

Measure H

Rent Stabilization and Just Cause for Eviction Ordinance – City of East Palo Alto

Ordinance – Majority Approval Required

Shall the Rent Stabilization and Just Cause for Eviction Ordinance be adopted? It would repeal the City’s existing rent stabilization ordinance with respect to residential tenancies other than mobile home park space tenancies and adopt new procedures to establish permissible rent levels, protect residential tenants from unreasonable rent increases, arbitrary, discriminatory, or retaliatory evictions, discourage speculation in rental property, and assure landlords the right to a fair return on their properties.

Impartial Analysis of East Palo Alto’s City Attorney

The proposed ordinance repeals the existing East Palo Alto Rent Stabilization and Just Cause for Eviction Ordinance with the exception of mobile home park space tenancies. The proposed ordinance incorporates changes in state law and updates procedures regarding permissible rent levels, just cause for eviction, and fair return adjustments for landlords. It contains the following:

Annual General Adjustment: The base rent ceiling for each rental unit eligible for an annual adjustment would be increased by 80% of the increase in the prior year’s Consumer Price Index for All Urban Consumers (“CPI-U”) in the San Francisco-Oakland-San Jose area. The allowable increase is limited to once yearly and is an increase over the current rent. The rent ceiling could not be reduced by the annual adjustment.

Rent Ceiling: The base rent is set at the tenant’s move-in rent.

Banking of Rent Increases: Banking of annual general adjustments is authorized, but is limited to 10% in any one year. Landlords are required to provide annual notification of any banking rights in order to preserve these rights.

State Vacancy Decontrol: The requirements of the Costa-Hawkins Act are incorporated.

Exemptions: The exemption of properties owned by owners with four or fewer units is replaced by an exemption that is limited to units in owner-occupied duplexes and triplexes. An exemption for roommates has been added.

Fair Return Adjustments: The fair return adjustment procedure for landlords is updated. An interest allowance for amortized capital improvement expenditures is authorized.

Just Cause for Eviction: Landlords are required to give tenants notice of an alleged violation of a lease and a reasonable opportunity to cure the violation before serving a three-day-notice to quit. Limits evictions for repairs to those required to meet codes and applicable laws and costing more than 8 times the monthly rent and requires at least 30 days to complete and limits certain owner move-in evictions.

Registration and Certification: The Rent Board is required to provide a certificate of permissible rent upon written request by a landlord or tenant. Landlord is required to: register yearly, provide the City information on existing tenancies and notice of any new tenancy, and provide tenants notice of their rights under the ordinance.

/S/
Vincent C. Ewing
CITY ATTORNEY