

Initiative Measure to be Submitted Directly to the Voters

The City Attorney has prepared the following title and summary of the chief purpose and points of the proposed measure, pursuant to California Elections Code Section 9203. The title and summary must be printed across the top of each page of the petition whereon signatures are to appear as required by California Elections Code Section 9203.

BALLOT TITLE:

City of Santa Ana Rent Stabilization and Renters' Rights Act.

BALLOT SUMMARY

If approved by a majority of the voters voting in the election, this measure, which proposes an ordinance entitled: City of Santa Ana Community Preservation, Rent Stabilization and, Renters' Rights Act would establish residential rent control restrictions, just-cause eviction procedures under certain circumstances and a process to resolve disputes between landlords and tenants. The ordinance would create the Santa Ana Rent Board to administer and enforce the ordinance. The City of Santa Ana does not currently have any of the regulations proposed by the ordinance.

The ordinance, if adopted, would set maximum allowable base rents on rent controlled residential units. The ordinance would not apply to certain properties including, but not limited to, hotel or motel rooms, commercial or industrial properties and certain single-family homes, under specific circumstances. The base rents would be determined based on whether tenancies were established on or before November 1, 2017 or after November 1, 2017.

The ordinance would set maximum allowable annual rental increases for all residential units, unless the units are exempt under the ordinance. The maximum allowable annual rent increase would be based on 100% of the percentage increase in the Consumer Price Index for All Urban Consumers in the Anaheim-Santa Ana-Irvine Region, rounded to the nearest one-quarter of a percent. No more than one rent increase would be permitted in a 12-month period. A landlord and a tenant could file a petition with the Rent Board seeking an upward or downward rent adjustment in accordance with the ordinance.

The ordinance would place certain restrictions on the termination of tenancies. The reasons for termination are set forth in the ordinance. However, the terms of the ordinance must comply with the Costa Hawkins Rental Housing Act and may impose certain restrictions. The proposed ordinance requires landlords to make relocation payments to tenants under specific circumstances set forth in the ordinance.

The ordinance would also create the Santa Ana Rent Board. The Rent Board would consist of seven members appointed by the City Council. All Board members must be City residents. Four of the seven must be tenants; one must be from a community-based organization and at least two would have to be people who do not own or manage rental properties. Board members can serve up to two four-year terms.

The Rent Board would implement and manage the ordinance by setting rents, determining allowable increases and adjudicating requests for adjustments. The provisions authorizing the Board to hire staff and legal counsel is in direct conflict with the City Charter and will not be enforceable without an

amendment to the City Charter. Finally the Board would be authorized to establish a Rental Housing Fee to fund its operating expenses.

This measure requires majority voter approval. If approved, this measure may be amended or repealed only by another vote of the people.

/s/ Sonia Rubio Carvalho, City Attorney