

Resolution No. 17 – 002

**A resolution of the Rent Control Board
of the City of Santa Monica in support
of AB 1506 (Bloom) Residential Real
Property: Costa-Hawkins Rental
Housing Act.**

The Rent Control Board of the City of Santa Monica resolves as follows:

WHEREAS, the Costa-Hawkins Rental Housing Act (“Costa-Hawkins”) establishes that an owner of residential real property may establish a rental unit’s initial rental rate at any amount when a tenancy begins, a policy known as “vacancy decontrol;” and

WHEREAS, Costa-Hawkins, which became effective in 1996, removes local control on the rent level that could be charged at the start of a new tenancy; and

WHEREAS, after the initial rental rate is established, future rent increases remain limited to the amount authorized by the local jurisdiction; and

WHEREAS, Costa-Hawkins has had a significant effect on rental housing throughout California, in that new tenants are starting their tenancies paying rent levels that are not only significantly higher than rents paid by long-term tenants but, in some cases, significantly higher than the market rates established just one or two years earlier; and

WHEREAS, 68% of apartments in the City of Santa Monica have had at least one market-rate increase upon vacancy since Costa-Hawkins has been in effect; and

WHEREAS, for long-term tenants who have been living in their units since before Costa-Hawkins, the median rent for a one-bedroom apartment in Santa Monica in 2016 was \$883 per month, while the median rent for the same-size units with initial rents established in 2016 was \$2,195 per month; and

WHEREAS AB 1506, which was introduced by Assemblymembers Richard Bloom, David Chiu, and Rob Bonta, would repeal Costa-Hawkins; and

WHEREAS, the repeal of Costa-Hawkins has long been a legislative priority of the Rent Control Board of the City of Santa Monica, in order that the rent control law, and the Board’s regulatory authority, might be returned to that which was sought by the People of Santa Monica when, through the initiative process, they first enacted the city’s rent control law; and

WHEREAS the Rent Control Board has consistently sought to exercise its regulatory authority within the full parameters intended by the People of Santa Monica when they enacted the city’s rent control law;

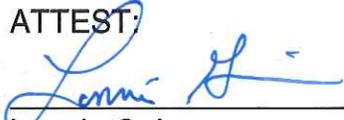
NOW THEREFORE BE IT RESOLVED that the Rent Control Board of the City of Santa Monica supports AV 1506 (Bloom) – Repeal of Costa Hawkins.

PASSED, APPROVED, and ADOPTED this 23rd day of March, 2017.



Steve Duron, Chair

ATTEST:



Lonnie Guinn,
Board Secretary