

## **Voters Uphold “Tenant Welfare”!**

Boy, they sure fooled the voters with their lies, didn't they? (We got 39% of the vote). They actually convinced many voters that you were going to throw the elderly, disabled, and others out on the street the day after Prop 98 passed. That you were going to keep all the security deposits and double the rent. Yes, this is what many voters believed because the tenant leaders, developers and politicians told them so. It has been said that if you repeat a lie enough times, that others will start believing it regardless of how ridiculous it sounded the first time. The liar even starts believing his own stuff! It happened. **Even AARP jumped on their bandwagon and mislead the voters with their TV ads.** I now believe that AARP is about as socialistic as an organization like that can get!

We may have lost the battle at the ballot box, but we sure have not lost the WAR! We MUST continue to fight for the freedom of keeping our property rights. The property rights of owners have been taken away by the courts, politicians and now, registered voters. They are in the long term process of totally destroying the rights that go with property ownership. We must unite in this fight for our rights!

The state of Massachusetts finally realized how destructive rent control is to housing and they got rid of it. California can eventually do the same. There are only four states that practice this form of renters' welfare: New York, New Jersey, Maryland and California; plus Washington D.C. with all their government workers and politicians. Forty-six other states are smart enough to realize that price controls cause a shortage of housing.

It's just not morally right! In fact, it seems to be very un-American to force a housing provider or any other business to provide goods and/or services at less than a fair market price. Even the Tenth Commandment says “Thou shalt not covet thy neighbor's house...” Do the voters and politicians really think that your apartment is a residence owned by them? Or, maybe they are just a bunch of hypocrites who pretend to be living a moral life (while they steal from you every month). My opinion? They all belong in jail!!

### **“Tenant Welfare”**

That's what I'm calling “rent control” because that's what it really is – welfare that is paid for by one to two percent of the population instead of being paid for by the government who mandates it.

Your help is needed. Let's all join together and stop calling it “rent control”. The real name is “Tenant Welfare” and it's being paid for by a small number of housing providers – YOU! It seems that we'll have a better chance of getting rid of this evil program if we call it by a name that is appalling enough that it appears to be so sickening, reprehensible, detestable and shameful that the opposition won't want to hear it repeated. This could be a public relations' shift that will be very beneficial to our industry even though we all feel that “they know no shame”. You pay for the program, you have a right to name it. Let's call it what it is – “Tenant Welfare!”

## **The “Tenant Welfare Program” is Criminal!**

In debating “Prop 98” I explained that I no longer provide housing for others in rent controlled areas that require apartment owners to provide “tenant welfare”. You should have seen them come unglued and upset at the idea that they receive “welfare”! Why would I want to provide housing in a high crime area, and I do believe that the current “Tenant Welfare Program” (rent control) is criminal! You have to be a crook if you believe in forcing a property owner to rent or sell his property for less than the fair market value. And they wonder why more investors don’t want to provide more housing. Duh – do price controls really cause a shortage?

### **They Just Don’t Get It!**

Most non-housing providers obviously just don’t yet get it! They don’t realize the sacrifices you made in order to provide housing for people who choose not to or who are unable to provide housing for themselves. There’s a good chance that you gave up vacations, buying new cars, eating out every week-end, etc. Neither are most people willing to give up the weekends to do repairs on an apartment building - many housing providers had to do just that to get started. I did and you probably did too!

You may discover that the simplest way to explain this housing situation is to relate it to owning a car since more people buy cars. (Only one to two percent of the population provides housing for others.) You may ask how the other person would feel if a law were passed to limit the price of his or her car for resale to only \$500 because of the large number of people who can’t afford to buy one. In addition, they would not be allowed to rent their cars to others for more than \$5 a day.

Now, they would say “That’s not fair”; naturally, they’d want blue book value for their car. They would also say, “I don’t care about the rental fee because I don’t plan to rent my car to others.” That’s what they say about apartments – they don’t plan to provide housing rentals either, so they vote no on Prop 98. BUT, how about the rental car companies? Would it be fair to control their rental prices? NO, and neither is it fair to apartment owners to have to pay 100% of the cost for this “Tenant Welfare Program”!

### **Why Did We Lose?**

Two basic reasons: 1) the opposition was willing to lie, and 2) we did not have enough money to overcome their lies and convince the voters that Prop 98 was best for the people. The last figures I saw indicated that they outspent us by quite a bit. They spent over \$11 million. They were the ones with the rich developers and politicians who want to keep stealing from you and other property owners! And they will get more than their \$11 million back from you and other owners who provide 100% of the cost of the Tenant Welfare Program!

How could they outspend the “rich landlords”? Well, maybe housing providers aren’t as rich as the opposition made us out to be. BUT, unless you were in the 3% of apartment voters who contributed to the “98 campaign”, **YOU** are the third reason we lost.

Can you believe it? Only 3% of all apartment owners really fought the good fight by “putting their money where their mouth is”! Congratulations to this great group of supporters. Only a small percentage of all the donors are now listed in the magazine but all the names have been appearing over the past several months. It would just take too many pages to print them all

again. A big “thanks” goes to these donors who stood up and backed up their beliefs with their money! A special “thanks” also goes to Johnny Caal from the real estate management division of Caal Enterprises. He had over 700 front yard signs made to promote our cause! The AOA Political Action Committee was one of the top contributors to the campaign and, I believe we gave more (over \$500,000) than all the twenty-some other associations put together.

Congratulations to all of these great AOA members! This was a tremendous effort but we need to keep going and do even more during the next round and the only way we’ll have a chance to win the next round is if we get started now!

AOA received the following email from Charles Clark: *“I congratulate and thank you for Prop 98 and I don’t think that 39% is a bad showing and is within striking distance. Next time, it may be better to make it a straight anti-rent control ballot and come out with a get rid of the gang members theme. We saw that bundling it allows the anti-rent control forces to get more money to fight the proposition.”*

Another AOA and Prop 98 supporter, Vytas Juskys, wrote: *“When is the next time? I want to be involved in the beginning stages next time around! Thanks to you and AOA for your hard work and dedication.”*

We received the following encouragement from Edward Petko: *“You and your members have fought an honest battle and you have always spoken the truth, unlike the backers of Prop 99, who rely on deceit and deception and outright lies to gain their advantage. No matter what happens tomorrow at the polls, Do not give up this fight! If Prop 98 is defeated, the battle must go on. Do not be disheartened! The old proverb: “Knocked down six times and rise up the 7<sup>th</sup> time” should be in your thoughts! Ultimately truth and right will prevail.”*

And AOA is already back up and running!

### **The Future**

**Here’s the plan:** we need to build a bigger treasure chest NOW. There will be another opportunity and if we get started donating each year we will have enough money to win next time. Our goal is ten million dollars to start and then more money can be raised during another campaign. Preliminary numbers indicate that the coalition of Howard Jarvis Taxpayers, the farmers, mobile park owners and all the apartment associations throughout the state and others spent around eight million dollars this time. It proved to not be enough as we were outspent by the competition. They spent around eleven million dollars. We must do better next time and you may ask if it is possible to raise the money and win. Yes it is!

If every AOA member would have donated only \$1,000 for “Prop 98” we would have had enough money to advertise and overcome the deception and lies that the opposition was running on TV. Or, if all apartment owners donated only \$100 each we could do it. In fact, either scenario would make it possible to have an advertising campaign with between twenty and thirty million dollars. With that kind of an advertising budget, we can win!

### **Do You Really Want to Win?**

I mention this only in an attempt to set an example for other property owners and to encourage you to step up to the plate and donate. I personally gave \$10,000 to the Prop. 98 campaign and please know that I'd like to see all apartment owners do the same. And so it certainly is not presumptuous of me to ask all our members to donate at least \$1,000! Many more of you should have a goal to donate \$10,000. Please do it. It will make you feel really good! Remember the Success Seminar: "the more you give, the more you get" and you'll love the giving more than the getting! Make your check out to the AOA PAC and mail it to the closest AOA office as listed in the front of the magazine. If you feel that you can't do it now, make a "down payment" and plan to send more support at another time. If you really want to win, set a goal to eventually do your part by donating at least \$1,000.

### **To Win We Must Be Persistent!**

Winners never quit! Persistence is what makes: "the impossible possible... the possible probable... and the probable, a definite reality". In fact, "persistence" is Step #7 in the "AOA 7-Step Success System"! The following is a well-known saying about being persistent:

#### Persistence

- Nothing can take the place of persistence
- Talent will not – nothing is more common than unsuccessful men with talent
- Genius will not – unrewarded genius is almost a proverb
- Education will not – the world is full of educated derelicts
- Persistence and determination alone are omnipotent

On October 29, 1941, Winston Churchill said: "*Never give in, never give in, never, never, never – in nothing great or petty never give in except to convictions of honor and good sense.*"

Let's follow his example and also win our "war" for our American Economic System of Free Enterprise and restore our property rights. Continue doing your part by helping build a new "war chest" to protect your property rights. We must persist! Please use the form on page **FILL IN** and let's get started today! THANK YOU!

For more information on Prop 98 results, please see the article in this issue titled, "***Prop 99 Vote Leaves People Without Land Protection***".