



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council **Item No. _____**

FROM: Matthew Rodriguez, Interim City Administrator

SUBJECT: Workshop regarding a Potential Rent-Control Ordinance

MEETING DATE: August 2, 2017

RECOMMENDATION:

Council discretion.

BACKGROUND:

Renters in the County of Los Angeles face a rental market with limited supply and increasing rents. In fact, rents have increased approximately 25% in the last three years. Rents in certain areas have increased at 10 times the rate of inflation. Senior citizens are particularly vulnerable to rent increases because they are typically on fixed incomes and may have decreased capabilities. Renters in the City of Commerce have complained about rent increases and expressed concern that they will be priced out of the rental market, leaving them with no housing options.

The Council is considering the adoption of a rent-control ordinance. At the moment, the draft ordinance only addresses rent control as to senior citizens. However, the Council may also consider a broader rent-control ordinance extending to other residents.

Rent control measures are limited by state law. Specifically, the Costa-Hawkins Act of 1995 prevents cities from imposing rent control on buildings constructed after February 1, 1995, single-family homes, and condominiums. However, the City may implement measures that limit rent increases for most other units available for rent. The City may also implement eviction procedures and prohibit evictions without just cause, among other things. The Council will review the provisions of the draft ordinance and may consider the following topics:

- (1) Scope of the potential ordinance;
- (2) Maximum permissible rent increases;
- (3) Standard required for eviction, e.g., just cause;
- (4) Pre-eviction protections, e.g., notice requirements and pre-eviction mediation;
- (5) Post-eviction protections;

- (6) Penalties for non-compliance;
- (7) Expansion of the proposed ordinance; and
- (8) Whether a senior rent-control ordinance be placed on an agenda for approval consideration.

This workshop is meant to allow residents, renters, landlords, and staff, among others, to provide information and express their opinions regarding a rent-control ordinance. The Council will consider all information and comments prior to determining the appropriate next steps.

FURTHER HANDLING:

Direct staff and the City Attorney's Office, as appropriate.

Respectfully submitted by: Matthew Rodriguez, Interim Executive Director
Approved as to form by: Eduardo Olivo, Successor Agency Counsel