ORDINANCE NO. 16 -

AN ORDINANCE AMENDING SECTION 2(1)(2) OF THE CITY OF HAYWARD RESIDENTIAL RENT STABILIZATION ORDINANCE CLARIFYING THE EXEMPTION APPLICABLE TO UNITS FINANCED OR INSURED BY A FEDERAL, STATE OR LOCAL AGENCY

WHEREAS, in 1983, the City Council for the City of Hayward first adopted the City of Hayward Residential Rent Stabilization Ordinance (Ordinance);

WHEREAS, the purpose of the Ordinance includes, but is not limited to, stabilizing rent increases for certain tenant and assuring efficient landlords a fair return on their property;

WHEREAS, the Ordinance imposes rent increase limitations on "rental units," as defined, and also exempts certain residential units from rent control;

WHEREAS, the Ordinance exempts from local rent control those units that are financed or insured by a federal, state or local agency, or receive rent subsidy assistance therefrom if the units are subject to rent controls as a result of such financing, insurance, or subsidy;

WHEREAS, consistent with Council interpretation, it has been the practice of City staff to apply this exemption only to residential units that are currently financed or insured by a federal, state or local agency;

WHEREAS, the City Council finds it necessary to provide clarity to both landlords and tenant that the exemption provided in Section 2(1)(2) is applicable only to residential units that are currently financed or insured by a federal, state or local agency.

THE CITY COUNCIL OF THE CITY OF HAYWARD DOES ORDAIN AS FOLLOWS:

<u>Section 1</u>. <u>Provisions</u>. Upon the effective date of this ordinance, Section 2(1)(2) of the City of Hayward Residential Rent Stabilization Ordinance is hereby amended the read as follows:

Dwelling units in multi-family housing projects <u>currently</u> financed or insured by a federal, state, or local agency or receiving rent subsidy assistance therefrom if the units are subject to rent controls as a result of such financing, insurance, or subsidy;

<u>Section 2</u>. <u>Severance</u>. Should any part of this ordinance be declared by a final decision of a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of the City, such decision shall not affect the validity of the remainder of this ordinance, which shall continue in full force and effect, provided that the remainder of the

ordinance, absent the unexcised portion, can be reasonably interpreted to give effect to the intentions of the City Council.

<u>Section 3</u>. <u>Effective Date</u>. In accordance with the provisions of Section 620 of the City Charter, this ordinance shall become effective 30 days from and after the date of its adoption.

INTRODUCED at a regular meeting of the City Council of the City of Hayward,

held the _____ day of _____, 2016, by Council Member _____.

ADOPTED at a regular meeting of the City Council of the City of Hayward, held

the _____ day of _____, 2016, by the following votes of members of said City Council.

AYES: COUNCIL MEMBERS:

MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

APPROVED: _____

Mayor of the City of Hayward

DATE:

ATTEST:

City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward