

## ANALYSIS

An ordinance amending Title 8 – Consumer Protection, Business and Wage Regulations of the Los Angeles County Code, relating to Chapter 8.52 (Rent Stabilization) by modifying or clarifying: (1) section, titles, and definitions; (2) landlord and tenant obligations; (3) permitted pass-through costs; (4) requirements for relocation assistance provided to tenants; (5) termination of tenancies; (6) remedies and penalties for violations of retaliation and anti-harassment provisions and imposition of an additional penalty if tenant is age 62 or older or disabled; and (7) tenant's ability to pursue a private right of action for violations of this Chapter 8.52.

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BT:eb

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**ORDINANCE NO. \_\_\_\_\_**

An ordinance amending Title 8 – Consumer Protection, Business and Wage Regulations of the Los Angeles County Code, relating to Chapter 8.52 (Rent Stabilization) by modifying or clarifying: (1) section, titles, and definitions; (2) landlord and tenant obligations; (3) permitted pass-through costs; (4) requirements for relocation assistance provided to tenants; (5) termination of tenancies; (6) remedies and penalties for violations of retaliation and anti-harassment provisions and imposition of an additional penalty if tenant is age 62 or older or disabled; and (7) tenant's ability to pursue a private right of action for violations of this Chapter 8.52.

The Board of Supervisors of the County of Los Angeles ordains as follows:

**SECTION 1.** Chapter 8.52 is hereby amended to read as follows:

**Chapter 8.52** **RENT STABILIZATION AND TENANT PROTECTIONS.**

**SECTION 2.** Section 8.52.010 is hereby amended to read as follows:

**8.52.010** **Short Title.**

This Chapter shall be known as "Rent Stabilization and Tenant Protections."

**SECTION 3.** Section 8.52.030 is hereby amended to read as follows:

**8.52.030** **Definitions.**

The following terms shall have the meaning provided below when used in this Chapter, whether plural or singular.

A. "Base Rent" means the Rent charged on September 11, 2018, when the County Board of Supervisors declared its intent to regulate rent for residential properties in the unincorporated County, or at the initiation of the Tenancy, whichever is later, plus any rent increase allowed thereafter pursuant to the Interim Rent Stabilization

Ordinance adopted by the County Board of Supervisors on November 20, 2018, and this Chapter unless otherwise provided.

AB. "Board" means the County of Los Angeles Board of Supervisors.

BC. "Capital Improvement" means the addition, substantial repair or replacement of any improvements to dwelling units or common areas of the building which materially adds to the value of the building and appreciably prolongs its useful life or adapts it to new uses, and which is the same type of improvement as those allowed to be amortized over the useful life of the improvement in accordance with the Internal Revenue Code and its regulations and as specified in Section 8.52.070.

GD. "Code" means the Los Angeles County Code.

DE. "Commission" means the Rental Housing Oversight Commission created by the Board pursuant to County Code, Chapter 8.64 to oversee the implementation of this Chapter.

EF. "County" means the County of Los Angeles.

FG. "Covered Rental Unit" means a Dwelling Unit that is rent-stabilized, located in the unincorporated County, and not designated as exempt under Section 8.52.050.

GH. "CPI" means Consumer Price Index for all urban consumers ~~for~~of the Los Angeles-Riverside-Orange County, California area, or any successor designation of that index that may later be adopted by the U.S. Department of Labor. Calculation of the change in CPI percentage will be determined by the ~~County~~Department and outlined in its procedures and guidelines.

H~~I~~. "Department" means the County's Department of Consumer and Business Affairs.

I~~J~~. "Dwelling Unit" means a dwelling unit, as defined under California Civil Code section 1940 subsection (c), including joint living and work quarters, that is used or occupied in consideration of payment of rent, and applies to any dwelling space that is actually used for residential purposes, whether or not the residential use is legally permitted, including live-work spaces, mobilehomes rented by the owner to a ~~T~~tenant, and any accessory dwelling unit in the unincorporated areas of the County.

J~~K~~. "Ellis Act" means California Government Code sections 7060 - 7060.7, ~~as may be amended from time to time.~~

K~~L~~. "Housing Services" means all services provided by the Landlord related to the use or occupancy of a Covered Rental Unit, ~~such as insurance, repairs, replacement, maintenance, painting, utilities, heat, water, elevator service, laundry facilities, recreational areas and/or pools, janitorial service, refuse removal, furnishings, storage space (including for one or more automobiles), and including, water, heat, utilities, painting, elevator service, refuse removal, janitorial service, maintenance, repairs, replacement, recreational areas (including pools), laundry facilities, furnishings, storage space and/or parking (including one or more automobiles), security services, insurance, and the payment of property taxes.~~ The term "Housing Services" shall not include legal fees or mortgage payments, whether for principal, interest, or both, ~~bonuses of any nature paid to employees, penalties, fees, damages, or interest assessed or awarded for violations of this Chapter or any other law, or any expenses for~~

which the Landlord has been reimbursed by any security deposit, insurance, settlement, judgment for damages, or any other method.

~~LM.~~ "Landlord" means an owner, lessor, sublessor, or any other person entitled to offer any Dwelling Unit for Rent or entitled to receive Rent for the use and occupancy of a Dwelling Unit, and the ~~representative, agent, representative,~~ or successor of any of the foregoing.

~~MN.~~ "Landlord's Family Member" means a Landlord's parent, child, spouse or registered domestic partner, grandparent, grandchild, aunt or uncle at least sixty-two (62) years of age, or other dependent over which the Landlord has guardianship, the spouse or registered domestic partner's parent, child, grandparent, grandchild, aunt or uncle at least sixty-two (62) years of age, and other dependent over which the Landlord's spouse or domestic partner has guardianship.

~~N.~~ "~~LACDA~~" means the ~~Los Angeles County Development Authority.~~

O. "Luxury Unit" means a Covered Rental Unit that meets all of the following criteria:

1. Has two (2) bedrooms or less;
2. Is located within a single structure that contains at least twenty-five (25) or more Dwelling Units; and
3. As of September 11, 2018, Landlord received at least four thousand dollars (\$4,000) per month in Rent.

~~P.~~ "~~Payment Standard~~" means the ~~amount determined by the LACDA that is used to set the amount of housing assistance paid on behalf of a tenant under the~~

~~Section 8 Housing Choice Voucher Program pursuant to 24 Code of Federal Regulations Part 982.~~

QP. "Primary Renovation" means work performed either on a Dwelling Unit or the building containing the Dwelling Unit(s) that improves the property by prolonging its useful life or adding value as specified in Section 8.52.070.

RQ. "Rent" means the consideration paid for the use or occupancy of a Dwelling Unit or for Housing Services provided, or both, but does not include any of the following, each of which shall be separately listed and identified in the lease or rental agreement:

1. Security deposits;
2. User fees for services or facilities which may be utilized at the option of the Tenant and are expressly not included as Rent in the Rental Agreement;
3. Utility charges for those Dwelling Units that are billed separately whether or not the Dwelling Units are individually metered.
34. Any rent discounts, incentives, concessions, or credits offered by the Landlord; or
45. Any pass-through authorized pursuant to this Chapter.

SR. "Rental Agreement" means a lease or other oral or written agreement between the Landlord and Tenant establishing the terms and conditions of the Tenancy.

S. "Service Reduction" means any decrease or diminution in the level of Housing Services provided by the Landlord on or after September 11, 2018, including but not limited to, services the Landlord is required to provide pursuant to:

1. California Civil Code section 1941 et. seq.;

2. The Landlord's implied warranty of habitability, which cannot be contractually excluded or waived;

3. A Rental Agreement between the Landlord and the Tenant; and

4. The level of service as implied by the condition of improvements, fixtures, and equipment, and their availability for use by the Landlord at the time of execution of the Rental Agreement with the Landlord.

T. "State" means the State of California.

U. "Tenancy" means the legal right of a Tenant or any other ~~original~~ occupant who took possession of the Dwelling Unit for the use or occupancy of the Dwelling Unit, including the use of the Housing Services provided by the Landlord, subject to the terms of the Rental Agreement. This includes a lease or a sublease.

V. "Tenant" means a tenant, subtenant, lessee, sublessee, or any other person entitled under the terms of a Rental Agreement to the use or occupancy of any Dwelling Unit.

**SECTION 4.** Section 8.52.045 is hereby added as follows:

**8.52.045** **Base Rent**

A. Except as hereinafter provided, a Landlord shall not demand, accept, or retain Rent for a Covered Rental Unit exceeding the Rent in effect for said Covered Rental Unit on September 11, 2018, when the County Board declared its intent to regulate Rent in the unincorporated County, or at the initiation of the Tenancy, whichever is later, plus any Rent increase allowed thereafter pursuant to the Interim

Rent Stabilization Ordinance adopted by the County Board on November 20, 2018, and this Chapter unless otherwise provided.

B. If a Covered Rental Unit is rented for the first time after September 11, 2018, the Landlord shall not demand, accept, or retain Rent for said Covered Rental Unit exceeding the Rent first charged for the Covered Rental Unit, plus any allowable increases as specified by Section 8.52.050.

**SECTION 5.** Section 8.52.050 is hereby amended to read as follows:

**8.52.050 Permitted Rent Increases for Covered Rental Units.**

A. A Landlord may impose an annual Rent increase for any Covered Rental Unit, as allowed in this Section, only after providing at least thirty (30) days' written notice to the Tenant of the Rent increase pursuant to California Civil Code section 827.

B. A Landlord may ~~not~~ impose an annual Rent increase, unless only upon registering the Covered Rental Dwelling Unit is registered with the Department and not delinquent in registration payments required in the County's Registry System, paying required annual registration fees pursuant to Section 8.52.080, and being in compliance with State and local laws and requirements.

C. Annual Rent increases shall be limited to reflect the average annual percentage change in the average CPI over the previous twelve (12) month period ending in September with a maximum of eight percent (8%), as specified below:

...



E. Only one Rent increase may be imposed on a Tenant household in any twelve (12) month period, unless otherwise permitted by the Department pursuant to this Chapter.

F. ~~Rent Increase Following Vacancy. When a Tenant voluntarily moves out of a Covered Rental Unit, or following an eviction for a For Cause Termination specified in Section 8.52.090(B), the Landlord may set the initial Rent for the next Tenant, without restriction, at the commencement of the new Tenancy~~Notice and Calculation of Allowable Annual Rent Increase.

1. Calculation of Annual Rent Increase. The allowable annual Rent increase shall be calculated annually by the Department.

2. Notice of Annual Rent Increase. The amount of the annual Rent increase shall be provided in accordance with the Department's procedures and guidelines.

G. ~~Rent Banking. A Landlord who does not impose an annual Rent increase or a portion of the permitted annual Rent increase in any twelve (12) month period, as provided in this Section, waives the annual Rent increase or the remaining portion of the permitted annual Rent increase for the remainder of the Tenancy~~Rent Excess Paid.

1. In the event a Tenant paid Rent in excess of that permitted by the Department, the Landlord shall reimburse the Tenant for the Rent overpayment.

2. The Landlord may elect to either:

a. Reimburse the Tenant for the Rent overpayment through one lump sum payment, which must be paid by the time the next monthly obligation is due; or

b. Reimburse the Tenant for the Rent overpayment over a six (6) month period in the form of a monthly credit towards Rent otherwise due from the Tenant, to which the first credit must be applied at the time the next monthly obligation is due.

3. Reimbursement For Rent Overpayment Exceeds Rent Due. Where the reimbursement due to the Tenant exceeds the Rent due for the remainder of the Tenancy, the reimbursement exceeding the Rent due shall be immediately paid to the Tenant as a lump sum payment.

H. Rent Paid Following Vacancy of Covered Rental Unit. When a Tenant voluntarily moves out of a Covered Rental Unit, or following an eviction for a For Cause Termination specified in Section 8.52.090(B), the Landlord may set the initial Rent for the next Tenant, without restriction, at the commencement of the new Tenancy. Rent increases following vacancy shall not incorporate any previously approved pass-through fees or costs.

I. Rent Banking. A Landlord who does not impose an annual Rent increase or a portion of the permitted annual Rent increase in any twelve (12) month period, as provided in this Section, waives that annual Rent increase or the remaining portion of that permitted annual Rent increase for the remainder of the Tenancy.

~~HJ.~~ Exemptions. The following are exempt from this Section:

1. Dwelling Units that are expressly exempt under State or federal law. This includes any Dwelling Unit that has a certificate of occupancy or equivalent permit for residential occupancy issued after February 1, 1995. For this purpose, a certificate of occupancy is the certificate issued before the property is used for any residential purposes.

2. Occupancy of Hotels, Motels, or Other Facilities by Transient Guests. Housing units in hotels, motels, inns, tourist homes and boarding houses, and rooming houses, or other facilities, for which the County's Treasurer and Tax Collector has received or is entitled to receive payment of transient occupancy tax pursuant to County Code, Chapter 4.72 (Transient Occupancy Tax) and California Civil Code section 1940 subdivision (b), and for which tax is applicable to the entire term of the Tenancy.

3. Institutional Facilities. Housing accommodations in any hospital, convent, monastery, extended medical facility, asylum, fraternity or sorority house, licensed residential treatment or care facility, interim housing facility as defined in California Health and Safety Code section 1250, any facility managed by a bona fide educational institution for occupancy by its students, or any other facility licensed by the ~~s~~State to provide medical care for residents, ~~including a licensed residential care facility for the elderly pursuant to California Health and Safety Code section 1569.2.~~

4. ~~Government Owned or Assisted Housing.~~

~~a. Government Owned. Housing accommodations which the County, LACDA, or another public agency or authority owns or operates, or which are specifically exempted under State or federal law or administrative regulation.~~

~~b. Assisted Housing.~~

~~(i) Housing accommodations for which the County, LACDA, or another public agency or authority provides a tenant-based Section 8 Housing Choice Voucher Program or other similar housing subsidy is exempt under this Section if the Rent paid is equal to or less than the standards as determined by the subsidy program for the bedroom size of the Dwelling Unit, such as the Payment Standard or the U.S. Department of Housing and Urban Development's fair market rent standard.~~

~~(ii) This exemption shall not apply if:~~

~~(a) The portion of the Rent paid by the Tenant is greater than the Payment Standard for the bedroom size of the Dwelling Unit; or~~

~~(b) A proposed Rent increase would result in the portion of the Rent paid by the Tenant being greater than the Payment Standard for the bedroom size of the Dwelling Unit.~~

5. Any Dwelling Unit that is alienable separate (i.e., separately transferable) from the title to any other Dwelling Unit, including, single family residences and condominiums, but excluding mobilehomes offered for rent by a Tenant; or is a

subdivided interest in a subdivision, as specified in California Business and Professions Code section 11004.5 subdivisions (b), (d), or (f).

6. Accessory Dwelling Units. An accessory dwelling unit for which a certificate of occupancy or equivalent permit for residential occupancy was issued after February 1, 1995, is exempt, unless it was occupied on or before February 1, 1995, and a Tenant provides evidence indicating as such, regardless of the legal or permit status of the Dwelling Unit.

7. Rooms Rented to Boarders. A Dwelling Unit in a single-family residence, condominium, or stock cooperative where the Landlord owns the residence and shares kitchen or bath facilities with the Tenant and where the Landlord or Landlord's Family Member also occupies a Dwelling Unit in the residence as his or her principal residence.

K. Tenant's Right of Refusal. A Tenant may refuse to pay a Rent increase which is in violation of this Chapter. Such refusal to pay the increased amount shall be a defense in any action brought to recover possession of a Covered Rental Unit or to collect the Rent increase.

L. Additional Occupants. An addition of occupants in the Covered Rental Unit pursuant to this Section does not authorize a Rent increase or an increased security deposit.

**SECTION 6.** Section 8.52.055 is hereby added to read as follows:

**8.52.055 Security Deposits.**

A. As used in this Section, security means any payment, fee, deposit, or charge that is imposed at the beginning of the Tenancy to be used to reimburse the Landlord for costs associated with processing a new Tenant or that is imposed as an advance payment for Rent.

B. A Landlord may not demand or receive a security deposit, however denominated, in an amount or value in excess of the security deposit charged or received at the initiation of the Tenancy.

**SECTION 7.** Section 8.52.060 is hereby deleted in its entirety.

**~~8.52.060 Applications for Rent Adjustments.~~**

~~A. Landlord Applications for Rent Adjustment for Fair Return. Landlords who believe they are not receiving a fair return on their property may file an application with the Department to request an increase in Rent beyond that which is permitted under Section 8.52.050.~~

~~1. Presumption. It shall be a rebuttable presumption that the annual net operating income earned by a Landlord on September 11, 2018 and Rent increases allowed under Section 8.52.050, provide the Landlord with a fair return on the investment. A Landlord shall have the burden to prove the necessity of any additional Rent increase necessary to earn a fair return.~~

~~2. Nothing in this Section shall be interpreted to authorize a Rent increase for a Covered Rental Unit in excess of the amount authorized pursuant to California Civil Code section 1947.12, as may be amended.~~

~~3. All Rent adjustment increases authorized by the Department may become effective only after all of the following:~~

~~a. A Landlord has provided written notice of the Rent increase for the Covered Rental Unit in accordance with California Civil Code section 827, as may be amended;~~

~~b. A Landlord has registered each Dwelling Unit in the property pursuant to Section 8.52.080; and~~

~~c. A Landlord provides a copy of the completed application with all supporting documents, to each Tenant of a Covered Rental Unit, upon request, at the Landlord's expense.~~

~~4. Standard for Approving an Application for Landlord Rent Adjustment:~~

~~a. The Department shall approve an application for a Rent adjustment if the Department determines the adjustment is necessary and appropriate to ensure the Landlord receives a fair and reasonable return on the Landlord's investment, will not cause an undue financial burden on the affected Tenants, and complies with all provisions of this Chapter.~~

~~b. The Department shall approve a lesser Rent adjustment if the Department determines the lesser Rent adjustment more appropriately ensures a~~

~~fair return on the Landlord's investment, will not cause an undue financial burden on the affected Tenants, and complies with all provisions of this Chapter.~~

~~5. Notices Upon Filing Application.~~

~~a. Within five (5) calendar days after submission of a Landlord's application for Rent Adjustment for Fair Return to the Department, the Landlord shall serve each affected Tenant with a notice of said application via personal service or certified mail, return receipt requested. The Landlord must provide the application, with all supporting documents, reasonably available to each affected Tenant that shall be provided at the Landlord's expense.~~

~~b. Within ten (10) calendar days after service on each affected Tenant, the Landlord shall file with the Department a proof of service, signed under penalty of perjury, stating that a copy of the notice of application was served upon each affected Tenant.~~

~~6. Fees and costs incurred by a Landlord to file, pursue, or prepare an application for Rent increase pursuant to this Section are not allowable as operating expenses and may not be passed on to Tenants. Such fees and costs include, but are not limited to, attorney fees, accountant fees, and other similar professional services costs.~~

~~7. In making an individual Rent adjustment, the Department shall consider the purposes of this Chapter and all other relevant factors including, but not limited to:~~

~~a. Increases or decreases in property taxes;~~



~~b. Unavoidable increases or any decreases in maintenance and operating expenses;~~

~~c. A change in the number of Tenants occupying the Covered Rental Unit, living space, furniture, furnishings, equipment, other Housing Services provided, or occupancy rules;~~

~~d. Substantial deterioration of the Covered Rental Unit other than normal wear and tear;~~

~~e. The pattern of recent Rent increases or decreases; or~~

~~f. Whether or not the Landlord has received Rent in violation of the terms of this Chapter or has otherwise failed to comply with this Chapter.~~

~~B. Tenant Applications for Rent Adjustment. Tenants of a Covered Rental Unit who believe they should receive a decrease in Rent because of a Landlord's violation of this Chapter may file an application with the Department to request a decrease in Rent. Tenants must file such application for Rent adjustment within one hundred eighty (180) days from the date the Tenant knew, or reasonably should have known, of the Landlord's potential violation.~~

~~1. Unlawful Rent. If a Tenant believes that the Landlord's demand for Rent is in excess of the Rent permitted for a Covered Rental Unit as specified in Section 8.52.050, then the Tenant may request that the Department determine the validity of the subject demand for Rent.~~

~~a.—— If a Landlord demands, receives, or retains any payment in excess of the maximum allowable Rent permitted by this Chapter, then a Tenant may withhold the increased amount that is above the Tenant's Rent.~~

~~b.—— In any action to recover possession based on nonpayment of Rent, possession shall not be granted where the Tenant has withheld Rent in good faith under this Section.~~

~~2.—— Failure to Maintain Habitable Premises. A Tenant may file an application with the Department to request a refund of, or decrease in, Rent proportional to the Landlord's failure to maintain the Covered Rental Unit as a habitable premise in accordance with applicable State rental housing laws, State and local health and safety laws, or the Rental Agreement.~~

~~a.—— Prior to filing an application with the Department, a Tenant shall provide written notice to the Landlord identifying one or more habitability issues and a reasonable opportunity for the Landlord to correct the condition.~~

~~b.—— A Landlord shall not be liable to a Tenant for a failure to maintain habitable premises if the Tenant caused the condition that is the subject of the application.~~

~~3.—— Decrease in Housing Services. A decrease in Housing Services of a Covered Rental Unit, without a corresponding reduction in Rent, is considered an increase in Rent. Before filing an application with the Department, a Tenant shall provide the Landlord all of the following:~~

a. ~~— Prior written notice identifying the decrease in Housing Services of a Covered Rental Unit; and~~

b. ~~— A reasonable opportunity to correct the issue(s).~~

4. ~~— Notices Upon Filing Application.~~

a. ~~— Within five (5) calendar days after submission of an application with the Department for Rent adjustment, the Tenant shall serve the Landlord with a notice of said application, via personal service or certified mail, return receipt requested.~~

b. ~~— Within ten (10) calendar days after service on the Landlord, the Tenant shall file with the Department a proof of service, signed under penalty of perjury, stating that a copy of the notice of application for Rent adjustment was served on the Landlord.~~

5. ~~— In making an individual Rent adjustment, the Department shall consider the purposes of this Chapter and all other relevant factors including, but not limited to:~~

a. ~~— Increases or decreases in Rent or Housing Services since September 11, 2018;~~

b. ~~— The pattern of recent Rent or Housing Service increases or decreases; or~~

c. ~~— Whether or not the Landlord has received Rent in violation of the terms of this Chapter or has otherwise failed to comply with this Chapter.~~

~~C.—Application. Upon the Department's receipt of an application for Rent adjustment, the Department shall review and evaluate whether the Rent may be adjusted in accordance with this Section and its procedures and guidelines.~~

~~1.—The application shall be in the form provided by the Department, signed under penalty of perjury, and must be accompanied by an applicable fee, if any.~~

~~2.—An application for Rent adjustment must include all of the following:~~

~~a.—The specific Rent adjustment requested;~~

~~b.—Copies of any books, records, and papers deemed relevant in review of the application; and~~

~~c.—Other documentation required by the Department.~~

~~3.—Application Fees. The Department may set a reasonable fee to be paid by the applicant at the time of the filing based on the administrative expenses incurred in reviewing and processing applications for Rent adjustment.~~

~~4.—The Department shall have the authority to deem an application complete.~~

~~D.—Right of Assistance. All parties to an application for Rent adjustment may seek assistance from attorneys, recognized tenant organization representatives, or any other person designated by said parties.~~

~~E.—Consolidation. All Landlord applications for Rent adjustment pertaining to Tenants in the same building shall be consolidated for determination. Tenant applications for Rent adjustment who live in the same building may be consolidated at the election of the Department.~~

~~F. Notwithstanding any other provision of this Section, if a determination for Rent adjustment for a Covered Rental Unit was made within the previous six (6) months by either the Department or the Commission, then the Department or the Commission may refuse to hold a hearing or refuse to grant an individual a Rent adjustment for such Covered Rental Unit.~~

**SECTION 8.** Section 8.52.060 is hereby added to read as follows:

**8.52.060 Applications for Rent Increase and Adjustment.**

A. Landlord's Application for Rent Increase. A Landlord who believes they are not receiving a fair and reasonable return from the allowable increases for a Covered Rental Unit, as determined in Section 8.52.050, may file an Application for Rent Increase with the Department to request an increase in Rent for a Covered Rental Unit(s) beyond that which is permitted under Section 8.52.050.

1. Presumption. It shall be a rebuttable presumption that the annual net operating income earned by a Landlord, and Rent increases allowed under Section 8.52.050, provide the Landlord with a fair and reasonable return on the investment. A Landlord shall have the burden to prove the necessity of any additional Rent increase necessary to earn a fair and reasonable return.

2. Nothing in this Section shall be interpreted to authorize a Rent increase for a Covered Rental Unit in excess of the amount authorized pursuant to California Civil Code section 1947.12.

3. Approval of the Landlord's Application for Rent Increase may become effective only after all of the following:

a. A Landlord has provided written notice to the Tenant of the approved Rent increase for the Covered Rental Unit in accordance with California Civil Code section 827;

b. A Landlord has registered each Dwelling Unit in the rental property, has not lapsed on registration of Dwelling Units in previous years, and is current on payment of registration fees, pursuant to Section 8.52.080; and

c. Any other conditions imposed for the Rent increase as determined by the Department's procedures and guidelines.

4. Review and Approval of Application for Rent Increase.

a. The Department shall consider the following factors, in accordance with its procedures and guidelines, as well as any other relevant factors, in reviewing the application and making its determination, and no one (1) factor shall be determinative.

(i) Changes in the CPI. If the Bureau of Labor Statistics subsequently changes the geographic reporting in which the County is located, the Department shall use the most current applicable reporting area established.

(ii) The rental history of the affected Covered Rental Unit(s) and the rental property since September 11, 2018:

(a) The Base Rent;

(b) The pattern of past Rent increases or

decreases;

(c) The Landlord's income and expenses as they relate to the rental property.

(iii) Increases or decreases in property taxes.

(iv) The length of time since either the last hearing and final determination on an Application for Rent Increase by Landlord or the last Rent increase if no previous Application for Rent Increase has been made by Landlord.

(v) The addition of Capital Improvements on the rental property.

(vi) The physical condition of the affected Covered Rental Unit and building, including the quantity and quality of maintenance and repairs performed during the preceding twelve (12) months, as well as the long-term patterns of operating, maintenance, and Capital Improvement expenditures.

(vii) The need for repairs caused by circumstances other than ordinary wear and tear.

(viii) Any increase of Housing Services or Service Reductions since the last Rent increase.

(ix) Any existing Rental Agreement lawfully entered into between the Landlord and the Tenant.

(x) A decrease in net operating income.

(xi) A fair and reasonable return on the building prorated among the Dwelling Units in the building.

(xii) If Landlord received Rent in violation of this Chapter or has otherwise failed to comply with this Chapter.

b. The Department may approve an Application for Rent Increase and make the following determinations, in compliance with its procedures and guidelines and all provisions of this Chapter:

(i) The Department determines the Rent increase is necessary and appropriate to ensure the Landlord receives a fair and reasonable return on the Landlord's investment, and will not cause an undue financial burden on the affected Tenant.

(ii) The Department determines a lesser Rent increase more appropriately ensures a fair and reasonable return on the Landlord's investment and will not cause an undue financial burden on the affected Tenant.

(iii) The Department determines a Rent increase beyond that which is permitted under Section 8.52.050 appropriately ensures a fair and reasonable return on the Landlord's investment and will not cause an undue financial burden on the affected Tenant.

c. An Application for Rent Increase shall not be approved if any Rent increase for that year, plus any amount allowed for a fair and reasonable return on the Landlord's investment, will result in an increase of the Rent from the prior year of an affected Tenant by more than eight percent (8%), or of a Luxury Unit by more than ten percent (10%), unless otherwise determined by the Department.



5. Notices Upon Filing Application for Rent Increase.

a. Within five (5) calendar days after submission of a Landlord's Application for Rent Increase with the Department, the Landlord, at their own expense, shall serve each affected Tenant with a notice of said application via personal service or certified mail return receipt requested. The Landlord, at their own expense, must make the supporting documents reasonably available to each affected Tenant within five (5) calendar days of such request.

b. Within ten (10) calendar days after submission of a Landlord's application with the Department, the Landlord shall file a proof of service with the Department, on a form approved by the Department, signed under penalty of perjury, stating that a copy of the notice of Application for Rent Increase was served upon each affected Tenant.

c. Fees and costs incurred by a Landlord to prepare, file, or pursue an Application for Rent Increase are not allowable as operating expenses and may not be passed on to Tenants. Such fees and costs include, but are not limited to, attorney fees and other similar professional services costs.

6. Examination and Inspection. A Landlord, at their expense must retain the Application for Rent Increase, any supporting documents, and the final decision, and make reasonably available for review and/or copy for six (6) months following the completion of the appeal process set forth in Section 8.52.150.

B. Tenant Application for Adjustment. A Tenant of a Covered Rental Unit who believes they should receive an adjustment in their monthly obligation(s) because of a Landlord's violation of this Chapter may file an Application for Adjustment with the Department. A Tenant must file such Application for Adjustment within one hundred eighty (180) days from the date the Tenant knew, or reasonably should have known, of the Landlord's potential violation(s).

1. Unlawful Rent and/or Fees, Charges, or Pass-Throughs. If a Tenant believes that the Landlord's demand for Rent, fees, charges, or pass-throughs is in excess of that permitted for a Covered Rental Unit, or in excess of the Rent permitted, then the Tenant may file an Application for Adjustment with the Department for its determination.

a. If a Landlord demands, receives, or retains any payment in excess of the maximum allowable Rent, fees, charges, or pass-throughs permitted by this Chapter, then a Tenant may withhold the excess amount.

b. In any action to recover possession based on nonpayment of Rent, possession shall not be granted where the Tenant has withheld Rent in good faith under this Section.

2. Failure to Maintain Habitable Premises. A Tenant may file an Application for Adjustment with the Department to request a refund of, or decrease in, Rent proportional to the Landlord's failure to maintain the Covered Rental Unit as a habitable premise in accordance with applicable State rental housing laws, State and local health and safety laws, or the Rental Agreement.

- a. Prior to filing an Application for Adjustment with the Department, a Tenant shall:
    - (i) Provide written notice to the Landlord identifying one or more habitability issues and a reasonable opportunity for the Landlord to correct the condition.
    - (ii) File a complaint with the proper enforcement agency and provide such proof of complaint filing to the Department.
  - b. A Landlord shall not be liable to a Tenant for failure to maintain habitable premises if the Tenant caused the condition that is the subject of the application.
3. Decrease in Housing Services. A Service Reduction in Housing Services, without a corresponding reduction in Rent, may be considered an increase in Rent. Before filing an application with the Department, a Tenant shall provide the Landlord all of the following:
- a. Written notice identifying the Service Reduction; and
  - b. A reasonable opportunity to correct the issue(s).
4. Review and Determination of Application for Adjustment. The Department shall consider the following factors, in accordance with its procedures and guidelines, as well as any other relevant factors, in making its determination and no one (1) factor shall be determinative.
- a. Increases or decreases in Rent or Housing Services since September 11, 2018,

b. The pattern of recent Rent or Housing Service increases or decreases.

c. Whether the Landlord has received payment in excess of the maximum allowable Rent, fees, charges, or pass-throughs permitted by this Chapter or has otherwise failed to comply with this Chapter.

d. The date the Service Reduction was first noticed by the Tenant and when and how notice, orally, or in writing, was provided to the Landlord of the alleged Service Reduction and Landlord's response to such notice and whether it was reinstated or restored by the Landlord, and if so, when and how.

e. Whether the habitability violations stated by the Tenant in the application was improved or corrected, and if so, when and how.

f. The status of the habitability issues as of the date the application is signed.

5. Notice upon Filing Application for Adjustment. Within five (5) calendar days after submission of an Application for Adjustment with the Department, the Tenant shall serve the Landlord with a notice of said application via personal service or certified mail return receipt requested.

C. Application Submittal to Department for Rent Increase or Adjustment. Upon receipt of an application, the Department shall review and evaluate whether there should be a Rent increase or adjustment in accordance with this Section and its procedures and guidelines.

1. The application shall be on a form provided by the Department, signed under penalty of perjury, and must be accompanied by an application fee, if any, and must include the following:

- a. The specific Rent increase or adjustment requested;
- b. Copies of any books, records, papers, or other financial information relevant to the review of the application; and
- c. Other documentation required by the Department in accordance with this Section and its procedures and guidelines.

2. Application Fees. The Department may set a reasonable application fee to be paid by the applicant at the time of the filing based on the administrative expenses incurred in reviewing and processing the application.

3. The Department shall have the authority to deem an application complete.

D. Right of Assistance. All parties to an Application for Rent Increase or an Application for Adjustment may seek assistance from attorneys or any other person designated by said parties.

E. Consolidation. Applications for Rent Increase pertaining to Tenants in the same building shall be consolidated for determination. Applications for Adjustment for Tenants who live in the same rental property may be consolidated at the election of the Department.

F. Notwithstanding any other provision of this Section, if the Department has made a determination on an application for a Covered Rental Unit pursuant to this

Section within the previous six (6) months, then the Department may refuse to grant an application for such Covered Rental Unit.

**SECTION 9** Section 8.52.070 is hereby amended to read as follows:

**8.52.070 Pass-Through Cost Recovery.**

A. Pursuant to this Section, a Landlord may file an application with the Department, on a form approved by the Department, to pass-through costs to ~~existing~~affected Tenants in Covered Rental Units. Such application may include a request to exceed any prescribed limitations described in Section 8.52.050 if necessary for the Landlord to pass-through costs.

B. A Landlord may not pass-through costs to Tenants in Covered Rental Units until the Department approves the Landlord's application, ~~and~~ the Landlord registers each Dwelling Unit pursuant to Section 8.52.080 and is in compliance with federal, State, or local law requirements. The approved pass-through costs should appear as a separate line item on the Rent statement along with the end date of the amortization period and any remaining pass-through balance. An approved pass-through cost is not considered Rent.

1. A Landlord must cease collecting the pass-through cost when the Landlord recovers the costs permitted by the Department.

2. ~~In the event a Tenant paid pass-through costs in excess of that permitted by the Department or beyond the date of expiration of the pass-through, the Landlord shall credit the Tenant for the balance of the overpayment. The Landlord may elect to either: (a) pay the Tenant the balance of the overpayment directly in one lump~~

~~sum; or (b) give the Tenant a credit against the Rent otherwise due from the Tenant over a six (6) month period.~~In the event a Tenant paid pass-through costs in excess of that permitted by the Department or beyond the date of expiration of the pass-through, the Landlord shall reimburse the Tenant for the pass-through overpayment.

a. The Landlord may elect to either:

(i) Reimburse the Tenant for the pass-through overpayment through one lump sum payment, which must be paid by the time the next monthly obligation is due; or

(ii) Reimburse the Tenant for the pass-through overpayment over a six (6) month period in the form of a monthly credit towards any monthly obligation(s) due from the Tenant, to which the first credit must be applied at the time the next monthly obligation is due.

b. Reimbursement for Overpayment Exceeds Monthly Obligation(s) Due. Where the reimbursement due to the Tenant exceeds the total monthly obligation(s) due for the remainder of the Tenancy, the reimbursement exceeding the monthly obligation(s) shall be immediately paid to the Tenant as a lump sum payment.

C. ~~Notices to Tenants. A Landlord shall provide written notice of a pass-through cost to Tenants in accordance with California Civil Code section 827, as may be amended.~~Pursuant to this Section, no pass-through cost recovery shall be approved if the amount allowed to be a pass-through cost, plus any Rent increase for that year, would result in an increase of the Rent of a Covered Rental Unit by more than eight

percent (8%), or of a Luxury Unit by more than ten percent (10%) over the prior year's Rent, unless approved by the Department.

CD. Notices to Tenants. A Landlord shall provide written notice of a pass-through cost to Tenants in accordance with California Civil Code section 827, ~~as may be amended.~~

E. Notices upon Filing Application for Pass-Through Cost Recovery.

1. Within five (5) calendar days after submission of a Landlord's application with the Department, the Landlord shall serve each affected Tenant with a notice of said application via personal service or certified mail return receipt requested.

2. Notice must include copies of the Landlord's application, together with the projected monthly cost to be passed through to each Tenant.

3. Notice must state that all documentation supporting the application can be reviewed at the Landlord's office during regular business hours.

4. Within ten (10) calendar days after submission of a Landlord's application, the Landlord shall file with the Department a proof of service, on a form approved by the Department, signed under penalty of perjury, stating that a copy of the notice of application was served upon the affected Tenant.

5. Proof of mailing or personal delivery of the notice to the Tenants shall be required before the application will be reviewed by the Department.

DE. Safe, Clean Water Act Parcel Tax Pass-Through. A Small Landlord may pass-through the Safe, Clean Water Act parcel tax to Tenants. For purposes of this subsection DE only:



...

EG. Capital Improvements Pass-Through. A Landlord may recover up to fifty percent (50%) of a Capital Improvement cost from existing Tenants in Covered Rental Units if the Capital Improvement is in accordance with the Department's procedures and guidelines and with this Chapter.

1. ~~Capital Improvements include, but are not limited to, the complete exterior painting of the building, landscaping, flooring, fixtures, doors, windows, fences, security items, meter conversions, major appliances, or window screens and coverings.~~

2. ~~Capital Improvements must have~~ be for the primary benefit, use and enjoyment of Tenants, cost-factored, and amortized over a useful life of at least five (5) years and cannot include regular maintenance or repairs from wear and tear, or be the result of a Landlord's failure to perform regular maintenance and repairs, and permanently fixed in place or relatively immobile and appropriate to the use of the rental property.

3. ~~Timeline for Filing Applications. A Landlord must submit an application pursuant to this Section within one hundred twenty (120) days of completion of a Capital Improvement.~~

2. Capital Improvements do not include the following:

a. Normal routine maintenance and repair, including, but not limited to routine maintenance or repair of a street or driveway.

b. Costs of maintenance and repair, as opposed to replacement.

c. Costs of replacement if the replacement was necessary because of the Landlord's failure to carry out said maintenance responsibilities, as determined by the Department.

d. Costs to maintain physical improvements in the common facilities in good working order and condition.

e. Additions or replacements made to bring the Covered Rental Unit into compliance with a provision of State or local law where the Covered Rental Unit has not been in compliance with said provision from the time of its original construction or addition and such provision was in effect at the time of such construction or addition.

f. Coin-operated improvements or improvements for which a "use fee" or other charge is imposed on affected Tenants for their use.

3. Application for Recovery of Pass-Through Capital Improvement Costs.

a. A Landlord must submit an Application for Recovery of Capital Improvement Costs, on a form approved by the Department, within one hundred twenty (120) days of completion of the Capital Improvement.

b. Said application must be in compliance with the Department's procedures and guidelines, contain the following information, and be accompanied by copies of relevant supporting documentation:

(i) A description of the completed Capital Improvement;

(ii) A copy of all estimates, contracts, bills, invoices, canceled checks and other documentation reasonably necessary to establish the cost of the Capital Improvement and the cost of financing the Capital Improvement;

(iii) The proposed amortization period to be used based on the Department's procedures and guidelines, if the period differs from one hundred twenty (120) months;

(iv) A list of Tenants that will be affected by or benefit from the Capital Improvement;

(v) The formula used to calculate the pro rata share of each Tenant;

(vi) The monthly cost to each affected or benefiting Tenant;

(vii) The commencement and completion dates of the Capital Improvement; and

(viii) Such other information as the Department may request.

FH. Primary Renovation Pass-Through. A Landlord may recover up to fifty percent (50%) of a Primary Renovation cost from existing Tenants in Covered Rental Units.

1. A Primary Renovation involves either or both of the following:
  - a. Replacement or substantial modification of any structural, electrical, plumbing, or mechanical system that requires a permit pursuant to State or local law.
  - b. Abatement of hazardous materials, such as lead-based paint or asbestos, in accordance with applicable federal, State, and local laws.
2. Timeline to Request A Primary Renovation Pass-Through Cost.
  - a. Prior to starting any Primary Renovation work, and for review and approval by the Department, a Landlord must provide the Department, on a form approved by the Department, all of the following:
    - (i) A summary of any impact the Primary Renovation work will have on the Tenant's Covered Rental Unit; and
    - (ii) Steps that the Landlord will take to mitigate the impact, including potentially providing relocation assistance pursuant to Section 8.52.110, required during the Primary Renovation work.
  - b. Once the Primary Renovation work is complete, the Landlord must submit an application to the Department, on a form approved by the Department, for approval of a pass-through cost to the Tenants.
3. A Landlord is permitted to apply for and receive only one Primary Renovation pass-through cost to Tenants every five (5) years.

I. Examination and Inspection.

1. Landlord, at their expense, shall make available for examination within ten (10) business days of the written request of any affected Tenant copies of bills for property taxes, any government required service charges, copies of insurance policies and records of insurance payments, and the books and records of the Landlord relating to costs of the Capital Improvements or Primary Renovation to verify any increases or decreases sought by the Landlord under this Section.

2. Department shall be permitted by a Landlord, during reasonable business hours, to visit the residential property and/or the affected Covered Rental Unit and confirm the Capital Improvement and/or Primary Renovation was completed and that the Capital Improvement and/or Primary Renovation cost amount is justified.

3. The Landlord is responsible for the Capital Improvement and/or Primary Renovation and confirming that it is in compliance with all federal, State, or local laws.

J. Standards for Approving Pass-Through Cost.

1. The Department may approve an application for recovery of a pass-through cost if the Department determines the Capital Improvement or Primary Renovation cost(s) are reasonable based on the prevailing costs of such improvements, considering the following and any other factors set forth in its procedures and guidelines:

a. The unique features of the rental property and/or Covered Rental Unit affecting the cost;

b. That the costs incurred were necessary and appropriate to complete the Capital Improvement or Primary Renovation;

c. Whether the work was necessary to bring the rental property into compliance or maintain compliance with County Code requirements affecting health and safety; and

d. Any supplemental information provided by the Tenant to the Department in support of or in opposition to the Landlord's application.

2. The proposed amortization of the Capital Improvement or Primary Renovation and all other aspects of the application comply with the provisions of this Chapter and the Department's procedures and guidelines.

3. Fees and costs incurred by a Landlord to prepare, file, or pursue an application pursuant to this Section may not be passed on to Tenants. Such fees and costs include, but are not limited to, attorney fees and other similar professional services costs.

~~G. The Department's procedures and guidelines will set forth all of the following:~~

~~1. The cost recovery calculations and amortization period for the Capital Improvement or Primary Renovation pass through cost for each Covered Rental Unit; and~~

~~2. Factors for the Department to evaluate a Landlord's application for a pass-through cost of a Capital Improvement or Primary Renovation including, but not~~

~~limited to, whether the work was necessary to bring the property into compliance or maintain compliance with Code requirements affecting health and safety.~~

~~3. Notices to Tenants to file objections to the Landlord's application for pass-through cost of a Capital Improvement or Primary Renovation with the Department.~~

~~H. Pursuant to this Section, no pass-through cost recovery may be approved if the amount allowed to be a pass-through cost, plus any Rent increase for that year, would result in an increase of the Rent for the prior year of a Covered Rental Unit by more than eight percent (8%), or of a Luxury Unit by more than ten percent (10%).~~

**SECTION 10.** Section 8.52.080 is hereby amended to read as follows:

**8.52.080 Annual-Rental Registration.**

A. Registration of Dwelling Unit. On or before September 30th of each year, a Landlord must register each Dwelling Unit that is rented or is available for Rent in the County's Registry System or in a form approved by the Department. A Landlord must contact the Department or update the County's Registry System ~~if there are~~ within thirty (30) calendar days of any subsequent changes to the Dwelling Unit or the discovery of any errors in the County's Registry System.

B. Registration of ~~Amenities~~ Housing Services. When registering each Dwelling Unit, the Department may also require a Landlord to register all ~~amenities~~ Housing Services available to the Tenant ~~pursuant to the Department's procedures and guidelines.~~

C. ~~County Registry System.~~ Registration under this Section must be completed through the County's registry system or in a form approved by the Department. The Department shall be responsible for accepting annual rental registration and any subsequent changes made or requested by the Landlord. Registration must include, but is not limited to, the following information:

1. Rent for each Dwelling Unit in the rental property and the date of the last Rent increase for the Covered Rental Unit.

2. The name, address, and telephone number of each Landlord for the rental property and the nature of such ownership interest.

3. The number of Dwelling Units in the rental property.

4. The name and mailing address of each Tenant.

5. A description of Housing Services provided by the Landlord.

6. Move-in and vacancy dates for each Tenant.

D. ~~Rental~~ Registration Fee. A Landlord must pay an annual rental registration fee for each Dwelling Unit on the rental property. This registration fee shall be determined by the Board and shall be sufficient to pay operating costs for this Chapter, including, but not limited to, administrative time and costs, legal fees and costs, and any other expense incurred to implement, administer, ~~or~~ and enforce this Chapter.

E. ~~Rental~~ Registration Fee Pass-Through. A Landlord may recover up to fifty-percent (50%) of a rental registration fee from the Tenant of a Covered Rental Unit where: The registration fee pass-through cost shall be calculated in accordance to the



Department's policies and procedures. A Landlord may only collect one annual registration fee pass-through cost at a time and must also meet the following requirements to pass-through this registration fee:

1. ~~A Landlord t~~Timely and accurately submits an annual rental registration for each Dwelling Unit and Housing Services in the rental property prior to any deadline published by the Department;

2. ~~A Tenant's payment to the Landlord for the pass-through cost is paid in twelve (12) equal, monthly installments;~~

3. ~~The pass-through cost appears as a separate line item; and~~

4. ~~The Landlord provides to the Department the amount of the pass-through cost to the Tenants.~~The registration fee pass-through cost appears as a separate line item on the monthly obligation(s) statement;

3. Provides Tenant with thirty (30) days notice before collecting any registration fee pass-through cost; and

4. A Tenant's payment to the Landlord for the registration fee pass-through cost is paid in twelve (12) equal, monthly installments, unless otherwise agreed to by the Tenant.

F. Excess Registration Fee Pass-Through Cost Paid.

1. In the event a Tenant paid registration fee pass-through cost in excess of that permitted by the Department, the Landlord shall reimburse the Tenant for the registration fee pass-through cost overpayment.

2. The Landlord may elect to either:

a. Reimburse the Tenant for the registration fee pass-through costs overpayment through one lump sum payment, which must be paid by the time the next monthly obligation is due; or

b. Reimburse the Tenant for the overpayment over a six (6) month period in the form of a monthly credit towards any monthly obligation(s) due from the Tenant, to which the first credit must be applied at the time the next monthly obligation is due.

3. Reimbursement for Overpayment Exceeds Monthly Obligation(s) Due. Where the reimbursement due to the Tenant exceed the total monthly obligation(s) due for the remainder of the Tenancy, the reimbursement exceeding the monthly obligation(s) shall be immediately paid to the Tenant as a lump sum payment.

**SECTION 11.** Section 8.52.090 is hereby amended to read as follows:

**8.52.090 Termination of Tenancy.**

A. No Landlord may terminate a Tenancy of a ~~Tenant occupying an~~ occupied Dwelling Unit, unless the Landlord can demonstrate either a For Cause or No-Fault termination.

B. When terminating a Tenancy either ~~For Cause or No-Fault~~, a Landlord must comply with all of the following:

1. The Landlord must serve a written notice in accordance with California Civil Code sections 1946 through 1946.5, ~~as may be amended~~, to the Tenant that states that, in addition to any information required by federal or State law, the

Landlord will terminate the ~~Tenant's~~ Tenancy ~~because of~~, and that indicates at least one For Cause or No-Fault reason; and

2. The Landlord has not accepted and will not accept Rent or any other consideration in return for the continued use of the Dwelling Unit beyond the term of the terminated Tenancy in compliance with California Civil Code sections 1945 through 1946.5, ~~as may be amended~~; and

3. The Landlord qualifies the termination as For Cause or No-Fault, as specified in this Section; and

4. The Landlord has submitted to the Department ~~via certified mail, return receipt requested~~, within five (5) days after service of the notice of termination on the Tenant, a true and accurate copy of the Landlord's written notice of termination, and proof of such service, signed under penalty of perjury, on the Tenant. The Landlord shall maintain proof of service to the Department as evidence that the Landlord has complied with this Section.

C. A Landlord who is unable to show a For Cause or No-Fault ~~termination~~ of reason to terminate Tenancy, must instead pursue one of the following options:

1. Renew the Rental Agreement. At the conclusion of a term of Tenancy under a Rental Agreement, a Landlord may offer to renew the Rental Agreement, under substantially similar material terms including, but not limited to, Rent, amenities, services, facilities, and term of the Tenancy.

2. Permit the Tenancy to Continue. At the conclusion of a term of Tenancy under a Rental Agreement, a Landlord may permit the Tenancy to continue in accordance with California Civil Code section 1945,~~as may be amended~~.

3. Propose New Tenancy Terms. At the conclusion of a term of Tenancy under a Rental Agreement, a Landlord may provide notice of new proposed terms of Tenancy in accordance with California Civil Code section 827,~~as may be amended~~. This is not applicable to Covered Rental Units.

D. For Cause Termination of Tenancy. If a Landlord can show any of the following circumstances with respect to a termination of Tenancy in a Dwelling Unit, the termination qualifies as a For Cause Termination.

1. Failure to Pay Rent. Tenant failed to pay Rent to which the Landlord is legally entitled pursuant to the Rental Agreement and under the provisions of State or local law, unless the Tenant has withheld Rent pursuant to applicable law; and said failure has continued after service on the Tenant of a written notice setting forth the amount of Rent then due and requiring it to be paid, within a period, specified in the notice, of not less than three (3) days.

2. Violation of Material Term of Rental Agreement. Tenant has continued to substantially violate any material term of the Rental Agreement as provided in California Code of Civil Procedure section 1161 subdivision (3), after written notice to cease, and did not cure such violation within ten (10) days after receiving written notice from the Landlord of such violation.

a. New terms added to an existing Rental Agreement cannot be considered a material Rental Agreement term, unless expressly consented to in writing by the Tenant.

b. Adding additional occupants in an existing Tenancy is not a breach of a material Rental Agreement term so long as the number of occupants does not exceed the maximum number of occupants as determined by State or local laws.

c. ~~Tenant has willfully caused or allowed~~Any term regarding a Tenant's willful cause or allowance of substantial damage to the Dwelling Unit beyond normal wear and tear and ~~has refused~~Tenant's refusal, after written notice, to pay the reasonable costs of repairing such damages and cease damaging said Dwelling Unit is considered a material term of the Rental Agreement.

3. Nuisance or Illegal Purpose. Tenant creates a nuisance or uses the Dwelling Unit for an illegal purpose as provided in California Code of Civil Procedure section 1161 subsection (4) including:

a. Any crime or act of violence committed by a Tenant of a Dwelling Unit which involves use of a gun or a deadly weapon, or inflicts serious bodily injury and for which a police report has been filed, but not a crime or act of violence that is committed against a person residing in the same Dwelling Unit as the person committing the crime;

b. Any threat of violent crime or violence, which includes any statement made by a Tenant, or at the Tenant's request, by the Tenant's agent, to any person who is on the property where the Dwelling Unit is located, threatening the

~~commission of~~ to commit a crime or violence which will result in death or serious bodily injury to another person, with the specific intent that the statement is to be taken as a threat, even if there is no intent of actually carrying it out, when on its face and under the circumstances in which it is made, it is unequivocal, immediate, and specific as to convey to the person threatened, a gravity of purpose and an immediate prospect of execution of the threat, and thereby causes that person reasonably to be in sustained fear for his or her own safety or for his or her immediate family's safety, but not including a threat that is committed against a person who is residing in the same Dwelling Unit as the person making the threat;

...

E. ~~No-Fault Termination of Tenancy.~~ If a Landlord can show any of the following circumstances with respect to a termination of Tenancy in a Dwelling Unit, the termination qualifies as a ~~No-Fault~~ termination:

1. ~~Landlord or Landlord's Family Member Occupancy.~~ A Landlord who owns a Dwelling Unit and seeks in good faith to recover possession of said Dwelling Unit for the Landlord's own use and occupancy as the Landlord's principal residence for at least thirty-six (36) consecutive months, or for the use and occupancy as the principal residence by the Landlord's Family Member for at least thirty-six (36) consecutive months.

a. ~~Sixty-Day Notice Period.~~ A Landlord must provide the Tenant sixty (60) days' written notice that the Landlord intends to terminate the Tenancy. The Tenant may not waive the required sixty (60) days' notice.

~~b.—— Fifty Percent Ownership Interest. In order to evict for Landlord or Landlord's Family Member occupancy, the Landlord must possess legal title to at least fifty percent (50%) of the building or be a beneficiary with an interest of at least fifty percent (50%) in a trust that owns the building. If the Landlord is a corporation, partnership, or limited liability company, then each individual who intends to evict a Tenant under this Section and occupy the Dwelling Unit, must have at least a fifty percent (50%) beneficial interest in that business entity. Additionally, if two persons purchase a duplex and each own fifty percent (50%) of the building each may evict a Tenant under this Section.~~

~~c.—— Dwelling Unit Limitation. A Landlord with less than one hundred percent (100%) ownership interest in a property may occupy only one Dwelling Unit on that property. A Landlord with one hundred percent (100%) ownership interest in a property may occupy up to two Dwelling Units on that property.~~

~~d.—— A Landlord may only terminate a Tenancy under this Section if the Landlord or Landlord's Family Member who will reside in the Dwelling Unit is similarly situated as the Tenant, who is being displaced:~~

~~(i)—— If the Tenant is at least sixty-two (62) years of age or older, then the Landlord or the Landlord's Family Member who will reside in the Dwelling Unit must also be sixty-two (62) years of age or older;~~

~~(ii) If the Tenant is a person with a disability who has a physical or mental impairment that limits one or more of a person's major life activities within the meaning of the California Fair Housing and Employment Act pursuant to~~

~~California Government Code section 12926, then the Landlord or the Landlord's Family Member who will reside in the Dwelling Unit must also be a person with a disability;~~

~~(iii) If the Tenant has a terminal illness as verified by their medical primary care provider, then the Landlord or the Landlord's Family Member who will reside in the Dwelling Unit must also have a terminal illness; or~~

~~(iv) If the Tenant is a low-income tenant (low-income tenant means a person and family whose income does not exceed the qualifying limits for lower income families as established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937, or as otherwise defined in California Health and Safety Code section 50079.5), then the Landlord or the Landlord's Family Member who will reside in the Dwelling Unit must also be a low-income individual.~~

~~e.—— It shall be rebuttably presumed that the Landlord has not acted in good faith if the Landlord or the Landlord's Family Member who displaced the Tenant does not move into the Dwelling Unit within sixty (60) days after Tenant has vacated the Dwelling Unit and occupy said unit as that person's principal residence for a minimum of thirty-six (36) consecutive months.~~

~~2.—— Withdrawal of Dwelling Units from Rental Market. A Landlord seeks to withdraw from the residential rental market pursuant to the Ellis Act, subject to the following conditions and requirements:~~

~~a.—— Landlord complies with all provisions of the Ellis Act, unless otherwise indicated in this Section.~~



~~b. — Not less than one hundred twenty (120) days from the date the Landlord intends to withdraw the Dwelling Units in a building or structure from the rental market, and after completion of all required proceedings, if any, the Landlord shall provide written notice of termination of Tenancy to the Department and all affected Tenants, on a form approved by the Department.~~

~~c. — Landlord's notice of termination of Tenancy to the Department shall contain the following information:~~

- ~~(i) — Address and legal description of the subject property;~~
- ~~(ii) — Identify the Landlord of the property;~~
- ~~(iii) — Number of Dwelling Units being removed;~~
- ~~(iv) — The names of all Tenants residing in the Dwelling Units being removed;~~
- ~~(v) — Date upon which the building(s) are intended to be withdrawn; and~~
- ~~(vi) — The relocation assistance that the Tenant is qualified to receive in order to mitigate any impact on the Tenant from being displaced in accordance with Section 8.52.110 as well as any additional assistance if the Tenant is low income, has minor children, is an elderly person, and/or a disabled person in accordance with Section 8.52.110.~~

~~d. — Landlord's notice to all affected Tenants shall contain the following information:~~

~~(i) — That the Landlord is evicting the Tenant pursuant to this Subsection and will provide the County with the written notice required in this Section;~~

~~(ii) — That within thirty (30) days of receipt of notice to terminate, the Tenant may notify the Landlord in writing that the Tenant would be interested in re-renting the Dwelling Unit if any of the Dwelling Units are re-offered for rent at a future time and advising the Tenant to notify the Landlord of future address changes.~~

~~(iii) — A description of the Tenant's rights.~~

~~(iv) — The notice shall be accompanied by relocation assistance and any additional special assistance provided to the Tenant in accordance with Section 8.52.110; and~~

~~(v) — A description of the Tenant's rights to relocation assistance and any other rights set forth in this Chapter.~~

~~e. — The following Tenants who have resided in the Dwelling Unit for at least one year prior to the Landlord's notice of intent to withdraw the Dwelling Unit in a building or structure from the residential rental market, and after receiving one hundred twenty (120) days' written notice, may submit a written request to the Landlord to receive an extension of one year from the Tenant's date of notice:~~

~~(i) — A Tenant who is at least sixty-two (62) years of age;~~

~~or~~

~~(ii) — A Tenant with a disability who has a physical or mental impairment that limits one or more of a person's major life activities within the meaning of the California Fair Housing and Employment Act pursuant to California Government Code section 12926.~~

~~3. — Government Agency or Court Order.~~

~~a. — The Landlord shall comply with any of the following:~~

~~(i) — An order issued by a government agency or court relating to habitability that necessitates vacating Dwelling Unit;~~

~~(ii) — An order issued by a government agency or court to vacate the Dwelling Unit; or~~

~~(iii) — A local ordinance that necessitates vacating the Dwelling Unit.~~

~~b. — If it is determined by any government agency or court that the Tenant is at fault for the condition or conditions triggering the order or need to vacate under this Section, the Tenant shall not be entitled to relocation assistance as outlined in Section 8.52.110.~~

~~4. — Tenant's Right of First Return.~~

~~a. — Return Within Five (5) Years to a Covered Rental Unit. A Tenant may return to the Covered Rental Unit if a Landlord returns the Covered Rental Unit to the residential rental market within five (5) years after the effective date of withdrawal of the building. The Tenant of a Covered Rental Unit is entitled to receive notice of the first right to return to rent the same Covered Rental Unit at the Rent~~

~~previously charged plus any annual Rent increases allowed under this Chapter. The Landlord must deliver the notice to the Tenant in a form approved by the Department.~~

~~b. Return Within Ten (10) Years of A Dwelling Unit. A Landlord of a building containing a Dwelling Unit that was withdrawn from the residential rental market within the previous ten (10) years must provide one hundred twenty (120) days written notice to the County and previous Tenants of the Landlord's intent to return the Dwelling Unit to the residential rental market. Any Tenant displaced from a Dwelling Unit may request the first right of return from the Landlord within thirty (30) days of receiving notice from the County of the Landlord's intent to return the Dwelling Unit to the residential rental market.~~

~~c. Nothing in this Section shall be construed to relieve the Landlord of the obligation to directly contact the former Tenant and to advise the Tenant that the withdrawn Dwelling Unit will again be offered for Rent. Notice shall be on a form approved by the Department.~~

~~d. Registry. The County may create a registry of Tenant contact information for use by Tenants and Landlords to facilitate communication regarding the first right of return. Each Landlord shall use relevant information in the registry, in addition to information provided voluntarily by each Tenant, when complying with first right of return obligations and relocation assistance under this Chapter.~~

~~5. Fees. The County may establish fees for County incurred costs when a Landlord withdraws Dwelling Units from the residential rental market. The fees shall be paid to the County prior to the Landlord's notice to a Tenant to withdraw the~~

~~Dwelling Unit. Failure to pay the fees prior to service of the notice to the Tenants shall invalidate such notice.~~

~~6. Recordation of Memorandum. The Landlord shall record a memorandum, on a County approved form, with the County's Registrar Recorder/County Clerk encumbering the property where the Dwelling Unit is located within ten (10) days of providing notice to the County of the Landlord's intent to withdraw the Dwelling Units from the residential rental market.~~

~~a. The memorandum must be executed by the Landlord.~~

~~b. The memorandum shall summarize the obligations of the Landlord, and any successor in interest to the Landlord, and include the Tenant's right to receive notice of the first right to return to Rent the Dwelling Unit returned to the residential rental market.~~

~~c. The summary memorandum must encumber the property for ten (10) years from the date of Landlord's notice to the County to withdraw from the residential rental market.~~

~~d. The Landlord shall deliver to the Department a conformed copy of the recorded memorandum within sixty (60) days after filing notice to the County to withdraw from the residential rental market.~~ No-Fault Termination of Tenancy.

1. If a Landlord can show any of the following circumstances with respect to a termination of Tenancy in a Dwelling Unit, the termination qualifies as a No-Fault termination.

a. Landlord or Landlord's Family Member Occupancy. A Landlord who owns a Dwelling Unit, and seeks in good faith to recover possession of said Dwelling Unit for the Landlord's or Landlord's Family Member's own use and occupancy as the Landlord's or Landlord's Family Member principal residence. The Landlord shall demonstrate good faith if the Landlord or the Landlord's Family Member moves into the Dwelling Unit within sixty (60) days after Tenant has vacated the Dwelling Unit and occupies said Dwelling Unit as the Landlord's or Landlord's Family Member's principal residence for at least three (3) years, unless extenuating circumstances exist.

(i) Displacement. To recover possession of said Dwelling Unit for the Landlord's own use and occupancy as the Landlord's or Landlord's Family Member's principal residence, Landlord must first seek to occupy a vacant Dwelling Unit if there are three (3) or more Dwelling Units on the rental property. If no vacant Dwelling Unit is available, then Landlord may displace the current Tenant and Tenant's household members so that the Landlord or the Landlord's Family Member's may move into the Dwelling Unit subject to the conditions set forth in this Chapter.

(ii) Sixty-Day Notice Period to Tenant. A Landlord must provide the Tenant sixty (60) days' written notice that the Landlord intends to terminate the Tenancy. The Tenant may not waive the required sixty (60) days' notice.

(iii) Owner-Occupancy Disclosure.

(a) Not less than sixty (60) days prior to the final date of the Tenancy, in addition to any notice required by California Civil Code

section 827, the Landlord must disclose to the Department the name(s) of the eligible individual(s) who will occupy the Dwelling Unit, and the relationship of said individual(s) to the Landlord.

(b) The Department may contact Landlord at any time during the three (3) year time frame to confirm that the Landlord or Landlord's Family Member resides in the recovered Dwelling Unit(s), and may obtain written verification of residency.

(iv) Fifty Percent Ownership Interest. In order to evict for Landlord or Landlord's Family Member occupancy, the Landlord must be a natural person and possess legal title to at least fifty percent (50%) of the Dwelling Unit or be a beneficiary with an interest of at least fifty percent (50%) in a trust that owns the Dwelling Unit. If two persons purchase a duplex and each own fifty percent (50%) of the building, each may evict a Tenant under this Section.

(v) Dwelling Unit Limitation. A Landlord with less than one hundred percent (100%) ownership interest in a property may occupy only one Dwelling Unit on that property. A Landlord with one hundred percent (100%) ownership interest in a property may occupy up to two (2) Dwelling Units on that property.

(vi) A Landlord may only terminate a Tenancy under this Section if the Landlord or Landlord's Family Member who will reside in the Dwelling Unit is similarly situated as the Tenant or Tenant's household members who are being displaced:

(a) If the Tenant or one of Tenant's household members is at least sixty-two (62) years of age or older, then the Landlord or the Landlord's Family Member who will reside in the Dwelling Unit must also be sixty-two (62) years of age or older;

(b) If the Tenant or one of Tenant's household members is a person with a disability who has a physical or mental impairment that limits one or more of the person's major life activities within the meaning of the California Fair Housing and Employment Act pursuant to California Government Code section 12926, then the Landlord or the Landlord's Family Member who will reside in the Dwelling Unit must also be a person with a disability;

(c) If the Tenant or one of the Tenant's household members has a terminal illness as verified by their medical care provider, then the Landlord or the Landlord's Family Member who will reside in the Dwelling Unit must also have a terminal illness as verified by their medical care provider; or

(d) If the Tenant is a low-income household (low-income household means a household whose income does not exceed the qualifying limits for lower income households as established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937, or as otherwise defined in California Health and Safety Code section 50079.5), then the Landlord or the Landlord's Family Member who will reside in the Dwelling Unit must also be a low-income household.



(vii) Tenant's Right of First Return.

(a) Return Within Three (3) Years. If a Landlord or Landlord's Family Member ceases occupation of the Dwelling Unit within three (3) years after the final date of Tenancy, the Tenant of a Dwelling Unit is entitled to receive notice of the first right to return to rent the same Dwelling Unit at the Rent previously charged plus any annual Rent increases allowed under this Chapter. The Landlord must deliver the notice to the Tenant in a form approved by the Department.

(b) Nothing in this Section shall be construed to relieve the Landlord of the obligation to directly contact the former Tenant and to advise the Tenant that the recovered Dwelling Unit will again be offered for Rent. Notice shall be on a form approved by the Department.

(viii) Rent to Tenant Not Previously Displaced. If a Landlord or Landlord's Family Member ceases occupation of the Dwelling Unit, and the recovered Dwelling Unit is offered for Rent to a Tenant who was not the previously displaced Tenant, the new Tenant is entitled to Rent the Dwelling Unit at the Rent previously charged at the time of the prior Tenancy plus any annual Rent increases allowed under this Chapter.

b. Withdrawal of Dwelling Units from Rental Market. A Landlord may seek to withdraw Dwelling Units from the residential rental market pursuant to the Ellis Act, subject to the following conditions and requirements:

(i) Landlord complies with all provisions of the Ellis Act, unless otherwise indicated in this Section.

(ii) Not less than one hundred twenty (120) days from the date the Landlord intends to withdraw all the Dwelling Units in a building or structure from the residential rental market, and after completion of all required proceedings, if any, the Landlord shall provide written notice of intent to withdraw the Dwelling Units to the Department on a form approved by the Department, and a written notice of termination of Tenancy to all Tenants. Said notices to the Department and Tenants shall be served contemporaneously.

(iii) Notice of Intent to Terminate Requirements.

Landlord's notice of intent to withdraw the Dwelling Units to the Department shall contain the following information:

(a) Address and legal description of the subject rental property;

(b) The names, mailing addresses, and business phone numbers of the Landlord(s) of the rental property;

(c) Number of Dwelling Units being removed;

(d) The names of all Tenants residing in the Dwelling Units being removed;

(e) Date upon which the Dwelling Units are intended to be withdrawn; and

(f) The relocation assistance that the Tenant is qualified to receive in order to mitigate any impact on the Tenant from being displaced in accordance with Section 8.52.110 as well as any additional assistance if the Tenant

is low-income, has minor children, is an elderly person, and/or a disabled person in accordance with Section 8.52.110.

(iv) Notice of Termination Due to Intent to Withdraw Dwelling Units Requirements. The Landlord shall provide each Tenant to be displaced with a written notice of termination due to intent to withdraw Dwelling Units, containing the following information:

(a) The Landlord has provided a notice of intent to withdraw Dwelling Units to the Department in accordance to this Section;

(b) Said notice of intent specified the name and address of the Tenant;

(c) A description of the Tenant's rights to relocation assistance and right of first return if the Landlord returns the Dwelling Units to the residential rental market and any other rights pursuant to this Section;

(d) A Tenant who is sixty-two (62) years of age or older or a disabled Tenant, who has lived in their Dwelling Unit for at least one (1) year prior to the filing of the notice of intent with the Department shall have their Tenancy extended to one (1) year after the date of filing of the notice of intent with the Department, provided that the Tenant gives written notice of their request to the Landlord to receive an extension of one (1) year from the Tenant's date of notice of intent;

(e) Within thirty (30) days of receipt of notice of termination, the Tenant may notify the Landlord in writing that the Tenant would be

interested in re-renting the Dwelling Unit if any of the Dwelling Units are re-offered for Rent at a future time; if the Tenant provides this notice, the Tenant should notify the Landlord of future address changes; and

(f) The notice shall be accompanied by relocation assistance and any additional special assistance provided to the Tenant in accordance with Section 8.52.110.

(v) The following Tenants who have resided in the Dwelling Unit for at least one (1) year prior to the Landlord's notice of termination to withdraw the Dwelling Unit in a building or structure from the residential rental market, and within thirty (30) days after receiving notice of termination, may submit a written request to the Landlord to receive an extension of one (1) year from the Tenant's date of notice:

(a) A Tenant who is at least sixty-two (62) years of age; or

(b) A Tenant with a disability who has a physical or mental impairment that limits one or more of a person's major life activities within the meaning of the California Fair Housing and Employment Act pursuant to California Government Code section 12926.

(vi) Withdrawn Dwelling Units Re-Offered for Rent.

(a) Return Within Two (2) Years. A Tenant may resume their Tenancy in the Dwelling Unit if a Landlord returns the Dwelling Units to the residential rental market within two (2) years after the effective date of withdrawal.

(1) The Landlord must provide the Tenant the notice to renew their Tenancy in a form approved by the Department through certified mail return receipt requested. Any Tenant displaced from a Dwelling Unit may request the right of first return from the Landlord within thirty (30) days of receiving notice from the Landlord of the Landlord's intent to return the Dwelling Unit to the residential rental market.

(2) The Tenant of a Covered Rental Unit is entitled to receive notice of the right of first return to Rent the same Covered Rental Unit at the Rent previously charged to the Tenant plus any annual Rent increases allowed under this Chapter.

(3) A Landlord who re-offers a withdrawn Dwelling Unit for Rent within two (2) years of withdrawal shall be liable to any Tenant who was displaced by the withdrawal for actual and punitive damages. Any action by the Tenant pursuant to this subsection shall be brought within three (3) years of the withdrawal of the Dwelling Units from the residential rental market. Nothing in this subsection precludes a Tenant from pursuing any alternative remedy available under the law.

(4) County Counsel may institute a civil proceeding against any Landlord who offers a withdrawn Dwelling Unit for Rent within two (2) years of withdrawal of the Dwelling Unit for exemplary damages for displacement of Tenants. Any action brought by County Counsel shall be brought

within three (3) years of the withdrawal of the Dwelling Unit from the residential rental market.

(b) Return More Than Two (2) Years but less than Five (5) Years. A Tenant may return to the Dwelling Unit if a Landlord returns the Dwelling Unit to the residential rental market more than two (2) years but less than five (5) years after the effective date of withdrawal.

(1) The Landlord must provide the Tenant the notice to renew their Tenancy in a form approved by a Department through a certified mail return receipt requested. Any Tenant displaced from a Dwelling Unit may request the right of first return from the Landlord within thirty (30) days of receiving notice from the Landlord of the Landlord's intent to return the Dwelling Units to the residential rental market.

(2) A Tenant of a Covered Rental Unit is entitled to receive notice of the right of first return to rent the same Covered Rental Unit at the Rent previously charged plus any annual Rent increases allowed under this Chapter.

(3) Landlord shall be liable to any Tenant who was displaced from their Dwelling Unit for failure to comply with this subsection, for punitive damages in an amount which does not exceed the contract rent for six (6) months, the payment of which shall not be construed to extinguish the Landlord's obligation to comply with this subdivision.

(c) Return More than Five (5) Years but Less than (10) Ten Years. A Tenant may return to the Dwelling Unit if a Landlord returns the Dwelling Units to the residential rental market more than five (5) years but less than ten (10) years after the effective date of withdrawal.

(1) The Landlord must provide written notice to the County and previous Tenants of the Landlord's intent to return the Dwelling Unit to the residential rental market.

(2) Any Tenant displaced from a Dwelling Unit may request the right of first return from the Landlord within thirty (30) days of receiving notice from the Landlord of the Landlord's intent to return the Dwelling Unit to the residential rental market.

(3) Landlord shall be liable to any Tenant who was displaced from their Dwelling Unit for failure to comply with this subsection, for punitive damages in an amount which does not exceed the contract rent for six (6) months, and the payment of which shall not be construed to extinguish the Landlord's obligation to comply with this subdivision.

(d) Nothing in this Section shall be construed to relieve the Landlord of the obligation to directly contact the former Tenant and to advise the Tenant that the withdrawn Dwelling Unit will again be offered for Rent. Notice shall be on a form approved by the Department.

(vii) Restrictions if Covered Rental Units Demolished. If Covered Rental Units are demolished and new Dwelling Units are constructed on the

same residential rental property, and offered for Rent within five (5) years of the date the Covered Rental Units were withdrawn from Rent, the newly constructed Dwelling Units shall be subject to Section 8.52.050 at which they would be offered on the basis of a fair and reasonable return on the newly constructed accommodations, notwithstanding any exemption from the system of controls for newly constructed Dwelling Units.

(viii) Recording of Memorandum. The Landlord shall record a memorandum, on a County-approved form, with the County's Registrar-Recorder/County Clerk encumbering the property where the Dwelling Unit(s) is located no sooner than forty (40) days after providing notice to the Department of the Landlord's intent to withdraw the Dwelling Unit(s) from the residential rental market.

(a) The memorandum must be executed by the Landlord(s).

(b) The memorandum shall set forth the names of the Landlord(s) of the residential rental property, summarize the obligations of the Landlord, and any successor in interest to the Landlord, and include the Tenant's right to receive notice of the first right to return to Rent the Dwelling Unit returned to the residential rental market.

(c) The memorandum must encumber the property for ten (10) years from the date of Landlord's notice of intent to the Department to withdraw the Dwelling Unit(s) from the residential rental market.

(d) The Landlord shall deliver to the Department a conformed copy of the recorded memorandum within ninety (90) days after filing notice



of intent to the Department to withdraw the Dwelling Unit(s) from the residential rental market.

c. Government Agency or Court Order.

(i) The Landlord shall comply with any of the following:

(a) An order issued by a government agency or court relating to habitability that necessitates vacating the Dwelling Unit;

(b) An order issued by a government agency or court to vacate the Dwelling Unit; or

(c) A local ordinance that necessitates vacating the Dwelling Unit.

(ii) If it is determined by any government agency or court that the Tenant is at fault for the condition or conditions triggering the order or for the need to vacate under this Section, the Tenant shall not be entitled to relocation assistance.

2. Fees. The County may establish fees for County-incurred costs when a Landlord recovers possession of Dwelling Units or withdraws Dwelling Units from the residential rental market. The fees shall be paid to the County prior to the Landlord's notice to a Tenant to recover possession or withdraw the Dwelling Unit. Failure to pay the fees prior to service of the notice to the Tenants shall invalidate such notice.

3. All No-Fault terminations of Tenancy are eligible for relocation assistance.

4. Registry. The County may create a registry of Tenant contact information for use by Tenants and Landlords to facilitate communication regarding the right of first return. Each Landlord shall use relevant information in the registry, in addition to information provided voluntarily by each Tenant, when complying with first right of return obligations and relocation assistance under this Chapter.

**SECTION 12.** Section 8.52.100 is hereby amended to read as follows:

**8.52.100 Tenant Buyout Agreements.**

A. Landlord's Disclosure Prior to Buyout Offer. ~~Prior to making a buyout offer~~At the time a proposed buyout agreement is provided, the Landlord shall provide each Tenant in the Dwelling Unit a written disclosure in the primary language of the Tenant, on a form approved by the Department, translated at the Landlord's expense, that shall include all of the following:

...

B. Requirement for Buyout Agreements. ~~A buyout agreement that does not satisfy all the requirements of this Section may be rescinded by the Tenant within forty-five (45) days of execution of the buyout agreement.~~ The buyout agreement shall:

1. Be in writing in the primary language of the Tenant, translated at the Landlord's expense. The Landlord shall give each Tenant a copy of the proposed buyout agreement at least ~~ten (10) business~~forty-five (45) days before it is executed by the parties.

2. Include the following statement in bold letters in at least ~~fourteen-point (14 pt)~~12-point boldface type in close proximity to the space reserved for the signature of the Tenant(s):

...

~~3. Provide to the Tenant a copy of the fully executed buyout agreement.~~

C. Rescission of Buyout Agreement. A Tenant shall have the right to rescind a buyout agreement for up to forty-five (45) days after its execution by all parties. In order to rescind a buyout agreement, the Tenant must hand-deliver, email, or send by certified mail return receipt requested, a statement to the Landlord indicating that the Tenant has rescinded the buyout agreement.

D. Filing of Buyout Agreement and Disclosure Notice. The Landlord shall ~~file~~ provide the Tenant a copy of the fully executed buyout agreement within ten (10) days of execution. Landlord shall also file with the Department, pursuant to its procedures and guidelines, a copy of the executed buyout agreement, along with proof of service to the Tenant of the disclosure notice as required in this Section, within ~~sixty (60)~~ten (10) days after the buyout agreement is executed by all parties. ~~Buyout agreements and disclosure notices shall be filed with the Department.~~

**SECTION 13.** Section 8.52.110 is hereby amended to read as follows:

**8.52.110 Relocation Assistance.**

A. Permanent Relocation Assistance. When relocation assistance is ~~required by this Section~~ must be paid to Tenants who are evicted from their Dwelling Unit pursuant to Section 8.52.090(E), the Landlord must make the relocation assistance payment ~~to an escrow in accordance with the Department's procedures and guidelines simultaneously served this Section.~~ The relocation assistance payment shall be served simultaneously with the notice of termination of Tenancy.

1. The County will determine standard relocation assistance amounts based on the following:

- a. Three times the Countywide median ~~rent~~ based on the Dwelling Unit size;
- b. Estimated costs associated with disconnecting and reconnecting utilities;
- c. Estimated packing and moving costs;
- d. Estimated storage costs for three (3) months;
- e. Packing supplies;
- f. Application fees; and
- g. Taxes.

2. A Tenant who is either a Qualified Tenant or a Lower-Income Tenant, as defined in this Section, may receive additional relocation assistance.

a. Qualified Tenant. If one of the Tenants living in the Dwelling Unit from which the Tenants are to be displaced includes a person who is sixty-two (62) years of age or older, disabled, or has children under the age of eighteen (18), then all Tenants living in the Dwelling Unit are collectively entitled to the Qualified Tenant relocation assistance listed in the relocation fee schedule.

b. Lower-Income Tenant. If one of the Tenants living in the Dwelling Unit from which the Tenants are to be displaced includes a lower-income person, as defined by California Health and Safety Code section 50079.5, then all Tenants living in the Dwelling Unit are collectively entitled to the Lower-Income Tenant relocation assistance listed in the relocation fee schedule.

3. Permanent Relocation Assistance Payments shall be paid as follows and only upon the mutual agreement between the Landlord and Tenant:

a. Escrow Account. Permanent relocation assistance payments may be deposited into an escrow account and pursuant to the Department's procedures and guidelines; or

b. Direct Payment. Permanent relocation assistance payments may be paid directly to the Tenant.

B. Temporary Relocation Assistance. A Landlord must pay temporary relocation assistance to Tenants of a Dwelling who are temporarily displaced due to repairs, rehabilitation of Dwelling Unit, health and safety violations, or other work that cannot be completed while the Tenant remains in the Dwelling Unit.

1. Thirty (30) Days or Less. A Landlord must provide the Tenant a per-diem payment if the Tenant will be temporarily displaced for thirty (30) days or less.

2. Thirty-One (31) Days or More. A Landlord must provide the Tenant either a per-diem payment or comparable temporary accommodations, if available.

3. Per-Diem Payment. ~~Per-diem payment will be based on the Federal General Services Administration per-diem rate for lodging in Los Angeles County, which is updated on a yearly basis.~~

a. Per-diem payment will be based on the Federal General Services Administration per-diem rate for lodging in the County, which is updated on a yearly basis, unless otherwise agreed upon by the Landlord and Tenant, and may include any applicable transient occupancy taxes.

b. Upon mutual agreement by the Landlord and Tenant, per-diem payments may be paid directly to the Tenant, or in the event of a hotel or motel accommodation, directly to the hotel or motel.

4. Temporary Relocation Assistance payments will be made in accordance with the Department's procedures and guidelines.

5. Temporary Hotel or Motel Accommodation. If relocation is to a hotel or motel, the Landlord must provide a hotel or motel accommodation which is safe, sanitary, and unless otherwise agreed upon by the Landlord and Tenant, within a reasonable distance of the Tenant's Dwelling Unit.

C. ~~Escrow Account. Relocation assistance shall be deposited into an escrow account pursuant to the County's procedures and regulations.~~

DC. No Waiver. A Tenant cannot waive his or her right to receive relocation assistance required by this Chapter.

ED. Relocation Specialist Services. A Landlord must, at the Landlord's own expense, hire a relocation specialist with experience in providing relocation services to Tenants in the County. A Landlord must also obtain the Department's approval of the relocation specialist services prior to providing relocation services to the Tenant.

FE. Refund of Security Deposit. A Landlord must refund to the Tenant any security deposit paid by the Tenant. A Landlord may withhold any properly itemized deductions from the security deposit in accordance with California Civil Code section 1950.5.

GF. Relocation Assistance Set By the Board. The relocation assistance per Dwelling Unit shall be set by the Board and may be based on the number of bedrooms per Dwelling Unit or as provided by the Board.

HG. Any action brought by a Tenant for a violation of this Section must be brought in a court of competent jurisdiction. ~~In a civil suit, a Landlord found to violate this Section shall be liable to the aggrieved Tenant. A prevailing Tenant in a civil action shall be awarded attorneys' fees and costs.~~ No administrative remedy need be exhausted prior to filing suit pursuant to this Section.

**SECTION 14.** Section 8.52.120 is hereby amended to read as follows:

**8.52.120 Notices to Tenants.**

A. Mandatory Notices to Tenants. Landlords must provide to each Tenant, prior to, or at the time of agreeing to Rent a Dwelling Unit, a notice of Tenant rights under this Chapter. The Department shall publish a form notice of Tenant rights in English and other frequently spoken languages. Landlords must provide the form notice in the following circumstances ~~and provide a copy to the Department:~~

1. ~~Within thirty (30) calendar days of enactment of this Chapter;~~
2. When entering into a Rental Agreement, by including a copy of the form notice as an exhibit or attachment to the written Rental Agreement;
3. When renewing a Rental Agreement; and
4. When providing notice of a Rent increase or decrease in a Covered Rental Unit or a Housing Service.

B. Notice Regarding Potential Pass-Through Costs and Fees. A Landlord shall include language in the Rental Agreement that Tenant may be subject to pass-through costs and fees that have been reviewed and approved by the Department.

BC. If the Rental Agreement is negotiated or written in a language other than English, the Landlord must also provide the form notice of Tenant rights in English and the language in which the Rental Agreement was negotiated or written.

GD. Posting on Property. A Landlord must post a copy of the form notice of Tenant rights poster, as published by the Department, in an on-site management office or in accessible area of the rental property.



**SECTION 15.** Section 8.52.130 is hereby amended to read as follows:

**8.52.130 Retaliatory Eviction and Anti-Harassment.**

A. Retaliatory Eviction.

1. If the main intent of the Landlord in terminating a Tenancy or refusing to renew a Tenancy is retaliatory in nature, and if the Tenant is not in default as to the payment of Rent, then the Landlord may not terminate the Tenancy or refuse to renew the Tenancy or cause the Tenant to quit involuntarily.

~~2. In an action to recover possession of the Dwelling Unit, proof of the exercise by the Tenant of rights under the law within six (6) months prior to the alleged act of retaliation shall create a rebuttable presumption that the Landlord's act was retaliatory.~~

~~3.——A Tenant may assert retaliation affirmatively or as a defense to the Landlord's action without the aid of the presumption regardless of the period of time which has elapsed between the Tenant's assertion or exercise of rights under this Chapter and the alleged act of retaliation.~~

43. Retaliation against a Tenant because of the Tenant's exercise of rights under this Chapter is prohibited. Retaliation claims may only be brought in court and may not be addressed administratively. A court may consider the protections afforded by this Chapter in evaluating a claim of retaliation.

B. Anti-Harassment. No Landlord, or any person, acting as a principal or agent, offering a Dwelling Unit for Rent, or any contractor, subcontractor or employee of the Landlord shall, with respect to property used as a Dwelling Unit under any Rental

Agreement or other Tenancy or estate at will, however created, do any of the following in bad faith:

1. Interrupt, terminate, or fail to provide Housing Services required by ~~contract~~Rental Agreement or by federal, State, County, or local housing, health, or safety laws; or threaten to do so, or violate or threaten to violate California Civil Code section 789.3.

2. ~~Fail to perform repairs and maintenance required by Rental Agreement or by federal, State or local housing, health, or safety laws;~~Take any of the following actions in bad faith:

a. Fail to perform repairs and maintenance required by Rental Agreement or by federal, State, or local laws;

b. Fail to exercise due diligence in completing repairs and maintenance once undertaken;

c. Fail to follow appropriate industry repair, containment, or remediation protocols designed to minimize exposure to noise, dust, lead, paint, mold, asbestos, or other building materials with potentially harmful health impacts;

d. Conduct elective renovation or construction of Dwelling Unit for the purpose of harassing a Tenant;

e. Refuse to acknowledge or accept receipt of a Tenant's lawful Rent payment as set forth in a Rental Agreement, by usual practice of the parties, or in a notice to pay Rent or quit;

f. Refuse to cash or process a rent check or other form of acceptable Rent payment for over thirty (30) days after it is tendered;

g. Fail to maintain a current address for delivery of Rent payments;

h. Violate a Tenant's right to privacy without limitation, by requesting information regarding residence or citizenship status, protected class status, or social security number, except as required by law or in the case of a social security number, for the purpose of obtaining information for the qualifications for a Tenancy;

i. Release information protected by the Tenant's right to privacy except as required or authorized by law; or

j. Request or demand an unreasonable amount of information from Tenant in response to a request for reasonable accommodation.

3. ~~Fail to exercise due diligence in completing repairs and maintenance once undertaken or fail to follow appropriate industry repair, containment or remediation protocols designed to minimize exposure to noise, dust, lead, paint, mold, asbestos, or other building materials with potentially harmful health impacts;~~

4. ~~Abuse the Landlord's Right of Access Into a Dwelling Unit~~right of access into a Dwelling Unit as established by California Civil Code section 1954 or other applicable law. This includes entries for inspections that are not related to necessary repairs or services; entries excessive in number; entries that improperly target certain Tenants or are used to collect evidence against the occupant or otherwise beyond the scope of an otherwise lawful entry; entries or demands for entry at times outside of

normal business hours, unless for health and safety reasons or if the Tenant agrees otherwise; entries contrary to a Tenant's reasonable request to change the date or time of entry; photographing or otherwise recording portions of a Dwelling Unit that are beyond the scope of lawful entry or inspection; and misrepresenting the reasons for accessing a Dwelling Unit.

~~5. Abuse the Tenant with words which are offensive and inherently likely to provoke an immediate violent reaction. This includes words used during in-person conversations, through social media postings or messages, or other communications;~~

64. Influence or attempt to influence a Tenant to vacate a Dwelling Unit through fraud, misrepresentation, intimidation or coercion, which shall include threatening to report a Tenant to the United States Department of Homeland Security;

75. Threaten the Tenant, by word or gesture, with physical harm; or abuse Tenant with words, either orally or in writing, which are offensive and inherently likely to provoke an immediate violent reaction. This includes words used during in-person conversations, through social media postings or messages, or other communications.

86. Violate any law which prohibits discrimination based on race, gender, sexual preference, sexual orientation, ethnic background, nationality, religion, age, parenthood, marriage, pregnancy, disability, human immunodeficiency virus (HIV)/acquired immune deficiency syndrome (AIDS), occupancy by a minor child, or source of income;

97. Take action to terminate any Tenancy including service of any notice to quit or other eviction notice or bring any action to recover possession of a Dwelling Unit based upon facts which the Landlord has no reasonable cause to believe to be true or upon a legal theory which is untenable under the facts known to the Landlord. No Landlord shall be liable under this Subsection for bringing an action to recover possession unless and until the Tenant has obtained a favorable termination of that action;

408. Remove from the Dwelling Unit personal property, furnishings, or any other items without the prior written consent of the Tenant, except when done pursuant to enforcement of a legal termination of Tenancy;

9. Provide false written or verbal information regarding any federal, State, County, or local Tenant protections, including mischaracterizing the nature or effect of a notice to quit or other eviction notice. False information includes, without limitation, requesting or demanding a Tenant:

a. Sign a new Rental Agreement not in the Tenant's primary language if:

(i) Rental Agreement negotiations were conducted in the Tenant's primary language;

(ii) The existing Rental Agreement is in the Tenant's primary language; or

(iii) Landlord is otherwise aware that the new Rental Agreement is not in Tenant's primary language.

b. Enter into a Rent repayment plan if the Landlord states, misrepresents, suggests, or implies, that the Tenant should or must do so to take advantage of Tenant protection laws that do not in fact require such plans.

~~11~~10. Offer payments to:

a. ~~\_\_\_\_\_~~aA Tenant to vacate more than once in six (6) months, after the Tenant has notified the Landlord in writing that the Tenant does not desire to receive further offers of payments to vacate;

b. Attempt to coerce Tenant to vacate accompanied with threats or intimidation. This shall not include settlement offers in pending eviction actions made in good faith and not accompanied with threats or intimidation.

~~12. Attempt to coerce a Tenant to vacate with offers of payment to vacate which are accompanied with threats or intimidation. This shall not include settlement offers made in good faith and not accompanied with threats or intimidation in pending eviction actions;~~

~~13. Refuse to acknowledge receipt of a Tenant's lawful Rent payment;~~

~~14. Refuse to cash a Rent check for over thirty (30) days;~~

~~15. Request information that violates a Tenant's right to privacy including, but not limited to, residence or citizenship status, protected class status, or social security number, except as required by law or in the case of a social security number, for the purpose of obtaining information for the qualifications for a Tenancy, or not release such information except as required or authorized by law;~~

~~16. Interfere with a Tenant's right to privacy including, but not limited to, entering or photographing portions of a Dwelling Unit that are beyond the scope of a lawful entry or inspection;~~

11. Communicate with Tenant in a language other than Tenant's primary language for the purpose of intimidating, confusing, deceiving or annoying Tenant.

~~17~~12. Interfere with a Tenant's right to quiet use and enjoyment of a ~~rental housing unit~~Dwelling Unit as that right is defined by State law;

~~18~~13. ~~Other~~Commit repeated acts or omissions of such significance as to substantially interfere with or disturb the comfort, repose, peace, or quiet of any person lawfully entitled to occupancy of such Dwelling Unit and that cause, are likely to cause, or are intended to cause any person lawfully entitled to occupancy of a Dwelling Unit to vacate such Dwelling Unit or to surrender or waive any rights in relation to such occupancy;

~~19~~14. Remove a Housing Service for the purpose of causing the Tenant to vacate the Dwelling Unit. For example, taking away a parking space knowing that a Tenant cannot find alternative parking and must move; ~~and,~~

~~20~~15. Interfere with the right of Tenants to organize as Tenants and engage in concerted activities with other Tenants for the purpose of mutual aid and protection; provide property access to Tenant organizers, advocates, or representatives working with or on behalf of Tenants living at a property; convene Tenant or Tenant organization meetings in an appropriate space accessible to Tenants under the terms of

their Rental Agreement; or distribute and post literature informing other Tenants of their rights and of opportunities to involve themselves in their project in common areas, including lobby areas and bulletin boards.

C. ~~This Section shall not apply to any attorney who in good faith initiates legal proceedings against a Tenant on behalf of a Landlord to recover possession of a Dwelling Unit.~~

D. Remedies and Penalties. For the purposes of this Section:

1. If any Landlord or any person, acting as a principal or agent, offering a Dwelling Unit for rent, or any contractor, subcontractor, or employee of the Landlord violates the terms of this Section, an aggrieved Tenant may institute a civil action, as allowed under Section 8.52.170, for injunctive relief, direct money damages, and any other relief that the court deems appropriate, which such relief shall include a civil penalty of no less than Two Thousand Dollars (\$2,000), and no more than Five Thousand Dollars (\$5,000), per violation, at the discretion of the court. If the aggrieved Tenant is older than sixty-two (62) or disabled, the court may award an additional civil penalty of up to Five Thousand Dollars (\$5,000) per violation, at the discretion of the court.

2. The above remedies are not exclusive and do not preclude any Tenant from seeking other remedies or penalties provided by applicable law. No administrative remedy need be exhausted prior to filing suit pursuant to this Section.



**SECTION 16.** Section 8.52.140 is hereby amended to read as follows:

**8.52.140 Procedures and Guidelines.**

The Director of the Department, or designee, may develop and publish procedures and guidelines to aid in the implementation of this Chapter.

**SECTION 17.** Section 8.52.145 is hereby added to read as follows:

**8.52.145 Enforcement.**

The Department is authorized to take any and all appropriate steps it deems necessary to enforce this Chapter.

**SECTION 18.** Section 8.52.150 is hereby amended to read as follows:

**8.52.150 Administrative Review and Appeals to the Rental Housing Oversight Commission.**

A. ~~Administration Determination~~ Administrative Review.

1. The Department shall review and evaluate applications ~~or petitions~~ pursuant to this Chapter.

2. The Department may request documents, interview witnesses and affected parties, and gather necessary evidence to review and make appropriate conclusions and findings.

~~3. The conclusions and findings of the Department shall be reviewed by the Commission. The decision of the Commission shall be final.~~

B. Authorization. Any party dissatisfied by the Department's final decision pursuant to this Chapter may request an appeal of ~~that~~ the Department's decision to the

Commission, unless otherwise prohibited by this Chapter. The Department's administrative record shall be reviewable by the Commission.

C. Time Limit. A party must file ~~a request to review by~~ an appeal before the Commission within fifteen (15) days of the Department's final decision. The Commission shall have no authority to consider matters not filed within fifteen (15) days of the Department's final decision.

D. Filing of Appeals. An appeal shall be filed with the secretary ~~or clerk~~ of the Commission or Department staff assigned to the Commission, on the prescribed form, along with any accompanying appeal fee, and shall state specifically whether the basis of the appeal is that:

1. The Department's determination or interpretation is not in accord with the purposes of this Chapter;
2. There was an error or abuse of discretion by the Department;
3. The administrative record includes inaccurate information; or
4. The Department's decision is not supported by the administrative record.

E. Procedures for Appeals.

1. Hearing Dates. The Commission may delegate the setting of hearing dates to its secretary or ~~clerk~~ Department staff assigned to the Commission.

2. Public Hearing. The appeal hearing shall be conducted at a hearing open to the public. At the hearing, the Commission shall review the record of

the decision and hear testimony of the party requesting the appeal, representatives of the Department, and any other interested party.

3. Application and ~~m~~Materials. At an appeal hearing, the Commission shall consider only the ~~application~~ administrative record that was the subject of the Department's final decision.

F. Decision and Notice.

1. After the hearing, the Commission shall either:

a. Affirm, modify, or reverse the Department's decision and specify the reasons for its decision; or

b. Refer the matter back to the Department for further review.

2. Decisions shall be rendered within thirty (30) days of the close of the hearing. If the Commission fails to act within thirty (30) days of the close of the hearing, the Department's decision shall be deemed affirmed.

3. The secretary or ~~clerk of the Commission~~ Department staff assigned to the Commission shall mail the Commission's decision to the parties within ten (10) days after it is rendered.

G. Final decision. The decision of the Commission shall be final and not subject to further appeal.

**SECTION 19.** Section 8.52.160 is hereby amended to read as follows:

**8.52.160 Administrative Fines.**

A. Administrative Fines. Any Landlord or Tenant who violates any provision of this Chapter, or Department's procedures and guidelines, is subject to an administrative fine not to exceed One Thousand Dollars (\$1,000).

...

C. Notices of Violation and Administrative Fine. If the Department determines that a Landlord or Tenant has violated this Chapter, or Department's procedures and guidelines, the Department may issue Notices of Violation and Administrative Fine in accordance with the authority and procedures set forth in County Code, Chapter 1.25.

D. Administrative Appeals and Judicial Review.

1. Administrative Appeal. Any Landlord or Tenant who receives a Notice of Administrative Fine may request an administrative hearing before a hearing officer in accordance with County Code, Chapter 1.25.

2. Judicial Review of Hearing Officer Decision. Any Landlord or Tenant may seek judicial review of a hearing officer's decision pertaining to the imposition of an administrative fine in accordance with County Code, Chapter 1.25.

**SECTION 20.** Section 8.52.170 is hereby amended to read as follows:

**8.52.170 Remedies.**

A. ~~Civil Remedies~~Liability. ~~County Counsel~~Any Tenant, or any other person or entity acting on behalf of the Tenant who will fairly and adequately represent the Tenant's interest, including the County, is authorized to bring a civil action and/or proceeding in a court of competent jurisdiction for violation of this Chapter, ~~or any Department's procedures and guidelines,~~ for civil penalties, injunctive, declaratory and other equitable relief, restitution and reasonable attorneys' fees and costs and may take such other steps as necessary to enforce this Chapter. The court may award reasonable attorneys' fees and costs to a Landlord who prevails in any such action if the court determines that the Tenant's action was frivolous.

B. Civil Penalty. Any person violating any of the provisions, or failing to comply with any of the requirements of this Chapter, may be liable for a civil penalty not to exceed One Thousand Dollars (\$1,000) for each violation, except for as allowed in Section 8.52.130.

C. Criminal Penalty. Any person violating any of the provisions or failing to comply with any of the requirements of this Chapter, shall be guilty of a misdemeanor and punished by a fine of not more than One Thousand Dollars (\$1,000.00), or by imprisonment in the County jail for a period of not more than six (6) months, or by both.

D. Each violation of any provision of this Chapter, and each day during which any such violation is committed, permitted or continued, shall constitute a separate offense.

E. The above remedies are not exclusive and do not preclude the County or any Tenant from seeking other remedies or penalties provided by applicable law.

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