

"Great Apartments Start Here!"

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February 11, 2025 **Via Electronic Mail**

Hon. Mayor Corey Calaycay, and the Members of the Claremont City Council City Council Chamber 225 Second Street Claremont, California 91711

Re: Anti-Harassment Ordinance, Rental Registry and Rent Stabilization (Agenda Item 5)

Dear Mayor Calaycay and Members of the Claremont City Council:

The Apartment Association of Greater Los Angeles (AAGLA) represents approximately 10,000 rental housing providers throughout Greater Los Angeles region, including the City of Claremont. More than 80% of our members are small, mom-and-pop owners with 20 or fewer units that are providing naturally occurring affordable housing.

Anti-Harassment

AAGLA is strongly opposed to harassment in any form by any individual. As such, we support an antiharassment ordinance that protects everyone equally from harassing conduct, including renters from owners, owners from renters and renters from renters. The draft ordinance proposed completely fails to provide any protection for owners who are being harassed by renters or renters who may be harassed by other renters, and as such we would urge that the entire ordinance be reconsidered and a task force formed to engage directly with key stakeholders, including AAGLA, to create a more wholistic and equitable ordinance. Time and again, we find that our smaller members, particularly those who are often retirees, lodge complaints of being harassed by renters who are far younger.

Unfortunately, in today's hostile environment due to a small minority of extremists, no one is immune to and safe from wrongful harassment. While our mom-and-pop owners are providing badly needed housing for individuals who cannot afford to purchase single family homes, they are often wrongly blamed for the lack of local public housing and for-sale entry level housing. Rental housing providers have experienced harassment from renters in many of the same forms, such as physical threats, verbal abuse and publication of private information on social media. It is the City's responsibility to protect all individuals within your community from such wrongful intimidation and abuse.



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Further, there are specific provisions within the existing draft ordinance that make it untenable for housing providers, unenforceable and unfair. The most substantial of which is making such actions an "affirmative defense" (under Section 8.35.030) rather than simply a private right of action. While we strongly believe that anyone experiencing harassment should be able to seek justice through the court system, including monetary compensation as well as injunctions, it should not be wrongfully exploited to avoid existing legal obligations under a valid lease. To do so will only incentivize unscrupulous attorneys to use the new ordinance as a "shake down device" against law abiding rental housing owners to extort unjust out of court settlements despite obvious lease violations by their clients who are renters. Two wrongs do not make a right, and this ordinance should not be allowed to be wrongfully manipulated and weaponized against housing providers.

In addition, the penalties under Section 8.35.040B(1) and (2) are grossly excessive and will destroy momand-pop owners for a single misstep. Penalties of up to \$15,000 per violation are wholly unsustainable for small owners and they will be forced to sell their properties to satisfy such extreme verdicts. As a result, existing long-term renters will lose their affordable rental housing as new owners will replace properties with new luxury housing fueling gentrification. Also, it will cause law-abiding owners to proactively flee the housing industry for fear of making a single misstep or wrongfully being accused of doing so. These penalties will not simply deter wrongful conduct but make being a rental housing provider far too risky for mom-and-pop owners. It will destroy naturally occurring affordable housing and usher in corporations as the only owners able to tolerate such extreme risk.

Further, several of the subsections under Section 8.35.020 are extremely vague, overly broad and lacking in providing proper notice to owners as to specific conduct that would be deemed in violation of the ordinance. In particular, Subsection H seemingly requiring the deposit of an amount of less than the full rent owed, and Subsection M encompassing completely undefined "other repeated intentional acts or omissions." In addition, we have heard of other, similar ordinances being wrongfully exploited under the "repairs and maintenance" aspects (here under Subsections B), where renters purposefully prevent owners from entering the unit to make repairs so that the renter can claim a violation of the anti-harassment ordinance. These are yet additional reasons that this draft ordinance needs further refinement following detailed review with direct stakeholder input.

Rental Registry

As detailed in the staff report, creation of a rental registry only exists **after** the creation of a local rent stabilization ordinance. The reason is that the creation of such a massively bureaucratic and expensive endeavor can only be justified, if at all, by the need to enforce local rent restrictions. Pasadena recently established its rent stabilization and rental registry by ballot measure. It estimates that it will cost \$4.7 million per year to run with a staff of 17 full-time employees (including benefits and pensions). The questions that the City Council should be asking is: (1) Does the City have such funding available?, (2) Is this the best use of the City's funds to address housing affordability?, and (3) Would renters be better helped by using these funds for direct rental assistance?

Claremont already has a highly successful direct rental assistance program in the form of the Temporary Housing Stablization and Relocation Program. This program has not yet exhausted even its first round of

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funding by the City Council and is yet being actively used by those in need of such financial assistance. It makes far more sense to put any additional funding that the City may have towards this rental assistance program in place of a rental registry. A rental registry does not provide any substantial assistance to renters and is completely unnecessary at this time.

Mediation

AAGLA is in favor of mediation as an alternative means to help renters and rental housing providers work together in achieving mutually agreeable resolutions. However, it is not necessary for Claremont to take on additional costs to run such a program as the Los Angeles County Department of Consumer and Business Affairs already provides mediation for all of Los Angeles County. Below is a link to the relevant webpage. https://dcba.lacounty.gov/portfolio/the-mediation-process/

Rent Stabilization

Rent Stabilization is a concept that will have cataclysmic impacts on existing affordable rental housing in Claremont. It is a policy with such long term and widespread impacts that it must be considered with the highest level of objective data, diligence and gravity. This is so monumental that even the discussion may have the unintended consequences of scaring existing owners into selling now instead of risking being put in the position of a "forced sale" of the property once such a policy is implemented. We urge extreme caution, especially now when affordable rental housing is already a scarcity in Claremont for working families.

Thank you for your time and consideration of these matters. Please feel free to reach out to me directly by telephone at (213) 384-4131; Ext. 309 or via electronic mail at janet@aagla.org.

Sincerely,

Janet M. Gagnon, Esq.

Janet M. Gagnon

CC: Daniel Yukelson, Executive Director, Apartment Association of Greater Los Angeles