

There They Go Again and Here We Go Again!

By Daniel Yukelson, Executive Director

WARNING: NO More Rent Increases on Vacant Units?!!

As the late, great President of the United States, Ronald Reagan, once said: “There you go again!” And, there we go once again. Not much more than a few years after nearly two-thirds of California’s voters rejected both Propositions 10 and 21, backers of these strict rent control measures have again garnered the number of required signatures to qualify virtually the same rent control measure for the November 2024 ballot. Like the two proposed ballot measures in 2018 and 2020, we must now go to battle and defeat this latest attack on rental housing providers!

This time, it’s called the “Justice for Renters Act,” and if passed, it would completely eliminate the protections we as rental housing providers have under Costa-Hawkins Rental Housing Act and it would destroy rental housing here in California. Clearly, for rental housing providers, there’s no “justice” in the ballot initiative whatsoever and for us, it is more a “Injustice for Landlords Act.”

Passage of the ballot measure would allow local jurisdictions (cities and counties) to impose rent control on new construction, single family homes and condominiums, and its passage would also eliminate the one thing that keeps all of us rental property owners in business, “vacancy de-control.” “Vacancy de-control” is what allows you to increase and set your rent to whatever you’d like when you have a vacancy. We cannot afford to lose our ability to set our rents to market rate when we have a vacancy.

That’s right, this proposed ballot initiative would allow cities and counties to control how much landlords may increase rent when a tenant voluntarily leaves and a new tenant moves in. **If you have any units renting for far below market, under the Justice for Renters Act, you will never have a chance to catch up, and your property value will suffer. Properties in New York under similar regulations where the government sets the price of vacancies (“vacancy control”) have gone down in value as much as 40% to 50%.**

As I said, “there you go again!” And here we go again by launching yet another campaign to beat back Propositions 10’s and 21’s evil twin, the so-called “Justice for Renters Act.” Sadly, many fellow Californians, not knowing any better, will think this is a good idea. **Who doesn’t want justice?** But, obviously, this new, proposed ballot measure is deeply flawed and would stymie new development which we desperately need here in California. Like its two, badly flawed predecessors, this proposal does not target the true problem that’s going on in California – there is just not enough housing for the people that live here. And, this latest ballot measure will do nothing but make matters worse.

Michael Weinstein, President of the A.I.D.S. Healthcare Foundation, has planned to invest at least \$30 million to obtain passage of his latest rent control initiative. That means, “WE” as an industry must again raise at least three-times that amount, or about \$80 million to \$90 million to defeat Weinstein’s current attack on our industry, our investments and our retirement. **We need your support once again.**

Because of the high cost of the campaign to defeat this latest (and hopefully last) attack on rental housing, we are asking each of our **members help in the fight by contributing \$50,000 to \$100,000 PER UNIT to help us fight-back and win against the initiative’s well-financed proponents.** I know it is not the best time to ask for money after the 3-4 horrendous years we have endured, but please

give what you can, and please give generously – every dollar counts towards defeat of the ballot initiative! 100% of funds received will be used in the fight to oppose the initiative. Help us to ensure the voice of reason and common sense is heard and that your property rights and property values are preserved.

We need your financial support to WIN! Give us the resources we need to defeat this ill-conceived ballot initiative! Please contribute today. Don't delay! Mail in your contribution today using the enclosed envelope. Make your check payable to: Issues PAC of AAGLA, c/o Reed & Davidson, LLP, 515 South Figueroa Street, Suite 1110, Los Angeles, California 90071-3301; Attn. Cary Davidson, Treasurer, or contribute online at: www.aagla.org/IssuesPAC. For more information call us at (213) 384-4131.