

ORDINANCE NO. 2020-0003

Adopted by the Sacramento City Council

January 14, 2020

An Ordinance Amending Section 5.156.050 of the Sacramento City Code, Relating to the Annual Rent Adjustment and Declaring the Ordinance to be an Emergency Measure

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1.

Section 5.156.050 of the Sacramento City Code is amended to read as follows:

“5.156.050 Annual rent adjustment; notice of rent increase.

A. The annual rent adjustment is 5% plus the percentage of the annual increase in the cost of living adjustment, if any, but not to exceed a combined total of 10%. A tenant may not waive this limitation on the increase in rent.

B. The cost of living adjustment is to be determined on April 1st of each year by reference to the California Consumer Price Index for All Urban Consumers All Items (or the Sacramento area, if the index is established for the Sacramento area) for the preceding year. The percentage by which this index increased over the index for the full year immediately prior shall be the percentage used to calculate the cost of living adjustment.

C. Before a landlord can impose a rent increase that exceeds the annual rent adjustment, the landlord shall comply with section 5.156.060.

D. An increase in rent in accordance with the annual rent adjustment is not effective until the landlord provides written notice to increase rent as prescribed by law. The content of the notice to increase rent provided to a tenant shall include the information as prescribed in the tenant protection program administrative procedures.”

SECTION 2. Effective Date

This ordinance takes effect immediately upon enactment.

SECTION 3. Emergency Declaration

The city council declares this ordinance to be an emergency measure, to take effect on January 14, 2020 pursuant to Sacramento City Charter section 32(g)(2). The facts constituting the emergency are as follows:

The State Legislature enacted AB 1482 (Chui) (Chapter 597, Statutes of 2019), the Tenant Protection Act of 2019, which limits annual rent adjustments for rental units that are 15 years or older to 5% plus a cost of living adjustment. This new law becomes effective on January 1, 2020. The City's Tenant Protection and Relief Act, chapter 5.156 of the Sacramento City Code, limits annual rent adjustments to 6% plus a cost of living adjustment based on a different consumer price index for rental units that were built on or before February 1, 1995. In order to protect the public health, safety, and welfare, the City must reduce its annual rent adjustment and change the cost of living index so tenants in older rental units have the same protection against excessive rent increases as tenants in rental units regulated under state law. An emergency measure is necessary for the City's revised annual rent adjustment to become effective in January when the state law takes effect and to avoid confusion over the amount of the annual rent adjustment.

Adopted by the City of Sacramento City Council on January 14, 2020, by the following vote:

Ayes: Members Ashby, Carr, Guerra, Hansen, Harris, Jennings, Schenirer, Warren and Mayor Steinberg

Noes: None

Abstain: None

Absent: None

Attest: **Mindy Cuppy** Digitally signed by Mindy Cuppy
Date: 2020.02.19 16:48:32
-08'00'
Mindy Cuppy, City Clerk

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.

Passed for Publication: Not Applicable

Published: To Be Published in its Entirety Upon Adoption

Effective: January 14, 2020