with unfavorable settlement terms.

Because just cause policies take away the landlords discretion to serve a "no cause" termination notice, they have no choice but to use the 3-day notice procedure to remove tenants who violate the lease. This means that more tenants will end up with negative marks on their rental histories, which will make it more difficult to find new housing in an already tight housing market. The short notice timeframes also make it more difficult for tenants to move out and avoid an unlawful detainer action. Thus, a tenant who is served with a 3-day notice is more likely to have an unlawful detainer judgment entered against him or her. Many landlords perform unlawful detainer checks as part of their screening procedure and will not accept the application of a person who has had an unlawful detainer judgment entered against them.

California Law Already Protects Tenants

As mentioned above, California already has some of the most aggressive tenant protections in the country, including eviction protections. Though a 30/60-day notice of termination may be served for any reason or no reason at all, it may not be served for a discriminatory (Civil Code section 51) or retaliatory (Civil Code 1942.5) reasons. For example, both retaliation and discrimination may be raised as substantive defenses in an unlawful detainer action and can also serve as the basis for affirmative damages claims.

We look forward to working closely with you, your staff, and the community in the coming months to discuss this issue further and identify mutually agreeable solutions that promote fair and equitable housing policies in Los Angeles.

Sincerely,



Beverly Kenworthy
Vice President