CITY OF ALAMEDA ORDINANCE NO._____

New Series

URGENCY ORDINANCE EXTENDING WITHIN THE CITY OF ALAMEDA A TEMPORARY (AN ADDITIONAL 22 DAY) MORATORIUM ON RENT INCREASES FOR CERTAIN RESIDENTIAL RENTAL PROPERTIES AND ON EVICTIONS FROM ALL RESIDENTIAL RENTAL PROPERTIES EXCEPT FOR JUST CAUSE

WHEREAS, Government Code Section 36937 allows a City, including a Charter City, to adopt an urgency ordinance to take effect immediately upon its adoption for the preservation of the public peace, health or safety upon a finding of facts constituting the urgency thereof; and

WHEREAS, Section 3-12 of the Alameda City Charter allows the City to adopt an urgency ordinance to take effect immediately upon its adoption for the preservation of the public peace, health or safety upon a finding of facts constituting the urgency therefor; and

WHEREAS, such an urgency measure requires a four-fifths vote (4 votes) of the City Council for adoption and, as provided further herein, this Ordinance shall be in effect for 22 days—until March 31, 2016--unless extended further by the City Council); and

WHEREAS, there is a strong demand for rental housing in the City of Alameda which has resulted in a shortage of rental housing and for more than a year community members have reported (a) to the City Council at City Council meetings, (b) to the City Council in written communications, (c) to the Rent Review Advisory Committee and (d) to and through the press that there have been a substantial increases in rent and that there has been a substantial number of evictions without cause; and

WHEREAS, in response the City Council directed City staff to present to the Council various tenant protection policy options, including strengthening the City's rent review procedures using the Rent Review Advisory Committee, or adopting rent control/stabilization and/or just cause eviction policies; and

WHEREAS, community members also reported that the City Council's discussion and direction to study rent control and just cause policy options have created market uncertainty and concern among some property owners that if they did not immediately raise rents and/or take action to terminate tenancies without just cause, they could face a loss of income and property values; and

WHEREAS, according to the 2008-2012 Comprehensive Housing Affordability Strategy (CHAS) data, 2975 very low-income renter households in Alameda pay more than half of their incomes for housing and are at risk of displacement; and

WHEREAS, according to Real-Answers (Third Quarter, 2015), the average monthly rent for market-rate units of apartment buildings with fifty or more units in the City of Alameda have increased by 52% between 2011 and 2015; and

WHEREAS, the City's rental units are almost fully occupied with a 1.4% average vacancy rate (as of 2013) compared to a County-wide average of 3.8% vacancy rate, and the vacancy rate is so low that there is not enough available supply to offer meaningful choice in the rental market; and

WHEREAS, between 2000 and 2013, median household income for those who rent in Alameda increased by 29%, which has not kept pace with rising rents that increased by 54% over the same 13-year time period, and has created a growing "affordability gap" between incomes and rents; and

WHEREAS, given this increased housing cost burden faced by many Alameda residents, excessive rental increases threaten the public peace, health or safety of Alameda residents, including seniors, those on fixed incomes, those households with very low-, low- and moderate-incomes, and those with special needs to the extent that such persons may be forced to choose between paying rent and providing food, clothing and medical care for themselves and their families; and

WHEREAS, excessive rental increases could result in the displacement of those Alameda residents identified above; and

WHEREAS, in light of the above, on November 5, 2015, the City Council adopted an ordinance (Ordinance No. 3140) on an urgency basis a temporary moratorium (65 days) that (a) as to certain residential rental units prohibits an owner of residential rental property from noticing an increase in rents, or increasing rents, that on a cumulative basis over the 12 months preceding the effective date of the proposed rent increase is 8% or more and (b) as to all residential rental units prohibits an owner of residential rental property from taking any action to terminate a tenancy except for the grounds set forth in the Ordinance; and

WHEREAS, in light of the above, on December 1, 2015, the City Council adopted an ordinance (Ordinance No. 3143) on an urgency basis that modified in certain respects the grounds upon which an owner of residential rental property could take action to terminate a tenancy but that did not extend the expiration date of the temporary moratorium; and

WHEREAS, on November 5, 2015, the City Council directed staff to present to it at its January 5, 2016 meeting proposed ordinances that would (a) revise and strengthen further the City's current rent review procedures using the Rent Review Advisory Committee but include limitations on evictions and requiring relocation assistance for certain evictions or (b) impose rent stabilization regulations, limit evictions and require relocation assistance for certain evictions; and

WHEREAS, on January 5, 2016, the City Council conducted a public hearing concerning several proposed ordinances as described above, took public testimony

concerning those ordinances over the course of several hours and then deliberated on the issues for several more hours; and

WHEREAS, the City Council was unable to reach consensus as to an ordinance but provided direction to staff to return to the Council on February 16, 2016 an ordinance that would address rent review and rent stabilization procedures, limitations on certain evictions and relocation assistance; and

WHEREAS, because moratorium ordinances (Ordinance Nos. 3140 and 3143 were set to expire on January 9, 2016 prior to the Council's further consideration of this matter, the City Council on January 5, 2016, by a unanimous vote, adopted on an urgency basis an extension of the moratorium (Ordinance No. 3144) to March 9, 2016; and

WHEREAS, City staff prepared "Principles of Agreement" that reflected, to the best of staff's understanding, the items on which the City Council had reached consensus and those which it had not; and

WHEREAS, City staff placed on the City Council's regular agenda for February 2, 2016 a discussion of the Principles of Agreement so that staff would have a more clear understanding of the elements that the Council wanted to consider on February 16, 2016; and

WHEREAS, on February 2, 2016, the City Council received an agenda report, took public testimony, deliberated among themselves and provided direction to staff concerning the ordinance that would be returned to it on February 16, 2016; and

WHEREAS, the City Clerk published and posted a notice of public hearing for the City Council's regular meeting on February 16, 2016 for the purpose of considering an ordinance concerning rent review procedures, rent stabilization, limitations on evictions and relocation assistance; and

WHEREAS, the City Council has considered the information and reports in its agenda reports dated November 4, 2015, December 1, 2015, January 5, 2016, February 2, 2016 and February 16, 2016 and the public testimony received at its meetings on November 4, 2015, December 1, 2015, January 5, 2016, February 2, 2016 and February 16, 2016; and

WHEREAS, the City Council has introduced an Ordinance that provides for strengthening the rent review procedures using the Rent Review Advisory Committee, provides for rent stabilization for certain rental units, places limitations on evictions and provides for relocation assistance for certain evictions but that Ordinance, assuming the City Council adopts the Ordinance on March 1, 2016, will not take effect until March 31, 2016, after the expiration of the current moratorium period; and

WHEREAS, the City Council finds and determines that if the temporary moratorium on rent increases and just cause evictions, as set forth in Ordinance No. 3140, as amended by Ordinance No. 3143, and as extended by Ordinance No. 3144, is not extended in order that the Ordinance as introduced, be adopted and then effective 30

days later, the public peace, health or safety will be immediately threatened because owners of residential rental property would have an immediate incentive to increase rents and/or serve eviction notices without cause before the effective date of the Ordinance as introduced and such increases or evictions would defeat the intent and purpose of any potential future regulations and substantially impair their effective implementation; and

WHEREAS, for the reasons set forth above, this Ordinance is declared by the City Council to be necessary for the public peace, health or safety and to avoid a current, immediate and direct threat to the public peace, health or safety of the community, and the recitals above as well as all agenda reports and public testimony concerning these matters, taken together, constitute the City Council's statements of the reasons constituting such necessity and urgency; and

WHEREAS, adoption of this Ordinance is exempt from review under the California Environmental Quality Act (CEQA) pursuant to the following, each a separate and independent ground: CEQA Guidelines, Section 15378 (adoption of this urgency ordinance is an administrative action of the City Council and not a project under CEQA); and Section 15061(b)(3) (even if adoption of the ordinance is a project, it is exempt under CEQA because there is no significant effect on the environment).

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Alameda as follows:

- **SECTION 1**. **Recitals Incorporated**. The City Council finds and determines the foregoing recitals to be true and correct and hereby incorporates them into this Ordinance.
- <u>SECTION 2.</u> Temporary Moratorium Extended. From March 9, 2016 to March 31, 2016 (unless extended further), Ordinance No. 3140, as amended by Ordinance No. 3143, and extended by Ordinance No. 3144, shall remain in full force and effect.
- <u>SECTION 3</u>. Authority for Enacting this Urgency Ordinance. This urgency Ordinance is enacted pursuant to the City of Alameda's general police powers, Section 3-12 of the Charter of the City of Alameda, Article XI of the California Constitution and Government Code Section 36937.
- <u>SECTION 4</u>. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held by a court of competent jurisdiction to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of the Ordinance. The City Council declares that it would have passed this Ordinance and each section, subsection, sentence, clause and phrase thereof, regardless of the fact that one or more sections, subsections, sentences, clauses or phrases may be held invalid or unconstitutional.
- <u>SECTION 5.</u> Effective date. Rents within the City of Alameda (as to certain residential rental units) and all evictions within the City of Alameda (as to all residential rental units) on or after the adoption of this Ordinance shall be subject to this Ordinance and, as an urgency Ordinance, this Ordinance becomes effective immediately upon its adoption at a first reading by a four-fifths vote of the City Council.

	Mayor of the City of Alameda
Attest:	
Lara Weisiger, City Clerk	

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I, the undersigned, hereby certify that the foregoing Ordinance was duly and regularly adopted and passed by the Council of the City of Alameda in a regular meeting assembled on the 1st day of March, 2016, by the following vote to wit:	
AYES;	
NOES;	
ABSENT:	
ABSTENTIONS:	
IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said City this 2nd day of March, 2016.	
Lara Weisiger, City Clerk City of Alameda	
Approved as to form:	
Janet C. Kern, City Attorney City of Alameda	