Equitable Development Toolkit Just Cause Eviction Controls

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What Is It?

Just cause eviction controls (JCEC) are laws that protect renters by ensuring that landlords can only evict with proper cause, such as a tenant's failure to pay rent or destruction of property. While JCEC provide such protections for renters, landlords retain full right to evict a tenant for breach of rental contract. Just cause eviction controls are an important tool for promoting tenant stability—particularly in low vacancy and expensive housing markets—where landlords may be tempted to evict tenants in order to obtain higher rents.

JCEC are often coupled with rent control laws and offer an important complimentary protection for renters. Many

Vacancy Controls

Jurisdictions such as Fairlawn, New Jersey have vacancy controls that limit rental increases when rent-controlled units are vacated. Vacancy controls are often the hardest aspect of rent control to establish, even when comprehensive rent control exists.

jurisdictions allow vacancy decontrol. This allows owners to set rents at market level when a rent-controlled unit becomes vacant. Preserving rent controls and tenant protections for occupied apartments, while removing them when units are vacated can lead to unjust, or no-fault evictions. Just cause eviction controls correct this problem by ensuring that landlords have proper cause for evictions. While JCEC are often packaged with rent control, they can apply to all rental units in a jurisdiction.

How to Use it

Just cause eviction controls exist in many cities around the nation and are established by city councils or through ballot initiatives.

JCEC vary. Most ordinances:

- Apply only to owners of a building or complex that has more than a certain number of dwelling units (typically five or more units);
- Protect tenants who are in danger of eviction by a bank as part of a foreclosure case against the landlord; and
- Protect tenants who are low and fixed income, people of color, students, physically disabled, elderly (over 60), or have catastrophic illness.

Some Jurisdictions with JCEC

- Los Angeles
- West Hollywood
- San Francisco
- Chicago
- Seattle
- New Jersey
- New York
- Washington D.C.

Strong JCEC ordinances feature:

- Enforcement mechanisms. To be effective, enforcement must be tough and vigilant. The ordinance must include measures that apply strict penalties to landlords who illegally evict tenants. This can include fines to the city, money paid to the tenant(s), and reinstatement of the evicted tenant(s).
- Expedited process to deal with unjust evictions. Once an eviction is issued, tenants do not have much time to fight the eviction, usually only 30 days. A strong ordinance will offer safety nets for tenants until their cases can be reviewed.
- Community awareness. Community awareness is critical to ensure the success of JCEC. Ways of
 increasing community activity includes: Grassroots Organizing. Residents need to know their rights
 as tenants and the increased need for maintaining such controls. Grassroots educational campaigns
 are a vehicle for building a base of informed and organized tenants. Workshops. This can include
 offering legal expertise and how-to seminars.

Examples of Actions that can Lead to a Just Cause Eviction

- Failure to pay rent.
- Use of premises for illegal purposes.
- Failure to follow rules and regulations the landlord has drawn up for tenants in the building.
- Failure to meet obligations toward the property as required by state law (e.g. creating a nuisance, causing substantial damage, disturbing the neighbor's peace and quiet, or failing to keep unit clean and safe).
- Owner permanently removes apartment from the housing market.

Landlord takes apartment for use by immediate family members.

Key Players

A rent board, or other public agency, enforces JCEC. As with many laws to protect tenants, building and mobilizing a broad base of support for JCEC is critical to using and maintaining the effectiveness of this tool. In addition to renters, community organizers should enlist support from other individuals and organizations committed to affordable, mixed-income, multi-racial communities. JCEC campaigns have found outspoken allies among public officials, neighborhood associations, small homeowners, labor and tenants unions, student groups, mental health organizations, elderly groups, women's organizations, and faith-based communities. National organizations such as ACORN can also provide support to local JCEC campaigns.

Challenges

- National trend of removing existing JCEC. There has been a growing momentum to weaken any laws that appear to restrict the rights of property owners, such as JCEC and rent controls. Opponents of JCEC maintain that the housing market should not be regulated; rather that the free market is the best method of stabilizing rents. Unfortunately, too many landlords capitalize off the "free market" at the expense of existing tenants, causing displacement of low- and middle- income residents.
- Renters need to be informed of their rights. While many cities have JCEC, tenants may not be aware of these protections. Grassroots education and organizing of tenants is critical.
- jCEC need to be coupled with other tools. In order to be effective, JCEC must be used in conjunction with other tools, such as rent controls. For example, JCEC without rent control can be ineffective because landlords could increase the rent prohibitively to force out renters.

Balancing Regulation and the Market

Opponents to tenant protections often argue that the housing market will be most efficient when left unregulated. However, an unregulated rental market can only provide stable housing if there is a significant vacancy rate in the local/regional housing market; if there is production of new housing commensurate with population growth; or subsidies for lower-income households. If these conditions do not exist, a balance can be struck between regulation of rents and evictions and allocation of new investments in the development of affordable housing.

Advantages

Utilizing JCEC

- Limits ability of landlords to evict existing renters. While landlords retain full property control, JCEC
 prevent them from evicting tenants without reason. Landlords cannot legally evict tenants except for
 breach of contract.
- Protects tenants who have month-to-month leases. JCEC protect those tenants who have month-to-month leases from being evicted by landlords for the sole purpose of increasing rents. Tenants who sign short-term leases are often low-income and working families with little or no job security, so JCEC are critical for stabilizing this population.
- Slows down rapid rental increases. JCEC mitigates rapid resident turnover with the landlord increasing rent after each eviction. Since vacancy decontrol allows the landlord to raise the rent to market value once the tenant moves out, such an increase could mean the doubling of rent in order to "catch up" in areas with surging rental prices.
- Stabilizes rental floor in area. Coupled with <u>rent controls</u>, JCEC help stabilize the rental market by ensuring that evictions do not occur in order to increase rent.

Stabilizes communities. By slowing down evictions and decreasing turnover rates in an area, communities become more stable. This is particularly important in expensive housing markets.

Financing

In most jurisdictions, an administrative agency such as a rent board or an office of rent administration is established to administer and enforce laws pertaining to renters, including just cause eviction controls.

This administrative agency is usually funded through the municipality's regular budgetary process or through special funds created to maintain the operation of these agencies (such as revenue generated from administrative fees). In some jurisdictions, rent control laws require landlords to pay registration fees based on the number of rental units they own. These fees are then used to finance the operations of

Dollars For Enforcement

In order for tenants' rights to be protected, adequate public dollars must be dedicated to enforcing just cause evictions, rent control, and related laws.

the agency. Likewise, some jurisdictions require renters covered by tenant protections such as JCEC to pay a small fee to support enforcement and monitoring. Visit the <u>Financing section</u> of the Rent Control Tool for a more complete discussion.

Case Studies

West Hollywood, California Incorporated in 1984, the city of West Hollywood has JCEC laws that apply to all housing in the city, not just those under the jurisdiction of rent control. While just cause controls are an important tool, they are most effective when part of a larger strategy to protect tenants' rights. The Coalition for Economic Survival (CES), a strong force in tenants' rights and advocacy in the Los Angeles region, has been working on a variety of measures to protect tenants. CES has taken the lead in ensuring that affordable housing is built, offering legal support for tenants facing eviction, and creating a rent escrow program in Los Angeles. This escrow program applies to buildings that are falling apart and where the landlord has been negligible in fixing major problems. Tenants, who live in one of these designated buildings, pay their monthly rent into a fund that the landlord can retrieve only when the property is brought in line with health and safety standards.

Berkeley, California In June 1980, Berkeley residents passed one of the most comprehensive rent stabilization laws, known as the Rent Stabilization and Eviction for Good Cause Ordinance. The ordinance regulates most residential rents in Berkeley, provides tenants with increased protection against evictions and is intended to maintain affordable housing and preserve community diversity. In 1995, the California legislature enacted the Costa-Hawkins Rental Housing Act, which suspends rent control during a qualifying vacancy and reinstates it for a new tenancy. Now, under full vacancy decontrol, owners may set a market rent for most tenancies beginning on or after January 1, 1999. The rent charged a new tenant becomes the new rent ceiling. Berkeley's strong rent control law had been seriously weakened through state legislation.

Resources

Sample Ordinances

- West Hollywood, California ordinance
- Seattle, Washington ordinance

Organizations

The Tenants Union

This organization provides state-by-state links for tenants' rights organizations.

3902 S. Ferdinand St.

Seattle, WA 98118

Phone: (206) 723-0500 Fax: (206) 725-3527

Tenant Net

Online resource for tenants in New York State, but also has a national directory.

San Francisco Tenants Union

588 Capp Street San Francisco, CA 94110 (510) 282-6622

Cleveland Tenants Organization

2530 Superior Avenue Cleveland, OH 44115 (216) 621-0540

Coalition for Economic Survival

1296 N Fairfax Ave Los Angeles , CA 90046-5206 (323) 656-4410

Just Cause Oakland

PO Box 30960 Oakland, CA 94612-9991 (510) 464-1011

City of Berkeley Rent Stabilization Board

2125 Milvia Street Berkeley, CA 94704 (510) 644-6128