

Richmond Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance Ballot Measure

Fact Sheet

As of: November 17, 2016

The “Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance” November 8, 2016, Ballot Measure L

What: The “Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance” was filed as an initiative measure with the City of Richmond, verified and approved by the Contra Costa County Clerk, and submitted to the voters at the November 8, 2016 election as Measure L. A copy of the “Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance” (“Ordinance”) is available at www.ci.richmond.ca.us/housingupdate.

When: Measure L approving the Ordinance was passed by the voters on November 8th. The Certification of the Official Results of the November 8, 2016 Election, will be completed by Contra Costa County Election Division on December 6, 2016, within 30 days of the election, as required by Election Code 15372(a).

The City Council of the City of Richmond will certify the results of the election at its December 20, 2016, meeting. **The Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance will become effective on December 30, 2016.**

Key Components

The Ordinance approved by the initiative ballot measure establishes a Rent Board (“Administration”) and sets a maximum allowable rent for qualifying residential units in the City (“Rent Control”). Landlords are prohibited from charging above the maximum allowable rent, which is based on the rent in effect on July 21, 2015, subject to certain annual increases based on the percentage increase in the Consumer Price Index.

The Ordinance also prohibits landlords from terminating tenancies for reasons that are not specifically listed in the ordinance (“Just Cause for Eviction”).

Certain temporary rentals, small second units, and rental of certain rooms, as further described in the ordinance, are exempt from requirements of the Ordinance.

Please review the [ballot measure](http://www.ci.richmond.ca.us/housingupdate) for additional information (Available at <http://www.ci.richmond.ca.us/housingupdate>).

Administration

The Ordinance establishes a Rent Board composed of five members appointed by the City Council (upon nomination by the Mayor per the City Charter); no more than two (2) Rent Board members may own or manage any rental property or serve as realtors.

A full list of powers and duties are available in the Ordinance, including:

- Establishing base rent
- Making rent adjustments
- Charging and collecting fees

Rent Control

- The ballot measure sets maximum allowable annual rent increases for residential units in the City except for certain exempt units (which includes units exempt from rent control pursuant to [state law](#), such as single family homes, units with a certificate of occupancy issued after February 1, 1995, and condominiums).
- The maximum allowable annual rent is based on the rent in effect on July 21, 2015, subject to certain annual increases based on the percentage increase in the Consumer Price Index. The maximum allowable annual rent increase is 100% of the percentage increase in the Consumer Price Index. By June 30 of each year, the Rent Board will specify the rental adjustment percentage to be effective on September 1 of each year.
- The maximum allowable annual rent is subject to a petition and hearing procedure for upward and downward adjustments. Landlords and tenants will be permitted to petition the Rent Board for an upward or downward adjustment of the maximum allowable rent. In making a downward adjustment, the Board may consider decreases in living space, substantial deterioration of the rental unit, or failure of the housing to comply with housing, health and safety codes. Upward adjustments may be made by the Board only if the landlord demonstrates that such adjustments are necessary to provide the landlord with a fair return on investment, as defined in the Ordinance.
- Please refer to the Ordinance for additional details regarding the statements above.

Limitations on Evictions

The Ordinance prohibits a landlord for terminating a tenancy for reasons not specified in the Ordinance and requires landlords to make relocation payments to tenants under certain circumstances.

Under the Ordinance, a landlord may only terminate a tenancy for one of the following reasons:

- 1) If the tenant fails to pay rent; breaches the lease; commits or permits a nuisance; or fails to give the landlord access to the premises in certain situations; or
- 2) If the landlord needs to undertake substantial repairs to the unit; seeks to use the unit as a primary residence by the landlord, or the landlord's spouse, children, parents or grandparents; or the landlord seeks to withdraw all units of an entire property from the rental market.

The Ordinance requires that relocation payments be made to tenants under certain circumstances in an amount to be determined by the City Council through a Relocation Ordinance to be subsequently adopted by the Council.

Retaliation is barred if eviction is based on a tenant utilizing their rights by the Ordinance or law.

Please refer to the Ordinance for additional details regarding the statements above.

Violations

The Ordinance provides that a landlord violating the Ordinance shall be guilty of a misdemeanor, and provides for liability in a civil action, which may include money damages, reasonable attorneys' fees and costs, and a civil penalty upon a specified showing of willful conduct.

Financing

The Board, their staff and activities will be funded by charging landlords annual registration fees in amounts deemed reasonable by the Board and approved by the City Council.

State Law

Richmond's ordinance is subject to state rent control regulations:

[Costa-Hawkins Rental Housing Act](#) (CHAPTER 2.7. Residential Rent Control [1954.50 - 1954.535])

DISCLAIMER: THE CITY CANNOT PROVIDE LEGAL ADVICE TO PRIVATE CITIZENS AND GROUPS. PRIVATE CITIZENS AND GROUPS ARE RECOMMENDED TO SEEK THEIR OWN INDEPENDANT LEGAL ADVICE FOR QUESTIONS ABOUT THE ORDINANCE AND HOW IT APPLIES TO THEIR SITUATION.

Please refer to the following links for information regarding California state noticing requirements and consult with your own attorney as necessary:

- **Noticing requirements for rent increases:**
http://www.dca.ca.gov/publications/legal_guides/lt-2.shtml.
- **Noticing requirements for evictions:** The amount of notice time that is required to terminate a tenancy or evict a tenant varies. Please see <http://www.dca.ca.gov/publications/landlordbook/terminations.shtml> for more information.