APARTMENT ASSOCIATION OF GREATER LOS ANGELES

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October 2, 2023
Via Electronic Mail

Hon. Mayor Roberto "Bobby" Martinez
and the Members of the City Council
250 North Ventura Road
Port Hueneme, California 93041

Re: Rent Stabilization and Tenant Protection (Agenda Item 11)

Dear Hon. Mayor Martinez and the Members of the Port Hueneme City Council:

At tonight's City Council meeting, you will consider pursuing several severely damaging, unsuccessful, and extremely expensive policy concepts including rent stabilization, additional rental restrictions and substantially increased relocation fees (Agenda Item 11). None of these policies will result in additional multifamily housing in Port Hueneme being built and will instead only force existing small, independent mom-and-pop owners to sell their properties resulting in a substantial reduction in the already limited supply of naturally occurring affordable housing. We urge the City Council to consider new, positive policies that support renters and mom-and-pop owners alike such as a voluntary mediation program and rental assistance for renters in financial need rather than wasting City funding and personnel on failed policies.

As acknowledged in the staff report, state law already exists, The Tenant Protections Act of 2019 (Assembly Bill 1482), that provides limitations on rental increases, limits evictions to specific issues of Just Cause (both At-Fault and No-Fault) and requires relocation fees to be paid by rental housing providers for No-Fault evictions. There has been **no data** provided by staff to suggest that Port Hueneme needs to "do something more" than what the state already provides for restrictions and fees on multifamily rental housing owners. In fact, the staff report completely fails to mention newly passed state legislation, Senate Bill 567 recently signed by Governor Newsom, that already places additional restrictions on rental housing providers regarding No-Fault evictions.

The policies contained in the staff report seem to ask the question what else can the City do to make the lives of small, independent rental housing providers more difficult and drive them out of business, so that they will sell to large corporations to create luxury apartments and condominiums? When instead the City should be asking itself how we can help mom-and-pop owners continue to stay in business providing naturally occurring housing, expand the supply of multifamily housing in Port Hueneme especially for low-income renters and direct rental housing assistance funding to renters that find themselves in short-

term financial need? Mom-and-pop owners are not the enemy, they are not giant corporations, they are neighbors (many retirees and new immigrants) providing housing for other members of their community in small, older properties with pride of ownership and attention to personal relationships.

According to the staff report, these proposed policies of rent stabilization and additional rental restrictions would impact only 7% of all housing in Port Hueneme with only 600 total rental units. According to national real estate research firm, Costar, 51% of these units are in buildings with fewer than 4 units and another 31% are buildings with 5 to 20 units, **that's a whopping 82% of all multifamily properties in Port Hueneme that are owned by independent, mom-and-pop rental housing providers**.

Also, staff acknowledges that even the smallest cities have estimated a cost of $1 million annually to administer such programs. According to AAGLA's research, the two smallest cities with rent stabilization in Southern California are Pomona (10,106 units) and Corona (12,912 units – and more than double the size of Port Hueneme's multifamily rental housing) estimating costs of $1 million to $2 million annually, respectively. These City funds would be far better spent providing direct rental assistance to low-, very low- and extremely low-income renters utilizing income qualification. Rent stabilization does nothing to change the current rent, rental assistance helps to pay it to maintain existing housing in times of needs such as a sudden job loss, illness or injury.

Instead of these destructive policies in the staff report, **we need Port Hueneme's City Council to pursue policies that improve and encourage mutually respectful and harmonious relationship between rental housing providers and renters**, including voluntary mediation (such as Santa Barbara's highly successful volunteer-run mediation) and rental assistance based on income qualifications for low-income renters needing temporary financial assistance (such as Claremont's new rental assistance program using American Rescue Plan funding). We urge the Council to establish an Ad Hoc Committee including all stakeholders and their trade associations/organizations to explore truly creative solutions such as these and others that bring renters and rental housing providers together rather than adopting policies shown to magnify discord and inflame hostilities. Please be courageous and invest the time to do what is right for the entire community of Port Hueneme and not what is trendy or easy cut-and-paste.

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

Sincerely,

Janet M. Gagnon

Janet M. Gagnon, Esq.

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