Rent Program

General Fund Loan Interest Rate, Rent Program Fee Adoption & Prohibition of Fee Pass-Through to Tenants

City Council | June 1, 2026

Rental Registry & Rent Stabilization Timeline

City of San Leandro

April 2025

Rental Registry Ordinance Adopted

April 21, 2025
Ord. 2025-002

October 2025

Rental Registry Deadline
January 31 → July 31

October 20, 2025
Ord. 2025-013
(Amendment)

December 2025

Council Direction on Rent Program Budget, Staffing, & General Fund Loan

December 15, 2025

February 2026

Rent Stabilization Ordinance Adopted

February 2, 2026
Ord. 2026-001

April-May 2026

Rent Program Budget & Staffing Approved
Rental Registry Deadline
July 31 → January 31

April 20, 2026
May 4, 2026

January 2027

Ordinance Effective Dates

Rent Stabilization:
January 1, 2027

Rental Registry:
January 31, 2027

April 20, 2026 Council Actions

City of San Leandro

1. ADOPTED A RESOLUTION TO IMPLEMENT RENT PROGRAM

- ✓ Established Rent Program Special Revenue Fund
- ✓ Appropriated $2,230,433 for FY2026-27
- ✓ Authorized Six (6) Rent Program FTEs

2. INTRODUCED AN ORDINANCE ALIGNING RENT PROGRAM LAUNCH

- ✓ Amended SLMC §4-45-120(a) to revise the Rental Registry annual filing deadline from July 31, 2026 to January 31, 2027

May 4, 2026: Ordinance adopted at 2nd Reading

April 20, 2026 Council Direction

City of San Leandro

Council directed staff to return with three items:

1

Updated General Fund Loan Interest Rate

Based on U.S. Treasury return rates rather than City investment portfolio return.

→ Proposed interest rate of 4.03% based on April 2026 average of daily 5-year and 7-year U.S. Treasury par yield curve rates

2

Updated FY 2027 Rent Program Fees

Elimination of petition processing fees and updated penalty tiers.

→ Petition costs redistributed into base program fees; each base fee increased $1/unit

3

Eliminate Fee Pass-Through to Tenants

Amend SLMC §4-46-175(C) to prohibit property owners from passing through the Rent Stabilization fee to tenants.

→ Draft ordinance prepared for Council consideration

General Fund Loan (updated)

City of San Leandro

General Fund Loan

$2,230,500

4.03% [1]

3-6 Years

[1] *Based on April 2026 average of daily 5-year & 7-year U.S. Treasury par yield curve rates*

Proposed General Fund Loan Interest Rate

Based on U.S. Treasury return rates rather than City investment portfolio return

Data source: U.S. Treasury daily par yield curve rates (April 2026)

Maturities used: 5-year CMT (avg. 4.04%) and 7-year CMT (avg. 4.02%)

Blended rate: Simple average of the two maturity averages = 4.03%

Previous proposed rate: 3.76% (City investment portfolio return, Dec. 2025)

FY 2027 interest accrual at 4.03%: $89,889 | Estimated total interest over loan life: $280,000 – $487,000

Rent Program Fees (updated)

Proposed FY2026-FY2027 Rent Program Fees

Annual Fee	Fee Per Unit[1]	Estimated Units	Estimated Annual Revenue
Base Rent Program Fee – Rental Registry (All Units) per SLMC Chapter 4-45	$149	9,500	$1,415,092
Additional Rent Stabilization Program Fee – Rent Stabilized Units Only per SLMC Chapter 4-46	$109	6,500	$708,198
Combined Fee – Rent Stabilized Units	$258	6,500	--
TOTAL			**$2,123,290**

[1]*Maximum permissible FY27 fees at 100% cost recovery per NBS Fee Study*

Program Staffing & Budget Development

Meeting	Action	Rental Registry		Rent Stabilization		Combined Rent Program	
		Staffing	Budget	Staffing	Budget	Staffing	Budget
1/22/2025 Rules Comm.	Draft Rent Registry Ordinance referred to Council	~2 FTE	~$650K	N/A	N/A	N/A	N/A
3/17/2025 City Council	Rental Registry Ord. 2025-002 adopted	2 FTE Approved	$650K Approved	N/A	N/A	N/A	N/A
10/13/2025 City Council	Draft Rent Stabilization Ordinance and prelim cost options for comb program	2 FTE Existing	$650K Existing	*Benchmark* ~2 FTE *Enhanced* ~3FTE	*Benchmark* ~$740K *Enhanced* ~$956K	*Benchmark* ~4FTE *Enhanced* ~5 FTE	*Benchmark* ~$1.4M *Enhanced* ~$1.6M
12/15/2025 City Council	Council direction on combined Rent Program budget, staffing & GF Loan	N/A	N/A	*Passive Enf.* ~0-2 FTE	*Passive Enf.* ~$500 - $750K	*Basic Enf.* *~4 FTE* *Enhanced Enf.* ~6 FTE	*Basic Enf.* *~$1M–$1.5M* *Enhanced Enf.* ~$1.3M–$2.2M
4/20/2026 City Council	Combined Rent Program Budget, Staffing, GF loan	N/A	~$1.4M Revenue	N/A	~$702K Revenue	6 FTE Approved	$2,230,433 Approved

Updated budget / revenue projections reflect refined cost calculations based on 6 FTEs & updated cost data (i.e., salaries/benefits, software, indirect costs) informed by comparable program operations to administer an integrated & fully enforceable Rent Program

Proposed Tiered Late Penalties (updated)

25%
Tier 1
1–30 days

50%
Tier 2
31–89 days

100%
Tier 3
90–119 days

150%
Tier 4
120+ days

First Cycle Waiver: Program Administrator may waive or reduce penalties

Elimination of Fee Pass-through

City of San Leandro

CURRENT POLICY - §4-46-175(C)	PROPOSED AMENDMENT
✓ Up to 50% of the Rent Stabilization Program Fee may be passed through to tenants ✓ Charged in two equal installments, six months apart ✓ Cannot be included in Maximum Allowable Rent calculation	✓ Prohibit fee pass-through option ✓ Property owners responsible for 100% of Rent Stabilization Program Fee ✓ Any lease provision purporting to charge tenants the fee is void and unenforceable

First reading: June 1, 2026 | Second reading: June 15, 2026 | Effective: July 15, 2026

Recommendation

Adopt a Resolution:

✓ Approve a $2,230,500 General Fund loan with a maximum term of six years

  ✓ 4.03% interest (updated)

✓ Establish FY27 Rent Program fees & late penalties & amend Master Fee Schedule (updated)

  ✓ Approve NBS Rent Program Fee Study (updated)

Introduce an Ordinance:

✓ Prohibiting the Rent Stabilization Program Fee Pass Through to Tenants **(new)**