

**CITY COUNCIL MEETING
TUESDAY, MARCH 5, 2019**

PRESENTATIONS

ITEM 3 – LB 19-016

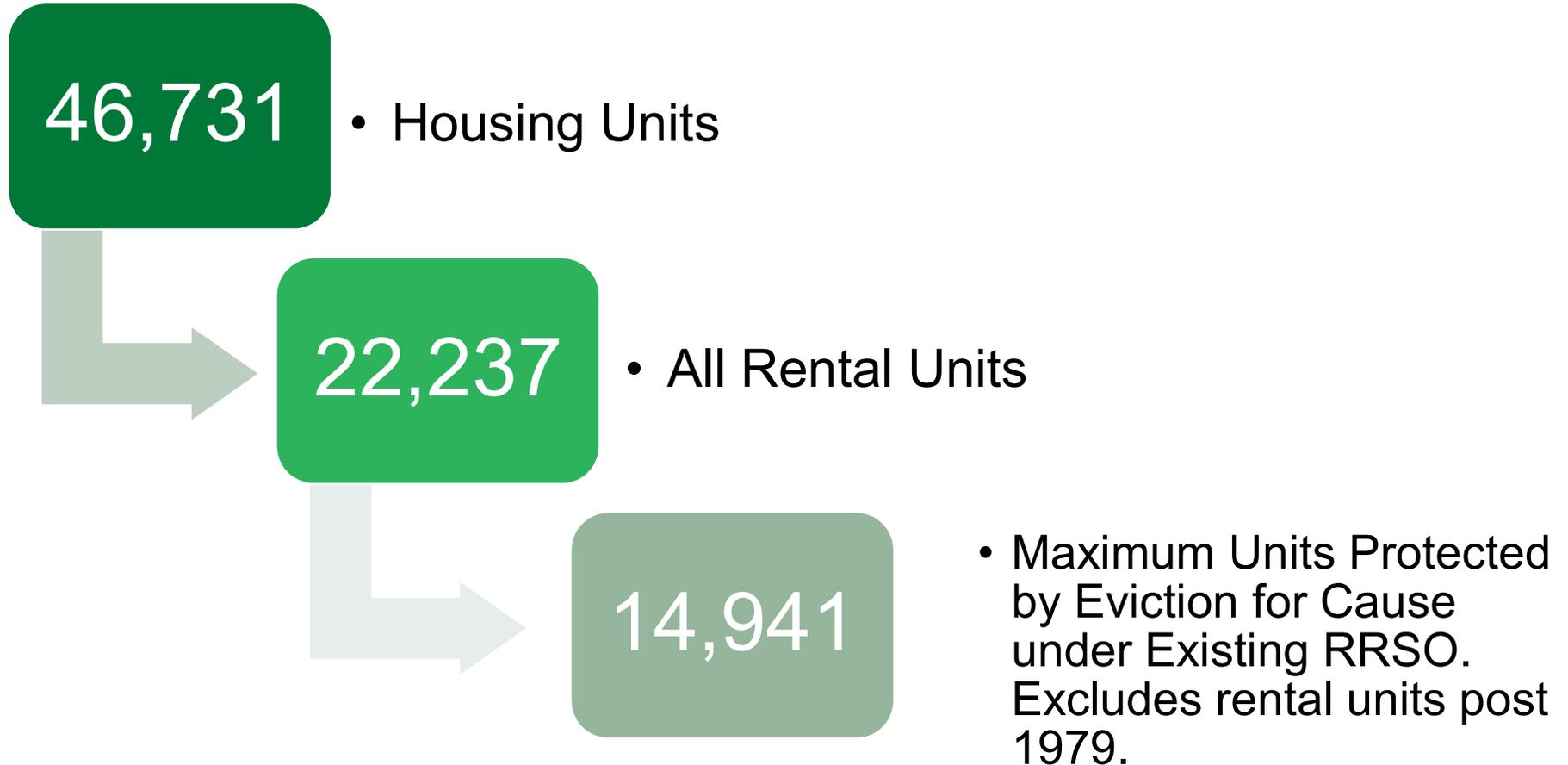
**ADOPTION OF EMERGENCY ORDINANCE
REQUIRING JUST CAUSE
FOR TENANT EVICTIONS FOR ALL
RENTAL UNITS WITHIN THE CITY**

Emergency Ordinance Adopting Just Cause for Eviction for All Rental Units

March 5, 2019



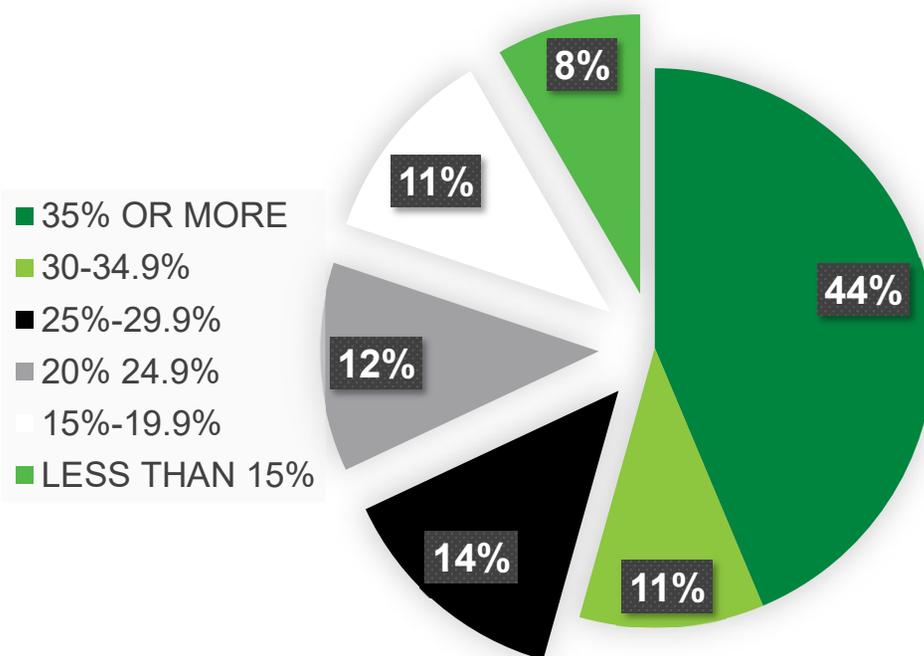
Background



Background

- Housing production has not kept pace with population growth
- 55% Hayward renters experience a housing cost burden- spending more than 30% of their income on housing
- There are only 1,000-1,600 rent controlled units
- February 19, 2019 Council Work Session to discuss potential Amendments to the Residential Rent Stabilization Ordinance (RRSO)–direction given to staff

Rent as a Percentage of Income



Source: American Community Survey 2017

Background

February 19, 2019 Work Session Areas of Council Consensus

- Develop a mandatory mediation program with binding arbitration which would be available to tenants upon rent increases greater than five percent and applicable to all pre-1979 units except single family homes and condominiums consistent with State law;
- Extend eviction for cause protections to all residential rental properties, including single family homes and condominiums;
- Require that landlords file rent increase notices and eviction notices with the City to obtain accurate data about rental housing activity;

Background

February 19, 2019 Work Session Areas of Council Consensus

- Create provisions to protect Section 8 voucher holders from discrimination;
- Explore with the Housing and Homelessness task force options for retaliation provisions and relocation assistance;
- Consider elimination of the vacancy decontrol provisions (Section 8) of the RRSO, based on a pending report from Management Partners; and
- Return with legislation quickly. Additionally, on February 26, Council referred to staff a request to return with a Just Cause Eviction Ordinance on March 5, 2019.

Proposed Timeline

Just Cause for Eviction Ordinance		March 5, 2019
Mediation with Binding Arbitration Program		
	Homelessness and Housing Taskforce	March 21, 2019
	City Council	April 2, 2019
Evaluation of Vacancy Decontrol Process		
	Homelessness and Housing Taskforce (contingent on final recommendations from consultant)	April 18, 2019
	Homelessness and Housing Taskforce	May 2019 (TBD)
	City Council	May 2019
Additional Proposed Tenant Protections		
	Homelessness and Housing Taskforce	April 18, 2019
	Homelessness and Housing Taskforce	May 2019 (TBD)
	Homelessness and Housing Taskforce	June 6, 2019
	City Council	June 2019

Proposed Just Cause for Eviction Ordinance

- 1 Expands eviction for cause to all rental housing units.
- 2 Provides tenants a defense against no cause evictions and establishes what constitutes a justified eviction.
 - Includes all grounds for eviction under state and federal law.
 - State law allows property owner to remove a unit from the rental market (Ellis Act). For single-family properties providing homeownership opportunities, the removal could be done prior to sale of unit. Also, Gov't Code Section 1946.1.
- 3 Proposed justifications for eviction are the same as under the RRSO.
- 4 Property owner required to notified tenant of the existence of the Ordinance within 30 days of enactment of the Ordinance and upon re-renting the unit.
- 5 To avoid conflict, requires repeal of Section 19 (Eviction for Cause) from the RRSO.

Just Cause for Eviction

15 Justifications for Eviction

1. Tenant has not paid their rent.
2. The tenant has continued to ignore terms of the lease.
3. The tenant has substantially damaged the property and will not agree to repair or pay for repairs.
4. The tenant refused to sign a new lease that is identical to the old one (when the old one expires).
5. The tenant has continued to bother other tenants and neighbors after being told to stop.
6. The tenant will not let the landlord into the building, even with written notice.

Just Cause for Eviction

15 Justifications for Eviction

7. The landlord wants to perform repairs to the unit to meet the City's building standards that cannot be completed with the tenant living there.
8. The landlord wants to demolish the unit.
9. The landlord wants to move into the unit or wants to allow certain family members to move in. This is not allowed if there is a similar unit on the property that is vacant and available.
10. The landlord wants to move into the unit and the lease allows this.
11. The tenant is convicted of using the rental unit for any illegal purpose.

Just Cause for Eviction

15 Justifications for Eviction

12. The tenant has used or allowed the use of the unit for the manufacture, sale, distribution, possession, or use of illegal drugs.
13. The tenant has continued to break the rules of the property.
14. The landlord fires the tenant, and housing was part of the employee's pay.
15. The tenant has threatened to kill or hurt any person on the premises.

[Included are grounds for eviction identified under federal or state law such as the Ellis Act which allows a landlord to remove a unit from the rental housing market and Gov't Code Section 1946.1, which addresses sale of separate unit]

Emergency Ordinance

Enactment of an emergency ordinance would require at least five affirmative votes from Council.



If only four Council members vote for the proposed ordinance, then adoption would occur at the next City Council meeting (March 19, 2019) and the ordinance would go into effect 30 days after adoption (April 19, 2019).

Options for Council Action

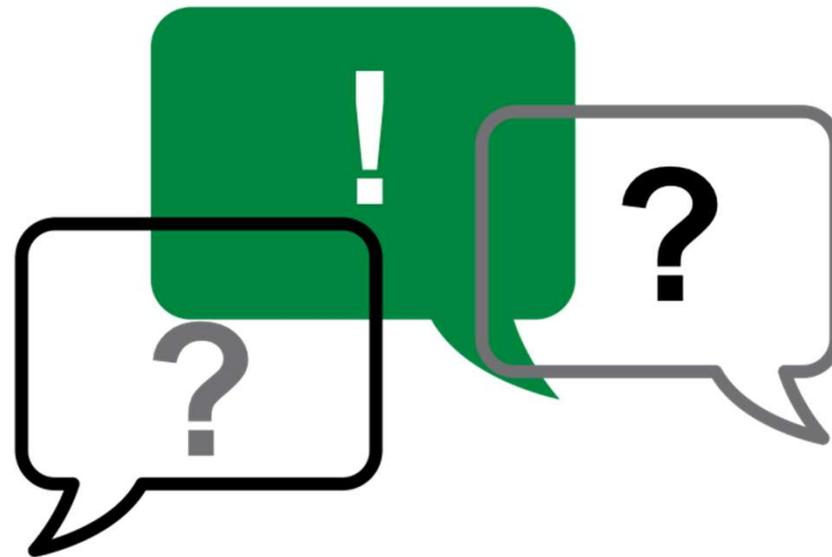
1. Adopt Emergency Ordinance this evening.
2. Continue action item to March 19, 2019 to allow more time for notification of expansion of “Just Cause” eviction provisions.
3. Refer the item to the March 21, 2019 Task Force meeting with potential to return to the April 2, 2019 Council hearing for action.
4. Adopt the Ordinance this evening as a non-emergency ordinance, which then requires a second reading on March 19, 2019. Ordinance would go into effect 30 days after adoption.

Proposed Next Steps

Timeline

Just Cause for Eviction	March 5, 2019
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Homelessness and Housing Taskforce	March 21, 2019
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Questions



Brown Act Language Clarification

Sec. 54952.6 of the Brown Act (**Action Taken**):

'As used in this chapter, "action taken" means a collective decision made by a majority of the members of a legislative body, a collective commitment or promise by a majority of the members of a legislative body to make a positive or negative decision, or an actual vote by a majority of the members of a legislative body when sitting as a body or entity, upon a motion, proposal, resolution, order or ordinance.'

Sec. 54954.2(a)(3) of the Brown Act (**Referral**):

'...Furthermore, a member of a legislative body, or the body itself, subject to the rules and procedures of the legislative body, may provide a reference to staff or other resources for factual information, request staff to report back to the body at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda.'

Eviction for Cause

Units Covered by Proposed Options	# of Units	Net Change from Max Units Covered
Maximum units covered by RRSO built before 1979 (include all 1-4 unit properties)		14,941
Total Rental Units (excluding mobile homes) • Adds 7,062 units built after 1979	22,003	+7,089
Single Family Home Exempt • Adds 7,062 units built after 1979 • Subtracts 7,016 Single Family Homes	14,987	+46
Single family home and owner-occupied 2-4 unit properties exempt • Adds 7,062 units built after 1979 • Subtracts 7,016 Single Family Homes • Subtracts 200 2-4 unit owner-occupied properties (200-600 Units)	14,787 to 14,387	-154 to -554
Excluding single family homes and 2-4 unit properties • Adds 7,062 units built after 1979 • Subtracts 7,016 Single Family Homes • Subtracts 2,115 units in 2-4 properties	12,872	-2,069