

IMPARTIAL ANALYSIS OF MEASURE C

Prepared by Sacramento City Attorney

Measure C has been placed on the ballot by a petition signed by the requisite number of voters. Measure C would add Article XX to the City of Sacramento Charter. The new article would create an elected rental-housing board responsible for administering and enforcing Article XX; regulate rent increases for covered rental units; and specify the conditions under which landlords can terminate tenancies.

The measure's effect on existing law

Sacramento City Code chapter 5.156 (the "Sacramento Tenant Protection Act") currently regulates rents and tenancies for certain non-exempt rental units. That Act caps annual rent increases but allows landlords to petition for relief from that cap; prohibits landlords from adjusting rents more than once per year; limits the circumstances under which landlords can terminate tenancies that have existed for more than 12 months; voids lease provisions that waive any provision of the Act; and provides that violations of that Act can result in criminal sanctions, civil actions, and administrative penalties.

By its terms, Measure C "supersedes" the Sacramento Tenant Protection Act, and thus that Act would no longer be effective.

Operation of the measure

Measure C's main components are:

1. Rental-housing board. The measure establishes an elected rental-housing board that is independent of the city council, city manager, and city attorney, except by board request. Among other things, the board would be empowered to set rents and determine the permissible annual rent adjustment; establish regulations; conduct investigations; adjudicate petitions; and establish penalties for noncompliance with the measure or regulations.
2. Rent regulation. Landlords may set initial rents at market rates. Landlords cannot increase rents for covered rental units except as authorized by the measure. Annual rate adjustments are tied to increases in the consumer price index, with a minimum increase of 2% and a maximum of 5%. Landlords may petition for a higher increase to ensure a "fair rate of return." Tenants may petition for a rent decrease for the landlord's "failure to maintain habitable premises" or a "decrease in

housing services or maintenance.”

3 . Eviction protections. Landlords cannot terminate a tenancy unless one of nine specified conditions exists. Under four of those conditions, landlords would be required to provide relocation assistance of at least \$5,500.

The measure imposes a board-determined annual rental-housing fee on each landlord subject to the measure, to fund the board’s expenses.

Several categories of rental units are exempt from the measure. Rental units exempt from rent control under state law (Costa-Hawkins Rental Housing Act) are exempt from the measure’s rent-regulation provisions but not from the eviction protections.

The measure includes remedies for violation of its provisions. For example, a tenant may bring a civil suit for damages. The board, tenants, or landlords may seek injunctions to enforce any provision or enjoin any violation of the measure, regulations, or decisions of the board.



A “yes” vote is in favor of adding Article XX to the City of Sacramento Charter. A “no” vote is against that change. A majority of “yes” votes is required to pass Measure C.

Susana Alcala Wood
City Attorney