



"Great Apartments Start Here!"

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Via Electronic Mail

Hon. Mayor Gleam Davis, and the
Members of the Santa Monica City Council
City Hall
1685 Main Street
Santa Monica, California 90401

Re: Right to Counsel (Agenda Item 13-F)

Dear Mayor Davis and Members of the City Council:

The Apartment Association of Greater Los Angeles' (AAGLA) opposes the City Council's advancement of a "Right to Counsel" ordinance. Has the Council thoroughly explored the issue to determine the need for such an ordinance? How many City renters does the Council anticipate will be assisted through the program and how will it be funded? We urge the City Council to direct staff to conduct a thorough evaluation of this matter and not act in haste to establish a potentially costly program without an accurate gauge of the need for such services. Further, we request that the City Council recognize the value of establishing a program that focuses on pre-eviction services and homelessness prevention rather than merely funding outside counsel. Should the City wish to move forward on this matter, the City Council should advance a well-balanced program that does not add to an already overburdened court system and that does not merely serve to delay the process and increase costs incurred by property owners.

Evictions are never a desirable outcome for renters or rental property owners. For renters, evictions can result in reduced credit scores, difficulty securing new housing and the potential for homelessness. For property owners, evictions result in lost time and expense due to unpaid rental income, rehabilitation of their vacant rental unit, re-marketing their unit and the associated legal fees and costs, which can cost housing providers between \$15,000 and \$50,000 for contested eviction matters. **It is equally important to recognize that rental housing providers are in the business of providing housing and filling vacancies as efficiently as feasible and are not in the eviction business.** Evictions simply run counter to good rental business practices and are utilized only as a last resort. **The best solution for all involved parties is to avoid the eviction process entirely.**

With more than 70% of evictions occurring due to non-payment of rent, the most impactful and direct means to reduce evictions is through rent subsidies coupled with supportive services. The benefits are two-fold: (i) addresses the immediate issue of paying the rent and (ii) provides renters with targeted support that addresses the underlying causes for non-payment, which may be related to a sudden employment loss, illness or lack of financial education. Rental property owners already operate under the severest form of rent control and renter protection regulations within Santa Monica, and they should not be the sole source of funding for this type of program – the housing crisis is a societal issue and the cost of the Program must be shared by all the City's residents.

We believe that the City Council should establish a program focused on pre-eviction and homelessness prevention services and allocate City resources to that objective. If a "Right to Counsel" program is advanced, it should be narrowly tailored and renters and rental property owners should benefit equally based on need, with the threshold for assessing need set at a household income of either 200% Federal Poverty Level or 80% Average Median Income. There must also be clear parameters for evaluating qualifying cases and qualifying attorneys. It is vital that a system be instituted to determine whether a case involves factors warranting the need for free City provided representation such as habitability, harassment, or discrimination and not solely based on non-payment of rent which accounts for approximately 70% of evictions.

Safeguards must be implemented to minimize opportunities for unethical legal practices geared towards prolonging the eviction process at the expense of housing providers and encouraging unjustified settlements. A "Right to Counsel" program should advance a more effective and efficient eviction process, establish maximum time limits for cases, limits on extensions and allow but not mandate jury trials.

Mechanisms must also be established for the removal of attorneys who engage in unscrupulous practices. Attorneys should be compensated on a sliding scale based on how quickly they can resolve matters, with lesser compensation paid for prolonged matters, and legal fees in all instances should be "capped." Small, "mom and pop" rental housing providers and seniors who own rental properties should be exempt from the Program as these owners typically do not have the resources to hire an attorney and would be placed at a severe disadvantage when renters are afforded free legal representation. **In these circumstances, if legal counsel is provided to the renter, it should also be provided to the small rental housing provider.**

To reiterate, if the City Council's objective is homelessness prevention by reducing evictions, the most direct path, and one that benefits both renters and rental housing providers, is the establishment of an emergency rental subsidy or voucher program with wraparound supportive services. To address the overarching societal need of homelessness prevention with its root causes ranging from sudden employment loss or health crisis to lacking financial knowledge, the City's general funds should be allocated to assist and to educate renters who are at risk of eviction due to nonpayment of rent. The assistance should be a combination of emergency rent subsidies coupled with supportive services such as financial counseling and

The logo for the Apartment Association of Greater Los Angeles (AAGLA) features the acronym "AAGLA" in a bold, blue, sans-serif font. To the right of the text is a solid brown square.

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employment resources to address both the immediate financial need and promote skills enhancement.

Thank you for your consideration of the concerns and recommendations outlined in this letter as you deliberate establishing a "Right to Counsel" program. If you have any questions, please call me at (213) 384-4131; Ext. 309 or contact me via electronic mail at danielle@aagla.org.

Very truly yours,

Danielle Leidner-Peretz