



**DATE:** March 27, 2018

**TO:** Mayor and City Council

**FROM:** City Manager

**SUBJECT:** Follow-up Discussion of Rental Housing Affordability Strategies and Community Proposed Tenant Protections

## **RECOMMENDATION**

That the City Council: (1) reviews this report; (2) confirms four action items to be pursued by staff; (3) provides direction regarding policy components; and (4) provides direction regarding the community proposed emergency tenant protections.

## **SUMMARY**

The staff report provides follow-up information to the rental housing affordability strategies discussed and supported by Council at the February 6, 2018 work session. These strategies include:

- Improving the City's role in providing information;
- Requiring mandatory mediation;
- Imposing longer noticing periods on large rent increases; and
- Reducing barriers to affordable housing development.

Additionally, the report provides information on the community-proposed emergency tenant protections including:

- Removing vacancy decontrol language from the Residential Rent Stabilization Ordinance;
- Enacting an emergency moratorium on rent increases; and
- Adopting an emergency moratorium on no cause evictions or amendment of eviction for cause language in the Residential Rent Stabilization Ordinance to cover more units.

The purpose of this report is to: (1) seek Council direction regarding components of the mandatory mediation program; (2) seek Council direction regarding longer noticing periods; (3) seek Council direction regarding the community-proposed emergency tenant protections; and (4) provide preliminary stakeholder feedback regarding improving the City's role in providing information and reducing barriers to affordable housing development.

## BACKGROUND

The increase in Hayward's population, absent a corresponding increase in housing units, has caused rents and prices to rise as supply has failed to meet demand. As a result, approximately 57% of Hayward renters experience a cost burden - they spend over 30% of their household income on rent. Of the 46,672 housing units in Hayward, 49% are rental units. Approximately 1,000 units continue to be rent controlled under the City's Rent Stabilization Ordinance. While low income renters are the most impacted by rising rents and lack of available rental housing, all Hayward renters are experiencing the effects of a tight rental market.

On January 31, 2017, the City Council convened a [work session](#) to review housing affordability strategies and resources in Hayward and Alameda County. Council explored four major areas in depth and directed staff to pursue five specific strategies for further Council review and potential implementation. One of the strategies included the study of the Residential Rent Stabilization Ordinance and review of housing affordability strategies.

On February 6, 2018, City Council convened another [work session](#) to review this topic and provide direction regarding rental housing affordability policy options. After public input and Council discussion, Council consensus centered around the following four policy options:

1. Improving the City's role in providing information;
2. Requiring mandatory mediation;
3. Imposing longer noticing periods on large rent increases; and
4. Reducing barriers to affordable/efficient entitlement of new development.

Additionally, during the February 6, 2018 work session, community members proposed three emergency tenant protections measures. These measures include the following:

1. Removing vacancy decontrol language from the Residential Rent Stabilization Ordinance;
2. Enacting an emergency moratorium on rent increases; and
3. Adopting an emergency moratorium on no cause evictions or amendment of eviction for cause language in the Residential Rent Stabilization Ordinance to cover more units.

On February 26, 2018, a stakeholders' meeting was held to complete additional empathy work regarding the four policy options supported by City Council. Attachment II provides a summary of comments received from community members including tenants, landlords and other stakeholders.

Parallel to this discussion, on June 12, 2017, the City Council adopted the strategic initiatives two-year action plans, including a section on housing within the Complete Communities plan. Actions to execute the Complete Communities housing goal include the formation of interdisciplinary lean innovation teams to explore the viability and efficacy of City programs through empathy work and experimentation. One lean accelerator team is currently running

experiments to determine whether the City's website and City staff respond to live and online housing inquiries effectively.

## **DISCUSSION**

The following discussion will review policy initiatives identified at the February 6, 2018 work session. Discussion of these items will incorporate feedback from the February 26, 2018 stakeholders meeting and, where applicable, policy components from other jurisdictions. In some instances, stakeholder feedback provided clarity and direction and in other instances, it informed additional policy questions to which staff seeks direction. This discussion will also review tenant protection policies proposed by community members at the February 6, 2018 work session.

### ***Council Supported Affordable Rental Housing Strategies***

#### ***1. Mandatory Mediation***

Mandatory mediation is the most complex of all the policy initiatives. Mandatory mediation and rent review provides a forum for tenants and landlords to discuss issues, such as rent increases, to create a better understanding of each party's perspective and come to a decision based on the needs of both parties.

During the February 26 listening session, several questions were revealed that require further Council input in order for staff to develop a mandatory mediation program for Council approval. A discussion of these questions follows. These questions include:

- Could mediation be provided for other tenant/landlord disputes (besides rent increases) or to negotiate changes in lease terms? What should the scope of mediation be?
- What is the difference between mediation and arbitration?
- Who would mediate?
- Would the decisions be binding?
- What does it mean to be mandatory?
- How would tenants fearing retaliation be protected?

Programs provided by neighboring jurisdictions provide examples of how some of the questions have been addressed. Neighboring jurisdictions such as Fremont, San Leandro and Union City provide either a rent review or mandatory mediation program. Attachment III provides a comparison of the rent review/mediation programs offered by these three cities. In both the City of Fremont and the City of San Leandro, the ultimate recourse involves arbitration held by a rent review board. The rent boards only review cases that involve units that are subject to the ordinance and exceed the established threshold for rent increases. In both cities, the rent review board consists of tenants, landlords and neutral residents. Decisions by the Rent Review Boards are only recommendations. In Fremont, if an agreement is reached between the tenant and landlord, the agreement is binding. If no agreement is reached, the proposed rent increase remains in effect. In San Leandro, if recommendations proposed by the rent review board are not accepted, the petition is referred to the City

Manager for review. Union City provides a mandatory mediation program administered by a service provider. Decisions issued by the mediator are not binding.

Comparison of rent review/mediation programs from other jurisdictions has identified program components that will require Council direction. The following components are discussed below, considering program components from neighboring jurisdictions and tenant feedback.

### Scope of Mediation Program

The scope of the mediation program identifies who will be served and under what situation. Two neighboring jurisdictions' programs cover most residential units with some exclusions such as hotels, hospitals, and rent restricted properties. The most restrictive city requires that there be two or more tenant-occupied housing units on a parcel for the units to be covered by the ordinance. Additionally, neighboring jurisdictions only provide rent review/mediation for disputed rent increases above an established threshold. Rent increase thresholds range from five percent to seven percent in the neighboring jurisdictions. One jurisdiction will allow tenants to request review if the tenant has received more than one rent increase notice in a 12-month period. In addition to mediating rent increases, stakeholders identified other issues that could potentially be addressed through this new mediation program. Other areas where mediation may be beneficial include negotiating changes in terms of a lease agreement or decrease in services provided. The City will have to identify the scope of mediation services provided including the types of units covered by the program, the rent increase thresholds, and if other tenant/landlord disputes will be covered.

#### *Council questions:*

- 1) *Type of units covered by the program?*
- 2) *Rent increase thresholds to be subject to the mediation program?*
- 3) *Should other tenant/landlord disputes be covered? Items to consider include:*
  - a. *Disputed change in lease terms;*
  - b. *Disputes regarding maintenance and repairs;*
  - c. *Decreases in services; and*
  - d. *Disputed lease term violations*

### Process: Mediation vs. Arbitration

Mediation and arbitration are both alternatives to litigation. In the context of contested rent increases, litigation is not an option unless the proposed rent increase violates the lease agreement or state law. By providing mandatory mediation or arbitration, the City provides a forum for both sides to be heard. The question remains as to which mechanism is more appropriate or fair to both parties. A brief description of both processes is provided below:

*Mediation.* A typical mediation process involves active participation of a neutral third party to find points of agreement by talking in turn to each party and arranging a solution that would be acceptable by both parties. Agreements are typically non-binding because each party would have the ability to litigate if mediation fails or the solution is unacceptable. However, in the context of rent increase disputes, litigation is not likely to be an option.

*Arbitration.* A typical arbitration process involves a neutral third party that reviews evidence and testimony provided by each party and provides a decision on the matter. There can be a single arbitrator or a panel. The parties agree ahead of time to abide by the decision and the decision is typically binding. Both the City of Fremont and the City of San Leandro have instituted non-binding arbitration.

While Council indicated support of a mandatory mediation program, one recommendation by a stakeholder was to have the rent disputes heard by a panel of community members including tenants and landlords. Such a panel would require appointment of board members by the City Council or Mayor, staffing the board, and meeting coordination. The program would require arbitration instead of mediation. Two of the three neighboring jurisdictions have similar programs. The City will have to determine if the program will utilize mediation or arbitration. Additionally, the City will have to decide if cases should be heard by a neutral service provider or by a Council-appointed board that consists of members of the community.

*Council questions:*

- 1) *Should the City pursue mediation or arbitration?*
- 2) *Should cases be heard by a neutral service provider or by a Council-appointed board?*

#### Enforceability of Decisions: Binding vs. Non-binding

Stakeholders stated a preference for both binding and non-binding decisions. Decisions made in two of the neighboring jurisdictions are non-binding. If agreements are not reached, the proposed rent increase will be effective. The third city, on the other hand, states that agreement reached will be binding. However, if no agreement is reached, the proposed rent increase will become effective. The City will have to determine if decisions and/or agreements will be binding or non-binding.

*Council question:*

- 1) *Should decisions and/or agreements reached be binding or non-binding?*

#### Mandatory

Stakeholders highlighted the need to define what it means to be mandatory in the context of the mediation program. For all three neighboring jurisdictions, landlords' failure to participate in the mediation/arbitration process voids proposed rent increases. If a tenant fails to participate, the case is dismissed, and, in some cases, the tenants are barred from subsequently challenging such increase. Based on neighboring jurisdictions, mandatory participation can include appearance by parties or representatives for scheduled and noticed

hearings, provision of relevant information, and/or willingness to engage in a discussion. However, acceptance of decisions is not mandatory. The City will have to define what aspects of the program would be mandatory.

*Council question:*

- 1) *What aspects of the mediation are mandatory?*
  - a. *Appearance by parties or representatives for noticed meetings;*
  - b. *Provision of relevant information;*
  - c. *Engagement in discussion;*
- 2) *Should a landlord's failure to participate void rent increase?*
- 3) *Should a tenant's failure to participate bar tenants from subsequent challenges or just bar them from challenging rent increases for the next 12 months?*

### Retaliation Protection

Stakeholders raised concerns that if a tenant submitted a request for mediation, the landlords may retaliate. Two of the neighboring jurisdictions identified, as retaliatory, eviction proceedings against a tenant for exercising his or her rights under their rent review/mediation program and reference state law protecting tenants against retaliatory evictions. The third city explicitly protects tenants from adverse retaliation for actions suffered within 180 days of the tenant exercising their rights under the ordinance. Additionally, it assesses monetary penalties up to \$2,000 as permitted by state law, voids retaliatory rent increases, and provides for a defense against unlawful detainers or eviction action. Under Civil Code Section 1942.5, retaliatory conduct can include, in addition to evictions or recovery of property, rent increases, decrease in services, reporting tenants to immigration authorities, or threatening tenants with any of the above actions. In addition to punitive damages of up to \$2,000, tenants can recover actual damages, and, if prevailing, reasonable attorneys' fee. The City will have to determine if state law provides sufficient retaliation protection to tenants that exercise their rights under this program or if additional measures should be provided.

*Council question:*

- 1) *Are State retaliation provisions sufficient or does the Council wish to include additional measures? This might include voiding retaliatory rent increases and explicitly stating that retaliatory conduct will provide for a defense against an unlawful detainer.*

### Suspension of Proposed Rent Increase

Comparison of the rent review/mediation programs offered by other neighboring jurisdictions identified another program component that will have to be determined by the City. The City will need to determine if rent increases should be suspended during mediation. Two neighboring jurisdictions do not suspend rent increases during rent review/ mediation. The third jurisdiction requires tenants to deposit half of the proposed rent increase with the landlord until an agreement has been made.

*Council question:*

*1) Should rent increases be suspended during mediation?*

### Summary of Program Components to be Determined

A mandatory mediation program has many components to consider. The following list summarizes the topics discussed above:

- Scope of mediation program (units covered, rent increase threshold, issues heard)
- Process (mediated by service provider or arbitrated by rent review board)
- Enforceability of decision (binding or non-binding)
- Mandatory (What does participation look like? What are the consequences?)
- Retaliation Protection (Is state law sufficient?)
- Suspension of Rent Increases (Yes, No, or half)

### **2. Longer Noticing Periods**

Extended noticing periods would lengthen the period between noticing tenants of a rent increase and the date the increase would take effect, allowing tenants more time to plan for or adjust to the increase. Under California Civil Code Section 827(b), a landlord must provide a tenant with 30 days' notice prior to a rent increase of 10 percent or less and 60 days' notice prior to a rent increase greater than 10 percent. Noticing periods in neighboring jurisdictions are consistent with state law. One city encourages providing 90 days' notice.

The listening session provided a wide variety of suggestions. Stakeholders proposed extending noticing periods from 15 days over state law to over a year for rent increases above 10%. Additionally, they requested longer noticing periods between 60 days and six months for termination of tenancy. Other suggestions included providing extra time for households on a fixed income, for hardships, and for families with children. It was also suggested that landlords be considerate of the school year for families with children. On the other hand, landlords that provide housing at below market rents felt unduly penalized.

### Longer Noticing Periods for Rent Increases

Considering the stakeholder feedback and in consideration of challenges households face in finding new housing if the proposed rent increase is unaffordable, the City could consider extending noticing prescribed by state law by an additional 30 days. Additionally, for households at risk of homelessness or target populations identified in the City's housing element, an additional 30 days could be provided, if a tenant self-identifies and requests a special consideration from the landlord. These households could include low-income households and households with special needs, including seniors, persons with disabilities, single-parents, and families with school age children.

*Council question:*

- 1) *Should the Council extend notice requirements prescribed by state law by an additional 30 days for rent increases over 10% and an additional 60 days for households at risk of homelessness or target populations identified in the City's housing element?*

### Longer Noticing Periods for No Cause Evictions

A landlord can terminate a month-to-month tenancy by giving the tenant 30 or 60 days' advance written notice. Additionally, a landlord can terminate the tenancy by giving the tenant only three days' advance written notice based on specific reasons including:

- Failure to pay the rent;
- Violations of any provision of the lease or rental agreement;
- Material damages to the rental property;
- Substantial interference with other tenants;
- Acts of domestic violence or sexual assault against, or stalking another tenant or subtenant on the premises;
- Use of the rental property for an unlawful purpose;
- Engagement in drug dealing, unlawfully used, cultivated, imported, or manufactured illegal drugs;
- Use of the building or property to conduct dogfighting or cockfighting; and
- Unlawful conduct involving weapons or ammunition.

The City will need to determine if extended noticing periods will apply to both rent increases and termination. The justifications for a three-day notice of termination of tenancy protect the well-being of the residents and the property. However, terminating tenancy utilizing a 30 or 60 days' notice require no justification under state law and the City could consider extending the noticing period to 90 days considering the difficulty residents are having finding affordable housing or consider strengthening eviction for cause language which will be discussed further under the community proposed tenant protections.

*Council questions:*

- 1) *Should the City extend noticing periods for no cause evictions to 90 days or should the City consider strengthening eviction for cause provisions under the Residential Rent Stabilization Ordinance?*

### **3. Barriers to Development and Opportunities to Incentivize New Housing Development**

The City should consider opportunities to reduce barriers to affordable and efficient entitlement of new development, particularly affordable housing development, which may include the following:



- ***Expedited Permit Processing.*** Develop an on-call planning services consultant list and allow an applicant to pay for outside consulting services to get expedited Planning permit processing.
- ***Local Density Bonus.*** Amend Hayward Municipal Code Chapter 10, Article 19, Density Bonus Ordinance, to provide for a local density bonus that is greater than 35% per Government Code Section 65915(b)(3) for affordable housing developments constructed by non-profit housing developers and/or the City and that are deed restricted for affordability.
- ***City-Owned Land.*** Identify and sell City-owned land to affordable housing developers for a significantly reduced rate. Prioritize land that is in in-fill areas and close to high frequency transit which would locate affordable housing units near services, and reduce the combined costs of housing and transportation.
- ***Shift from Level of Service (LOS) to Vehicle Miles Traveled (VMT) Related to CEQA Traffic Impact Analysis.*** Amend the General Plan to eliminate LOS Standards as a measure of impact related to traffic generation attributed to a project, as supported by State Law (AB 743). A shift from LOS to VMT analysis would allow infill projects located near services and high frequency transit to avoid preparation of costly and time-consuming traffic studies that are often targeted in CEQA challenges.
- ***Parkland Fee Exemption for Ownership Affordable Units.*** Currently, rental housing owned by a private non-profit corporation with deed restricted affordable housing units are exempt from paying Parkland Dedication Fees. Expand the park fee exemption to require deed restrictions for a minimum of 55 years and to also include ownership housing that is deed restricted for low income households.
- ***Flexible Fee.*** Allow flexibility in payment of utility and other permitting fees from issuance of building permit to Certificate of Occupancy, or later, if secured by a lien or other mechanism on the property.
- ***Adopt Small Lot Single Family Standard.*** Development of infill sites to the density permitted under the General Plan may require reductions in lot sizes, yards and parking, which is typically accomplished through the Planned Development (PD) District Rezoning process. The PD District application process is time consuming, expensive and requires full environmental analysis because there is no applicable CEQA exemption for projects involving rezoning of property. Development and adoption of small lot single family development standards would allow projects that are consistent with the General Plan and applicable standards to move forward more quickly and, if applicable, be exempt from CEQA analysis.
- ***Flexible Standards to Increase Density on Underdeveloped Sites.*** Identify underdeveloped parcels, or parcels not built to the allowable General Plan density, and provide flexibility for development standards (parking, minimum open space requirements) or incentives (rehabilitation funds) if the owner agrees to build deed restricted units up to the maximum permitted under the General Plan.
- ***Downtown Redevelopment Incentive.*** Downtown Hayward is significantly underdeveloped in that it consists primarily of one and two story, older commercial buildings. Providing incentives, such as reduced development standards, rehabilitation grants, demolition grants, or reduced or waived City fees, for property owners willing to rehabilitate and develop residential units above existing commercial tenant spaces

may contribute to encourage development, as will, providing additional incentives for developers willing to deed restrict the units for affordability.

Stakeholders identified the need to streamline processes, improve appeal processes, reduce costs to develop, build more affordable housing or mixed income housing, rehabilitate existing buildings and restrict these as affordable housing, collaborate with other organizations, and leverage outside funds such as county funds or regional funding. If the Council has any preliminary feedback on any of these options, staff would welcome that at this work session. However, staff will bring this topic back for further discussion and direction in September 2018.

#### ***4. Improve Access to information***

Staff has formed a lean accelerator team that is focused on improving access to housing information. The team is currently running an experiment to determine whether the City's website and City staff respond to live and online housing inquiries effectively. Based on initial findings, staff has already increased housing information available online and is working on improving access via the phone tree and in-person inquiries at City Hall. Additionally, staff is developing a guide to distribute to front line staff to help them better direct residents to the right department, when it comes to housing related issues.

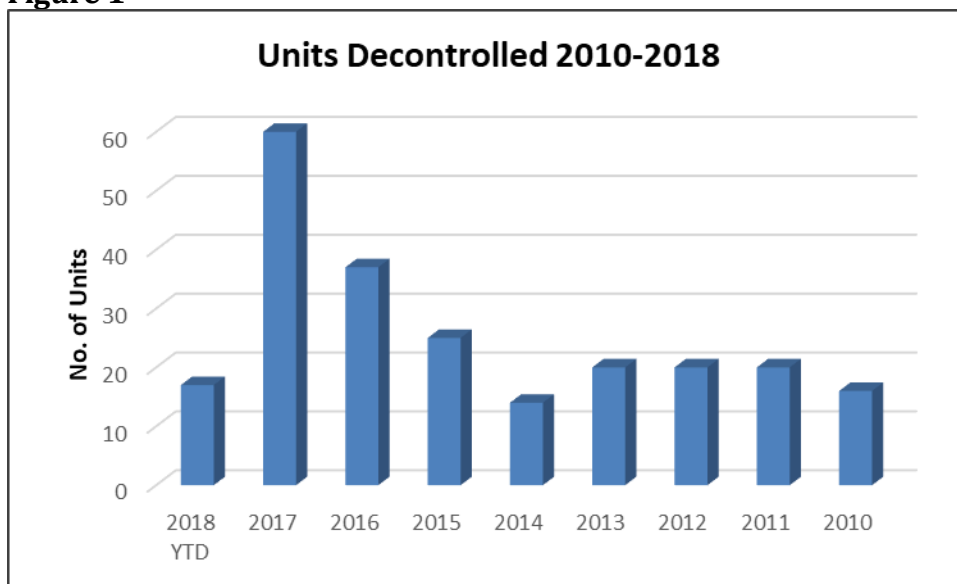
Additionally, the stakeholder meeting identified some common concerns regarding access to information. These items included: crafting clear and precise messages; distributing information through other community spaces such as schools, libraries, recreation centers, and social services; providing materials that address diverse communication needs such as language, education level, and mode of distribution (electronic or paper); hosting focus groups; and providing more information on tenant/landlord rights. The stakeholder comments call attention to the need to summarize the content of the Residential Rent Stabilization Ordinance and potential Council legislation regarding mandatory mediation. Stakeholders would like a better understanding of who is protected under the Ordinance and the process. While frequently asked questions are currently available, staff can create materials such as flow charts and/or program descriptions in plain language that will help communicate which units are covered, and what the process looks like if a petition is submitted. While improvements will be ongoing, staff anticipates implementing such improvements by the end of May 2018.

#### ***Community-proposed emergency tenant protection measures***

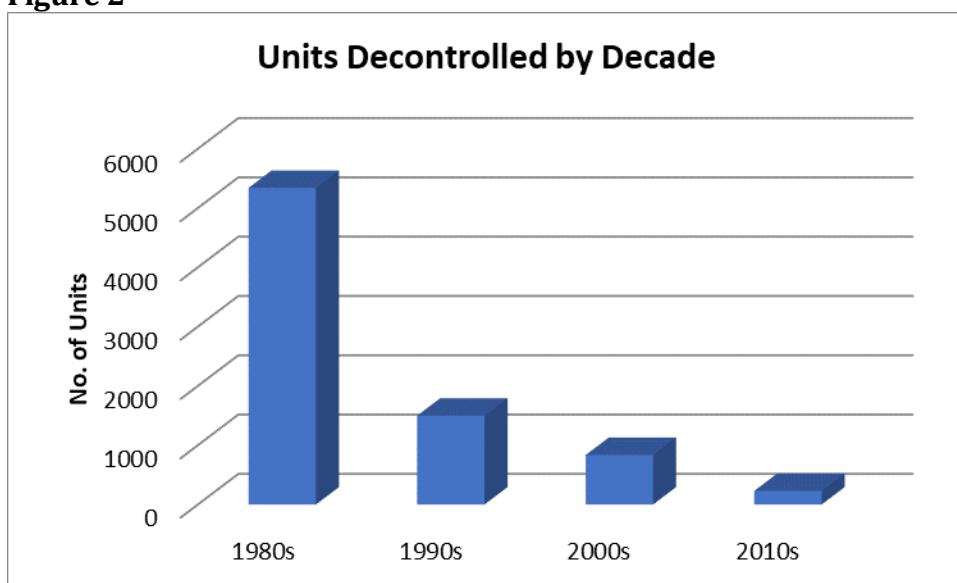
##### ***1) Removing Vacancy Decontrol Language from the Residential Rent Stabilization Ordinance***

While there has been a recent spike in the number of units decontrolled, as illustrated by **Figure 1**, most of the units covered by the residential rent increase limits were decontrolled in the 1980s, as illustrated by **Figure 2**.

**Figure 1**



**Figure 2**



Removal of vacancy decontrol language from the Residential Rent Stabilization Ordinance would subject a small percentage of landlords to perpetual rent increase limits and eliminate the decontrol option afforded to other landlords. Of the 22,874 rental units, only about 1,000 units continue to be covered by residential rent increase limits.

Under the vacancy decontrol section of the Residential Rent Stabilization Ordinance, landlords may decontrol a unit if they obtain written certification from the City Building official indicating that the unit complies with the City's Housing codes, they have made improvements greater than thresholds established by the Ordinance, and they submit required decontrol documentation to the City following renting the

apartment. It was intended that the improvement value threshold be adjusted annually by the consumer price index (CPI) for rent for the San Francisco-Oakland-San Jose Metropolitan Statistical Area. However, the improvement value for vacancy decontrol control has not been adjusted annually since inception of the program. Adjustment based on the CPI did not start until 2005. Currently, the improvement values threshold for decontrolling units are:

- \$1,566.43 for a 1-bedroom unit
- \$2,349.65 for a 2-bedroom unit
- \$3,132.86 for a 3-bedroom unit

If improvement value thresholds had been adjusted annually, current improvement value thresholds would be:

- \$4,097.83 for a 1-bedroom unit
- \$6,146.74 for a 2-bedroom unit
- \$8,195.65 for a 3-bedroom unit

Attachment IV provides the historical CPI data used to estimate the improvement value threshold. The Council could consider increasing the improvement value threshold to include adjustments for the years that the threshold was not applied to protect the remaining units covered by the residential rent increase limits or establish a higher limit.

## *2) Enacting an Emergency Moratorium on Rent Increases*

A moratorium is a suspension of activity or an authorized period of delay or waiting. Government bodies may declare a moratorium for a broad range of reasons, including the suspension of rent increases to prevent the displacement of residents. However, moratoria may be challenged, taking into consideration the impacts on the parties involved. Additionally, a moratorium would require at least five affirmative Council votes to be approved per the City Charter.

Other jurisdictions such as Oakland and Santa Cruz have enacted moratoria in response to concerns about escalating rents. However, in both cases, there was pending legislation or amendments to legislation that could incentivize landlords to raise rents or terminate tenancy without cause before the new legislation was enacted. Specifically, in January 2018, the City of Santa Cruz established a temporary moratorium on certain residential rent increases that exceed two percent in response to announcement of plans to place a just cause for eviction and rent stabilization measure on the ballot to go before the voters in November of 2018. In the Santa Cruz case, there is a clearly identified end to the moratorium and a potential future change that might incentivize landlord actions that could cause displacement. Absent of changes to existing legislation in Hayward, a moratorium will only delay scheduled rent increases.

Staff does not recommend that the Council pursue a moratorium at this time given the prior policy direction provided by the Council on recommended changes to housing affordability programs.

3) *Adopting an Emergency Moratorium on No Cause Evictions or Amendment of Eviction For Cause Language in the Residential Rent Stabilization Ordinance.*

As stated above, a moratorium on no cause evictions may only delay such terminations of tenancy. Council could consider either clarifying existing language in the Residential Rent Stabilization Ordinance to ensure that it covers all the intended units or extend eviction for cause protections to all residential rental units not exempted by state law.

Just cause laws enacted by local jurisdictions limit reasons a landlord can terminate tenancy. Under state law, landlords can terminate tenancy utilizing 30 or 60 days' notice without any justification. Hayward's Residential Rent Stabilization Ordinance, establishes 15 reasons that justify the termination of tenancy. Some of these reasons include:

- Failure to pay rent;
- Tenant's use of rental unit for illegal purposes related to controlled substances;
- Tenant violation of rules and regulations;
- Substantial violation of terms of the lease agreement; or
- Tenant willfully caused or allowed substantial damage to the premises.

Council could consider the following options regarding eviction for cause protections:

1. Maintain existing eviction for cause language. However, current language could be interpreted to limit eviction for cause protection to units covered by residential rent increase limits, which only covers approximately 1000 units in the City.
2. Modify existing language to clarify that eviction for cause protections cover both controlled and decontrolled units covered under the ordinance.
3. Modify existing language to extend eviction for cause protections to all residential units in the City not exempted under state law.

## **FISCAL IMPACT**

There is no fiscal impact associated with the discussion of this item. However, the fiscal impacts of each policy option will vary and be determined by the direction provided by Council. Staff will return with the fiscal analysis of any policy options Council directs staff to further research.

## **STRATEGIC INITIATIVES**

This agenda item supports the Complete Communities Strategic Initiative. The purpose of the Complete Communities Strategic Initiative is to create and support structures, services, and amenities to provide inclusive and equitable access with the goal of becoming a thriving and

promising place to live, work, and play for all. This item supports the following goal and objectives:

Goal 2: Provide a mix of housing stock for all Hayward residents and community members, including the expansion of affordable housing opportunities and resources.

Objective 1: Centralize and expand housing services.

Objective 2: Facilitate the development of diverse housing types that serve the needs of all populations.

Objective 3: Conserve and improve the existing housing stock.

Objective 4: Increase supply of affordable, safe, and resilient housing Hayward

## **PUBLIC CONTACT**

In January 2018, staff hosted meetings with tenants, landlords, representatives of community-based organizations, and advocates to listen to stakeholder perspectives on housing issues. Additionally, staff conducted an online survey to provide an alternate mechanism for participation in the housing discussion. On February 26, 2018, staff hosted a subsequent listening session to hear the stakeholder feedback on Council-supported affordable rental housing strategies.

## **NEXT STEPS**

City staff will take the direction provided by Council and return according to the timelines outlined below with program options.

- |   |                      |
|---|----------------------|
| • Mandatory Mediation   | June 2018            |
| • Longer Noticing Periods   | June 2018            |
| • Reducing Barriers to Development  | September 2018       |
| • Improved access to information – No Council action required. Many improvements will be implemented in May 2018 but improved access to information will require ongoing attention as new programs are developed. | May 2018 (initially) |
| • Community-supported tenant protections: If directed by Council, modification of existing ordinance related to any of the three proposals will be completed  | June 2018            |

Moving forward, to provide Council ample time for discussion and action, staff will bring each policy item back to Council separately for action rather than bringing the entire set of rental affordability strategies at once as is done in this report.

*Prepared by:* Christina Morales, Housing Division Manager

*Recommended by:* María A. Hurtado, Assistant City Manager

*Approved by:*

A handwritten signature in black ink, appearing to read 'K. McAdoo', is positioned above a horizontal line.

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Kelly McAdoo, City Manager