



LEGISLATIVE ANALYST REPORT

To: Members of the Board of Supervisors
From: Carolyn Huynh and Andrew Murray, Office of the Legislative Analyst
Date: September 7, 2005
Re: **Rent Board Representation** (BOS File No. 051259) (OLA No. 051-05)

SUMMARY OF REQUESTED ACTION

The Board passed a motion, introduced by Supervisor Sandoval, requesting that the Office of the Legislative Analyst research the rent boards of other cities, such as Berkeley. Among other issues, detail who has appointing authority for board members and what the ratios between tenant and landlord representatives are on the boards.

FINDINGS

Seventy-eight California cities have adopted rent control laws, 64 of which address mobile home rentals exclusively.¹ These cities generally adopted laws during an upsurge of tenant activism in the late 1970's and early 1980's. The laws responded to perceived patterns of dramatic rent increases, low vacancy rates, and shortages of safe and sanitary housing. The rent increases created particular hardship for low- and moderate-income households, including many senior citizens, and resulted in the eviction of some of these tenants for failure to pay rent. Most of the rent control laws were passed by city councils, with the exception of those in Cotati and Santa Monica, which were passed through local initiatives.

Rent control ordinances generally have two basic elements, rules governing the eviction of tenants and rules governing rent increases and the pass through to tenants of expenses born by the property owners. The ordinances have been used to protect tenants from arbitrary, discriminatory, and retaliatory evictions. They have also attempted to assure landlords a fair return on their property and rental income sufficient to cover costs of maintenance, operating, and capital improvements to their rental properties.

Eight of the rent control laws that address non-mobile home dwellings mandate the creation of rent boards. Although the purview varies city-to-city, the boards are primarily authorized to investigate complaints and enforce regulations adopted in accordance with the rent ordinance, particularly setting rent levels. Rent boards range in size from five to nine members comprised of tenants, rental property owners, non-tenants and non-property owners, or a mix of these. Members' terms range from two to four years.

¹ Dreier, P. (1997). Rent Deregulation in California and Massachusetts: Politics, Policy and Impacts-Part II. International and Public Affairs Center. Occidental College. Los Angeles

Either the city council or mayor appoints the members of most rent boards. In two cities, Berkeley and Santa Monica, rent board commissioners are elected. These two cities have histories of strong tenant movements. Elected representation was sought because it was viewed as a means of isolating the rent board from the city council. (To further isolate the rent board from the city council, the decisions of the rent boards in these cities, as well as most others, are not appealable to the city council.)

The City of Berkeley's elected Rent Stabilization Board is currently unique as the only all-tenant member board. The Berkeley City Council adopted a rent control ordinance in 1978. In 1982, a voter initiative created an amendment to the charter such that rent board members would be elected rather than appointed. A contact in the Berkeley City Attorney's office stated that since the passage of the Costa-Hawkins Act in 1995, statewide legislation that allows landlords to set the rent at market value once the last original tenant vacates a unit, landlords have been less inclined to organize and push for representation on the Board.

Table 1, below, summarizes the characteristics of California's rent boards.

Table 1. California Cities with Rent Boards							
Cities	Date Rent Ordinance Adopted	Expiration Date	Name of Board	# of Members	Members that are Tenant/Landlord/ Neither	Appointment Method	Length of Term
Berkeley	11/7/1978	No expiration date	Rent Stabilization Board	9	All tenants	Elected	4 years
East Palo Alto	11/23/1983	No expiration date	Rent Stabilization Board	7	3 tenant, 2 landlord, 2 neither	City Council	2 years
Los Gatos	10/27/1980	No expiration date	Rent Advisory Committee	5	2 tenant, 2 landlord, 1 neither	Town Council	3 years
Los Angeles	8/30/1978	No expiration date	Rent Adjustment Commission	7	All are neither tenants nor landlords	Mayor w/ City Council approval	4 years
Oakland	5/6/1980	Reviewed Annually	Residential Rent Adjustment Board	7	2 tenant, 2 landlord, 3 neither	City Council	3 years
Palm Springs	4/8/1980	No expiration date	Rent Review Commission	5	All are neither tenants nor landlords	City Council	3 years
San Jose	7/10/1979	No expiration date	Advisory Commission on Rents	7	2 tenant, 2 landlord, 3 neither	City Council	3 years
San Jose			Mobile Home Advisory Commission	5	1 member nominated by the association of park owners, 1 members who has been on the association of park owners, and 3 neutral members	City Council	3 years
San Francisco	6/12/1979	No expiration date	Rent Stabilization and Arbitration Board	5	2 tenant, 2 landlord, 1 neither	Mayor	2 years
Santa Monica	4/10/1979	No expiration date	Rent Control Board	5	2 tenants, 3 non-owners of rental property	Elected	4 years
West Hollywood	6/27/1985	No expiration date	Rent Stabilization Commission	5	Any residents of the city	City Council	2 years