

FY 2022-2023 Annual Review of the Rent Review Ordinance and Tenant Relocation Assistance Ordinance Programs

Rent Review Ordinance Overview

The City of San Leandro (City) adopted the Rent Review Ordinance (RRO) in May 2001 and subsequently established the Rent Review Program (Program). The Program offers mediation and non-binding arbitration of rent disputes between tenants and landlords. Mediation/arbitration is provided by the Rent Review Board (RRB), a five-member volunteer community board appointed by the Mayor and comprised of two renters, two landlords, and one homeowner. The Program is based on the use of mediation/arbitration to work jointly with tenants and landlords to respond to complaints brought before the RRB and provides a neutral setting for discussing rent increase disputes.

Hearings are conducted by the RRB. Eligibility for a RRB hearing can be triggered when there is a rent increase of more than 7%, or there are two or more rent increases within a 12-month period (whose combined total exceeds 7%) for a rental unit on a parcel with at least two rental units. Exempted from this ordinance are single-family residences, duplexes where one of the units is owner occupied, and condominiums and townhomes where the landlord doesn't own and rent 2+ units in the same complex. Mobile home rentals are eligible, but owner-occupied mobile homes that are leasing the space or pad below it, do not qualify.

FY 2022-2023 RRO

In FY 2022-2023 (July 1, 2022 – June 30, 2023), the City contracted with ECHO Housing to assist with tenant/landlord issues and inquiries, including those around the City's RRO. ECHO Housing reported that 20 households reached out to them to request a RRB hearing.

There were no RRB hearings during this period. All requests that qualified for a hearing were settled with a mutual agreement between the landlord and the tenant, where the landlord would not increase the rent above 7%. The City has experienced a decrease in rent review cases since AB 1482 was adopted in 2019. That law prohibits landlords from raising the rent for most rental units by more than 5%+CPI, up to a maximum of 10%.

Tenant Relocation Ordinance Overview

The City adopted the Tenant Relocation Assistance Ordinance (TRO) in September 2017. Implementation began in October 2017. The TRO is triggered when a tenant's rental

agreement is terminated due to landlord-caused terminations as identified in the TRO. Eligible tenants may receive relocation assistance of up to \$7,000 per unit from their landlord following a landlord-caused termination in order to assist with relocation to a new residence. A housing unit must be located in a parcel that contains 2+ tenant-occupied housing units to be eligible for the TRO. A single-family residence is exempt from the TRO.

Exceptions to landlord-caused terminations include the following:

- Tenant failure to pay rent
- Tenant breach of lease or rental contract
- Tenant illegal activities
- Failure to allow landlord access after legal notice
- Residential property uninhabitable without landlord fault (e.g., tenant's negligence or willful misconduct, earthquake, fire, flood)
- Lawful termination of employment where such employment (e.g., on-site property manager) by the landlord was a condition of the lease
- Temporary repairs where the landlord provides the tenant with short-term alternative housing during the renovation period
- Prior notice of renovations where the landlord notifies the tenant, before entering
 into a lease, of his/her intent to remodel the property. The landlord must submit
 plans with the City at the time he/she notifies the tenant of the termination of
 tenancy.
- Landlord occupancy of the rental unit, limited to the landlord, his or her spouse, landlord's parent or parents or landlord's spouse's parent or parents, landlord's child or children or landlord's spouse's child or children, and landlord's or landlord's spouse's grandchildren

FY 2022-2023 TRO

In FY 2022-2023, the City contracted with ECHO Housing to assist with tenant/landlord issues and inquiries, including those involving tenant relocation assistance. ECHO reported 7 households reached out to them with questions regarding the TRO.

The City's Eviction Moratorium was in place during FY 2022-2023. ECHO Housing reported that they did not negotiate any tenant relocation assistance for tenants during this period. There were exceptions under which evictions could take place, however; those same exceptions would also cause one to not qualify for relocation assistance under the TRO. It is possible that tenant relocation assistance agreements were transacted privately between tenants and landlords.

FY 2022-2023 San Leandro Rental Data

According to RentCafe U.S. rental market data, the average size for an apartment in San Leandro is 758 square feet, but this number varies greatly depending on unit type. Studio apartments are the smallest and most affordable, 1-bedroom apartments are closer to the average, while 2-bedroom apartments and 3-bedroom apartments offer a more generous square footage.

Additional data provided by the site includes:

• Renter-occupied Households: 43%

• San Leandro, CA apartment rent ranges:

\$1,001-\$1,500: 1% \$1,501-\$2,000: 22%

> \$2,000: 77%

San Leandro, CA average rents:

<u>Jul 2022</u>: San Leandro, CA= \$2198, National= \$1696 <u>Nov 2022</u>: San Leandro, CA= \$2303, National= \$1713 <u>Mar 2023</u>: San Leandro, CA= \$2292, National= \$1701