



*“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 Ordinance (Agenda Item 2)

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

At the City Council meeting on Tuesday, March 28<sup>th</sup>, the City Council will again consider a draft ordinance creating a new local, annual rent increase “cap” that will seriously harm small, mom-and-pop rental property owners who have been struggling to maintain older properties and likely cause a significant increase in the relocation of existing renters without having any substantial data to support the Council’s decision. For these reasons, we ask the City Council to delay a final vote on the draft ordinance and instead hold a workshop with all impacted stakeholders to fully understand how the proposal will impact the entire community in Ojai or, at a minimum, only pass a narrowly tailored **temporary ordinance** instead.

According to the staff report dated March 20, 2023, **over 90%** of Ojai’s multifamily rental housing stock are properties built prior to 1980 with over 10% built prior to 1939. As buildings age they require substantially more repairs and maintenance and to keep up with modern amenities. While the draft ordinance proposes a mechanism for owners to apply for increases to address such issues, it is in fact completely unworkable. West Hollywood has had a similar mechanism in place for many years and literally no owner has ever been able to utilize it and successfully work their way through the burdensome administrative, accounting and approval process. Thus, owners are faced with the only option of selling their building to a developer who will likely replace it with non-rental housing as a much better return on investment. As a result, existing renters will face relocation that otherwise would have been able to stay in their homes.

Many Ojai renters are facing relocation due to the substantially increased value of single-family houses, condominiums and townhouses. According to the staff report, “the majority of housing stock in Ojai consists of single-family units (78%). With 53% of households being homeowners and 78% of units being single-family homes, **it demonstrates a large portion of the City’s single-family homes are being used as rentals**”. Further, many of the renters that spoke at the prior City Council meeting were renting single-family houses and being relocated due to the sale of these properties. This ordinance would provide **no relief** for such renters whatsoever due to the exemption contained in the draft ordinance and many will remain excluded from statewide rent increase caps and Just Cause protections under Assembly Bill 1482 (AB1482) as well.

As the core problem in Ojai are these single-family house renters and **not multifamily renters** (which only account for 22% of the housing stock in Ojai, including 13% being properties with fewer than 5 units), it makes no sense to rush through this draft ordinance that will miss the vast majority of renters that the City intends to help.

Further complicating the situation is the fact that many homeowners in Ojai rent out their homes for anywhere from 1 to 6 months while they visit family and friends in other locations. To properly allow homeowners to continue to rent out their properties without having to pay relocation fees will require a tradeoff between protecting renters and allowing homeowners to still rent out their properties while they are away on visits. The current language being offered as a potential solution is simply unworkable from a practical standpoint. A much simpler and clearer solution would be to increase the vesting period for relocation fees from the existing 30 days to 3 months or 6 months. This would still be less than AB1482 that provides 12 months for vesting and would strike an appropriate balance between renters and private property owners. In addition, it would allow a rental owner to remove a new renter that is causing problems for existing long-term renters, which was the original purpose of the vesting period under AB1482. It is important to balance protections for new renters as well as the safety and quiet enjoyment of existing long-term renters. It is these types of critical details that need to be fully considered prior to a permanent ordinance being adopted and deserve a tailored approach for Ojai rather than merely a cut and paste of another City's ordinance (Oxnard) that was intended for a significantly different community.

A much better solution to the blunt instrument of absolute caps on rent increases is to provide a different type of ordinance that would simply increase relocation fees when rent increases are above a certain percentage and tied to a renter's income (e.g. 80% of Area Median Income or less) similar to any other government created assistance (SSI, Medi-Cal, CalFresh, utility discounts, etc.). Similar ordinances already exist in the City of Los Angeles and other cities. This will allow mom-and-pop owners with older buildings to maintain their ownership and properties, so that existing renters can retain their homes. It will also make sure that renters who need this additional help of relocation fees actually receive it **without unjustly enriching** renters making middle-income or high-income salaries and merely choosing to rent as a lifestyle choice in order to spend funds on lavish vacations, second homes, and luxury cars. At a minimum, an adjustable mechanism should be adopted in place of a flat cap that allows for private property owners to keep up with increased costs such as property taxes, utilities, sewer, trash collection, repairs, maintenance, and insurance.

As was pointed out at the last City Council meeting, Ojai will be by far the smallest city to adopt any type of rent increase cap. The reason is that it is an extremely expensive endeavor despite staff's grossly underestimated costs of administering the proposed ordinance. Again, there is no mention of any type of tracking system needed for the new ordinance despite the fact that it is essential to properly administer such a program and will be a major upfront expense the City will have to pay as a result of this new ordinance. Again, rushing through an ordinance without taking the time to fully analyze its direct impacts on renters, mom-and-pop owners and City resources is highly irresponsible and against fundamental principles of good governance.

Low-income families are not just struggling to pay rent, but also food, transportation, childcare and other expenses due to inflation. This is the result of existing wages not keeping up with inflation. If the City really wants to help low-income working families, then it should consider conducting more outreach and



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education to low-income communities to let them know about the other government assistance programs that already exist to help them. Further, the City should also consider creating its own local emergency direct rental subsidy for those that need temporary financial assistance due to a sudden job loss.

If the City Council feels it must pass some type of ordinance on Tuesday, then it should only pass a narrowly tailored **temporary ordinance** with a specific sunset date to provide more time for the City Council to fully research, analyze and develop a permanent ordinance that will address all renters needs as well as doing as little harm to rental housing homeowners and mom-and-pop multifamily owners as possible. It would also allow the City to conduct proper outreach to all impacted stakeholders, including renters in multifamily buildings, renters in single-family houses, renters in Accessory Dwelling Units (ADUs), small mom-and-pop multifamily owners, middle and large sized multifamily owners and single-family housing owners that rent out their homes either full time or part time.

**AAGLA strongly urges the City Council to reject this permanent draft ordinance in favor of a temporary ordinance with a specific sunset date that will allow the City Council to fully develop an Ojai specific permanent ordinance that will address all renters needs while fairly balancing mom-and-pop multifamily owners and single-family rental homeowners needs as well and conduct a workshop with all impacted stakeholder.**

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