

CITY OF BEVERLY HILLS

455 NORTH REXFORD DRIVE . BEVERLY HILLS, CALIFORNIA 90210

Lili Bosse, Mayor

June 7, 2022

The Honorable Alex T. Lee California State Assembly, 25th District 1021 O Street, Suite 6330 Sacramento, CA 95814

RE: AB 2050 (Lee)— Residential real property: withdrawal of accommodations

City of Beverly Hills SUPPORT

Dear Assemblymember Lee:

On behalf of the City of Beverly Hills, I write to **SUPPORT** your **AB 2050**, which prohibits property owners who have owned rental accommodations for fewer than five years from using or threatening to use the Ellis Act to withdraw rental accommodations.

The Ellis Act is a 1985 California state law, which allows landlords to evict residential tenants when exiting the rental business. While the Act was originally intended to protect smaller, non-commercial landlords who could no longer maintain their rental properties, the Ellis Act's loopholes have been used to acquire rent control housing, evict tenants, and sell the property for a higher profit buy larger, commercial owners.

Studies show that the vast majority of Ellis Act evictions occur within the first five years of an owner purchasing a property, indicating that these property owners had no intention of being in the rental business in the first place. There has even been a trend of "serial evictors" who evict tenants from multiple buildings to convert the units to other uses such as condominiums and tenancies-in-common, and then acquire new rental properties for the same purpose.

Since 2001, over 27,600 units in Los Angeles have been taken off the rental market using the Ellis Act. The loss of these rent-controlled units have displaced over 60,000 Los Angeles residents. In the Bay Area, over 5,400 households in San Francisco have been forced out of their homes, while in Berkeley, 457 units have been taken off the rental market.

Protecting and preserving affordable housing stock is essential to keeping people housed and addressing California's housing crisis. **AB 2050** reinstates the original intent of the Ellis Act by limiting its use to landlords who have owned their properties for at least five years to prevent speculators from buying apartments and 'going out of the rental housing business' shortly after.

For these reasons, we ${\bf SUPPORT~AB~2050}$ and thank you for bringing the important measure forward.

Sincerely,

Lili Bosse

Mayor, City of Beverly Hills

Cc: The Honorable Ben Allen, Senator, 26th District

The Honorable Richard Bloom, Assemblymember, 50th District

Andrew K. Antwih, Shaw Yoder Antwih Schmelzer & Lange