



CITY OF LARKSPUR
Staff Report

August 3, 2022, City Council Meeting

DATE: July 27, 2022

TO: Honorable Mayor Hillmer and the Larkspur City Council

FROM: Dan Schwarz, City Manager

SUBJECT: REQUEST FROM MEMBERS OF THE PUBLIC THAT CITY COUNCIL DISCUSS RENT CONTROL

During the public comment period at the July 20, 2022, City Council meeting, several speakers identified themselves as residents of the Skylark Apartment complex and requested that the City Council take up the question of adopting a rent control ordinance in Larkspur. The Council decided to place the matter on the August 3, 2022, agenda for the purpose of deciding if and how the City might assess this issue.

ACTION REQUESTED

Discuss public request and act as deemed appropriate.

SUMMARY AND BACKGROUND

Earlier this year, the Skylark Apartment complex changed ownership. At recent City Council meetings, speakers identifying themselves as residents of the Skylark Apartment complex have stated that they are being subjected to rent increases that, while compliant with statewide rent control law (AB 1492, the California Tenant Protection Act of 2019), are inconsistent with the practice of the prior owners and are large enough to force residents to consider relocating. The speakers have asked the City Council to consider imposing rent control, which staff interprets to mean rent control more restrictive than the statewide law (which is 5% plus the regional consumer price index up to a maximum of 10%).

The Council last examined local options for tenant protections and tenant-landlord relations in 2019. Over the course of a study session and council meetings, the City Council examined:

- rent control/rent stabilization;
- payment of relocation when tenant leaves as a result of rent increase;
- vacancy control;
- just cause for eviction;
- mandatory mediation; and
- rental registry.

AGENDA ITEM 8.1

The Council ultimately choose not to adopt local ordinances, instead emphasizing its desire for county-level and statewide policy to apply in Larkspur. Soon thereafter, the California Tenant Protection Act of 2019 passed. The Act created statewide rent control and implemented just cause protections on a statewide basis.

ANALYSIS

Larkspur is a California general law city. Within the bounds of the California Government Code and any other applicable sections of state law, a general law city can enact local legislation that is more restrictive than state law. Accordingly, the City Council could adopt local ordinances that create tenant protections in excess of those found in the California Tenant Protection Act. Whatever the City Council chooses to do in this regard, must be adopted citywide.

Should the City Council wish to examine tenant protection options for Larkspur, it should decide how it wishes to make its intent known and what sort of forum will be used.

In 2019, the Council began with a study session, which is a council-staff work session attended by the public. The study-session is a means for the Council to identify its priorities and concerns and focus staff on specific issues. Had the Council decided to move forward with one or more of the reviewed options, it is likely staff would have proposed citywide outreach followed by public hearings.

For some policy issues, the City Council begins with a town hall meeting, inviting interested members of the community to attend and share their thoughts about a topic. The town hall meeting provides a measure of what interested parties are thinking about a topic and can offer sufficient feedback for the Council to provide direction to staff on research topics and further engagement.

For other policy issues, the City Council appoints an ad-hoc committee to explore the issue with staff. Sometimes, the ad-hoc committee works with stakeholder groups to discuss the issue in detail.

A few points for the Council's consideration as it discusses if and how to proceed:

- Larkspur's tenant and landlord numbers are large. Outreach to ensure widespread awareness will take time. Interested parties should be prepared for a lengthy process regardless of what path the Council chooses.
- The Council will need to decide if it wishes to engage the services of a consultant who specializes in tenant protection implementation and economic impact. In-house staff has limited experience with this topic.

FISCAL IMPACT

This item has no immediate fiscal impact beyond staff time to administer the direction of the Council.

STAFF RECOMMENDATIONS

Staff recommends that the Council discuss the request and take appropriate action.

Respectfully submitted,
Dan Schwarz, City Manager

Reference

The California Tenant Protection Act of 2019: https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201920200AB1482