



Cultivate ● Activate ● Legislate

NEWS & UPDATES

MAY 2020

CaIRHA PRESIDENT'S MESSAGE

As every facet of California continues to be financially impacted by this global pandemic, CalRHA is squarely focused on getting legislators' attention on the plight of rental housing providers, especially small rental housing providers dependent on rental payments to keep their livelihood intact. To continue doing this, it is critical that we get you to help us and stay involved throughout the process.

The legislature came back this month with a heavy focus on the COVID-19 crisis. One of the bills we are strongly opposing is Assemblymember Phil Ting's AB 828. Claiming to be assistance for renters during the crisis, the bill would heavily impact rental housing providers and provide renters additional financial protections in addition to Governor Newsom's moratorium on evictions. If legislation like this goes through, many property owners could lose their property to large corporations, putting the renters at risk of losing their homes.

We are offering a better more holistic and proposing the state enact a Renter Assistance Program (RAP) to be funded with federal money from the CARES Act back in late March. This would help provide financial support to some renters who may need it while also helping reduce the financial strain of rental property owners.

In April, we received considerable amount of press coverage sharing the plight and perspective of our members struggling during this crisis. These personal stories are making a difference by sharing specific examples on what rental housing providers are doing for their tenants and how we are all are impacted by this crisis.

Last month we also held two virtual Zoom press conferences. Our first one was to introduce our RAP proposal and the second focused on Los Angeles area small property owners. These press conferences are making a difference. For example, after receiving our media advisory about our press conference, a reporter asked Governor Newsom about his plan for small rental property owners. The news outlet responsible for asking that question joined our press conference and that night reported on the plight on small rental housing providers in a feature story. Furthermore, we garnered interest from key legislators who also listened into our press conference and have expressed interest in working with us on our issues. Thank you to everyone who participated and helped make that happen.

To keep our momentum rolling, we need your help and support.

First, please contact your city or county to inquire about Community Development Block Grants from the U.S. Housing and Urban Development Department. This money could be useful in funding renters impacted by economic distress.

Second, make sure to sign up and get your networks to sign up for the Californians to Protect Affordable Housing campaign to stop Michael Weinstein's second attempt to pass statewide rent control.

More on these two items in this newsletter.

Stay safe and stay informed!

- Sid Lakireddy, CalRHA Board of Directors President

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UPDATE ON 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.

The following bills that have been pulled by the authors.

- AB 2344 (Gonzalez) Housing: Affordable and Market Rate Units
- AB 2662 (B. Rubio) Affordable Housing Cost Study
- AB 2531 (Quirk) Fir Protection: Dampers and Smoke Control Systems
- AB 2774 (Jones-Sawyer) Tenants: Late Fees
- AB 2888 (Friedman) Emotional support dogs
- AB 3352 (Friedman) Tenant Remedies
- AB 3254 (Limon) Property sales and transfers: plumbing fixtures replacement
- SB 1015 (Skinner) Renter's Assistance
- AB 1079 (Skinner) Residential Property Warehousing
- AB 1340 (Wilk) Balcony inspections

The following bills are CalRHA's focus for this legislation cycle (for a full list contact your Affiliate Executive):

- AB 828 (Ting) Temporary moratorium on foreclosures and unlawful detainer actions: coronavirus (COVID-19)
- AB 2324 (Friedman) Accessory dwelling units: prohibition of rent or lease
- AB 2406 (Wicks) Rental registry online portal
- AB 3260 (Wicks) Tenancy: security deposit
- SB 1190 (Durazo) Tenancy: termination: victims of crime
- SB 1410 (Gonzalez) Housing: local development decisions: appeals
- AB 1924 (Grayson) Housing development: fees
- AB 1997 (Nazarian) Building codes: earthquake safety: functional recovery standard
- AB 2405 (Burke) Housing: children and families
- AB 2470 (Kamlager) Splitting multifamily dwelling units: streamlined ministerial approval
- AB 2504 (Nazarian) The Capital Access Loan Program
- AB 2580 (Eggman D) Conversion of motels and hotels: streamlining
- AB 2746 (Gabriel D) Funding accountability: state funding for homelessness

HUD COVID-19 Community Development Block Grant

Local municipalities across California have been granted federal grants that serve as an immediate source of rent for low- and moderate-income renters who are undergoing immense financial pressure amid this global health pandemic. Recently the U.S. Housing and Urban Development Department (HUD) issued COVID-19 Community Development Block Grants (CDBG) as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act to multiple cities and counties that are home to millions of California renters.

Please contact your Affiliate Executive for a full list of the cities and counties receiving CDBG funding.

Cities and counties can use the COVID-19 CDBG funds to alleviate low- and moderate-income households for up to three months with renter relief funds. In addition, California received 19 million dollars from HUD for smaller cities and counties. Under the CARES Act, more than 15% of said funds can be used for rental assistance, a fundamental need for renters that suffered from income shortages because of the COVID-19 virus.

CalRHA asks that members contact their local city and county and ask for them to take the following actions:

1. Cities and counties already receiving CDBG funds will have to amend their existing CDBG plans to include or augment an existing CDBG funded rental assistance program.
2. Cities and counties can determine if there are any plans to expend the Covid-19 CDBG funds on rental assistance. If so, support that effort. If not, encourage this use of the funds for rental assistance.

UPCOMING EVENT

CalRHA State Legislation Webinar

Tuesday,
May 26th at
2PM

CalRHA will be hosting a webinar on the state bills affecting our industry and your business. The webinar will be open to all CalRHA members and will be led by CalRHA's lobbyist Kate Bell Alves with Capitol Advocacy.

RSVP to
CalRHA@ElevatePublicAffairs.com
by Friday (5/22) at 5PM to reserve your spot

California just passed the toughest-in-the-nation statewide rent control law but that has not stopped billionaire Michael Weinstein. Michael Weinstein and his multi-million dollar special interest group recently qualified a proposition for the November 3, 2020 ballot that make rent control even worse. These are the same special interests who spent more than \$25 million on the flawed rental housing measure, Proposition 10 in 2018, which voters rejected overwhelmingly with a 59% NO vote. This new proposition is even more flawed than their last measure. It's bad for homeowners and renters – and will make California's housing crisis even worse.

Allows Regulation of Single-Family Homes

- This deeply flawed proposition allows local governments to impose rent control on apartments and privately-owned single-family homes without a vote of the people.
- The proposition could even lead to bureaucrats charging homeowners a fee for taking their home off the rental market.

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.

We need your help to defeat this initiative that is bad for all Californians once and for all.

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.



CalRHA in the News



Curbed LA: Landlords want rent relief too

Commercial Observer: California Apartment Landlords Press for Statewide Relief and Rental Aid

Fox 40: Landlords join renters in call for rental relief

KCRA: California rental industry pushes for COVID-19 financial relief

KSRO: California Rental Industry Seeking Financial Relief

Mercury News: Coronavirus: Desperate Bay Area tenants face monthly rents as advocates push for massive bailout

KQED: Coronavirus Catalyzes Tenant Organizing Across California