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8	UNITED STATES DISTRICT COURT			
9	CENTRAL DISTRICT OF CALIFORNIA			
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11	GHP MANAGEMENT	CORPORATION,	) Case No. CV 21-06311 DDP (JEMx)	
12		Plaintiff,	) ) ORDER GRANTING MOTION TO	
13	V •		) INTERVENE	
14	CITY OF LOS AND	GELES,	) ) [Dkt. 20]	
15		Defendant.	)	
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17	Presently before the court is a Motion to Intervene as			
18	defendants filed by three nonprofit organizations: Alliance for			
19	Community Empowerment ("ACCE"); Strategic Actions for a Just			
20	Economy ("SAJE"); and Coalition for Economic Survival ("CES")			
21	(collectively, "Proposed Intervenors"). Having considered the			
22	submissions of the parties, the court grants the motion and adopts			
23	the following Order. <sup>1</sup>			
24	I. Background			
25	At the outset of the COVID-19 pandemic, Defendant City of Los			
26	Angeles ("the City") enacted Ordinance No. 186585, which was later			
27	updated by Ord:	inance No. 1866	06 (collectively, the "Eviction	
28				
	<sup>1</sup> Defendant City of Los Angeles does not oppose the motion.			

Moratorium" or "Moratorium"). Plaintiffs allege that the Eviction 1 2 Moratorium "effectively precludes residential evictions." (Complaint ¶ 45.) The Moratorium prohibits landlords from 3 terminating tenancies due to COVID-related nonpayment of rent, any 4 no-fault reason, certain lease violations related to additional 5 6 occupants and pets, or removal of rental units from the rental 7 (Complaint ¶ 46.) The Moratorium further allows tenants market. who have missed rent payments a one-year period to pay delayed 8 9 rent, starting from the end of the ongoing local emergency period. 10 (Id.) Tenants may sue landlords and seek civil penalties for 11 violations of the Moratorium. (Id. ¶ 49.)

12 Plaintiffs, comprised of (1) thirteen limited liability 13 corporations or limited partnerships that own apartment buildings 14 and (2) the management company that manages the buildings, own or 15 manage nearly five thousand apartment units in Los Angeles. 16 Plaintiffs allege that the Moratorium constitutes an uncompensated 17 taking of private property in violation of the Fifth Amendment's 18 Takings Clause, as well as the California Constitution's Takings Clause. Plaintiffs' Complaint seeks an award of "just 19 20 compensation," costs, and attorney's fees, but does not seek to 21 invalidate or enjoin enforcement of the Moratorium.

Proposed Intervenors now seek to intervene as defendants.
ACCE is an organization engaged in "ground-up organizing to build a
strong people's movement to create transformative community
change." (Declaration of Joseph Delgado ¶ 2.) ACCE's housing
justice campaigns focus "on helping families stay in their homes,
preserving affordable housing, and pushing for equitable housing
practices across California, including in Los Angeles." (<u>Id.</u>)

1 ACCE organizes in low and very low-income neighborhoods, and its 2 Los Angeles membership is "predominately Black and Brown, including 3 a significant number of undocumented Angelenos." (Id.  $\P$  3.) Most 4 of ACCE's members are severely rent burdened. (Id.  $\P$  4.) Demand 5 for ACCE's eviction defense clinics has more than doubled during 6 the pandemic. (Id.  $\P$  7.)

7 SAJE "serves predominantly low-income and very low-income people of color in [] South Central Los Angeles," and advocates for 8 9 "tenant rights, healthy housing, and equitable development in South 10 Los Angeles." (Declaration of Cynthia Strathmann ¶¶ 2,4.) Like 11 ACCE, SAJE has seen a "substantial uptick" in demand for its tenant assistance services since the onset of the pandemic. (Id.  $\P$  8.) 12 13 CES is a "grassroots community-based organization dedicated to 14 organizing low and moderate-income people to win economic and social justice throughout the greater Los Angeles Area." 15 16 (Declaration of Larry Gross  $\P$  2.) Since the pandemic began, CES, 17 too, has seen a "marked uptick" in the number of people seeking 18 assistance tenants' rights assistance, specifically with respect to 19 inability to pay rent, harassment from landlords, and landlords' 20 refusal to maintain habitable dwellings. (Id.  $\P\P$  3-4.)

21 Proposed Intervenors seek to defend the Moratorium, without 22 which, Intervenors posit, their members and other tenants would be 23 forcibly displaced from their homes. (Motion at 2:6-9.)

24 **II. Legal Standard** 

Under Federal Rule of Civil Procedure 24, a court must allow intervention by any movant who "claims an interest relating to the property or transaction that is the subject of the action, and is so situated that disposing of the action may as a practical matter

impair or impede the movant's ability to protect its interest, 1 2 unless existing parties adequately represent that interest." Fed. R. Civ. P. 24(a)(2). An applicant meets these criteria, and may 3 intervene as of right, if (1) the motion is timely; (2) the 4 applicant has a "significant protectable" interest relating to the 5 6 action; (3) disposition of the action may, as a practical matter, 7 impair or impede the applicant's ability to protect that interest; and (4) the applicant's interest is inadequately represented by the 8 parties to the action. California ex rel. Lockyer v. United 9 10 States, 450 F.3d 436, 440 (9th Cir. 2006). When evaluating these 11 requirements, courts are guided by "practical and equitable 12 considerations," and generally construe the Rule to apply "broadly 13 in favor of proposed intervenors." Wilderness Soc. v. U.S. Forest Serv., 630 F.3d 1173, 1179 (9th Cir. 2011) (quoting United States 14 15 v. City of Los Angeles, 288 F.3d 391, 397 (9th Cir. 2002)) 16 (internal guotation omitted).

Alternatively, when an intervenor cannot satisfy the four-part test for intervention as of right, courts may allow anyone who "has a claim or defense that shares with the main action a common question of law or fact" to intervene. Fed. R. Civ. P. 24 (b) (1) (B).

In evaluating motions to intervene, courts must "take all well-pleaded, nonconclusory allegations in the motion to intervene, the proposed complaint or answer in intervention, and declarations supporting the motion as true." <u>Sw. Ctr. for Biological Diversity</u> <u>v. Berg</u>, 268 F.3d 810, 820 (9th Cir. 2001)

27 **III. Discussion** 

At the outset, it must be noted that Plaintiffs are not the 1 2 first to challenge the Eviction Moratorium. Soon after the implementation of the Moratorium, the Apartment Association of Los 3 Angeles, an organization that advocates on behalf of rental 4 5 property owners such as Plaintiffs, brought a constitutional 6 challenge to the Moratorium, including claims under the Takings 7 Clause. See Apartment Ass'n of Los Angeles Cty., Inc. v. City of Los Angeles, No. CV2005193DDPJEMX, 2020 WL 4501792, at \*1 (C.D. 8 9 Cal. Aug. 5, 2020) ("AAGLA"). Two of the Proposed Intervenors 10 here, ACCE and SAJE, sought, and were permitted, to intervene as 11 defendants in AGGLA. In AAGLA, ACCE and SAJE asserted an interest 12 in defending tenants' "legally protected property interest in remaining in their homes." <u>AGGLA,</u> 2020 WL 4501792 at \*2. 13 In allowing intervention as of right, this Court determined that the 14 15 City would not necessarily adequately represent or defend that 16 interest. Id. at \*3.

17 Here, proposed Intervenors make arguments similar to those 18 raised in AAGLA. Proposed Intervenors assert an "interest in the 19 ongoing applicability of the Ordinances' protections, which 20 directly impact many of their tenant members." (Mot. at 13:8-10.) 21 With respect to the practical effect of a disposition in this 22 matter, Proposed Intervenors contend that a declaratory judgment in 23 Plaintiffs' favor could be used by other landlords to obtain 24 injunctive relief, or compel the City to, in the face of overwhelming liability for compensatory payments, end the emergency 25 26 declaration and terminate the Moratorium earlier than COVID and its attendant economic effects would otherwise dictate. 27 (Mot. at 28 14:21-28.) The result, Proposed Intervenors argue, would be an

"outbreak of eviction proceedings," a rise in homelessness, and 1 2 increased risk of the spread of COVID-19. (Mot. at 15:6-18.) 3 Proposed Intervenors argue further that, as in AAGLA, the City (1) does not share Proposed Intervenors' interests, especially insofar 4 as the City seeks solutions that would benefit Plaintiffs 5 6 themselves, and (2) does not have the knowledge or information 7 necessary to adequately represent Proposed Intervenors' low-income members and clients' interests. 8

9 Plaintiffs here raise arguments that were also raised, and 10 rejected, in AAGLA. Plaintiffs argue, for example, that Proposed 11 Intervenors have failed to show that the City is incapable of representing Proposed Intervenors' interests because "[t]here is an 12 13 assumption of adequacy when [a] government is acting on behalf of a 14 constituency that it represents." Arakaki v. Cayetano, 324 F.3d 15 1078, 1086 (9th Cir. 2003). At the same time, however, "[t]he 16 burden on proposed intervenors in showing inadequate representation is minimal, and would be satisfied if they could demonstrate that 17 18 representation of their interests 'may be' inadequate." Id. Courts, including the Ninth Circuit, "have permitted intervention 19 20 on the government's side in recognition that the intervenors' 21 interests are narrower than that of the government and therefore 22 may not be adequately represented." Id. at 1087 (collecting 23 cases).

24 <u>Oakland Bulk & Oversized Terminal, LLC v. City of Oakland</u> is 25 not to the contrary. As explained in <u>AAGLA</u>, the <u>Oakland Bulk</u> court 26 concluded only that the proposed intervenors there had not met 27 their burden to demonstrate that the governmental entity would or 28 could not represent the intervenors' narrow set of interests.

Oakland Bulk, 960 F.3d 603, 620 (9th Cir. 2020); AGGLA, 2020 WL 1 2 4501792 at \*3 n.1. Here, in contrast, Proposed Intervenors have submitted evidence that their interests and the City's diverge. 3 As an initial matter, Proposed Intervenors' very existence is premised 4 on the notion that governmental policies have failed to secure 5 6 economic or social justice, including housing stability, for 7 Proposed Intervenors' members. (Delgado Decl. ¶ 2; Strathmann Decl.  $\P$  2; Gross Decl.  $\P$  2.) Furthermore, with respect to the 8 9 specific ordinances at issue here, although Plaintiffs are correct 10 that Proposed Intervenors' interests coincide with those of the 11 City to the extent that both have some desire to maintain some 12 level of eviction protections, this Court cannot agree that 13 Proposed Intervenors share the same "ultimate objective" as the 14 City in light of evidence that ACCE, SAJE, and over 300 other 15 organizations advocated for broader COVID-19 emergency protections that the City refused to adopt. (Delgado Decl.  $\P$  5; Gross Decl.  $\P$ 16 17 5.)

18 Attempting to distinguish this case from AAGLA, Plaintiffs 19 largely rely upon the fact that their Complaint, unlike the AAGLA 20 plaintiff's complaint, does not seek injunctive relief invalidating 21 or enjoining enforcement of the Eviction Moratorium. Therefore, 22 Plaintiffs suggest, disposition of this matter would not 23 necessarily have any broader effect beyond the small number of 24 private property owners who are party to this suit, and thus this 25 case does not implicate any significant interest Proposed 26 Intervenors may possess. This argument is disingenuous. Although 27 Plaintiffs' opposition suggests that Plaintiffs are bringing an asapplied challenge to the Moratorium, none of Plaintiffs' 28

allegations appears particular to Plaintiffs. Indeed, Plaintiffs themselves assert that "[t]he takings litigation is coming, not just from Plaintiffs in this action, but from landlords throughout the City." (Opposition at 5 n.1). The fourteen Plaintiffs here, who own or manage approximately five thousand of the hundreds of thousands of rental units in Los Angeles, alone seek "an amount in excess of \$100,000,000." (Complaint ¶ 8.) To contend, therefore, as Plaintiffs do, that a declaratory judgment that the Moratorium constitutes an unconstitutional taking would do nothing more than give rise to a "hyper-speculative" fear that the City might make adjustments to the Moratorium is naive, at best. Any argument that this matter presents a limited question pertaining only to a small number of litigants is not well-taken. See Fed. R. Civ. P. 24(a)(2) (permitting intervention as of right where "disposing of the action may as a practical matter impair or impede the movant's ability to protect it's interest") (emphasis added). Proposed Intervenors have adequately shown that this matter could affect the viability of the Moratorium's eviction protections. IV. Conclusion

For the reasons stated above, Proposed Intervenors' Motion to // // 

1	Intervene as defendants is GRANTED. <sup>2</sup>
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5	IT IS SO ORDERED.
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7	flan Meyerson
8	Dated: November 22, 2021 DEAN D. PREGERSON
9	United States District Judge
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24	<sup>2</sup> Even if Proposed Intervenors could not intervene as of
25	right, this Court would grant permission to intervene pursuant to Fed. R. Civ. P. 24(b)(1)(B). See Spangler v. Pasadena City Bd. of
26	Ed., 552 F.2d 1326, 1329 (9th Cir. 1977); <u>Freedom from Religion</u> Found., Inc. v. Geithner, 644 F.3d 836, 844 (9th Cir. 2011) ("[T]he
27	independent jurisdictional grounds requirement does not apply to proposed intervenors in federal-question cases when the proposed
28	intervenor is not raising new claims.")