



SANTA MONICA LANDLORDS FINED \$22,000 FOR VIOLATING ELLIS ACT

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Under threat of legal action by the City Attorney's Office, the owners of a seven-unit apartment building in Santa Monica have paid \$22,050.00 in fines to their former tenants for violating a state law that governs certain evictions. Ross Vaisburd, the former owner of the building at 1330 Tenth Street, evicted all seven tenants in May 1999 pursuant to the state law known as the Ellis Act. Under Ellis, owners of rent-controlled buildings can remove their tenants if they decide to go out of the rental business altogether. If the owner decides to go back into the rental business, however, the evicted tenants have the right to come back to their former units at the original rent level.

In 2002, Vaisburd deeded the vacant building to a company controlled by his friend Daniel Smith. The owners then filed a notice with the city that they intended to re-rent the apartments at the building. The former tenants promptly sent certified letters stating their intent to return to their old apartments. However, the owners refused to sign for the letters or claim them at the post office.

Under the Ellis law, owners who fail to re-rent to their former tenants after proper notice are subject to pay the tenants punitive damages.

The tenants complained to the Santa Monica City Attorney's Office. After the City threatened Vaisburd and Smith with legal action, they agreed to pay the former tenants fines ranging from \$2,400.00 to \$7,200.00 each.

This is not the first fine Vaisburd and Smith have paid for violating laws protecting tenants' rights. In May 2001, they paid the city a fine of \$20,000.00 rather than face trial in a tenant harassment lawsuit brought by the City Attorney's Office. In that case, Vaisburd and Smith were accused of harassing the lowest-rent-paying tenant in another Santa Monica building in an effort to force him out so that they could capitalize on the statewide "vacancy decontrol" law. Among other things, they refused to accept the tenant's rent payments at their post office box, and then tried to evict him for non-payment of rent.

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