

"Great Apartments Start Here!"

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January 31, 2023 **Via Electronic Mail** 

Hon. Mayor Konstantine Anthony and Members of the City Council Burbank City Council 275 E. Olive Avenue, Second Floor Burbank, CA 91502

Re: Discussion on a Rent Control Ordinance in the City of Burbank and Current Tenant Protections (Agenda Item 8)

Dear Hon. Mayor Anthony and Members of the Burbank City Council:

At today's meeting, the City Council will discuss rent stabilization and tenant protection options for the City of Burbank. The Apartment Association of Greater Los Angeles (Association) strongly opposes any form of rent control and urges the City Council to reject advancement of any such local measures. The solution to insufficient supply and affordability of rental housing for low-income, very low-income and extremely low-income families and individuals is to streamline and expedite the permitting process for new affordable rental housing developments. The solution is **not** rent control.

Rent Control does not equate to affordability, nor does rent control create more housing. In fact, it will only drive more independent, "mom and pop" housing providers out of the rental housing market and further reduce the supply of existing rental housing, most of which is naturally occurring affordable housing. Further, rent control will result in a huge, upfront and ongoing costs for implementation and administration by the City of an ordinance requiring significant staffing, systems and many other City resources. As such, it will draw needed City taxpayer dollars away from other existing City services and programs. If the City has additional funds to spend, then they would be far better spent on the creation of City emergency voucher program targeted at low-income, rent burdened families and individuals.

The community of Burbank has already made their opinion clear on rent control. It is not wanted. When it was brought up on the November 2020 ballot, "The Burbank Rent Stabilization and Tenant Protection Act", as the measure was known, failed, with the majority of City voters, over 60%, voting no. We ask that the City recognize that the citizens of Burbank have spoken on the issue on rent control and that they have rejected it.

More than 80% of our membership are small "mom and pop" housing providers with fewer



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than 5 units and include many within the City of Burbank. They are often retired seniors that worked regular "9-5" jobs for decades, and who made sacrifices over the years so that they could afford to make a small investment in a rental property that secures and supplements their retirement income, and that helps cover the costs of medical care, and other needed costs of living, and at the same time they are providing affordable housing to the members of their community, or in some cases, themselves. These small owners have already suffered significant financial losses over the past 3 years due to statewide and countywide eviction moratoriums and the resulting challenges to collect rent legally owed. To make matters worse, now these same housing providers face hyperinflation on all types of costs associated with rental housing, including insurance premiums that have risen due to fires in California, utilities, repairs and maintenance as well as ongoing property taxes, mortgage payments, trash collection, sewer service and various fees and taxes.

Our members chose to make an investment in their community to be part of the solution to housing supply and affordability by providing market-rate rental housing for residents that cannot afford to purchase a home in neighborhoods where they work. However, they cannot bear the burden that is the City's responsibility to provide public housing and/or government subsidized affordable housing to low-income, very low-income and extremely low-income residents in Burbank.

Existing state law, Assembly Bill 1482 - "The Tenant Protection Act of 2019", already exists and has been in effect since January 1, 2020. This law already provides significant protections to renters living in the City of Burbank and throughout the State of California, including limitations on annual rent increases, "Just Cause" eviction protections, and mandatory relocation fees for no-fault tenancy terminations. In creating this law, extensive negotiations were conducted among legislators, renter groups and rental housing providers as well as other key stakeholders to reach a compromise fair to all that would ensure a stable rental housing market moving forward for the next **10** years.

Rent control will only lead to a decrease in the quantity and quality of affordable rental housing in the city and will only discourage the development of new rental units. Burbank need only look at the cities of Los Angeles, Santa Monica and West Hollywood for a case study on the ineffectiveness and dangers of rent control. These cities have strong rent control laws yet some of the highest rental and homelessness rates in the state.

We ask that the Council accept this item as a report to be filed without taking any further action on it. If the City believes that more low-income housing is needed, then we request that the City create a working group to review existing entitlement processes to streamline and encourage new government subsidized affordable rental housing developments. We also encourage the City to consider the creation of a City emergency voucher program targeted to low-income, very low-income and extremely low-income residents and structure it in a manner to mirror existing CalFresh benefits, including the use of an electronic benefit transfer ("EBT") card. Sometimes following a major expense such as a medical issue or major car repairs, renters may be faced with a choice to pay an emergency expense rather than rent, which can start a cycle of being behind on rent and not catching up – often, in these situations, a small amount of City funding can make all the difference in the world and get people back on track. Alternatively, the City may wish to develop a small, short term loan program for low-income renters. The Association welcomes the opportunity to meet with the City Council and staff to collaborate further on these new concepts and others that the City may consider.

## APARTMENT ASSOCIATION OF GREATER LOS ANGELES



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Thank you for your time and consideration of these matters. If you have any questions, please call me at (213) 384-4131; Ext. 306 or contact me via electronic mail at max@aagla.org.

Yours sincerely,

Max Sherman

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