



CITY OF COSTA MESA

77 Fair Drive
Costa Mesa, CA 92626

Agenda Report

File #: 26-168

Meeting Date: 3/17/2026

TITLE:

REQUEST FOR CITY COUNCIL DIRECTION REGARDING THE POTENTIAL IMPLEMENTATION OF A CITYWIDE RENTAL REGISTRY PROGRAM AND ESTABLISHMENT OF A NETWORK FOR RENTERS' SOLUTIONS

DEPARTMENT: CITY MANAGER'S OFFICE

PRESENTED BY: NATE ROBBINS, NEIGHBORHOOD IMPROVEMENT MANAGER

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RECOMMENDATION:

Seeking City Council direction regarding the potential implementation of a Citywide rental registry program and establishing a Network for Renters' Solutions.

BACKGROUND:

On September 9, 2025, the City Council directed staff to develop a proposal for the implementation of a Citywide rental registry modeled after the City of Santa Ana's rental registry program without a rental rate cap. Staff conducted extensive research and obtained program-level information from two California municipalities that have successfully implemented rental registries, namely the cities of Santa Ana and Concord.

Additionally, staff was directed to develop a plan for establishing a Network for Renters' Solutions modeled after the City's Network for Homeless Solutions (NHS) that will focus on improving outreach and communication to the renter/landlord population and help identify and propose solutions for key renter/landlord challenges.

ANALYSIS:

City Council expressed its interest in the collection of renter/landlord and rental market data, as this information is not readily accessible.

Rental Registry Program

A rental registry is a mechanism by which a local government can collect information regarding rental properties within its jurisdiction. Registries are typically operated through online portals where property owners are required to register multi-family rental housing units covered by the Tenant Protection Act of 2019. Single-family homes, condominiums, townhouses, and (in most cases) owner-occupied housing units are exempt from registering. While the specific information gathered varies by jurisdiction, the data typically consists of:

- Property address
- Property owner contact information
- Unit count
- Unit types (i.e., 1-bedroom, 2-bedroom, etc.)
- Rental rates

Further, property owners are required to submit certain documents within a specified timeframe, including eviction notices, rent increase notices, as well as vacancy and lease-up notices.

Lastly, rental registries may be used to uphold property standards via housing unit inspections performed by Code Enforcement officers and/or Building Inspectors.

Rental Registry Program Fees

Rental Registry programs are subsidized by collecting fees from property owners who register their units. Fees vary widely and are intended to make the program self-sustaining. Appropriate fees are typically calculated by dividing the total projected cost of the program by the number of rental housing units within the jurisdiction. For example, if the total annual cost to operate a rental registry is \$1,500,000 and there are 25,000 rental units, the annual registration fee would be approximately \$60 per unit. Additional revenue is collected via Civil Citations issued to property owners who fail to register their rental units. Civil Citation fines start at \$150 for the first violation and increase to \$300 and \$500 for second and third violations, respectively, of the same Ordinance with a 12-month period.

Benefits of a Rental Registry Program

Rental Registries allow local governments to monitor rental units and ensure that property owners comply with laws on evictions, rent increases, and property standards. The information collected provides empirical data regarding eviction trends, rental rates, rental housing conditions, and occupancy/vacancy rates. In turn, this data can be used to direct resource allocation to mitigate potentially negative impacts, improve housing stability by ensuring rent increases comply with state and local rent cap regulations, ensure owners are complying with local property standards, and provide the public with a database of vacant units available for rent.

Limitations of a Rental Registry Program

Implementation of a Rental Registry may impact property owners, including increased administrative burdens, city oversight of building conditions, increased costs, delay in legal proceedings (i.e., evictions), privacy concerns, reduced rental housing supply, and removal and/or frequent turnover of rental housing.

Additionally, the municipality will incur one-time and ongoing costs to implement and maintain operations of the program. There may also be legal challenges prior to launch, and during administration of the program (i.e., appeals requiring a hearing).

Several California cities and counties have enacted rental registry programs, requiring rental data reporting. Major cities with active rental registries include Los Angeles, San Francisco, San Jose, Oakland, Berkeley, Concord, Culver City, and East Palo Alto. In Orange County, Santa Ana is the only city to implement a comprehensive rental registry program.

City of Santa Ana's Rental Registry Program

In October 2022, the Santa Ana City Council adopted an ordinance that implemented a rental registry and rent stabilization program. However, this decision was so heavily contested that the Santa Ana City Council elected to delay implementation and, instead, allowed their residents to vote on the matter via a ballot measure known as Measure CC. Measure CC was placed on the November 2024 ballot and subsequently approved by 55% of the voters.

Key Provisions of Measure CC:

- Rental Registry - Establishes an online rental registry for all rental housing units covered by the Ordinance, including mobile homes.
 - Requires property owners to pay an annual registration fee of \$100 per covered unit.
 - Requires property owners to submit eviction notices and rent increase notices for review by city staff.
 - Requires the creation of the Santa Ana Rental Housing Board to:
 - administer and enforce their ordinance, including petitions, applications, and appeals submitted by landlords or tenants regarding rent increases, habitability, or "fair return" requests (i.e., rent increases above the standard cap).
 - create and implement official policies and procedures to ensure the city's rent control and eviction laws are properly followed.
 - review the adequacy of city staffing, including hearing officers and housing counselors, to ensure the Rent Stabilization Division functions efficiently.
- Housing Unit Inspections - Allows tenants of covered units to submit petitions to have their units inspected when they believe substandard living conditions exist. Santa Ana does not perform proactive inspections.

Santa Ana has allocated, and continues to allocate, significant resources to implement and administer Measure CC.

- Organizational - Santa Ana created a new division and oversight board to administer the ordinance.
 - The Rent Stabilization Division was created to perform the day-to-day responsibilities and enforcement required by the ordinance.
 - The Santa Ana Rental Housing Board was created to develop policies, review documents, and provide oversight to the Rent Stabilization Division.

- Staffing - Nine (9) total staff are needed to administer the ordinance to its full extent, including:
 - Rent Stabilization Division Manager
 - Management Analyst
 - Housing Programs Analyst (x2)
 - Senior Office Assistant (x2)
 - Code Enforcement Officer (x2)
 - Community Development Analyst
- Contracted Services - In addition to the in-house staff mentioned above, Santa Ana has contracts with two (2) separate vendors to provide mediation services and conduct administrative hearings.
- Software - Development and ongoing support of software to provide an online portal for property owners to register units and submit required documentation, as well as in-house data management and reporting.
- Office Space - The Rent Stabilization Division leases office space off-site due to capacity constraints at city hall.
- Vehicles - The Rent Stabilization Division purchased two (2) vehicles for staff use.

In total, the Rent Stabilization Division's annual budget is approximately \$2,300,000 and the projected annual revenue from registration fees and fines is estimated at \$2,400,000. However, it's important to note that Santa Ana reported significantly less revenue during the first two (2) years of the program than anticipated because of a self-imposed grace period for community outreach and education.

City of Concord's Rental Registry Program

In July 2021, the Concord City Council adopted an ordinance that implemented a residential rent registry program. This program was initially designed to gather baseline data on rents, tenancy changes, and evictions to inform future housing policy. The program required property owners to register multi-family rental properties containing four (4) or more units and was designed to collect data. There were no registration fees nor additional requirements imposed on property owners.

In April 2024 and again in April 2025, the Concord City Council voted to significantly expand the program. Key provisions include:

- Rental Registry - Establishes an online rental registry for all rental housing units covered by the Ordinance, including mobile homes.
 - Requires property owners to pay an annual registration fee of \$33 - \$78 per covered unit.

- Requires property owners to submit eviction notices and rent increase notices for review by city staff.
- Housing Unit Inspections - Rental properties containing four (4) or more units are subject to inspections to ensure the housing meets health and safety standards. Concord has roughly 8,700 rental units that are subject to inspection.
 - All covered rental properties undergo proactive, ongoing inspections occurring once every two (2) years.
 - Tenants occupying covered rental units may submit a complaint form to request inspections for mold, utilities, infestations, etc.
 - Allows owners of well-maintained properties to file a “self-certification” of compliance with the ordinance.

Concord has allocated, and continues to allocate, significant resources to administer their rental registry and rent stabilization program.

- Staffing - Ten (10) total staff are needed to administer the program, including:
 - Housing Manager
 - Housing Program Analyst (x2)
 - Administrative Secretary
 - Code Enforcement Officers (x6)
 - **Note:** These code officers are not included in the program’s budget as their payroll costs are absorbed by a different department.
- Contracted Services - In addition to the staff mentioned above, Concord contracts a hearing officer to resolve appeals made by property owners.
- Software - Concord took a simpler approach to their software than Santa Ana in that they purchased an “off-the-shelf” option without much customization, which reduced their overall costs.

In total, Concord’s annual budget to administer their rental registry program is \$1,181,000 and their projected annual revenue from registration fees and fines is \$1,172,000. However, as mentioned, this cost does not include the six (6) code enforcement officers tasked with performing bi-annual inspections of their roughly 8,700 multi-family rental units. Estimated cost for these officers is an additional \$780,000 annually for a total annual cost of \$1,961,000. Much like Santa Ana, Concord’s initial revenue was significantly less than anticipated due to the need for community outreach and education before imposing penalties for non-compliance.

Costa Mesa’s Proposed Rental Registry Program

As seen in the examples above, a rental registry program can take many different forms and contain various components. The following is an example of a rental registry program the City may choose to

implement. This program would allow the City to collect data regarding the 16,700 multi-family rental housing units in Costa Mesa and does *not* include components related to monitoring rental rate increases and proactive/reactive housing unit inspections.

In summary, the City would procure a software company to develop a rental registry portal where property owners would be required to register all rental units located within city limits. In the initial phase of the program, there will be extensive public outreach and education to include a website, portal instructions, mailers, and flyers. Lastly, legal services will be required for administrative regulations, ensuring compliance, and assist in drafting the program's fee structure. The City would support the program with current staff from the City Manager's Department (i.e., Neighborhood Improvement, Constituent Services, Community Relations, etc.).

The total annual expenditures for the rental registry program are estimated at \$321,335, with one-time start-up costs of approximately \$213,350. This would include rental registry software that would be able to interact with the citywide enterprise resource planning software that is in development. A proposed \$19 per unit registration fee would off-set the annual costs, however start-up costs or one-time expenses will be funded by the General Fund. The City can expect lower revenue realization due to outreach, education, and grace periods before enforcement, potentially requiring temporary General Fund support to cover operating and start up costs. Estimated costs and revenues associated with the program are shown in Attachment 1.

Proposed Network for Renters' Solutions

Recent data estimates that 60% of the 41,000 housing units in Costa Mesa are renter-occupied. Should the Council choose to implement a rental registry, the staff assigned to administer the program will comprise the Network for Renters' Solutions (NRS). Additional members will include community stakeholders, apartment association representatives, and rental property owners. The focus of the NRS will be to:

- Perform community outreach and education regarding tenant/ landlord rights and responsibilities.
- Improve outreach and communication between renters and landlords.
- Identify and propose solutions for key challenges renters/landlords face.

Should the Council choose to forgo implementing a rental registry program, the City can still establish a NRS comprised of current staff, community stakeholders, property owners, and apartment association representatives. Since adoption of the Urgency Ordinance in November 2023, the City has provided education and mediation to hundreds of landlords/ tenants regarding rental housing law. These services will continue regardless of the Council's decision regarding implementation of a rental registry and NRS.

ALTERNATIVES:

The City Council may choose to modify or reject the proposed rental registry program. Additionally, the City Council may choose to modify/reject the proposed plan for the establishment of a Network for Renters' Solutions.

FISCAL REVIEW:

The City can expect reduced revenue collection during the initial years of a rental registry program due to the need for early outreach, education, and grace periods prior to enforcement. As a result, temporary General Fund support may be necessary to cover both operating and one time start up costs until full compliance is achieved. Staff estimates that approximately 50% of registration revenue will be collected in Year 1, increasing to 75% in Year 2, with the program becoming fully revenue supported in Year 3 as compliance improves. Based on these assumptions, the General Fund would need to contribute approximately \$374,017 in the first year. -

While long-term cost recovery is achievable, the City should anticipate additional risk factors that may affect annual expenditures. These include potential legal challenges, increases in appeals, rising contracted service costs such as software licensing and maintenance, and increased staffing needs as the program grows. Santa Ana's experience demonstrates that significant start up resources and strong governance structures are critical to successfully administering a robust rental registry program of this scale. -

LEGAL REVIEW:

The City Attorney's Office approves this report as to form.

CITY COUNCIL GOALS AND PRIORITIES:

Diversify, stabilize and increase housing to reflect community needs.

CONCLUSION:

Staff recommends the City Council provide direction regarding the implementation of a Citywide rental registry and establishment of a Network for Renters' Solutions.