

ATTACHMENT B

BALLOT TITLE AND SUMMARY

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Title:

An Initiative to Impose Rent Control, Create a Rental Housing Board, and Establish Just Cause Eviction Criteria In Pasadena

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Summary:

The Measure would impose limits on rent increases in Pasadena for some residential units, create a Rental Housing Board, and specify the circumstances under which some landlords may evict a tenant.

Rent Control. State rent control law provides rent caps of a certain amount, with exemptions, and applies to certain rental units that are 15 years old or older. State law also limits the application of local rent control to units constructed prior to February 1, 1995. The proposed Measure would apply further caps on covered rental units. For units covered by the Measure, rental rates would be capped at the amount paid on May 17, 2021 for residential units occupied on that date, or the rent paid when a tenant first occupies the unit after May 17, 2021. This “Base Rent” can only be increased as provided for in the Measure, through an “Annual General Adjustment,” or by a “Petition for Upward Adjustment” of rent. The Measure would establish a Rental Housing Board (“Board”) whose duties would include setting the allowable Annual General Adjustment by which landlords could increase rent. The allowable rent increase would be less than the increase in the Consumer Price Index. Under certain conditions the Board can deny an increase in rent. The Board would also consider Petitions for Upward Adjustment of rent if a landlord can show that the Base Rent does not allow a fair return on investment. Tenants may also file a Petition for Downward Adjustment in rent if the landlord fails to maintain a habitable premises.

Eviction Protections, Relocation Assistance, and Moving Expenses. State law provides statewide just cause eviction requirements with payment of relocation expenses, with exemptions. The Measure would apply more protective requirements, by requiring landlords to prove to the Board that certain circumstances existed to justify eviction. The Measure establishes procedures to be followed prior to any just cause eviction.

Pasadena Municipal Code Chapter 9.75 requires landlords, in certain circumstances, to provide qualified tenants with relocation assistance and a moving expense allowance. The Measure would modify the amounts and availability of these benefits. The Measure also requires landlords to, in certain circumstances, provide a tenant the right to return to the rental unit if a vacated rental unit is returned to the market.

Rental Housing Board Autonomy. The Board would have the responsibilities discussed above, and authority to impose on landlords an annual Rental Housing Fee

to finance its expenses. The Measure authorizes the Board to establish its own budget, hire staff, and maintain a Rental Registry.

The Measure requires the City Council to appoint Board members. The Board would otherwise be independent from the City Council, City Manager, and City Attorney.

Effect of Measure. Since the Measure would amend the City Charter, the City Council does not have authority to amend the Measure. If enacted, the Measure can only be amended by a vote of the people.