

CITY OF HAYWARD

Hayward City Hall 777 B Street Hayward, CA 94541 www.Hayward-CA.gov

Cover Memo

File #: LB 19-036, Version: 1

DATE: June 25, 2019

TO: Mayor and City Council

FROM: City Manager

SUBJECT

Adoption of Emergency Ordinance Establishing a Temporary Moratorium on Rent Increases Exceeding Five Percent of Current Rent on All Pre-1979 Units Except Single Family Homes and Condominiums

RECOMMENDATION

That the City Council adopts an interim emergency ordinance (Attachment II) establishing a temporary moratorium on certain residential rent increases not to exceed five percent applicable to all pre-1979 units except single family homes and condominiums in the City of Hayward until the new Rent Stabilization Ordinance goes into effect on July 25, 2019.

SUMMARY

On June 18, 2019, the City Council approved the introduction of a new Residential Rent Stabilization and Tenant Protection Ordinance (RRSO) to mitigate displacement of Hayward residents. In order to prevent unreasonable and excessive rent increases caused by the approval of the new RRSO, City Council directed staff to return with an emergency ordinance to limit rent increases to 5% on all pre-1979 units except single family homes and condominiums between the date of any adopted emergency moratorium and the date the new RRSO will become effective, which is anticipated to be July 25, 2019.

If approved, during the temporary moratorium, no Landlord shall serve or give a rent increase that, on a cumulative basis over the 12 months preceding the effective date of the emergency ordinance, exceeds a five percent annual increase. The provision would be applicable to all pre-1979 units except single family homes and condominiums consistent with State law. This moratorium shall not apply to any rent increase which, after proper notice to the Tenant, took effect prior to the effective date of this emergency ordinance.

Enactment of an emergency ordinance would require at least five affirmative votes from the City Council. 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, which would be after the anticipated July 25, 2019 effective date of the new RRSO.

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ATTACHMENTS

Attachment I Staff Report

Attachment II Ordinance Establishing a Temporary Moratorium on Rent Increases Exceeding Five

Percent of Current Rent on All Pre-1979 Units Except Single Family Homes and

Condominiums