

Legislation Text

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For City Council Meeting [May 26, 2020]

TO: Honorable City Council

APPROVAL: Rod Foster, City Manager

FROM: Eric Vail, Interim City Attorney

Request that City Council Discuss whether to Direct the City Attorney to Prepare an Emergency Ordinance Temporarily Prohibiting Rental Increases within the City. **(ACTION)**

BACKGROUND

At the Council's regular meeting of May 12, 2020, Councilmember Rafael Trujillo requested that the City Council discuss the potential adoption of an emergency ordinance temporarily prohibiting rent increases at its regular meeting of May 26, 2020. This item is submitted pursuant to that request.

ANALYSIS/DISCUSSION

The imposition of a temporary prohibition on rent increases is commonly called a "Rent Freeze" measure. As part of its discussion, the Council may wish to consider a number of factors relevant to a Rent Freeze which would include, but are not limited to those listed below:

Applicability

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- o Residential
 - Apartments only
 - Single Family homes
 - Second units
 - Mobile homes / Mobile home parks
 - Market rate v. Affordable Units
 - Commercial
- Exempt Units
 - Dorms
 - Boarding Homes
 - Long-term leases
- Limited to COVID-19 impacted persons
- Limited to COVID-19 "High Risk" individuals
- Limited to low & moderate income households
- Variances & Hardship Exceptions
 - Landlords capital costs or repairs
 - Landlords special circumstances
- Duration

- \circ Fixed time
- Duration of Emergency
- Community Benefits
- Community Impacts
- Unintended Consequences
- Enforceability

The Riverside City Council recently considered and declined to adopt a Resolution establishing a temporary freeze on rent increases for residential tenants during the declared emergency. The resolution, had it been adopted, would have imposed a Rent Freeze on rent increases:

"... for those residents that have been impacted by COVID-19 and have established the same pursuant to the requirements set out in Governor Gavin Newsom's Executive Order N-37-20."

ENVIRONMENTAL IMPACT

The Council's discussion of this item will have no impact on the environment. If the Council directs the City Attorney to prepare a Rent Freeze ordinance, City Staff will assess any potential environmental impact and will report that impact in the staff report for first reading of the ordinance.

GENERAL PLAN CONSISTENCY

If the Council directs the City Attorney to prepare a Rent Freeze ordinance, City Staff will assess the ordinance's consistency with the General Plan and provide reference to applicable General Plan provisions in the staff report for the first reading of the ordinance.

LEGAL REVIEW

The Interim City Attorney prepared this staff report.

FINANCIAL IMPACT

No fiscal impact related to discussion of this item. If the Council directs the City Attorney to prepare a Rent Freeze ordinance, City Staff will assess any fiscal impact the ordinance may have on the City in the staff report for the first reading of the ordinance.

RECOMMENDATION

Staff recommends that the City Council discuss whether an Emergency Ordinance temporarily prohibiting rental increases within the City is desired and if so, provide direction to the City Manager and City Attorney regarding its preparation.