

### MEASURE W: NATIONAL CITY RESIDENTIAL RENT CONTROL

**POSITION:** The Chamber's Public Policy Committee voted to OPPOSE the measure on September 11, 2018.

**STATUS:** The measure qualified for National City's November 6, 2018 ballot.

#### SUMMARY

The proposed measure would cap annual rent increases at 5 percent. The measure would also ban evictions that are not tied to a specific reason, such as failure to pay rent, lease violations or a landlord's plans to take the unit off the market. The measure would set up a five member board to administer and enforce the regulations.

#### INDUSTRIES IMPACTED

**Residential rental property owners** will be most directly impacted. In addition, the availability of modestly priced homes within a reasonable distance of work continues to be the most common concern of **businesses having difficulty with attraction and retention of talent**. If this measure passes, we can expect businesses to have more and more difficulty attracting and retaining talent as finding housing continues to become more difficult.

#### SUPPORTERS

- National City Families for Fair Housing

#### OPPONENTS

- Building Industry Association
- California Apartment Association
- National City Mayor Ron Morrison
- San Diego County Apartment Association

#### ARGUMENTS IN FAVOR

According to proponents, residents and community leaders in National City say rent control is necessary to protect renters who are struggling to make ends meet. National City has the lowest median rent in the county at \$1,140, according to the US Census. The city's median household income is also low at \$42,000. Without rent control, low-income renters may be forced to move out of the region.

#### ARGUMENTS IN OPPOSITION

According to opponents, rent control leaves few incentives for developers to build new housing and landlords to fix up homes, reducing the quantity and quality of housing. Rent control is a short-term Band-Aid fix that drives out low-income residents in the long run.

#### MORE INFORMATION

National City originally sued the measure. It was the proposed rent-control board that the city took issue with. In the lawsuit it filed, the city contended plans to give the board the authority to adopt a budget and hire staff would violate state law by creating a "board within city government that is not subordinate to the City Council." The lawsuit also claimed "processing the petition ... would constitute improper spending of tax monies and the time and effort of public employees, and would unnecessarily create the potential for community division." The city later withdrew the lawsuit.