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June 7, 2021
Via Electronic Mail

Hon. Mayor Massey and Members of the Hermosa Beach City Council
City Hall
1315 Valley Drive
Hermosa Beach, California 90254

Re: Update to Commercial and Residential Eviction Moratoriums (agenda item XIVE)

Dear Hon. Mayor Massey and Members of the Hermosa Beach City Council:

At the June 8th City Council meeting, the Council will be presented with three options relative to the City’s commercial and residential eviction moratoriums. The Apartment Association of Greater Los Angeles (AAGLA or Association), which now represents the City’s rental housing providers under Charter of the National Apartment Association, is strongly opposed to the Council’s consideration and potential adoption of a new local residential eviction moratorium and requests that the concerns and recommendations set forth in this letter be considered.

As we entered the month of June 2021, there was a sense of optimism for the future and the feeling of a new beginning. In a week’s time, on June 15th, California will fully reopen.

For well over a year, the COVID-19 pandemic coupled with government response at every level has ravaged the multifamily rental housing industry. Many of our members are small business rental housing providers who have endured dire financial challenges, and for over a year have been collecting little, if any, rental income, and consequently depleting retirement and other savings or financing critical items with credit cards in order to maintain essential building operations, with many now contemplating or being forced into leaving the business entirely. Our members have made best efforts to work with their renters who have been financially impacted by COVID-19, but have also witnessed circumstances where renters, who have not been impacted by the pandemic, have taken advantage of the situation, and simply not paid rent due.

Throughout the pandemic, the Association has urged City Councils throughout the Southern California area to take a balanced, equitable approach, in recognition of the detrimental impacts facing rental housing providers and renters and to seek solutions that will facilitate the economic rebound ahead. The economic rebound is now, at this critical juncture, the decisions made today must be based on what is known and not speculation of what may or may not occur in the future.

What is known, this month businesses will fully reopen, individuals are working, will return to work or will have new employment opportunities. The State Legislature has enacted laws providing renters with significant eviction protections and a COVID-19 Rent Relief Program to assist renters and rental housing providers. The multifamily rental housing industry, similar to all other businesses, must be allowed to resume



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normal operations.

At this time, what factors warrant the Council's consideration of adoption of a new residential moratorium? As stated in the City's Staff report, "if the City Council wishes to enact a new residential moratorium it must do so with caution. New legislative findings will need to be made demonstrating how present-day conditions justify the moratorium, and the moratorium protections will need to be tailored to those conditions". The State is reopening, businesses are resuming regular operations, the City should also be taking steps forward based on current conditions and not re-establishing interim emergency measures.

With regard to the Council's promotion of the State's COVID-19 Rent Relief Program, the Association supports the City's aggressive promotion of the State's rental assistance program. A growing concern among housing providers is the lack of willingness to participate on the part of renters in seeking rental assistance funds, which we believe is due to both inadequate program promotion and some renters unwillingness to disclose their financial information. The Association also encourages the City Council to consider evaluating the City's budget and the feasibility of "bridging the gap" and providing housing providers with the 20% rental debt not currently covered under the State's program and assistance to housing providers and renters that are not eligible under the program.

To reiterate, the Association strongly opposes the adoption of a new residential eviction moratorium and urges the City Council to take no action on this matter. We encourage the Council to promote the State's COVID-19 Rent Relief Program and to seek additional solutions to afford financial support to rental housing providers and renters that have been impacted by the pandemic. As the City Council deliberates these options and other housing related matters, the Association welcomes the opportunity to engage in a meaningful dialogue with the City. 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

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