

January 9, 2022

Regarding: Rent Control Ordinance

To the City Council of Petaluma:

The new Rent Control Ordinance for Petaluma was put in place in September without any public notice or comment and is now in effect, for all buildings that are more than 15 years old. This ordinance has far-reaching and immediate financial consequences for owners of rental properties who have invested in Petaluma—and who had no opportunity to respond to the contents of this ordinance prior to adoption.

This ordinance creates several extreme new restrictions on private property owners' ability to manage the growing costs of owning, maintaining, and upgrading properties in Petaluma. For instance, the ordinance forces landlords who may need to substantially renovate a property to re-rent units to previous tenants **at the same rents** prior to renovations—even when the renovations are needed to maintain the integrity of the building and/or immediately improve the comfort and safety of tenants.

This ordinance will make maintenance and improvement of residential rentals, especially our valuable historic properties, difficult and unaffordable. This would force many owners, especially owners of small historic rental properties to defer important maintenance and much needed improvements, or worse—have the unintended consequence of encouraging landowners to take units off the rental market entirely or pursue demolition of these important historic structures in favor of new properties not subject to rent control restrictions.

Such a scenario could change the physical characteristics of Petaluma as a city and is incongruent with our city's desire to maintain its special character as a historically significant place, enjoyed by all of our residents.

The 2019 Tenant Protection Act is existing law and already provides clear guidance and restrictions to manage annual rent increases and prevents arbitrary evictions by placing “just cause” controls in place. These controls benefit all tenants including tenants in Petaluma and Sonoma County.

Prior to adoption, it appears that no hard data was collected to support the need for additional rental property restriction in Petaluma. Facts should be gathered and presented to the public to determine whether additional controls above and beyond TPA are needed in Petaluma to protect existing tenants while allowing property owners to afford to maintain and improve their properties.

A balance between tenant protections and property ownership must be found before new laws are enacted.

1. How many no-fault evictions have actually taken place since TPA was enacted? Is the TPA working as intended?
2. How many Ellis Act evictions have happened in Petaluma in the last 3 years?
3. What resources is the city currently providing to ensure tenants have resources for legal support or housing assistance when served with an eviction notice to prevent abuse of current laws?
4. Is an additional ordinance needed in Petaluma to augment TPA, and what unintended consequences could result from these additional restrictions? Are these outcomes aligned with the city's overall goals?
5. Are there city resources which could be used to encourage responsible development of additional rental housing? If so, what steps are being taken to fast track these housing units?

Until clear data and public input can be collected about the effectiveness of 2019 TPA and all potential outcomes of a new ordinance carefully considered, I encourage the city council to allow this ordinance to sunset on March 1, 2023

Sincerely,

Jackie Cuneo