



*"Great Apartments Start Here!"*

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**Via Electronic Mail**

Hon. Mayor Betsy Stix  
and the Members of the City Council  
401 South Ventura Street  
Ojai, California 93023

**RE: Rent Stabilization and Tenant Protections (Agenda Item 3)**

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Dear Hon. Mayor Stix and the Members of the City Council:

At tonight's City Council meeting, the City Council will receive a report on its authority to institute a rent stabilization and tenant protections ordinance. The Apartment Association of Greater Los Angeles (AAGLA) **strongly opposes** any steps in pursuit of either a rent stabilization or tenant protections ordinance as it will only drive more small independent rental housing providers out of business and destroy the likelihood of additional affordable rental housing being built in Ojai. Instead, we encourage the City to look for positive actions to help renters and rental housing providers alike by creating a new City rental subsidy targeted to those renters who need it.

AAGLA is a voluntary trade association for rental housing owners and operators. More than 80% of our membership are mom-and-pop rental housing providers with fewer than 5 units. Our members are responsible owners that join us to stay informed on current regulations and laws to maintain compliance.

Mom-and-pop owners are those folks that worked regular jobs for years to eventually save up enough money to buy a small or medium size property to secure their retirement. They believe in providing housing to others in their community that do not own their own homes. Most rental housing owners do not have CPAs or attorneys to help them understand the complex and ever changing restrictions being placed on their small independent business and don't understand why they are being vilified by government when they are trying to be part of the housing solution in providing market-rate rental housing, so that people can live near where they work. Our members provide some of the most naturally occurring affordable rental housing.

In addition, there are many renters that choose to rent even though they could afford to purchase their own home. These are the renters that choose to stay at rental properties. These are renters that have middle- or high-income occupations and choose to rent in order to spend their

discretionary funds on vacations rather than paying property taxes, homeowners insurance, repairs and maintenance for their own property.

Rent stabilization is a policy that destroys small independent rental housing owners' retirements and punishes all renters to benefit a privileged few. Rent stabilization forces mom-and-pop rental housing providers to sell their buildings to large corporations that only care about their bottom line or developers that build new, luxury buildings with more amenities and far greater rent to maximize their return on investment and avoid existing statewide rent increase limitations (Assembly Bill 1482).

Rent stabilization encourages gentrification and secures more housing for middle and high income renters at the expense of low income renters. Only the highest qualified renters with the best credit scores and highest incomes are able to secure the few rental units available under rent stabilization. Even worse, these renters are never required to leave their units despite being well able to afford more expensive units elsewhere or when their children have grown up and moved away so that they no longer need as much space. As a result, low-income renters with young children have no ability to find rental housing for their growing families.

The concept of "Tenant Protections" is a misnomer as it only protects the irresponsible renters at the expense of all responsible renters. In fact, they are mere rental housing owner restrictions. In practice, they take away the few tools that rental property owners have to remove problem renters that are causing harm to other responsible renters. This is especially true for those problem renters that are conducting illegal activities at the property as other renters fear for their family's safety if they report such conduct to the property owner as At Fault "grounds" for eviction or to police.

Ojai renters already have statewide protections provided by the Assembly Bill 1482 (AB1482) that limit the amount of rent increases and provide Just Cause protections with relocation fees for No Fault evictions. There is no data in the Staff report evidencing any widespread problem with rent increases in Ojai or specific problems with rental housing providers of any type. If there are anecdotal problems, then it would be a far better spend for the City to create a non-binding renter/rental housing owner mediation program to address any issues on a case-by-case basis and determine whether any additional regulatory steps are needed and if so, what specifically they are targeting.

Also, the Staff report provides **no detailed breakdown** of estimated costs and seems to have picked a number out of completely thin air. There is no estimate as to total number of rental units in Ojai versus Oxnard to support their conclusion that somehow Ojai could run their program for roughly 1/10<sup>th</sup> the cost of Oxnard. In addition, Staff fails to address the substantial upfront cost of creating a new computer system for registrations and complaints. They also fail to estimate total number of staff needed, total number of staff hours, and new specialized staff positions with full benefits. It is worth remembering that these are all up front costs that the City must pay if it were to move forward with a new rent stabilization or Just Cause ordinance. As acknowledged by Staff, Oxnard's estimate of cost is \$1,200,000. This would mean that such City funding would be unavailable to provide existing City services.



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If the City has substantial sums to allocate towards administration of a new program, then it should consider spending those funds on development of a new City rental subsidy targeted at low-income renters that need this help. It could either be a "shallow" subsidy as currently exist at the Veterans Administration and Salvation Army or it could be a time-limited subsidy to fill the 3-to-6 month gap for a renter with a sudden job loss until they are able to obtain new employment. It is the government's responsibility to provide public welfare using public funds for those who need it.

**AAGLA strongly encourages the Ojai City Council to receive and file the report regarding rent stabilization and tenant protections without taking any further action on it.** Instead, we urge the City Council to explore alternative policies that will help all renters and rental housing providers such as mediation, shallow subsidies, time-limited subsidies and other policies. AAGLA would welcome the opportunity to share its extensive experience with the City Council and work towards targeted and equitable rental housing solutions. 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 [janet@aagla.org](mailto:janet@aagla.org).

Sincerely,

*Janet M. Gagnon*

Janet M. Gagnon, Esq.

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