Impartial Analysis

Measure R was placed on the ballot by a petition signed by the requisite number of voters of the City of Burlingame. Its operation and effect on existing law are as follows:

(1) A prior voter-adopted measure, Measure T, prohibits the City of Burlingame from directly regulating the rental or sale price of real estate units. The measure states that it repeals Measure T.

(2) The measure establishes a rent stabilization program. Rent control applies to multi-family rental units with initial certificates of occupancy before February 1, 1995. Single family homes, condominiums, owner-occupied duplexes or secondary dwelling units, hotels and motels (with occupancies of less than fourteen days), hospitals, certain nonprofits, dormitories and certain governmental facilities are excluded from rent control.

The ordinance sets base rents for each tenancy and limits rent increases. For tenancies starting on or before March 30, 2016, the base rent is the rent in effect on that date. For later tenancies, the base rent is the initial rent upon occupation, with narrow exceptions. Rent increases in an amount equal to the Consumer Price Index are limited to one per year and cannot be less than 1% nor more than 4%.

The ordinance establishes a Rental Housing Commission, charged with implementing the measure. The five-member Commission is appointed by the City Council. Three commissioners must be tenants. Tenants can petition for rent reductions if landlords provide substandard housing, decrease housing services, or raise rents higher than allowed. Landlords may petition for rent increases to ensure a fair rate of return under limited circumstances. Initial hearings conducted by hearing officers retained by the Commission are appealable to the Commission and thereafter to the courts. The Commission operates independently of the Council and senior City management. The Commission has the authority to set fees on rental units subject to rent control and just cause for eviction, to be paid by the landlords of such units. The City’s general fund must advance the costs of setting up the program. It is unclear whether those costs would be fully reimbursed and whether the program or the City’s general fund would have to pay for litigation regarding the program.

(3) Just cause for eviction restrictions apply to rent controlled units, as well as single family homes, condominiums, and most multi-family rental units regardless of when constructed. Landlords may terminate a tenancy for failure to pay rent, breach of lease, nuisance, criminal activity and failure to grant reasonable access. Landlords may evict tenants but must provide relocation assistance for repairs, owner move-in, withdrawal of the unit from the rental market, and demolition. Relocation assistance must equal at least three months’ rent for a similar unit, and tenants have a first right of return if the unit is re-rented. Tenants who are disabled, terminally ill, or 62 or older and who have occupied their units for more than 5 years may not be evicted for owner move-in, except under limited circumstances.