



Richard Williams <richard.williams@lacity.org>

FW: 10/10 Rules, Elections & Intergovernmental Relations Committee Meeting - Item #1 File No. 18-0002-S98

Janet Gagnon <janet@aagla.org>
To: "richard.williams@lacity.org" <richard.williams@lacity.org>

Tue, Oct 9, 2018 at 3:42 PM

Hi Richard,

I would like to request that the email below be included as part of the official record for File No. 18-0002-S98.

Thank you.

Best regards,

Janet



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From: Janet Gagnon

Sent: Tuesday, October 9, 2018 3:38 PM

To: councilmember.wesson@lacity.org; councilmember.cedillo@lacity.org; councilmember.Krekorian@lacity.org; councilmember.harris-dawson@lacity.org; councilmember.blumenfield@lacity.org; david.ryu@lacity.org; paul.koretz@lacity.org; councilmember.martinez@lacity.org; Councilmember.Rodriguez@lacity.org; councilmember.price@lacity.org; councilmember.bonin@lacity.org; councilmember.englander@lacity.org; councilmember.ofarrell@lacity.org; councilmember.huizar@lacity.org; councilmember.buscaino@lacity.org

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Subject: 10/10 Rules, Elections & Intergovernmental Relations Committee Meeting - Item #1 File No. 18-0002-S98

Dear Los Angeles City Council Members,

The Apartment Association of Greater Los Angeles (AAGLA) represents thousands of small "mom and pop" rental housing providers (20 units or fewer) within the City of Los Angeles. Many of our members/owners are retired seniors that worked regular jobs for decades, scrimping and saving to afford their small property to secure their retirement and provide housing for a few of their neighbors. Some are multi-generational immigrants that chose to make a small community investment as their way to house themselves and others. Our members are regular people that are providing affordable rental housing in their communities and are your constituents. They are the type of owners that the City claims they want all owners to be – responsible, caring and reasonable. However, if Prop 10 passes, mom & pop owners will be the ones that are forced out of business leaving **only** heartless corporate landlords.

The Chief Legislative Analyst's report for Item #1 claims that support for Prop 10 is consistent with past City policy, but that is **false**. Since the City of Los Angeles established rent control in 1978, the City has **always** supported vacancy decontrol as is currently contained in the City ordinance. Vacancy decontrol enables a rental housing provider to bring the unit to market rate when it is vacated. It is the **only** way that small mom & pop owners under rent control are able to stay in business. Costs continue to drastically rise especially for older buildings. Repairs, maintenance, utilities, insurance, property taxes, bonds and parcel taxes (including the newly proposed stormwater tax for all of LA County) all continue to rise at market rates. In addition, due to the City's new RecycLA program, trash rates for our members have risen by 200% - 600%. Mom & pops that are charging reasonable rents simply cannot afford to stay in business if vacancy decontrol is removed. This Resolution states that one of its reasons for supporting Prop 10 is to be able to eliminate vacancy decontrol (see Whereas #5 & #7, "**vacancy control**"). This would be a vicious betrayal by the City of all mom & pop owners who have spent their lives working for their small property to depend on it for their retirement and have relied on 40+ years of City policy in support of vacancy decontrol.

In addition, Prop 10 will reduce funding for the City of Los Angeles and all of its programs and services. Prop 10 uniquely requires that the state must pay all attorneys fees and costs for proponents whenever and wherever it is challenged in court even if the proponents lose the case. The state will have to pay millions of dollars in litigation costs that few other propositions have ever attempted to impose. As the state pays these costs, it will have substantially less funding available to give to the City for existing programs of all types. Further, Prop 10 will cost the City itself millions of dollars in property taxes as property values decrease for rental properties and all other properties near them due to deferred maintenance and repairs.

In addition, Prop 10 will further reduce the supply of affordable rental housing in the City of Los Angeles. As mom & pop owners are forced out of business, developers will purchase these properties and turn them into condos and other non-rental uses. Even the few continuing as rentals will be substantially renovated and turned into luxury apartments that are completely unaffordable for low and middle income renters. The City is rightly concerned with **preserving** affordable rental housing. Prop 10 will do the exact opposite and cause more affordable rental units to be taken off the market with more tenants being displaced.

We urge the City Council and its Rules, Elections & Intergovernmental Relations Committee to **oppose Prop 10**.

Thank you for your consideration.

Sincerely,

Janet M. Gagnon



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