#### **RESOLUTION NO. 109-22**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RICHMOND, CALIFORNIA, SUBMITTING TO THE VOTERS A MEASURE TO ADJUST THE MAXIMUM ALLOWABLE RENT INCREASE ON RENT-CONTROLLED UNITS TO 60 PERCENT OF CONSUMER PRICE INDEX OR THREE PERCENT WHICHEVER IS LOWER

WHEREAS, the City Council (the "Council") of the City of Richmond (the "City"), within the County of Contra Costa, California (the "County"), desires to place a ballot measure before the voters at the November 8, 2020, election to adjust the maximum allowable rent increase on rent-controlled units; and

WHEREAS, the Ordinance adjusts the annual general adjustment from 100 percent to a maximum equal to 60 percent of the percentage increase in the Consumer Price Index (All Urban Consumers, San Francisco-Oakland-San Jose region, or any successor designation of that index that may later be adopted by the U.S. Bureau of Labor Statistics) as reported and published by the U.S. Department of Labor, Bureau of Labor Statistics, for the 12-month period ending as of March of the current year, or three percent, whichever is lower; and

WHEREAS, in order for the adjustment to become effective, it must be approved by the electorate; and

**WHEREAS,** the Council adopted Resolution No. 79-22 on June 21, 2022, calling for a general municipal election on November 8, 2022 ("Election"); and

**WHEREAS,** the City Council desires to submit the adjustment to the qualified electors of the City at that Election.

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of Richmond, as follows:

Section 1. The foregoing recitals are true and correct, and this Council so find and determines.

Section 2. A general municipal election has been called for the City to be held on Tuesday, November 8, 2022. The City Council hereby submits the following measure to the voters at the Election:

"Shall the Ordinance to amend the City of Richmond's Municipal Code, changing the City's Rent Ordinance so that the maximum allowable rent increase on rent-controlled units is adjusted to 60 percent of CPI or three percent whichever is lower, be adopted?"

Section 3. The Ordinance authorizing the annual allowable rental adjustment to be approved by the voters is set forth in Exhibit A. The City Council hereby approves submission of the Ordinance to the voters of the City at the November 8, 2022, election. The Ordinance specifies that increases for controlled units at three percent or sixty percent of the local consumer price index, whichever is lower.

Section 4. The City Clerk of the City of Richmond is hereby ordered and directed to cause said proposed measure to be printed and to mail a copy of said measure to all registered voters in the City of Richmond with sample ballots in substantially the form set forth in Exhibit A, attached hereto.

Section 5. The City Clerk of the City of Richmond is hereby authorized to sign a Notice of Election and Measure To Be Voted On in a form substantially similar to that attached hereto as Exhibit B. The Clerk of the City is hereby authorized and directed to publish said Notice of Election and Measure To Be Voted On at least one time not later than a week before the election in the EAST BAY TIMES, a newspaper of general circulation circulated within the City of Richmond, in accordance with the provisions of Section 12111 of the Elections Code of the State of California.

Section 6. The Clerk of the City is hereby authorized and directed to cause to be delivered, no later than August 12, 2022 (which date is not fewer than 88 days prior to the date set for the Election) one copy of this Resolution to the Registrar of Voters of the County.

Section 7. The City Council hereby directs the City Clerk to transmit a copy of the measure to the City Attorney. The City Attorney shall prepare an impartial analysis of the measure, not to exceed 500 words in length, showing the effect of the measure on the existing law and the operation of the measure, and transmit such impartial analysis to the City Clerk within ten (10) days of the adoption of this resolution.

Section 8. The Finance Director of the City is hereby authorized and directed to prepare and file with the Registrar of Voters (through the City Clerk) an impartial analysis of the measure contained in Section 2 hereof covering its financial impact upon the City government in accordance with Section 2.16.070 of the Municipal Code of the City, within the time established by the Registrar of Voters.

Section 9. Pursuant to Section 9282 of the Elections Code of the State of California, the legislative body of the City of Richmond, or any member or members of the legislative body authorized by the body, or any individual voter who is eligible to vote on the measure or bona fide association of citizens, or any combination of voters and associations, may file a written argument, not to exceed 200 words in length, accompanied by the printed name(s) and signature(s) of person(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers, for or against the City measure.

Section 10. This adjustment requires a majority of qualified electors casting votes.

Section 11. Pursuant to California Elections Code section 9285, subdivision (b), the City Council hereby adopts the provisions of California Elections Code section 9285, subdivision (a), relating to rebuttal arguments for the measure identified in section 2 above only for the November 8, 2022, election and thereafter this section 11 shall expire.

<u>Section 12.</u> This resolution shall take effect immediately upon its adoption. The ordinance shall go into effect ten (10) days after the vote is declared by the City Council.

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I certify that the foregoing resolution was passed and adopted by the City Council of the City of Richmond at a regular meeting thereof held July 26, 2022, by the following vote:

AYES:

Councilmembers Jimenez, Johnson III, McLaughlin,

Willis, and Vice Mayor Martinez.

NOES:

Councilmember Bates and Mayor Butt.

ABSTENTIONS:

None.

ABSENT:

None.

### PAMELA CHRISTIAN CLERK OF THE CITY OF RICHMOND (SEAL)

Approved:

THOMAS K. BUTT

Mayor

Approved as to form:

DAVE ALESHIRE

Interim City Attorney

State of California

County of Contra Costa

City of Richmond

: SS.

I certify that the foregoing is a true copy of Resolution No. 109-22, finally passed and adopted by the City Council of the City of Richmond at a regular meeting held on July 26, 2022.

Pamela Christian, Clerk of the City of Richmond

# EXHIBIT A INITIATIVE MEASURE TO BE SUBMITTED DIRECTLY TO THE VOTERS

ORDINANCE NO.	N.S

AN ORDINANCE OF THE PEOPLE OF THE CITY OF RICHMOND APPROVED AT THE GENERAL MUNICIPAL ELECTION HELD ON NOVEMBER 8, 2022, AMENDING THE FAIR RENT, JUST CAUSE FOR EVICTION AND HOMEOWNER PROTECTION ORDINANCE TO LIMIT RENT INCREASES FOR REGULATED UNITS TO 3% OR 60% OF THE CONSUMER PRICE INDEX, WHICHEVER IS LESS

The People of the City of Richmond do ordain as follows:

SECTION 1. Title and Purpose.

TITLE. This Ordinance may be cited as the RICHMOND ANNUAL ALLOWABLE RENTAL ADJUSTMENT ORDINANCE.

PURPOSE. In Richmond, certain residential rental units' rental rates are controlled by Richmond's Fair Rent, Just Cause For Eviction And Homeowner Protection Ordinance. As written, Landlords are entitled to an annual rent increase equivalent to "one hundred (100%) percent of the percentage increase in the Consumer Price Index (All Urban Consumers, San Francisco-Oakland-San Jose region, or any successor designation of that index that may later be adopted by the U.S. Bureau of Labor Statistics) as reported and published by the U.S. Department of Labor, Bureau of Labor Statistics, for the 12-month period ending as of March of the current year." The Annual General Adjustment for 2022 is five point two (5.2%) percent.

Due to historic levels of inflation, rent-controlled tenants in Richmond are set to receive an unprecedented rent increase. The historically high level of inflation has highlighted the need to ensure Richmond tenants are not forced to grapple with both rising prices of goods and services and rent increases that are inconsistent with the City's goal of protecting residents from excessive rent increases. As Such, this Ordinance would cap rent increases for controlled units at three percent (3%) or sixty percent (60%) of the local consumer price index, whichever is lower.

SECTION 2. Findings.

This Ordinance is exempt from the California Environmental Quality Act, Public Resources Code section 21000 et seq. ("CEQA"), since in accordance with CEQA Guidelines Section 15061, subd. (b)(3), it can be seen with certainty that there is no possibility that the activity authorized herein may have significant effect on the environment. Additionally, CEQA review does not apply when a measure is placed on the ballot and approved by the voters.

SECTION 3. Conflicting Measures.

This measure is intended to be comprehensive. It is the intent of the people of City of Richmond that in the event this measure and one or more measures relating to the Fair Rent, Just Cause For Eviction And Homeowner Protection Ordinance appear on the same ballot, the provisions of the other measure or measures shall be deemed to be in conflict with this measure. In the event that this measure receives a greater number of affirmative votes, the provisions of this measure shall prevail in their entirety, and all provisions of the other measure or measures shall be null and void. If this measure is approved by a majority of the voters but does not receive a greater number of affirmative votes than any other measure appearing on the same ballot regarding the Fair Rent, Just Cause for Eviction and Homeowner Protection Act, this measure shall take effect to the extent not in conflict with said other measure or measures.

SECTION 4. Liberal Construction.

This measure shall be liberally construed to effectuate its purpose.

SECTION 5. Effective Date.

This ordinance shall be effective only if approved by a majority of the voters at the

November 8, 2022, Statewide General Election and shall go into effect ten (10) days after the vote is declared by the City Council. The limitation on rent escalation stated in this Amendment shall be effective immediately upon the effective date. Over the phase-in period which extends through August 31, 2023, no tenant's rent on a controlled unit shall be higher than what it was on August 31, 2022, plus a 3% increase. After the partial year of phase-in, the regular provisions of this Amendment shall apply.

### SECTION 6. Savings Clause.

If any provision, sentence, clause, section, or part of this ordinance is found to be unconstitutional, illegal, or invalid by a court of competent jurisdiction, such unconstitutionality, illegality, or invalidity shall affect only such provision, sentence, clause, section, or part of this ordinance and shall not affect or impair any of the remaining provisions, sentences, clauses, sections, or parts of this ordinance. It is declared that this ordinance would have been adopted had such unconstitutional, illegal, or invalid provision, sentence, clause, section, or part not been included.

SECTION 7. Fair Rent, Just Cause For Eviction And Homeowner Protection Ordinance Amendments.

Chapter 11.100.070 subdivision (b) of the Richmond Municipal Code is hereby amended as follows. Added text is shown as double underlined type; deleted text is shown as strikethrough type.

(b)Annual General Adjustment. No later than June 30 each year, the Board shall announce the percentage by which rent for eligible Rental Units will be generally adjusted effective September 1 of that year.

(1)The Annual General Adjustment shall be equal to one hundred sixty (1060%) percent of the percentage increase in the Consumer Price Index (All Urban Consumers, San Francisco-Oakland-San Jose region, or any successor designation of that index that may later be adopted by the U.S. Bureau of Labor Statistics) as reported and published by the U.S. Department of Labor, Bureau of Labor Statistics, for the 12-month period ending as of March of the current year, or three (3%) percent, whichever is lower.

(2)Subparagraph 1 of this Subsection notwithstanding, in no event shall the Annual General Adjustment be less than zero percent (0%).

(3)For the period between the effective date of this Charter and the first Annual General Adjustment announced September 1, the landlord may increase the Maximum Allowable Rent to include one Annual General Adjustment for September 2016. Notwithstanding any previously issued rent increase, the Annual General Adjustment for 2022 is three (3%) percent. In the event a landlord issued a rent increase on or after September 1, 2022 in excess of 3%, that tenant's rent shall be adjusted to their Maximum allowable rent on August 31, 2022, plus three (3%) percent.

#### **EXHIBIT B**

Notice of Election and Measure To Be Voted On

#### **CITY OF RICHMOND**

# NOTICE OF GENERAL MUNICIPAL ELECTION AND MEASURE TO BE VOTED ON

**NOTICE IS HEREBY GIVEN** that a General Municipal Election will be held in the City of Richmond on Tuesday, November 8, 2022, at which there will be submitted to the voters the following measure:

"Shall the Ordinance to amend the City of Richmond's Municipal Code, changing the City's Rent Ordinance so that the maximum allowable rent increase on rent-controlled units is adjusted to 60 percent of CPI or three percent whichever is lower, be adopted?"

Said Election has been consolidated with the Statewide General Election to be held in the City of Richmond on November 8, 2022. The election precincts within the City of Richmond for said Election shall be the regular election precincts established for said Statewide General Election, and the polling places and officers of election within the City of Richmond for said Election shall be the same as those selected and designated or to be selected and designated for said Statewide General Election.

**NOTICE IS FURTHER GIVEN** pursuant to Article 4, Section 9282 of the Elections Code of the State of California, the legislative body of the City of Richmond, or any member or members of the legislative body authorized by the body, or any individual voter who is eligible to vote on the measure or bona fide association of citizens, or any combination of voters and associations, may file a written argument, not to exceed 300 words in length, accompanied by the printed name(s) and signature(s) of the person(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers, for or against the City measures.

**NOTICE IS FURTHER GIVEN** that, based upon the time reasonably necessary to prepare and print the arguments and sample ballots for the election, the City Clerk has fixed August 24, 2022, during normal office hours, 8:30 a.m. to 5:00 p.m., as the date after which no arguments for or against the City measure may be submitted to the Clerk for printing and distribution to the voters as provided in Article 4. Arguments shall be submitted to the City Clerk, accompanied by the printed name(s) and signature(s) of the person(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers who is the author of the argument, at the Richmond City Hall, 450 Civic Center Plaza, Suite 300, Richmond, California. No more than five signatures may appear on the argument.

**NOTICE IS FURTHER GIVEN** that the City Council of the City of Richmond has determined that rebuttal arguments, not to exceed 250 words in length, as submitted by the authors of the opposing direct arguments, may be filed with the City Clerk by August 29, 2022, during normal office hours, 8:30 a.m. to 5:00 p.m., accompanied by the printed name(s) and signature(s) of the person(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers. No more than five signatures may appear on the rebuttal.

**NOTICE IS FURTHER GIVEN** that any ordinance, impartial analysis, or direct argument filed under the authority of the Elections Code will be available for public examination in the City Clerk's office from August 25, 2022, to September 7, 2022. Any rebuttal argument filed under the authority of the Elections Code will be available for public examination in the City Clerk's Office from August 30, 2022, to September 12, 2022.

The polls will be open on Election Day between the hours of 7:00 a.m. and 8:00 p.m.

Pamela Christian Clerk of the City of Richmond

## City Elections Official

NOTA:			
Si desea obtener informacion	en Espanol de e	ste aviso legal, p	uede llamar a la O

ficina de la Secretaria Municipal, (510) 620-6513.

Dated: Publish: