



"Great Apartments Start Here!"

Janet M. Gagnon
Director, Government Affairs &
External Relations
janet@aagla.org
213.384.4131; Ext. 309

May 17, 2023

Via Electronic Mail

Hon. Mayor Jon Primuth, and the
Members of the South Pasadena City Council
1424 Mission Street
Pasadena, California 91030

Re: Adoption of an Interim Urgency Ordinance Establishing a 45-Day Moratorium on No-Fault Just Cause Terminations of Tenancy (Agenda Item 19)

Dear Hon. Mayor Primuth and Members of the South Pasadena City Council:

At tonight's City Council meeting, the Council will consider adoption of an interim urgency ordinance establishing a **45-Day citywide moratorium on all No-Fault Just Cause terminations of tenancy** (Agenda Item 19). The Apartment Association of Greater Los Angeles (AAGLA) is strongly opposed to the imposition of this urgency ordinance as there has been no data presented showing a citywide issue with all No-Fault causes for tenancy termination. We urge the Council to reject this urgency ordinance and instead follow standard City Council review processes for any new ordinance to respect the existing checks and balances that exist and to allow sufficient time to hear from all impacted parties, including independent, mom-and-pop rental housing providers.

There is **no data from the City** showing a major citywide issue with all types of No-Fault causes. We are aware that there was one incident involving 4 people compared to the 26,314 people that live in South Pasadena. This is a tiny fraction of the population and does not justify a new ordinance, much less an urgency ordinance that avoids standard City Council processes, detailed analysis, robust debate and full public engagement by all impacted parties, including independent, mom-and-pop rental housing providers.

AAGLA, established in 1917, is a voluntary membership trade association whose nearly 10,000 members are rental housing providers and property management professionals throughout Los Angeles, Ventura, and San Bernardino counties, including the City of South Pasadena. More than 80% of our members are independent, mom-and-pop rental housing owners with fewer than 20 units, and many who own only a single rental property that they rely upon for their families' daily living expenses such as medical costs as retirees or newly arrived immigrants.

This urgency ordinance would have significant, negative consequences for independent, mom-and-pop rental property owners and their family members needing to move into their own properties to make ends meet. After 3 years of statewide and countywide moratoriums that resulted in massive financial losses for rental housing providers, many mom-and-pop owners are barely able to hang onto their rental property and are sacrificing their separate homes to move into the rental property to avoid losing it. To institute a sudden 45-Day moratorium that would prevent them from doing so is callous, inequitable, and unnecessary.



“Great Apartments Start Here!”

This overbroad and drastic action by the Council will only significantly worsen the shortage of naturally occurring affordable rental housing in South Pasadena by forcing financially struggling owners to sell their entire building versus moving into a single unit. In addition, Assembly Bill 1482 (AB1482) and other state laws already provide substantial protections to existing renters, including relocation fees. To prohibit the ability of property owners to move-in to their own property by either a complete ban or exorbitant relocation fees will only force more mom-and-pop owners out of business with developers replacing the buildings with new buildings yielding much higher returns on investment. This will result in entire buildings of renters having to relocate rather than a single unit. Further, there has been no data provided by the City showing any problems whatsoever with owner move-ins, so it is completely unnecessary for the Council to take such action.

We do realize that there have been 4 renters impacted by substantial remodels recently out of a total of 26,314 residents in South Pasadena. This can hardly be considered a “citywide” “major” problem warranting a new ordinance to be passed. Such little impact shows that this is not a significant issue for South Pasadena and that AB1482 should be given time to be fully implemented before any ordinances are considered to change it. AB1482 was a fully negotiated compromise between all parties, including renter advocates and is only now being implemented due to the 3 years of statewide Covid-19 related moratoriums. It is extremely premature for South Pasadena to be looking at making changes until and unless major citywide issues are actually occurring as evidenced by significant, impartial and verified data collected by the City. If the City then finds that relocation fees need to be adjusted specifically for substantial remodels, then it should conduct a formal study of actual moving costs incurred as well as security deposit amounts returned at the end of a tenancy. Relocation fees are not private welfare and are intended only to cover verifiable costs of moving.

A far better solution for individual issues is for the City to create a voluntary mediation program like the one in Santa Barbara. Santa Barbara’s voluntary mediation program that has existed for many years and is extremely successful and reaching mutually amicable and tailored solutions for renters and rental housing providers alike. This will also provide the City with data as to issues that are being experienced citywide, frequency, specific neighborhoods, types of property ownership, sizes and age of properties, and resolutions achieved.

AAGLA urges the Council to reject the urgency ordinance in its entirety. Instead, we urge the Council to conduct extensive outreach efforts to renters and rental housing providers alike on the existing protections in place contained in AB1482 and to develop a robust voluntary mediation program similar to one that already exists in Santa Barbara.

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.

Very truly yours,

A handwritten signature in black ink that reads "Janet M. Gagnon". The signature is written in a cursive, flowing style.

Janet M. Gagnon, Esq.