



Office of the Mayor

CONSENT CALENDAR

January 22, 2019

To: Members of the City Council

From: Mayor Jesse Arreguín
Councilmember Susan Wengraf
Councilmember Lori Droste
Councilmember Sophie Hahn

Subject: Support of SB 18 – Keep Californians Housed Act

RECOMMENDATION

Adopt a Resolution in support of Senate Bill (SB) 18, the Keep Californians Housed Act, introduced by Senator Nancy Skinner. Send a copy of the Resolution to Senator Skinner, Assemblymember Buffy Wicks, and Governor Gavin Newsom.

BACKGROUND

California is facing a rental housing crisis. According to an analysis by the National Low Income Housing Coalition, the State has only 22 affordable and available rental homes for every 100 extremely low-income households. About 29 percent of California renters spend more than one-half of their income on rent, which can make it difficult for families to afford basic items like food, clothing, transportation, and health care. In 2015, more than four in 10 households had housing costs that exceeded 30 percent of household income.

Due to the lack of supply and subsidized housing, rents in California cities are some of the highest in the nation. According to the most recent Market Median Report by the Berkeley Rent Board, the median for a 1-bedroom apartment in 2017 was \$2,027 and \$2,800 for a 2-bedroom apartment. Rents in Berkeley have increased by 50-67% in the last five years. These rates do not reflect market rents in newly constructed buildings.¹

Rising housing costs and the lack of affordable housing has resulted in a displacement crisis in the Bay Area. According to the UC Berkeley Urban Displacement Project, large parts of Berkeley, Oakland, Richmond San Francisco are facing Ongoing Displacement, and in some census tracts Advanced Gentrification.²

¹ https://www.cityofberkeley.info/uploadedFiles/Rent_Stabilization_Board/Level_3_-_General/INFO_Market%20Medians%20report%20through%20Q4_2017.pdf

² "Mapping Displacement and Gentrification in the San Francisco Bay Area", UC Berkeley Urban Displacement Project, <http://www.urbandisplacement.org/map/sf>

There are a variety of reasons why we are seeing an increase in displacement, including the lack of available and affordable housing, speculative evictions, and circumstances which affect an individual's ability to pay rent (illness, death in family, job loss, and/or sudden rent increase). The limited supply of affordable housing, rising rental prices, deepening income inequality and increasing pressure by property owners to evict tenants in order to achieve higher rents have all exacerbated the problem.

The displacement of tenants has also deepened the region's homeless crisis. For example, according to the 2017 Berkeley Point-In-Time Homeless Count, 76% of those surveyed had previously resided in Alameda County. The majority of our city's homeless population are also chronically homeless, meaning they have been unhoused for one year or more.

Helping tenants who are at risk of displacement is one of the most effective ways in preventing homelessness. Once a person becomes homeless, breaking that cycle can be costly, stress inducing, and time consuming.

In recognition of this growing displacement crisis, in June 2017, the Berkeley City Council through adoption of its biennial budget allocated \$650,000 in both Fiscal Year 2018 and Fiscal Year 2019 towards eviction defense, emergency rental assistance and housing retention programs from Measure U1 tax receipts.

Alameda County also increased its financial commitments to such services last year providing Boomerang Funds for a country-wide legal defense program. This year Oakland Mayor Libby Schaaf announced a \$9 million dollar privately-funded program to provide eviction defense and rental assistance. While these programs have been effective in preventing homelessness, the scale of the displacement crisis requires significantly more funding.

A statewide approach is needed to provide legal support for renters facing displacement to level the playing field. If a renter receives an Unlawful Detainer and is unaware of their rights and responsibilities or is unable to appear in court, they lose their housing. Low-income renters need additional legal support to help them navigate the court system and remain housed.

Senate Bill 18 (SB 18), introduced by State Senator Nancy Skinner would create a statewide Homelessness Prevention and Legal Aid fund, which would provide funding for legal defense for tenants facing eviction and displacement. The bill would also create a guide of laws relating to landlord-tenant relations, allowing people to more easily understand their rights.

SB 18 is an important step to ensure that tenants throughout the state can defend themselves from eviction, supplementing local efforts to provide anti-displacement resources. Through the adoption of SB 18 and a state budget appropriation, we can significantly increase the number of tenants served through legal defense services.

The Berkeley Rent Stabilization Board voted to support the concepts provided in the bill as written at its December 17, 2018 meeting.

FINANCIAL IMPLICATIONS

None.

ENVIRONMENTAL SUSTAINABILITY

Not applicable.

CONTACT PERSON

Mayor Jesse Arreguín 510-981-7100

Attachments:

- 1: Resolution
- 2: Text of SB 18

RESOLUTION NO. ##,###-N.S.

SUPPORTING SB 18 – THE KEEP CALIFORNIANS HOUSED ACT

WHEREAS, California is facing a rental housing crisis. According to an analysis by the National Low Income Housing Coalition, the State has only 22 affordable and available rental homes for every 100 extremely low-income households; and

WHEREAS, about 29 percent of California renters spend more than one-half of their income on rent, which can make it difficult for families to afford basic items like food, clothing, transportation, and health care. In 2015, more than four in 10 households had housing costs that exceeded 30 percent of household income; and

WHEREAS, due to the lack of supply and subsidized housing, rents in California cities are some of the highest in the nation; and

WHEREAS, according to the most recent Market Median Report by the Berkeley Rent Board, the median for a 1-bedroom apartment in 2017 was \$2,027 and \$2,800 for a 2-bedroom apartment. Rents in Berkeley have increased by 50-67% in the last five years; and

WHEREAS, rising housing costs and the lack of affordable housing has resulted in a displacement crisis in the Bay Area; and

WHEREAS, there are a variety of reasons why we are seeing an increase in displacement, including the lack of available and affordable housing, speculative evictions, and circumstances which affect an individual's ability to pay rent (illness, death in family, job loss, sudden rent increase); and

WHEREAS, if a renter receives an Unlawful Detainer and is unaware of their rights and responsibilities or is unable to appear in court, they lose their housing. Low-income renters need additional legal support to help them navigate the court system and remain housed; and

WHEREAS, the displacement of tenants has also deepened the region's homelessness crisis. According to the 2017 Berkeley Point-In-Time Homeless Count, 76% of those surveyed had previously resided in Alameda County. The majority of our city's homeless population are also chronically homeless, meaning they have been unhoused for one year or more; and

WHEREAS, helping tenants who are at risk of displacement is one of the most effective ways in preventing homelessness. Once a person becomes homeless, breaking that cycle can be costly, stress inducing, and time consuming; and

WHEREAS, in recognition of this growing displacement crisis, in June 2017, the Berkeley City Council allocated \$650,000 in both Fiscal Year 2018 and Fiscal Year 2019 towards eviction defense, emergency rental assistance and housing retention programs from Measure U1 tax receipts; and

WHEREAS, while these programs have been effective in preventing homelessness, the scale of the displacement crisis requires significantly more funding. A statewide approach is needed to provide legal support for renters facing displacement to level the playing field.

WHEREAS, Senate Bill 18, introduced by State Senator Nancy Skinner would create a statewide Homelessness Prevention and Legal Aid fund, which would provide funding for legal defense for tenants facing eviction and displacement. The bill would also create a guide of laws relating to landlord-tenant relations, allowing people to more easily understand their rights; and

WHEREAS, SB 18 is an important step to ensure that tenants throughout the state can defend themselves from eviction, supplementing local efforts to provide anti-displacement resources.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that it hereby supports SB 18, the Keep Californians Housed Act; and

BE IT FURTHER AND FINALLY RESOLVED that copies of this Resolution be sent to Senator Nancy Skinner, Assemblymember Buffy Wicks, and Governor Gavin Newsom.

SENATE BILL

No. 18

Introduced by Senator Skinner
(Coauthors: Senators Beall and Wiener)
(Coauthors: Assembly Members Bonta and Wicks)

December 3, 2018

An act to add Sections 50467 and 50490.6 to, and to add Chapter 4 (commencing with Section 50570) to Part 2 of Division 31 of, the Health and Safety Code, relating to housing, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 18, as introduced, Skinner. Keep Californians Housed Act.

Existing law establishes the Department of Housing and Community Development and requires, among other things, that it update and provide a revision of the California Statewide Housing Plan to the Legislature every 4 years, as provided.

This bill, no later than January 1, 2021, would require the department to develop and publish on its Internet Web site, and to annually update, a guide to all state laws pertaining to landlords and the landlord-tenant relationship. The bill would also require the department to survey each city in this state to determine which cities, if any, provide resources or programs to inform landlords of their legal rights and obligations and to post on its Internet Web site a list of those cities which, in the judgment of the department, have the most robust resources and programs.

Existing law requires the department to administer, among other housing programs, the California Emergency Solutions and Housing Program. Under that program, the department allocates grants to administrative entities, as defined, to be used for specified eligible activities, including rental assistance and housing relocation and

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stabilization services to ensure housing affordability to people experiencing homelessness or at risk of homelessness.

This bill would appropriate an unspecified sum from the General Fund to the department, to be used to provide statewide competitive grants for rental assistance under the California Emergency Solutions and Housing Program, as provided. The bill would also establish the Homelessness Prevention and Legal Aid Fund and require moneys in the fund to be used, upon appropriation, to provide legal aid to tenants facing eviction or displacement in the form of competitive grants awarded by the department, as provided.

Vote: 2/3. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. This act shall be known, and may be cited, as the
- 2 Keep Californians Housed Act.
- 3 SEC. 2. The Legislature finds and declares the following:
- 4 (a) California is experiencing a rental housing crisis. According
- 5 to analysis by the National Low Income Housing Coalition,
- 6 California has only 22 affordable and available rental homes for
- 7 every 100 extremely low income households.
- 8 (b) Due in part to lack of supply, California cities have some
- 9 of the highest rents in the nation. San Francisco’s rent is the most
- 10 expensive in the country, averaging \$3,300 per month for a
- 11 one-bedroom unit, and San Jose, Oakland, Los Angeles, and
- 12 Anaheim are all in the top 10 for highest rents in the nation.
- 13 (c) About 29 percent of California renters spend more than
- 14 one-half of their income on rent, which can make it difficult for
- 15 families to afford basic items like food, clothing, transportation,
- 16 and health care. In 2015, more than four in 10 households had
- 17 housing costs that exceeded 30 percent of household income.
- 18 (d) The housing crisis harms families across California and has
- 19 resulted in higher levels of homelessness or displacement of
- 20 previously housed individuals and families. One quarter of the
- 21 nation’s homeless population, and half of the nation’s unsheltered
- 22 homeless, now live in California.
- 23 (e) Providing emergency financial assistance and legal aid to
- 24 keep residents from being evicted will prevent evictions and
- 25 potentially break the cycle of poverty.

1 SEC. 3. Section 50467 is added to the Health and Safety Code,
2 to read:

3 50467. (a) (1) No later than January 1, 2021, the department
4 shall develop and publish on its Internet Web site a guide to all
5 state laws pertaining to landlords and the landlord-tenant
6 relationship. The department shall update the guide annually
7 thereafter.

8 (2) In developing the guide required by this subdivision, the
9 department shall include a template for cities and counties to add
10 information pertaining to their ordinances regulating the
11 landlord-tenant relationship. The department shall make the guide,
12 along with the template required by this paragraph, available to
13 each city and each county in this state in a form that allows for a
14 city or county to add information pertaining to its ordinances.

15 (b) The department shall survey each city in this state to
16 determine which cities, if any, provide resources or programs to
17 inform landlords of their legal rights and obligations. The
18 department shall publish on its Internet Web site a list of those
19 cities which, in the judgment of the department, have the most
20 robust resources and programs.

21 SEC. 4. Section 50490.6 is added to the Health and Safety
22 Code, to read:

23 50490.6. (a) In addition to any other moneys made available
24 for purposes of the program, the sum of ____ dollars (\$____) is
25 hereby appropriated, notwithstanding Section 13340 of the
26 Government Code and without regard to fiscal year, from the
27 General Fund to the department to be used as provided in this
28 section.

29 (b) The department shall distribute funds made available
30 pursuant to subdivision (a) to administrative entities in the form
31 of grants awarded on a competitive basis. In administering this
32 competitive grant program, the department shall award funds to
33 administrative entities based on demonstrated need and ensure
34 geographic diversity in the distribution of grant funds. Grants
35 awarded to administrative entities pursuant to this section shall
36 supplement, and shall not supplant, moneys otherwise allocated
37 to them pursuant to subdivision (a) of Section 50490.2.

38 (c) An administrative entity that receives a grant pursuant to
39 this section shall use the funds awarded pursuant to this section

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1 exclusively for those eligible activities described in paragraph (1)
2 of subdivision (a) of Section 50490.4.

3 SEC. 5. Chapter 4 (commencing with Section 50570) is added
4 to Part 2 of Division 31 of the Health and Safety Code, to read:

5

6 CHAPTER 4. HOMELESSNESS PREVENTION AND LEGAL AID

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8 50570. (a) There is hereby created in the State Treasury the
9 Homelessness Prevention and Legal Aid Fund.

10 (b) Upon appropriation by the Legislature, all moneys in the
11 fund shall be used for the purpose of providing legal aid to tenants
12 facing eviction, including by means of an unlawful detainer action
13 pursuant to Chapter 4 (commencing with Section 1159) of Title 3
14 of Part 3 of the Code of Civil Procedure, or displacement.

15 (c) The department shall distribute funds made available for
16 purposes of this chapter in the form of grants awarded on a
17 competitive basis, including grants to cities and counties to
18 establish their own tenant legal aid programs, as provided by law.

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