

ITEM #2

RPT 20-090

**Analysis of Alternative Rent Stabilization Thresholds in the
City of Hayward's Residential Rent Stabilization Ordinance**

PUBLIC COMMENTS

From: Alicia Lawrence

Sent: Thursday, September 3, 2020 11:33 AM

To: Sara Lamnin <Sara.Lamnin@hayward-ca.gov>; Mark Salinas <Mark.Salinas@hayward-ca.gov>; Aisha Wahab <Aisha.Wahab@hayward-ca.gov>

Cc: Jennifer Ott <Jennifer.Ott@hayward-ca.gov>; Christina Morales <Christina.Morales@hayward-ca.gov>; Yolanda Cruz <Yolanda.Cruz@hayward-ca.gov>; Navpreet Khabra >; The Hayward Collective

Subject: HHTF - Item #2: Analysis of Alternative Rent Stabilization Thresholds

CAUTION:This is an external email. Do not click on links or open attachments unless you know the content is safe.

Please see the attached for your consideration for this evening's meeting.

Thank you!



September 3, 2020

RE: Analysis of Alternative Rent Stabilization Thresholds in the City of Hayward's Residential Rent Stabilization Ordinance

Dear Councilmembers Lamnin, Salinas, and Wahab,

We support the staff proposal to lower the RRSO rent increase threshold to CPI with a 2% minimum and 5% maximum.

Tenants in the East Bay are disproportionately impacted by racial and economic inequality during this pandemic; which has illuminated the issues with allowing rent increases to outpace inflation. Many are experiencing unemployment and struggling to afford basic necessities (such as access to stable housing) in an economic downturn. These downturns are cyclical and must be accounted for in policy planning. **Lowering the rent increase threshold affords tenants a greater opportunity to save money during periods of economic prosperity, which - in turn - helps people weather whatever (individual or global) crises they encounter.**

Over the years we have heard too many stories of tenants being served annual rent increases within the scope of the RRSO, but that inevitably create more rent burdened households. We additionally know overcrowding - which is a public health concern - is becoming a greater issue as families and individuals invite people to share their living space in order to mitigate their own portion of their rent. How do you suppose this impacts the children in these households? You can draw a line from the long-standing rent burdens people experience to the disparate impacts of distance learning during this pandemic. **We ask that the City of Hayward think of the most impacted and ensure - in the long-term - rent increases are more aligned with inflation and the actual income increases of our low-income community members.**

While we recognize that during this time rent for new tenancies may be flat or declining, we insist you consider that **existing tenancies are not being offered lower rents.**

Furthermore, if the City of Hayward truly seeks to increase (and not just advertise) homeownership for tenants, then tenants must have the opportunity to save money. Rent increases tied to CPI would facilitate this opportunity for tenants.



Finally, many Bay Area cities (including Richmond, Oakland, and Berkeley) already use CPI as the benchmark for rent increases, which means this proposal is consistent with what we are seeing throughout the region.

The Hayward Collective has been an advocate for affordable housing and tenants' rights for over three years. **We firmly support the CPI rent increase threshold as a way to support affordable housing in Hayward.** We want our community to not just survive these challenging times, but have long-term policies that ensure people are not priced out of the community in which they live.

Sincerely,
Navpreet Khabra
Community Advocate

Alicia G. Lawrence
Housing Justice Advocate

From: Alyssa Hilario
Sent: Thursday, September 3, 2020 11:40 AM
To: Yolanda Cruz <Yolanda.Cruz@hayward-ca.gov>
Subject: Agenda #2 PUBLIC COMMENT

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Hello,

Here is my written Public Comment:

I'm Alyssa Hilario, a Cal State East Bay nursing student. I am speaking on the matter regarding the 5% rent increase. This predominantly affects African American, Hispanic, Pacific Islander, and Southeast Asian families who have lower incomes than the white counterpart. Statistics also show that over half of renters who are mostly people of color experience housing cost burden. During this time of the COVID-19 crisis, the struggle to make ends meet is further challenged as many individuals are laid off or unemployed. Please consider the debilitating effects of the pandemic which exacerbates the burden on renters who can barely afford paying for their rent and other expenses. If the rent increase continues, many African American, Hispanic, Pacific Islander, and Southeast Asian families are at risk for evictions and displacement, which can lead to homelessness. Prioritize the residents' wellbeing and quality of living. Protect people of color who are disproportionately affected by the rent increase and invest in housing assistance programs. Lower the rent increase threshold to 2% with a rent ceiling of no more than 5%. Make rent affordable for these families. Thank you.

Best Regards,
Alyssa Hilario

From: Jesse Gunn
Sent: Thursday, September 3, 2020 11:56 AM
To: Yolanda Cruz <Yolanda.Cruz@hayward-ca.gov>
Subject: public comment regarding housing costs

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Hello,

Thank you for considering renters in discussing the housing cost. We all know that rent is too high right now, and there's virtually zero disagreement on that. But when met with decisions on how to address that issue, I don't see much action to actually limit rent. I worked in retail for years, and would typically see 25 cent wage increases, knowing that my co-workers were getting even less. But because I was a hard worker, I got this increase. That amounts to a 2% raise and doesn't help at all when rent is going up 5-10%.

It was during this time of working retail and getting my degree that my family and I became nearly homeless. I couldn't afford the high rents and if it wasn't for the kindness of family that allowed a family of 4 to share a single bedroom, I would have had to drop out of school and my family and I wouldn't be where we are today.

I'm a teacher now, and thankfully making more than the minimum wage. But I know many others that are struggling and covid was just an additional problem that adds onto the difficulty of just simply surviving in the bay area.

Our council owes it to its people to make sure that it's not impossible to live. The threat of homelessness and absolute financial ruin rests upon our council doing the right thing. Now is not the time for landlords to make extra money and profit, off the backs of the working class essential workers that keep our system functioning.

Thank you,
Jesse Gunn

From: Elisha Crader & Lacey Amodei

Sent: Thursday, September 3, 2020 1:01 PM

To: Yolanda Cruz <Yolanda.Cruz@hayward-ca.gov>

Cc: Jennifer Ott <Jennifer.Ott@hayward-ca.gov>; Aisha Wahab <Aisha.Wahab@hayward-ca.gov>; Sara Lamnin <Sara.Lamnin@hayward-ca.gov>; Mark Salinas <Mark.Salinas@hayward-ca.gov>

Subject: Public Comment to Housing & Homelessness Taskforce

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Hello,

Please see our public comment attached below.

Thank you,
Elisha Crader & Lacey Amodei



September 3, 2020

RE: Lowering the Rent Increase Threshold

Dear Councilmembers Lamnin, Salinas, and Wahab:

We are Lacey Amodei and Elisha Crader. We are writing to respectfully urge you all to implement staff's recommendation of a new rent increase threshold using 100% of the annual change in CPI.

With the undeniable financial and emotional difficulties that the COVID-19 pandemic has caused Hayward working families, we hope you all will respond to this opportunity with the urgency it merits. As is well established, communities of color in Hayward are more likely to rent rather than own their home. Communities of color are also over represented as frontline workers and are therefore bearing the brunt of the multiple crises brought on by COVID. This is why renters' issues are racial equity issues.

All Renters Are Not Seeing a 5% Increase in Earnings

Although the staff report cites the average median income increase over the span of 6-years, given the well established income inequality gap between top income earners and mid or low-income earners in the Bay Area, an average of all income levels is not helpful in gauging the economic condition of Hayward renters. Public Policy Institute of California recently reported on the growing income inequality between top earners and all other earners throughout the Bay Area.¹ The Bay Area Equity Atlas provides more specific figures concerning Hayward residents and the gap between 90th percentile earners and all other earners is stark and merits attention:²

- **Only earners at the 90th percentile have seen any growth at all between 2000-2015**
- **All other earners have seen no growth or a decline in earned income**

¹ Public Policy Institute of California, "Income Inequality in California." 2020.
<https://www.ppic.org/publication/income-inequality-in-california/>

² Bay Area Equity Atlas. *Income Growth. Alameda County- Hayward CPUMA.*
<https://bayareaequityatlas.org/indicators/income-growth#/?geo=0900000000000055>

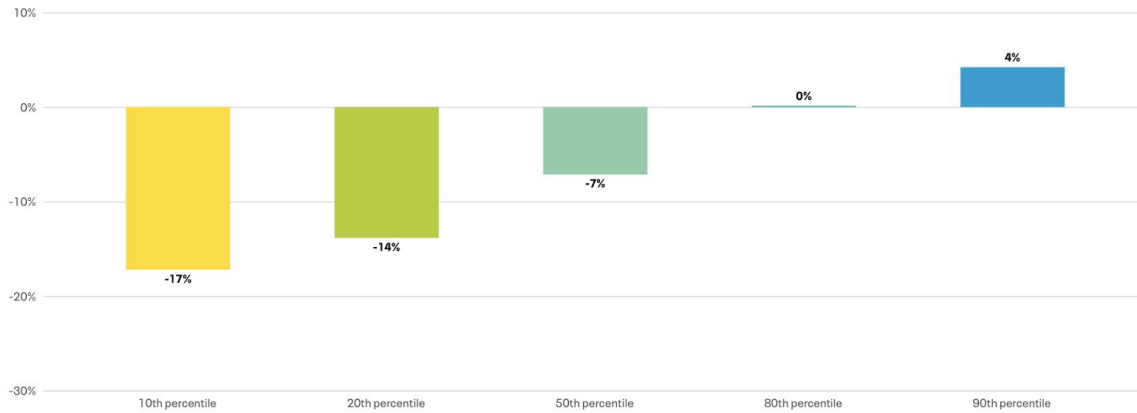
Income growth Alameda County--Hayward CPUMA

Earned income growth for full-time wage and salary workers: Alameda County--Hayward CPUMA; Year: 2000-2015

BREAKDOWN

FILTERS:

YEAR



WHAT IT SHOWS

WHY IT MATTERS

Data source: IPUMS USA | Bay Area Equity Atlas

Bay Area Equity Atlas. Income Growth. Alameda County- Hayward CPUMA.

<https://bayareaequityatlas.org/indicators/income-growth#/?geo=09000000000000055>

These Hayward specific numbers are consistent with the Bay Area Equity's Atlas's findings for the entire Bay Area. The Equity Atlas found that:

- Full-time workers with income in the bottom half of the income distribution in the Nine-County Bay Area saw their incomes decline or stagnate between 2000 and 2015, while workers at the 80th percentile and above saw their incomes increase.
- Income for workers at the 10th percentile dropped 13 percent between 2000 and 2015, while income for workers at the 90th percentile increased 13 percent.

This is why averages are not a useful tool for the purpose of determining the economic situation of Hayward renters.

As housing advocates for Hayward renters, and as Hayward renters ourselves, we are far too familiar with the financial burden that high rent places on Hayward residents. For many years, housing advocates have urged the council to implement an ordinance with rent control tied to the CPI. This is because we have recognized that strong rent control has long been necessary in

Hayward in order to address rising rent prices that have continued to displace our most vulnerable community members and contribute to the homelessness of Hayward families. Our neighboring cities of Richmond, Berkeley and Oakland have had rent increase limits tied to the CPI for many years in order to address rising rents in the East Bay. We believe Hayward previously missed the opportunity to provide tenants the necessary protections to address the severity of the housing crisis in our community, but we are glad to know that the opportunity has presented itself again.

We write to you to today express that our same concern for Hayward renters has grown exponentially in light of the recent circumstances. We again urge you all to implement staff's recommendation to amend the RRSO to limit rent increases using a threshold of 100% CPI. Thank you for your consideration.

Sincerely,

Elisha Crader and Lacey Amodei

From: Monique Berlanga

Sent: Thursday, September 3, 2020 2:35 PM

To: Yolanda Cruz <Yolanda.Cruz@hayward-ca.gov>; Sara Lamnin <Sara.Lamnin@hayward-ca.gov>; Mark Salinas <Mark.Salinas@hayward-ca.gov>; Aisha Wahab <Aisha.Wahab@hayward-ca.gov>

Subject: Changes to the rent increase threshold in the rent ordinance

CAUTION:This is an external email. Do not click on links or open attachments unless you know the content is safe.

Dear Councilmembers Lamnin, Salinas, and Wahab:

Our organization represents many vulnerable, low-income tenants in Hayward and throughout Alameda County. Attached, please find a letter from our organization urging you to revise the City of Hayward's Residential Rent Stabilization Ordinance to implement a new threshold using 100% of the annual change in the CPI.

We are happy to provide additional information or answer any questions.

Thank you,

Monique Berlanga



September 1, 2020

RE: Consideration of Lowering the Rent Increase Threshold

Dear Councilmembers Lamnin, Salinas, and Wahab:

Our organization provides legal services to vulnerable, low-income tenants in Hayward and throughout Alameda County. We are writing to you to urge you to revise the City of Hayward's Residential Rent Stabilization Ordinance to implement a new threshold using 100% of the annual change in the CPI.

Centro Legal de la Raza has seen an alarming increase in tenants seeking our services because they have experienced a COVID-19 related loss of income and cannot pay their rent. While these tenants may not be facing eviction today, the future and safety of these families is in jeopardy. When local eviction moratorium protections are lifted, the economy will continue to be devastated and tenants will be expected to pay back over six months of rent. Many tenants are already on the brink of devastation. An additional 5% rent increase will be enough to push many families into homelessness. To that end, we ask you to take measures to help prevent these people from heightened risk of displacement and homelessness.

Other East Bay cities have already implemented rent increase thresholds tied to the CPI to combat the issue of rising rent prices and displacement in our communities. Richmond, Berkeley, and Oakland have limited rent increases to the CPI for several years to address the long existing housing crisis in the Bay Area¹. Limiting rent increase thresholds linked to the CPI in the Hayward Residential Rent Stabilization Ordinance is imperative to keep families housed and prevent homelessness in Hayward.

We appreciate the steps that you have taken in the past few years to revise and update Hayward's tenant protection laws. Black, Indigenous, People of Color, LGBTQ, low-income, immigrant, and other Hayward tenants, who are being disproportionately impacted by COVID-19, continue to need your support by preventing tenants from being subjected to 5% rent increases by implementing a new threshold using 100% of the annual change in the CPI.

Thank you for working to uphold Hayward's commitment to keep people housed.

Sincerely,

Monique Berlanga
Tenants' Rights Directing Attorney,
Centro Legal de la Raza

¹ The yearly increase in Berkeley is set by taking 65% of the Consumer Price Index. This formula was approved by the Berkeley voters in 2004. Oakland adopted the Oakland Rent Adjustment Ordinance in 1980 which limits the annual rent increase based on the regional Consumer Price Index. The maximum allowable annual rent increase in Richmond is the annual percent change in the Consumer Price Index for all Bay Area consumers, which is usually between a 1 % and 3 % increase per year. Richmond adopted this model in 2016.