



## **Comments of the Apartment Association of Greater Los Angeles (AAGLA), the California Apartment Association (CAA) and Minority Apartment Owners Association (MAOA) Regarding the City of Los Angeles Eviction Prevention and Response Program Proposal**

The City of Los Angeles' goal of advancing a comprehensive solution to address homelessness and illegal evictions is laudable and one that can serve the interests of both rental property providers and renters alike. The key is the establishment of a well-balanced program that does not further impede an already overburdened housing court system and that does not increase costs and risks of rental housing providers. Set forth below are the collective recommendations of AAGLA, CAA and MAOA for the City's consideration for improving and creating a well-balanced Eviction Prevention and Response Program (the "Program").

### Recommendations

#### ***Pilot Program***

An initial pilot Program should be advanced within a targeted geographic area to facilitate measurable indicators of Program success and deficiencies. At the conclusion of the pilot, key stakeholders, inclusive of rental property providers, should be given an opportunity to provide feedback on issues identified during the pilot.

Following the pilot, the Program should be initiated over the course of an extended roll out period. For example, New York City's Right to Counsel law, has a 5-year implementation period. During this extended roll-out period, the City should provide all stakeholders (rental property providers and renters) with extensive education and outreach regarding the Program. During the roll out period, the City should convene stakeholders (rental property providers and renters) at regular intervals to review and address strengths and weaknesses of the Program.

#### ***Eviction Prevention***

##### **1. Outreach and Education**

We strongly support outreach and educational services for rental property providers and renters to ensure that rental property providers have a clearer understanding of their legal obligations and renters are properly informed of their rights. This is particularly important for new rental property providers who may not be aware and knowledgeable of all the legal requirements.

As properties change hands, a new owner pamphlet should be created in order to educate owners that may be new to the City about the Program and their rights and obligations as rental property providers.



## 2. Pre-eviction Services: Emergency Rent Subsidies, Wraparound Services and Mediation

Pre-eviction and prevention should be the primary focus of the Program. The City should identify partners such as Brilliant Corners and PATH to assist with eviction prevention.

Eviction is a costly process for property owners that is typically only a last resort and in more than 70% of the cases is the result of non-payment of rent. Evictions have negative consequences for both the rental property provider and renter. For the rental property provider, the time and expense of lost rental income, rehabilitation of the rental unit, and re-renting of the unit and the associated legal fees can cost rental property providers from \$15,000 to \$50,000 for contested eviction matters. For the renter, the need to locate a new home can become more difficult when there is a history of eviction and could lead to potential homelessness for an individual or family.

To address the overarching societal need of homelessness prevention, the City's general funds should be allocated to assist renters who are at risk of eviction due to non-payment of rent. The assistance should be a combination of emergency rent subsidies coupled with supportive services such as financial counseling and employment resources to address both the immediate financial need and its root causes ranging from sudden employment loss to lack of financial knowledge and budgeting skills. Rental property providers, that already operate under rent control restrictions, should not be a source of funding for this Program – the cost of the Program must be shared by all of the City's residents.

Under these circumstances, mediation can be a valuable tool in reconciling differences between renters and owners and make the living situation better for both parties. It is important to note that the mediation process should be utilized to facilitate communication and resolve issues and not to effectively delay the process further.

## 3. Right to Counsel – Scope and Applicability

The goal of the “right to counsel” aspect of the Program should be to target rental property providers that are committing code violations or illegal activities.

Representation should be afforded to both renters and rental property providers based on financial need. Rental property providers of ten or fewer units and senior owners should be exempt from the program as these “mom and pop” owners generally do not have the resources to hire an attorney and would be placed at an unfair disadvantage if the renter is afforded free legal representation. In these circumstances, if legal counsel is provided to the renter, it should also be provided to the small rental property provider.

The threshold for assessing need should be household income of either 200% Federal Poverty Level or 80% Average Median Income. In addition, cases based solely on non-payment of rent should be deemed ineligible and redirected to homelessness prevention and other supportive services. Qualifying cases should be the result of a preliminary investigation and vetting process by City oversight and an



initial determination that there has been an illegal eviction or other factors related to habitability, harassment or discrimination.

Qualifying attorneys should be required to complete a “request for proposal” process or “RFP” in order to be certified for participation in the Program. There are many attorneys that currently represent renters that have been found to be reasonable and that have worked quickly to resolve eviction matters. The City should attempt to retain those attorneys instead of tenant advocate groups.

Safeguards should be implemented to minimize opportunities for unethical legal practices geared to prolong the eviction process and extort unjustified settlements. The Program should work to advance a more effective and efficient eviction process, establish maximum time limits for cases, limit extensions and allow but not mandate jury trials. All cases should be reviewed by the Housing + Community Investment Department and the City Attorney’s office prior to being referred to counsel in order to ensure such cases meet the City’s criteria for funding. A “checklist” should be created by the City for evaluating cases (e.g., habitability issue, discrimination, code violation, reduction in amenities, etc.).

Additionally, a mechanism should be established for the removal of attorneys who engage in unscrupulous practices from the program. Finally, attorneys should be compensated on a sliding scale based on how quickly they can resolve matters, with lesser compensation paid for prolonged matters, and all legal fees should be “capped.”

Rental property providers should not be burdened with the obligation of notifying the City in the event of an eviction. Renters should; however, be obligated to do so as a prerequisite in order to avail themselves of the City providing counsel and/or other supportive services.