



Cultivate ● Activate ● Legislate

NEWS & UPDATES

JUNE 2020

CaIRHA PRESIDENT'S MESSAGE

Just like that, half of 2020 is behind us and we are quickly inching toward the day we defeat Michael Weinstein's rent control ballot initiative for a second time. I have said this before and I will say it again, we need all CaIRHA members to stay involved before it's too late. It's not enough to expect that voters will turn it down like they did in 2018 and it's not enough to fully rely on lobbyists to do all the work for us. It's up to us to make this happen. Although we have the best lobbying team working diligently on your behalf to ensure our opinions are being heard with legislators on proposed policy, a ballot initiative is different.

To stop Weinstein, we need all hands-on deck. We will continue to build our online presence and host virtual events as the economy slowly reopens. With the ongoing health crisis and recommendations from health officials to stay inside, CaIRHA hosted a webinar to keep members updated on the state housing policy and budget.

The webinar was led by Capitol Advocacy, one of the top leading lobbyist groups in California. Small rental housing providers throughout the state joined the webinar to discuss top priority legislation CaIRHA is focused on and on-going negotiations with the legislature. We also discussed how COVID-19 is impacting the budget, and how Weinstein's ballot initiative and the split roll initiative would inflict major harm to our industry if passed.

A major shift has taken place with the arrival of COVID-19. Now, more so than before, the narrative of housing has shifted more toward renters' needs so much so that we are focused on highlighting compelling stories and illustrate the impact this all has on rental property owners.

After pushing for financial assistance for renters suffering from the impacts of COVID-19 for months in the media and at the Capitol, State Senate leaders introduced a comprehensive plan that include a state renter assistance program (SB 1410) and ways to increase the housing stock. SB 1410 would authorize property owners to participate in the program, and would pay them 80% of the amount of rent owed. If the property owner agrees to participate in the program they would not be allowed to demand the lost 20% from the tenant. In a series of five bills, the plan also presents a bill that ends mortgage interest for second homes, a cap on development impact fees, and CEQA relief for affordable and homeless housing.

In the best interest of our members, CaIRHA and its lobbying team will remain focused on influencing housing policy with the COVID-19 pandemic in full motion and state budget deficit.

- Sid Lakireddy, CaIRHA Board of Directors President

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UPDATE PRIORITY HOUSING LEGISLATION

Many legislators are focusing only on COVID-19 related bills. In which case, many of the priority bills we were monitoring in the beginning of the year will no longer be on the table for this legislative cycle. We will updated this list every month.

Priority Housing Legislation

- AB 828 (Ting) - OPPOSE
 - Statewide moratorium evictions & foreclosures.
 - As introduced - would create a COVID-19, court-ordered, blanket reduction of rent of 25%.
 - Onus on owner to prove economic hardship was NOT COVID-19 related.
- SB 1410 (L. Gonzalez) – Renter Assistance – SUPPORT
 - Create voluntary program providing rental assistance for up to 80% of rent.
 - If property participates, barred from trying to reclaim 20% lost rent.
- AB 3260 (Wicks) Tenancy Security Deposits – OPPOSE
 - Requires landlord to authorize tenants to pay security deposit either:
 - by obtaining and maintaining rental security insurance via a security bond OR
 - Paying off the amount in monthly installments over a period of 6 months or less.
- SB 1157 (Bradford) Credit Reporting - OPPOSE
 - Requires owners of 200 or more units occupied by low-income tenants, to offer tenants option to have rental payments reported to a major credit bureau.
 - Author cites that while failure to pay rent results in negative out comes, paying on time doesn't yield positive credit rating incomes.
- SB 939 (Wiener) COVID-19 Evictions - OPPOSE
 - Prohibits eviction of commercial tenants during state of emergency (March 4).
 - All evictions that occurred after proclamation would be rendered void & unenforceable.
 - Authorizes small business or eating/drinking establishment tenants to enter into negotiations with landlord to modify rent.
- SB 1190 (Durazo) Tenancy Termination for Victims of Crime - OPPOSE
 - Authorize tenant to terminate lease without penalty if they or household member is victim of a crime that has caused physical/emotional injury or death within 180 days of crime.

Housing Legislation – Dead for the 2020 Legislative Cycle

- AB 2406 (Wicks D) Homeless Accountability and Prevention Act: rental registry online portal.
- AB 1924 (Grayson D) Housing development: fees.
- AB 2344 (Gonzalez D) Housing: affordable and market rate units.
- AB 2470 (Kamlager D) Splitting multifamily dwelling units: streamlined ministerial approval.
- AB 2531 (Quirk D) Fire protection: fire dampers, smoke dampers, and smoke control systems.
- AB 2662 (Rubio, Blanca D) Affordable housing cost study.
- AB 2763 (Bloom D) Housing: relocation assistance.
- SB 1015 (Skinner D) Keep Californians Housed Assistance Fund.
- SB 1340 (Wilk R) Building standards: decks and balconies: inspection.

USE YOUR
VOICE!

State Housing Legislation Webinar

Thank you to the Capitol Advocacy team for providing a great presentation on housing policy and the state budget to our members in May. We are confident that with your perseverance in the Capitol and the tenacity of our members on the ground, we will see comprehensive housing policies for the state.

We also want to thank everyone who had the chance to tune in and participate. If you did not get a chance to do so, please view the full recording and the presentation here:

[Cal-RHA.org/Legislative](https://www.cal-rha.org/Legislative)

GET INVOLVED
WITH THE
CLICK OF
YOUR MOUSE



CalRHA has created an easy way for members to activate and share their opposition to AB 828 by Assemblymember Phil Ting. This legislation would force rental property owners to reduce rents by 25% and would make it virtually impossible for landlords to collect rent, remove problematic tenants or fairly deal with nonpayment of rent. Go to: [Cal-RHA.org/Take-Action](https://www.cal-rha.org/Take-Action) and you can quickly with few clicks send an email expressing your opposition.

Michael Weinstein recently qualified proposition (Initiative 19-0001) for the November 3, 2020 statewide ballot once again. Yes, this is 2018 Proposition all over again, which voters rejected overwhelmingly with a 59% NO vote. This new proposition is even more flawed than their last proposition. It's bad for homeowners and renters – and will make California's housing crisis even worse.

Eliminates Costa-Hawkins Protections

- The Costa-Hawkins Rental Housing Act of 1995 prohibits local governments from enacting certain types of restrictions on property owners. This proposition removes most of those protections for property owners, meaning a city or county could:
 - Enact vacancy control so an owner cannot raise rents to market rate after a tenant moves out. The measure would limit rent increases to 15% of the previous tenant's rent within the first three years of a new tenancy.
 - Cap rents on single-family homes if the owner owns three or more homes.
 - Cap rents on properties built after 1995 if they are more than 15 years old, bringing more properties under local rent control every year.

Reduces Housing Supply and Drives Up the Cost of Existing Housing

- By creating an inconsistent and unpredictable patchwork of local ordinances, this proposition will prevent critical affordable housing development and drive rents and housing costs up even higher.
- It will also encourage landlords to take rental properties off the market and convert them into condos and townhomes, further reducing the rental housing supply and making the housing crisis even worse.

Places Bureaucrats in Charge of Housing with the Power to Add Additional Fees

- The proposition would put as many as 539 rental boards in charge of housing, with bureaucrats deciding what people can or cannot do with their properties, and would give the rent boards unlimited power to add fees on housing, which will ultimately be passed on to tenants in the form of higher rents.

Adds Tens of Millions in New Costs to Local Governments

- The state's non-partisan Legislative Analyst says the proposition would increase costs for local governments by tens of millions of dollars per year and cost the state millions more in lost revenue, which would mean diverting funds from other vital state services.

THE BOTTOM LINE:

The flawed rental housing proposition will make the housing crisis even worse.

Vote NO on November 3!



Sign up to defeat the ballot initiative at
CaliforniansforAffordableHousing.org



GET INVOLVED

Don't Let Rent Control Steal Your Rights

Rent control is the wrong approach to fix California's housing crisis. Attempting to reinsert failed strategies from the 1970s will not lead us out of our present housing crisis.

Your Voice Must Lead The Way

Elected officials have been chosen to represent your voice, and they need to hear from you! These officials need to listen to the real stories of men and women like you who provide safe and accessible rental housing and the specific ways rent control makes the housing crisis worse.