

1 [Supporting California State Assembly Bill 1506 (Bloom) - Repealing the Costa-Hawkins Act]

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3 **Resolution urging the Mayor and the Board of Supervisors to support California State**
4 **Assembly Bill 1506, authored by Assembly Member Richard Bloom, repealing the**
5 **Costa-Hawkins Act.**
6

7 WHEREAS, Rent control has provided seniors, the disabled, and low income tenants
8 with stabilized housing and maintained the integrity of San Francisco's neighborhoods; and

9 WHEREAS, Evictions due to rent de-control and the sale of buildings subject to rent
10 control have led to thousands of tenants being displaced under Ellis Act and Costa Hawkins
11 evictions, and skyrocketing rents are destabilizing San Francisco's communities; and

12 WHEREAS, Adopted in 1995, the Costa-Hawkins Rental Housing Act
13 exempted housing built after 1995 from local rent control requirements, exempted all single-
14 family homes from local rent control requirements, and required all local rent control laws to
15 contain vacancy decontrol provisions, among other provisions; and

16 WHEREAS, Under the Costa-Hawkins Rental Housing Act, landlords are permitted to
17 raise rents in cities where rent control is in effect once these units are vacated; and

18 WHEREAS, According to data from the Rent Stabilization Board, in 1979 the year
19 when San Francisco's Rent Stabilization Ordinance was passed, the median gross rent for a
20 2-bedroom apartment was \$435 (\$1,007 in 2017 dollars); and

21 WHEREAS, In 2017, the average rent for a 2-bedroom apartment is \$4,555; and

22 WHEREAS, While the cumulative rate of inflation from 1979 - 2017 was 131.5%, new
23 tenants experienced an increase of 352% for 2 bedroom units, an increase of nearly 3 times
24 as much as the rate of inflation; and
25

1 WHEREAS, In *Palmer v. City of Los Angeles* (2009), the Second District California
2 Court of Appeal held that the Costa-Hawkins Rental Housing Act prohibits local governments
3 from mandating rent restrictions on inclusionary units in new rental housing developments,
4 as the act gives landowners the right to set the initial rent level at the start of a tenancy; and

5 WHEREAS, California State Assembly Bill 1506 (AB 1506) would repeal the Costa-
6 Hawkins Rental Housing Act; and

7 WHEREAS, By repealing Costa-Hawkins, cities would have more flexibility in
8 governing affordable housing needs in their communities and the City and County of San
9 Francisco would be able to strengthen its Rent Stabilization program if AB 1506 were to pass;
10 now, therefore, be it

11 RESOLVED, That by the adoption of this Resolution, the City and County of San
12 Francisco hereby includes in its 2017-2018 State Legislative Program support of AB 1506
13 (Bloom) which would repeal the Costa-Hawkins Rental Housing Act; and, be it

14 FURTHER RESOLVED, That the San Francisco Board of Supervisors hereby directs
15 the Clerk of the Board to transmit copies to the Assembly of the State of California with a
16 request to take all action necessary to achieve the objectives of this Resolution.



City and County of San Francisco

Tails

Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 171166

Date Passed: December 05, 2017

Resolution urging the Mayor and the Board of Supervisors to support California State Assembly Bill 1506, authored by Assembly Member Richard Bloom, repealing the Costa-Hawkins Act.

November 27, 2017 Land Use and Transportation Committee - RECOMMENDED

December 05, 2017 Board of Supervisors - ADOPTED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

File No. 171166

I hereby certify that the foregoing Resolution was ADOPTED on 12/5/2017 by the Board of Supervisors of the City and County of San Francisco.

Handwritten signature of Angela Calvillo
Angela Calvillo
Clerk of the Board

Unsigned
Mayor

12/15/2017
Date Approved

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, or time waived pursuant to Board Rule 2.14.2, became effective without his approval in accordance with the provision of said Section 3.103 of the Charter or Board Rule 2.14.2.

Handwritten signature of Angela Calvillo
Angela Calvillo
Clerk of the Board

12/15/2017
Date