

TITLE: An initiative measure establishing rent control in the City of Glendale, creating a compensated Glendale Rental Housing Board, and making other related changes to the Glendale Municipal Code

SUMMARY:

This initiative measure ("Measure") would amend the Municipal Code to impose rent control on all residential units in the City of Glendale, subject to specified exemptions. Among other things, the Measure:

- Exempts hotels, boarding houses and other specified facilities.
- Establishes a "base rent" as the rent in effect on November 5, 2017 for tenancies beginning on or before that date.
- Establishes the base rent as the rent at initial occupancy for tenancies beginning after November 5, 2017.
- Permits one rental rate adjustment per year.
- Establishes the annual rental rate adjustment as the amount equal to the annual percentage rate increase in the Consumer Price Index, but not to exceed 4% per year.
- Subjects duplexes and single family homes to Just Cause Eviction Ordinance.
- Makes other changes to Just Cause Eviction Ordinance.

The Measure establishes a Rent Board ("Board") appointed by the City Council. The Measure:

- Prescribes the makeup of Board from differing sectors (e.g. landlord, tenant, developer, low income tenants and all must be City residents).
- Provides Board members compensation of \$100 per meeting attended, not to exceed \$3,600 per year; Council may increase.
- Imposes annual rental housing fee ("Fee") on landlords, in an amount set by Board, to fund Board's activities.
- Provides that Board decides percentage of Fee, if any, to be passed on to tenants, but pass-through may not exceed 50%.
- Authorizes Board to exercise its duties independently of the City Council, City Manager and City Attorney, except by request of Board.
- Authorizes Board to adopt rules and regulations to implement Measure.
- Permits tenants or landlords to petition Board for an upward or downward adjustment of the maximum allowable rent. Factors for adjustment include: (downward) substantial deterioration of the unit, failure to comply with housing, health and safety codes, or charging unlawful rent; (upward) landlord demonstrates that the adjustment is necessary to provide a fair return on investment (as defined in the Measure and implemented by Board).

The Measure provides remedies:

- Tenant petitions to Board challenging excessive rent charges.
- Civil enforcement by tenants, Board or City Attorney.
- Establishes that a landlord's failure to comply is a defense to an action to recover possession.

Rental units constructed after February 1, 1995 and single family residences are currently exempt by state law; however, if that state law is repealed or otherwise made inapplicable, this Measure will apply to said units (with minor exemptions for single family homes). State law permits landlords to set initial rents for new tenants without restriction; if that law is repealed, this Measure would control the setting of initial rents.