Communication from Public

Name:
Date Submitted: 01/26/2023 03:37 PM
Council File No: 21-0042-S5
Comments for Public Posting: I strongly urge you to vote NO on adopting these proposed ordinances. These ordinances will do ALL residents of Los Angeles a disservice in the short and long term. These ordinance will push mom-and-pop landlords out of the LA market (at a monetary loss) and encourage corporate and foreign entities to come in and buy up Los Angeles property. This WILL increase rents across the board and be detrimental to real estate prices in the City. So many people have endured financial hardship due to the ordinances and emergency moratorium passed in the last few years, adding permanent ordinances will only benefit the small group of tenants who are 'working the system' and are not in actual financial need. Those who are in actual financial need have been able to work amicably with their mom-and-pop landlords to find ways to keep people housed. My personal situation is that I have a tenant who is working and reportedly makes $100K+ each year but he has not paid a single dollar in rent since May 2020 under tenant protections. He is refusing to pay even now because I am a woman and his landlord. I have been physically assaulted, screamed at about my gender and sexuality by this tenant and he has drawn religious hate symbols on my building. Because of the protections, I am afraid to go to my own property to make safety checks and repairs. Because of the protections that have been in place, I cannot evict this tenant as assault, battery and hate crimes are not "at-fault" reasons to evict. The ordinance will allow hate, violence and anger to thrive in our City - no one wants that. The City has an obligation to protect its tax-paying property owners as well as its tenant population but these ordinances are not the way to provide justice for either side. Again, I urge you to please vote NO on these incredibly harmful housing policies that will benefit criminals and professional con-artists and hurt those in actual need.

Communication from Public

Name:	Matt
Date Submitted:	01/26/2023 11:04 AM
Council File No:	21-0042-S5
Comments for Public Posting:	Please vote NO for this ordinance. Homelessness has no relations to this. Landlords are already suffering due to tenants not paying rents. This ordinance will destroy landlords forever and worsen housing crisis in LA. All councilmembers should recuse themselves from this landlord's vs tenants business because all of them [Councilmembers] have conflict of interests in this matter. Councilmembers please stop making laws and ordinances to benefit your interests from voters that are mostly tenants. Everything about the tenants' issues will be gone. Sky is not going to fall on us. Allow housing market to breath please. Councilmembers are suffocating the housing crisis. Help Landlords breath. Tenants are taking advantages out of these types of tenant's protection ordinances. Help Landlord to survive. Landlords are the backbone of the housing supplies infrastructure. Please HELP Landlords!!

Communication from Public

Name:	Douglas J. Dennington, Esq.
Date Submitted:	01/26/2023 04:13 PM
Council File No:	21-0042-S5
Comments for Public Posting:	Please see attached.

RUTAN
RUTAN & TUCKER, LLP

Douglas J. Dennington
Direct Dial: (714) 641-3419
E-mail: ddennington@rutan.com

January 26, 2023

VIA ELECTRONIC MAIL

Los Angeles City Council
Attention: City Clerk
200 N Spring St.
Los Angeles, CA 90012
LACouncilComment.com

Re: Item Nos. 21-0042S4 & 21-0042-S5 at 1/27/23 Special City Council Meeting

Dear Clerk:

This office represents the Apartment Association of Greater Los Angeles ("AAGLA"), as well as numerous landlords who furnish, at their sole expense and risk, the increasingly scarce and much-needed housing resource throughout the City of Los Angeles ("City"). Please be advised that our clients adamantly oppose the adoption of the two ordinances up for consideration in connection with the "special" City Council meeting currently scheduled to take place on January 27, 2023 (and agendized as Item Nos. 21-0042-S4 and 21-0042-S5).

Preliminarily, both items appear poised to be adopted as "urgency ordinances," presumably under Government Code § 36937(b) or Government Code § 65858. Both sections prohibit the adoption of urgency ordinances in the absence of persuasive evidence demonstrating the need for "immediate preservation of the public peace, health or safety." (Gov. Code §§ 36937(b) and 65858; *see also Parr v. Municipal Court* (1971) 3 Cal.3d 861, 865.) The "urgency clause" is not sacrosanct and courts are free to look beyond the clause to determine whether, in fact, an "urgency" actually exists.

In this case, both proposed ordinances recite the "homeless crisis" in support of a finding of "urgency," as well as the COVID-19 pandemic, and the fact that "nearly 70 percent of the residents of Los Angeles are renters and more than half of those renters are rent burdened, and are experiencing financial fragility, and housing insecurity." With respect, "homelessness" is nothing new in the City of Los Angeles. The homeless encampments found throughout the City have been in existence for decades. Moreover, the fact that "we are emerging" from the pandemic certainly does not support any further finding of emergency. Nor does the fact that nearly 70% of City residents are tenants. The City's recitation of platitudes such as "financial fragility" and "housing insecurity" likewise does not demonstrate any sort of "immediate" threat to the public peace, health or safety. The City does not refine these terms, nor does it give any sort of metric for what constitutes "financial fragility" or "housing insecurity." These are conclusory platitudes that prove absolutely nothing.

It is beyond dispute that the City cannot demonstrate—with actual evidence—facts necessitating an "urgency" sufficient to allow it to side-step, or more accurately, ignore, the normal process for the adoption of an ordinance. As such, if one or both ordinances are adopted, they are obviously susceptible to immediate enjoinder.

In addition to ignoring the requirements needed to adopt the proposed ordinances as "urgency" measures, the proposed ordinances are also preempted by overriding State law provisions. California's unlawful detainer statutes directly preempt any and all local laws placing procedural burdens on landlords that impair landlords' ability to evict defaulting tenants. (*Birkenfeld v. City of Berkeley* (1976) 17 Ca.3d 129, 140-142.) The same is true with respect to the proposed ordinance seeking to impose new relocation obligations in favor of tenants who desire not to renew their leaseholds at otherwise permissible rents, which proposal would no doubt also violate the terms and exemptions set forth in the Costa Hawkins Rental Housing Act. Forcing owners to pay 3-months rent plus $1,401 in moving costs if rents are increased above A.B. 1482 levels directly runs afoul of the express exemptions set forth in Costa Hawkins.

Finally, irrespective of the legality of the proposed ordinances, both ordinances would directly interfere with landlords' constitutionally-recognized and fundamental ownership right to exclude tenants at sufferance from their respective properties, As such, both measures constitute *per se* physical takings for which the City would be required to pay "just compensation." (*See Cedar Point Nursery v. Hassid* (2021), 141 S. Ct. 2063; *Pakdel v. City & County of San Francisco* (2021) 141 S. Ct. 2226; *Alabama Ass'n of Realtors v. Dep't of Health & Human Servs.* (2021) 141 S. Ct. 2485; and *Loretto v. Teleprompter Manhattan CATV Corp.* (1982) 458 U.S. 419.) As the United States Supreme Court and California Supreme Court have both made clear, where public burdens—such as those purportedly justifying these "emergency" measures—are foisted upon individuals, the takings clauses compel the government to pay "just compensation" to those who have shoulderd the public burden. Indeed, if the public interest requires such government interference of the landlord/tenant relationship, then the public should pay for it.

In the event the City does go through with these ill-advised measures, my clients will have no choice but to pursue any and all legal options including litigation in the appropriate forum.

Sincerely,

RUTAN & TUCKER, LLP

Douglas J. Dennington

DJD:pj

Communication from Public

Name:

Date Submitted: 01/26/2023 04:21 PM

Council File No: 21-0042-S5

Comments for Public Posting: The undersigned legal aid organizations submit this letter in strong support of the proposed threshold for nonpayment of rent evictions ordinance and the relocation assistance ordinance. As described in detail below, these ordinances are valid exercises of the City's substantive powers to regulate evictions and neither ordinance is preempted by state law.

January 26, 2023

Honorable Members of the City Council
Los Angeles City Council
200 North Spring Street
Los Angeles, CA 90012

RE: Council Files 21-0042-S4 (Threshold for Nonpayment of Rent Evictions) and 21-0042-S5 (Relocation Assistance Policy)

Dear Honorable Councilmembers:

The undersigned legal aid organizations submit this letter in strong support of the proposed threshold for nonpayment of rent evictions ordinance and the relocation assistance ordinance. As described in detail below, these ordinances are valid exercises of the City's substantive powers to regulate evictions and neither ordinance is preempted by state law.

Our organizations collectively represent thousands of low-income tenants facing eviction and housing instability in Los Angeles. While the City's COVID emergency eviction protections significantly decreased the number of people evicted, those rules have not yet expired and current eviction filings are already above pre-pandemic levels. We are deeply concerned that lifting the emergency eviction protections without robust permanent protections to replace them will trigger the wave of evictions and homelessness that we have been fearing since the beginning of the pandemic.

The pandemic greatly exacerbated the housing crisis our city was already facing. Even before the pandemic, more than half of Angelenos were rent burdened. Many were one health emergency or job loss away from falling into homelessness. Nearly three years into the pandemic, the circumstances remain dire for many of our most vulnerable residents. While the shutdowns have ended, many of our clients are still not fully employed or financially stable. Many continue to carry large amounts of rent and consumer debt

accrued during the pandemic. The Emergency Rental Assistance Program and other temporary safety net programs have ended, but our clients are still not whole and continue to struggle to make the rent. As a result of this rent debt, tenants have faced increased harassment and eviction threats. Many tenants are also seeing large rent increases that they cannot afford, but do not know where they would go if forced to leave their housing because of these increases.

We applaud the City Council's vote to adopt near-universal just cause protections last week, and we now urge the Council to adopt the proposed nonpayment of rent threshold and relocation assistance ordinances. These ordinances are essential policies that must be in place before the emergency protections expire in order to stave off a wave of nonpayment of rent evictions and displacement due to unaffordable rent increases. They are also the only ordinances in the City's permanent protections package that address the issues most urgently threatening to push tenants out of their homes in this current moment: the need to address large amounts of COVID debt, while ensuring prospective rent is paid, at a time when large rent increases threaten to displace tenants without the resources to move.

The ordinances are valid exercises of the City Council's substantive powers to regulate evictions. Neither ordinance is preempted by state law. Furthermore, local policies regulating the substantive grounds for eviction and requiring the payment of relocation assistance have been upheld by the courts. We would feel confident and comfortable relying on these laws to defend our clients, consistent with our professional ethical obligation to only bring meritorious claims and contentions.

Threshold for nonpayment of rent evictions

a. The nonpayment of rent threshold is a reasonable policy to prevent evictions for small amounts of rent debt.

Establishing a threshold for nonpayment of rent evictions will dramatically increase housing stability for low-income tenants without creating an undue burden on landlords. Over a third of adults in the United States report that they would need to borrow money or sell something in order to cover an unexpected $400 expense.[1] Common situations that can lead to eviction can often be remedied by allowing tenants time to get back on their feet. However, the existing social safety nets that would help tenants cover unpaid rent do not provide relief within the 3 day window state law requires to avoid eviction. For example, if a tenant unexpectedly loses their job, it may take several weeks to receive unemployment insurance - but benefits are backdated to the date of application, which would allow tenants to repay rent owed to their landlord.

Under the current rules, if an eviction is filed against a tenant in this situation, they lose the right to repay their rent obligation and remain in their housing, and eviction judges are prohibited from awarding landlords unpaid rent without displacing the tenant. By establishing a monetary threshold for eviction for nonpayment, tenants that experience a temporary loss of income or unexpected expense will be far less likely to lose their housing and landlords will ultimately be made whole through rental

[1] Board of Governors of the Federal Reserve System, *The Fed—Report on the Economic Well-Being of U.S. Households in 2020—May 2021—Dealing with Unexpected Expenses* (May 19, 2021), https://www.federalreserve.gov/publications/2021-economic-well-being-of-us-households-in-2020-dealing-with-unexpected-expenses.htm.

assistance, voluntary repayment or small claims court judgment. The threshold for nonpayment evictions will also save tremendous public resources by preventing more tenant-families from becoming unhoused and exacerbating the City's existing homelessness crisis. The County of Los Angeles adopted an identical policy for unincorporated areas in November 2022.[2]

b. Adopting a threshold for nonpayment of rent evictions is a permissible use of the City's power to regulate the substantive grounds for eviction. The ordinance does not modify State-mandated eviction procedures.

The California Apartment Association (CAA) has submitted a letter arguing that the threshold is an impermissible regulation of eviction procedures governed by state law, but this is a mischaracterization of the ordinance. The ordinance is a valid local regulation of the substantive grounds for eviction, a power courts have routinely upheld.

The City has the power to prohibit evictions for nonpayment of rent below a monetary threshold. This power stems from the City's broad police powers and its authority to create "substantive limitations on otherwise available grounds for eviction,"[3] provided such limitations are not procedural in nature and do "not alter the Evidence Code burdens of proof."[4] Substantive regulation on the grounds for eviction include limiting the causes of action available to landlords to use as grounds for evicting tenants and have been consistently upheld over the past several decades.[5]

The proposed ordinance setting a minimum threshold for nonpayment evictions is a substantive limitation on evictions. It is legally similar to other measures the City has enacted limiting the grounds for eviction, such as the limitations in the City's rent stabilization ordinance and the expanded just cause eviction ordinances recently adopted by Council.[6]

A threshold for nonpayment evictions does not alter the procedures in an unlawful detainer proceeding and is not preempted by section 1161 of the Code of Civil Procedure, as the CAA incorrectly asserts. The purpose of section 1161 is procedural in nature and does not preempt a city's power to limit the substantive grounds for eviction. The California Supreme Court has made clear that a city's power to regulate the substantive basis for evictions can go so far as to "effectively eliminate[] one ground for eviction" in section 1161.[7] In fact, the City already significantly limits other grounds for eviction specified

[2] L.A. County Code § 8.52.090.D(1).
[3] *Rental Housing Assn. of Northern Alameda County v. City of Oakland* (2009) 171 Cal. App. 4th 741, 763, citing *Birkenfeld v. City of Berkeley* (1976) 17 Cal.3d 129, 147-149.
[4] *Id*. at 754.
[5] *See Birkenfeld*, supra, 17 Cal.3d at 153 (finding "that general state law does not preclude the defendant city…from restricting the grounds for evicting tenants for the purpose of enforcing those limits insofar as such control of rents and evictions is a proper exercise of the police power."). *See also Roble Vista Associates v. Bacon* (2002) 97 Cal.App.4th 335 (upholding ordinance providing affirmative defense to tenants when landlord failed to offer one-year lease at fixed rental rate); *Rental Housing Assn. of Northern Alameda County*, supra, 171 Cal.App.4th (upholding portions of ordinance imposing substantive requirements to substantiate certain causes of action for an unlawful detainer).
[6] *See* L.A. Mun. Code § 151.09 (enumerating the allowable grounds for eviction in rent-stabilized units).
[7] *Fisher v. Cty of Berkeley* (1984) 37 Cal. 3d 644, 707 (finding that a local ordinance which allowed tenants to withhold rent if the landlord violated the ordinance by increasing rent beyond the base rent ceiling, was not preempted, despite functionally eliminating one of the grounds in section 1161 because "the statutory remedy for

in section 1161. For example, subdivision 1 of section 1161 specifies the procedure for a landlord to evict a tenant that remains in possession after the expiration of their lease term, and subdivision 3 of section 1161 addresses cases where a tenant has violated a condition of their lease. But LAMC 151.09 A. (2)(a) expressly prohibits landlords from terminating a tenancy based on a tenant failing to surrender possession upon proper notice, even if it constitutes a lease violation. In the same way that the City properly limits evictions otherwise allowed by various subdivisions of 1161, it may limit evictions otherwise allowed under subdivision 2 of 1161.

Further, the ordinance is not regulating the timing of a non-payment eviction, as the CAA incorrectly argues in its letter opposing the ordinance. CAA claims this ordinance is procedural in nature because a landlord could not evict "until such time that they owe more than the threshold amount." But under this reasoning *any* eviction regulation could be characterized as "procedural" (e.g. a landlord cannot evict *until such time* that the tenant commits a material lease violation). By contrast, the proposed ordinance is simply regulating the allowable grounds for eviction. Its purpose is substantive, not procedural. The nonpayment policy does not require accrual of one months' actual rent, or require that any specific length of time have passed before an eviction notice may be served. For example, a tenant with monthly rent over the threshold will not receive any more time before a notice can be served than they would under current law if they miss their entire rent payment.

The proposed ordinance is also distinct from the 10-day cure ordinance at issue in the 2022 case *San Francisco Apartment Assn. v. City and County of San Francisco*, which CAA cites to in its letter.[8] In that case, the trial court relied on the case *Tri County Apartment Assn. v. City of Mountain View* in striking down a San Francisco ordinance requiring landlords to give tenants 10 days to cure before filing an unlawful detainer. *Tri County Apartment Assn.* found that a Mountain View ordinance requiring landlords to provide 60 days notice for a rent increase was preempted by Civil Code Section 827, which allowed rent increase with only 30 days notice.[9] The trial court extended the reasoning in *Tri County Apartment Assn.* to find that the longer cure period for nonpayment evictions was preempted - though it upheld the longer cure period for other evictions. While we believe the trial court erred in this case and will be overturned on appeal,[10] the policy is distinct from the monetary threshold for nonpayment being considered by Council. As discussed above, the policy before the City Council does not alter the *timing of eviction notices*, but is squarely limited to the substantive grounds of eviction (i.e. the amount of rent arrears necessary to terminate a tenancy).

While the ordinance is plainly a permissible restriction on the grounds for eviction, it is important to note that there is generally a "strong presumption that legislative enactments 'must be upheld unless their unconstitutionality clearly, positively, and unmistakably appears.'"[11] Courts have said that "'absent a

recovery of possession does not preclude limitations on grounds for eviction for the purpose of enforcing a local rent control regulation.").

[8] *San Francisco Apartment Assn. v. Cty and Cnty of San Francisco*, San Francisco Super. Ct. Case No. CPF-22-517718 (July 22, 2022).

[9] *Tri Cnty Apartment Assn. v. Cty of Mountain View* (1987) 196 Cal. App. 3d 1283.

[10] *Rental Housing Assn. of Northern Alameda Cnty*, supra, 171 Cal.App.4th upheld a local law requiring landlords to give tenants additional time to cure lease violations. The trial court in *San Francisco Apartment Assn.* (2022), supra, acknowledged *Rental Housing* as binding authority but refused to apply it to nonpay evictions.

[11] *Rental Housing Assn. of Northern Alameda Cnty*, supra, 171 Cal. App. 4th at 752.

clear indication of preemptive intent from the Legislature,' we presume that local regulation 'in an area over which [the local government] traditionally has exercised control' is not preempted by state law."[12] Regulating the grounds for eviction is an area where local governments have traditionally exercised local control, and the nonpayment threshold ordinance is no different.

Further, state laws enacted in response to COVID-19 acknowledge the City's power to regulate evictions for nonpayment of rent. AB 3088, adopted in 2020, limited evictions related to COVID-19 and partially preempted cities from adopting similar measures.[13] Under this partial preemption, cities were barred from enacting new measures restricting a landlord's ability to terminate a tenancy based on "rental payments that came due between March 1, 2020 and June 30, 2022."[14] The clear implication of this partial preemption is that, outside of the stated time frame, cities *do* have the power to restrict evictions based on rental payments–otherwise the quoted language would be superfluous. The current proposed ordinance applies to rental payments outside of the preempted time period and is an appropriate use of the City's power to regulate nonpayment evictions. This ordinance is not without precedent in California. Los Angeles' own Temporary COVID-19 Tenant Protections,[15] LA County's COVID-19 Tenant Protections Resolution,[16] and countless other measures adopted by cities and counties to prevent eviction for failure to pay rent during the COVID-19 pandemic functioned similarly as limitations on evictions for nonpayment.

Relocation assistance policy

a. Relocation assistance in response to rent gouging will ensure that tenants who are forced to move are actually able to afford to relocate.

California state law shows a strong preference for rent increases below 10%, and recognizes that increases above that limit should be treated differently. First, 10% is the threshold at which a landlord is required to give 90 days notice of the increase, rather than 30 days.[17] This implies that many of those tenants will likely need that additional time to move. Second, the statewide Tenant Protection Act caps rent increases in most units statewide at a maximum of 10%, regardless of inflation.[18] Third, state law explicitly defines increases greater than 10% as "gouging" if they are introduced during a defined state of emergency.[19]

The proposed ordinance is a reasonable, measured, and finely calculated policy response to these large rent increases that are already discouraged by state law. The ordinance will only apply to a small fraction of rental units in Los Angeles, as it is already illegal under state law to impose an increase of greater than 10% in most situations.

---

[12] *Id. See also San Francisco Apartment Assn. v. Cty and Cnty of San Francisco* (2018) 20 Cal. App. 5th 510, 515.
[13] Cal. Code of Civ. Proc. § 1179.05; *See also Arche v. Scallon* (2022) 82 Cal. App. 5th Supp. 12, 19 (narrowly interpreting the preemption of 1179.05 and finding that in enacting AB 3088 the legislature intended "that only rental payment ordinances enacted to address the COVID-19 pandemic were preempted by the TRA.")
[14] Cal. Code of Civ. Proc. § 1179.05(b).
[15] L.A. Mun. Code § 44.99.2.A.
[16] Resolution of the Board of Supervisors of the County of Los Angeles Further Amending and Restating the County of Los Angeles COVID-19 Tenant Protections Resolution (Jan. 24, 2023), § VI(C)(4).
[17] *See* Cal. Civ. Code § 827(b)(3)(A).
[18] Cal. Civ. Code § 1947.12.
[19] Cal. Pen. Code § 396(e).

This policy would mitigate the harm caused to tenants from having to incur unexpected moving expenses due to large rent increases and significantly increase the likelihood that a tenant successfully finds replacement housing. The policy would not cause an undue burden on landlords, as state law already expresses a strong preference for rent increases below 10%. Requiring landlords to pay financial assistance to tenants who are displaced due to huge rent increases will meaningfully increase housing stability for the hundreds of thousands of tenants in Los Angeles who are not covered by the City's rent stabilization ordinance or the state Tenant Protection Act. Los Angeles would not be the first city to enact a relocation assistance policy like this. Similar policies have been adopted in Glendale[20], Santa Cruz[21], and Alameda.[22]

b. The relocation assistance policy is not preempted by Costa-Hawkins because it regulates evictions, not rental rates. Similar policies have been upheld.

The CAA incorrectly argues that Costa-Hawkins Rental Housing Act (Costa-Hawkins) preempts the City from requiring landlords to pay relocation assistance to tenants displaced by large rent increases. But Costa-Hawkins does not preempt such a policy. Costa-Hawkins allows owners of units exempt from rent stabilization to "establish the initial and all subsequent rental rates."[23] Costa-Hawkins does not restrict a city's ability to regulate and monitor evictions, including requiring relocation assistance for tenants displaced by large rent increases. Costa-Hawkins and subsequent case law are explicit that the law does not "affect the authority of a public entity that may otherwise exist to regulate or monitor the basis for eviction."[24]

The relocation assistance policy is facially a regulation on evictions. The policy is similar to provisions in the City's existing eviction regulations that require landlords to pay relocation assistance when they evict a tenant for a no-fault reason.[25] The relocation policy plainly does not violate Costa-Hawkins' directive that landlords be allowed to "establish the initial and all subsequent rental rates for a dwelling or a unit" that is covered by the law. Nothing in the proposed ordinance limits a landlord's ability to charge whatever rent they please. The ordinance would simply require that landlords pay relocation assistance if the tenant is required to move out of the unit after receiving a large rent increase. The policy is clearly a regulation on evictions because it only applies to cases where the tenancy is terminated. It does not limit the rent charged for any ongoing tenancy.

Without such a policy, landlords could circumvent the City's just cause eviction ordinance by issuing an enormous rent increase that the tenant cannot pay–thereby forcing the tenant to move out for no fault of their own and without relocation assistance. At the beginning of 2019, San Francisco implemented a similar policy that prohibited landlords from using a substantial rent increase to evict tenants that was challenged just one month later. Both the trial court and the court of appeals ruled that the policy should stand and rejected the challenge brought on the grounds of Costa-Hawkins, stating that the

[20] Glendale Mun. Code § 9.30.035.
[21] Santa Cruz Mun. Code § 21.03.030(a)(2).
[22] Alameda Mun. Code § 6-58-85(A).
[23] Cal. Civ. Code § 1954.52(a).
[24] Cal. Civ. Code § 1954.52(c).
[25] L.A. Mun. Code §§ 151.09(G), 165.06.

Legislature intended to authorize rent increases to collect additional rent, not to "remove tenants in circumvention of applicable local eviction regulations."[26]

The Ellis Act provides a useful analogy to illustrate why requiring relocation assistance does not prohibit a landlord from setting subsequent rents. Under the Ellis Act, local jurisdictions cannot compel landlords to continue offering residential property for rent.[27] But courts have upheld a variety of local requirements that regulate the subsequent land use of the property,[28] enforce CEQA mitigation measures,[29] or require landlords to pay relocation assistance to tenants before withdrawing their units from the rental market.[30] All of these policies create costs for landlords withdrawing units from the rental market. But it is only when such regulations place a "prohibitive price" or "impose an inevitable and undue burden" on a landlord's ability to exit the rental market that courts have found that the measures compel a landlord to stay in the rental business and therefore are preempted by the Ellis Act.[31]

For example, in *Pieri v. City & County of San Francisco*, the court upheld a requirement that landlords pay reasonable relocation assistance to tenants being evicted under Ellis in order to cover relocation expenses, reasoning that it "cannot conclude. . . that the imposition of relocation assistance payments must inevitably place an undue burden on a landlord's right to withdraw from the rental business."[32] In contrast, the court in *Coyne v. City & County of San Francisco* struck down a relocation payment that required landlords to cover the increased rental cost for tenants for two years following an eviction, up to $50,000, finding that it amounted to a prohibitive price on exiting the rental market.[33] The proposed relocation ordinance does not require the landlord to cover the cost of increased rent for displaced tenants and is instead tied to the cost of reasonable relocation expenses, like the policy upheld in *Pieri*. Accordingly, the policy is unlikely to be considered a prohibitive price on rent increases.

Furthermore, both Ellis and Costa-Hawkins include safe harbor provisions that preserve local jurisdictions' authority to mitigate the effects of eviction and displacement. The safe harbor provision in Costa-Hawkins preserves "the authority of a public entity that may otherwise exist to regulate or monitor the basis for eviction,"[34] while the Ellis Act leaves untouched "any power in any public entity to mitigate any adverse impact on persons displaced by reason of the withdrawal from rent or lease of any accommodations."[35] If relocation assistance is a valid mitigation of the adverse impacts of an Ellis Act eviction, then it stands to reason that relocation assistance for tenants displaced by large rent increases is also a valid exercise of a local jurisdiction's authority to regulate and monitor evictions.

---

[26] *San Francisco Apartment Association v. Cty and Cnty of San Francisco* (2022) 74 Cal. App. 5th 288, 292, *review denied May 11, 2022. See also Action Apartment Assn., Inc. v. Cty of Santa Monica* (2007) 41 Cal. 4th 1232, 1245 (Costa-Hawkins authorizes local governments "'to monitor and regulate the grounds for eviction, in order to prevent pretextual evictions.'").
[27] Cal. Gov. Code § 7060.
[28] *First Presbyterian Church of Berkeley v. Cty of Berkeley* (1997) 59 Cal. App. 4th 1241, 1256-1257.
[29] *Lincoln Place Tenants Assn. v. Cty of Los Angeles* (2007) 155 Cal. App. 4th 425, 447.
[30] *Pieri v. Cty & Cnty of San Francisco* (2006) 137 Cal. App. 4th 886, 893.
[31] *Coyne v. Cty & Cnty of San Francisco* (2017) 9 Cal. App. 5th 1215, 1226.
[32] *Pieri*, supra, 137 Cal. App. 4th at 892 (holding that "a requirement of reasonable relocation assistance compensation for displaced tenants does not violate the Ellis Act.").
[33] *Coyne*, supra, 9 Cal. App. 5th at 1232.
[34] Cal. Civ. Code § 1954.52(c).
[35] Cal. Gov. Code § 7060.1(c).

Conclusion

These ordinances are common-sense policy. Versions of both of these protections have been proven to work in various forms across the country, both as permanent laws and temporary responses to COVID-19, to prevent evictions and homelessness. According to the Greater Los Angeles Homelessness Count, the majority of unsheltered adults who fell into homelessness in 2020 were displaced due to economic hardships.[36] Both of these policies are legally defensible substantive eviction protections that will help families who struggle financially to stay housed.

The CAA has spent decades threatening and suing over strong tenant protection across the state, not in the interest of making good and legal public policy, but to preserve their members' ability to profit from commodifying the basic human right of housing. Our organizations have routinely intervened and defeated such challenges, including most recently in the challenges to the City's COVID-19 eviction protections. The City of Los Angeles should not capitulate to threats of litigation by a potentially regulated class who are more motivated by their own profit than a desire to make Los Angeles a more livable city for all its residents. We urge you to adopt the ordinances as drafted by the City Attorney.

Sincerely,

Kathryn Eidmann
Director of Litigation
Public Counsel

Barbara J. Schultz
Director of Housing Justice
Legal Aid Foundation of Los Angeles

Adam Murray
Chief Executive Officer
Inner City Law Center

Diego Cartagena
President & CEO
Bet Tzedek Legal Services

Shashi Hanuman
Executive Director
Public Interest Law Project

Dianne Prado
Executive Director
HEART LA

Elena Popp
Executive Director
Eviction Defense Network

Javier Beltran
Deputy Director
Housing Rights Center

Leah Simon-Weisberg
Legal Director
Alliance of Californians for Community Empowerment

Navneet K. Grewal
Litigation Counsel
Disability Rights California

Madeline Howard
Senior Attorney
Western Center on Law & Poverty

[36] 2020 Greater Los Angeles Homeless Count Results, LAHSA (2020), https://www.lahsa.org/news?article=726-2020-greater-los-angeles-homeless-count-results.