

RENTAL PROPERTY NEWS

CALRHA





From the President

Earle Vaughan | CalRHA President

Dear Members,

I want to start off by thanking each and every one of you for joining our call to action on legislation. CalRHA's sponsored bill to improve government clarity and transparency on annual rent increases, and our priority bill to provide emergency rental subsidies were both approved by the Assembly and now move to the Senate.

Despite the industry's tremendous efforts, both AB 2347 (allows tenants more time to respond to eviction notices) and AB 2216 (requires property owners to allow pets) were approved by the Assembly. The votes were stacked against us on both bills, but in a strategic move to make a bad bill a little less bad the lobbying team secured commitment from the bill author that AB 2216 will be subsequently amended to make the bill less onerous, by providing exemptions, allowances for rent and deposit increases, and more. (See page 5).

On the initiative front, the campaign opposing the so-called Justice for Renters' ballot has been busy recruiting Democratic leaders and influential allies as spokespersons for our side. The good news is that polling shows we have a winning message and we can defeat the initiative. However, it takes money to deliver that winning message to millions of Californians.

We simply cannot allow the initiative to pass.

CalRHA's website includes a new 60-second video on everything you need to know about the initiative, and a personalized calculator that estimates the revenue and investment loss to your property should the initiative be approved. Check it out here to see how it affects you <https://www.cal-rha.org/2024-rent-control>

We need everyone's help! Here's how you can make a difference:

Donate: Your financial contribution, no matter the size, will directly support our campaign efforts. Visit our website at <https://www.efundraisingconnections.com/c/CalRHAIssues> to donate securely online.

Spread the word: Talk to your family members, friends, and people in your circles about the dangers of this initiative. Share factual information and encourage them to vote against it.

Stay informed: We will be providing regular updates on the campaign's progress and ways you can get involved. Please visit our website to sign up or follow us on social media for the latest information.

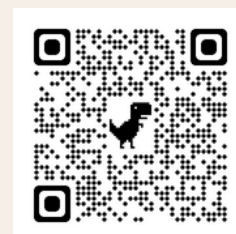
The future of the rental housing market in our state is at stake. Together, we can defeat this initiative and protect our rights and livelihood.

Thank you for your continued support.

Sincerely,

Earle Vaughan

CalRHA President





In the city's lullaby, she finds a restless slumber



In the urban landscape, amidst towering structures, makeshift tents serve as precarious refuges for the displaced populace of California

Opinion: Passing AB 2498 Will Help Keep Vulnerable Californians Housed

Published by the Times of San Diego on May 7, 2024



By: **Earle Vaughan**, serves as president of the California Rental Housing Association.

California is facing a housing crisis of staggering proportions. In 2023, there were over 180,000 people experiencing homelessness on any given night in the Golden State, accounting for more than a quarter of the country's total unhoused population. And this daunting figure doesn't take into account the number of Californians on the edge of housing insecurity.

Though numerous factors have contributed to this crisis, one part of the solution remains clear — we need real, concrete initiatives that put people in housing and keep them housed. Recently introduced legislation — Assembly Bill 2498 — might be a part of that solution.

In California's housing market, low-income individuals and marginalized communities often bear the brunt of a flailing economy and fluctuating inflation. In a state where wages and inflation don't keep up with market rental rates, insufficient affordable housing options have pushed many to the brink of homelessness. More than **a quarter of the state population spends over half of their income on rent**, and the struggle to keep family members housed ends up taking priority over other necessities, like groceries, gas and medications.

To make housing more affordable, California needs to increase its housing stock, which the Department of Housing and Community Development indicates is short by 2.5 million homes. Until we can build more and build faster, policymakers must consider rental housing assistance to those at risk.

Known as the California Housing Security Act, AB 2498 would offer a lifeline to struggling Californians. It would establish the California Housing Security Program, aimed at providing housing subsidies to eligible individuals, effectively reducing housing insecurity and ensuring that basic housing needs are met. Eligible populations would include those who are at the highest risk of homelessness, including low-income adults, older adults, individuals with disabilities, former foster youth, and justice-impacted individuals. This bill, if passed, would mark a significant step towards creating a more equitable housing landscape in our state.

My organization, the California Rental Housing Association, is made up of rental housing providers that serve millions of Californians with safe housing. We recognize the importance of keeping Californians housed and support emergency rental assistance programs for Californians at risk of homelessness.

Most of our members are individuals and families operating like small business owners who rely on rental properties as a source of income. Many of our members are property owners who worked with their renters during the pandemic to set up payment plans or in some cases even accept reduced rents to keep their renters housed. We advocate and support solutions, like the California Housing Security Act that include safeguards that will allow us to help keep some of California's most vulnerable in their homes.

While we advocate for rental assistance, there must be guard rails in the legislation to ensure it works for both renters and property owners. Reasonable safeguards will prevent fraud, and options for direct payments to rental housing providers to avoid delays will prove crucial in the development and implementation of the Housing Security Program. Rental housing providers don't just offer access to housing, they are partners in driving housing solutions and stimulating economic growth across the state.

As we navigate the complexities of California's housing crisis, we need to support real, tangible solutions that prioritize the needs of our most vulnerable populations. By passing AB 2498, we can take a significant stride toward keeping Californians off the streets. It's time to act decisively and ensure that every Californian has a place to call home.

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Background: Despite the industry's tremendous efforts, it looked like AB 2216, which would require property owners to allow pets, had enough votes to pass the Assembly. The votes were stacked against our industry, but in a move to make a bad bill a little less bad the CalRHA lobbying team secured commitment from the bill author that AB 2216 will be subsequently amended to provide a pet exemption for small property owners, allowances for rent and deposit increases to cover damages, a delayed implementation until April 2025, and a requirement that pet owners provide to housing providers proof of liability insurance. While we understand these amendments do not address all concerns, CalRHA's objective is to improve the bill in the Assembly as the team continues to work the bill in the Senate. We will provide more detailed information once the amendments are adopted.

CalRHA issued the following press statement on May 24th.

CALIFORNIA RENTAL HOUSING ASSOCIATION SUCCESSFULLY SECURES EXEMPTIONS IN AB 2216 (HANEY) FOR SMALL PROPERTY OWNERS

The Assembly passed AB 2216 (Haney) with the key amendments to protect housing providers

SACRAMENTO, Calif. – The California Rental Housing Association (CalRHA) is pleased to announce that [AB 2216 \(Haney\)](#), a bill initially opposed by CalRHA, will be amended as it moves to the Senate with crucial exemptions and provisions for small property owners. **These changes include exemptions for small property owners and necessitate that tenants must have liability insurance, along with giving property owners the option to collect a pet deposit and a monthly pet allowance.** These amendments reflect the commitment and advocacy efforts of CalRHA to protect the interests of rental housing providers.

"These amendments are a significant victory for small property owners," said Earle Vaughan, President, CalRHA. "We appreciate Assemblymember Haney's collaboration and the Legislature's understanding of the unique burdens that pet policies can impose on housing providers. The ability to allow property owners to include pet deposits and a monthly pet allowance will help mitigate the risks and costs associated with pet ownership in rental units."

The amendments to AB 2216 align with CalRHA's mission to promote housing affordability, protect property rights, and ensure a fair and competitive rental housing market. The key amendments made to AB 2216 will help protect small property owners from increased risk of liability and damage to their properties.

"Our primary concern has always been the health and safety of our renters," added Vaughan. "These amendments provide a more balanced approach that allows pet ownership in rental units while protecting the interests of property owners and other tenants."

CalRHA remains committed to advocating for policies that promote housing affordability, protect property rights, and ensure a fair and competitive rental housing market for all Californians. We look forward to working with the Legislature and the Governor to continue to tackle the housing crisis and to promote quality affordable housing for all Californians.

About the California Rental Housing Association

The California Rental Housing Association represents 24,000+ members totaling more than 675,000+ units, made up of small, medium, and large rental housing owners throughout the State of California. Our purpose is to advocate in the best interest of the rental housing industry and collectively address industry needs.

Media Contact: Keegan Coleman, (714) 916-2546, keegan@elevatepublicaffairs.com



CALIFORNIA RENTAL HOUSING ASSOCIATION SIGNS ON TO SUPPORT GONZALES v. INSLEE AMICUS BRIEF

The rental housing association supports the challenge to pandemic-era eviction moratoria that infringe on the rights of housing providers.

SACRAMENTO, Calif. – The California Rental Housing Association (CalRHA) announced its support for the amicus brief in the Gonzales v. Inslee case, as it relates to the scope of eviction moratoria and the fundamental rights of property owners.

The Gonzales v. Inslee case relates to the rights of property owners regarding uncompensated government takings through the implementation of eviction moratoria, which places strict regulations on the property owner and renter relationship. In Gonzales v. Inslee, a finding of a “per se taking,” or government-compelled occupation of private property, would entitle property owners to payment of just compensation.

“We firmly advocate against uncompensated takings, which result in governmental overreach,” said Earle Vaughan, President, CalRHA. “Our members are still recovering from the eviction moratorium when, in some cases, for years they did not collect rent. California’s rental housing providers who house millions of Californians carried the financial burden of the pandemic for far too long and we cannot be expected to do so ever again. A ruling affirming a “per se” taking is the just decision, and would serve as a deterrent against future public action of imposing eviction moratoriums under the guise of emergencies.”

The Washington State Supreme Court has interpreted that once a tenancy is voluntarily created, no subsequent change in circumstances can alter the voluntariness of that arrangement; in which case a per se taking would not qualify. CalRHA asserts that this interpretation violates a property owner’s fundamental right, and sets a precedent that infringes on a housing provider’s future right to exclude.



2024 Rent Control

Rental housing providers will be facing the biggest threat to their existence this November.

Everything you need to know about the 2024 rent control ballot initiative in 60 seconds.

2024 Rent Control Initiative
CalRHA

RENT CONTROL

Example
2-bedroom unit

01:06 vimeo

The video player interface includes a title bar with the CalRHA logo and the text "2024 Rent Control Initiative" and "CalRHA". The main video area shows a map of California with the words "RENT CONTROL" overlaid in large, bold, white letters. To the right of the video player, there is a vertical sidebar with icons for heart, refresh, full screen, and share. Below the video player, there is a progress bar and the Vimeo logo.

For more information

CLICK HERE

YOU ARE INVITED!



EBRHA NEXT

HOUSING INNOVATION & TECHNOLOGY CONFERENCE

The East Bay Rental Housing Association (EBRHA), CalRHA's affiliate, invites you to the **NEXT Housing Innovation & Technology Conference**

JUNE 8, 2024 | SATURDAY
9 AM to 4 PM
Lafayette, CA.

This is your chance to explore cutting-edge trends and technology that are transforming the housing industry.

What's in Store:

- **Keynote Sessions:** Gain insights from industry leaders.
- **Panel Discussions:** Discover the latest trends in housing.
- **Networking Opportunities:** Connect with peers and experts.
- **Lunch & Refreshments:** Enjoy a delicious meal on us.



Plus, attend the EBRHA Expo and enter for a chance to win exciting prizes like an Apple iPad, Ring Doorbell, Honeywell Air Conditioner, or Craftsman Pressure Washer!

Register now at www.ebrha.com and be part of the revolution in housing.

For more information, scan the QR code or visit our website. We look forward to seeing you at EBRHA NEXT!

Contact: www.ebrha.com | membership@ebrha.com | 510.893.9873

Housing Innovation & Technology Conference

Harness the power of technology to elevate your rental housing business. Be prepared for a day of expert presentations, panel discussions, and networking opportunities with the industry's top technology players!

Includes Lunch & Refreshments

SAT | JUN 8TH

Lafayette Veterans Memorial Center
Lafayette, CA | 9am - 4pm
Register at www.ebrha.com

REGISTER NOW!

Embracing Technology. Revolutionizing Housing.

Conference Sessions & Panelists

We have invited some of the top professionals in our industry to provide their expert insight on housing innovation & technology.

- Safety & Surveillance Products to Protect Your Renters & Property
- ADU Conversion, Compliance, Requirements & Versatility
- New Building, Remodeling & Maintenance Techniques/Trends
- Property Management Innovation & Software to Simplify Your Life

Win Prizes

All attendees of the EBRHA Next: Innovation & Technology Conference will have an opportunity to win the the following prizes:

- Ring Doorbell
- Apple iPad
- Honeywell Air Conditioner
- Craftsman Pressure Washer

EBRHA
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Solar panels at work: powering our world responsibly



Transforming multi-family homes with cost-saving solar PPAs

Increasing Operating Income with Solar PPAs for Multi-Family Housing

See How C26 Solar's PPAs for Multi-family Homes Make a Difference

Explore how Solar Power Purchase Agreements (PPAs) can save costs and enhance efficiency in multi-family housing without upfront expenses or headaches.

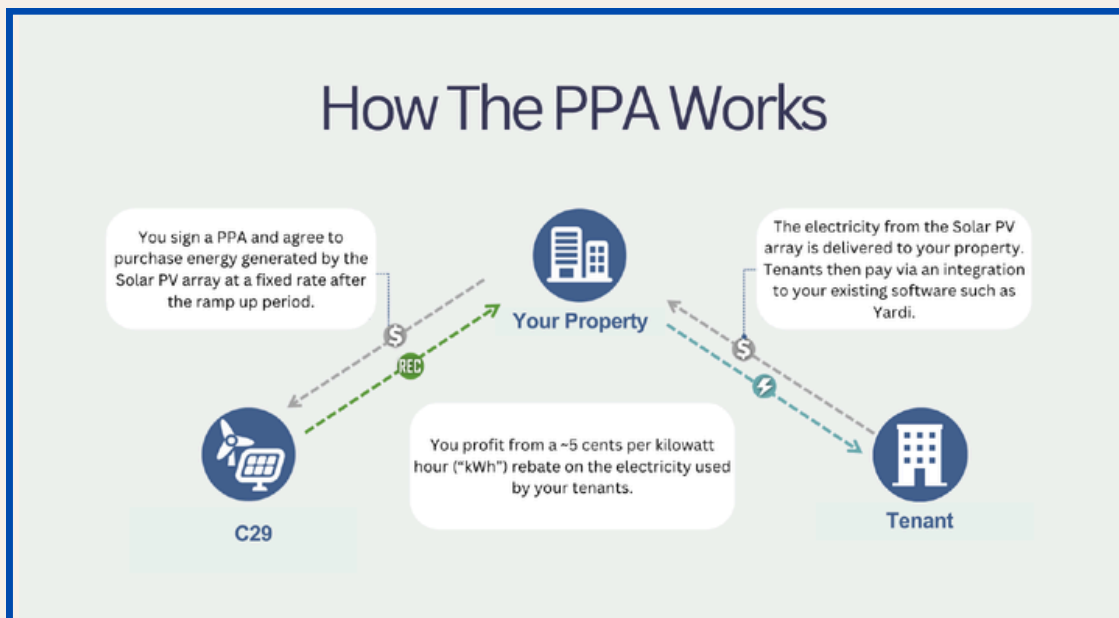
For multi-family operators, managing expenses and maximizing income are top priorities. Increasing Net Operating Income (“NOI”) not only boosts profitability and valuation but also enhances the resilience of your properties. One innovative solution gaining traction is C26 Solar’s novel multi-family PPA offering. Our approach leverages solar energy—a clean and abundant resource—to lower electricity bills for tenants, reduce landlord electricity costs for common areas, generate additional revenue for property owners, and increase property value, all without any upfront costs.

By incorporating Solar PPAs into properties, owners can profit from solar without the financial burden or headache of purchasing the system outright. Landlords receive discounted energy rates through the Solar PPA and provide this energy to tenants at a higher price for a profit, though still lower than standard utility rates. This allows landlords to increase their NOI by capturing the spread between the lower PPA rate and the higher rate charged to tenants. This not only provides tenants with cost savings but also generates additional revenue for property owners.

Understanding Solar PPAs

Solar Power Purchase Agreements, or PPAs, provide a unique financial structure that enables us to offer businesses, specifically multi-family housing complexes, a way to benefit from solar power without the hefty initial investments typically associated with installing solar. Simply put, we install solar panels on your property at no upfront cost to you. Instead of purchasing the equipment, you agree to buy the electricity generated by these panels at a reduced and fixed rate over a set period.

C26 assumes responsibility for the maintenance and operation of the solar system, allowing you to focus on your core business. Our team offers 24/7 active monitoring with alarm notifications and corrective diagnostics. Additionally, we deliver periodic reports covering environmental and safety issues, work orders, and more. This turnkey approach allows operators to adopt solar without increasing headcount.



Key Benefits of Solar PPAs for Multi-Family Housing

Tenant Cost Savings: Tenants benefit from reduced electricity rates of approximately 10%.

Revenue Generation for Landlords: Landlords capitalize on the spread between the price of electricity charged to tenants vs. the comparably lower price at which landlords purchase energy from C26 Solar.

Reduced Common Area Electricity Costs: Multifamily operators save on electricity expenses for common areas, further enhancing NOI.

Increased Property Value: Higher NOI means a higher valuation, boosting your property value.

No Upfront Costs & No Headaches: C26 Solar handles the installation and long-term maintenance and operation of the system, eliminating the financial and operating burdens.

Simplified Tenant Management: Our team manages tenant setup and opt-in processes, ensuring a hassle-free transition for property owners.

Overcoming Common Challenges with Solar PPAs

Transitioning to solar energy involves more than just installation. Clear communication with tenants about the installation process is crucial to minimize concerns about disruptions. Our team ensures tenants are well-informed and comfortable with the process, proactively addressing any questions or concerns they might have.

C26 Solar handles the initial tenant opt-in process. We also educate tenants on the benefits and process of transitioning to solar energy, ensuring they understand how it works and how it saves them money. Our comprehensive tenant engagement strategy ensures a smooth transition with minimal effort required from property owners.

Navigating local regulations and building codes can add complexity, but our experienced professionals handle all legal requirements, ensuring seamless compliance. This means property owners can rest assured that every aspect of the solar installation meets regulatory standards without getting involved in the technical details.

Moving Forward with Solar Innovations

Adopting solar PPAs for your multi-family properties promises substantial benefits ranging from cost savings to increasing its appeal in today's competitive market. It marks a significant step towards sustainability and positions your property as a forward-thinking establishment. With C26 Solar, the journey to integrating solar technology becomes less complex by having a partner with the expertise and commitment to guide you through each stage.

We invite you to connect with us and see how solar PPAs can transform your multi-family properties. Contact us today at info@c26solar.com to begin your journey to a greener, more profitable future with [C26 Solar](#).

GOOD NEWS!



Partners with Insurance Brokerage to Provide Coverage Options to Members

Burnham WGB (Baldwin Risk Partner company), a **multi-state insurance brokerage**, is **offering CalRHA members access to an exclusive property insurance** market for owners with **300 or more rental units**. Depending on certain factors, **you may be eligible for lower insurance premiums**.

For more information:

SKYLAR ROMINES

 (916) 209-0367  insurance@cal-rha.org

COMMERCIAL PROPERTY INSURANCE *for Rental Housing Pros*



- Access to an **exclusive** Property insurance market
- Benefit to CalRHA members
- Owners with 300+ multi-family units are eligible



Elevate your peace of mind with our comprehensive commercial property insurance designed **exclusively** for multi-family habitational properties. As proud members of CalRHA, we understand the unique challenges you face. Our coverage goes beyond safeguarding structures; it protects your investment and ensures a worry-free future. Trust in a policy as resilient as your business.

 (916) 209-0367

 insurance@cal-rha.org

Not available in Florida, Louisiana, Hawaii, and Alaska. Other restrictions apply. Some risks ineligible for coverage. Contact us to learn more about available coverage and submission requirements. *Powered by* Baldwin Krystyn Sherman Partners Insurance Sales, LLC. DBA Burnham WGB Insurance Solutions | CA Insurance License 0F69771


A BALDWIN RISK PARTNER



We're always sharing the housing perspective with policymakers and the media. Have a story to share or want to submit an opinion piece for publication in our digital magazine? [Email us.](#)

Representing more than **25,000**
members with **676,000** rental units



Become a CalRHA
member or Member
of an affiliate

<https://cal-rha.org/become-a-member/>



Come and Join!

FREE! WEBINARS AND EDUCATION

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Affiliates



Another Ultimate Legal Hour With Dennis Block

AAGLA Member Webinar
Tuesday, June 11, 2024
10:00 AM - 11:00 AM

Featured Presenters: Dennis Block, Esq. (AAGLA Member)

Title Sponsor: REAL ESTATE SCOTT

-LIVE- WEBINAR

ANOTHER ULTIMATE LEGAL HOUR WITH DENNIS BLOCK

JUNE 11, 2024 @ 10:00 AM - 11:00 AM PST TUESDAY

Get Dennis' insights on the legal maneuvers he has been deployed to successfully deal with problem tenants who do not pay rent, cause a nuisance, damage property, or incur other types of lease infractions, and the strategies YOU can make use of TODAY to increase recovery of past due rent or evict your "bad actor" tenants! By joining us, you can gain an in-depth understanding of your rights as a rental property owner in today's seemingly "upside down," over-regulated world.

[CLICK HERE](#)

Tuesday, June 18, 2024 | 11:00 AM

The Southland's Top Property Managers:

"LESSONS LEARNED: AVOIDING THE PITFALLS OF PROFESSIONAL PROPERTY MANAGEMENT"

MICHAEL FIORINA
CEO, TOTAL COMMERCIAL REAL ESTATE, INC.

MATT WILLIAMS
PRINCIPAL, WILLIAMS REAL ESTATE ADVISORS

KYLE CROWN
PRESIDENT, LOS ANGELES PROPERTY MANAGEMENT GROUP

ISMA VARGAS
CHIEF FINANCIAL OFFICER, WEST 8 ASSOCIATES

REGISTER NOW

TIME TO SELL? THE LATEST STRATEGIES FOR 1031 EXCHANGES IN TODAY'S ECONOMY

JUNE 18, 2024 @ 11:00 AM - 12:00 PM PST TUESDAY

Join us to hear about some of the "good, bad, and ugly" situations these professionals have faced, and how they deal with difficult situations on a day-in and day-out basis. Learn the insights and best practices for collecting rent owed, steering clear of rent application fraud, dealing with demanding / complaining tenants, addressing habitability and maintenance issues, avoiding fair housing claims, creating opportunities for revenue growth in a little or no growth environment, and so much more.

[CLICK HERE](#)

Get Social with Us!

Follow CalRHA on social media

@cal_rha

California Rental Housing Association @cal_rha

Ballot measures can be poorly written but the November rent control ballot initiative bankrolled by Michael Weinstein and the AIDS Healthcare Foundation is downright "deceiving".

Democrat lawmakers are calling it out.

politi.co/3K8ntvf via @politico



Top California Democrats come out against rent control ballot measure

From politico.com

California Rental Housing Association @cal_rha

Los Angeles County next week will reopen applications for its rent relief program for landlords impacted by the COVID-19 pandemic.

Don't miss it! The application period will open next Monday (5/20) at 9 a.m. and continue until 4:59 p.m. June 4.



Los Angeles County to reopen rent relief program applications for limited time

From whittierdailynews.com

California Rental Housing Association @cal_rha

CA's #AB2216 pet bill isn't just about pets in rental homes. Insurance companies are telling housing providers that certain dog breeds could ban them from getting home insurance in California.

sfchronicle.com/california/art... via @sfchronicle



How your dog's breed could ban you from getting home insurance in California

From sfchronicle.com

California Rental Housing Association @cal_rha

Requiring rental housing providers to allow pets is a complicated matter, here's what @nvpoa1 Board President had to say about #AB2216.



THE NORTHSTATE'S NEWS **NE BEDROOM**

#7 | CA PET BILL POSSIBLE IMPACTS FOR PROPERTY OWNERS

NORTHSTATE PROPERTY MANAGEMENT OFFICIAL SHARES HIS THOUGHTS

For Internal Use Only 0:02 / 0:48