

Details

File #: 2016-3069 (60 minutes)

Type: Regular Agenda Item

Body: [City Council](#)

On agenda: 7/5/2016

Title: Accept Comparison of (1) the City's Rent Review, Rent Stabilization and Limitations on Eviction Ordinance (City's Ordinance), (2) the Proposed City of Alameda Charter Amendment to Establish Rent Control, a Rent Control Board, and Regulate Termination of Tenancies (Renters' Initiative), and (3) the Proposed City of Alameda Charter Amendment to Prohibit the City from Imposing Restrictions on the Price for which Real Property May Be Rented or Sold (Landlords' Initiative). Provide Direction to Staff Regarding the November 8, 2016 Ballot: (1) Arguments Relating to the Proposed Renters' Initiative Should that Renters' Initiative Qualify for the Ballot; and (2) Whether the City Should Place City's Ordinance on the Ballot as a Proposed Charter Amendment. (Community Development/City Attorney)

Attachments: 1. [Exhibit 1 - Comparison of Rent Review Ordinance, Renters' Initiative and Landlords' Initiative](#)

Text

Accept Comparison of (1) the City's Rent Review, Rent Stabilization and Limitations on Eviction Ordinance (City's Ordinance), (2) the Proposed City of Alameda Charter Amendment to Establish Rent Control, a Rent Control Board, and Regulate Termination of Tenancies (Renters' Initiative), and (3) the Proposed City of Alameda Charter Amendment to Prohibit the City from Imposing Restrictions on the Price for which Real Property May Be Rented or Sold (Landlords' Initiative).

Provide Direction to Staff Regarding the November 8, 2016 Ballot: (1) Arguments Relating to the Proposed Renters' Initiative Should that Renters' Initiative Qualify for the Ballot; and (2) Whether the City Should Place City's Ordinance on the Ballot as a Proposed Charter Amendment. (Community Development/City Attorney)

To: Honorable Mayor and Members of the City Council

From: Jill Keimach, City Manager

Re: Accept Comparison of (1) the City's Rent Review, Rent Stabilization and Limitations on Eviction Ordinance (City's Ordinance), (2) the Proposed City of Alameda Charter Amendment to Establish Rent Control, a Rent Control Board, and Regulate Termination of Tenancies (Renters' Initiative), and (3) the Proposed City of Alameda Charter Amendment to Prohibit the City from Imposing Restrictions on the Price for which Real Property May Be Rented or Sold (Landlords' Initiative).

Provide Direction to Staff Regarding the November 8, 2016 Ballot: (1) Arguments Relating to the Proposed Renters' Initiative Should that Renters' Initiative Qualify for the Ballot; and (2) Whether the City Should Place City's Ordinance on the Ballot as a Proposed Charter Amendment.

BACKGROUND

On March 31, 2016, the City's Rent Review, Rent Stabilization and Limitations on Evictions Ordinance became effective. Shortly after that, the Alameda Renters Coalition (ARC) began working on an initiative titled "A Proposed City of Alameda Charter Amendment to Establish Rent Control, a Rent Control Board, and Regulate Termination of Tenancies". This was followed by a landlord-sponsored initiative titled "A Proposed City of Alameda Charter Amendment to Prohibit the City from Imposing Restrictions on the Price for which Real Property May Be Rented or Sold". Currently, the Alameda County Registrar of Voters is verifying the signatures gathered for both of these initiatives. The purpose of this staff report is to summarize the City's ordinance and both of the proposed Charter amendments and to request direction from the City Council regarding certain actions to be taken at its July 19 meeting related to the November 8, 2016 general election ballot.

This Background section briefly summarizes the existing rent program and the proposed initiatives. The Discussion section of the staff report contains a detailed analysis of the City's Ordinance and both of the proposed Charter amendments.

The City's Rent Review, Rent Stabilization and Limitations on Evictions Ordinance (Ordinance)

On March 2, 2016, City Council adopted an ordinance establishing a comprehensive residential rent program, which became effective on March 31, 2016. This Ordinance requires landlords who notice rent increases above 5% to initiate the process by which the Rent Review Advisory Committee (RRAC) will review, and in some cases mediate the increase. In addition, for rent increases above 5% for tenants in multi-family units built before February 1995, the ordinance provides that a landlord or tenant who is dissatisfied with the outcome of the RRAC process can petition to have the rent increase heard by a neutral hearing officer who will issue a binding decision. In addition, the City Council adopted a Capital Improvement Plan (CIP) Policy that allows a property owner to increase rents based on the substantial rehabilitation of rental units.

The Ordinance allows a landlord to terminate a tenancy for just cause and for no cause (but limits the number of no cause evictions on a monthly and annual basis and caps the allowable rent for the new tenant at no more than 5% higher than the previous tenant's rent) and to terminate a tenancy for no fault of the tenant. No fault terminations include owner move-in, substantial rehabilitation, withdrawal of the unit from the rental market, etc. For no cause and no fault terminations, the Ordinance also requires a landlord to pay relocation benefits to a tenant in the equivalent amount of one month's rent for each year (or portion thereof), up to a maximum of four months' rent, the tenant has rented the unit, plus \$1500 in moving expenses.

The Renters' Initiative

A group of residents of the City have submitted to the City Clerk a proposed initiative measure entitled "A Proposed City of Alameda Charter Amendment to Establish Rent Control, a Rent Control Board, and Regulate Termination of Tenancies" (Renters' Initiative). The Renters' Initiative would create an elected five-member Rent Control Board, autonomous of the City and the City Council, funded by annual fees paid by landlords. The Board would have the power to establish rents, issue rules and regulations, conduct hearings and impose penalties for non-compliance. The Renters' Initiative would establish a maximum allowable rent based on rents in effect on May 5, 2015. The maximum allowable rent could increase on an annual basis by 65% of the change in the Consumer Price Index (CPI). Landlords could petition the Board for upward adjustments in rent. Under the measure, a landlord could terminate a tenancy only for cause (e.g., failure to pay rent, breach of lease, etc.) or for certain no fault reasons (owner move-in, substantial repairs, etc.). For the no fault tenancy terminations, a landlord would be required to pay relocation benefits, ranging from \$9,650 to \$18,300, depending on the length of time a tenant had rented the unit, the age of the tenant, and whether the tenant is disabled or has a child under the age 18.

The Renters' Initiative, because it is a Charter amendment, would repeal and replace the City's Ordinance. Because this Charter amendment would be submitted to Alameda voters, if it were approved by the voters, the provisions of the Renters' Initiative could be changed only by a subsequent vote of Alameda voters; neither the City Council nor the Rent Board could change the provisions.

The Landlords' Initiative

Other residents of the City have submitted a different initiative measure titled "A Proposed City of Alameda Charter Amendment to Prohibit the City from Imposing Restrictions on the Price for which Real Property May Be Rented or Sold" (Landlords' Initiative). Like the Renters' Initiative, the Landlords' Initiative is also a Charter amendment. The Landlord's Initiative provides that a property owner has the exclusive right to establish the price at which property is sold, leased, rented, transferred or exchanged. It would prohibit the City from imposing direct restrictions on the price for which residential and commercial property may be rented or sold, thereby eliminating the City's authority to impose rent control. As a Charter amendment, the Landlords' Initiative would repeal those parts of the City's existing ordinance that limit rent increases such as the one-per-year rent increase limitation, the imposition of a binding decision as to a rent increase, or the rent that could be charged following a substantial rehabilitation or a no cause termination.

Because this Charter amendment would be submitted to Alameda voters, if it were approved by the voters, its provisions could only be changed by a subsequent vote of Alameda voters; the City Council could not change its provisions.

Status of the Renters' and Landlords' Initiatives

On May 24, 2016, the Renters' Initiative proponents submitted petitions bearing 7,882 signatures to the City Clerk. (In order to qualify for the ballot, 6,461 registered Alameda voters must sign the petition.) The County Registrar of Voters is reviewing the petitions to determine if the required number of signatures has been obtained. By law, the Registrar has 30 working days, by July 7, 2016, in which to conduct a random sample check. Under certain circumstances, that time frame may be extended by an additional 30 working days if the Registrar is unable to confirm that the petitions are sufficient or insufficient using the random sample method and must, therefore, use the complete signature check. At this time, the Registrar has not advised the City Clerk whether the number of signatures is sufficient. However, for purposes of this report, it is assumed the Registrar will advise the City Clerk, by July 7, that the necessary number of signatures has been obtained.

On June 14, 2016, the proponents of the Landlords' Initiative submitted petitions bearing 7,491 signatures to the City Clerk. The Registrar of Voters is likewise reviewing these petitions using the random sample method to determine if the initiative has the requisite number of valid signatures (6,461). This random sample check deadline is July 27, 2016. At this time, the Registrar has not advised the City Clerk whether the necessary number of signatures has been obtained.

A Third Initiative

In addition to the Renters' and Landlords' Initiatives, a third initiative, of which Councilmember Daysog is one of the proponents, is also in the process of gathering signatures. This third initiative largely concerns which landlords would be required to pay relocation benefits to tenants whose tenancies are terminated for no cause or no fault and which tenants would be eligible, based on income, to receive such benefits. At this time, the proponents of this initiative have not submitted petitions to the City Clerk. Therefore, this staff report does not discuss the provisions of that initiative nor how the City Council may choose to handle such initiative should the necessary number of signatures be obtained.

DISCUSSION

This section of the staff report analyzes the City's Ordinance and the two initiatives and addresses the key differences between the three. Exhibit 1 is a chart that compares and contrasts the City's Ordinance and the two initiatives.

City Charter Amendments

As stated above, the two initiatives are City Charter amendments. City Charter amendments must be submitted to, and approved by, the voters to be in effect. Once adopted, a Charter provision may only be amended or repealed by a subsequent vote of the voters. Accordingly, amending the Charter can only be accomplished at an election, the cost of which falls on the City. For example, if a charter amendment were submitted to the voters at a stand-alone election (one at which members of the Council were not being elected), the cost to the City would be between \$540,000 and \$675,000.

The City's Ordinance, on the other hand, was adopted by the City Council. As such, the City Council may amend or repeal the Ordinance as it determines is in the best interest of the public. If, for example, the City Council were to determine that certain provisions of the City Ordinance needed to be revised because of changing economic conditions, it could do so without the expense or the delay of an election. Or, as is the case in the Ordinance, there is a sunset provision that allows the Ordinance to expire unless the Council takes action to maintain provisions of the ordinance. This flexibility is not present in the two initiatives.

Administration of the Rent Program

The City administers the current rent program through the oversight of the City Council and a staffing services agreement with the Housing Authority of the City of Alameda. The City Council establishes the rules, regulations and policies concerning the program and, through a fee study, has the authority to impose a fee on landlords and tenants to cover the cost of administering the program. A key aspect of the program is the mandated RRAC review and mediation of rent increases above 5%. Although this program has been in effect only a few months, it has been working well, with most of the rent increases resolved between the landlord and the tenant without the need for the RRAC to review the matter.

Under the Renters' Initiative, there would be an elected, five-member Rent Control Board with its own administrative and legal staff funded by annual fees paid by landlords. The Board would have the power to establish rents, issue rules and regulations, conduct investigations and hearings, impose fees on landlords, and impose penalties for non-compliance. The consulting firm that conducted the fee study for the City's rent program has prepared a fiscal analysis, based on similar rent programs in Berkeley and Santa Monica that largely mirror the rent program under the Renters' Initiative, and estimates the cost to administer that program to be \$234/rental unit, or \$3 million - \$3.7 million annually, depending on the number of units covered by the Initiative. The Renters' Initiative requires that the Rent Control Board be elected within 90 days after the initiative is passed, which will require a special election, at a cost to the City as discussed above. In addition, property owners who conclude that the rent increase provided under the Renters' Initiative constitutes a "taking" or otherwise deprives them of constitutional rights may seek damages and attorney's fees for which the City, not the Rent Control Board, would be legally responsible.

Under the Landlords' Initiative, staff believes that much of the administrative processes under the City Ordinance would remain intact. While the Landlords' Initiative would prohibit the City from imposing direct restrictions on the price for which rental property is rented or sold, thereby eliminating rent control (including the procedure by which a neutral hearing officer issues a binding decision regarding a rent increase), setting the new rent after a CIP, capping the rent increase following a no cause eviction, and other provisions of the City's Ordinance would still apply. For example, when raising rents, landlords would still be required to provide notice to tenants about the RRAC process and landlords would still be required to participate in the RRAC

process. However, any decision of the RRAC would be non-binding. The City could continue to limit the grounds upon which a landlord could terminate a tenancy and could continue to require a landlord to provide relocation benefits for certain evictions. As a result, the City would still need to identify a funding source, including a possible program fee, to administer this program.

Under the City's Ordinance, rental units that are covered by affordable housing regulatory agreements and private sector units that are rented to Section 8 Housing Choice Voucher holders are exempt from the Ordinance. This is an important exemption because the Housing Authority administers its Section 8 program pursuant to Federal rules and regulations which are often different than local requirements. In addition, exemption from the City's Ordinance may encourage private sector landlords to rent to Section 8 Voucher holders. Without such an exemption, landlords may be less inclined to rent to some of the City's most needy renters, including seniors on fixed income and low-income families. The Renters' Initiative is unclear as to whether rental units covered by the Section 8 program are exempt from the Initiative's requirements. If it is determined that Section 8 units, either Project-Based Vouchers that are used by the Housing Authority and non-profit affordable housing developers or Housing Choice Vouchers used in the private rental market, are covered by the Renters' Initiative, it could adversely impact operating revenues for existing Housing Authority projects. The Housing Authority would be limited in its ability to increase rents (Section 8 Guidelines assume an annual 3% increase). It could also make it challenging for Housing Choice Voucher holders to find housing on the private market. The Landlords' Initiative exempts units with affordable housing regulatory agreements and is silent on units with Section 8 Housing Choice Vouchers, so the City Ordinance would govern and these units would be exempt.

Establishment of Base Rent and Rent Increases

The City's Ordinance does not establish a base rent from which rent increases must be calculated. The Ordinance does establish 2015 as the "Base Year" when determining net operating income in context of a fair return on investment calculation. The City's Ordinance also does not limit the percentage or amount of a rent increase that a landlord may impose. The Ordinance does, however, limit a landlord from raising rents more than once every twelve months and does require that a landlord who intends to increase a tenant's rent by more than 5% notify the City's Rent Program Administrator to initiate a rent review process by the RRAC. Assuming the landlord and tenant are not able to agree on the rent increase before the RRAC hearing (scheduled about a month after the Program Administrator receives the notice from the landlord), the property owner must attend the RRAC hearing.

For rental units that are single-family residences, condominiums, individually owned townhouses and multi-family units built after February 1995, the RRAC decision regarding the rent increase is not binding. On the other hand, for multi-family units built before February 1995, the RRAC decision is binding unless the landlord or the tenant petitions for a neutral hearing officer to consider the rent increase. If a timely petition is filed and the matter heard by the hearing officer, that decision is binding on the parties. In addition, a landlord may raise rents as a result of making substantial improvements to a rental property assuming the landlord can satisfy the requirements of the City's CIP Policy.

Under the Renters' Initiative, rents are established as of May 5, 2015, meaning that rents would be "rolled back" (assuming they had increased since that date) to the rent in effect as of that date. In addition, landlords would be allowed by right to increase rents annually by no more than 65% of the change in the CPI. For example, the change in the CPI as of March 2016 was 2.7%. Accordingly, a landlord could raise rents during 2016 only 1.76% ($.65 \times 2.7\% = 1.76\%$). If a landlord wants a rent increase above what is allowed under the Initiative, the landlord must file a petition and have the matter heard by a hearing officer, whose decision is final but subject to appeal to the Rent Board and to judicial review. A tenant may also petition to have rent adjusted downward, presumably based on a reduction in housing services. The Renters' Initiative would, contrary to the City's Ordinance, roll back rents and allow by right only rent increase of 65% of the change in the CPI.

The Landlords' Initiative prohibits the City from imposing direct restrictions on the price for which residential and commercial real property in the City may be rented or sold, thereby eliminating the City's authority to impose rent control. There are certain exceptions such as properties that have regulatory agreements by which units are reserved for households of low and moderate income; the rents for those units may continue to be regulated pursuant to the agreement. If adopted, the Landlords' Initiative would repeal those provisions of the City's Ordinance that make a rent decision binding or that otherwise limit rent increases.

Termination of Tenancies

The City's Ordinance allows for three types of terminations: no cause, just cause and no fault (of the tenant). As the name suggests, a no cause termination means that the landlord does not need to provide a reason for terminating the tenancy. As the name also suggests, a just cause termination means that the landlord had "just" or "good" cause to terminate the tenancy, such as a tenant failing to pay rent, creating a nuisance, or breaching the terms of a lease. No fault terminations occur when, for example, an owner, or a relative of the owner, wants to move into a tenant's unit, or when a landlord wants to make substantial capital improvements to the property that necessitate the temporary or permanent relocation of the tenant. The City's Ordinance limits the number of units for which a no cause termination may be utilized on a monthly/annual basis. If not for this limitation, a landlord could terminate the tenancies of all the tenants in the building which is contrary to the purpose of the Ordinance. Moreover, when a landlord has terminated a tenancy for no cause, the landlord may increase the rent for the new tenant by no more than 5% of the rent charged to the previous tenant. Under the no fault category, in order for a landlord to terminate a tenancy based on capital improvements, the dollar amount of the improvements must be substantial, e.g., eight times the rent of the unit x the number of units to be rehabilitated, and the cost is then amortized over 15 years.

The Renters' Initiative provides for two types of terminations: just cause and no fault. The Renters' Initiative does not permit a no cause termination of tenancy. The just cause terminations generally track the City's Ordinance except under the Renters' Initiative if the cause is for a breach of the lease, the terms of the lease that are breached must be "reasonable" and a lease is not breached if a tenant continues to reside in the unit and another tenant is replaced by another tenant on a one-for-one basis.

When terminating a tenancy for substantial rehabilitation, the Renters' Initiative allows for termination only when the repairs are necessary to bring the property into compliance with applicable building codes affecting health and safety and where the repairs cannot be completed with the tenant in the unit. Moreover, if the landlord owns any other residential unit in Alameda and the unit is vacant, the landlord must offer the unit to the tenant at the same rent as what the tenant was paying. If a landlord decides to withdraw a rental unit from the rental market (another no fault termination), the landlord must generally provide 120 days' notice to the tenant and provide one year's notice if the tenant is a senior or disabled.

The Landlords' Initiative is silent as to limiting the City's authority to regulate tenancy terminations. Accordingly, the Initiative does not repeal that portion of the City's Ordinance concerning tenancy terminations other than the provision that limits a landlord to a rent increase of no more than 5% for subsequent occupants when a landlord has terminated a tenancy for no cause. Elimination of this provision would permit landlords to terminate tenancies solely to increase rents; however, the City's Ordinance does cap the number of no cause evictions allowed on a monthly and annual basis.

Relocation Benefits

The City's Ordinance requires a landlord to provide certain relocation benefits to tenants whose tenancies are terminated for no cause or no fault. No relocation benefits are required for just cause terminations. The amount of the benefit depends on the length of time the tenant has rented the unit: for every year or portion thereof, the tenant is entitled to an equivalent dollar amount of the tenant's monthly rent (up to a maximum of four months' rent) plus \$1,500. These funds are intended to assist the tenant in a first and last month's deposit in a new unit plus moving expenses. In addition, in some

circumstances, e.g., no cause or withdrawal of a unit from the rental market, a tenant may trade the cash benefit for additional time in the unit. For example, if the tenant were entitled to the equivalent of three months' rent (plus \$1,500), the tenant could trade one of those months' rent and stay in the unit one month longer. (The tenant must continue to pay rent while remaining in the unit.) The landlord must pay ½ of the relocation benefits to the tenant when the tenant advises the landlord of the move out date and the other half when the tenant vacates on the agreed upon date.

The Renters' Initiative requires a landlord to provide the following relocation benefits: for tenancies three years or fewer, the relocation benefit is \$7,300, but if tenant is disabled, 62 or older, or has a child under 18, the relocation benefit is \$15,000. For tenancies greater than three years, the relocation benefit is \$9,650, but if the tenant is disabled, 62 or older or has a child under 18, the relocation benefit is \$18,300. The full payment is due when the notice to vacate is served.

Again, the Landlords' Initiative is silent regarding the City's authority to regulate provision of relocation benefits. Accordingly, the Initiative does not repeal that portion of the City's Ordinance concerning the payment of relocation benefits for certain tenants whose tenancies are terminated.

NEXT STEPS CONCERNING PLACING THE RENTERS' AND LANDLORDS' INITIATIVES ON THE BALLOT

The proponents of the Renters' and the Landlords' Initiatives have submitted petitions to the City Clerk that, on their face, bear more than the required number of signatures to meet the statutory requirements for a Charter amendment (i.e., signatures of at least 15% of the City's registered voters (6,461 signatures)). Using the random sample method, the Registrar of Voters is in the process of determining whether the petitions are sufficient or insufficient. The Registrar has 30 working days in which to make that determination, however the timeframe may be extended by an additional 30 working days if a complete signature check is needed.

The Renters' Initiative

As noted above, if the Registrar is able to use the random sample method, the City Clerk will be advised whether the measure qualifies for the ballot by July 7. If, however, the Registrar determines that a complete signature check is required, that deadline is August 18, which is past the Council's last regularly scheduled meeting in July (July 19). Council has no more regularly scheduled meetings until September. Accordingly, if a complete check is necessary, staff recommends the Renters' Initiative not be considered until September. For purposes of the remainder of this discussion, staff is assuming the City Clerk will receive timely confirmation that the measure qualifies for the November ballot.

Under the Elections Code, once the City Clerk is advised the initiative qualifies for the ballot, the City Clerk is to place on the City Council's next regular meeting an item certifying the sufficiency of the initiative, in this case, July 19. The Elections Code then calls for the City Council to "order an election", here November 8, 2016. In addition, the City Council must approve the ballot question for the Initiative and determine its interest in drafting an argument for or against the Initiative, as well as its interest in drafting a rebuttal argument, and direct the City Attorney to prepare an Impartial Analysis of the Initiative. Staff anticipates having a resolution addressing all of these items ready for Council's consideration and action on July 19, as the last day to place a measure on the November ballot is August 12.

The Elections Code provides that the legislative body may choose to sign the argument for or against an initiative and to sign the rebuttal to the argument for or against an initiative. If all or a majority of the Council wish to sign such arguments for the Renters' Initiative, staff recommends that Council discuss its options.

Options include:

All, or a majority, of the Council could choose to sign an argument. Council will either need to appoint a Council committee to draft the argument and then either (a) call a special meeting so that the Council majority can take action to approve the argument or (b) agree to sign what the committee drafts. If the Council agrees to sign whatever its appointed committee drafts, there is no need for the Council to approve the argument at a meeting. This would also be the case concerning the rebuttal. If only a majority of the Council will sign the argument/rebuttal, a committee should nevertheless be appointed to determine if other members of the community should sign and who those members should be, as five people may sign the argument/rebuttal.

Moreover, if all, or a majority, of the Council choose not to sign, one or two members of the Council may nevertheless indicate that he/she/they do wish to sign either the argument for or against and/or the rebuttal and that member/those members may then select other members of the community to sign. No more than five persons may sign the argument/rebuttal.

If no members of the Council choose to sign, then other members of the community may submit arguments. If more than one argument is submitted, the Elections Code provides the priority ranking to determine which argument will appear in the voting materials.

The Landlords' Initiative

Because the petitions concerning the Landlords' Initiative were submitted to the City Clerk on June 14 2016, it is unlikely the City Clerk will receive information from the Registrar of Voters by July 19, as the Registrar has until July 27 to complete the random sample check. If the City Clerk does not receive confirmation by July 19, that the Landlords' Initiative has qualified for the ballot, Council certification of that Initiative and setting a date for its consideration at an election would need to occur at the City Council's first regular meeting following the Registrar's confirmation.

City's Ordinance

While the staff report has focused on a comparison of the City's Ordinance, the Tenants' Initiative and the Landlords' Initiative and the status of the two proposed Charter Amendments, it may be appropriate for the Council to consider the option of placing the existing Rent Review, Rent Stabilization and Limitations Ordinance on the November ballot. Providing the community with an opportunity to ratify the existing Ordinance may be helpful for those voters who are seeking a middle ground between the two initiatives. It could also help frame the debate within the community about how it wants to strike a balance between the rights of landlords and protections for tenants. That ability might be missing if the only ballot measures are one, or both, of the proposed Charter amendments.

The primary drawback of placing the Ordinance on the ballot is that if it prevails, it can only be amended by a vote of the people, removing one of the key elements that ensures an effective, responsive, and sustainable program -- the ability for the Council to respond relatively quickly to changing circumstances in the economy, public opinion, and having the ability to refine the regulations as the program is implemented over time. Currently, the City Ordinance can be amended with a minimum of two public hearings. If the same Ordinance is placed on the November ballot, the program could not be altered without the time and expense of placing it on the ballot.

FINANCIAL IMPACT

There is no impact to the General Fund from transmitting the comparison and providing direction to staff concerning arguments for the November 2016 ballot.

MUNICIPAL CODE/POLICY DOCUMENTS CROSS REFERENCE

Providing direction to staff concerning items to appear on the July 19 agenda does not involve changes to the Municipal Code.

ENVIRONMENTAL REVIEW

Providing direction to staff concerning items to appear on the July 19 agenda is not a project under CEQA as it is an administrative action that will have no effect on the environment. CEQA Guidelines, Section 15378 (b)(5).

RECOMMENDATION

Provide direction to staff regarding the November 8, 2016 Ballot: (1) arguments relating to the proposed Renters' Initiative should that Renters' Initiative qualify for the Ballot; and (2) whether the City should place City's Ordinance on the Ballot as a Proposed Charter Amendment.

Respectfully submitted,
Debbie Potter, Community Development Director
Janet C. Kern, City Attorney

Financial Impact section reviewed,
Elena Adair, Finance Director

Exhibit:

1. Comparison of Rent Review Ordinance, Renters' Initiative and Landlords' Initiative