

RESOLUTION NO. 2024-50

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF HUNTINGTON BEACH IN OPPOSITION TO PROPOSITION 33, THE LOCAL
GOVERNMENT RENT CONTROL EXPANSION ACT

WHEREAS, Proposition 33 “Expands Local Governments Authority to Enact Rent Control on Residential Property” is an Initiative Statute to be considered by the voters at the November 2024 election; and

The California Legislative Analyst has stated that:

- a. Proposition 33 would repeal the Costa-Hawkins Rental Housing Act of 1995 and law and would prohibit the state from limiting the ability of cities and counties to maintain, enact, or expand residential rent-control ordinances; and
- b. Fewer homes would be available to rent; and
- c. The value of rental housing would decline; and
- d. A decline in the value of rental properties would reduce the amount of property taxes paid by landlords, which would reduce property tax revenues for cities, counties, special districts, and schools; and
- e. With time, these property tax reductions likely would be at least tens of millions of dollars each year (annually); and
- f. About half of the reduction would be property tax revenues that would have gone to schools; and
- g. If local rent control laws expand, local governments could have increased costs, which could range from a few million dollars to tens of millions of dollars annually; and

Proposition 33 would abolish the state’s existing ban on vacancy control, which prohibits rental housing providers from adjusting rents to market rates when a tenant moves out. Such a policy leads to property deterioration and stifled investment in housing; and

Nearly 60% of California voters twice rejected the same scheme by defeating 2018 Proposition 10, Rental Control on Residential Property; and 2020 Proposition 21, Expands Governments’ Authority to Rent Control; and

Section 803 of the Huntington Beach City Charter, entitled “Property Rights Protection Measure,” provides that the City shall not enact or enforce any measure which mandates the price or other consideration payable to the owner in connection with the sale, lease, rent, exchange or other transfer by the owner of real property; and

City Council Resolution No. 4344 amended the Council Manual to provide that City Council shall take no stand with respond to any statewide ballot proposition; and

City Council Resolution No. 2024-23 approved and adopted the revised Council Manual, which provides in Article IX, section G, that the City Council may not take a position with respect to any statewide ballot proposition,

NOW, THEREFORE, the City Council of the City of Huntington Beach does hereby resolve as follows:

SECTION 1. City Council Resolution Nos. 4344 and 2024-23 are hereby suspended to allow the adoption of this Resolution only.

SECTION 2. The City Council formally expresses opposition to Proposition 33 “Expands Local Governments’ Authority to Enact Rent Control on Residential Property” Initiative Statute. No public funds shall be used in the campaign for or against the measure.

PASSED AND ADOPTED by the City Council of the City of Huntington Beach at a regular meeting thereof held on the _____ day of _____, 2024.

Mayor

REVIEWED AND APPROVED

INITIATED AND APPROVED

Interim City Manager



Assistant City Manager

ATTEST:

APPROVED AS TO FORM

City Clerk

City Attorney

