



## Kriss Worthington

Councilmember, City of Berkeley District 7  
2180 Milvia Street, 5<sup>th</sup> Floor, Berkeley, CA 94704  
PHONE 510-981-7170 FAX 510-981-7177 worthington@ci.berkeley.ca.us

### CONSENT CALENDAR

April 26, 2005

To: Honorable Mayor and  
Members of the City Council

From: Councilmember Kriss Worthington

Subject: Support AB781

#### RECOMMENDATION:

That the Berkeley City Council adopts a resolution urging the California State Legislature to approve Assembly Bill 781 requiring ownership of rental property for five years before removing it under the Ellis Act.

#### BACKGROUND:

The Ellis Act allows property owners the ability to withdraw their units from the market in order to provide long-term property owners the flexibility to leave the rental housing market. However, some property owners have used this act to withdraw affordable housing from the market, displacing senior, disabled, artists and long term tenants. Assembly member Mark Leno has introduced Assembly Bill (AB) 781, which would require that rental property must be owned for five years before it can be removed under the Ellis Act.

For the Assembly Bill 781 text:

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_07510800/ab\\_781\\_bill\\_20050218\\_introduced.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_07510800/ab_781_bill_20050218_introduced.html)

#### FINANCIAL IMPLICATIONS:

NONE

#### CONTACT PERSON:

Councilmember Kriss Worthington 981-7170.

**URGING THE CALIFORNIA STATE LEGISLATURE TO APPROVE ASSEMBLY BILL  
781 REQUIRING OWNERSHIP OF RENTAL PROPERTY FOR FIVE YEARS BEFORE  
REMOVAL UNDER THE ELLIS ACT.**

- WHEREAS,** in 1986, the California State Legislature adopted the Ellis Act, which allows property owners the ability to withdraw their units from the market; and
- WHEREAS,** the purpose of the Act, was to allow long term property owners the flexibility to leave the rental housing market; and
- WHEREAS,** since its implementation, it has had a negative affect on tenants; and
- WHEREAS,** some property owners have used this act to withdraw affordable housing from the market, displacing senior, disabled and long term tenants; and
- WHEREAS,** studies have shown that a large portion of properties were recently purchased before being removed under the Ellis Act; and
- WHEREAS,** this suggests that some property owners are using this law to increase profitability and not leave the rental housing business; and
- WHEREAS,** since 1986, 271 units have been removed in Berkeley under the Ellis Act; and
- WHEREAS,** while some of these properties had less than five units, many of our city's most vulnerable tenants have been affected by these evictions; and
- WHEREAS,** with recent changes in judicial doctrine, many of Berkeley's restrictions on tenancy-in-common (TIC) conversions have been invalidated; and
- WHEREAS,** this may adversely affect many tenants, as buildings are converted to TIC ownership or converted to condominiums; and
- WHEREAS,** it is important to ensure that the Act is used for its purpose, as opposed to a mechanism to evict long term tenants; and
- WHEREAS,** in the spirit of the Act, Assembly member Mark Leno has introduced Assembly Bill (AB) 781, which would require that rental property must be owned for five years before it can be removed under the Ellis Act; and
- WHEREAS,** AB 781 has been supported by many organizations, including the Western Center on Law and Poverty; and

**WHEREAS,** this bill will preserve the intent of the Ellis Act and ensure that low income tenants are not arbitrarily evicted; and

**WHEREAS,** AB 781 is an important step in strengthening tenants rights and preserving affordable housing in California; and

**NOW, THEREFORE BE IT RESOLVED** that the City Council of the City of Berkeley hereby urges the California State Legislature to approve Assembly Bill 781 requiring ownership of rental property for five years before removal under the Ellis Act; and

**BE IT FURTHER RESOLVED** that copies of this resolution be submitted to Governor Schwarzenegger and our representatives in the State Legislature with the intent that they support Assembly Bill 781.

