



CITY OF HAYWARD

Hayward City Hall
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Cover Memo

File #: LB 19-031, **Version:** 1

DATE: June 18, 2019

TO: Mayor and City Council

FROM: City Manager

SUBJECT

Introduction of an Ordinance adding Chapter [X] of the Hayward Municipal Code to Adopt a New Residential Rent Stabilization and Tenant Protection Ordinance to Mitigate Displacement of Hayward Residents, including an Associated Budget Allocation and Updated Rent Review Fee to Administer the Program, and to Repeal the Existing Residential Rent Stabilization Ordinance No. 83-023 and the Emergency Ordinance Requiring Just Cause for Eviction Ordinance No. 19-04

RECOMMENDATION

That the City Council:

1. Adopt a new Residential Rent Stabilization and Tenant Protection Ordinance (RRSO) to establish a comprehensive set of rental housing policies to mitigate displacement of Hayward residents and to repeal the existing Residential Rent Stabilization Ordinance No. 83-023 and the Emergency Ordinance Requiring Just Cause for Eviction No. 19-04 (Attachment II); and
2. Adopts a Resolution Authorizing the Amendment to Resolution 19-103, the Budget Resolution for the City of Hayward Operating Budget for Fiscal Year 2020, Relating to the Transfer of the Rent Review Budget Allocation in the amount of Two Hundred and Seventy-Four Thousand Six Hundred Sixty-Eight Dollars (\$274,668) from the General Fund to the Rental Housing Program Fund; and Appropriating Three Hundred and Fifty-Nine Thousand Dollars (\$359,000) to the Rental Housing Program Fund to Cover the Cost of Administering the Residential Rent Stabilization and Tenant Protection Ordinance and the Mobilehome Space Rent Stabilization Ordinance (Attachment III); and
3. Adopts a Resolution Authorizing the Amendment to Resolution 19-059, the Resolution for the City of Hayward Fiscal Year 2020 Master Fee Schedule Associated with the Administration of the New Residential Rent Stabilization and Tenant Protection Ordinance and the Mobilehome Space Rent Stabilization Ordinance. (Attachment IV)

SUMMARY

Based on the comprehensive and community inclusive process conducted by the City of Hayward,

including specific direction provided by the City Council on February 19, 2019, a community workshop on April 6, 2019, and numerous subsequent Housing-Homelessness Task Force (HHTF) meetings, the proposed new Residential Rent Stabilization and Tenant Protection ordinance (RRSO) will repeal and replace the existing ordinance and consist of a new comprehensive set of housing policies aimed at stabilizing rents, protecting tenants, and preventing displacement and homelessness for the City's tenant population. The key components of the RRSO include:

- Mandatory mediation program with binding arbitration that 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;
- Provisions to protect Section 8 voucher holders from discrimination;
- Requirements that landlords file rent increase notices and eviction notices with the City to obtain accurate data about rental housing activity;
- Tenant retaliation protection provisions; and
- Reincorporation of the Just Cause for Tenant Evictions into the ordinance.

The two provisions previously under consideration that were excluded from the proposed RRSO based on recommendations from the HHTF include:

- Permanent (improvement) vacancy decontrol provisions; and
- Tenant relocation assistance provisions.

Staff has created a marketing plan and will begin immediate implementation that will include the development of plain language information for both tenants and landlords that can be available in print and electronically and that will be accessible in multiple languages. Additionally, staff is in the development phase of an education program to provide tenants and landlords with information regarding the new legislation and basic information regarding tenant and landlord rights. Lastly, staff will work cooperatively to foster compliance with the City's updated RRSO.

If the proposed legislation is approved, it will replace the current RRSO and the Just Cause for Eviction Ordinance; and will terminate the moratorium on permanent vacancy decontrol as the provisions will no longer apply.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Residential Rent Stabilization and Tenant Protection Ordinance
Attachment III	Resolution Appropriating Funds to Rental Housing Program Fund
Attachment IV	Resolution Amending the Master Fee Schedule
Attachment V	Open House Materials
Attachment VI	Public Comments from Open House

Attachment VII Management Partner's Hayward Vacancy Decontrol Review Final Project Report
Attachment VIII More Detailed Summary of Proposed Mediation and Binding Arbitration