CITY ATTORNEY'S OFFICE

## OAKLAND CITY COUNCIL

RESOLUTION NO. \_\_\_\_\_ C.M.S.

## INTRODUCED BY COUNCILMEMBER CARROLL FIFE AND COUNCIL PRESIDENT NIKKI FORTUNATO BAS

RESOLUTION IN SUPPORT OF THE JUSTICE FOR RENTERS ACT, WHICH IF APPROVED BY VOTERS AT THE NOVEMBER 5, 2024, GENERAL ELECTION, WOULD REPEAL THE COSTA-HAWKINS RENTAL HOUSING ACT OF 1995 AND AFFIRM THE RIGHT OF LOCAL GOVERNMENTS TO ENACT OR EXPAND RESIDENTIAL RENT CONTROL

WHEREAS, the State of California and the City of Oakland continue to experience an extreme housing affordability crisis; and

**WHEREAS,** the current median rent for a two bedroom in Oakland is over \$2,500<sup>1</sup> a month, while the median household income as of 2024 is \$85,628<sup>2</sup>; and

WHEREAS, a growing number of Oakland residents are facing difficulties meeting their housing needs due to economic insecurity, unemployment, and displacement, which was further exacerbated by the COVID-19 pandemic; and

WHEREAS, 60% of Oakland residents are renters and vast majority are rent burdened because the cost of living has gone up exponentially, while wages have stagnated, forcing people to dedicate a large portion (over 30%) of their income towards housing costs; and

**WHEREAS,** the 2024 Point in Time Count found that 5,490 people in Oakland are without permanent shelter; and

**WHEREAS,** the Costa-Hawkins Rental Housing Act, signed into law by Governor Pete Wilson in 1995, places significant limits on the ability of cities in California to implement rent control for any single-family home or condominium, including single family homes owned by corporations or institutional investors, and any apartment constructed after February 1995; and

**WHEREAS**, the Costa-Hawkins Rental Housing Act prohibits cities that established rent control laws prior to the Act's passage in 1995 from expanding rent control; and

<sup>1 &</sup>lt;u>https://www.zillow.com/rental-manager/market-trends/oakland-ca/?bedrooms=2</u>

<sup>&</sup>lt;sup>2</sup> https://www.rentcafe.com/cost-of-living-calculator/us/ca/oakland/

**WHEREAS,** the Costa-Hawkins Rental Housing Act also prohibits cities from implementing "vacancy control," also called "strict" rent control, thus allowing an apartment owner the right to rent any vacant unit at any price, usually the market price, following a tenant vacating the unit; and

**WHEREAS**, the Costa-Hawkins Rental Housing Act impedes permanent changes to local rent control ordinances and enables rents on currently affordable rental housing units to rise to market rates upon vacancy thus imperiling the existing affordable housing stock, tenants, and contributing to a worsening of our homelessness crisis; and

**WHEREAS,** the Justice for Renters Act will appear on the November 5, 2024, ballot, and if approved by voters, would repeal the Costa-Hawkins Rental Housing Act of 1995 and would affirm that the State of California may not limit the right of any city, county, or city and county to maintain, enact or expand residential rent control; and

**WHEREAS,** under the Justice for Renters Act authority over local rent control laws would be returned to cities and counties that choose to adopt such local rent control laws; and

WHEREAS, Oakland and many California cities face an affordable housing crisis that demands immediate and long-term solutions; and

**WHEREAS,** the Justice for Renters Act would allow jurisdictions to more effectively address this crisis by providing them full authority to protect affordable rental housing; now, therefore, be it

**RESOLVED:** That the City of Oakland hereby supports and endorses the Justice for Renters Act which would repeal the Costa-Hawkins Rental Housing Act of 1995 and affirm the authority of local governments to enact new or amend existing rent control laws.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FIFE, GALLO, JENKINS, KALB, KAPLAN, RAMACHANDRAN, REID, AND PRESIDENT FORTUNATO BAS

NOES – ABSENT – ABSTENTION –

ATTEST:

ASHA REED
City Clerk and Clerk of the Council of the
City of Oakland, California