



Legislation Details (With Text)

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Title: First Reading of an Ordinance of the City of San Leandro City Council Amending San Leandro Municipal Code to Add Chapter 4-45 Rental Registry and Direction from City Council on Other Housing Protections

Indexes:

Code sections:

Attachments: 1. A- Draft Ordinance Adding Rental Registry, 2. Exh A Muni Code Chapter 4-45, 3. Presentation - Rent Registry Ordinance

Date	Ver.	Action By	Action	Result
3/17/2025	1	City Council	Adopted	Pass

First Reading of an Ordinance of the City of San Leandro City Council Amending San Leandro Municipal Code to Add Chapter 4-45 Rental Registry and Direction from City Council on Other Housing Protections

COUNCIL PRIORITY

- Housing and Homelessness

SUMMARY

Lack of affordable rental housing, lack of new rental housing construction, and displacement of tenants leading to homelessness or at risk homelessness are key factors that high cost regions like the San Francisco Bay Area, and cities and counties within them such as San Leandro, continue to face. Enhancing housing protections for tenants such as 1) rent control, just cause, tenant anti-harassment, and rental registry; 2) assessing the existing Mobile Home Space Rent Stabilization Ordinance (MHRSO) have been City Council priority policy matters since 2023. On January 22, 2025, the Rules Committee recommended forwarding the proposed Amendment to the Municipal Code adding Chapter 4-45 Rental Registry along with the proposed budget to City Council.

RECOMMENDATIONS

For Rental Registry:

A) City Council introduce an Ordinance amending the San Leandro Municipal Code to Add Chapter 4-45 Rental Registry.

B) City Council direction for staff to submit recommended program fees and annual \$650,000 budget in the FY2025-2027 Biennial Budget

For Housing Protections:

- A) Staff to return to March 26 Rules Committee but seeks direction on which policies to prioritize and focus efforts on:
 - Rent Control (7 to 12 months)*
 - Just Cause (4 to 9 months)*
 - Tenant Anti Harassment (4 to 9 months)*
 - Mobile Home Space Rent Stabilization Ordinance (separate and distinct process from above, 7 to 12 months)*
 - Staff does not have capacity to work on MHRSO and non mobile home park housing protections (Rent Control, Just Cause and/or Tenant Anti-Harassment) simultaneously

The estimated time ranges for staff to submit first reading of an ordinance(s) for each housing protection policy item above factor in level of public and stakeholder outreach/input that Council desires, along with current staff workload on other Council, State and federal housing priorities.

BACKGROUND

In 2023, the City Council made Housing/Homelessness a Council priority and also prioritized enhancing housing protections such as rent control, just cause, rental registry, tenant anti-harassment and amending the MHRSO. The City Council also referred housing protection policies to the Rules Committee in 2023 for review and direction to staff and City Council, and to gather public input. Extensive public outreach to key and impacted stakeholders (tenants, housing providers, and mobile home park owners and renters) was also conducted in Fall 2023.

A policy area which the Rules Committee came to consensus on was a Rental Registry Ordinance. Rules Committee determined it was important to establish regulations that would enable the City to collect private rental housing data including rental rate changes. The Rental Registry Ordinance will help track rental housing data in San Leandro over time to enable the current and future City Councils make more informed decisions on housing protections.

Analysis

Below is a summary of the 1) key features and impacts of the proposed Rental Registry Ordinance and 2) the other housing protections which staff is seeking further guidance from City Council on.

- I. Proposed Rental Registry Ordinance
 - A. Purpose of Ordinance/Requirements
 - i. Establish a program for the collection of important data regarding the rental market in San Leandro
 - ii. Applicable rental housing providers shall annually pay a fee and submit registration statement with data to the City by January 31
 - B. Key Definition(s)

- i. Rental unit [covered under the Ordinance] - any unit in any real property, regardless of zoning status, including the land appurtenant thereto, that is rented or available for rent for residential use or occupancy (regardless of whether the unit is also used for other purposes), together with all housing services connected with use or occupancy of such property, such as common areas and recreational facilities held out for use by the tenant. A rental unit includes a single-family home.[Includes rental units exempted from Costa Hawkins such as single family homes, condos/townhome, & post 1995 rental units]

C. Exempted Properties

- i. Rental units, regardless of ownership, for which rents are subsidized or regulated by federal law or by regulatory agreements between a landlord and (i) the City, (ii) the County of Alameda or (iii) any agency of the State of California or the Federal Government;
- ii. Rental units owned by any public agency;
- iii. Rental units that are rented or leased to transient guests for thirty (30) consecutive days or less;
- iv. Rooms in hotels, motels, inns, tourist homes, short term rentals, rooming or boarding houses, provided that such rooms are not occupied by the same occupant or occupants for more than thirty (30) consecutive days;
- v. Rooms in any hospital or in a facility for assisted living, skilled nursery, convalescence or extended care;
- vi. Rooms in a convent, monastery, fraternity or sorority house, or in a building owned, occupied or managed by a bona fide education institution for occupancy by students;
- vii. Rooms in a building or in a rental unit where the primary use is providing short-term treatment, assistance or therapy for alcohol, drug or other substance abuse and the room is provided incident to the recovery program and where the occupant has been informed in writing of the temporary or transitional nature of the arrangement at the inception of the occupancy;
- viii. Rooms in a building or in a rental unit that provide a structured living environment that has the primary purpose of helping formerly homeless persons obtain the skills necessary for independent living in permanent housing and where occupancy is limited to a specific period of time and where the occupant has been informed in writing of the temporary nature of the arrangement at the inception of the occupancy;
- ix. Mobile homes or mobile home lots (which are subject to the registration requirements of Municipal Code section 4-39-240);
- x. Rooms in a facility that require, as part of the person's occupancy and use of the room and the facility, some or all of the following: intake, case management, counseling, and an occupancy agreement;
- xi. Rental units in which the landlord owns the rental unit, occupies the rental unit as the landlord's primary residence and shares kitchen or bath facilities with one or more tenants; or
- xii. Any part of a rental unit in which a tenant has allowed or permitted

a person to use or occupy such part of the rental unit but that person does not meet the definition of tenant as defined in this chapter.

- D. Registry Data Categories (shall include, but not be limited to)
- i. Site address and Assessor Parcel Number (APN)
 - ii. Date purchased by current owner
 - iii. Year built
 - iv. Type of rental housing (single family, duplex, triplex, etc)
 - v. Total number of rental units
 - vi. Total number of rental units exempt from this Ordinance
 - vii. Owner type (individual, corporation)
 - viii. the name(s), business address(es), and business telephone number(s) of each person or legal entity possessing an ownership interest in the rental unit and the nature of such interest;
 - ix. the name(s), business address(es), and business telephone number(s) of the person responsible for managing the rental unit;
 - x. the rent for the rental unit effective on January 1 of the current year;
 - xi. the rent for the rental unit effective on January 1 of the previous year; and
 - xii. a listing of all other charges, including utilities not included in rent, paid by tenant, and the approximate amount of each such charge if such amount was established by the landlord;
 - xiii. and all other information required by the program administrator.

E. Program Fees and Costs

Section 4-45-160 allows a reasonable fee to be established and collected to administer the Rental Registry. The City estimated a maximum annual fee of \$100 per unit (source: Baker Tilly Consulting, comparative Bay Area cities data for the October 23, 2024 Rules Committee presentation). Approximately 16,000 to 20,000 rental units (including single family and condos/townhomes that are rented out) may fall under Rental Registry. Staff is assessing the appropriate fee amount and factoring in minimizing pass through impacts on renters and adequate funding for staffing/administration.

Staff estimated an annual program cost of \$650,000 to cover 2 new full time Housing Division staff to implement the Rental Registry (in addition to 4 existing Housing staff), third party consultant to develop and administer database, registry software purchase and ongoing maintenance, and potentially funding a portion of salaries and benefits of existing Housing Division staff involved in the registry. The current and budget Housing Division staff are: Housing Manager, Senior Project Specialist, Project Specialist II (vacant) and Project Specialist I (vacant). Staff estimates that it will take 3 to 5 years to be self-funding from annual fees collected.

F. Implementation of and Challenges for Rental Registry

Following the approved budget and adoption of the Ordinance (*based on January 1, 2026 effective date*), staff will first identify future staffing and consultant needs for program implementation:

- i. Program Implementation
 - Issue Request for Proposal/Qualifications (RFP/RFQ) and select database vendor
 - Develop and launch database
 - Develop program materials and website
 - Launch community outreach campaign to applicable housing providers
- ii. Program Implementation Challenges
 - Thousands of housing providers must complete the registration process
 - Achieving full annual compliance is projected to take 3-5 years
 - Current staff cost and fee revenue estimates may be inaccurate
 - Increased administrative burden on existing Housing Division staff while staffing

II. Housing Protections

A. Current State Protections

- Limitations on Rent Increases (e.g. Rent Control)
 - AB 1482 (2019) caps allowable rent increase in a 12-month period: 5% + Consumer Price Index (CPI)* (10% max.). Sunsets Jan 1, 2030. Exemptions: housing built in last 15 years, owner occupied duplexes, single-family (SF) homes, deed-restricted affordable housing
 - Costa Hawkins (1995): a) Limits cities' ability to regulate rents on new housing built after 1995, b) Removed regulatory barriers for new rental housing construction, c) Exempts single family rentals, condos, and townhomes; and d) Prohibits vacancy control
- Limitations on Evictions (e.g. Just Cause)
 - AB 1482 & SB 567 (2023) establishes just cause eviction requirement if all tenants have occupied unit for at least 1 year, or at least 1 tenant has occupied for 2 years. Sunsets on Jan 1, 2030
 - Landlord must have "at-fault" just cause or "no-fault" just cause to evict or not renew lease. If "no-fault", landlord must pay 1 month's rent as compensation. At-fault evictions involve conduct by the tenant (e.g. lease violation). No-fault evictions do not involve conduct by the tenant (e.g. owner move-in)
 - Exemptions: Housing built in last 15 years, ADUs, owner occupied duplexes, SF homes & residential property separate from another dwelling unit & not owned by a corporation, real estate trust or LLC; and deed-restricted affordable housing

- Tenant Anti-Harassment
 - CA fair housing laws prohibit discrimination or harassment based on protected characteristics and require reasonable accommodations and modifications for persons with disabilities. A housing provider may not retaliate against someone who exercised their rights under fair housing laws
 - Civil Code Section 1940.5 prohibits threatening and harassing conduct that interferes with quiet enjoyment of unit
 - Civil Code Section 1942.5 prohibits retaliation for landlord exercising rights
- Rental Registry
 - No existing State-wide rental registry regulations

B. Current City Housing Protections

- Limitations on Rent Increases: 1) Rent Review Board Ordinance sets criteria of 7% or 2+ rent increases in a 12-month period as eligibility for Rent Review Board hearing to mediate a mutually agreeable outcome and there is not rent control
- Anti-Harassment - Rent Review and Tenant Relocation Ordinances include anti-retaliation requirements for tenants exercising rights
- Rental registry: City business license required to rent units in the City.
- Other related ongoing City housing protection services include tenant-landlord counseling/fair housing services (ECHO Housing), legal aid (Centro Legal de la Raza), and Tenant Relocation Assistance (City Housing Division).
- Mobile Home Space Rent Stabilization Ordinance (MHRSO)
 - Adopted and took effective in 2019
 - Purpose: protect renters from “arbitrary, capricious or unreasonable rent adjustments and enable park owners to earn a fair and reasonable return on their investment
 - Sets annual rent increase cap at lower of 4% or annual percentage change in the Consumer Price Index
 - Limits rent increases to once in a 12 month period
 - annual rent roll or registry requirement for all mobile home park owners
 - Limits evictions pursuant to California Mobile Home Residency Law

Previous Actions

- February 2023: City Council included housing protections under Housing/Homeless Priority
- July 2023: City Council requested assessing housing protections not currently in San Leandro (stricter rent control, just cause & tenant anti-harassment, plus rental registry), existing

housing protection programs & cost impacts to the City; directed to Rules Committee

- February 1, 2025: City Council affirmed housing protections prioritization under Housing/Homeless Priority at its annual planning session.

Committee Review and Actions

- November 2023: Rules Committee requested comprehensive rental housing and eviction data
- April 2024: Rules Committee requested further information on rent registries
- October 2024: Rules Committee requested staff prepare draft Rent Registry Ordinance
- January 2025: Rules Committee approved forwarding Rent Registry Ordinance and proposed staffing/costs to Council

Applicable General Plan Policies

Under Section 6.2 (Goals and Policies) in Chapter 6 of the 2023-2031 Housing Element, the following goals/policies apply:

Goal 3: Promote Conservation and Preservation of Existing Housing Stock

- P.3.5 Mobile Home Park Preservation. The City shall preserve existing mobile home parks and support measures to maintain affordability.

Goal 4: Protect Residents from Displacement

- P.4.1 Minimize Displacement of Vulnerable Residents. The City shall make all neighborhoods places of opportunity while minimizing the involuntary displacement of vulnerable populations, such as low-income households, seniors on fixed incomes, and people with disabilities, due to increased housing costs.
- P.4.2 Strengthen Tenant Protections. The City shall explore options to strengthen measures for eviction prevention, limits on sudden or annual rent increases, and tenant relocation assistance.

Environmental Review

The passage of the Rental Registry Ordinance is not a project according to the definitions in the California Environmental Quality Act (CEQA) and, therefore, is not subject to the provisions requiring environmental review. Therefore, the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) in that it is not a Project that has the potential for causing a significant effect on the environment under CEQA Guidelines Section 15061(b)(3).

Summary of Public Outreach Efforts

Comprehensive public outreach and engagement to key stakeholders occurred in Fall 2023. Below is a summary:

- Community-wide meetings (October 2023)
 - Oct 10 (online) -simultaneous translation in Spanish, Mandarin & Cantonese
 - Oct 25 (in person)
- Focus groups/listening session meetings (October and November 2023)
 - Held 4 meetings for each group: housing providers, tenants, mobilehome residents & mobilehome park owners
- All meeting/focus group presentations and summaries are posted on City Housing Protections webpage (sanleandro.org/Slhousingprotections)
- City established a database of email addresses from the community outreach which are sent notifications of public meetings on housing protections (i.e., City Council, Rules Committee). The notices are typically also sent in Spanish and Chinese.

Legal Analysis

The City Attorney prepared the proposed Rental Registry Ordinance and has reviewed this staff report and presentation.

Financial Impacts

This Council action was not budgeted and will require an appropriation of \$650,000 annually in the FY2025-26/2026-27 Biennial Budget for the proposed Rental Registry Program that will draw down from the General Fund's undesignated fund balance. Over the next 3 to 5 years, staff anticipates the program will become increasingly self-funded through collected program fees and the allocation from General Fund will consequently decline and then be eliminated. The program is intended to become fully self-funded in the near future. See "Program Fees and Costs" above for more information on financial impacts.

ATTACHMENTS

A: Draft Ordinance of the City of San Leandro City Council Amending San Leandro Municipal Code to Add Chapter 4-45 Rental Registry

- Ex A1: Municipal Code Chapter 4-45 Rental Registry

B: Powerpoint Presentation

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