City of San Pablo
Rent Control Ballot Initiative (2026)

Elections Code Section 9212 Report

Final Report – July 6, 2026

BETTER COMMUNITIES.
BOLDER FUTURES.

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1 INTRODUCTION

On December 15, 2025, initiative proponents submitted a Notice of Intent to Circulate the San Pablo Rent Stabilization and Tenant Protections Initiative ("Initiative") to the City of San Pablo ("City"). The Initiative proponents are three San Pablo residents who have appointed Kaufman Legal Group to be their representatives for all purposes and communication related to the proposed ballot measure. The Initiative proposes the adoption of a Rent Stabilization and Tenant Protections Ordinance ("Ordinance") for rental housing in the City.

The City retained RSG, Inc. ("RSG") in June 2026 to prepare an independent report of the Ordinance proposed by the Initiative, as authorized by Elections Code Section 9212. The purpose of this analysis is to assist the City in evaluating the impacts, both fiscal and otherwise, and administrative requirements associated with implementing and administering the Ordinance's Rent Stabilization and Tenant Protections Program (the "Program").

The analysis considers the level of services and program requirements established by the proposed Ordinance as a model for evaluation. It also considers the City's housing market conditions, community demographics, and the costs of administering comparable rent stabilization programs in other jurisdictions in the region.

The analysis and findings presented in this report are structured to address impacts pursuant to California Elections Code Section 9212(a). The report expands upon findings made in a prior report RSG prepared in 2024 when another rent stabilization initiative was proposed but was not certified. RSG has updated its findings in that prior report based on the policies proposed in the Ordinance, current market and financial data, and a review of comparable rent stabilization programs in peer jurisdictions.

1.1 ABOUT THE PROPOSED INITIATIVE

The proposed Ordinance would establish tenant protections on rental housing and mobilehome spaces, generally including:

- An annual allowable rent increase of 60% of the change in the regional Consumer Price Index ("CPI"), with a minimum increase of 0% and a maximum increase of 3%. The annual allowable rent increase would take effect each year on September 1st, and unused portions of allowable increases could not be banked, carried over, or combined with future increases. The base rent is the rent in effect on July 1, 2025, for existing tenancies, or the initial rent charged for tenancies beginning after that date.

- Just-cause eviction protections and other tenant safeguards, including enhanced notice requirements; additional protections related to nonpayment of rent, lease violations, and owner move-in terminations; relocation assistance requirements for no-fault evictions and temporary displacement; requirements related to substantial rehabilitation of rental units; regulations governing tenant buyout agreements; and the provision of legal services for low-income residents.
- Coverage and exemption provisions defining the housing accommodations subject to the Ordinance, including apartments, single-family rentals, mobilehomes, mobilehome park spaces, trailers, and separately rented rooms. The Ordinance would also establish exemptions for certain lodging, institutional, and owner-occupied shared housing arrangements, while recognizing exemptions from rent stabilization required under State law.
- Data collection requirements and an annual rental housing fee to track compliance and fund program administration.
- A landlord and tenant petition and hearing process.
- Additional tenant protections, including the right to organize, anti-harassment and anti-retaliation provisions, and limitations on certain utility billing practices.

This report has been prepared pursuant to California Elections Code Section 9212 and is intended to evaluate the potential fiscal impacts of the proposed Initiative. Evaluation of the Initiative's legal validity or compliance with State or federal law is outside the scope of this report and may be addressed separately by the City Attorney, as appropriate.

If approved by voters, the Ordinance would become law as adopted by the ballot initiative. Unlike an ordinance adopted by City Council, the voter-approved Initiative generally may only be amended through a subsequent vote of the electorate. The City may, however, adopt regulations and administrative procedures necessary to implement and administer the Ordinance.

1.2 ESTIMATED UNITS SUBJECT TO THE PROPOSED ORDINANCE

The proposed Ordinance applies differently depending on housing type and applicable exemptions under State law. As a result, the exact number of rental units ultimately subject to the Ordinance ("Covered Units") cannot be determined until implementation. Final coverage would be established through development of a rental registry, review of County Assessor tax roll and property records, and verification of applicable exemptions. Accordingly, the estimates presented in this report are intended to provide a preliminary planning-level estimate of the rental units that may be subject to one or more provisions of the proposed Ordinance using the best information currently available.

For purposes of this report, Covered Units refers to rental units that are estimated to be subject to one or more provisions of the proposed Ordinance. Based on available data from the California Department of Finance, U.S. Census Bureau American Community Survey, and other publicly available information, approximately 7,189 rental units are estimated to be covered by some portion of the proposed Ordinance.

Because the applicability of the proposed Ordinance varies based on housing type and applicable State law exemptions, this report distinguishes between:

- Fully Covered Units, which are estimated to be subject to both the proposed rent stabilization and just cause and tenant protection provisions; and
- Partially Covered Units, which are estimated to be subject to the proposed just cause and tenant protection provisions but exempt from rent stabilization under current State law.

This distinction is important because Fully Covered Units generally require a greater level of ongoing administration, including rent increase monitoring, petitions, hearings, and other regulatory activities. Partially Covered Units also require program administration, but typically involve a different scope of oversight.

The estimates presented in Table 1 are intended to provide a reasonable planning-level estimate of the rental units that may be subject to the proposed Ordinance and should not be interpreted as a final determination of ordinance applicability.

Table 1: Estimated Covered Units by Housing Type

Housing Type	Coverage	Full or Partial	Estimated Units
Renter-Occupied Single Family Units	Just Cause and Tenant Protections	Partial	2,273

Renter-Occupied Multi-Family Units Built After 2/1/1995	Just Cause and Tenant Protections	Partial	837
Renter-Occupied Multi-Family Units Built Prior to 2/1/1995	Just Cause and Tenant Protections + Rent Stabilization	Full	3,688
Mobilehomes / Mobilehome Spaces[1]	Just Cause and Tenant Protections + Rent Stabilization (subject to State law)	Full	391
Total Covered Units			**7,189**

[1]Includes all mobilehome tenancies, as the Ordinance may apply either to the rental of a mobilehome park space (where the resident owns the mobilehome) or to the rental of the mobilehome itself (where the resident rents the mobilehome)

1.3 POTENTIAL IMPACTS OF COSTA HAWKINS REPEAL

The proposed Ordinance includes provisions that would expand rent stabilization coverage if the Costa-Hawkins Rental Housing Act is amended or repealed. Under the current legal framework, certain housing types are exempt from local rent stabilization but remain subject to other provisions of the proposed Ordinance. If Costa-Hawkins were repealed, many of those units could become Fully Covered by both the rent stabilization and tenant protection provisions of the Ordinance, while multifamily housing issued a certificate of occupancy within the previous ten years would remain exempt from rent stabilization.

Because the proposed Ordinance expressly contemplates expanded coverage following a repeal or amendment of Costa-Hawkins, this report also evaluates a hypothetical repeal scenario. Evaluating this scenario is important because expanding the number of Fully Covered Units would increase the Program's administrative responsibilities, staffing needs, and annual operating costs.

Table 2: Estimated Program Coverage Under Current Law and Costa-Hawkins Repeal

	With Costa-Hawkins		**Costa-Hawkins Repeal**	
	Full	Partial	Full	Partial
Single-Family[1]	N/A	2,273	1,961	312
Multi-Family[2]	3,688	837	4,343	182

	With Costa-Hawkins		Costa-Hawkins Repeal	
Mobilehome[3]	391		391	
Subtotal	4,079	3,110	6,695	494
Total Covered Units	**7,189 (All Scenarios)**			

[1]Based on U.S. Census estimates of renter-occupied single-family units as of 2024. Under current law, this estimate assumes no single-family units are Fully Covered, although certain units could be covered in limited circumstances. If Costa-Hawkins is repealed, based on DOF estimated number of single-family units as of 1/1/2015 times the percentage of renter-occupied single-family units per U.S. Census estimates.
[2]Based on DOF estimated number of multifamily units as of 1/1/1995 under current law, and as of 1/1/2015 if Costa-Hawkins were repealed.
[3]Based on the DOF estimated number of mobilehome units regardless of year-built and tenure.
Source: California Department of Finance City/County Population Estimates as of 1/1/2026, 1/1/2015 and 1/1/1995; U.S. Census Bureau, 2020–2024 American Community Survey 5-Year Estimates

1.4 PURPOSE OF THIS REPORT

This report presents fiscal and administrative considerations associated with implementing the Ordinance proposed by the Initiative. The analysis assesses the administrative responsibilities created by the proposed Ordinance, estimates the staffing and resources needed to administer the Program, and evaluates potential impacts pursuant to California Elections Code Section 9212.

To inform this evaluation, the report compares the proposed Ordinance to rent stabilization programs in five Bay Area jurisdictions (Alameda, Berkeley, East Palo Alto, Hayward, and Richmond). The comparison highlights how differences in ordinance provisions and program administration affect operating costs and staffing needs, and provides a benchmark for estimating the resources needed to implement the proposed Program in San Pablo.

Using the estimated number of Covered Units (7,189), RSG estimates the staffing and annual costs associated with implementing and administering the proposed Program. These estimates provide a planning-level assessment of the resources needed to administer the proposed Ordinance.

Actual staffing and program costs would depend on the final number of Fully and Partially Covered Units identified through the annual registration and exemption verification process, as well as future policy decisions regarding enforcement, outreach, service delivery, and other operational considerations. Following adoption, jurisdictions typically conduct a fee study to establish a rental housing fee necessary to recover program costs based on anticipated workload and the resources needed to administer the program effectively.

In accordance with Elections Code Section 9212, this report analyzes the following potential impacts to the City if the Ordinance is adopted:

1. Fiscal impact.
2. Effect on the internal consistency of the City's General Plan and specific plans, including the Housing Element.
3. Effect on the use of land, the impact on the availability and location of housing, and the ability of the city to meet its regional housing needs.

1.5 EXECUTIVE SUMMARY

1.5.1 FISCAL IMPACT (ELECTIONS CODE SECTION 9212(A)(1))

The estimated administrative resources required to implement the proposed Ordinance are expected to range from approximately 3.2 to 7.9 Full-Time Equivalent ("FTE") employees and $1.08 to $2.36 million annually under the current legal framework. If Costa-Hawkins were repealed, the estimated annual program cost would be expected to increase to approximately $1.22 million to $2.65 million annually, reflecting the increased administrative responsibilities associated with a larger number of Fully Covered Units. This estimate reflects the staffing and operating costs associated with providing the services required by the Ordinance. The proposed Ordinance includes several administrative requirements that are not present in all peer jurisdictions evaluated to make this estimate, such as Tenant Safety Plan review, buyout agreement administration, withdrawal-from-rental-market tracking, and extensive notice filing requirements. As a result, actual staffing and budget needs could exceed the peer-average estimate depending on the City's approach to implementation, compliance monitoring, enforcement, and customer service.

RSG developed these estimates through research and a comparative analysis of five peer jurisdictions with similar rent stabilization and tenant protection programs. Annual operating costs in these jurisdictions range from approximately $815,000 to $9.02 million, illustrating a broad spectrum of potential costs associated with different program structures, service levels, and enforcement approaches. Across the jurisdictions analyzed, annual program costs average approximately $259.28 per Covered Unit, with staffing levels averaging approximately 0.00081 FTE per Covered Unit.[1]

The actual costs, staffing needs, and resource requirements for the City's program would depend on several factors discussed throughout this report. These include the final number of Fully and Partially Covered Units identified through the annual registration and exemption verification process, the level of services provided, the volume of landlord and tenant inquiries and petitions, compliance rates, and the extent of regulatory oversight.

Table 3 compares the peer jurisdictions studied and summarizes the general provisions of each ordinance, annual program budgets, and the approximate cost per Covered Unit. These comparisons provide context for evaluating the potential financial implications of the proposed Ordinance in San Pablo. Additional detail regarding the methodology used to estimate annual program costs is provided in Section 6, Fiscal Impact Analysis.

Table 3: Overview of Sample Jurisdiction Provisions and Budgets

	San Pablo	Alameda	Berkeley	Hayward	Richmond	East Palo Alto
Rent Stabilization Provisions						
Limits allowable rent increase	X	X	X	X	X	X
Includes rent banking provisions		X	X	X		
Eviction Protection Provisions						
Defines just cause reasons for eviction	X	X	X	X	X	X
Implements enhanced noticing requirements	X	X	X	X	X	X

[1] Averages exclude Hayward due to lower administrative obligations required by their program.

	San Pablo	Alameda	Berkeley	Hayward	Richmond	East Palo Alto
Permanent relocation assistance for no-fault evictions	X	X	X	X	X (separate ordinance)	X (separate ordinance)
Short-term relocation to tenants temporarily displaced	X	X	X	X	X (separate ordinance)	X (separate ordinance)
Ellis Act withdrawal regulations	X	X (separate resolution)	X (separate ordinance)		X	X (separate ordinance)
Regulates buyout agreements	X	X	X (separate ordinance)			
Tenant Safety or Habitability Plans required for substantial rehabilitation	X	X				
Program must provide legal services as part of program cost	X					
Registration and Compliance						
Annual program fee required	X	X	X	X	X	X

	San Pablo	Alameda	Berkeley	Hayward	Richmond	East Palo Alto
Annual reporting required	X	X	X	X	X	X
Dedicated registry platform		X	X		X	
Imposes administrative penalties	X	X	X	X	X	X
Petitions and Petition Process						
Landlord and tenant petition and hearing process	X	X	X	X	X	X
Establishes a Rent Stabilization Board			X		X	X
Enhanced Tenant Protections						
Includes utility billing regulations	X	X	X	X	X	X
Prohibits utility charge in addition to rent	X		X[2]			
Anti-harassment / retaliation provisions	X	X	X	X	X (separate ordinance)	X
Tenants right to organize provisions	X		X			X
Coverage and Exemptions						

	San Pablo	Alameda	Berkeley	Hayward	Richmond	East Palo Alto
Covers mobilehome spaces	X					X
Covers deed-restricted affordable housing	X		X[3]		X[3]	X[3]
Covers Section 8 voucher tenancies	X	X[3]	X[3]	X[3]	X[3]	X[3]
Budget, Cost, and Fees						
Annual Budget (FY 2025-26)	see Table 19	$2.48 M	$9.02 M	$1.12 M	$3.59 M	$815,055
Number of Rental Units Administered[1]	see Table 1	16,494	27,500	11,580	17,598	2,300
Cost Per Rental Unit	see Table 20	$150.61	$327.89	$96.49	$204.24	$354.37
Rental Registry / Housing Fee	see Table 12 Initial Fees Until City Fee Established: $120 – Fully Covered $84 – Partially Covered	$176 – Fully Covered $118 – Partially Covered	$344 – Fully overed $212 – Partially Covered	$66 – Fully Covered $32 – Non-Covered Units	$267 – Fully Covered $151 - Partially Covered & Govt. Sub	$378 / unit

[1]Approximation. See Table 17 for a detailed unit of measurement for rental units by jurisdiction.

[2] Berkeley prohibits utility charge in addition to rent for leases entered after 2/6/24
[3]Covered by the ordinance but exempt from rent stabilization provisions.

A rent stabilization ordinance would not directly affect revenues from development impact fees, property taxes, sales taxes, business license taxes, community facilities district fees, or property tax in-lieu of motor vehicle license fee revenues. The proposed Ordinance includes a Rental Housing Fee to fund the reasonable and necessary costs of administering the Program. The Ordinance would establish an initial fee of $120 per Fully Covered Unit per year ($10 per month) and $84 per Partially Covered Unit per year ($7 per month) until the City Council determines a revised fee. Based on the average administrative cost per Covered Unit among the peer jurisdictions reviewed (excluding Hayward), administering the Program is estimated to cost approximately $259.28 per Covered Unit annually. Using this benchmark, illustrative annual fees ranging from $173 to $377 per Fully Covered Unit and $121 to $264 per Partially Covered Unit would be required to fully recover Program costs. Consistent with the proposed Ordinance, the illustrative Partially Covered Unit fee assumes a 70% weighting relative to the Fully Covered Unit fee to reflect the reduced level of program administration associated with those units.

As shown in Table 2, the number of Fully and Partially Covered Units could change if State law governing rent stabilization, including Costa-Hawkins, is amended or repealed in the future. The potential implications of a Costa-Hawkins repeal on program coverage and administrative costs are discussed Section 6, Fiscal Impact Analysis.

In addition, several aspects of the proposed Rental Housing Fee would require further clarification to support program implementation and long-term cost recovery. Specifically, the proposed Ordinance does not indicate whether landlords may pass a portion of the fee through to tenants or whether the City may adjust the fee over time to reflect changes in program costs.

1.5.2 EFFECT ON THE INTERNAL CONSISTENCY OF CITY'S PLANS (ELECTIONS CODE SECTION 9212(A)(2))

Pursuant to Elections Code Section 9212(a)(2), this report evaluated the consistency of the proposed Ordinance with the City's General Plan and Housing Element. The analysis indicates that a rent stabilization ordinance is generally consistent with the City's Housing Element by supporting Housing Goal #2 (housing affordability and housing security), Housing Goal #3 (fair housing and equal housing opportunity), and Housing Goal #6 (strengthening the City's capacity to respond to housing needs through outreach, education, and program implementation). This finding is based on a review of Housing Element goals and policies further discussed in Section 4.3 – Regional Housing Needs Allocation and Housing Element Goals.

1.5.3 EFFECT ON THE USE OF LAND (ELECTIONS CODE SECTION 9212(A)(3))

Pursuant to Elections Code Section 9212(a)(3), this report evaluated the potential effects of the proposed Ordinance on land use, housing availability and location, and the City's ability to meet its Regional Housing Needs Allocation ("RHNA").

1.5.3.1 LAND USE

The proposed Ordinance regulates certain aspects of the rental housing market, but would not directly affect land use designations, zoning regulations, or development standards governing new housing construction.

1.5.3.2 HOUSING AVAILABILITY AND LOCATION

Multiple academic studies on the impacts of rent stabilization on housing production, housing investment, and the broader housing market reached mixed conclusions. A 2019 article on the impact of rent control in San Francisco found that rent stabilization reduced rental housing supply.[2] A more recent 2025 study examining rent control reforms across 27 metropolitan areas and more than 4,000 census-designated places found that more restrictive rent control reforms were associated with a meaningful reduction in the total number of rental units.[3] It should be noted that the same 2025 study found that more restrictive rent control reforms also increased the availability of units affordable to extremely low-income households.

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[2] Diamond, Rebecca, Tim McQuade, and Franklin Qian. (2019). "The Effects of Rent Control Expansion on Tenants, Landlords, and Inequality: Evidence from San Francisco." American Economic Review, 109 (9): 3365–94.

[3] Christina Plerhoples Stacy, Timothy R. Hodge, Timothy M. Komarek, Christopher Davis, Alena Stern, Owen Noble, Jorge Morales-Burnett, and Amy Rogin, “Rent Control and the Supply of Affordable Housing,” Journal of Housing Economics, Vol. 68, June 2025.

In contrast, a 2025 California-specific study of rent control intensity across multiple cities from 2010 to 2019 found no consistent or significant relationship between rent-control intensity and citywide rental supply. The study did not show clear aggregate effects on new rental construction, which may reflect California's current legal framework limiting the application of local rent stabilization to newer units.[4]

The extent of any impact likely depends on the specific design of the rent stabilization program, including applicable exemptions, as well as market conditions, land availability, and other local factors. Note that Costa-Hawkins currently prohibits rent stabilization of housing units issued a certificate of occupancy after February 1, 1995. Therefore, new housing development is not subject to rent stabilization in California. If Costa-Hawkins is repealed, the impacts on housing production will need to be reevaluated in future academic studies.

The proposed Ordinance differs from many comparable rent stabilization programs by applying rent stabilization requirements to deed-restricted affordable housing and Section 8-assisted units, unless otherwise exempt under federal or State law. If the Costa-Hawkins Rental Housing Act is amended or repealed, the absence of a permanent exemption for deed-restricted affordable housing could have implications on future affordable housing development. The extent of any future impacts of rent stabilization to affordable housing development in San Pablo cannot be determined with certainty and would depend on project-specific financing, regulatory requirements, and future market conditions.

1.5.3.3 REGIONAL HOUSING NEEDS ALLOCATION (RHNA)

Rent stabilization intends to promote housing stability and affordability within the existing housing stock, rather than increase the number of housing units; it thereby would not directly contribute toward achieving the City's RHNA production goals.

The City's ability to meet its RHNA will continue to depend primarily on the production of new housing units. As discussed above, the academic literature on the effects of rent stabilization on housing production and investment is mixed, and the extent to which the proposed Ordinance could indirectly influence future housing production cannot be

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[4] Chris Alvarez Campbell, Derek Hyra, and David J. Schwegman, "Evaluating Rent Control Intensity in California Cities, 2010–2019," Housing Policy Debate 36, no. 2 (2026): 141–165, https://doi.org/10.1080/10511482.2025.2582717

determined with certainty. Under current law, Costa-Hawkins prohibits rent stabilization on units constructed after February 1, 1995. Accordingly, the rent stabilization provisions of the proposed Ordinance would not apply to new housing development if Costa-Hawkins continues to apply.

The proposed Ordinance includes provisions that would automatically expand rent stabilization coverage if Costa-Hawkins is amended or repealed. This could potentially result in reduced housing investment, development, or housing supply if developers perceive they cannot achieve a fair return on investment in jurisdictions with rent stabilization regardless of the fair return petition process. This report separately evaluates the potential implications of a Costa-Hawkins repeal scenario on program coverage and administrative costs. The broader economic impacts of applying rent stabilization to housing types historically exempt under Costa-Hawkins remain uncertain and will require additional evaluation should State law change.

2 HOW CALIFORNIA TENANT PROTECTIONS GENERALLY WORK

Rent stabilization programs and policies have existed in California for decades.[5] Many jurisdictions have established rent stabilization ordinances dating back to the 1970's with the intention of keeping current residents housed by limiting rent increases and preventing unwarranted evictions.

Rent stabilization programs are subject to limitations established under State law, including three key pieces of legislation:

1. Costa-Hawkins Rental Housing Act of 1995 (Civil Code Sections 1954.50-1954.535)
2. Ellis Act (Government Code Sections 7060-7060.7)
3. Tenant Protection Act (California Civil Code Section 1946.2, et seq.)

The following sections summarize these laws and describe how they would apply to the proposed Ordinance.

2.1 COSTA-HAWKINS RENTAL HOUSING ACT

The Costa-Hawkins Rental Housing Act of 1995 ("Costa-Hawkins") limits the types of rent stabilization policies that local jurisdictions can impose. Generally, Costa-Hawkins:

1. Exempts most housing units constructed after 1995 from local rent stabilization requirements.
2. Preserves landlords' ability to reset rents to market rates when a tenant voluntarily vacates a unit.
3. Exempts most single-family homes and condominiums from local rent stabilization requirements.

[5] The terms "rent control" and "rent stabilization" are often used interchangeably, despite denoting distinct rental price regulation methods. Rent control involves rigid rent caps, while rent stabilization permits gradual rent increases. The distinction is also sometimes referred to as first and second generation rent control, with the latter referring to "rent stabilization."

As a result, Costa-Hawkins influences the scope and operation of local rent stabilization programs by limiting the types of housing units subject to rent regulation and preserving vacancy decontrol.

Although previous efforts have sought to repeal or modify Costa-Hawkins, the law currently remains in effect. The proposed Ordinance is designed to operate under current State law while automatically adjusting to potential changes in Costa-Hawkins. If Costa-Hawkins were repealed or amended, Section 8.05.040 of the Ordinance would continue to exempt housing issued a certificate of occupancy within the previous ten years from rent stabilization. In addition, Section 8.05.060 of the Ordinance permits landlords to establish the initial rent for a new tenancy to the extent allowed by State law. As a result, future changes to Costa-Hawkins could expand the number of Fully Covered units subject to rent stabilization and affect the administration of vacancy rent adjustments. Because Fully Covered units generally require a greater level of ongoing program administration, expanding rent stabilization coverage would increase the Program's administrative workload and associated costs. This is further analyzed in Section 6 – Fiscal Impact Analysis

2.2 ELLIS ACT

The Ellis Act (1985) establishes the right of landlords to withdraw certain existing housing units from the rental market. Specifically, the Ellis Act prohibits public entities from requiring property owners to continue offering residential units for rent. At the same time, the Ellis Act allows local jurisdictions to regulate the withdrawal process, the return of withdrawn units to the rental market, and the transfer of these constraints to successors in interest.

If the Ordinance were adopted, a landlord seeking to withdraw rental units from the market would be required to comply with a comprehensive set of procedural requirements. These include providing a minimum 120-day notice of termination of tenancy, extending the notice period to one year for certain elderly and disabled tenants, providing relocation assistance, filing notices with the Program and County Recorder, and complying with detailed reporting requirements regarding withdrawn units and affected tenants.

The proposed Ordinance also establishes restrictions and penalties if withdrawn units are returned to the rental market. These provisions include a displaced tenant's right of first refusal to reoccupy the unit, limitations on rents charged when units are re-rented within specified timeframes, potential civil liability and punitive damages for noncompliance, requirements that restrictions apply to successor property owners, and special provisions governing the demolition and reconstruction of rental units following withdrawal. These requirements would be administered and enforced by the City's rent stabilization program.

2.3 TENANT PROTECTION ACT

The Tenant Protection Act of 2019 (Civil Code Section 1946.2, et seq.) establishes statewide limits on annual rent increases and provides just cause eviction protections for many residential tenants. Generally, the law limits annual rent increases to 5% plus the change in the CPI, with a maximum increase of 10% per year. The Tenant Protection Act also established statewide just cause eviction protections for tenants who have occupied a rental unit for at least 12 months, or where at least one tenant has continuously occupied the unit for at least 24 months.

The Tenant Protection Act is currently set to remain in effect until January 1, 2030, unless the State Legislature extends, amends, or repeals the law. The Act serves as a statewide minimum standard, and local jurisdictions may adopt more restrictive rent stabilization and tenant protection measures, provided they comply with applicable State law.

The proposed Ordinance would establish rent stabilization and tenant protection requirements that are generally more restrictive than those provided under the Tenant Protection Act. For example, rental units subject to the Ordinance's rent stabilization provisions would be required to comply with the Ordinance's annual allowable rent increase rather than the higher increase permitted under State law. The proposed Ordinance also includes additional just cause eviction, relocation assistance, tenant buyout, and other tenant protection requirements beyond those required by the Tenant Protection Act.

Because the proposed Ordinance would establish these requirements as local law, the expiration, amendment, or repeal of the Tenant Protection Act would not automatically change the Ordinance's rent stabilization or tenant protection requirements for Fully and Partially Covered Units.

3 RENT STABILIZATION STUDIES AND MARKET TRENDS

3.1 RENT STABILIZATION LITERATURE REVIEW

Research on rent stabilization and rent control has produced mixed findings. The available literature evaluates a range of rent regulation policies that vary significantly in their design, scope, and implementation. Because the impacts of rent stabilization depend on ordinance design and local housing market conditions, this report evaluates the proposed Ordinance in the context of the available literature while also considering its specific provisions and comparisons to peer jurisdictions.

3.1.1.1 TENANT STABILITY AND AFFORDABILITY

The strongest area of consensus in the literature is that rent regulation can improve housing stability for existing tenants. A 2019 study published in the American Economic examining the impact of rent control expansion in San Francisco found that rent regulation reduced tenant displacement and increased the likelihood that tenants remain in their homes over time.[6] These findings are consistent with the primary policy objective of many rent stabilization programs: reducing involuntary displacement and providing greater housing security for existing residents.

In addition to the academic literature, various industry organizations and advocacy groups have commissioned studies examining the impacts of rent regulation. For example, a 2016 report prepared by Beacon Economics for the California Apartment Association[7] analyzed rent control policies in California and concluded that rent-controlled jurisdictions experienced slower growth in renter-occupied housing and higher median rent growth than comparable cities without rent control. The report also found no statistically significant relationship between rent regulation and reductions in housing cost burden among low-

[6] Diamond, Rebecca, Tim McQuade, and Franklin Qian. 2019. "The Effects of Rent Control Expansion on Tenants, Landlords, and Inequality: Evidence from San Francisco." American Economic Review 109(9): 3365–3394. https://doi.org/10.1257/aer.20181289.

[7] Beacon Economics. 2016. The Effects of Rent Control Ordinances in California. Prepared for the California Apartment Association. https://caanet.org/u/2016/02/Jan2016_Rent_Control_Study.pdf.

income households. At the same time, the report acknowledged that housing outcomes are influenced by numerous factors beyond rent regulation, including local market conditions, land use policies, and broader economic trends.

3.1.1.2 HOUSING SUPPLY AND DEVELOPMENT

Research on housing supply impacts is more mixed. The same 2019 San Francisco study found that rent control contributed to reductions in rental housing supply through condominium conversions and other actions that removed units from the regulated rental market. Opponents of rent regulations often cite these findings as evidence that rent control may discourage long-term investment in rental housing.

A more recent 2025 study published in the Journal of Housing Economics found that more restrictive rent control reforms were associated in a 10% reduction in the total number of rental units in a city, though these provisions simultaneously led to an increase in the availability of units affordable to extremely low-income households.[8]

However, recent California-specific research suggests that rent stabilization may have a more limited relationship to new housing production where newly constructed units are exempt. A 2025 study published in Housing Policy Debate examined rent control intensity across California cities from 2010 to 2019.[9] It found no consistent or significant relationship between rent control intensity and citywide rental housing supply. The study concluded that there was no robust evidence that rent control intensity substantially affected net new rental unit construction, noting that California's Costa-Hawkins framework limits local rent stabilization through vacancy decontrol and exemptions for newer construction.

Under current law, Costa-Hawkins exempts housing units that received a certificate of occupancy after February 1, 1995 from rent stabilization. If Costa-Hawkins were repealed, the

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[8] Christina Plerhoples Stacy, Timothy R. Hodge, Timothy M. Komarek, Christopher Davis, Alena Stern, Owen Noble, Jorge Morales-Burnett, and Amy Rogin, "Rent Control and the Supply of Affordable Housing," Journal of Housing Economics, Vol. 68, June 2025. https://www.sciencedirect.com/science/article/pii/S1051137725000221

[9] Chris Alvarez Campbell, Derek Hyra, and David J. Schwegman. "Evaluating Rent Control Intensity in California Cities, 2010–2019." *Housing Policy Debate*, published online November 21, 2025. https://doi.org/10.1080/10511482.2025.2582717

proposed Ordinance's rent stabilization provisions would only exempt housing that received a certificate of occupancy within the previous ten years. Expanding rent stabilization to a greater number of newer rental units could potentially result in reduced housing investment, development, or housing supply if developers perceive that rent stabilization may limit their ability to achieve an adequate return on investment in jurisdictions with rent stabilization, regardless of the availability of a fair return petition process. However, the extent of any such effect cannot be determined with certainty.

3.1.1.3 PROPERTY MAINTENANCE AND HOUSING QUALITY

Some research suggests that rent regulations may affect property maintenance and housing quality. A study published in the Journal of Urban Economics[10] examining the removal of rent control in Massachusetts, found that rent-controlled buildings experienced greater maintenance and habitability concerns than comparable market-rate properties, which may drive down non-controlled rents in surrounding areas. Similarly, a 2016 report prepared by Beacon Economics[11] suggested that rent regulation may reduce incentives for property improvement, potentially affecting housing quality and neighborhood conditions. However, the extent of these impacts may vary depending on ordinance design, available rent adjustment mechanisms, enforcement and code compliance practices, local market conditions, and individual property owner investment decisions.

3.1.1.4 PROPERTY VALUES

Research on property values has also produced mixed results. A 2015 study examining rent-controlled communities in New Jersey found no significant effect on property values when compared to non-rent controlled cities.[12] In contrast, a 2014 study published in the Journal of

[10] Sims, David P. 2007. "Out of Control: What Can We Learn from the End of Massachusetts Rent Control?" Journal of Urban Economics. https://doi.org/10.1016/j.jue.2006.06.004.

[11] Thornberg, Christopher, and Jordan Levine. Beacon Economics. 2016. An Analysis of Rent Control Ordinances in California. Prepared for the California Apartment Association. https://caanet.org/u/2016/02/Jan2016_Rent_Control_Study.pdf.

[12] Ambrosius, Joshua D., John I. Gilderbloom, William J. Steele, Wesley L. Meares, and Dennis Keating. 2015. "Forty Years of Rent Control: Reexamining New Jersey's Moderate Local Policies after the Great Recession." https://doi.org/10.1016/j.cities.2015.08.001.

Political Economy found that rent-controlled properties in Massachusetts were valued at a discount of about 45 to 50% relative to never-controlled properties with comparable characteristics in the same neighborhood. The same analysis found that rent-controlled properties' assessed values rose by 18 to 25% relative to never-controlled properties following rent decontrol.[13]

3.1.1.5 TENANT MOBILITY AND HOUSING ALLOCATION

Researchers have also examined how rent regulation affects household mobility. A 2003 study published in the American Economic Review found that rent regulations may reduce tenant mobility and as a result, create a mismatch of housing needs to current housing situations.[14] For instance, in order to maintain regulated rent, a couple may continue to occupy a large family-sized apartment instead of occupying a smaller unit when housing needs decrease, which results in a misallocation of housing stock.

Overall, the available body of research continues produces mixed findings regarding the impacts of rent regulation. While many studies identify benefits such as improved tenant stability and affordability, others identify potential tradeoffs related to housing supply, property maintenance, or housing market dynamics. In addition, findings often vary depending on the specific jurisdictions evaluated, local housing market conditions, research methodology, and the timeframe analyzed. As a result, it is difficult to isolate the effects of rent regulation from the many other factors that influence housing market outcomes, and the findings from any individual study should be interpreted within the broader context of the available literature.

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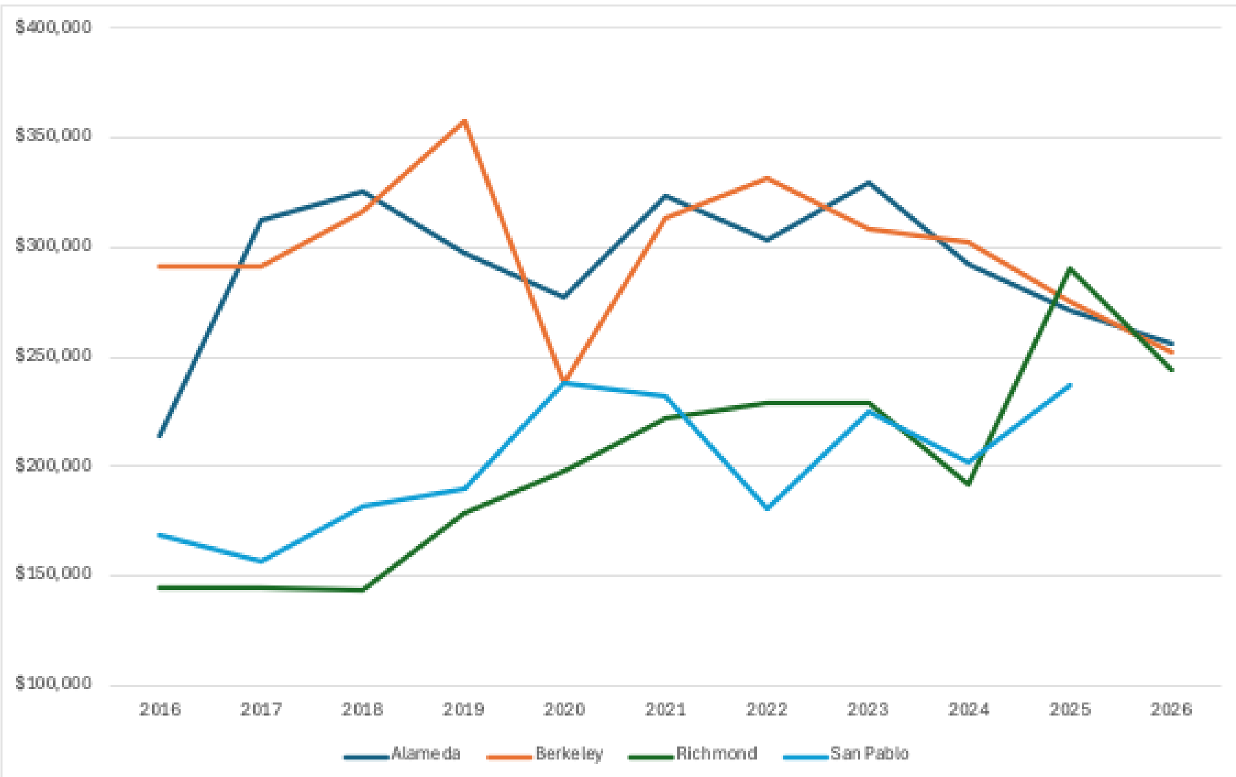
[13] Autor, David H., Christopher J. Palmer, and Parag A. Pathak. 2014. "Housing Market Spillovers: Evidence from the End of Rent Control in Cambridge, Massachusetts." *Journal of Political Economy* 122(3): 661–717. https://doi.org/10.1086/675536. Available at: https://economics.mit.edu/sites/default/files/publications/housing%20market%202014.pdf.

[14] Glaeser, Edward L., and Erzo F. P. Luttmer. 2003. "The Misallocation of Housing Under Rent Control." *American Economic Review* 93(4): 1027–1046. https://doi.org/10.1257/000282803769206188.

3.2 MARKET TRENDS

Historical real estate market trends can highlight the potential effects of a rent stabilization ordinance on property values. This may affect property tax revenues, housing quality, and community investment. Figure 1 provides a historical comparison of per-unit average sales prices for multifamily properties across nearby jurisdictions with rent stabilization policies, in addition to San Pablo.

Figure 1: Average Multi-Family Residential Per-Unit Sales Prices by Jurisdiction



Note: City of Berkeley RSO adopted in 1980, while the City of Richmond and Alameda adopted RSOs in 2016.
Note: Analysis includes multifamily apartment transactions for properties with 5 or more units, including public record sales and market or market/affordable rent types; the dataset excludes sales for land value, condo sales, residential condos, co-ops, non-arm's-length comps, and senior, military, corporate, and vacation market segments.
Source: CoStar (2026)

Alameda and Richmond adopted rent stabilization in 2016, and Berkeley has a long-standing ordinance adopted in 1980. Average sales prices per unit increased in Richmond, Alameda, and San Pablo, while Berkeley experienced a modest decrease over the last ten years. Richmond experienced the largest increase during this period, with average sales prices per unit increasing by approximately 101%, followed by San Pablo at approximately 40% and Alameda at approximately 27%. Berkeley's average sales price per unit decreased by approximately 6% over the same period.

These trends suggest that rent stabilization policies did not appear to prevent multifamily sales prices from increasing in Alameda and Richmond in the years following adoption. However, sales price trends should be interpreted cautiously because property values are influenced by a range of market and local factors, including interest rates, regional housing supply, income growth, population trends, investor expectations, transaction volume, and other local policies. The analysis excludes 2026 sales data because the calendar year is ongoing and does not yet represent a complete annual dataset.

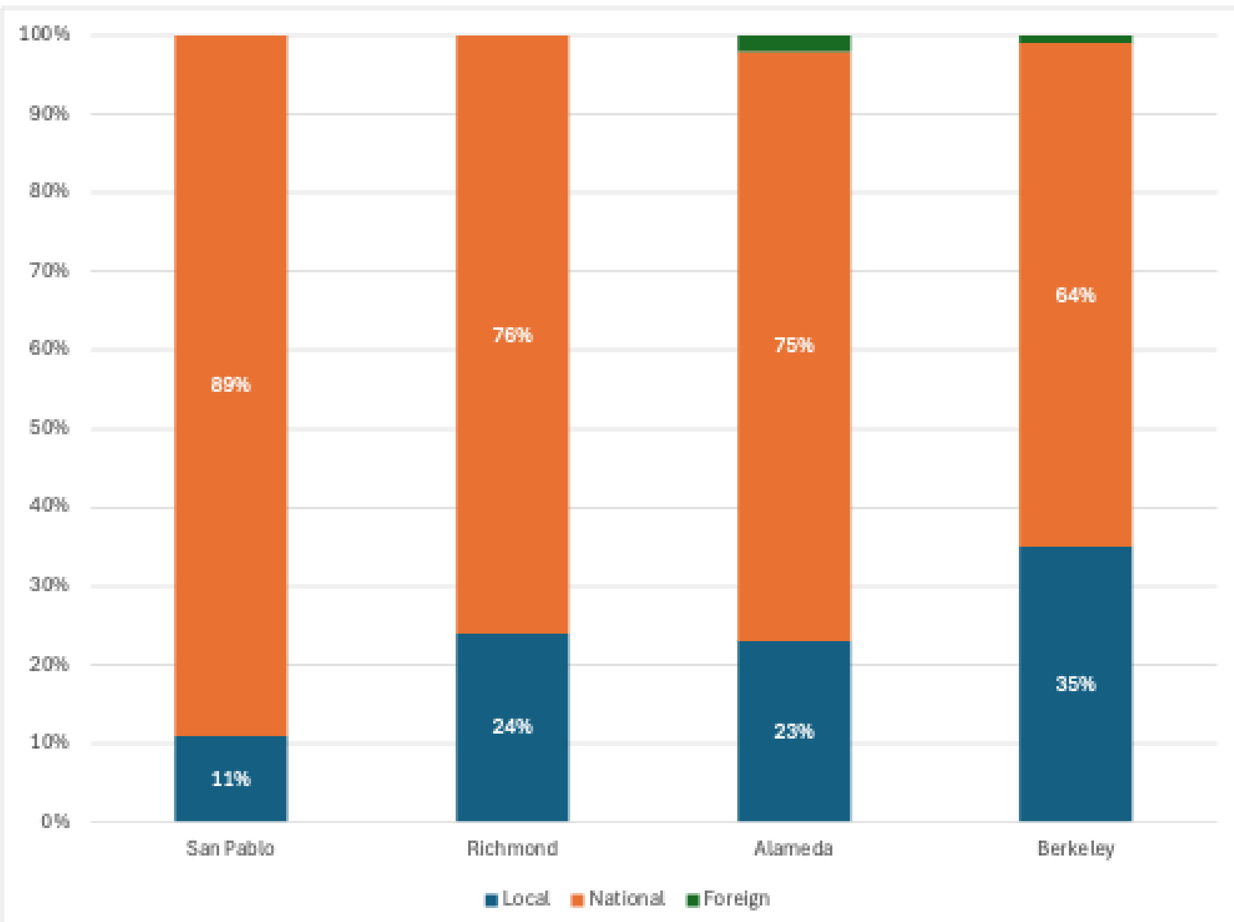
RSG conducted interviews with three brokers with extensive experience in the multifamily residential market in both Contra Costa and Alameda Counties when a rent stabilization ballot initiative was proposed in San Pablo in 2024. Most brokers stated that statewide tenant protections, such as the Tenant Protection Act, are beneficial in protecting tenants against excessive rent increases. However, some brokers expressed concerns about the benefits of local rent stabilization policies, indicating that they can lead to a greater prevalence of landlord-tenant issues. Nearly all brokers interviewed stated that rising costs have presented a challenge for landlords. Limited rent increases make it difficult keep up with operating and maintenance costs and can lead to deteriorating housing quality. As a result, most brokers interviewed believed that rent stabilization policies negatively impact property values.

Additionally, one broker spoke about a colleague's experience in the City of Concord, stating that several properties fell out of escrow following the adoption of the City's rent stabilization ordinance in April 2024. Other brokers expressed similar concerns, indicating that rent stabilization policies may deter some buyers from purchasing rental properties in jurisdictions with these policies. Most brokers interviewed also stated that if Costa-Hawkins is repealed, some investors may instead pursue multifamily residential acquisitions in other states. Additional information on Concord's implementation experience is provided in Section 6.2.4 - Program Implementation Case Study – City of Concord, later in this report.

Although the available academic literature reaches mixed conclusions regarding the broader economic impacts of rent stabilization, the interviews suggest that local rent stabilization policies may be one of several factors considered by developers, investors, and lenders when evaluating where to acquire, finance, or develop multifamily housing. The significance of this factor is likely to vary depending on market conditions, project economics, and other local regulatory considerations.

There is general concern that rent stabilization ordinances may harm small "mom-and-pop" property owners by reducing potential returns on multifamily residential properties. As a result, it is important to understand the types of property owners in San Pablo and nearby jurisdictions with rent stabilization policies. Figure 2 provides a comparison of multifamily residential asset value by owner origin across nearby jurisdictions with rent stabilization policies, in addition to San Pablo.

Figure 2: Multi-Family Asset Value by Owner Origin by Jurisdiction



Source: CoStar (2026)

According to the data from CoStar, San Pablo's multifamily real estate ownership landscape is significantly influenced by national owners.[15] As of 2026, approximately 89% of San Pablo's multifamily asset value was associated with owners headquartered outside the metropolitan area, while approximately 11% was associated with local owners. This represents the lowest local ownership share among the jurisdictions reviewed. By comparison, Berkeley's multifamily asset value was approximately 35% locally owned and 68% owned by entities headquartered outside the metropolitan area.

These data suggest that San Pablo has a comparatively higher concentration of non-local multifamily ownership than several jurisdictions with existing rent stabilization ordinances. However, owner origin reflects the location of the owner's headquarters and does not necessarily indicate whether the owner is a large corporate or institutional landlord. Differences in ownership characteristics may influence how property owners respond to and experience the administrative and financial requirements associated with rent stabilization programs.

4 ANALYSIS OF COMMUNITY HOUSING CHARACTERISTICS AND GOALS

4.1 HOUSING CHARACTERISTICS

Located in western Contra Costa County, San Pablo encompasses 2.6 square miles and has an estimated population of 31,468 residents.[16] San Pablo is accessible through Interstate 80, which connects the City to nearby metropolitan areas such as San Francisco, Berkeley, and Oakland.

Table 4 provides a demographic overview of the City of San Pablo and Contra Costa County.

[15] CoStar's "National" owner-origin category reflects multifamily asset value owned by entities headquartered in the United States but outside the property's metro area.

[16] DOF January 1, 2026 population estimates

Table 4: Demographic Overview of San Pablo and County

	2026 Population	2026 Housing Units	Average HH Size	Renter-Occupied Units (%)	Rent-Burdened HHs (%)	Poverty Rate
City of San Pablo	31,468	10,087	3.18	58.0%	54.2%	12.6%
Contra Costa County	1,163,891	437,783	2.78	31.5%	57.2%	8.5%

Source: California Department of Finance population and housing unit estimates (2026), U.S. Census 2020–2024 American Community Survey 5-Year Estimates

Renter-occupied households make up approximately 58% of occupied housing units in San Pablo, which is significantly higher than the rate of renter-occupied housing units in Contra Costa County (32%). In addition to having lower rates of home ownership when compared to the County, approximately 54% of renter households are rent-burdened, which means that gross rent exceeds 30% of household income. San Pablo has a 13% poverty rate, compared to 9% countywide. These statistics are based on U.S. Census 2020-2024 American Community Survey estimates.

The City's housing supply includes 10,087 housing units with a mix of housing types based on California Department of Finance ("DOF") 2026 estimates. Costa-Hawkins exempts most single-family residences from local rent restrictions. To accurately evaluate the scale and associated cost of rent stabilization programs, housing types must be examined to gain a high-level understanding of the number of units subject to rent stabilization.

Table 5 provides a breakdown of occupied housing types in San Pablo.

Table 5: San Pablo Housing by Type (2026)

	Number	Percentage of Total
Single-Family	5,171	51.3%
Multi-Family Dwelling Units (2 or more units)	4,525	44.9%
Mobile Homes	391	3.9%
Total	**10,087**	**100.0%**

Source: California Department of Finance City/County Population and Housing Estimates 1/1/2026, E-5 series

The majority of housing units in San Pablo are single-family residences, which make up approximately 51% of total housing units, while multifamily housing makes up approximately 45% of housing units. A small proportion, or 4%, of housing units are mobile homes. Single-family and condominium units are generally exempt from rent stabilization under Costa-Hawkins, however they will be subject to the Ordinance's just cause eviction and other tenant protections that require some level of administration.

Year-built dates also affect the number of rental units subject to rent stabilization. Costa-Hawkins limits rental regulations on units constructed after February 1, 1995; however, Section 8.05.040(A) of the proposed Ordinance states that if Costa-Hawkins is repealed or amended, by operation of law, new rental units would be exempt only for the first 10 years after the completion of their construction.

Table 6 estimates the number of Fully Covered and Partially Covered Units that would be subject to the proposed Ordinance under two scenarios: (1) current law, in which the Costa-Hawkins Rental Housing Act remains in effect, and (2) a hypothetical repeal of Costa-Hawkins.

Table 6: Estimated Program Coverage Under Current Law and Costa-Hawkins Repeal

	With Costa-Hawkins		Costa-Hawkins Repeal	
	Full	Partial	Full	Partial
Single-Family[1]	N/A	2,273	1,961	312
Multi-Family[2]	3,688	837	4,343	182
Mobilehome[3]	391		391	
Subtotal	4,079	3,110	6,695	494
Total Covered Units	**7,189 (All Scenarios)**			

[1]Based on U.S. Census estimates of renter-occupied single-family units as of 2024. Under current law, this estimate assumes no single-family units are Fully Covered, although certain units could be covered in limited circumstances. If Costa-Hawkins is repealed, based on DOF estimated number of single-family units as of 1/1/2015 times the percentage of renter-occupied single-family units per U.S. Census estimates.
[2]Based on DOF estimated number of multifamily units as of 1/1/1995 under current law, and as of 1/1/2015 if Costa-Hawkins were repealed.
[3]Based on the DOF estimated number of mobilehome units regardless of year-built and tenure.
Source: California Department of Finance City/County Population Estimates as of 1/1/2026, 1/1/2015 and 1/1/1995; U.S. Census Bureau, 2020–2024 American Community Survey 5-Year Estimates

Under all scenarios, the City is estimated to have 7,189 Covered Units based on DOF housing unit estimates as of 2026. The number of single-family Covered Units is based on U.S. Census estimates of renter-occupied single-family units (2,273). The number of multifamily (4,525) and mobilehome (391) Covered Units is based on DOF housing unit estimates as of January 1, 2026.

Assuming Costa-Hawkins remains in effect, an estimated 4,079 housing units will be Fully Covered and 3,110 will be Partially Covered. This estimate is based on the number of multifamily units reported in DOF estimates dated January 1, 1995 (3,688) and number of mobilehome units reported in DOF estimates dated January 1, 2026 (391).

Costa-Hawkins exempts units that can be sold on their own apart from any other unit (alienable separate from the title to any other dwelling unit or is a subdivided interest in a subdivision). For the purposes of making a preliminary estimate, this report assumes no single-family units will be subject to rent stabilization under Costa-Hawkins, although it could apply in limited circumstances.

Costa-Hawkins does not apply to mobilehome rent stabilization. Civil Code Sections 798.7 and 798.45 exempt mobilehome spaces initially held out for rent after January 1, 2023 for a 15-year period. Additionally, Civil Code Section 798.21 exempts spaces that are not the principal residence of the homeowner, provided that the homeowner has not rented the mobilehome to another party. This report assumes all mobilehome spaces will be subject to rent stabilization for the purposes of making a preliminary estimate, however the actual number will need to be verified during the rental registry process.

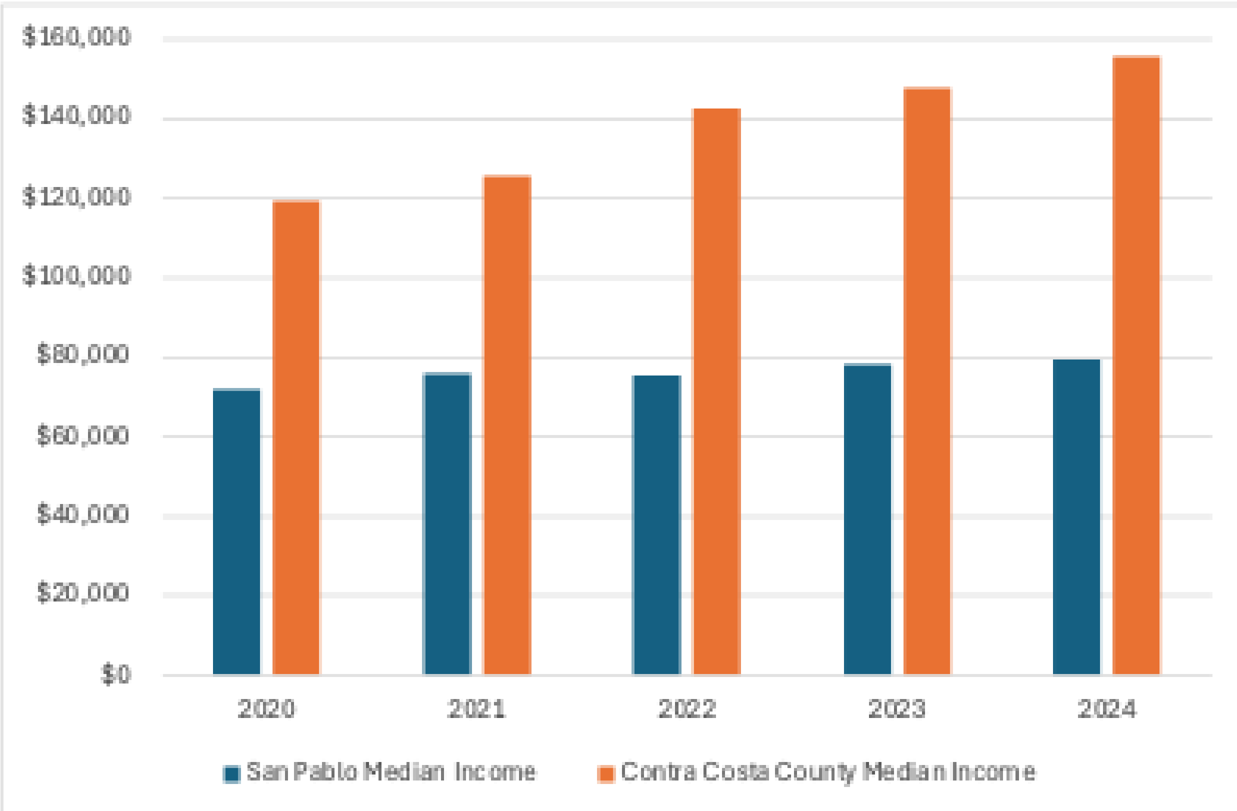
If Costa-Hawkins were repealed, the proposed Ordinance would exempt housing issued a certificate of occupancy within the previous ten years. Under this scenario, an estimated 6,695 housing units will be Fully Covered and 494 will be Partially Covered. The estimate of Fully Covered Units is based on the number of multifamily units reported in DOF estimates dated January 1, 2015 (4,343) and the number of mobilehome units reported in DOF estimates dated January 1, 2026 (391). It also considers the number of single-family units reported in DOF estimates dated January 1, 2015 (4,957), and assumes 39.6% (1,961) are renter-occupied based on U.S. Census data on housing type by tenure.

The actual number of Fully and Partially Covered Units would be verified during implementation through the rental registration and exemption review process, including review of building permit and County Assessor data, as applicable.

4.2 INCOME LEVELS AND AFFORDABILITY

Figure 3 provides median incomes in the City and County from 2020-2024, the most recent year that income estimates are available for San Pablo from the U.S. Census Bureau.

Figure 3: Median Income in the City and County (2020-2024)

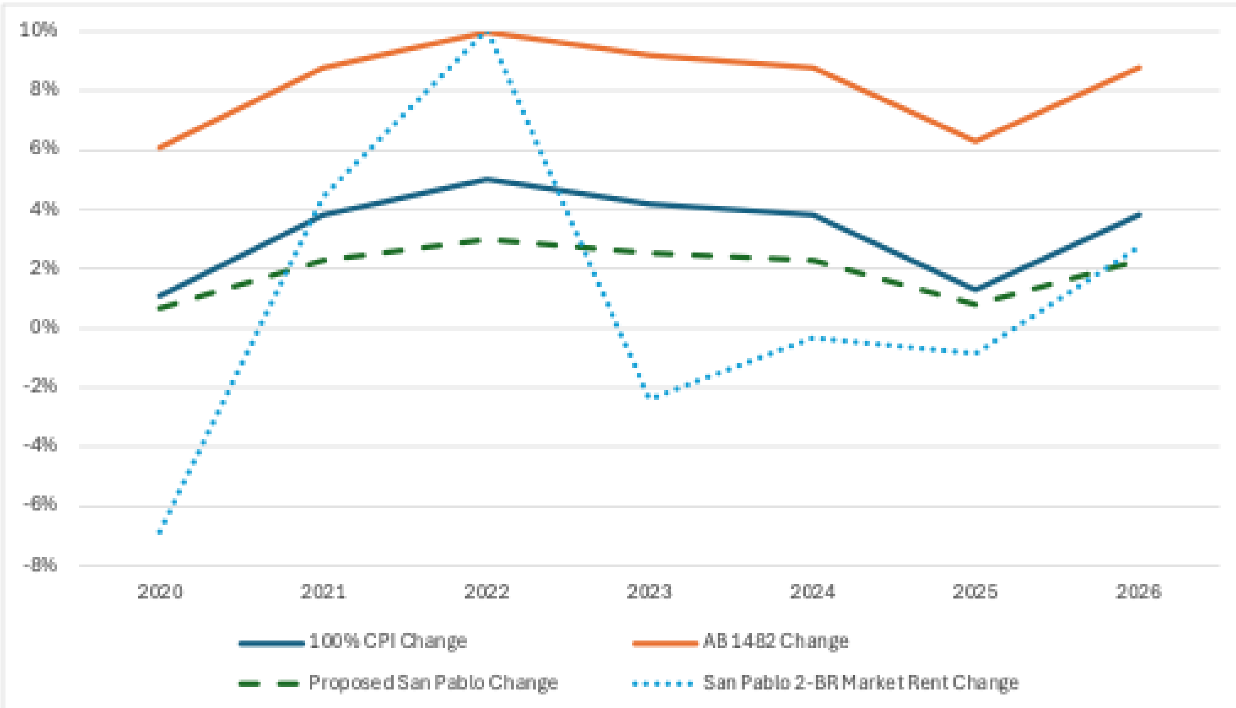


Note: City median household income is based on ACS 5-Year Estimates, Table B19013. County income reflects Contra Costa County Area Median Income published by HCD.
Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, Table B19013; California Department of Housing and Community Development, State Income Limits, 2020–2024.

As noted in the City's 2023-31 Housing Element, nearly 21% of households in the City make less than 50% of the Area Median Income ("AMI") (or very low income) and 29% of households in the City make less than 30% of AMI (extremely low income). In 2024, the median income in the City of San Pablo was $79,478, which is approximately 49% lower than the County's median income in the same year.

Figure 4 shows a comparison of the 60% of CPI rent increase limit proposed by the Ordinance against the Tenant Protection Act, 100% of CPI, and two-bedroom average rents in San Pablo.

Figure 4: Comparison of Allowable Rent Increase Limits (2020-2026)

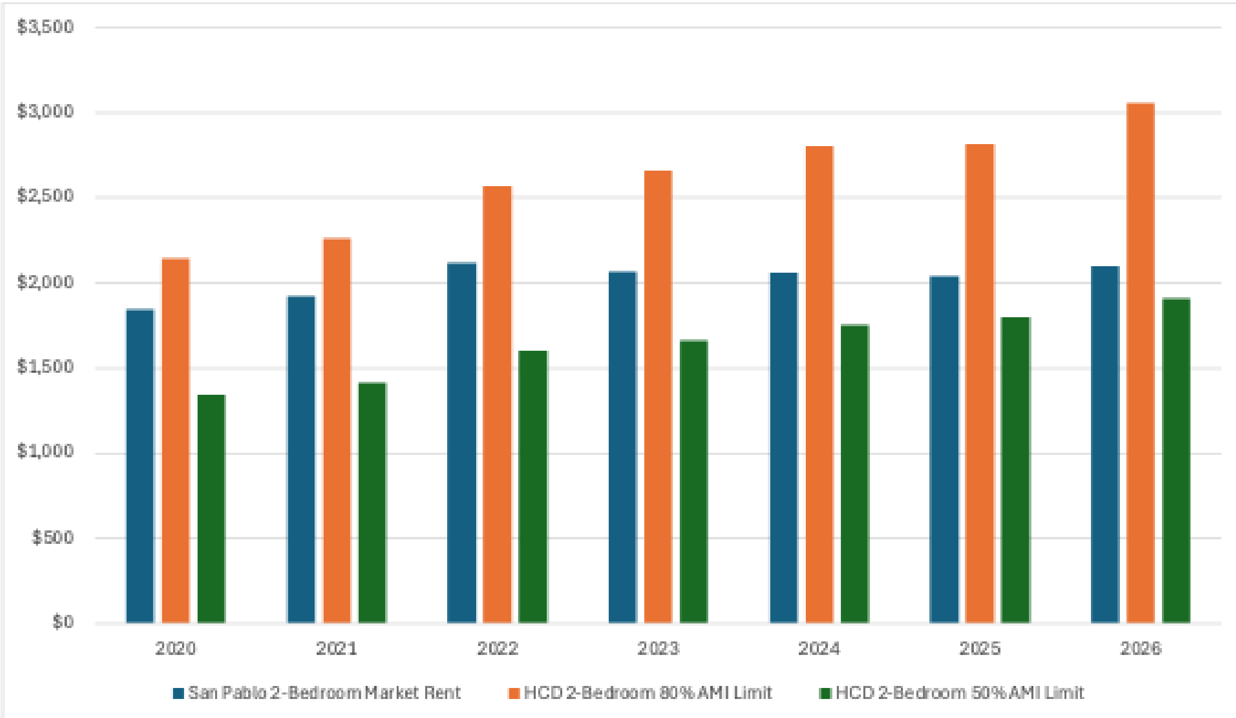


Source: US Bureau of Labor Statistics; CoStar (2026)

Two-bedroom average rents in San Pablo increased by 14% from 2020 to 2026 (from $1,843 in 2020 to $2,099 in 2026, see Figure 5), while the CPI increased by approximately 23% over the same period. The change in market rents was approximately 60% of the change in the CPI between 2020 to 2026. The annual change in two-bedroom average rents did not change consistently compared to change in CPI year over year. San Pablo's two-bedroom average rent changed at a rate lower than 100% of CPI in all years except 2021 and 2022, when it increased by 4% and 10% annually after decreasing by 7% during the height of the pandemic in 2020.

Figure 5 illustrates how rent limits set by the California Department of Housing and Community Development ("HCD") for Contra Costa county compare to two-bedroom average rents in the City of San Pablo.

Figure 5: Market Rents vs. HCD Rent Limits (2020-2026)



Source: HCD Income Limits, CoStar

HCD rent limits for households that fall under the 80% AMI limit (low income) have exceeded market rents in the City in recent years, while 50% AMI rent limits have consistently been under market rents. It is worth noting that HCD income limits are based on median income for the County as a whole, which are significantly higher than the median income in the City of San Pablo. As a result, although the 80% AMI rent limit may appear above local market rents, many San Pablo households may still face affordability challenges, particularly given the City's overall lower median income in contrast with the wider Contra Costa County.

4.3 REGIONAL HOUSING NEEDS ALLOCATION AND HOUSING ELEMENT GOALS

San Pablo has a total of 9,943 occupied housing units based on U.S. Census Bureau 5-Year Estimates for 2024. Every eight years, each California jurisdiction is allocated a specific number of housing units through RHNA, a statewide metric to identify each jurisdiction's housing production goals to meet demand from population growth. According to the 2021-2029 6th Cycle RHNA, San Pablo's share of necessary new housing is 746 units, including 173 units affordable to very low income households, 100 units affordable to low income, 132 units affordable to moderate income, and 341 units affordable to above-moderate income households.

Because rent stabilization policies aim to preserve affordability of existing housing rather than creating new housing units, the implementation of the proposed Ordinance would not directly contribute toward achieving the City's RHNA allocation. As discussed in the Literature Review section of this report, some studies conclude that rent stabilization may discourage future housing investment and production, while others have found little or no measurable effect on new housing development. Accordingly, the extent to which the rent stabilization provisions of the proposed Ordinance may indirectly influence future housing development or the City's ability to meet its RHNA cannot be determined with certainty.

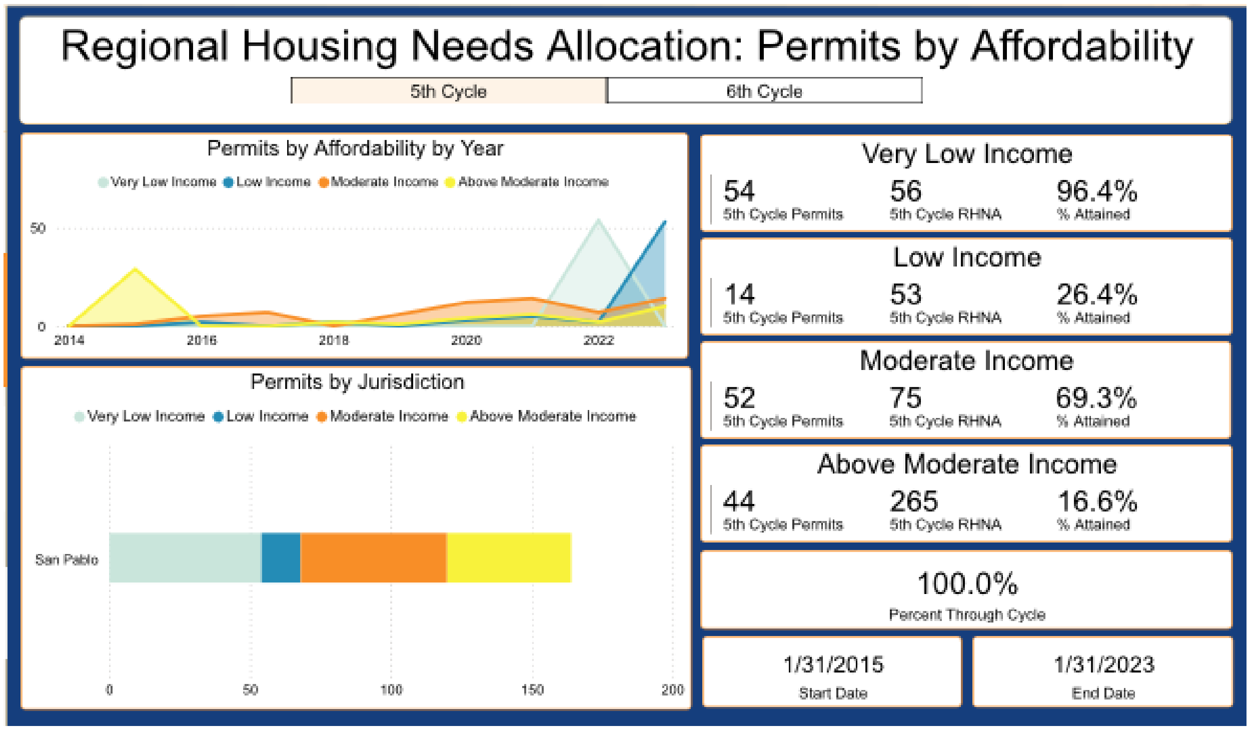
Apart from the City's RHNA obligations, rent stabilization could support other goals in the City's 2023-2031 Housing Element such as:

- Housing Goal #2. Take action to address affordability and housing security for all income groups and family types in San Pablo.
  - Policy 2-1: Continue to promote and support the development of affordable housing units for lower income households and strive for the provision of housing that is affordable to, and meets the needs of, current and future residents of San Pablo.
- Housing Goal #3. Equal housing opportunity for all residents of San Pablo, regardless of race, religion, sex, marital status, ancestry, national origin, color, or ability.
  - Policy 3-2: Collaborative Fair Housing Efforts. Work collaboratively with local non-profit, public and private sector partners to raise awareness and achieve implementation of fair housing practices.
- Housing Goal #6: Strengthen local government institutional capacity, provide information to the community and monitor accomplishments to respond effectively to housing needs.
  - Policy 6-1: The City recognizes that housing that is safe, healthy, and affordable is an important City priority, and the City will take a proactive leadership role in following through on identified Housing Element implementation actions in a timely manner.

- Policy 6-3: The City will provide outreach and information to the community on the availability of programs to address individual housing needs, and will actively involve the community through information, outreach, and review.

Figure 6 displays the City's progress in the 5th Cycle RHNA, which concluded on January 31, 2023.

Figure 6: 5th Cycle RHNA Progress (City of San Pablo)

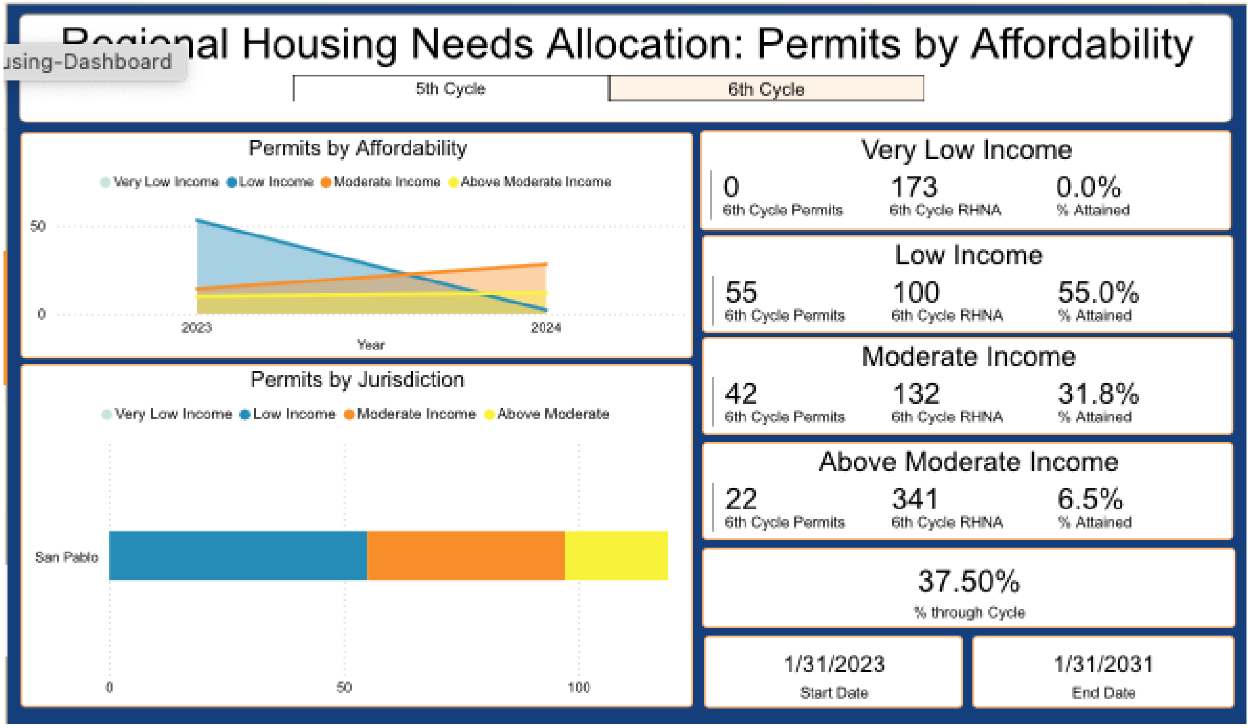


Source: HCD

The City of San Pablo's progress in the 5th Cycle RHNA demonstrates that the was close to achieving its housing unit allocation for very low income levels. The City had the lowest attainment rate for the above moderate income category, in which the City attained approximately 17% of its 5th Cycle RHNA allocation.

Figure 7 displays the City's progress in the 6th Cycle RHNA as of 2025, which began on January 31, 2023.

Figure 7: 6th Cycle RHNA Progress (City of San Pablo)



Source: HCD

The City of San Pablo's 6th Cycle RHNA concludes on January 31st, 2031. As of 2025, the City has achieved over 50% of its low income RHNA allocation and 31.8% of its moderate income allocation. However, the City has attained less than 10% for the remaining income levels.

4.3.1.1 POTENTIAL IMPLICATIONS FOR FUTURE AFFORDABLE HOUSING DEVELOPMENT

Many rent stabilization programs exempt deed-restricted affordable housing development from rent stabilization requirements because rents are already regulated through affordability covenants, financing agreements, and other program requirements. The proposed Ordinance does not include an exemption for affordable housing development.

Under current State law, newly constructed housing is generally exempt from local rent stabilization pursuant to the Costa-Hawkins Rental Housing Act. However, if Costa-Hawkins were repealed or amended to remove this exemption, the proposed Ordinance would exempt newly constructed housing from rent stabilization for only the first ten years following issuance of a certificate of occupancy. As a result, new deed-restricted affordable housing developments could become subject to rent stabilization requirements after the ten-year exemption period.

Affordable housing developments rely on long-term operating revenues to support financing, reserves, rehabilitation, and ongoing operations. Some affordable housing developers and financing partners may view the absence of a permanent exemption for deed-restricted affordable housing as a negative impact to financial viability. The extent of any such impacts is uncertain and would depend on future market conditions, financing structures, regulatory requirements, fair return petition outcomes, and other economic factors. Because affordable housing production is an important component of the City's Housing Element and RHNA obligations, the potential implication of this provision for future affordable housing development should be considered if Costa Hawkins is amended or repealed.

5 COMPARATIVE ANALYSIS OF PEER JURISDICTIONS

In California, over 25 jurisdictions have enacted citywide rent stabilization or just cause eviction policies. For this report, RSG updated information for five Bay Area jurisdictions—Alameda, Berkeley, East Palo Alto, Hayward, and Richmond—which were selected because they represent a mix of newer and long-standing programs, are located in the Bay Area, and have well-established rent stabilization programs with publicly available information. These jurisdictions provide useful examples of how differences in ordinance provisions influence staffing needs, administrative structure, program costs, and service levels.

To inform this analysis, RSG drew upon prior research, previous interviews with program administrators, and review of publicly available program documents, budgets, annual reports, fee studies, and ordinance materials.

Table 7 provides an overview of the sample jurisdictions.

Table 7: Overview of Sample Jurisdictions

Jurisdiction	Approved By	Year Adopted	Population	Covered Units	% Rent Burdened	Poverty Rate
San Pablo	Voter Proposed	N/A	31,088	~7,189	54%	12.6%
Alameda	Voter	2016	80,023	16,494	43%	6.6%
Berkeley	Voter	1980	127,654	27,500	52%	17.8%
Hayward	City Council	2019	161,557	11,580	52%	8.5%
Richmond	Voter	2016	113,695	17,598	53%	11.4%
East Palo Alto	Voter	2010	29,462	2,300	56%	10.3%

Source: California Department of Finance ("DOF") (2026), U.S. Census Bureau 2020–2024 American Community Survey 5-Year Estimates, Esri Business Analyst "Housing Profile" (2025), Sample jurisdiction municipal codes

The rent stabilization programs in these sample jurisdictions vary in their scope, complexity, and resulting administrative requirements. These differences reflect the diverse needs and local priorities of each community. For example, some jurisdictions have comprehensive programs that include high level of regulation and oversight, while others have adopted simpler, more streamlined approaches. Understanding these variations provides useful context for evaluating the proposed Ordinance and estimating its potential administrative and fiscal impacts.

Table 8 summarizes the key provisions of each sample jurisdiction's ordinance.

Table 8: Comparison of Ordinance Provisions

	San Pablo	Alameda	Berkeley	Hayward	Richmond	East Palo Alto
Rent Stabilization Provisions						
Limits allowable rent increase	X	X	X	X	X	X
Includes rent banking provisions		X	X	X		
Eviction Protection Provisions						
Defines just cause reasons for eviction	X	X	X	X	X	X
Implements enhanced noticing requirements	X	X	X	X	X	X

Permanent relocation assistance for no-fault evictions	X	X	X	X	X (separate ordinance)	X (separate ordinance)
Short-term relocation to tenants temporarily displaced	X	X	X	X	X (separate ordinance)	X (separate ordinance)
Ellis Act withdrawal regulations	X	X (separate resolution)	X (separate ordinance)		X	X (separate ordinance)
Regulates buyout agreements	X	X	X (separate ordinance)			
Tenant Safety or Habitability Plans required for substantial rehabilitation	X	X				
Program must provide legal services as part of program cost	X					
Registration and Compliance						
Annual program fee required	X	X	X	X	X	X
Annual reporting required	X	X	X	X	X	X
Dedicated registry platform		X	X		X	

Imposes administrative penalties	X	X	X	X	X	X
Petitions and Petition Process						
Landlord and tenant petition and hearing process	X	X	X	X	X	X
Establishes a Rent Stabilization Board			X		X	X
Enhanced Tenant Protections						
Includes utility billing regulations	X	X	X	X	X	X
Prohibits utility charge in addition to rent	X		X[2]			
Anti-harassment / retaliation provisions	X	X	X	X	X (separate ordinance)	X
Tenants right to organize provisions	X		X			X
Coverage and Exemptions						
Covers mobilehome spaces	X					X
Covers deed-restricted	X		X[1]		X[1]	X[1]

affordable housing						
Covers Section 8 voucher tenancies	X	X[1]	X[1]	X[1]	X[1]	X[1]

[1]Covered by the ordinance but exempt from rent stabilization provisions
[2] Berkeley prohibits utility charge in addition to rent for leases entered after 2/6/24

RSG has analyzed the administrative components of the sample jurisdictions' programs to assess the potential operational and fiscal impacts of implementing the proposed Ordinance in San Pablo. The analysis focuses on the following categories:

1. Rent Stabilization Provisions
2. Eviction Protection Provisions
3. Registration and Compliance
4. Petitions and Petition Process
5. Enhanced Tenant Protections
6. Coverage and Exemptions

As shown in

Table 8, the proposed Ordinance includes a broad range of regulatory and tenant protection requirements. Compared to many of the sample jurisdictions, the Ordinance may require a greater level of ongoing administration, monitoring, and enforcement. Consequently, implementation would require additional staffing and resources relative to jurisdictions with less comprehensive program requirements. The potential fiscal and operational implications are discussed in the following sections.

5.1 RENT STABILIZATION PROVISIONS

Rent stabilization provisions form the foundation of local rent stabilization programs. Typically, a jurisdiction implements a "rent limit" or maximum percentage by which landlords are allowed to increase tenants' rents, usually within a 12-month period. Some jurisdictions explicitly cap and floor their rent increase limits, ensuring that the rent increase limit does not exceed or fall below a specified percentage. Additionally, some jurisdictions include rent banking provisions that allow landlords to defer rent increases and apply them in the future.

Table 9 summarizes the rent limit provisions in the proposed Ordinance compared to each of the sample jurisdictions

Table 9: Comparison of Rent Stabilization Provisions

Jurisdiction	Rent Increase Limit	Min Rent Increase	Max Rent Increase	Banking Limits
San Pablo (Proposed)	60% of change in CPI	0%	3%	Not allowed
Alameda	70% of change in CPI	1%	5%	Regardless of the amount banked, landlords may not impose a rent increase exceeding the allowable increase for that year plus 3% (up to a maximum of 8%) Can only impose banked increases up to 3 times during any tenancy and not more than once in a 24-month period Banked increases are not transferrable to a successor landlord
Berkeley	65% of change in CPI	0%	5%	Banked increases are permitted without limitations until the amount charged for rent reaches the rent ceiling
Hayward	5%	N/A	N/A	Banked rent increase + current year's allowable increase cannot exceed 10%

				Unused banked amounts expire after 10 years Banked increases are transferrable to a successor landlord
Richmond	60% of change in CPI	0%	3%	Landlords may bank no more than 5% plus the current year's allowable increase (3% or less) - not to exceed 8% Banked increases are transferrable to a successor landlord
East Palo Alto	80% of change in CPI	0%	10%	None Stated

5.1.1 RENT INCREASE LIMITS

Rent increase limits, sometimes referred to as "annual general adjustments", vary by jurisdiction but are typically tied to a certain percentage of the change in the CPI for the jurisdiction's region or are established as a fixed percentage. The proposed Ordinance would limit annual rent increases to 60% of the change in CPI, with a maximum increase of 3% and a minimum increase of 0%. Among the sample jurisdictions, this approach is most similar to Richmond and represents one of the more restrictive rent increase standards evaluated.

All sample jurisdictions except Hayward tie allowable annual rent increases to changes in CPI over the preceding twelve-month period. In addition to CPI-based formulas, all five jurisdictions establish maximum allowable annual increases, with caps ranging from 3% to 10%. Four jurisdictions also establish minimum allowable increases, ranging from 0% to 1%, to provide a baseline adjustment even during periods of low or negative inflation.

5.1.2 RENT BANKING

Rent banking allows landlords to carry forward all or a portion of annual rent increases that were authorized but not implemented in prior years. When permitted, landlords may apply these banked increases in a future year, subject to any applicable limitations established by the ordinance. Jurisdictions that allow rent banking often include requirements related to tenant notification and limits on the amount of banked rent that may be imposed at one time to prevent significant rent increases in a single year.

Four of the five sample jurisdictions allow some form of rent banking and include provisions governing its use. The proposed Ordinance states that no unused portion of an annual allowable rent increase may be banked, carried over, or combined with future increases. As drafted, landlords would generally be limited to the annual rent increase authorized for a given year and would not be able to recover unused increases from prior years.

5.1.3 ADMINISTRATIVE CONSIDERATIONS

Implementation of rent increase limits requires ongoing administrative oversight to ensure landlords and tenants understand and comply with the allowable annual adjustment. Core responsibilities typically include calculating and publishing annual allowable rent increases, developing educational materials, responding to inquiries from landlords and tenants, and monitoring compliance with noticing and rent increase requirements.

The proposed Ordinance would require the City to annually calculate the allowable rent increase based on changes in the Consumer Price Index, subject to the established 3% cap and 0% floor. This process requires staff to monitor applicable economic data, apply the ordinance formula, and communicate annual adjustment amounts to the community.

The restrictiveness of a rent cap may also influence administrative workload. Lower allowable annual increases may result in greater interest from property owners in pursuing available petition processes, such as fair return or capital improvement petitions, if they believe the annual allowable adjustment does not adequately address operating costs or property investments. Increased petition activity can require additional staff time for application review, hearings, recordkeeping, and stakeholder communications.

The City may also wish to collect and analyze data on rent levels using tools like surveys, rental market reports, and database analysis to evaluate the effectiveness of the program and inform future policy discussions. These activities can support ongoing program administration and help identify potential compliance issues or emerging housing market trends.

5.2 EVICTION PROTECTION PROVISIONS

Rent stabilization ordinances are often supplemented by eviction protection provisions designed to enhance tenant safeguards and prevent arbitrary evictions. These provisions typically establish the allowable grounds for eviction, distinguish between at-fault and no-fault evictions, and require relocation assistance in certain circumstances. Jurisdictions may also adopt enhanced notice requirements, regulations governing withdrawals from the rental market under the Ellis Act, and protections related to tenant buyout agreements. Together, these measures are designed to provide tenants with greater stability while establishing clear standards for property owners.

5.2.1 JUST CAUSE REASONS FOR EVICTION

Just cause provisions limit evictions to specific circumstances and generally distinguish between at-fault and no-fault reasons for termination of tenancy. Common at-fault reasons for termination include non-payment of rent, material lease violations, and other tenant actions that breach the rental agreement. Common no-fault reasons for termination include owner move-in, withdrawal of a unit from the rental market, or if substantial rehabilitation cannot be completed while the tenant remains in the unit. All five of the sample jurisdictions include provisions in their ordinances that define just cause reasons for eviction at varying levels of specificity.

The proposed Ordinance defines at-fault and no-fault reasons for eviction and introduces several additional protections, including requirements for landlords to provide tenants with written notice to cease before certain breach-of-lease evictions and, in specified cases, an opportunity to cure alleged violations before proceeding with an eviction. Additionally, specific safeguards are proposed for elderly, disabled, and terminally-ill tenants in certain no-fault eviction contexts, subject to specified exceptions, to limit their displacement. The Ordinance also includes protections for educators and students in certain owner move-in and substantial renovation cases when the termination date falls during the school year, as well as protections for families when additional qualifying household members are added. Failure to strictly comply with the Ordinance may be asserted as an affirmative defense in an eviction action.

5.2.2 NOTICING REQUIREMENTS

All five of the sample jurisdictions incorporate additional noticing requirements at varying levels to enhance tenant protections when terminating a tenancy. These requirements may mandate that eviction notices include specific language outlining the reasons for eviction in clear and understandable terms, and that notices inform tenants of their rights under the local ordinance, such as the right to dispute the eviction or seek legal assistance. Furthermore, landlords may be required to provide a copy of the eviction notice to the City or relevant housing authority after service to a tenant. This allows for program oversight into the eviction process and can help to monitor for compliance and offer support to affected tenants.

The proposed Ordinance requires landlords to state the cause for termination and include specific information in any eviction notice. Notices must explain the status of the rental unit and the local laws governing the tenancy, including statements that information about applicable laws is available through the Program, that tenants seeking legal advice should consult an attorney, and that the Ordinance applies to the rental unit and limits eviction to the causes specified in the Ordinance. In addition, termination notices must identify the date by which the tenant is required to vacate, include any other notices required under the Ordinance, and contain any additional information required by Program regulations.

In addition, the Ordinance requires that any notice of termination of tenancy be provided to the Program within three days after service of the notice to the tenant. Under the proposed Initiative, failure to strictly comply with any requirement of the Ordinance or implementing regulations can be used by the tenant as an affirmative defense in an eviction action brought by the landlord to recover possession of the rental unit.

5.2.3 RELOCATION ASSISTANCE

Relocation assistance refers to guidelines and provisions established by a local jurisdiction requiring landlords to pay a defined amount to support tenants who are being evicted at no fault of their own. Relocation assistance payment amounts vary widely by jurisdiction and tenant qualifications, such as age or disability. The intent is to support tenants in finding new housing accommodations. Table 10 provides a summary of relocation assistance in each of the jurisdictions reviewed based on rates at the time this study was prepared in June 2026.

Table 10: Comparison of Relocation Assistance (2026)

Jurisdiction	Permanent Relocation	Temporary Relocation
San Pablo (Proposed)	Amount would be equal to four times the monthly Fair Market Rent for the rental unit being vacated, per tenant household, or $12,000, whichever is more. Additional $6,000 if any tenant is 62+, disabled, or terminally ill. Amounts increase annually in accordance with the CPI adjustment.	Amounts would be $200 per household for hotel expenses, $50 per day per person for meal expenses. Amounts increase annually in accordance with the CPI adjustment.
Alameda	Amount ranges from $6,604 for studio apartments to $12,572 for tenants living in 4+ bedroom units. Qualified tenant households receive higher payments, ranging from $8,534 for studio units to $17,489 for 4+ bedroom units.	Amounts are $251 per household for hotel expenses, $73 per day per person for meal expenses, $1 per day per household for laundry expenses, $40 per day per cat and $74 per day per dog.
Berkeley	Amount ranges from $19,413 for eligible households and an additional $6,471 for qualifying households Amounts increase annually in accordance with the CPI adjustment.	Amounts are $120 to $166 per day up to three people, and $15 for each additional person per day. Per diem rates for cats and dogs are $20 and $50, respectively, per day per pet.
Hayward	One month of rent, or waiver of the final month of rent	For substantial repairs, the payment equals three times the current Alameda County Fair Market Rent, prorated if displacement lasts fewer than 30 days.
Richmond	For owner move-in evictions, amounts range from $4,355.81 for studio units to $10,504.08 for qualified 2+ bedroom households. For withdrawal from the rental market or government-ordered permanent	Amounts are $185.86 per day per household for hotel or motel expenses, $37.42 per day per person for meal expenses, $1.25 per day per household for laundry, $36.17 per day per cat, and $64.86 per day per dog.

Jurisdiction	Permanent Relocation	Temporary Relocation
	vacancy, amounts range from $8,775.23 for studio units to $21,009.41 for qualified 2+ bedroom households.	
East Palo Alto	Relocation assistance is not established specifically in the RSO. However, other local tenant protection provisions require relocation payments in certain demolition/removal or withdrawal-from-rental-market cases. Base amounts are $7,500 for tenants residing on the property for less than two years, or $10,000 for tenants residing on the property for two years or longer. Additional qualified tenants are entitled to an additional $2,500. Amounts are adjusted annually by CPI.	Relocation assistance is not established specifically in the RSO. However, other housing policies require landlords to waive or pay Tenant's rent during the period of temporary relocation, pay actual costs of moving and storage, and pay the actual costs for daily boarding of all pets lawfully occupying the unit.

All five sample jurisdictions require landlords to provide permanent relocation assistance in the event of no-fault terminations such as owner move-in or withdrawal from the rental market. The range of relocation assistance across these jurisdictions spans from one month's rent in Hayward to over $20,000 in Richmond, contingent upon factors such as the reason for displacement, and qualifying tenant circumstances.

All five jurisdictions also require that landlords provide temporary relocation assistance to tenants when they are required to temporarily leave their residences for reasons such as code compliance or a government order. Temporary relocation assistance amounts vary and are often based on actual and reasonable temporary housing expenses. Provisions are often included that require landlords to allow tenants to move back in once repairs are complete.

Relocation assistance requirements may be established in several ways. Some jurisdictions adopt relocation assistance provisions through a separate ordinance, while others include detailed relocation assistance requirements directly within their rent stabilization ordinance. A third approach is to establish the requirements within the ordinance but set the specific relocation assistance amounts by City Council resolution, allowing the amounts to be updated periodically without amending the ordinance itself.

5.2.4 WITHDRAWAL FROM RENTAL MARKET

The Ellis Act (1985) allows landlords to withdraw residential rental units from the rental housing market and terminate tenancies associated with those units. While the Act establishes landlords' right to exit the rental business, it also authorizes local jurisdictions to regulate the withdrawal process. Common local requirements include advance notice to tenants and the jurisdiction, relocation assistance payments, extended noticing periods for vulnerable tenants, restrictions on the future rental use of withdrawn units, and rights for displaced tenants to reoccupy units if they are returned to the rental market within specified timeframes.

Four of the five sample jurisdictions have adopted local regulations governing the withdrawal of rental units from the rental market, either through their rent stabilization ordinance or a separate Ellis Act ordinance. These provisions generally expand upon State law by establishing additional procedural requirements and tenant protections intended to reduce displacement and mitigate the impacts of rental unit withdrawals.

The proposed Ordinance in San Pablo would implement regulations for landlords who wish to permanently withdraw all rental units on a parcel from the rental market or demolish rental units. Landlords would be required to notify the Program of their intent to withdraw or demolish and provide a notice under penalty of perjury identifying the units to be withdrawn, the location of those units, the tenants of those units, and the lawful rent applicable to each unit. They must then record a Program-prescribed memorandum summarizing these provisions with the County Recorder. Landlords must provide tenants with a minimum 120-day notice of termination, or a one-year notice if the tenant is 62 or older, or disabled and has lived in the rental unit for at least one year, provided the tenant gives timely written notice of entitlement, along with other noticing requirements.

If landlords re-rent the units after withdrawal within specified time periods, including two, five, or ten years, they would be liable to any displaced tenants in certain circumstances, and must offer the unit back to the tenant who was displaced if the tenant has preserved or requested the right to receive an offer as required by the Ordinance.

The rent that can be charged if the unit is re-rented to the displaced tenant would also be regulated. Additionally, the Program would be responsible for maintaining a register of all units withdrawn from rent or lease and the rent applicable at the time of withdrawal, recording certain notices with the County Recorder, receiving follow-up reports regarding withdrawn units, notifying displaced tenants when withdrawn units are re-offered within ten years, and investigating compliance with the withdrawal requirements.

5.2.5 BUYOUT AGREEMENTS

Some jurisdictions regulate tenant buyout agreements, also known as "cash-for-keys" agreements, in which a property owner offers a tenant financial compensation in exchange for voluntarily vacating a rental unit. These regulations intend to inform tenants about their rights so they are not pressured into accepting an agreement without adequate information or time for consideration.

Among the sample jurisdictions surveyed, two of the five have adopted provisions governing buyout agreements through either their rent stabilization ordinance or a separate ordinance. Common requirements include providing tenants with written disclosures regarding their rights before a buyout offer is made, notifying tenants that they may decline the offer, and allowing tenants a specified period to rescind an agreement after signing. Rescission periods in the sample jurisdictions typically range from 25 to 45 days. These provisions intend to promote transparency and ensure that buyout agreements are entered into voluntarily and with informed consent.

The proposed Ordinance in San Pablo would require landlords to use a Program-authorized form for written disclosures related to buyout agreements, which must be provided to each tenant at least 10 days before a buyout offer is made. The disclosure must inform tenants that they have the right to not enter into a buyout agreement, may consult an attorney, may consult the City, and may rescind the agreement for up to 30 days after it is fully executed.

Buyout agreements must be in writing and include required bold 14-point notices near the tenant signature block. A buyout agreement that does not comply with the Ordinance would be ineffective and void at the option of the affected tenant. Landlords must also retain signed disclosure forms for five years, keep a record of the date the disclosure was provided, and provide each tenant a copy of the buyout agreement when it is executed. Additionally, the City would be responsible for maintaining buyout agreements in a separate file and collecting and publishing summary data on filed buyout agreements, including the compensation paid and the neighborhood of the affected rental unit, while keeping personally identifying information confidential. Landlords must provide the City with a copy of the buyout agreement no sooner than 31 days and no later than 60 days after all parties execute the agreement.

5.2.6 TENANT SAFETY PLANS

The proposed Ordinance establishes Tenant Safety Plan requirements intended to protect tenants during repairs, construction, or substantial renovation of occupied rental properties. Before commencing qualifying work that requires a permit or inspection, or involves the abatement of hazardous materials, landlords would generally be required to submit a Tenant Safety Plan to the Program for review and approval, subject to limited emergency repair exceptions.

The Tenant Safety Plan must include, at a minimum:

- The identity of the landlord, tenants, contractors, and primary points of contact;
- The scope and schedule of the work;
- An assessment of potential impacts of the on habitability and personal property of the affected tenants;
- Measures to mitigate disruptions during construction;
- Whether temporary relocation will be required; and
- How impacts related to utility interruptions, safety systems, hazardous materials, accessibility, and other housing services will be addressed.

Program staff must review the Tenant Safety Plan within five working days of submission. Following approval, the landlord must provide affected tenants with a copy of the approved Tenant Safety Plan together with a Notice of Substantial Renovation. For substantial renovation work, the notice must be served at least 60 days before the work is scheduled to begin and must include the estimated start and completion dates, a description of the work, temporary relocation requirements (if applicable), the tenant's right to reoccupy the unit, and the right to appeal the Program's determination regarding the Tenant Safety Plan.

From an administration perspective, implementing the Tenant Safety Plan requirements would create ongoing administrative responsibilities because Program staff must review and approve plans before certain renovation activities may proceed. Implementation would likely require the development of standardized application materials, review procedures, recordkeeping systems, and appeal processes, as well as coordination with building officials and property owners. Because the proposed Ordinance requires the Program to review Tenant Safety Plans within five working days, implementation may require dedicated staff resources and timely coordination to avoid delaying renovation activities. Depending on the volume and complexity of Tenant Safety Plans submitted, these responsibilities could result in a significant ongoing administrative workload and may require dedicated staffing to ensure timely review and compliance with the Ordinance's prescribed timelines.

Preliminary review indicates that none of the peer jurisdictions explicitly include Tenant Safety Plan. However, the City of Alameda does include similar habitability planning requirements for substantial renovations, though it is not framed as Tenant Safety Plan. Alameda requires a landlord file a Capital Improvement Plan application when the landlord seeks to temporarily relocate a tenant because capital improvement work cannot be safely completed while the tenant remains in the unit. Alameda’s process requires staff review, supporting documentation, tenant notice, and a determination regarding whether temporary relocation is required.

Berkeley, Hayward, and Richmond include temporary relocation, repair, notice, payment, and/or right-of-return protections when tenants must vacate because of repairs or unsafe conditions, but those provisions do not appear to require a pre-approved construction safety or habitability plan comparable to San Pablo’s Tenant Safety Plan.

From a policy perspective, Tenant Safety Plan requirements may also influence how landlords plan and undertake property improvements. By requiring advance planning, Program review, and tenant mitigation measures, these provisions may increase the administrative effort, time, and cost associated with certain renovation projects. At the same time, the requirements are intended to minimize disruptions to tenants, maintain habitability during construction where feasible, and provide greater transparency regarding the scope and timing of renovation activities.

5.2.7 LEGAL SERVICES

Some jurisdictions include legal services as part of their rent stabilization programs to assist tenants and landlords in understanding and exercising their rights under the ordinance. Depending on the jurisdiction, these services may include legal information and referrals, eviction defense, legal representation for qualifying low-income tenants, and assistance related to petitions, hearings, and other program requirements. The scope of services varies and is typically provided through contracts with nonprofit legal service providers.

Among the peer jurisdictions reviewed, Berkeley and Richmond include identifiable funding for legal services through their rent stabilization programs or associated City appropriations based on publicly available budget and procurement information. This does not necessarily indicate that the remaining jurisdictions do not provide legal services; rather, comparable funding information was not readily identifiable through publicly available budget documents.

Table 11: Peer Jurisdiction Legal Services

Jurisdiction	Covered Units	Rent Program Funding	Supplemental City Funding	Legal Cost / Covered Unit[1]	Scope of Services
Berkeley	27,500	$309,105	$550,000	$11.24	Eviction defense, legal advocacy, and legal representation for qualifying low-income tenants
Richmond	17,598	$275,000	-	$15.66	Eviction referrals and legal assistance for landlords and tenants

[1]Note: Legal cost per covered unit is based only on the rent stabilization program budget and excludes Berkeley's additional $550,000 in City Council funding for expanded eviction defense services.

Berkeley and Richmond illustrate two different approaches to providing legal services. Berkeley funds a comprehensive program that includes eviction defense, legal advocacy, and legal representation for qualifying low-income tenants through contracts with the Eviction Defense Center and East Bay Community Law Center. For FY 2025-26, Berkeley allocated approximately $859,105 for these services, funded through a combination of Rent Stabilization Board revenues (approximately $309,105) and City Council appropriations

($550,000). Richmond allocates $275,000 annually to legal services, including a $200,000 contract with the Eviction Defense Center and $75,000 for landlord and tenant legal assistance and referrals.

The proposed Ordinance in San Pablo would require the Program to make available on a contract basis, legal services for low-income residents related to presentation in evictions, petitions, hearings, and administrative appeals. Unlike right-to-counsel programs, which generally guarantee eligible tenants free legal representation in eviction proceedings, the proposed Ordinance does not prescribe the scope or level of legal services that must be provided. Similar to Berkeley and Richmond, the City may have flexibility to determine the specific services offered through contracted legal service providers, subject to available funding and policy direction.

The cost of implementing this provision would depend not only on the scope of legal services provided, but also on the volume and complexity of eviction proceedings, petitions, hearings, and administrative appeals requiring legal assistance. Berkeley and Richmond, the two jurisdictions with identified legal service funding, also reported among the highest annual petition volumes of the peer jurisdictions reviewed (see Table 15Table 11). While no causal relationship can be definitively established between legal service availability and petition activity, the comparison suggests that jurisdictions with more active petition programs may require greater legal service resources. Based on the peer jurisdictions, rent program-funded legal services range from approximately $11 to $16 per Covered Unit annually. Applied to San Pablo's estimated 7,189 Covered Units, this equates to approximately $80,000 to $115,000 annually for legal services funded through the Program. However, the City could allocate a higher budget based on the anticipated volume of petition activity and requests for legal services from eligible applicants. Berkeley's separate City Council appropriation demonstrates that jurisdictions may elect to provide additional legal services beyond those funded through the rent stabilization program.

From an administration perspective, implementing this provision would require the City to procure and oversee one or more legal service contracts, establish the scope of services and performance expectations, coordinate referrals, and monitor contract performance and expenditures. As demonstrated by the peer jurisdictions, legal services can be funded as part of the overall rent stabilization program budget. Therefore, the estimated costs associated with administering legal service contracts are assumed to be incorporated into the overall Program administration costs presented in Section 6 – Fiscal Impact Analysis and do not represent an additional cost outside of the estimated Program budget. To the extent the City elects to provide legal services similar to those funded through the rent stabilization programs in Berkeley or Richmond, the estimated legal services cost range presented above may be representative of the resources required to implement and oversee those services.

5.2.8 EXISTING TENANT PROTECTIONS

In March 2026, the City adopted Chapter 9.70 of the San Pablo Municipal Code, establishing local just-cause eviction protections. The chapter defines permissible at-fault and no-fault grounds for eviction, requires relocation assistance for no-fault evictions at levels exceeding State law, establishes notice requirements for termination of tenancy, imposes additional requirements for substantial remodel terminations, provides right of return and right of first refusal protections in certain circumstances, prohibits retaliation, and authorizes both tenant remedies and enforcement by the City Attorney.

The proposed Ordinance includes many provisions that are similar to or build upon the protections already established by Chapter 9.70. While some provisions would create new requirements, such as buyout regulations, Tenant Safety Plans, and expanded withdrawal-from-rental-market procedures, others would modify or supplement the City's existing just-cause eviction framework. As a result, implementation of the proposed Ordinance would require the City to evaluate how overlapping provisions would be administered and enforced, as well as whether additional education, outreach, or administrative procedures are necessary to ensure clear and consistent implementation.

5.2.9 ADMINISTRATIVE CONSIDERATIONS

The proposed Ordinance includes a broad range of eviction protections, procedural requirements, and tenant safeguards that would likely require substantial administrative oversight. The proposed framework establishes detailed requirements governing eviction notices, tenant eligibility for special protections, temporary displacement during renovations, relocation assistance, rental market withdrawals, and tenant buyout agreements. As a result, implementation would likely require dedicated staff resources, clear administrative procedures, and robust recordkeeping systems .

The level of administrative resources required would depend in part on whether the City chooses to take a proactive or primarily complaint-driven approach to enforcement. A proactive program may involve routine review of landlord filings, compliance monitoring, audits, and targeted outreach, while a more reactive approach would focus on responding to tenant complaints and reported violations.

Regardless of the enforcement model, the proposed Ordinance establishes several administrative responsibilities that would require ongoing staff involvement. For example, staff would be required to review Tenant Safety Plans within five working days of submission to determine whether proposed mitigation measures adequately address habitability concerns during renovation activities, including potential temporary relocation needs. The Ordinance's withdrawal-from-rental-market provisions would require the Program to receive withdrawal notices, maintain a registry of withdrawn units and associated rent levels, track compliance with re-rental restrictions, receive periodic follow-up reports regarding withdrawn units, record or process certain notices, and notify displaced tenants if withdrawn units are re-offered within specified timeframes. Similarly, buyout provisions would require the Program to receive copies of executed buyout agreements, maintain those agreements in separate confidential files, and collect and publish non-personally identifying information regarding buyout activity, including compensation paid and the neighborhood of the affected rental unit.

More broadly, the Program would be responsible for receiving and processing required landlord notices and filings, maintaining records related to eviction activity, issuing implementing regulations, providing information and assistance to landlords and tenants, procuring and administering legal services contracts, and monitoring compliance with the Ordinance's eviction protection provisions.

Because compliance with procedural requirements may be raised as an affirmative defense in eviction proceedings, accurate recordkeeping and timely processing of filings would be particularly important. Implementation would require ongoing education and outreach to ensure tenants and landlords understand the Ordinance's requirements and available protections. Depending on the volume of filings, complaints, and requests for assistance, implementation of these provisions could result in significant administrative workload and would require dedicated staffing, legal support, and investments in systems capable of tracking notices and filings.

5.3 REGISTRATION AND COMPLIANCE

Effective implementation of a rent stabilization program depends on establishing clear registration, reporting, and compliance procedures that enable the City to monitor Covered Units, enforce ordinance provisions, and address violations. Common tools include rental registration programs, annual registration fees, reporting requirements, and administrative enforcement mechanisms such as penalties and fines.

5.3.1 ANNUAL REGISTRATION AND FEE

Rental registries are a common administrative tool used to support rent stabilization programs. A rental registry serves as a centralized database that contains information about covered rental properties, ownership, and tenancy characteristics. The primary purpose of a rental registry is to provide jurisdictions with the information necessary to administer the program, monitor compliance, and communicate with landlords and tenants.

To support program administration, jurisdictions typically require landlords to register Covered Units and pay an annual registration fee. The registration fee is collected to cover costs associated with administering the program, including maintaining the registry, responding to inquiries, processing petitions, conducting outreach and education, and carrying out compliance and enforcement activities. Table 12 summarizes the rental registry requirements and annual registration fees among the sample jurisdictions at the time this study was prepared.

Table 12: Comparison of Rental Registry and Fee (2026)

Jurisdiction	Fee	Pass Through Fee	Penalties for Nonpayment
San Pablo (Proposed)	Controlled Rental Unit: $120/unit Partially Exempt: $84/unit	The proposed Ordinance does not address whether passing the fee through to tenants is authorized.	Tenant may withhold all or a portion of the Rent for the Rental Unit until such time as the Rental Housing Fee is paid or proper notice is filed Complete defense to an unlawful detainer

Jurisdiction	Fee	Pass Through Fee	Penalties for Nonpayment
Alameda	Fully Covered: $176/unit Partially Covered: $118/unit	50% pass through to tenants	Cannot increase rent 10% late penalty with additional 10% added each successive month up to 60%
Berkeley	Fully Covered: $344/unit Partially Covered: $212/unit	Not allowed unless approved by the Rent Board.	Cannot increase rent or evict tenant 100% penalty if not paid by the due date.
Hayward	Covered Rental Units: $66/unit Non-Covered Rental Units: $32/unit Mobilehome spaces: $5/space	50% pass through to tenants for Covered Rental Units	Late penalties may be imposed up to 50% of the original fee. Landlords who do not complete payment for fees imposed on covered rental units may not collect rent increases.
Richmond	Fully Covered: $267/unit Partially Covered & Subsidized Units: $151/unit	Not allowed	Late penalties ranging from 10% - 50% depending on length of time past-due Tenant may withhold all or a portion of the Rent for the Rental Unit until such time as the Rental Housing Fee is paid or proper notice is filed

Jurisdiction	Fee	Pass Through Fee	Penalties for Nonpayment
			Complete defense to an unlawful detainer
East Palo Alto	Fully Covered: $378/unit	Not allowed	Late penalties ranging from 15% - 100% depending on length of time past-due Cannot increase rent

Each of the five jurisdictions surveyed require landlords to register Covered Units on an annual basis. Most of the jurisdictions surveyed have implemented a rental registry to support this requirement. As of 2024, the City of East Palo Alto indicated that they maintain manual records and are in the process of establishing a rental registry, noting that manual recordkeeping creates a significant administrative burden and is not recommended where resources allow for a dedicated system. Similarly, the City of Hayward does not currently maintain a rental registry; however, City staff indicated that they are evaluating the potential implementation of a registry to streamline data collection. They estimate that doing so would require approximately 2.00 additional FTE staff to administer and maintain the system.

The proposed Ordinance does not specifically mandate the establishment of a rental registry. However, several provisions of the Ordinance suggest that the City may need to develop a centralized database to collect fees and maintain records. For instance, the proposed Ordinance requires the Program to:

- Maintain a register of all Rental Units withdrawn from rent or lease, along with the rent applicable to each unit at the time of withdrawal.
- Collect data from filed Buyout Agreements, including the compensation paid for the Buyout Agreement and the neighborhood of the affected Rental Unit, and make that data public without revealing personally identifying information.
- Collect and maintain a database of unlawful detainer filings and termination, rent increase, and change in terms notices received.
- Charge and collect the Rental Housing Fee, including penalties for late payments.

Each of the five jurisdictions also impose fees for registering residential rental properties, with fee amounts varying from $32 to $378 annually per unit. Some jurisdictions establish separate registration fees for Fully and Partially Covered Units and/or make certain units exempt from paying a registration fee, such as units with rent-subsidized tenants. Generally, a Fully Covered unit refers to rental units subject to both rent stabilization and just cause eviction protections, while Partially Covered Units are subject only to just cause eviction protections. Four of the five jurisdictions establish separate fees based on the level of regulatory coverage, recognizing that Partially Covered Units generally generate a lower, but still meaningful, level of administrative workload. Two of the jurisdictions allow landlords to pass through up to 50% of the registration fee to tenants as a rent surcharge prorated over 12 months to balance the interests of landlords and tenants since the program benefits both parties.

Table 13: Peer Jurisdiction Registration Fee Structure

Jurisdiction	Fully Covered Fee	Partially Covered Fee	Partial Fee as % of Full fee
San Pablo (Proposed)	$120	$84	70%
Alameda	$176	$118	67.0%
Berkeley	$344	$212	61.6%
Hayward	$66	$32	48.5%
Richmond	$267	$151	56.6%
East Palo Alto	$378	N/A	N/A
Peer Jurisdiction Average (excluding East Palo Alto)			58.4%

The proposed Ordinance requires an annual Rental Housing Fee to cover the costs to administer, enforce, and enact the Ordinance, which will be determined by the City Council after the Program provides a recommendation. Until the fee is established by the City Council, the Ordinance calls for a fee amount of $120 per Fully Covered Unit per year and $84 for Partially Covered Units, with no mention of an allowable pass-through cost to tenants.

The interim fee for Partially Covered units under the proposed Ordinance represents approximately 70% of the fee for Fully Covered Units, which is somewhat higher than the average weighting observed among the peer jurisdictions (58.4%). This difference may reflect the proposed Ordinance's broader administrative responsibilities associated with tenant protection provisions—including Tenant Safety Plans, buyout agreements, legal services, withdrawal-from-rental-market requirements, and extensive notice and recordkeeping obligations—which may generate administrative workload for Partially Covered Units in addition to Fully Covered Units.

For purposes of Section 6 – Fiscal Impact Analysis, the estimated fee scenarios assume a Partially Covered Unit fee equal to 70% of the Fully Covered Unit fee, consistent with the proposed Ordinance and generally aligned with the higher end of the fee differentials used by peer jurisdictions. A comprehensive fee study would ultimately be needed to establish the appropriate annual fees based on the Program's administrative responsibilities, anticipated workload, and actual implementation costs.

5.3.2 ADMINISTRATIVE PENALTIES AND FINES

To discourage noncompliance with the law, jurisdictions may grant authorities the power to impose punitive measures on landlords and their representatives in the event of violations. These measures, comprised of administrative fines and penalties, are managed by the department overseeing the program and are categorized as either civil or judicial penalties, with the latter involving court proceedings and often requiring legal representation. It is important to note that jurisdictions typically offer appeal mechanisms, allowing those issued citations or suspected of violations to contest the allegations and seek a fair resolution. Table 14 provides a summary of administrative penalties and fines in the Ordinance and comparison jurisdictions.

Table 14: Comparison of Administrative Penalties and Fines (2026)

Jurisdiction	Type(s) of Penalties	Remedies and Penalties
San Pablo (Proposed)	Civil action, injunctive relief, and City enforcement action	Damages for relocation assistance violations, wrongful eviction, excess rent, and harassment not less than three times actual damages; attorney's fees and costs; civil penalties of up to $5,000 for certain

		harassment violations; punitive damages where permitted by law
Alameda	Civil action, injunctive relief, infraction or misdemeanor, public nuisance designation.	Infraction fine up to $250 or misdemeanor fine up to $1,000 per violation and/or jail time up to six months; civil penalties may apply in City/People enforcement actions; rental unit businesses operating contrary to the ordinance may be deemed a public nuisance
Berkeley	Tenant may file suit for damages with the city Misdemeanor and/or jail time	Tenant may recover actual damages, plus up to $750 for certain excess-rent violations, or $750 or three times actual damages, whichever is greater Willful just cause violations may be punishable up to $500 and/or 90 days in jail for a first offense, and up to $1,000 and/or six months in jail for subsequent offenses.
Hayward	Civil action, tenant damages, administrative citation, infraction or misdemeanor.	Liable for tenant damages and attorneys' fees Liable for civil penalty that is the greater of $500 or three times the amount wrongfully accepted, whichever is greater $100 to $500 depending on number of offenses in a year. After three or more offenses, misdemeanor and fine of no more than $1,000 and/or six (6) months jail time
Richmond	Administrative complaint/hearing, civil action, and injunctive relief	Liable for excess rent, damages, attorney's fees, and civil penalties of up to three times the excess rent for willful violations; violations may be prosecuted as a misdemeanor

East Palo Alto	Civil action, injunctive relief, and City Attorney enforcement action	Liable for tenant damages and attorney's fees; up to $5,000 statutory damages for certain violations; misdemeanor penalties of up to $1,000 fine and/or jail time for willful violations

All five peer jurisdictions have some type of administrative hearing or direct citation, with maximum fines per violation ranging from $500 to $5,000. Some jurisdictions implement penalties and fines based on the existing administrative citation process set forth in the municipal code, while others adopt tailored fines for violations of the ordinance. These enforcement mechanisms provide jurisdictions with tools to address non-compliance outside of the court system and encourage adherence to ordinance requirements.

The proposed Ordinance includes robust remedies for non-compliance, including civil actions, injunctive relief, recovery of attorney's fees and costs, and enhanced damages for violations related to relocation assistance, wrongful eviction, excess rent, and tenant harassment. In many cases, landlords may be liable for damages of at least three times actual damages, with additional civil penalties and punitive damages available for certain violations.

5.3.3 ADMINISTRATIVE CONSIDERATIONS

Implementing a rental registry and annual registration fee would require the establishment of administrative systems to collect, maintain, and monitor information on covered rental units. Jurisdictions typically utilize a rental registry database to track property ownership, tenancy information, registration status, and fee payments. While registry administration may be performed in-house or contracted to a third-party vendor, City staff would still be responsible for oversight, quality control, and ensuring compliance with ordinance requirements.

Initial implementation would likely involve developing registration procedures, creating forms and guidance materials, establishing fee collection processes, and conducting outreach to landlords regarding registration requirements. Ongoing responsibilities would include maintaining accurate registry records, processing registrations and annual reviews, responding to tenant and landlord inquiries, monitoring compliance, and updating ownership and tenancy information as properties change over time. To achieve high registration compliance rates, staff may need to develop and implement enforcement procedures, such as issuing notices of non-compliance, investigating potential violations, and pursuing appropriate enforcement actions.

Implementation of these administrative functions would likely require coordination with other City departments, including Finance, Information Technology, and the City Attorney's Office. Finance staff may assist with fee collection and accounting processes, Information Technology staff may support database management and data security, and the City Attorney's Office may provide legal guidance related to enforcement actions and ordinance interpretation. Ultimately, the level of staffing and resources required would depend on the number and distribution of Fully and Partially Covered Units, the volume of petitions, complaints, and other program activity, compliance rates, and the City's desired level of program oversight and enforcement.

5.4 PETITIONS AND PETITION PROCESS

Petitions in rent stabilization programs provide a formal process through which landlords and tenants may request relief, seek adjustments, or resolve disputes. In programs that impose rent increase limits that are more restrictive than the limits set by State law, petitions are a required component of due process, ensuring that legal and procedural rights are upheld, conflicts are addressed fairly, and decisions are based on thorough evaluations of relevant factors.

Petition procedures vary by jurisdiction but may address issues such as fair return rent adjustments, passthroughs for capital improvements, reductions in housing services, claims of decreased housing quality, and other matters related to noncompliance. As a result, petition processes often represent one of the most administratively intensive components of a rent stabilization program, requiring staff review, hearing procedures, and a decision-making framework. Table 15 summarizes petition types and associated fees in the proposed Ordinance and the sample jurisdictions.

Table 15: Comparison of Petition Provisions

Jurisdiction	Annual Tenant Petitions[1]	Annual Landlord Petitions[1]	Separate Petition Fee	Party Conducting Hearing	Party Overseeing Appeals
San Pablo (Proposed)	N/A	N/A	None	Hearing Examiner	City Council
Alameda	18	3	None	Hearing Officer	Court of appropriate jurisdiction
Berkeley	100-130	0	Fees for certain petition types and appeals only	Hearing Examiner	Board
Hayward	~35/year	0	None	Rent Review Officer	Court of appropriate jurisdiction
Richmond	56	8	None	Hearing Examiner	Board
East Palo Alto	7	0	Yes – filing and hearing fees vary by petition type and number of units	Hearing Examiner	Board

[1] Hayward and Richmond petition counts reflect 2025 calendar year activity. Alameda, Berkeley, and East Palo Alto data was collected during RSG's 2024 survey of rent stabilization programs.

5.4.1 PETITION TYPES AND FEE

While petition types vary by jurisdiction, they generally fall into three categories: fair return petitions, tenant petitions, and capital improvement petitions. Some jurisdictions also provide additional petition types tailored to local policy objectives.

1. **Fair Return Petitions**
   A fair return petition allows a landlord to request a rent increase above the maximum allowable amount if the landlord believes the ordinance does not provide a constitutionally required fair return on their investment. Because landlords are entitled to

a fair return under the law, fair return petitions are a required component of rent stabilization programs. The proposed Ordinance allows landlords to petition for an upward adjustment of the maximum allowable rent and identifies several factors the Hearing Officer may consider, including changes in property taxes, utility costs, maintenance and operating costs, and the costs of qualifying capital improvements. All comparison jurisdictions similarly provide a process for landlords to seek a fair return adjustment.

2. **Tenant Petitions**
   Tenant petitions provide a mechanism for tenants to seek relief when they believe a landlord has violated the ordinance or reduced housing services. Common grounds for a tenant petition include rent increases in excess of the allowable amount, substantial reductions in housing services, or failure to maintain the rental unit. The proposed Ordinance permits tenants to petition for downward adjustments based on unlawful rent increases, decrease in housing services, substantial deterioration of a rental unit, or a landlord's failure to comply with housing, health, and safety requirements. All five comparison jurisdictions include tenant petition procedures.
3. **Capital Improvement Petitions**
   Capital improvement petitions allow landlords to request temporary rent increases to recover the costs of qualifying capital improvements that benefit tenants and extend the useful life or value of the property. Common examples include roof replacements, new windows, and building-wide exterior improvements. Four of the five jurisdictions surveyed allow landlords to seek capital improvement passthroughs through a petition process. The proposed Ordinance does not establish a separate capital improvement petition. Instead, the costs of qualifying capital improvements may be considered by the Hearing Examiner as one factor in determining whether a landlord is entitled to an upward adjustment through the fair return petition process.
4. **Other**
   Some jurisdictions have adopted additional petition types to address community-specific needs. Examples include petitions related to exempt status, occupancy status, or rent increases associated with additional occupants. The proposed Ordinance does not establish separate petition types for these matters.

Some jurisdictions charge petition-related filing fees to offset the administrative costs of reviewing petitions, conducting analyses, and administering hearings, while others appear to recover these costs through annual registration or program fees. For example, East Palo Alto has adopted a detailed fee schedule for both tenant and landlord petitions, with fees varying by petition type and the number of units involved. Berkeley charges fees only for certain petition-related filings and appeals. The proposed Ordinance does not appear to establish a separate petition filing or processing fee, meaning these costs would likely need to be recovered through the Rental Housing Fee, other program revenues, or City resources.

5.4.2 PETITION REVIEW AND HEARINGS

Petitions are submitted to provide a ruling or decision over disputed matters, which typically takes place during a hearing. Hearings are formal procedures where landlords and tenants present evidence and testimony before a hearing officer, board, or designated arbitrator. The party who files the petition bears the burden of proof of all relevant factors in the petition.

It can take several months from the time a petition is submitted to reach a decision from a hearing officer. The duration is attributed to the time needed to review the submitted petition and supporting documents, obtain any necessary additional documentation, provide noticing, schedule a hearing with both parties and/or their representatives, and if applicable, administer appeals of decisions. The general steps involved in the hearing process are as follows:

4. Landlord or tenant submits a petition
5. Staff reviews petition for completeness
6. Hearing is scheduled and notice of the hearing is provided to all parties
7. Petitioner and responding party gather and submit evidence
8. Hearing takes place
9. Petition authority makes a decision
10. Appeals process (if applicable)

Petition authority refers to a designated entity or governing body responsible for overseeing and managing the process of receiving, reviewing, and addressing petitions related to rent stabilization. Program staff, an elected or appointed board, a third-party hearing officer/examiner, or some combination of these typically serve the function of petition authorities. The primary role of a petition authority is to provide a formal ruling on submitted petitions regarding rent stabilization matters. The petition authority typically has the responsibility to review and evaluate each petition, ensuring they comply with the established guidelines and requirements, as well as to conduct hearings on contested matters and provide a determination on the petition. All five of the peer jurisdictions designate a hearing officer or examiner to make decisions on petitions, which is in alignment with the proposed Ordinance.

5.4.3 APPEALS

Appeals allow landlords and tenants to challenge a decision made through the petition process. While any decision may be appealed in a court, specific ordinances may permit an appeal to a hearing officer, board, or arbitrator. Conversely, in some cases, the local decision is final and any further appeal must be filed with a court of appropriate jurisdiction.

Among the five jurisdictions examined, three permit the appeal of a petition decision within their respective programs, with appeals heard by a rent board, commission, or similar decision-making body. These bodies are typically composed of representatives from various stakeholder groups, such as landlords, tenants, and at-large community members, and are supported by dedicated program staff. Establishing a board or commission can provide an additional level of review while reducing the City Council's direct involvement in individual petition matters.

The proposed Ordinance does not establish a rent board or commission. Instead, appeals of hearing examiner decisions would be heard by the City Council, which would have the authority to affirm, reverse, or modify the hearing examiner's decision. As a result, the City Council would assume responsibility for hearing appeals that are often delegated to an appointed rent board or commission in other jurisdictions. This approach would require staff to prepare appeal records and staff reports, coordinate public noticing and agenda scheduling, respond to Council inquiries, and present appeal matters for Council consideration.

5.4.4 ADMINISTRATIVE CONSIDERATIONS

The petition process is often one of the most administratively intensive components of a rent stabilization program, requiring staff support throughout the submission, review, hearing, decision-making, and appeals process. Prior to implementation, the City would need to develop petition forms, adopt rules and procedures governing petition processing and hearings, establish recordkeeping systems, and identify a qualified hearing officer to adjudicate petition matters. Hearing officers are often attorneys or other qualified professionals retained by contract to provide independent review and decision-making services.

Once operational, staff would be responsible for receiving and reviewing petitions, verifying required documentation, maintaining case files, responding to inquiries from landlords and tenants, and ensuring compliance with applicable filing requirements and deadlines. Depending on the petition type, staff may also be required to conduct preliminary analyses, gather additional information, coordinate with outside experts, and prepare materials for consideration by the hearing officer. Fair return petitions, in particular, may require specialized financial analysis and review of operating expenses, property income, and investment returns to evaluate the merits of a landlord's request.

Staff would also be responsible for administering the hearing process, including scheduling hearings, preparing and distributing notices, managing communications with all parties, making referrals to legal resources, and maintaining the administrative record. While some jurisdictions contract portions of petition review and analysis to third-party consultants, City staff typically remain responsible for overall oversight and coordination among all parties involved.

The proposed Ordinance further provides for appeals of hearing examiner decisions to the City Council. As a result, staff will be required to prepare appeal records, draft staff reports, coordinate public noticing and agenda scheduling, respond to Council inquiries, and present appeal matters for Council consideration.

In addition to petition administration, staff would likely dedicate substantial time to education and technical assistance, helping landlords and tenants understand petition requirements, evidentiary standards, filing procedures, and hearing processes. Ultimately, the staffing and resources required would depend on the number and complexity of petitions filed, the frequency of appeals, and the City's desired level of involvement in reviewing petitions, ensuring compliance with petition decisions, and pursuing enforcement actions when violations occur.

5.5 ENHANCED TENANT PROTECTIONS

In addition to traditional rent stabilization and just-cause eviction provisions, some jurisdictions incorporate enhanced tenant protections into their ordinances to promote housing stability, protect tenant rights, and establish standards governing landlord-tenant relationships. Common examples include utility billing requirements, tenant right-to-organize provisions and anti-harassment protections.

5.5.1 UTILITY TRANSFER PROVISIONS

The proposed Ordinance establishes requirements governing how landlords may charge tenants for utility services. Under the proposed Ordinance, landlords may charge tenants separately for utilities only when the utility service is individually metered and the utility account is established in the tenant's name at the inception of the tenancy. Consistent with California Civil Code Section 1954.201 et seq., landlords may also submeter utilities where authorized by State law. However, the proposed Ordinance expressly prohibits the use of Ratio Utility Billing Systems (“RUBS”), regardless of whether such billing practices would otherwise be permitted by the rental agreement.

Among the peer jurisdictions reviewed, all five were found to regulate utility billing practices in some form; however, the scope of regulation varies. Berkeley generally prohibits separate utility billing or RUBS-type arrangements unless utilities are included in the base rent, separately metered and placed in the tenant’s name, or otherwise authorized by Rent Board regulations. Alameda expressly recognizes RUBS or similar cost allocation systems, but regulates how utility charges may be unbundled or excluded from Maximum Allowable Rent. Hayward allows documented pro rata pass-throughs for increases in governmental utility service costs, while Richmond and East Palo Alto regulate utility charges by including certain utility payments or fees as rent and subjecting them to rent limits.

From an administration perspective, these provisions are not expected to create a significant ongoing administrative workload because they generally do not require routine filings, formal Program review or approval, or ongoing compliance monitoring. However, the provisions may result in additional tenant inquiries, complaints, or petitions regarding landlord compliance or disputes over allowable utility charges. As a result, staff may need to provide guidance to landlords and tenants and address utility-related issues through the Program's petition and enforcement processes.

5.5.2 RIGHT TO ORGANIZE

Tenant organizing provisions intend to protect the ability of tenants to collectively address housing-related concerns, share information, advocate for their interests, and engage with landlords regarding issues affecting their tenancy. Such provisions may include protections against interference with organizing activities, recognition of tenant associations, and procedures for communication between landlords and organized tenant groups.

The proposed Ordinance includes a comprehensive set of tenant organizing protections. These provisions prohibit landlords from preventing or interfering with tenants' use of common areas for organizing activities and allow tenants to establish a tenant association by petition signed by tenants representant at least 50% of the occupied rental units on a property. The Ordinance may also require landlords and tenant associations to confer in good faith regarding housing services, rental conditions, landlord-tenant relations, rent increases, and other issues of common interest or concern. In addition, the Ordinance recognizes tenant's right to representation by prohibiting landlords from preventing tenant association representatives from attending meetings or conversations between landlords and one or more tenants.

The proposed Ordinance also maintains provisions for landlord engagement. Upon written request of a tenant association, a landlord or landlord representative would be required to attend at least one tenant association meeting per calendar quarter, and remain in attendance until all agenda items are completed, with provisions regarding meeting length.

5.5.3 ANTI-HARASSMENT / RETALIATION PROVISIONS

Anti-harassment and retaliation protections refer to provisions that prevent landlords from engaging in harassing and retaliatory behaviors towards tenants. California State law includes a number of anti-harassment and retaliation provisions, most notably Civil Code Section 1942.5, which prohibits a landlord from raising rent, reducing housing services, forcing a tenant to move out involuntarily, or attempting to evict a tenant because the tenant has exercised any legal rights, such as raising habitability concerns or being involved in a tenants' rights organization.[17] However, some jurisdictions implement additional provisions that protect a tenant's right to quiet enjoyment of the premises.

All five sample jurisdictions include provisions regarding harassment and/or retaliation at varying levels of detail. The proposed Ordinance takes a comprehensive approach to regulating harassment by prohibiting landlords, as well as their agents, from engaging in specified conduct in bad faith. For purposes of the Ordinance, "bad faith" includes willful, reckless, or grossly negligent conduct, as well as conduct undertaken in disregard of legal requirements or with indifference to tenants' rights or impacts on tenants. The Ordinance details 28 specific acts that constitute bad faith, while also providing for the creation of regulations to further define and guide the identification of bad faith conduct. Finally, the Ordinance also authorizes the Program to adopt regulations to guide determinations of bad faith conduct, and to augment, but not eliminate, reduce, or weaken the list of prohibited acts.

5.5.4 EXISTING TENANT PROTECTIONS

In March 2026, the City adopted Chapter 9.80 of the San Pablo Municipal Code, establishing Housing Stability and Anti-Harassment Protections for tenants. The ordinance prohibits a range of harassing and retaliatory conduct by housing providers, including intimidation, unlawful entry, failure to provide required housing services, utility shutoffs, lockouts, and other actions intended to cause a tenant to vacate a rental unit or waive legal rights. The ordinance also provides tenants with the ability to seek injunctive relief, damages, attorney's fees, and other remedies, and authorizes enforcement by the City Attorney. Chapter 9.80 was adopted without the creation of additional staffing resources and relies in part on partnerships with community organizations to provide tenant education, mediation, and referral services.

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[17] California State law also provides additional tenant protections, including but not limited to, outlining only specific reasons a landlord may enter a dwelling unit, establishing the requirement for landlords to provide reasonable notice in writing of the intent to enter the dwelling unit, preventing the interruption or termination of utility services, prohibiting landlords from preventing the tenant to gain reasonable access to the property, and preventing landlords from removing tenant personal property without prior written consent (Source: CA Civil Code Sections 789.3, 1940.2, and 1954).

The proposed Ordinance includes several protections that are similar to or expand upon those already established by Chapter 9.80. As a result, some provisions may overlap with existing local law. While the City's current anti-harassment framework does not require a dedicated administrative program, implementation of the proposed Ordinance may involve additional administrative responsibilities depending on the City's desired level of oversight, compliance monitoring, and enforcement. The City will also need to consider how overlapping provisions would be administered to ensure consistency and avoid duplicative processes.

5.5.5 ADMINISTRATIVE CONSIDERATIONS

The administrative implications of enhanced tenant protections, such as tenant organizing rights, anti-harassment provisions, and limits on utility transfers, depend largely on the City's desired level of involvement in education, complaint response, and enforcement. Unlike a rental registry or petition process, these provisions do not necessarily require the establishment of a dedicated administrative program. A more limited approach may focus on public education, referrals to community-based organizations, and responding to inquiries from landlords and tenants regarding their rights and responsibilities under the Ordinance.

If the City elects to take a more active role, staff responsibilities could expand to include developing complaint intake procedures, maintaining records of complaints, conducting preliminary reviews of alleged violations, coordinating with legal counsel, and monitoring compliance with ordinance requirements. Staff may also be responsible for providing technical assistance, facilitating communication between landlords and tenants, and identifying patterns of complaints that may warrant additional outreach or enforcement efforts.

The City's recently adopted Housing Stability and Anti-Harassment Ordinance was implemented without the creation of dedicated staffing resources and relies in part on partnerships with community organizations to provide education, mediation, and referral services. A similar approach could be utilized for enhanced tenant protections under the proposed Ordinance. However, a more proactive enforcement model may require additional staff resources to support complaint management, investigations, documentation, and coordination with the City Attorney's Office or other enforcement entities.

Ultimately, the staffing and resources required would depend on the volume of complaints received and the extent to which the City chooses to actively monitor, investigate, and enforce compliance with these provisions.

5.6 COVERAGE AND EXEMPTIONS

The scope of coverage and the exemptions included in a rent stabilization program influence both the number of units subject to regulation and the administrative complexity of implementation. Jurisdictions often exempt certain housing types based on State law requirements or local priorities. Some exemptions are full exemptions, meaning the units are not subject to any provisions of the ordinance. Other exemptions are partial exemptions, where units are exempt from rent stabilization requirements but remain subject to certain tenant protections, such as just-cause eviction requirements, relocation assistance, or anti-harassment provisions.

Table 16 summarizes the categories of housing that are fully exempt, partially exempt, or covered under the proposed Ordinance.

Table 16: Proposed Coverage and Exemptions

Category	Treatment Under Proposed Ordinance
Hotels, motels, and inns rented primarily to transient guests for fewer than 30 days	Fully exempt
Hospitals, convents, monasteries, extended medical care facilities, nonprofit homes for the aged, and qualifying dormitories owned and operated by accredited institutions of higher education	Fully exempt
Owner-occupied units where the landlord shares a bathroom or kitchen with the tenant	Fully exempt
Units exempt under the Costa-Hawkins Rental Housing Act	Exempt from rent stabilization provisions only
Housing issued a certificate of occupancy within the previous 10 years if Costa-Hawkins is repealed or amended	Exempt from rent stabilization provisions only

Category	Treatment Under Proposed Ordinance
Certain government-owned housing where required by federal or State law	Exempt from rent stabilization provisions only

5.6.1 MOBILEHOME SPACES

A notable feature of the proposed Ordinance is its broad definition of a rental unit, which includes rented mobilehomes, mobilehome park spaces or pads, and trailers and trailer spaces. As a result, the Ordinance would extend coverage to both residents who rent a mobilehome and residents who rent a space within a mobilehome park.

Among the jurisdictions surveyed, one jurisdiction similarly includes mobilehomes within its rent stabilization program. Other jurisdictions may regulate mobilehomes through separate ordinances, or not at all. By expressly including mobilehomes, mobilehome park spaces, and trailer spaces, the proposed Ordinance would increase the number of units subject to the Ordinance and expand the population eligible for its protections. As discussed in Section 1.2 – Estimated Units Subject to the Proposed Ordinance, the City is estimated to contain 391 mobilehome spaces, all of which are assumed to be Covered Units.

Implementation will require consideration of how the Ordinance interacts with the California Mobilehome Residency Law (Civil Code Section 798 et seq.), which establishes separate requirements governing rent increases, tenancy rights, park management practices, eviction procedures, and park closures. As a result, administration of the Ordinance will require additional legal review, staff training, and coordination to ensure local requirements are implemented consistently with applicable State law.

5.6.2 DEED-RESTRICTED AFFORDABLE HOUSING AND SECTION 8-ASSISTED UNITS

Under the proposed Ordinance, deed-restricted affordable housing units or units receiving Section 8 rental assistance would generally be subject to both the rent stabilization and tenant protection provisions unless otherwise exempted by federal or State law.

Among the jurisdictions surveyed, the proposed Ordinance is unique in its treatment of deed-restricted affordable housing. All comparison jurisdictions exempt deed-restricted affordable housing from rent stabilization requirements, although some continue to apply just-cause eviction protections to these units. Similarly, all comparison jurisdictions exempt

Section 8-assisted units from rent stabilization requirements, while several continue to apply tenant protection provisions such as just-cause eviction requirements.

Many deed-restricted affordable housing developments and Section 8-assisted units are already subject to affordability covenants, regulatory agreements, funding requirements, or federal regulations that govern rents, occupancy, and property operations. As a result, these units may already be subject to additional regulatory requirements beyond those applicable to market-rate housing. The inclusion of these units within the rent stabilization framework may therefore require careful consideration of how the Ordinance would interact with existing contractual obligations and regulatory requirements, including potential legal and administrative questions regarding the application of local rent stabilization requirements to units already governed by separate affordability or assistance programs. Property owners and affordable housing administrators may require additional guidance regarding compliance and implementation.

By extending rent stabilization requirements to deed-restricted affordable housing and Section 8-assisted units that are not otherwise exempt under State law, the proposed Ordinance would apply a broader scope of regulation than the peer jurisdictions reviewed. While this approach would expand coverage under the Ordinance, it would also require additional policy and legal consideration regarding the interaction between local rent stabilization requirements and existing affordability covenants, regulatory agreements, and federal housing assistance programs.

6 FISCAL IMPACT ANALYSIS

To estimate the staffing and financial resources required to implement and administer the proposed Ordinance, RSG conducted a fiscal impact analysis based on the methodology and assumptions described in this section. The estimates presented provide an assessment of potential program costs and staffing needs.

RSG's experience extends beyond preparing fiscal impact analyses for ballot initiative reports. We have assisted numerous jurisdictions with implementation planning, staffing work plans, program startup, and ongoing administration of rent stabilization and tenant protection programs. Our staff have supported jurisdictions in developing administrative regulations, establishing rental registries, assessing program fees, training staff and boards/commissions, administering petitions and hearings, providing customer service, and managing day-to-day program operations. This direct implementation and administration experience provides practical insight into the staffing, workload, and operating costs associated with launching and maintaining these programs.

To develop cost estimates for the City of San Pablo, RSG reviewed the number of Covered Units, staffing levels, and annual operating budgets of nearby jurisdictions with established rent stabilization programs. Peer jurisdiction staffing and budget information provides a useful benchmark for estimating the resources that may be required to administer a program in San Pablo.

Program costs are influenced by a variety of factors, including the number of Covered Units and the City's approach to implementing, administering, and enforcing the Program. To reflect these variables, this analysis presents a range of staffing and budget scenarios. The scenarios evaluate different assumptions regarding program coverage under current law and a hypothetical repeal of Costa-Hawkins, as well as low-, average-, and high-cost estimates derived from comparable rent stabilization programs.

Should the proposed Initiative pass, RSG presumes, as is standard practice, that the City would establish an appropriate fee structure through a comprehensive fee study to recover the reasonable and necessary costs of Program implementation and administration. While this report provides preliminary planning-level cost estimates, the fee study would establish the actual annual fees based on the City's final implementation decisions, staffing and operating costs, and the verified number of Fully Covered and Partially Covered Units.

6.1 PEER JURISDICTION STAFFING AND COST BENCHMARKS

Table 17 summarizes staffing levels, annual operating budgets, and cost-per-unit metrics for four of the five local peer jurisdictions reviewed. RSG excluded Hayward from the benchmark averages because its rent stabilization program contains fewer administratively intensive provisions than the proposed Ordinance and, based on discussions with City staff, is administered primarily on a reactive, complaint-driven basis. As a result, Hayward's staffing and budget levels are not considered representative of the administrative resources likely required to implement the proposed Ordinance.

Across the remaining peer jurisdictions, annual program costs average approximately $259.28 per covered unit, with staffing levels averaging approximately 0.00081 FTE per covered unit.

Table 17: Peer Jurisdiction Program Costs and Staffing

Jurisdiction	Covered Units	Annual Budget (2025-26)	FTE	Cost per Unit	FTE per Unit
Alameda	16,494	$2,484,082	7.5	$150.61	0.00045
Richmond	17,598	$3,594,258	15	$204.24	0.00085
Berkeley	27,500	$9,017,005	29	$327.89	0.00110
East Palo Alto	2,300	$815,055	2.0	$354.37	0.00087
Average	–	–	–	$259.28	0.00081

Source: Covered unit counts, budgets, and staffing levels are based on the most recent available annual reports, budgets, program documents, and information provided by jurisdiction staff. Note 2026-27 budgets were not available for all peer jurisdictions at the time this report was prepared.

Peer jurisdictions demonstrate meaningful variation in administrative costs, ranging from $150.61 per covered unit (Alameda) to $354.37 per covered unit (East Palo Alto). This range may reflect differences in program design, staffing models, service levels, and the number of Covered Units over which administrative costs are distributed.

Table 18 presents low-, average-, and high-cost scenarios based on the peer jurisdictions. The low-cost scenario reflects Alameda's program, the average scenario reflects the average of the peer jurisdictions (excluding Hayward), and the high-cost scenario reflects Berkeley's more administratively intensive program. These scenarios are intended to demonstrate the potential range of staffing and budget needs depending on the City's level of program administration.

Table 18: Peer Jurisdiction Administrative Cost and Staffing Scenarios

Scenario	Comparison Jurisdiction	Cost per Unit	FTE per Unit
Low	Alameda	$150.61	0.00045
Average	Peer Average	$259.28	0.00081
High	Berkeley	$327.89	0.00110

Although East Palo Alto has one of the highest costs per covered unit among the peer jurisdictions, its program serves one of the smallest regulated rental markets in the sample. As a result, baseline administrative costs are allocated across a relatively small number of Covered Units, increasing the per-unit cost. Accordingly, Berkeley was selected as the high-range scenario because it reflects a more comprehensive administrative program with service levels and responsibilities that are more comparable to the proposed Ordinance.

The administrative cost scenarios were then applied to San Pablo under two program coverage assumptions: (1) current law, under which the proposed Ordinance would apply to an estimated 3,110 Partially Covered Units and 4,079 Fully Covered Units (7,189 total Covered Units) and (2) a hypothetical Costa-Hawkins repeal scenario, under which the distribution of Covered Units would change to an estimated 494 Partially Covered Units and 6,695 Fully Covered Units (7,189 total Covered Units), as shown in Table 2. These estimates are based on available data and are intended to support the preliminary fiscal analysis presented in this report. The actual number of Covered Units, including the distribution of Fully and Partially Covered Units, would be determined during implementation through the rental registry, verification of property characteristics and County Assessor data, and review of applicable exemptions.

The resulting staffing and budget scenarios for San Pablo are presented in

Table 19.

Table 19: Estimated Staffing and Administrative Costs for San Pablo

Coverage Scenario	Est. Covered Units	Low FTE	Low Cost	Avg. FTE	Avg. Cost	High FTE	High Cost
Current Law	7,189	3.2	$1,082,735	5.8	$1,863,964	7.9	$2,357,201

Based on the peer jurisdictions reviewed, **the estimated administrative resources required to implement the proposed Ordinance are expected to range from approximately 3.2 to 7.9 full-time equivalent (FTE) employees and $1.08 to $2.36 million annually under the current legal framework.** Because the proposed Ordinance in San Pablo includes additional tenant protections and administrative requirements beyond those of many peer jurisdictions, the City is likely experience administrative costs toward the higher end of the estimated range. Actual staffing and budget needs, however, will depend on implementation decisions, petition volume, compliance activity, customer service demand, and the level of enforcement undertaken by the City.

To recover these administrative costs through an annual registration fee, this analysis assumes that Fully Covered Units would pay the full annual administrative fee, while Partially Covered Units would pay 70% of the Fully Covered Unit fee to reflect the reduced administrative workload associated with those units (see Table 13 for partial fee weight). As a result, the annual fee for Fully Covered Units is calculated using a weighted unit methodology that accounts for the discounted fee paid by Partially Covered Units, rather than by simply dividing total program costs by the total number of Covered Units.

Table 20: Illustrative Annual Administrative Fee Allocation – Current Law Scenario

Unit Type	Units	Weight	Weighted Units	Method	Low Fee	Avg. Fee	High Fee
Fully Covered	4,079	100%	4,079	Total Program Cost ÷ Total Weighted Units	$173	$298	$377
Partially Covered	3,110	70%	2,177	Fully Covered Fee × 70%	$121	$209	$264
Total Estimated Program Cost (Table 19)					$1,082,735	$1,863,964	$2,357,201

Note: Fully Covered Unit fees are calculated by dividing the estimated annual program cost by the total weighted units. Under the average-cost scenario, the estimated annual program cost of $1,863,964 is divided by 6,256 weighted units (4,079 Fully Covered Units + 2,177 weighted Partially Covered Units), resulting in an estimated annual fee of $297.95 ($298, rounded) per Fully Covered Unit. The Partially Covered Unit fee is then calculated as 70% of the unrounded Fully Covered Unit fee, resulting in an estimated annual fee of $208.56 ($209, rounded) per unit. Fees shown in this table are rounded to the nearest dollar for illustrative purposes; underlying calculations use unrounded values and therefore may not sum exactly to the total estimated program cost.

Under the hypothetical Costa-Hawkins repeal scenario, an estimated 2,616 units would shift from Partially Covered to Fully Covered status (see Table 2). Because these units would no longer pay a reduced fee, the estimated fiscal impact can be calculated by multiplying the difference between the estimated Fully Covered and Partially Covered fees by the number of units that would change coverage type.

Table 21: Illustrative Fiscal Impact of a Hypothetical Costa-Hawkins Repeal

Scenario	Fee Differential	Units Changing Coverage	Additional Annual Revenue	Est. Costa Hawkins Repeal Program Cost
Low	$52	2,616	$136,032	$1,218,767
Average	$89	2,616	$232,824	$2,096,788
High	$113	2,616	$295,608	$2,652,809

Note: The estimated Costa-Hawkins repeal program cost is calculated by adding the estimated additional administrative cost associated with units shifting from Partially Covered to Fully Covered status to the estimated annual program cost under the current law scenario. The additional administrative cost is calculated by multiplying the difference between the rounded Fully Covered and Partially Covered annual fees shown in Table 20 by the estimated 2,616 units that would change coverage (see Table 2). The resulting additional annual fee revenue is then added to the estimated annual program cost shown in Table 19 to estimate the annual program cost under the hypothetical Costa-Hawkins repeal scenario.

If Costa-Hawkins were repealed, the Program could cost approximately $1.22 million to $2.65 million annually. Under this scenario, program costs are projected to increase to reflect the greater administrative responsibilities associated with a larger number of Fully Covered Units, including increased registration, compliance, petition processing, and program administration. Should Costa-Hawkins be repealed, the City should reassess staffing requirements, administrative workload, and program costs at that time based on the revised number of Fully Covered and Partially Covered Units, actual program experience, petition volume, and operational needs.

The fiscal analysis presented above provides illustrative staffing and budget estimates based on the proposed Ordinance and peer jurisdiction benchmarks. The actual resources needed to administer the Program may vary depending on several factors. The following sections discuss key considerations that may influence administrative workload and program costs, including (1) the number of Covered Rental Units, (2) the scope of regulatory oversight, and (3) staffing capacity and operational efficiency.

6.1.1 NUMBER OF COVERED RENTAL UNITS

The number and composition of Covered Units play a critical role in determining the budget and staffing needs of a rent stabilization program. As the number of Covered Units increases, jurisdictions typically experience greater demand for registration processing, compliance monitoring, petition administration, data management, customer service, and enforcement activities. Consequently, larger rental markets often require additional staffing and operating resources to effectively administer the program.

The relationship between Covered Units and program costs is not always linear. While larger jurisdictions generally require greater overall staffing and budgets, some smaller jurisdictions may have higher costs on a per-unit basis due to fixed administrative expenses that must be incurred regardless of program size. For example, East Palo Alto has one of the smallest numbers of Covered Units among the jurisdictions reviewed but also has one of the highest costs per Covered Unit. This suggests that certain baseline administrative functions are necessary regardless of the number of units covered by the program.

In addition to the total number of covered rental units, the proportion of Fully Covered and Partially Covered Units may also influence administrative workload and future program revenues. Fully Covered Units are generally subject to more comprehensive regulatory requirements and may require a greater level of ongoing program administration than Partially Covered Units. If the City elects to establish different annual fees for each category, the proportion of Fully and Partially Covered Units will also affect future fee calculations and cost recovery.

Prior to implementation, the precise number and classification of Covered Units cannot be determined with certainty and therefore must be estimated using the best available information (e.g. County Assessor records, business tax license records). Following implementation of the rental registry, the City would have more complete and accurate information regarding the number and classification of Covered Units, which could be used to refine future fee calculations and updates.

6.1.2 SCOPE OF REGULATORY OVERSIGHT

The scope of regulatory oversight established by an ordinance, together with the City's approach to implementing those responsibilities, can significantly influence staffing and budget requirements. Programs with more extensive registration, compliance monitoring, petition administration, hearing support, outreach, customer assistance, and enforcement responsibilities generally require greater administrative resources than programs with more limited responsibilities. The level of service the City chooses to provide in each of these areas will ultimately influence overall program costs and staffing needs.

6.1.3 EXISTING ADMINISTRATIVE CAPACITY AND EFFICIENCY

When determining the staffing needs and budget for a rent stabilization program, the existing staffing framework and efficiencies within the local jurisdiction are crucial factors to consider. Because the City does not currently administer a rent stabilization program, additional staffing or reassignment of existing personnel would likely be necessary to support implementation and ongoing program administration.

Administrative efficiency can also influence staffing requirements. Jurisdictions that utilize automated systems for registration, fee collection, complaint tracking, case management, and recordkeeping may be able to reduce the staff time devoted to routine administrative tasks. Conversely, jurisdictions that rely on more manual processes may require additional staff resources to administer similar program functions.

For example, staff from East Palo Alto indicated that many program functions, including annual registration, complaint and inquiry tracking, and fee collection, are performed manually. Staff noted that these processes consume a significant amount of administrative time and that greater automation could improve efficiency and allow staff to focus on other program responsibilities. This example illustrates how administrative systems and technology investments can influence staffing needs and overall program costs.

As part of implementation, the City may wish to evaluate opportunities to streamline administrative processes through software solutions, online registration platforms, and automated tracking systems to improve efficiency and maximize available staff resource.

6.2 PROPOSED ORDINANCE STAFFING AND COST ESTIMATE

The preceding analysis established a range of potential staffing and budget scenarios informed by comparable rent stabilization programs and the requirements of San Pablo's proposed Ordinance. Although the proposed Ordinance includes additional tenant protections and administrative responsibilities that may increase staffing and budget needs, actual costs will ultimately depend on implementation decisions and program demand.

Accordingly, the following sections present an illustrative staffing and budget allocation based on the peer jurisdiction average of 5.8 full-time equivalent (FTE) employees and an annual operating budget of approximately $1.86 million under current law.

6.2.1 ESTIMATED STAFFING PLAN

To develop a planning-level cost estimate, RSG identified existing City position classifications that align with the functions typically performed by rent stabilization program staff.

Potential responsibilities include:

- Rent Stabilization Manager (1.0 FTE): Oversees program operations, policy implementation, compliance activities, contract management, budget administration, and coordination with the City Attorney's Office and other City departments.
- Management Analyst (3 FTE): Supports rental registration and compliance monitoring, petition administration, fee administration, data analysis, preparation of reports, public outreach and education, implementation of ordinance provisions, and coordination with landlords and tenants.
- Administrative Support Staff (1.8 FTE): Assists with customer service, registration processing, recordkeeping, hearing and meeting coordination, public noticing requirements, scheduling, and general program administration.

These assumptions are intended for illustrative planning purposes and do not constitute a recommendation regarding the City's ultimate organizational structure. Depending on the City's implementation approach, these functions may be performed by City staff, contracted service providers, or a combination of both.

Table 23 further details the staffing allocation and associated personnel costs based on the estimated staffing resources required to administer the proposed Ordinance.

6.2.2 START-UP AND ONGOING PROGRAM COSTS

Implementing a rent stabilization program requires both one-time start-up investments and ongoing operating expenditures. While ongoing costs typically represent the largest share of program expenses over time, start-up activities are necessary to establish the administrative infrastructure required to support program implementation and compliance. Table 22 summarizes common cost categories associated with each phase of implementation and provides context for the staffing and cost estimates presented in Table 23.

Table 22: Examples of Start-Up and Ongoing Program Costs

Cost Category	Start-Up Costs	Ongoing Costs
Staffing	Recruitment and onboarding of program staff	Salaries, benefits, training, and professional development
Rental Registry	Development or procurement of registry software and databases	Registry maintenance, software licensing, annual registration
Program Development	Drafting forms, procedures, regulations, and program materials	Periodic updates to forms, policies, and procedures
Technology	Hardware, software setup, website development, and IT configuration	Software subscriptions, hosting, cybersecurity, and system maintenance
Public Outreach and Education	Initial outreach campaign, educational materials, community meetings, and translation of materials	Ongoing outreach, workshops, educational updates, and translation services
Professional Services	Legal review, implementation consulting, and technical assistance	Hearing officers, legal services, consultants, and specialized technical support
Compliance and Enforcement	Development of compliance tracking systems and enforcement procedures	Complaint investigation, compliance monitoring, enforcement actions, and case management
Petitions and Hearings	Establishment of hearing procedures and petition processes	Petition review, hearing administration, appeals, and recordkeeping
Office and Administrative Support	Office equipment, supplies, furniture, and workspace setup	Routine office supplies, printing, mailing, and administrative support

ILLUSTRATIVE ANNUAL PROGRAM BUDGET

The budget allocation presented in Table 23 illustrates one potential approach to allocating the estimated 5.8 full-time equivalent (FTE) employees and $1.86 million average-range annual operating budget identified in this analysis. The estimates are based on common expenditure categories observed among peer jurisdictions, staffing classifications currently utilized by the City of San Pablo, and RSG's professional experience with rent stabilization and tenant protection programs. As such, the table is an illustrative planning tool rather than a definitive operating budget.

Table 23: Illustrative Annual Program Cost Estimate (Based on High-Range Scenario)

Category	Estimated Annual Cost	Assumptions
Personnel Costs		
Rent Stabilization Manager (1 FTE)	$187,385	Community Services Manager position with Step C classification and 35% benefit allocation as indicated on City's Salary Schedule (FY 2026-27).
Management Analyst (1 FTE)	$158,355	Management Analyst position (confidential employee criteria) with Step C classification and 35% benefit allocation as indicated on City's Salary Schedule (FY 2026-27).
Management Analyst (1 FTE)	$158,355	Same as above.
Management Analyst (1 FTE)	$158,355	Same as above.
Administrative Clerk (1.8 FTE)	$153,906	Administrative Clerk I position with Step C classification and 35% benefit allocation as indicated on City's Salary Schedule (FY 2026-27) x 1.8.
Personnel Subtotal	$816,356	
City Support Services[1]		

Category	Estimated Annual Cost	Assumptions
City Attorney	$100,683	Assumes 0.25 FTE of City Attorney position staff time at Step E hourly classification as indicated on City's Salary Schedule (FY 2026-27).
Finance / HR/ IT Overhead	$107,746	Assumes 0.75 FTE of Accountant position staff time at Step C classification and 35% benefits allocation as indicated on City's Salary Schedule (FY 2026-27).
City Support Subtotal	$208,429	
Professional Services		
Rental Registry and Software Platform	$215,670	Based on 3Di quote of $30/unit annually obtained May 2026. Actual cost will vary based on unit volume, scope of services, degree of customization and automation, and the chosen management firm (e.g. 3di, Tolemi, etc.).
Hearing Officer Services	$100,000	Based on San Pablo's current hearing officer rate of $250 per hour assuming 400 billable hours per year; note staff expects a new hearing offer contract that result in increased rates between $300 - $375 per hour. Actual costs will vary depending on the number and type of petitions received.
Legal Aid Services	$112,580	Based on the high-end per Covered Unit cost for legal aid services identified in Table 11($15.66 per Covered Unit annually, Richmond). Actual funding needs may vary based on petition volume, tenant demand for legal services, and implementation decisions.
Consulting and Technical Support	$250,000	Estimate assumes consultant support for program implementation, public outreach and education, petition review, and specialized technical assistance as needed to supplement City staff capacity and workload demands.

Category	Estimated Annual Cost	Assumptions
Translation Services	$14,900	Based on the average per Covered Unit translation and interpretation costs identified in the City of Alameda Fee Study Update (FY 2020–21) and the Richmond Rent Program Budget (FY 2025–26). The average per-unit cost was applied to San Pablo's estimated Covered Units and rounded to the nearest hundred.
Professional Services Subtotal	$693,150	
Program Operations		
Office Supplies / Equipment	$11,800	Based on the average per Covered Unit office supply/equipment costs identified in the City of Alameda Fee Study Update (FY 2020–21), the Richmond Rent Program Budget (FY 2025–26), and the Berkeley Rent Stabilization Program Budget (FY 2025–26). The average per-unit cost was applied to San Pablo's estimated Covered Units and rounded to the nearest hundred.
Outreach / Mail Services	$28,100	Based on the average per Covered Unit outreach and mail service costs identified in the City of Alameda Fee Study Update (FY 2020–21), the Richmond Rent Program Budget (FY 2025–26), and the Berkeley Rent Stabilization Program Budget (FY 2025–26). The average per-unit cost was applied to San Pablo's estimated Covered Units and rounded to the nearest hundred.
Phone/Fax/Internet	$2,400	Based on the average per Covered Unit phone, fax, and telecommunications costs identified in the City of Alameda Fee Study Update (FY 2020–21), the Richmond Rent Program Budget (FY 2025–26), and the Berkeley Rent Stabilization Program Budget (FY 2025–26). The average per-unit cost was applied to San Pablo's estimated Covered Units and rounded to the nearest hundred.

Category	Estimated Annual Cost	Assumptions
Program Operations Subtotal	$42,300	
Contingency for variable workload	$100,000	Additional petitions, hearings, complaints, or legal support
Total	**$1,860,235**	

[1] Salary classifications were used to estimate the value of staff time that may be allocated from existing City departments to support program administration

6.2.3 PROGRAM FUNDING CONSIDERATIONS

The estimates presented in this report provide a planning-level assessment of the resources that may be required to administer the proposed Ordinance. Should the proposed Initiative pass, a comprehensive fee study would be necessary to evaluate actual program costs, determine an appropriate fee structure, and ensure that revenues are sufficient to support ongoing program administration. Such a study may also evaluate mechanisms for periodically adjusting fees to reflect changes in staffing, operating costs, workload, and service demands over time.

6.2.4 PROGRAM IMPLEMENTATION CASE STUDY – CITY OF CONCORD

Although the City of Concord is not one of the peer jurisdictions analyzed throughout this report, its experience provides a useful implementation case study. Concord adopted an amended Residential Tenant Protection Program that became effective on April 19, 2024, making it one of the more recent California jurisdictions to implement a comprehensive rent stabilization and tenant protection program. As a result, Concord city staff provide valuable practical insight into the administrative challenges and lessons learned during the initial phases of implementation.

6.2.4.1 EARLY IMPLEMENTATION EXPERIENCE

Concord staff indicated that the first year of implementation required substantially more staff time than initially anticipated. Much of the early workload was associated with establishing the rental registry, processing registrations, educating landlords and tenants, responding to inquiries, refining administrative procedures, and making adjustments to software and registration systems. Staff noted that while workload is expected to stabilize over time, jurisdictions should anticipate significant front-end administrative demands and consider staffing above long-term operational levels during the initial implementation period.

The City also emphasized the importance of community education and outreach. Staff indicated that providing clear guidance to landlords and tenants early in the implementation process will help improve compliance and reduce confusion regarding new program requirements. To manage periods of high demand, Concord supplemented City staffing by contracting with ECHO Housing to provide program support.

6.2.4.2 ADMINISTRATIVE INSIGHTS

Several aspects of Concord's implementation experience may be relevant to jurisdictions considering similar programs.

Rent Registry - Implementation of the rental registry was one of the most staff-intensive components of the program. Staff recommended building flexibility and buffer time into the implementation schedule to accommodate corrections, evolving program requirements, and system modifications that arise during rollout.

Exemptions - Concord's ordinance includes a tiered exemption framework for single-family homes and condominiums based on ownership scale. Small property owners are exempt from rent stabilization and just-cause eviction requirements but remain subject to the rental registry, while larger owners are exempt only from rent stabilization. Staff indicated that verifying ownership across related individuals and LLCs is administratively challenging, increasing staff workload and requiring modifications to the City's registration system.

Staff indicated that determining the applicability of the ordinance to deed-restricted affordable housing, Low-Income Housing Tax Credit (“LIHTC”) properties, and Section 8-assisted units was also a challenging aspect of implementation. They noted that exemption provisions that lack clear direction can be difficult to administer, particularly where units are already subject to separate affordability restrictions or regulatory agreements.

Petitions - Tenant petitions have steadily increased in volume since they initially became available in 2024, which staff attributed in part to growing public awareness of the program. To date, no landlord fair return petitions have been formally filed, although staff reported receiving initial inquiries. The City requires property owners seeking a fair return adjustment to provide a $5,000 deposit and reimburse the full cost of processing the petition. Staff recommended allowing a transition period between ordinance adoption and the initiation of formal petition processes to provide time for public education and program implementation.

Policy Refinements - Concord has continued to refine its program following implementation based on stakeholder feedback and operational experience. In April 2025, the City increased its allowable annual rent adjustment to 5% after property owners expressed concerns that the original cap of 60% of the change in CPI, not to exceed 3%, did not keep pace with rising operating costs and inflation. The rent cap revision was adopted as part of a broader re-evaluation of the ordinance, which also included changes to the applicability of the program to single-family homes.

6.2.4.3 RELEVANCE TO SAN PABLO

Concord's experience demonstrates that the greatest administrative demands associated with rent stabilization programs often occur during the initial implementation period rather than during ongoing program administration. Establishing a rental registry, developing administrative procedures, educating stakeholders, implementing software systems, and processing initial registrations can require substantial staff resources before program operations stabilize. Concord's experience also highlights the importance of carefully evaluating exemption structures, allowing sufficient implementation time, and providing adequate staffing and administrative flexibility during the first year of program operation.

7 WORK PROGRAM

Should the proposed Initiative pass, implementation of the Ordinance would require significant planning, coordination, and resource allocation to establish the administrative systems necessary to support program operations. While the specific implementation approach would ultimately be determined by the City, experience from jurisdictions with rent stabilization programs suggests that successful implementation often depends on early planning, clear administrative procedures, adequate staffing, and sustained stakeholder outreach.

7.1 KEY CONSIDERATIONS

Based on RSG's review of peer jurisdictions and experience supporting rent stabilization and tenant protection programs, the following considerations may be important during implementation:

1. **Establish an Administrative Framework:** Determine how the City intends to administer key program functions, including registration, compliance monitoring, petition processing, public outreach, and enforcement.
2. **Develop a Staffing and Organizational Plan:** Identify staffing needs, departmental responsibilities, and opportunities to utilize third-party service providers for specialized functions such as hearing officer services, software administration, petition review, and technical support.
3. **Conduct a Comprehensive Fee Study:** Evaluate the staffing, operational, and administrative resources required to implement the adopted ordinance and establish an appropriate fee structure to support ongoing program administration. The fee study should reflect the final ordinance provisions, staffing plan, and desired level of program oversight and enforcement.
4. **Prioritize Public Outreach and Education:** Provide clear information and guidance to landlords and tenants regarding program requirements, rights, responsibilities, and available resources.

7.2 ILLUSTRATIVE IMPLEMENTATION TIMELINE

Although implementation timelines vary by jurisdiction, the process is often completed in phases:

1. **Planning and Program Development (2-6 months):** Establish implementation priorities, conduct a fee study, develop administrative procedures, and procure necessary technology and professional services.
2. **Staffing and System Development (2-6 months):** Recruit staff, build out registration and document management systems, develop forms and educational materials, and provide staff training.
3. **Public Outreach and Education (Ongoing):** Conduct outreach to landlords, tenants, property managers, and other stakeholders regarding program requirements and implementation timelines.

4. **Program Launch and Initial Operations (3-12 months):** Begin registration activities, collect fees, receive notices and filings, and implement petition and compliance processes as established by the City.

Implementation of a rent stabilization program is a significant undertaking that requires careful planning and ongoing coordination to ensure its success and sustainability. As administrative systems are established and program activity levels become better understood, the City may need to adjust staffing, procedures, and fee structures to ensure efficient program administration.

8 ABOUT RSG

RSG has extensive experience developing, implementing, and administering rent stabilization and tenant protection programs throughout California. Our experience includes supporting jurisdictions with ordinance development, fiscal impact analyses, implementation planning, program administration, petition and hearing administration, stakeholder engagement, and long-term policy evaluation. RSG currently provides ongoing administration and implementation support for rent stabilization and tenant protection programs in the Cities of Inglewood, Pomona, and Santa Ana, and provides ongoing administrative services for mobilehome park rent stabilization programs in the Cities of Carson, El Monte, Escondido, and Oceanside. In addition, RSG has supported rent stabilization and tenant protection initiatives in the Cities of Chico, Concord, Corona, Fresno, Palmdale, San Jose, and Santa Barbara, among others. RSG brings a depth of knowledge and expertise to this report with over 40 years of experience in the areas of affordable housing finance and development, housing policy, and community engagement.