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Dear Property Owner:

A statewide ballot measure that would allow permanent rent control on all types of housing – including single-family homes, individually-owned condos and townhouses – has been certified for the Nov. 6 ballot.

The measure, which will appear as Proposition 10, would repeal the Costa-Hawkins Rental Housing Act, the most important landlord-protection law in California.

For over 20 years, Costa-Hawkins has shielded landlords like you from onerous, backward forms of rent control.

In addition to exempting single-family homes, individually owned condominiums and townhouses from rent control, the act allows landlords to reset rents at market rates after a change in tenancy.

Without Costa-Hawkins, cities will take away this right, leaving landlords in rent-controlled jurisdictions unable to ever reset rents to market levels and reap the rewards of their investment.

With extreme forms of rent control permitted, cities without rent control today are more likely to adopt the policy – and in its most radical form. Communities throughout California would face unworkable rent regulations like those imposed on San Francisco and Santa Monica in the 1980s.

Unable to endure the burdens of extreme rent control, many existing landlords, including seniors whose retirements hinge on their rental income, will exit the rental housing business. Those who sell will likely lose equity, as rent control reduces values on affected properties by up to 20 percent.

Without Costa-Hawkins, rent control will also be applied to new housing, a move that would bring construction of new rental housing to a halt and exacerbate California's ongoing housing crisis.

The California Apartment Association and its campaign committee, Californians for Responsible Housing, is committed to defeating Proposition 10, but we will need help from rental property owners like you to do it.

Repeal proponents, largely bankrolled by anti-growth activist Michael Weinstein, are prepared to spend more than \$30 million to pass their measure.

Weinstein's camp will rely on misinformation to win, telling voters that repealing Costa-Hawkins will help solve California's housing crisis. Although it's a fallacy, their message has already resonated with voters. Rent control activists this spring collected more than half-million voter signatures to secure a place on November's ballot.

Our campaign must set the record straight, conveying that extreme rent control would bring construction of rental housing to a halt, making matters much worse for renters.

Help us protect the Costa-Hawkins Act and keep California's rental housing market viable.
Join our campaign and consider making a financial contribution today.

(see back page for Q&A)

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- Check Voter Registration Status
<https://voterstatus.sos.ca.gov>
- Not Registered to Vote?**
Register Online
<https://registertovote.ca.gov>
- VOTE EARLY and Register to Vote-by-Mail
<https://covr.sos.ca.gov>

REGISTER to VOTE TODAY and join the campaign to help preserve Costa-Hawkins!



1 REGISTER TO VOTE ONLINE

<https://registertovote.ca.gov>

2 VOTE EARLY & REGISTER TO VOTE-BY-MAIL

<https://covr.sos.ca.gov>

3 DONATE

Visit NoProp10.org and click on the "Donate" tab

RENTAL HOUSING ALERT

A new ballot initiative threatens to repeal Costa-Hawkins and bring back EXTREME FORMS OF RENT CONTROL.

Q&A: Understanding the Costa-Hawkins Rental Housing Act

What does the Costa-Hawkins Rental Housing Act do?

The Costa-Hawkins Act protects property owners of all sizes from extreme, local rent control measures. This protection prevents local governments from regulating and setting rents on single-family homes, individually owned condominiums and townhouses. The Act also requires all rent control ordinances to allow a rental property owner to set the rent at market rate once a tenant moves out and a new tenant moves in, a policy known as vacancy decontrol. The law also prohibits local governments from regulating the price of rents on rental units built after 1995.

How does the ban on “vacancy decontrol” protect landlords?

Vacancy controls are a form of extreme rent control, which was found in cities such as San Francisco and Santa Monica in the 1980s. When vacancy controls are in place, owners of rent controlled housing are forever prohibited from resetting rents to market rates, even after changes in tenancy. The state banned vacancy control in 1995 through Costa-Hawkins, allowing landlords to bring rents to market rates after a tenant moves out, even in rent controlled cities.

How does the current law protect small owners?

California law prohibits rent control on single-family homes and individually owned condos. These types of units are common investments among independent rental owners and often supplement fixed incomes during retirement. Applying rent control would impose a complicated bureaucracy on small owners and undercut their ability to reap the financial rewards of property ownership.

My city doesn't have rent control. Why should I care about the Housing Freeze initiative?

In today's political climate, all communities are vulnerable to rent control, which has emerged as a popular approach to address rising rents. In 2016 and 2017, the California Apartment Association fought rent control ballot measures in seven Northern California cities. While voters rejected rent control in most jurisdictions, rent control won passage in two municipalities: Mountain View and Richmond. Efforts are now underway to place rent control before voters in several cities in the Los Angeles region, and tenant groups continue to pursue rent control measures in Northern California. Under current market conditions, the threat of rent control looms in every corner of California. Passage of the statewide Housing Freeze would energize tenant groups and propel their movement to spread rent control statewide.

Please help us preserve this critical law for California's rental housing industry.

Visit NoProp10.org and join the campaign.

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