

LOCAL NEWS

San Rafael bans rent hikes in pandemic-stressed Canal

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The San Rafael City Council has approved a temporary ban on residential rent increases in the Canal area, the neighborhood with the highest rate of coronavirus cases in Marin County.

The council voted unanimously on Tuesday to approve an emergency ordinance enacting the ban, which is set to take effect Feb. 1 and last through the end of the year.

The ban applies to properties with more than two residences in census tracts 1122.01 and 1122.02, which make up the Canal neighborhood. About 80% of residential rentals in San Rafael are in those two census tracts, according to city officials.

Homes built after Feb. 1, 1995, in addition to granny units and mobile homes, are exempted from the ban.

In the predominantly Latino Canal neighborhood, more than 25% of renters live in overcrowded housing, compared to 5% of renters countywide, according to a city report. The report noted that overcrowding can increase coronavirus transmission.

Additionally, the neighborhood is “in the bottom tenth percentile statewide in terms of the percentage of low-income renters who pay more than 50% of their income on housing costs,” the report says.



The neighborhood not only has the highest rate of coronavirus cases in Marin, it has the highest positivity rate for coronavirus tests. About 15% of tests have come back with positive results in the 1122.01 census tract, which is five times the rate countywide of 3%, according to city officials. In the 1122.01 census tract, the rate is 8%.

“The goal of this ordinance is to provide temporary relief to those residing in the two census tracts most disproportionately impacted by COVID-19 and with the highest housing instability,” said Assistant City Manager Cristine Alilovich.

While Marin County officials have set a five-month countywide ban on residential evictions, which takes effect when a state eviction ban expires on Feb. 1, it “does not address the growing burden of rental debt that tenants, particularly low-income tenants, are facing,” the city report says.

“I feel that this is not the time to be raising rents right now,” said Councilwoman Maika Llorens Gulati, who represents the city’s District 1, which includes the Canal neighborhood. “I think this is the time to be really working, landlords and tenants, to make sure that everybody remains housed.”

The council heard nearly an hour of public testimony on Tuesday and received about 50 letters about the rent freeze proposal, most of which supported it.

“The COVID-19 crisis is pushing many of our neighbors deep into debt, and yet we’re still hearing stories from renters who are receiving rent increases,” wrote Janet Lipsey, a San Rafael resident. “A moratorium on rent increases is a simple way to protect public health, our economy and our community members.”

Alex Khalfin, a representative of the California Apartment Association, said he opposed the rent freeze. In a letter to city officials, he said rents have remained relatively flat in San Rafael over the past year and a ban on increasing them “will have very little impact on a tenant who is unable to pay rent due to COVID-19.”

“Furthermore, rent control policies have significant negative consequences,” Khalfin wrote. “It is generally agreed upon that one of the best ways to reduce rents is to build more rental housing units. Rent control does the opposite; it discourages builders from building and investors from lending. The result is less housing, which leads to higher rents.”

Mayor Kate Colin said the rent freeze does not address an affordable housing shortage in Marin, but is a response to “the emergency of COVID.”

“We’re trying to address the problem before us ... which has been brought to us by COVID,” Colin said.



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