Ballot Title: An initiative measure to amend certain provisions within the City Charter that regulate rents, establish just cause eviction protections, require relocation assistance, and allow decontrol.

Summary:
The Community Stabilization and Fair Rent Act ("CSFRA") in the City Charter regulates rents and requires just cause to evict tenants in rental units subject to the CSFRA. The proposed initiative would amend the CSFRA as follows:

Rent regulations would no longer apply to all rental units subject to the CSFRA and would only apply when: (1) a tenant files an annual application with the Rental Housing Committee ("Committee") establishing the household income does not exceed 100% of median household income or (2) the rental housing agreement fails to contain the required notice informing the tenant of the rent regulations.

If the average annual vacancy rate of rental units in the City equals or exceeds 3%, the Committee would be required to suspend the just cause for eviction protections, rent regulations, and other CSFRA provisions found in City Charter Sections 1705 through 1717. The Committee would also be suspended.

During any suspension, a Rental Housing Dispute Resolution Program ("RHDRP") would become effective. This program would be available to landlords and tenants and provides a procedure for conciliation and mediation to resolve disputes related to rent increases over 7%, security deposits, notices to vacate, maintenance or repairs, service reductions, and a tenant's termination of a lease prior to the end of a lease term. Disputes involving rent increases and service reductions would also be subject to nonbinding arbitration. The arbitrator's decision would be advisory.

Landlords would be required to notify tenants of the RHDRP in the rent increase notice, register their rental units with the City, and pay a registration fee during the RHDRP.

If the annual average vacancy rate falls below 3% for six consecutive months after suspension of the CSFRA, Sections 1705 through 1717 (the just cause for eviction protections, rent regulation, and other provisions) would be reimposed.

The income eligibility for tenant relocation assistance in cases of eviction due to necessary and substantial repairs requiring temporary vacancy, owner move-in, permanent withdrawal of a unit from the rental market, and demolition would be reduced from 120% to 100% of median household income.

A landlord could evict a tenant who has been so disorderly as to destroy the peace, quiet, comfort, or safety of the landlord or other tenants without first serving a written notice to cease to the tenant.

A hearing officer could consider costs of planned and completed capital improvements to the rental unit as a factor to determine if the landlord is receiving a fair rate of return regardless of whether the capital improvements are necessary to bring the property into compliance with health and safety codes.

A majority of the City Council would be required to authorize the Committee to receive any funding from the City's general fund.

Committee members could not receive any compensation or pension benefits for their service.

A maximum Rental Housing Fee of $100 per rental unit would be established in 2019. The Committee could adjust the fee annually by the consumer price index.

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