

# **Ordinance Fact Sheet**

TO: CITY COUNCIL

DATE:

December 4, 2023

FROM: CITY ATTORNEY

SUBJECT: ORDINANCE CREATING A NEW CHAPTER 2.302 OF THE PASADENA MUNICIPAL CODE TO ESTABLISH A RENT STABILIZATION DEPARTMENT

TITLE OF PROPOSED ORDINANCE

## AN ORDINANCE OF THE CITY OF PASADENA CREATING A NEW CHAPTER 2.302 OF THE PASADENA MUNICIPAL CODE TO ESTABLISH A RENT STABILIZATION DEPARTMENT

## PURPOSE OF ORDINANCE

As directed by the City Council on November 6, 2023, this ordinance establishes the rent stabilization department in accordance with Article XVIII of the city Charter, approved by Pasadena voters in November 2022. The rent stabilization department would, among its other responsibilities as set forth in Article XVIII of the city Charter, support the Pasadena Rental Housing Board's duties to regulate rent increases in the city, provide eviction protections on certain rental properties in the city, and carry out the other duties set forth in Article XVIII of the city Charter.

The purpose of this ordinance is to create a functional unit of city government under the general administration of the city manager known as the rent stabilization department, led by an executive director. As further directed by the city council, the proposed ordinance has been drafted to expire 24 months after its effective date.

# REASON WHY LEGISLATION IS NEEDED

Section 1811(m) of the city Charter allows the Rental Housing Board to request the city's services and requires the city to provide "infrastructure support on an ongoing basis as it

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would with any other city department." The Rental Housing Board has requested to have a department created for its services, and this ordinance, if approved, would satisfy that request.

#### PROGRAMS, DEPARTMENTS OR GROUPS AFFECTED

The Rent Stabilization Department will implement this ordinance. Residential tenants and landlords, as well as the Pasadena Rental Housing Board, will be affected by this ordinance.

## FISCAL IMPACT

The Rental Housing Board is required to "finance its reasonable and necessary expenses" (Charter Section 1811(I)), including staffing, though a rental housing fee to be assessed on landlords. The rent stabilization department will therefore be funded from the proceeds of the rental housing fee.

## ENVIRONMENTAL DETERMINATION

On November 6, 2023, the City Council determined that the proposed Municipal Code amendment is exempt from California Environmental Quality Act (CEQA), review pursuant to State CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption).

Respectfully submitted,

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