

RECEIVED

AUG 22 2016

CITY CLERK

Impartial Analysis for Measure W

This measure is an ordinance that would limit the amount a landlord could increase rent for certain residential units in the City of Mountain View, and enact related regulations.

The City does not currently regulate the amount of rent a landlord may charge. The City does have an ordinance requiring a landlord and tenant go to mediation and, in some cases; nonbinding arbitration when there are disputes (“Current Ordinance”).

Under the Current Ordinance, rental disputes include rent increases in excess of 7.2% within a 12-month period, service reductions, notices to vacate, maintenance and repairs, security deposits and a tenant’s early termination of a lease. Rental properties with three or more rental units in a single structure are subject to the Current Ordinance. All disputes are subject to conciliation and mandatory mediation. Disputes related to rent increases in excess of 7.2% and service reductions are also subject to mandatory but nonbinding arbitration. The arbitrator’s decision is advisory.

This measure would amend the Current Ordinance to regulate rents for rental units with a certificate of occupancy prior to February 1, 1995. Under this measure, if a landlord wants to increase rents by more than 5% of the base rent in a 12-month period or reduce services, then the landlord and tenant could be required to go and the arbitrator’s decision would be binding on the parties.

The Current Ordinance specifies the factors an arbitrator may consider when hearing a rent increase dispute. The proposed ordinance clarifies this provision by allowing an arbitrator to consider the landlord’s debt service costs, but only to the extent those costs are related to capital improvements to the rental property.

A landlord may “bank” rent increases. This means that if a landlord does not raise the rent as much as legally permitted in a particular year, the landlord can accumulate the rent increase and impose it the next year, provided it does not exceed 8%.

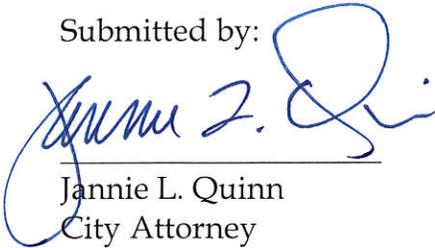
In addition, in those rental units covered by the measure, a landlord could only terminate a tenancy for just cause, which would include failure to pay rent; breach of lease; nuisance; criminal activity; failure to grant reasonable access; necessary repairs; owner move-in; withdrawal of the unit from the rental market; and demolition. However, if a landlord complies with the City’s Tenant Relocation Assistance Ordinance, just cause would not be required for a landlord to terminate a tenancy.

If adopted, the City Council could not change the substantive provisions of the ordinance for at least two years. Substantive provisions include those addressing the binding arbitration requirement, just cause for eviction protections, base rent and rent increase. After two years, the Council could make substantive changes to the ordinance if approved by at least five of the seven Council members.

This measure was placed on the ballot by the City Council.

The above statement is an impartial analysis of Measure W. If you desire a copy of the ordinance, please call the City Clerk's Office at 650-903-6304 and a copy will be mailed at no cost to you. Copies are also available in the City Clerk's Office and on the City's website at: www.mountainview.gov.

Submitted by:



Jannie L. Quinn
City Attorney
City of Mountain View

August 22, 2016