

"Great Apartments Start Here!"

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City of Los Angeles Housing Committee and Personnel and Animal Welfare Committee City Hall 200 North Spring Street Room 1010 Los Angeles, California 90012

RE: Eviction Defense Program (Agenda Item 1)

Dear Members of the Housing Committee and Personnel and Animal Welfare Committee:

This letter is written to express the Apartment Association of Greater Los Angeles' (AAGLA) comments and recommendations regarding the Los Angeles Housing + Community Investment Department (HCIDLA) report and proposed Eviction Defense Program. We appreciate HCIDLA report's inclusion of some of AAGLA's previous recommendations on this program relative to limiting eligibility to low-income renters, inclusion of outreach and education, rental assistance, and case management. Further, the phased-in approach outlined in the report coupled with continual evaluation and assessment will provide valuable programmatic insight. There are several outstanding issues that we request the Committee consider and direct staff to incorporate as part of the overall program implementation.

Evictions are not a desirable outcome for renters nor rental property owners. As outlined in the report, there are a multitude of negative consequences to renters following any eviction, including but not limited to, reduced credit score, difficulty securing new housing, obtaining loans, and potential homelessness. It is equally important to recognize that rental housing providers are in the business of providing people with housing and filling vacancies as efficiently as feasible, and not engaging in the eviction process. Evictions run counter to good rental business practice, as they are costly and often result in lost rental income, incurring cost of rehabilitation of the vacant rental unit, marketing the unit for rent, and the associated legal fees and expenses which can cost anywhere from \$15,000 to up to \$50,000 for contested eviction matters. The best solution for all the involved parties is to avoid the eviction process entirely.

AAGLA

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With more than 70% of evictions occurring due to non-payment of rent, the most impactful way to immediately reduce evictions is through rent subsidies coupled with supportive services. We commend the City for including rental assistance and supportive services as part of the program and providing opportunities for renters to obtain short-term and longer-term assistance based on their individual circumstances. Further, we acknowledge the report's assertion relative to the importance of "a robust pre-eviction infrastructure that includes outreach and education and the ability to respond early in the eviction process is the most effective method for reducing litigation and securing the best outcomes for both the tenants and landlords." We are supportive of pre-eviction services and mediation where it is utilized to reconcile differences between renters and owners to improve the living situation for both parties. While the program budget includes an allocation of \$645,166 for rental assistance, we urge the Committee to increase funding for financial support coupled with case management services, so that a larger pool of eligible renters can access both immediate and long-term assistance that is customized to their situation whether it be a recent job loss, a need for financial literacy, or catastrophic health issue.

The goals and objectives of the Eviction Defense Program are founded upon the general societal objective of homelessness prevention, and future funding to support the program should be allocated from the City's general funds and other funding mechanisms that are derived from all city residents, not rental housing providers, that already operate under strict rent control restrictions.

Regarding the full legal representation component of the program, we urge the Committee to institute a more targeted approach that focuses and prioritizes on illegal evictions that involve such factors as habitability, harassment or discrimination. Cases based solely on non-payment of rent should be directed to rental assistance and wraparound supportive services which will enable the individual to stay in their home, not a likely outcome through legal representation. If the City's goal is to keep renters in their homes, increasing case settlements will have only a minimal and temporary impact.

Legal representation should be provided to both eligible low-income renters and rental property owners. While the report notes that "legal services providers will be asked to provide, as necessary, referrals to landlords that may need legal assistance or representation to resources such as the Los Angeles County Bar Association" low income owners should be afforded the same access to free legal representation as low-income renters. Small, "Mom and Pop" owners generally do not have unlimited resources to hire an attorney and would be placed at an unfair disadvantage if the renter is the only party afforded free legal representation. This rationale seems to have been acknowledged in the establishment of the Shriver program's eligibility criteria, requiring that the individual be facing a litigant represented by legal counsel.

As the City advances the program and establishes contracts with legal services providers, we urge the Committee to institute safeguards to minimize the opportunity for unethical legal practices geared to prolong the eviction process and compel unjustified settlements. The program should advance a more effective and efficient eviction process, establish maximum time limits on cases, limit extensions and allow but not mandate jury trials.



AAGLA has repeatedly supported the establishment of a comprehensive program that focuses on homelessness prevention and addresses illegal evictions. Moreover, we appreciate HCIDLA's recognition of the importance of outreach and education for both renters and owners regarding their rights and responsibilities. The recent adoption of numerous housing ordinances and related regulations necessitate that the City continually advance education and outreach services to both renters and rental property owners. Small property owners, many of whom are retirees, seek to comply with all the requirements but often struggle to navigate the system and fear the consequences of an unintended mistake. New owners must also have access to educational services as they are often unaware of all their newly acquired legal obligations.

Of equal importance, any program that is advanced must be a balanced one that does not further impede an already overburdened court system and that does not increase costs and risks for rental housing providers. To that end and particularly concerning is HCIDLA's recommendation that owners be required to file a notification for all evictions within the City. Rental property owners must not be burdened with the obligation of reporting to the City in the event of an eviction. Owners are already subjected to filing requirements, fees and extensive costs related to eviction proceedings and must not be subject to further filing impediments and cost burdens.

We commend HCIDLA's recommended implementation plan, instituting the program in phases and within targeted geographic areas which will facilitate measurable indicators of program success and deficiencies. At the end of each phase, key stakeholders, inclusive of rental property owners and renters should be given an opportunity to provide feedback on the issues identified. Additionally, throughout the roll out period, the City should engage with stakeholders and convene meetings at regular intervals to review and address strengths and weaknesses in the program.

Thank you for your consideration of AAGLA's concerns and recommendations as you review the HCIDLA report and related Eviction Defense 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