Rent-control opponents try to block ordinance

By Thomas G. Keane Times Tribune staff

Opponents of rent-control in East Palo Alto have asked a Superior Court judge to toss out a city ordinance limiting rent increases to 8 percent this

East Palo Alto landlords James Steiner and Joe Horwath and city resident Edrick Haggans contend the ordinance violates state election laws. At issue is the council's decision to enact an "urgency" rent-control measure after a signature-gathering campaign resulted in the suspension of a rent measure council members had enacted earlier.

More than 2,000 voters signed petitions in December calling for a referendum on rent-control, forcing the council to place the issue on the April 10 ballot and to suspend its rent-control measure in the meantime. Organizers of the referendum oppose rent control on grounds that it will stifle development in the new city and prevent landlords from making a profit.

The City Council in late December voted 4-1 to enact an urgency rent-control ordinance pending outcome of a referendum election on a rent-control measure it had enacted on Nov. 23.

The four council members voting in favor of the urgency measure said they did so to protect tenants from exorbitant rent increases before the election. They said the situation constituted an emergency, and therefore allowed them to take action despite the pending vote on rent control.

A hearing will be held in San Mateo County Superior Court Feb. 27 to determine if the council's action was legal, said William Esselstein, a Menlo Park attorney representing the two landlords and the city resident.

The defendants named in the complaint are Mayor Barbara Mouton, Vice Mayor James Blakey, council members Omowale Satterwhite and Ruben Abrica, and the members of the city's Rent Stabilization Board. Council member Gertrude Wilks, a supporter of the referendum, voted against the rent-control measure and was not named in the complaint.

Esselstein argued that any rent-control measures in East Palo Alto would be illegal until voters have decided the issue. He said urgency ordinance is virtually the same one that gave rise to the referendum, even though they have different names and were enacted at different times.

"If it looks like a duck, and it quacks like a duck, then it probably is a duck," Esselstein said.

According to state law, once the appropriate number of signatures for a referendum have been filed and validated by the city clerk, the issue must be decided by citywide election.