

**The Sacramento Report:
Emergency Preparedness
By Greg McConnell, Legislative Advocate**

We have become accustomed to drills for emergency preparedness. Some of them were downright silly. Those of us who have passed the half-century mark may remember back to the days when we were school children. Sirens would go off indicating a potential nuclear attack. We were rushed to so-called safe places in the basements of our schools and told to get on our knees and duck down with our heads low. After a nervous few minutes, we would be told that all was safe and we could go back to class.

How dumb! Had there been a nuclear blast, the entire building and everyone in it would have been wiped out, whether our heads were bowed or not. Fortunately, those drills were ended when some smart people figured out that all we were doing was needlessly scaring the heck out of young people.

Today, we still have fire drills in our schools and they are worth while because they show students how to exit a building in the event of a fire. Similarly, cities have adopted earthquake and other disaster drills for first responders, emergency personnel, and regular citizens. These too can be important life saving exercises. So what does this have to do with us? I think we should engage in smart emergency preparedness for a potential Sacramento disaster.

We are now more than ten years past the adoption of the Costa Hawkins Vacancy Decontrol law. When that law passed, there were widespread predictions of great civil distress. Opponents of the law said all kinds of bad things would happen.

Landlords, we were told, would hold late night rallies. Armed with eviction notices, marauding landlord gangs would head out into the streets at the stroke of midnight. They would snatch babies from their mothers, pelt senior citizens with three day notices, and tear tenants from their homes. According to some community activists, there would be no safe place that a minority could call home. None of that happened. They were just scaring people, much like the dumb nuclear drills.

Today, we still hear rumblings about getting rid of Costa Hawkins from some members of the legislature who continue to think that vacancy decontrol is an evil plague on the land. Though they have not actually introduced legislation this year, they can't wait for the opportunity to do so. They will surely spring into attack if they ever think they can count 21 votes in the Senate and 41 in the Assembly.

Landlords need to prepare for such a potential disaster. By chronicling the real life experiences of vacancy decontrol, we will be ready if the threatened attack ever materializes.

Counter Myths and Share Benefits

First and foremost, vacancy decontrol does not produce mass evictions. Over a decade has passed since the adoption of Costa Hawkins and contrary to predictions that everyone would be evicted, mass evictions to raise rents have not materialized. Thousands of rental units in even the most strident rent control areas like Berkeley and Santa Monica continue to be occupied by tenants who were there before the adoption of vacancy decontrol. These tenants pay rents that are a third to half below market rents. While no owner appreciates that fact, especially because many of these tenants are more than able to pay market rents, it proves that owners have not attempted to illegally evict tenants who opt to remain in their units.

We were told that rents would sky rocket, and because units were so scarce, owners could manipulate the market. The truth is that rents were extremely low in the pre Costa Hawkins era. As a result, in the early post Costa Hawkins years, rents rose considerably as units became vacant. However, after those first few years, natural market forces brought rents down. Today, for units that have had vacancy increases, rents on vacant apartments are controlled by market forces, not the arbitrary whims of rent boards.

Contrary to horrific predictions, owners now take better care of their properties and relations between owners and tenants are better for it. Market rents produced by Costa Hawkins provide owners with the resources to maintain their properties and they have strong incentives based upon increased competition to paint, replace carpets, and generally take better care of their properties. If they do not, tenants don't have to petition to a rent board, they just move to better digs.

And while cities like Berkeley will not eagerly admit this, they have benefited greatly by vacancy decontrol. Vacancy rent increases and the resulting increases in property values have produced millions of dollars in higher business license taxes, increased transfer taxes, and increased assessments when properties are sold.

We knew long ago that our opposition was dead wrong when they argued that vacancy decontrol would reap havoc on tenants. We knew that because cities like Oakland, Los Angeles, and San Francisco, which have always had vacancy decontrol, had not experienced the dreaded things that they predicted would happen.

I strongly urge landlords to prepare for the potential disaster of an attempt to undermine Costa Hawkins by preparing a detailed and verifiable list of all the benefits that this law has created. At the same time, we need to develop a myth shattering defense against the untrue claims that Costa Hawkins has hurt tenants.

Emergency preparedness is a good thing as long as we are not needlessly scaring school children.

Landlords Are Not Immigration Cops

AB 976 (Calderon) has been introduced in Sacramento to prevent a repeat of the Escondido fiasco that would have required landlords to screen and evict undocumented

tenants. The bill would amend the California Fair Employment and Housing Act to make it illegal to make housing decisions based upon citizenship or immigration status.

You will recall that we reported that the city of Escondido's law requiring landlords to serve as immigration cops had been struck down by the courts and subsequently withdrawn. However, some feel that other cities may try similar laws. By making it illegal to even consider the status of a tenant, Mr. Calderon hopes to preempt future Escondido type laws.

I applaud Mr. Calderon and his supporters who want to make sure that landlords are not forced to serve as immigration cops. As stated here many times, this is a law enforcement issue and not a duty that should be imposed on landlords. However, Mr. Calderon faces a real challenge. Will people feel that his legislation goes beyond protecting landlords from liability and gives safe harbor to undocumented tenants because it eliminates the ability of landlords to check status and make decisions about renting to undocumented persons if they choose to do so voluntarily?.

As with all pieces of legislation, this bill will go through many incarnations as it travels through the legislative process. We will monitor it closely.

Pre-trial Prospective Rent Deposits

Taking a page from legislation that has been introduced and fought with great vigor over the years, Assembly Member Van Tran, a Republican from Costa Mesa, has introduced AB 481 which would allow landlords to make demand for pretrial prospective rent deposits when the complaint alleges unpaid rent. The bill would require the demand to appear in the body of the complaint and in the summons. As introduced, the court has discretion to allow or disallow the demand. If it approves the demand, it must receive the rent deposits.

Assembly Member Tran will surely fight an uphill battle as the tenant lobby will use all of its resources to defeat the measure. Stayed tuned! *View the entire text of the bills in this report at <http://www.leginfo.ca.gov/bilinfo.html>*

Greg McConnell is the principal consultant at The McConnell Group, a consulting and advocacy firm that specializes in housing issues and advises apartment and housing associations, property management companies, and individual owners throughout California. For more information about The McConnell Group please visit www.themcconnellgroup.com. © This article is copyrighted and cannot be republished without the consent of the author.