

**CITY COUNCIL MEETING
TUESDAY, MAY 29, 2018**

PRESENTATIONS

ITEM 1 – LB 18-018

**EMERGENCY ORDINANCES
RELATED TO THE
RESIDENTIAL RENT
STABILIZATION ORDINANCE**

Consideration of Emergency Ordinances Related to the Residential Rent Stabilization Ordinance

Christina Morales, Housing Manager
May 29 2018



Presentation Focus

Emergency Ordinances for Council Consideration

- 18 month Moratorium on decontrolling rental units
- Clarify the applicability of RRSO Section 19 related to eviction for cause provisions to rental units that are currently and were previously rent controlled

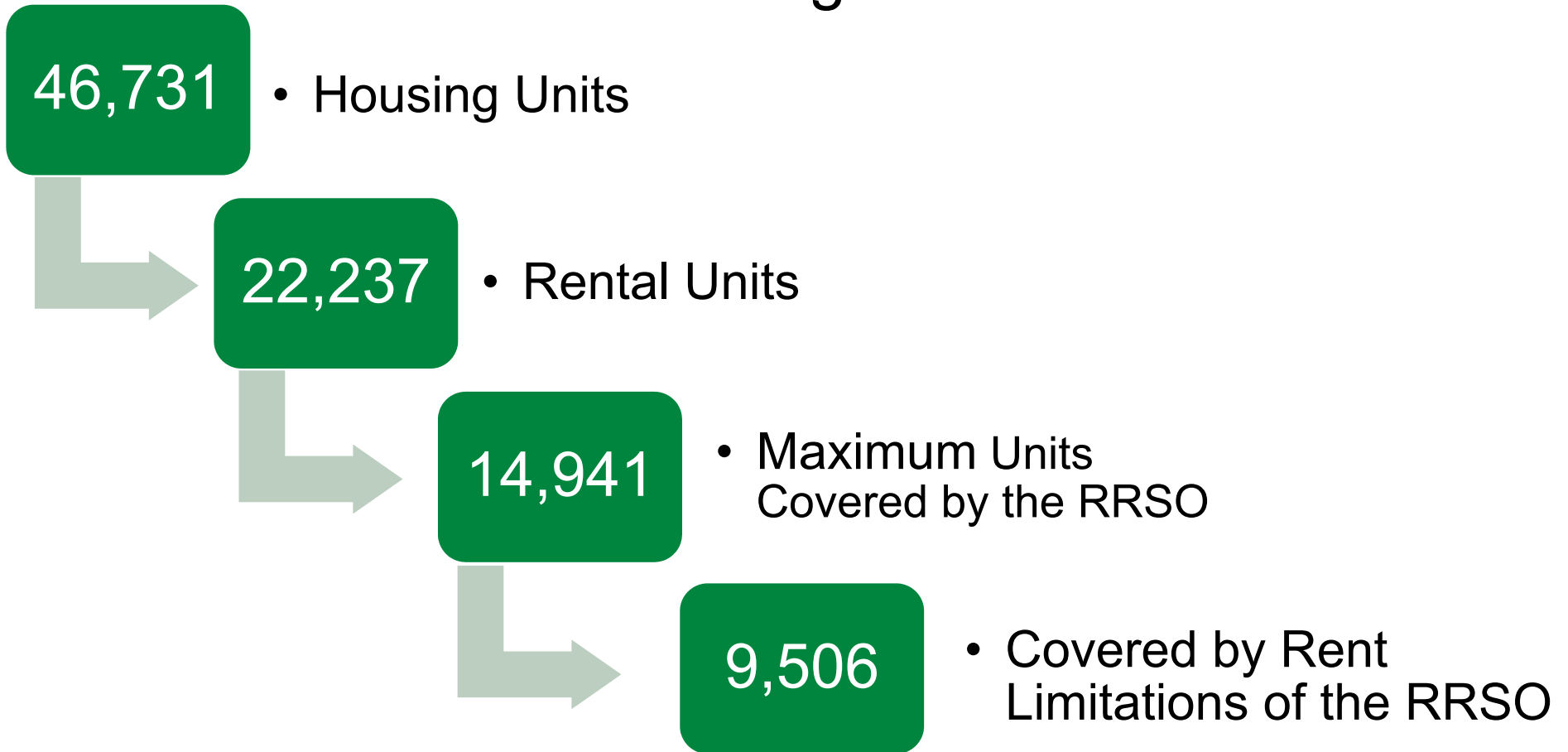
Policies for Further Discussion

- Moratorium on Rent Increases
- Mandatory Mediation Program

Background

- **Jan 31, 2017:** Council Work Session to review housing affordability strategies and resources
- **Jan 10, 2018:** Hosted tenant stakeholder's meeting
- **Jan 17, 2018:** Hosted landlord stakeholder's meeting
- **Feb 6, 2018:** Council Work Session to review policy options identified through stakeholder feedback. Council identified four policy options.
- **Feb 26, 2018:** Hosted a stakeholder's meeting to seek additional feedback regarding the four policy options.
- **Mar 27, 2018:** Council Work Session to Review Affordable Housing Strategies and community proposed tenant protection measures.

Background



Background

OF THE 9,506 RENTAL UNITS COVERED BY RENT LIMITATIONS OF THE RRSO...

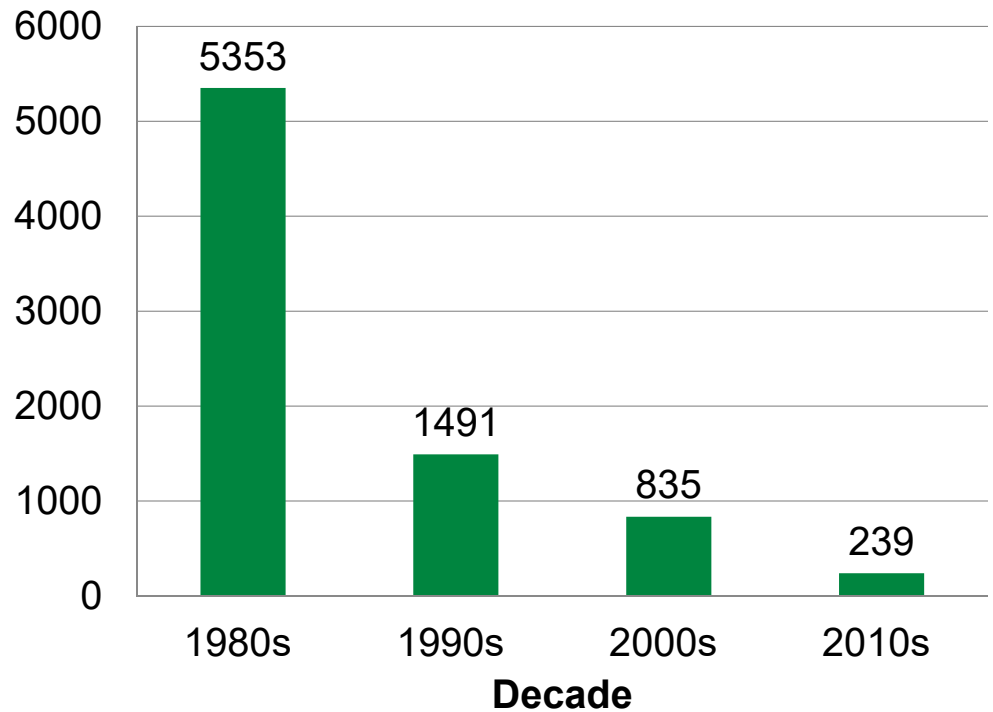
7,918

Total estimated decontrol applications received by the City

1,000
to
1,600

Estimate of units subject to rent increase limitations

Estimated Number of Decontrol Applications Received by the City



Emergency Ordinance For Council Consideration: Moratorium on Vacancy Decontrol

- 18-month moratorium on vacancy decontrol
- Protects 1,000 -1,600 rent controlled units while appropriate long-term action can be determined
- Staff to evaluate:
 - Appropriate decontrol threshold value
 - Administrative process for decontrolling units
- Effective Date of Ordinance:
 - With 5 affirmative votes: Effective immediately
 - With < 5 affirmative votes: Effective 30 days after adoption

Emergency Ordinance For Council Consideration: Moratorium on Vacancy Decontrol

- Property owners who have initiated the process of decontrolling a unit will be allowed to complete process.
- Documentation required to complete an application initiated before the effective date of this ordinance:
 - Proof of Voluntary Vacancy, and
 - Initiation of improvements meeting or exceeding the improvement value threshold (permits, contracts or receipts)

Emergency Ordinance For Council Consideration: Clarification of Applicability of Eviction for Cause

- Clarifies that the eviction for cause section of the RRSO applies to the 67% of the rental units in the City of Hayward.
- Ensures that this emergency ordinance will serve as a defense for no cause evictions for tenants who live in units that are covered by the Ordinance, including decontrolled units.

Emergency Ordinance Adoptions

Emergency Ordinance

5 affirmative votes

Adopted and effective immediately



Non-Emergency Ordinance

4 affirmative votes

Adopted at next Council Meeting and effective 30 days later

Policies for Discussion: Moratorium on Rent Increase

STAFF DOES NOT RECOMMEND A MORATORIUM ON RENT INCREASE AT THIS TIME.

- Typically used to prevent accelerated increases or evictions caused by pending legislation. There are currently no proposed changes that will limit rent increases.
- Moratorium on rent increases may cause developers with housing projects in the pipeline to delay construction until a decision is reached.

Policies for Discussion: Mandatory Mediation

STAFF REQUESTS DIRECTION ON WHETHER TO CONTINUE PURSUING THE DEVELOPMENT OF A MANDATORY MEDIATION PROGRAM.

- Provides forum for tenants and landlords to discuss issues and come to a decision based on needs of both parties.
- Concern was raised regarding effectiveness of mandatory mediation due to an inherent power imbalance between tenants and landlords.
- Preliminary research regarding effectiveness is inconclusive.

Next Steps

TIMELINE

Mandatory Mediation Program (Contingent on Council Direction)	June 2018
Tenant Relocation Assistance Program	July 2018
Tenant Protection Ordinance	July 2018
Research/Select System to Track Complaints	TBD

Questions

