

FAQ on the Rent Control/Just Cause Initiative

Didn't voters repeal the city's Rent Control legislation in 2015?

In 2015, after the City Council passed Rent Control legislation, the California Apartment Association funded a signature petition drive to suspend the newly enacted legislation. The professional signature gatherers were paid a reported \$12-20 per signature (\$1-3 is the usual rate). With this high bounty and documented cases of misrepresentation (telling signers that the initiative would make rent control stronger) they gathered the required 4300 signatures to suspend the ordinance until it was placed on the ballot. Since the original measure had been drafted as an ordinance which could be adjusted by the City Council as needed, supporters decided instead to repeal the original ordinance and write a new measure more appropriate for an up-down ballot vote.

How is this initiative different from what City Council passed?

Our improved initiative includes strengthened home owner protections, ensures that tenants do not have to pay any additional fees, stops landlords from charging for utilities where there is no separate meter, prevents evictions when landlords sell their property, or make repairs; Allows tenants to live with their family members; Rent Board members are appointed by the Mayor and approved by the City Council instead of elected. The improved ordinance reduces costs and bureaucracy and makes the city council responsible for things that may need to be adjusted, like fees.

What types of evictions will be considered 'Just'?

A "just" eviction may be for one for the following reasons: failure to pay rent, breach of lease, failure to give reasonable access of the rental unit to the Landlord, criminal activity, owner move-in or withdrawal from the rental market. Tenants may need to temporarily vacate so that landlords can make substantial repairs, as approved by permits from the City.

Would having Rent Control slow housing construction?

No. The hot housing market and Richmond's land and location mean more housing is coming. And our General Plan goal is to build 15,000 units of new housing by 2030, so we are doing a lot to encourage development. The proposed ordinance won't get in the way – it is irrelevant to developers building new units for sale. The Just Cause for Eviction rules would be applicable to new rental units, but the real problem is that the for-profit developers find luxury housing most profitable.. We need subsidies and determination to build affordable rental housing.

How are rents established?

Under state law landlords have sole discretion in setting the rent when the unit is empty. Once set, this ordinance will allow a landlord to increase the rent on controlled apartments at the same rate as the "Cost of Living" goes up. Typically this is 2-3% per year. The ordinance provides that

a landlord can make a fair return on his/her investment. If a special situation comes up, like unforeseen expenses, the landlord can apply to the Board for a special rent adjustment.

What rental units are covered?

Under state law rent control of any kind cannot be applied to single family units or any buildings built after 1995. This still leaves nearly 10,000 rental units in Richmond or over 20,000 Richmond residents who would be helped. Almost all renters would be protected by the “just cause” section of the ordinance.

Would the Just Cause rules keep me from renting out my own home?

No. A homeowner who is the primary resident of a single family home may rent out their home during temporary absences, or rent out a room in their home or a small second unit on the property without any regulation.

What does the Rent Board do?

The Richmond Rent Board will be in charge of establishing the annual rent increase and ensure that the rent increases and eviction notices are in compliance with the ordinance. The board will collect information on evictions and rent increases to ensure that the law is working well and fairly. The Board can hear petitions to increase or decrease individual rents in special cases.

How is the Board appointed?

The City of Richmond Charter which is above all ordinances provides that all Board and Commission members are appointed (or removed) by the Mayor with the approval of a majority of the Council.

Are Board members paid.

The ordinance makes no provision for paying Board members and Richmond has a tradition of Board members serving without pay.

How is the Board controlled? Why is there so much Board autonomy?

The ordinance attempts a balanced approach. The overall policy and direction of the Board are provided for in the ordinance and in the fact that the Mayor with the support of the Council can appoint or remove members of the Board. The Council also controls the total budget of the Board because it must approve the amount of the fees which fund the Board’s budget.

At the same time it is important to keep the day to day operations and decisions of the Board free from political meddling and influence of lobbyists and others, so the Ordinance provides that the Board shall make its own budget specifics, define procedures, and control its own staff.

Will this ballot measure unfairly punish all Richmond landlords?

This ballot measure does not punish landlords. It protects tenants from landlords who would gouge tenants, or landlords who retaliate against tenants for asking for necessary repairs. If the District Attorney finds a landlord's violations of the ordinance serious and willful, only a court can provide punishment.

Will landlords maintain their properties?

Yes. Landlord's will continue to be motivated to maintain and improve their buildings to attract higher rents which they can charge whenever a unit is vacant. Tenants who are protected by "just cause" will not be afraid of asking landlords to make repairs and complaining to code enforcement when necessary repairs are not done.

The City of Richmond is in a financial crisis, how can we add a Rent Board without further adding to the City's debt?

The Rent Board established by this ballot measure will not cost tax-payers additional money. The Rent Board will be funded by fees paid by the landlords. Such fees will be recommended by the Rent Board and confirmed by the City Council. In order to be able to request and receive grants that may be available to help renters, the Board is empowered to apply for and receive money from any government agency or private fund.

You can download and read the entire Rent Control Initiative here
<http://www.ci.richmond.ca.us/DocumentCenter/View/37786>