

CALIFORNIA STATE UNIVERSITY, NORTHRIDGE

The Rent Stabilization Ordinance– Impact on Evictions

A graduate project submitted in partial fulfillment of the requirements

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By
Drew Vazinpour

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The graduate project of Drew Vazinpour is approved:

Dr. Rhonda Franklin

Date

Dr. Henrik Minassians

Date

Dr. Anais ValiquetteL'Heureux, Chair

Date

California State University, Northridge

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Abstract

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By

Drew Vazinpour

Master of Public Administration in Public Sector Management and Leadership

This research proposal seeks to fill a research gap relating to the effects of rent-control laws on the rate of evictions. The research will focus on the Los Angeles iteration of rent-control known as the “Rent Stabilization Ordinance” (“RSO”). The law prevents landlords from evicting tenants unless one of the fourteen legal reasons for the eviction are cited. It is possible however, that overzealous landlords, with the assistance of professional eviction lawyers, are exploiting loopholes that exist in the law. Using publicly available Unlawful Detainer court filings, this study will determine if the RSO had any effect on the rate of evictions. If the rate of evictions in units under the jurisdiction of the RSO is lower than their non-RSO counterparts, then the law has been successful in curbing the rate of evictions. If the rate of evictions is similar, then revisions to the RSO must be made. The potential results of this study can be utilized by policymakers and administrators throughout the country when formulating housing laws with the purpose of controlling rents, while also protecting tenants from evictions.

Introduction

As gentrification sweeps across the City of Los Angeles, and many other big cities across America, high rent prices are causing longtime residents to move out in search of more affordable housing. Historically working class and ethnic neighborhoods, such as Boyle Heights, Koreatown, and South Los Angeles, are seeing a major demographic shift as the effects of the new rental market take hold. Business savvy real estate developers and investors are purchasing properties previously run by novice property owners with the ultimate goal in mind of evicting current residents, so that they can establish a new (and higher) rent amount. Tenants who are evicted as a result will likely have difficulty finding a dwelling that is of similar price, and may be forced to move to more affordable areas, or even become homeless. The current housing crisis has reinvigorated the age-old debate about the government's role in the rental market. As property values increase, so do the evictions of apartment tenants who live in working class areas. Evictions are the forced displacement of residents in rental units (Paton, 2017). There are various causes for evictions, but economic hardship, and gentrification are the most prominent. Cities may enact rent-control laws to help slow the rate of evictions and to provide additional rights to tenants who live in rent-controlled units. Government intervention into the housing market may frustrate landlords that seek to collect higher rent payments. As a result, the landlord may seek to evict their current tenants so that a higher rent amount can be collected from the new tenants. This paper will review the historical background of rent-control, as well as the current issues that may arise as the result of rent-control, particularly the impact on evictions. A comprehensive study on this topic will assist lawmakers in the authoring, and

implementation of future rent-control laws. Using reputable literature on the topic, a comprehensive analysis will be conducted.

Background of Rent Control

Rent-control is a legislative attempt by the government to control skyrocketing housing costs through means of controlling base rent amounts, rent-increases, and eviction protection. It is a highly controversial governmental response to the housing crisis, and the effectiveness of such policies is up for debate.

The primary culprit that can be attributed to rising housing costs in urban areas is “gentrification”, which refers to the influx of investment from individuals from a higher socioeconomic status into neighborhoods with individuals from a lower socioeconomic status. The first waves of gentrification in the 1960s and 1970s involved the rehabilitation of downtrodden homes and apartment buildings (Freeman and Schuetz, 2017). The first instances of rent-control arose during World War II as government officials feared the return of troops abroad would have a disruptive effect on the rental market, since an increased demand in a product usually results in the price for the product also being increased. In 1962, Governor Rockefeller of New York signed a bill mandating the city to implement rent-control. Rent-control peaked in the 1970s during a period of high inflation. Although many localities have abolished rent-control, rent-control still exists throughout the United States (Kaushik and Emerson 2000). Faced with increasing competition over land-use, consumer demands, finite environmental resources, economic vitality, and issues relating to quality of life, several cities in the United States have decided to use a “sustainable community” strategy of implementing rent-control, vacancy decontrol, and/or rent stabilization laws (Riposa, 2004).

Following the recession of 2008, “mom and pop” landlords started being replaced by business savvy, aggressive property investors who have a vested interest in evicting

tenants from their units for purposes of renovating, or rebuilding the property. The Los Angeles Housing and Community Investment Department (“HCIDLA”), defines “Mom and Pop” owners as landlords who own “no more than four residential units in the City of Los Angeles (LAMC 151.30 E). Once the property has been adequately rebuilt or renovated, the new property owners intend to rent the available units at a much higher rate. Therefore, there is an incentive for the new property owners to either raise the rent on existing tenants, or evict them entirely. Unlike Mom & Pop landlords, well-connected real estate developers have access to resources that help them circumvent the RSO, including attorneys. Hoping that the tenants do not file a complaint with the Housing Department, aggressive landlords serve tenants with 3, 30, 60, or 90 day notice, and then immediately serve the tenant with an Unlawful Detainer lawsuit. This paper will examine the unintended consequences of the RSO, and government intervention into the rental market, including harassment, and Unlawful Detainer evictions.

To help address the expanding issue of gentrification and rising rents, the City of Los Angeles has enacted its own version of rent-control with the “Rent Stabilization Ordinance (“RSO”). While not “rent-control” in its classical sense, the RSO seeks to “stabilize” rent prices in the city by: controlling evictions, capping rent increase amounts, and by providing relocation assistance for tenants who are evicted due to no fault of their own. The RSO only applies to multiple family dwellings that were constructed before October 1978, and to unapproved, illegal dwelling units, while the Costa Hawkins act applies to other units. At its core, the RSO gives tenants protections from illegal rent increases, and evictions, while also preserving some landlord rights. The RSO is a controversial law, especially among property owners, landlords, and/or property

management companies. Some have questioned the effectiveness of the RSO in stabilizing rent levels, and protecting tenants from evictions.

Review of the Literature

Public policy relating to the rental market is usually shaped by the economic conditions of the neighborhood, town, city, or state in question. The term most often seen in digesting research on the rental market in an area is “gentrification”. This section will explore what gentrification is, and how it relates to housing policy. Subsequently, a review of research relating to the importance of affordable housing, rent-control, the economic recession of 2008, and the RSO will be conducted.

Gentrification

In essence, “gentrification” refers to the influx of investment from individuals from a higher socioeconomic status into neighborhoods with individuals from a lower socioeconomic status (Freeman and Schuetz, 2017). Racial and ethnic minorities are most affected by gentrification. The first waves of gentrification in the 1960s and 1970s involved the rehabilitation of downtrodden homes and apartment buildings (Freeman and Schuetz, 2017). Since then, gentrification has accelerated, with wealthy private developers building housing for wealthier families, in poor or formerly poor neighborhoods. Gentrification can have both positive and negative effects: it contributes to the revitalization of depressed communities, increases neighborhood diversity (race, ethnicity, and income). Conversely, gentrification can increase rent to a point that a neighborhoods native residents will be pushed out (Lubell, 2016). The result of gentrification is higher property values for homeowners, but also higher rents for tenants, many of whom are at-risk (Freeman and Schuetz, 2017). Neighborhoods that were relatively affordable for renters become completely out of reach. The end result of

gentrification is a shrinking working class in cities, as families move to suburbs (Lubell, 2016).

The driving factors for the revitalization (gentrification) of a neighborhood by newcomers (or existing residents) is the investment potential of that neighborhood. Strategies to promote certain neighborhoods or towns are commonplace, and can cause increased private investment, particularly in housing. Although neighborhood revitalization represents great potential, governments can often struggle with how to handle a shrinking middle class as higher-income families move back to the cities (Jackson, 1993). Once investment opportunity is realized, the neighborhood will see an influx of capital by investors. Fancy restaurants, coffee shops, expensive condos, and trendy retail stores are commonplace in gentrified areas. As the neighborhood becomes more attractive to wealthier individuals, they begin to move to that neighborhood, which causes rent prices to skyrocket (Lubell, 2016). The increased demand for housing places upward pressure on the housing market, and leads to the displacement of existing residents (Herrine, Yager and Mian, 2016).

Importance of Affordable Housing

The central issue behind rent-control is the importance of affordable housing in a community. Affordable housing is classified as housing that is affordable to families with median household income (Bhatta, 2010). In Canada, affordable housing is classified as “affordable dwellings cost less than 30% of before-tax household income” (Sutton and Anderson, 2013). Housing affordability is important to the overall health of communities because it ensures families of all socio-economic levels have access to the same opportunities and services as those in higher-income brackets, such as schools, careers,

transportation, child-care, etc. (Weiss, 2003). Cities that place importance on preserving economically diverse neighborhoods while providing affordable housing for lower socioeconomic residents should enact policies that promote the preservation of affordable housing (Herrine, Yager and Mian, 2016).

Tenant Protections of Rent-control

Rent-control laws place a limit on rent increases that may be assessed by a landlord. Rather than placing an absolute cap on rents, most forms of rent-control allow for modest, incremental rent increase. The amount of allowable rent increases is determined by a body of experts, and is typically adjusted annually, depending on economic conditions. (Herrine, Yager and Mian, 2016). “Tenancy rent-control” has become the preferred policy of larger cities. Tenancy rent-control allows the landlord to establish a new rent amount when an existing tenant moves out of the unit. A new tenant will have the opportunity to accept, or reject the new rental amount. Once the tenant has moved into the unit, rent increases and evictions are subject to regulation, similar to classic rent-control. (Basu, Emerson, 2003).

History of Rent-control

“Rent-control” is the most viable solution to the issues with gentrification and evictions outlined above. Faced with increasing competition over land-use, consumer demands, finite environmental resources, economic vitality, and issues relating to quality of life, several cities in the United States have decided to a “sustainable community” strategy of implementing rent-control, vacancy decontrol, and/or rent stabilization laws (Riposa, 2004). The first instances of rent-control arose during World War II as government officials feared the return of troops abroad would have a disruptive effect on

the rental market. Since an increased demand in a product usually results in the price for the product also being increased. In 1962, Governor Rockefeller of New York signed a bill mandating the city to implement rent-control. Rent-control peaked in the 1970s during a period of high inflation. Although many localities have abolished rent-control, rent-control still exists throughout the United States. Rent-control has become a divisive issue in communities that are experiencing gentrification of impoverished or culturally significant areas (Basu and Emerson, 2000).

Rent-control as Public Policy

Governmental intervention into private housing transactions is a controversial public policy that requires a massive bureaucracy. City governments with rent-control laws devote entire departments toward enforcement of the law. This includes clerical staff, investigators, managers, department heads, and determination units. Rent-control departments are funded by modest fees charged to landlords. A strong “tenants’ rights” movement within a city can help to spearhead rent-control legislation (Beitel, 2013). Rent-control can be an important piece of legislation in most places, but it is of particular importance in urban areas, because of the low homeownership rates. Homeownership rates in urban areas usually hover around 10% (Hilber and Schoni, 2016). Rent-control protects tenants from abusive landlords who desire to evict tenants for no reason other than their own personal gain. Rent-control prevents landlords from rescinding a tenancy just so they can obtain a more advantageous contract from a higher-earning person, or to make their property more attractive to potential buyers. Furthermore, a tenant’s change in family status (having children, marriage, etc.) should not be sufficient grounds to evict that tenant (Hilber and Schoni, 2016).

Unfortunately, attorneys who specialize in evicting tenants have learned the ins and outs of local rent-control laws, and have exploited any and all loopholes that exist. For example, the City of San Mateo, located in the “Silicon Valley” of California, is currently experiencing intense gentrification. Law firms specializing in evicting tenants, like the “Professional Eviction Services” firm, advertises their specialization in evicting tenants, and working around rent-control laws. “When you need to clear your home, apartment, or commercial property of its tenants, search no further than our tenant eviction service company...” their website boasts (Smooke and Ruiz, 2015). Administrators will be able to use the data collected in the foregoing study to close the exploitable loopholes used by companies like the Professional Eviction Services firm.

Effects of Rent-control

The effects of rent-control laws’ impacts on eviction rates are at the core of this study, but there are other results that stem from rent-control. Proponents of rent-control argue that, price control for rental housing will increase the supply of affordable housing in an area (Radin, 1986). Rent-control redistributes wealth from the landlords, to the tenants, and gives tenants additional rights that they would not have in a non-rent-controlled unit (Ross and McDonald, 1997). Some people argue that the preservation of a tenant’s home carries more moral weight than the preservation of one’s business; therefore the minor pain experienced by the business owner is insignificant relative to the benefits experienced by tenants (Radin, 1986). In addition to protecting tenants from exorbitant rent increases, protections must be in place to prevent tenants from being evicted for no reason of their own. If a landlord recognizes potential to increase their profit with a new tenant, a landlord could issue the current tenant a 30 or 60-day notice to

vacate, without citing a reason why. Rent-control will compel landlords to cite a reason for eviction. If the reason for eviction is not the fault of the tenant, then the landlord will be liable to provide the tenant relocation assistance, or money to cover moving expenses.

Opponents of rent-control argue that it: deters new developments, leads to the abandonment of units, promotes “owner occupancy” (landlords moving into a unit on their property), discourages maintenance, creates a hostile relationship between tenants and landlords, and reduces mobility for tenants who may otherwise move (Ross and McDonald, 1997). Further, since landlords are limited in the amount of rent-increases they can issue, a landlord may be tempted to set initial rents much higher than they ordinarily would have (Basu and Emerson, 2000). The effects that rent-control has on tenant mobility is often overlooked (Clark and Heskin, 1982). A tenant who is occupying a rent-controlled unit may be less likely to accept a higher paying job in another city due to the low rent that they are enjoying in their present unit (Wasi, et al. 2005). Therefore, tenants who are currently enjoying low rent payments will choose not to move out of their current unit, even if it is in their best interest to move.

Another argument is that rent-control may cause landlords to use the increased housing demand caused by rent-control to be more selective when choosing tenants. Landlords may opt for a certain type of tenant; one who may not stay in the unit for too long (Basu and Emerson, 2003). This effect is known as “efficiency pricing”. Landlords prefer tenants that are less likely to stay in the unit for a long period of time, and prefer not rent to long-staying tenants. The latter tenant would benefit more from the limits on rent increases that rent-control laws provide. This comes at the financial expense to the landlord (Basu and Emerson, 2003).

Arguments regarding the economic effects of rent-control often boil down to the following philosophical question: If the relative value of real estate in an area increases, should rent prices increase at the same rate (Hanly, 1991)? Or should rents not be affected by rising home prices, thus creating a black market, increased harassment, and “cash for keys” payments (Ross, McDonald, 1997).

Financial Concerns

Landlord profit is another concern of rent-control critics. The reduction of landlord profits became an intense political debate in 1968 after landlords were charged with seeking exorbitant rent (Clapp, 1976). The reductions in the profits of landlords erupted in another political debate in 1968, when landlords of uncontrolled buildings (most of were built after 1947) were charged with seeking excessive rent (Clapp, 1976). In response, pro-landlord organizations like the Metropolitan Fair Rent Committee and the Real Estate Board of New York started a anti-rent-control campaign to show what they felt were the adverse effects of the law. They argued that rent-control contributed to the deterioration of the housing market in New York. The city had faced issues with abandoned housing, reduced tax revenue, and a decrease in new housing construction. According to a well-known economic model which represents a competitive market that is in equilibrium indicates that if a good or service is priced below the market rate, then the quantity of the product will go down, and demand will be increased. As a result, landlords feel less inclined to provide quality service to their tenants (Radin, 1986).

Rent-control introduces a foreign, bureaucratic element to the housing market by creating a disincentive for members of a household to move. In fact, rent-control creates a situation for which the most effective way to benefit from the law is to stay in the same

apartment unit for as long as possible, since rent increases are strictly controlled, regardless of external housing market activity. Further, once a tenant is inside the unit, rent-control makes evicting that tenant more difficult than in non-rent-controlled units. As a result, demand for rent-controlled units significantly outpaces supply, leading to very low residential vacancy rates in urban areas (Hilber and Schoni, 2016). As rent-control makes rental units more attractive to individuals, it may also result in decreased home values.

The Great Recession of 2008

As discussed above, economic conditions have a large impact on the housing and rental markets. 2007 was the peak of the housing market. From there, housing prices fell by about 30% in a span of two years (Sullivan and Power, 2013). Millions of homeowners suddenly found themselves “upside down” (negative equity) on their mortgages. This led to high unemployment rates, which caused existing homeowners to lose their homes. The 2008 recession saw a sharp 5% decrease in homeownership rates. To mitigate the effects of the recession, the U.S. government adopted several new housing policies to make it easier for first-time home buyers to purchase a home. For example, from March 2015 onward, Fannie Mae and Freddie Mac allowed first-time homebuyers to lower their down payments from 5%, to 3%. The Federal Housing Administration also lowered its annual mortgage insurance premium by 0.5%. Given these steps to quell the trend of homeownership, the downward trend is continuing. In fact, homeownership rates began to decline between 2004 and 2005, several years before the 2009 recession. The trend is similar to that of the United Kingdom. The decline in homeownership implies an increase in the demand for rental units (Hilber and Schoni,

2016). The City of Los Angeles had the foresight to anticipate such market instability, and enacted its' own version of rent-control.

The Rent Stabilization Ordinance

In August 1978, during a period of a severe housing shortage, the Los Angeles City Council adopted Ordinance No. 151,415, which is now known as the Rent Stabilization Ordinance, or "RSO". The RSO sought, and still seeks to "stabilize" the city's skyrocketing rental prices. The RSO only applies to multiple family dwellings that were constructed before October 1978, while the Costa Hawkins act applies to other units. At its core, the RSO gives tenants protections from illegal rent increases, and evictions (Levy, et al., 2007). Under the RSO, a landlord may only give a 3% rent increase, with an additional 2% if the landlord pays for utilities; these numbers can change year to year. Further, rent increases may only be imposed once every 12 months. Under the RSO, a tenant may only be evicted for fourteen specific reasons. The reasons for eviction are divided into two categories: tenant at-fault, and tenant not at-fault evictions. Nonpayment of rent, causing a nuisance, illegal activity, and breach of lease are the main reasons for a tenant at-fault eviction. On the other hand, if a tenant is evicted for no fault of their own, due to: landlord occupancy, the Ellis act, a government order that compels residents to vacate, etc., then the landlord must pay the evicted tenant relocation assistance fees. The fees can range from \$8000 to \$20,000, depending on the situation. Landlords who refuse to comply with the ordinance may be subject to City Attorney prosecution (Los Angeles Municipal Code). A common issue between tenants and landlords in rent-controlled units is harassment. Landlords who are unable to evict tenants for one of the 14 legal reasons for eviction may resort to other tactics to cause

tenants to move out; including harassment. At this time, the RSO does not contain any provisions regarding harassment (Levy, et al., 2007). Similarly, landlords who are dissatisfied with a tenant may be less inclined to perform the needed maintenance on their property, or in the tenant's unit, which compounds the problem in the long-run.

The RSO requires a large bureaucracy to successfully implement. There are approximately 631,000 units in the city of Los Angeles that are subject to the RSO. First, an entire department within HCIDLA is devoted to identifying properties and/or individual units that are subject to the RSO. Determining RSO jurisdiction sometimes requires extensive research into construction permits, certificate of occupancies, maps, and city planning records. Once it is determined that a property or unit is under RSO jurisdiction, the property owner is required to pay a yearly fee to HCIDLA; a portion of this fee can be passed down to Tenants. Landlords are mandated to post a notice in a communal area of the property, notifying tenants that their tenancy is protected by the RSO. Landlords who fail to post the notice can be subject to penalties. The publicly displayed notice also contains instructions on how to file a complaint with HCIDLA if they feel the RSO has been violated by their landlord. RSO complaints are fielded by HCIDLA clerical staff, and disseminated to "Housing Investigators" The Housing Investigators look into the complaint to determine if the RSO has been violated. In eviction cases where a tenant is not at-fault (landlord occupancy, Ellis Act, and illegal unit evictions), landlords are referred to the "Landlord Declarations" department, where they must file the proper forms in order to have the eviction approved. Once approved, the department will facilitate calculations to determine the amount of relocation assistance money the landlord must provide their tenant before evicting them. If the

declaration is not approved, the eviction notice will be found to have violated the RSO (HCIDLA).

Alternatives

Two possible alternatives to reforming the current rent-control system are establishing a “maximum base rent” program, and “vacancy decontrol”(Keating and Kahn2002). A maximum base rent program requires a large governmental bureaucracy to properly implement, but would calculate a tenant’s rent while accounting for a landlord’s total costs (taxes, expenses, mortgage). The idea behind a maximum base rent program is to ensure landlords receive a fair return on their investment. This approach could also stop help prevent landlords who are not making a profit on their property from abandoning the property altogether, while also improve living conditions in a tenant’s unit. On the other hand, vacancy decontrol is much easier to administer. The idea behind vacancy decontrol is that, once a tenant vacates a unit, the unit becomes temporarily exempt from the rent-control law. A landlord will be permitted to re-establish the next tenant’s base rent. This approach benefits existing tenants, but do not help new arrivals to an area (Keating and Kahn2002). The RSO utilizes principles of vacancy decontrol; once a tenant vacates their unit, the landlord is free to set a new rental amount for the subsequent tenant.

Research Gap

In reviewing the literature conducted on the topic of rent-control, there appeared to be a lack of studies conducted focusing on the rate of evictions in rent-controlled units. The majority of literature focuses on housing affordability, economic impacts of rent-control, actual rent levels, or what the policy of rent-control seeks to achieve. Evictions

are often left out of rent-control analysis or commentary. As such, a gap exists in the literature with regard to concrete eviction data. This study seeks to close that research gap with statistical data relating to evictions.

Aim

Does legislation such as the RSO have any effect on protecting existing tenants from eviction? The aim of this project is to compare and contrast the rate of evictions before and after the implementation of the RSO in 1979, as well as the rate of evictions in rent-controlled vs. non-rent-controlled properties. It will provide a glimpse into the effectiveness of anti-eviction policies such as the RSO. The minimal amount of studies that are currently available on the eviction rates in rent-controlled units coupled with the abundance of readily-available information on the topic will make for a fruitful and substantive study.

Research Design

Before presenting the data that will be used in the study, the researcher must outline the unit of measurements that the study will be based on, and the significance of the data. The researcher must also explain how this data will be measured. Once the unit of measurement has been thoroughly detailed, the researcher can then explain how the data will be collected, and the sources the data will be collected from. It is critically important to the study that the data being used has validity, and can be used to make a scientific determination. Finally, the researcher must point out the limitations of the study. Providing some self-criticism will foster more credibility in the researcher, and will make for a more persuasive study.

The primary unit of analysis for the study will be Unlawful Detainer court actions, and their disposition. In order to procedurally evict a tenant from a unit, the landlord must initiate an Unlawful Detainer (eviction) action. Before a tenant can be evicted, they must be served with an eviction notice; the Unlawful Detainer will be based upon this notice. These notices can be either: 3-day notice to pay rent or quit, 3-day notice to perform or quit, 60-day notice to quit, or a 90-day notice to quit. If a tenant has not vacated the unit following the expiration of the eviction notice, then the next step for a landlord would be to initiate the Unlawful Detainer action. Both parties (tenant and landlord) are given the opportunity to present their case in court. After the trial, a legally binding resolution will be rendered, this can be achieved through court order, or stipulation. If a tenant does not comply with a court order to vacate the unit, law enforcement may forcibly remove the tenant from their unit (HCIDLA). Unlawful Detainer information can easily be obtained by the researcher.

Method

The Unlawful Detainer documents will allow the researcher to use quantitative measurements to thoroughly contrast the rate of evictions in both RSO and non-RSO units. Unlike many other rent-control studies, statistics on rent levels will not be addressed in this study. Information and data relating to evictions can be procured directly from the Los Angeles Superior Court. Obtaining statistics on Unlawful Detainer court filings will be the most reliable information relating to evictions that is presently available. In addition court filings are a primary source that will require no public outreach to obtain the information. Using mailers, surveys, cold-calls, or other secondary data sources would be less reliable for obtaining data regarding evictions due to the inherent biases that a tenant may have toward their former landlord.

Once an adequate amount of quantitative data is gathered, the researcher will scrutinize and interpret it. First, the researcher will determine if the rate of eviction differs in properties that are subject to the RSO vs. properties that are not. One of the stated purposes of the RSO is to help tenants remain in their units; if the rate of evictions in RSO properties is higher than the rate of evictions in non-RSO properties, then the RSO has failed in one of its primary objectives. A higher rate of eviction could be attributed to the adversarial relationship that rent-control causes between landlord and tenant. If the rate of eviction is lower, then the RSO has been successful in part of its quest to protect tenants. Using this approach has external reliability because the RSO is similar to rent-control initiatives implemented in other large cities, and the City of Los Angeles is an economically diverse city. In other words, this study can be used by other cities to predict the impact that rent-control would have on their housing market.

Data Collection

Before extrapolating data on evictions, the researcher must first determine the number RSO and non-RSO properties within the City of Los Angeles. This information is available through HCIDLA, and the Department of Building and Safety (“LADBS”). This information will be critical when calculating eviction rates, and trends. If this information is not available online, the researcher will submit a public records request to both these departments to obtain statistics on the rental market in Los Angeles. The Los Angeles Superior Court maintains comprehensive records of all trials, including the docket, in-court proceedings, documents filed, and judgments. The only way a landlord can fully evict a tenant is through an Unlawful Detainer court action. As such, the Los Angeles Superior Court electronic records database will be a critical source of information (LASC). The researcher will utilize convenience sampling, extracting as many Unlawful Detainer filings and judgments as are available electronically. Cases will first be arranged into two categories RSO properties, and Non-RSO properties. Then, each case will be organized by type of eviction (3-day to pay rent or quit, 3-day to perform or quit, 30 day to quit, etc). The number of evictions will then be compared to the number of respective properties (RSO and non-RSO) in the city; thus allowing the researcher to properly analyze the trends as a percentage. If available, Unlawful Detainer filings from before and after the RSO was implemented in 1979. The researcher will use that information to see if there were any noticeable changes in evictions following the implementation of the law. The collection of pre-1979 court records would require the researcher to work with the Los Angeles County Hall of Records to obtain hard-copies of Unlawful Detainer documents. Although these documents are technically accessible, they

may be less feasible for the researcher to collect an adequate amount of records necessary to properly analyze. Therefore, the researcher should focus data-collection efforts on more contemporary Unlawful Detainer filings.

Validity

Of course, there are other factors that can influence the rate of evictions in a city like Los Angeles, including but not limited: economic conditions, population, housing availability, drugs, etc. These variables will be accounted for in the final analysis, however, these variables should not interfere with the rent-control vs. non-rent-control analysis since a review of both property types can be conducted concurrently.

Internal validity refers to the “approximate validity with which we infer that a relationship between two variables is causal or that the absence of a relationship implies the absence of cause” (Jimenez-Buedo and Miller, 2010, p. 302). In this case, there will be a clear causal link between since the variables between RSO and non-RSO units are identical. The only difference between the two variables is the law governing each respective housing unit. Therefore, the researcher will almost immediately be able to determine if the RSO has any effect on the rate of evictions.

On the other hand, external validity refers to the “approximate validity with which we can infer that the presumed causal relationship can be generalized to and across alternate measures of the cause and effect and across different types of persons, settings, and time” (Jimenez-Buedo and Miller, 2010, p. 302). In sum, external validity refers to the generalizability of the study. Since the RSO contains many similarities to other rent-control policies throughout the country, this study can be repeated in any location that has

the following items: units that are not subject to a rent-control law, units that are subject to a rent-control law, and a court system with public filings.

Research Limitations

Using court records to measure eviction rates does not account for evictions and/or buyouts that are carried out without going through the Unlawful Detainer process. Once a landlord decides that they want to evict a tenant, there are several possible outcomes that can transpire. First, a landlord may offer the tenant money (“cash for keys”) in exchange for the tenant voluntarily vacating the property. Although Landlords are supposed to submit an application to HCIDLA prior to submitting the buyout offer, these types of transactions can be done completely off the record, without HCIDLA involvement. Further, information relating to buyout agreements that do follow the required steps are not publicly available (Levy, et al., 2007).

Tenants who are served with an eviction notice may vacate their units prior to the expiration of the notice; unaware of the protections that rent-control affords them. Even if an eviction notice is not in compliance with the RSO, a tenant may choose to voluntarily move out in order to avoid conflict with their landlord, and avoid possible court proceedings. As with buyout transactions, tenants who voluntarily vacate their units pursuant to an eviction notice are not accounted for in measurable data and cannot be analyzed through primary sourced information.

Opting for primary sourced data rather than anecdotal information may not be beneficial to the researcher’s ability to measure the quality of the tenant and landlord relationship overall. Tenant and landlord testimony regarding incidents that may have led to the culmination of the relationship, an eviction, may only be obtainable through direct

interviews. Even though the tenant landlord relationship is central to this study, it is mostly ancillary information. The rate of evictions can more accurately demonstrate the landlord tenant relationship.

Discussion

Ethical Considerations

Since public court filings comprise of the vast majority of the data being compiled in this research, the ethical risk of the project are minimal. Evictions often impact vulnerable populations, so as a concession to the various parties involved in Unlawful Detainer actions, the names of those parties will be removed from the presentation of the data. Because primary data is being collected, a protocol for the collection of the data will be submitted to the CSUN Institutional Review Board.

The study is based primarily on raw statistical data, so the risk of confirmation bias by the research is very low. Of course, the data used in compiling the research shall be made available to the reader to ensure that the researcher did not omit information that may be contradictory to their thesis. To promote consistency, it will be necessary for the researcher to include data from a variety of RSO and non-RSO rental-units from all areas of Los Angeles. Compiling data from units of varying price-levels will be important as well.

Policy Impact

The lack of an adequate study into eviction rates of rent-controlled and non-rent-controlled units within one particular city will make the study critically important for policymakers. It may also have implications for existing and future housing policies. Given that apartment units are separated by RSO and non-RSO jurisdiction, the city of Los Angeles is the perfect forum to conduct such a study. A robust analysis into the effects that the RSO has on evictions will help inform policymakers about the effectiveness of the RSO as it relates to evictions. The policymakers can the use the

information to make the necessary changes to the law, especially department heads at HCIDLA. If the study concludes that the RSO does not decrease eviction rates, then it may be a sign that the anti-eviction provisions within the RSO need to be modified or strengthened. Similarly, the study will likely be reviewed by policymakers in neighboring areas who are having doubts about their current housing policies, or are pondering the implementation of their own version of the RSO.

Repeatability of This Study

The components of this study can be duplicated in any geographic location in the United States where a portion of rental units are subject to a rent-control law. Publicly available court records involving Unlawful Detainer actions are also necessary. This study is ideal for duplication because it analyzes easily obtainable, reliable data, and has a minimal amount of variables to account for. In other words, variations of this study may be conducted in any location that meets the above listed criteria.

Conclusion

Gentrification and the availability of affordable housing in the city of Los Angeles is an ongoing battle. Existing tenants in gentrifying neighborhoods are constantly feeling pressure to move out through rent-increases, petty comply-or-quit notices, harassment, diminished housing services, constant unit inspections, and unlawful eviction attempts. A discrepancy exists between savvy housing developers who are equipped with eviction-lawyers, and the tenants who have modest means of legal protection. Rent-control laws need to provide tenants with protections against both exorbitant rent increases, and evictions in order to curb the rate of gentrification. The Rent Stabilization Ordinance contains two such provisions; but do they have any impact on the rate of evictions?

The proposed study will answer many of the aforementioned questions about RSO eviction-protections in an efficient and streamlined manor. While the data-collection process for the project will be simplistic in nature, it will provide the researcher with the essential information to make an educated determination on the policy. There are, however, limitations to the study that the research must account for; including, but not limited to: undocumented tenant buyout agreements, and tenants who move out of their units prior to the Unlawful Detainer process. These limitations will impact both sets of data (RSO and non-RSO properties), and should not negate the overall findings of the study. In sum, this study is necessary to determine if eviction statistics between RSO and non-RSO units differ. A lower eviction rate for RSO units will be evidence that the law is achieving part of its' stated purpose. If the eviction rates do not differ, then policymakers and administrators must revise the law in order to close existing loopholes that landlords use to evict tenants under RSO jurisdiction.

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