



CITY OF HAYWARD

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Cover Memo

File #: LB 19-019, **Version:** 1

DATE: March 26, 2019

TO: Mayor and City Council

FROM: City Manager

SUBJECT

Adoption of Emergency Ordinance Amending Just Cause for Tenant Evictions to Exempt Affordable Housing Conversion Projects

RECOMMENDATION

That the City Council adopts an emergency Ordinance amending Just Cause for Tenant Evictions to exempt affordable housing conversion projects.

SUMMARY

On March 5, 2019, the City Council adopted an emergency Ordinance requiring just cause for tenant evictions for all rental units within the City and repealing the eviction for cause provisions under the Residential Rent Stabilization Ordinance (RRSO). The Just Cause for Tenant Eviction Ordinance provides tenants with a defense against no cause evictions and establishes what constitutes justified evictions. The just causes required for eviction identified under the new ordinance are the same as the justifications for eviction under the RRSO, however, the exemptions are different. Specifically, the new ordinance does not exempt affordable housing.

While funding sources for affordable housing generally require eviction for cause, elimination of this exemption prevents investment in properties that will convert market rate properties to affordable rent restricted properties because the property owners would not be able to terminate the tenancy of over-income tenants in order to complete the conversion.

Staff is recommending enacting this exemption as an emergency ordinance due to the immediate impacts the ordinance has on Leisure Terrace Apartments, which initiated applications for funding the conversion of the project from market rate to affordable prior to the enactment of the emergency Just Cause for Tenant Eviction Ordinance. The project also received approval from City Council on February 19, 2019 to issue multifamily housing revenue bonds. Enactment of an emergency ordinance would require at least five affirmative votes from the City Council and would go into effect immediately. If only four Council members vote for the proposed ordinance, then adoption would occur at the next City Council meeting and the ordinance would go into effect 30 days after adoption. However, if this is not adopted as an emergency Ordinance, this is likely to jeopardize the financing of the conversion of the Leisure Terrace

Apartments to affordable housing, as well as other affordable housing conversions in other jurisdictions being developed by the same project proponent.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Ordinance Amending the Just Cause for Tenant Eviction Provisions