

similarly situated, the vacancy rate in the building or complex in comparison to comparable buildings or complexes in the same general area, the physical condition of the Rental Unit or building/complex of which the Rental Unit is part, and the quality and quantity of maintenance and repairs to the Rental Unit or the building/complex of which the Rental Unit is part. The Hearing Officer shall not determine just and reasonable rate of return solely by the application of a fixed or mechanical accounting formula but there is a rebuttable presumption that maintenance of Net Operating Income for the Base Year, as adjusted by inflation over time, provides a Landlord with a just and reasonable rate of return on property.

6-58.130. Rent Dispute Hearing Officer's Decision—Final Unless Judicial Review is Sought

The Hearing Officer's decision shall be final and binding on the parties unless judicial review is sought within 60 days of the date of the Hearing Officer's decision.

6-58.135. Exemptions

The following Rental Units shall be exempt from the provisions of Sections 6-58.100, 6-58.105, 6-58.110, 6-58.115, 6-58.120, 6-58.125 and 6-58.130 but are subject to all other Sections of this Article: Rental Units for which a certificate of occupancy was issued constructed after February 1, 1995; Rental Units that are separately alienable from the title of any other dwelling (e.g., Single Family Dwelling Units residences, Condominiums or Stock Cooperatives, etc.); and any other Rental Units exempt under the Costa-Hawkins Rental Housing Act (California Civil Code, sections 1954.50 and following) or under any other applicable state or federal law.

Section 6-58.140. Evictions and Terminations of Tenancies

No Landlord shall take action to terminate any Tenancy including, but not limited to, making a demand for possession of a Rental Unit, threatening to terminate a Tenancy, serving any notice to quit or other notice to terminate a Tenancy, e.g. an eviction notice, bringing any action to recover possession or be granted possession of a Rental Unit except on one of the following grounds:

- A. Notice to Vacate. A Landlord may terminate a Tenancy under Civil Code, section 1946.1 (a termination of Tenancy for "no cause") but the following provisions shall apply:
 - 1. The Landlord shall not impose on a new Tenant Rent that exceeds more than 5% of the amount of the Rent in effect at the time the Tenant was served with a Notice to Vacate, and the Landlord shall inform the new Tenant in writing of the amount of the Rent that was in effect at the time the prior Tenant was served with a Notice to Vacate and that the Rent imposed on the new Tenant does not exceed the prior Rent by more than 5%.
 - 2. The Landlord must provide to the Program Administrator a copy of the Notice to Vacate

~~served on the Tenant and the amount of the Rent in effect at the time the Notice to Vacate was served and the amount of the Rent that the new Tenant will be charged.~~

3. ~~Except for Rent Increases as provided in this Article, if it is determined the Landlord imposes Rent on the new Tenant that exceeds that allowable under paragraph 1 of subsection A of this section 6-58.140, in addition to any other penalties or remedies available to the existing Tenant, the City or the previous Tenant, the Landlord shall reduce the Rent to that allowable under paragraph 1 of subsection A of this Section 6-58.140 and shall within 10 business days reimburse the existing Tenant, plus interest as provided by law, the difference between the amount of the Rent that exceeded the allowable Rent under paragraph 1 of subsection A of this Section 6-58.140 and the Rent in effect when the previous Tenant was served with a Notice to Vacate, retroactive to the date when the excessive Rent was first paid.~~

~~As to any building or buildings with 10 five or more Rental Units, a Landlord may use this subsection A of Section 6-58.140 for no more than 10% of all Rental Units in any month, and no more than 25% of all Rental Units (rounded up to the nearest whole number if 0.5 or more or rounded down to the nearest whole number if 0.4 or less) in any consecutive twelve month period.~~

4. ~~As to any building or buildings with seven, eight or nine Rental Units, a Landlord may use this subsection A of Section 6-58.140 for only one rental unit in any month and no more than two Rental Units in any consecutive twelve month period.~~

- 5.A. ~~As to any building or buildings with no more than six four Rental Units, a Landlord may use this subsection A of Section 6-58.140 for only one Rental Unit in any consecutive twelve month period[Intentionally Left Blank].~~

- B. Failure to pay rent. The Tenant upon proper notice has failed to pay the Rent to which the Landlord is entitled under a written or oral agreement; provided, however, that the "failure to pay rent" shall not be cause for eviction if (i) the Tenant cures the failure to pay rent by tendering the full amount of the Rent due within the time frame in the notice but the Landlord refuses or fails to accept the Rent or (ii) the Tenant tenders some or all of the Rent due and the Landlord accepts some or all of the Rent.

- C. Breach of lease. The Tenant has continued, after the Landlord has served the Tenant with a written notice to cease, to commit a material and substantial breach of an obligation or covenant of the Tenancy other than the obligation to surrender possession upon proper notice, provided, however, that a Landlord need not serve a written notice to cease if the breach is for conduct that is violent or physically threatening to the Landlord, other Tenants or members of the Tenant's household or neighbors.

1. Notwithstanding any contrary provision in this Section 6-58.140, a Landlord shall not take action to terminate a Tenancy as a result of the addition to the Rental Unit of a (a) a Tenant's spouse or registered domestic partner, (b) a Tenant's child, parent, grandchild, grandparent, child or grandchild, regardless of whether that child or grandchild is related to the Tenant by blood, birth, adoption, marriage or registered domestic partnership, (c) the foster child or

Changes Ancillary to Removal of “No Cause”	
<u>Ordinance Section</u>	<u>Synopsis</u>
1. 6-58.30.E.	Information landlord must provide if they evict for no cause.
2. 6-58.35.A.2	Reference to “Notice to Vacate,” a no-cause termination notice.
3. 6-58.150.A.	Reference to deleted subsection A.
4. 6-58.150.B.2.	Reference to deleted subsection A.
5. 6-58.150.C.	Reference to deleted subsection A.
6. 6-58.155.C.	Reference to deleted subsection A.
7. 6-58.155.E.	Reference to deleted subsection A.
8. Sec. 2 of Proposed Ordinance	Reference to deleted subsection A.

Section 3. DescriptiveDeclaratory of Existing Law. The provisions of paragraph 3 of subsection A of section 6-58.35 are deemed descriptivedeclaratory of existing law.

Section 4. Effect of this Ordinance. In addition to any substantive provisions of this Ordinance, the effect of this Ordinance shall also render null and void any action that a Landlord has taken between May 3, 2017 and the effective date this Ordinance to terminate any tenancy including, but not limited to, serving any notice to quit or other eviction notice, bringing any action to recover possession of a Rental Unit, or being granted possession of a Rental Unit, based on Section 6-58.140.A of Ordinance No. 3148.

Section 45.: Severability. If any provision of this Ordinance is held by a court of competent jurisdiction to be invalid, this invalidity shall not affect other provisions of this Ordinance that can be given effect without the invalid provision and therefore the provisions of this Ordinance are severable. The City Council declares that it would have enacted each section, subsection, paragraph, subparagraph and sentence notwithstanding the invalidity of any other section, subsection, paragraph, subparagraph or sentence.

Section 56.: This Ordinance shall be in full force and effect from and after the expiration of thirty (30) days from the date of its final passage.