



# Pasadena Tenants Union

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## **Pasadena Needs Housing Stability for its Renters !!**

For decades, Pasadena has struggled with an affordable housing crisis and done little to provide housing stability for its renters. The Pasadena Fair and Equitable Housing Charter Amendment is designed to preserve affordable housing and afford protections for renters.

Although renters constitute 57% of the City's population, they are in special jeopardy. The real estate industry has targeted California for increased rents. As a result, rents have recently escalated out of control. The average rent for a one-bedroom unit in Pasadena has risen 51.7% in the last 6 years and the top rents that HUD will subsidize are at least \$1,000/month less than Pasadena's average rents.

Under present provisions, Pasadena landlords are permitted to raise rents numerous times a year and may evict good tenants without cause with as little as a 30-day notice in some cases. Because City Council has done nothing to address these concerns, City residents are now petitioning voters through a ballot initiative to provide housing stability for renters!

The 2012-2016 American Community Survey 5-year estimate reveals that:

Pasadena is 57.1% renter occupied and 42.9% homeowner occupied  
The average rents are:  
1-bedroom unit \$2,146  
2-bedroom unit \$2,687  
(Rent Jungle 12/17)

HUD reports that households should only spend 30% of their adjusted incomes on housing. 43.9% pay more than 35% of their household income towards rent.

The 57% of Pasadena residents who are renters lack housing security because they can be evicted for no cause on 30 or 60-day notice - even if they pay their rents and observe the rules.

PASADENA POVERTY	#	50% Severe Poverty	100% Poverty	125% Near Poverty
Female Head of Household	22,026	9.7%	25.1%	31.8%
Women	70,563	8.1%	17.2%	21.7%
African American	14,780	8.4%	19.7%	25.0%
American Indian/Alaskan Indian	384	16.7%	26.8%	26.8%
Asian	22,142	10.0%	15.3%	19.2%
Hispanic or Latino	46,532	8.3%	20.5%	28.5%
Disabled	14,501	9.4%	25.6%	32.1%
Caucasian	76,832	6.2%	13.2%	17.0%

### **Rent Control & Just Cause Protections And Renter Housing Stability**

“Rent control” ensures that rent increases are reasonable and occur only once a year, while providing landlords with economic security by guaranteeing them “fair returns” on their investments. “Just cause” provides that evictions are not without cause, but based on lease violations; under this proposed amendment, landlords may evict tenants for non-payment of rent, unlawful activity and for other serious causes. Both rent control and just-cause protections are needed; one remedy is inadequate without the other



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## **Summary of the Pasadena Fair and Equitable Housing Charter Amendment Provisions**

A summary of the reasons for the proposed amendment to Pasadena's Charter is as follows:

The City of Pasadena does not currently regulate the amount of rent a landlord may charge, nor does it establish limitations on the termination of tenancies. This measure is a charter amendment that would prohibit landlords from evicting a tenant except for specified reasons and limit the amount that landlords could increase the rent.

Certain types of rental units would be either fully or partially exempt from regulation under the measure, including single family condominiums and homes. For all rental units in the City subject to the measure, a landlord may terminate a tenancy only for the reasons specified in the measure. Landlords can continue to terminate a tenancy for reasons such as failure to pay rent, a breach of the lease or using the unit for an illegal purpose. However, landlords are restricted from terminating a tenancy when the tenant is not at fault, subject to a few exemptions, such as owner move-in. In the case of these "no-fault" evictions, landlords would be required to pay relocation benefits to the displaced tenants.

The measure would set base rents for those covered rental units. The base rent would be set as that which was in effect on November 15, 2017. If the tenancy began after November 15, 2017, the base rent would be the rent charged upon initial occupancy. A landlord would be able to raise the rent annually by the percentage increase of the Consumer Price Index, however the annual rent increase would be capped at 4.5%.

The Rental Housing Board will manage the implementation and administration of this measure. The Board will consist of five members appointed by the City Council. The Board will establish regulations, determine the allowable annual rent adjustment, hear individual rent adjustment petitions and go to court to enforce the measure. The Board would exercise its powers and duties independent from the City Council and City Attorney, except by request.

A landlord may file an Individual Rent Adjustment Petition with the Rental Housing Board to raise the rent more than the annual allowable increase if to do so is necessary to provide a fair return on the landlord's investment. The Board will take into consideration such conditions as the cost of capital improvements, the reasonable costs in maintenance and operating expenses and the cost of landlord-performed labor. Rent could also be decreased if the landlord fails to maintain a habitable rental unit or charges unlawful rent. Both tenants and landlords may sue in court to challenge a Board's decision.

Landlords would be prohibited from retaliating or harassing their tenants for reporting violations of the measure, exercising tenants' rights or participating in tenant organizations.