MEMORANDUM City Attorney's Office

SUBJECT:	Consideration of Establishing the Effective Date of the Community Stabilization and Fair Rent Act
FROM:	Jannie L. Quinn, City Attorney
TO:	Rental Housing Committee
DATE:	September 11, 2017

RECOMMENDATION

That the Rental Housing Committee consider adopting a Resolution of the Rental Housing Committee of Mountain View Establishing the Effective Date of the Community Stabilization and Fair Rent Act.

BACKGROUND

The Community Stabilization and Fair Rent Act (CSFRA) is an initiative Charter Amendment that was approved by the voters on November 7, 2016. Section 1720 provides CSFRA shall go into effect 10 days after the vote is declared by the City Council.

The City Council declared the results of the November 7, 2016 election on December 13, 2016. Consequently, the CSFRA was to go into effect on December 23, 2016. On December 21, 2016, the California Apartment Association (CAA) filed a lawsuit challenging the constitutionality of the CSFRA. The court signed a temporary restraining order (TRO) stating the effective date of the CSFRA and enjoining the City of Mountain View from enforcing the CSFRA. The TRO remained in effect until April 5, 2017, when the court issued an order denying the request for a preliminary injunction.

As detailed in the July 24, 2017 staff report regarding the effective date (Attachment 1 to this report) the proponents of the CSFRA and the CAA have taken different positions regarding the effective date. The proponents of the CSFRA assert December 23, 2016 is the effective date based on the text of the CSFRA, and since it was an initiative passed by the voters, only voters can change the effective date. The CAA asserts that the TRO prevented the CSFRA from becoming effective and, therefore, it only became effective when the TRO ended.

At the July 24, 2017 Rental Housing Committee (RHC) meeting, the RHC directed that a declaratory relief action be filed requesting the Court determine the effective date, which action was filed on August 9, 2017. On August 23, 2017, the proponents of the CSFRA filed a writ, requesting the Court to direct the RHC to declare December 23, 2016, as the effective date of the CSFRA.

If the RHC desires to establish the effective date of the CSFRA, adoption of a resolution (Attachment 2 to this report) is appropriate.

JLQ/AK/3/CDD/RHC 896-09-11-17M-E

Attachments: 1. <u>July 24, 2017 Item 7.1 Effective Date Staff Report</u> 2. Resolution