



"Great Apartments Start Here!"

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Via Electronic Mail

Members of the Los Angeles City Council
City Hall
200 North Spring Street
Los Angeles, California 90012

**Re: 20-0203: Requiring Owners to Include Permits and Describe Work to be Done
When Issuing Notice to Vacate for a Substantial Remodel (Agenda Item 59)**

Dear Members of the Los Angeles City Council:

The City Council has been advancing an ordinance requiring rental housing providers to first obtain permits and provide descriptions of work to be completed before issuing a notice to vacate for "Substantial Remodel" (per Assembly Bill 1482) of a rental unit that is exempt under the City's Rent Stabilization Ordinance (RSO). The proposed ordinance is applicable to renters who have received notices of eviction for substantial remodel and remain in possession of their unit. Because the City's Housing Committee waived consideration of the original motion directing the City Attorney's office to draft the ordinance, the matter has been advanced and is to be voted on by the full City Council without any opportunity for much needed deliberation and stakeholder input.

The Apartment Association of Greater Los Angeles (AAGLA) strongly urged the City Council to postpone deliberation on this matter so that stakeholder input could be solicited. We also raised important issues for the City Council's consideration. The motion was advanced with limited floor discussion and without any data to support the need or urgency to move forward with the ordinance. The proposed ordinance has been drafted and is now scheduled for the City Council's consideration at the March 17th Council meeting. The Housing Committee has again waived consideration of the ordinance, and it is being advanced without essential stakeholder engagement.

The proposed ordinance would impose burdensome requirements on rental housing providers with properties subject to Assembly Bill 1482 – the statewide rent control and renter protection law, when seeking to terminate a tenancy to substantially remodel a rental property in accordance with the new State law. The proposed City ordinance would, prior to issuance of an eviction notice due to substantial remodel, require owners to first obtain necessary permits and provide copies of the permits to renters along with the eviction notice, and within the eviction notice describe "the reason for the termination, the type and scope of the work to be performed, why the



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work cannot be reasonably accomplished in a safe manner with the tenant in place, and why the work requires the tenant to vacate the residential real property for at least 30 days."

While the City Attorney asserts that municipalities are permitted to adopt local ordinances to include additional renter protections, it provides no legal basis for that assertion. We do not believe that the City has the authority to modify the specific provisions of the State law and that the City is preempted from adopting the proposed ordinance.

Putting aside whether the City has authority to regulate this matter by modifying State law, the proposed ordinance fails to account for the administrative issues associated with requiring procurement of permits prior to the issuance of the tenancy termination notice. Requiring issuance of permits before moving forward with a tenancy termination can result in significant delays in what may be much needed or required unit rehabilitation. Extended delays can also lead to permit expiration and the need for the owner to obtain an extension on a costly permit or permits in order to initiate the planned renovation.

Permits are costly and are provided for a limited time period only, typically for an initial 6-month period. An owner, who is also required to provide the renter with 60 days' notice of lease termination, would only be left with a valid permit period of 4 months. If any issues arise and the renter refuses to vacate the unit, it may take the remainder of the permit period to resolve the matter. The owner would then be required to seek an extension of the permits in order to proceed with the planned renovations. At minimum, we urge the Council to limit the scope of the requirement to "material permits" and with a clear definition of the permits that would need to be included with the tenancy termination notice, and to require that copies of such permits be provided on or before expiration of a 60-day notice period rather than at the time of providing the notice of termination to the renters.

It is also important to emphasize that under the current State law, if an owner fails to comply with State law's provisions, the no-fault termination is rendered void and the owner may also be subject to punitive damages. In addition, the owner may be subject to litigation initiated by his or her renters. These existing renter protections serve to discourage the likelihood that an owner would issue a baseless notice with no intention to renovate the property. Further, as previously stated, no data has been provided by the City that reflects the existence of a widespread issue warranting placement of additional obligations on rental property owners.

State law has effectively balanced the objectives of providing renter protections while recognizing the vital importance of upgrading the State's rapidly aging housing stock. We ask that the City Council consider the existing renter protections under Assembly Bill 1482, and the likelihood of unintended consequences that will result should this proposed ordinance be advanced, including potentially hindering essential rehabilitation of the City's aging housing or unnecessarily increasing the costs of needed renovations.



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We; therefore, urge the Council to work with key stakeholders to identify workable solutions and not ones that will cause further deterioration of the City's rental housing supply and unduly burden the City's rental housing providers. Thank you for your time and consideration of these matters. 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