

CITY OF ALAMEDA RESOLUTION NO. \_\_\_\_\_

CALLING AN ELECTION IN THE CITY OF ALAMEDA FOR THE PURPOSE OF SUBMITTING TO THE ELECTORS ORDINANCE NO. 3180 AMENDING THE ALAMEDA MUNICIPAL CODE BY AMENDING VARIOUS SECTIONS OF ARTICLE XV OF CHAPTER VI CONCERNING (1) REVIEW OF RENT INCREASES APPLICABLE TO ALL RENTAL UNITS AND RENT STABILIZATION APPLICABLE TO CERTAIN RENTAL UNITS AND (2) LIMITATIONS ON EVICTIONS AND THE PAYMENT OF RELOCATION ASSISTANCE APPLICABLE TO ALL RENTAL UNITS ((ELIMINATING “NO CAUSE” GROUND FOR EVICTION))

WHEREAS, the City Council adopted Ordinance 3180 on June 6, 2017; and

WHEREAS, a referendum against Ordinance No. 3180 was filed in the Office of the City Clerk on June 26, 2017; and

WHEREAS, the referendum required 10% of the registered voters to be found sufficient; and

WHEREAS, pursuant to Elections Code Section 9115, the Registrar of Voters conducted a random sample and found the petition to be sufficient on July 17, 2017; and

WHEREAS, the City Council has not voted to repeal the ordinance; and

WHEREAS, the City Council is authorized to submit the ordinance to the voters;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ALAMEDA THAT:

Section 1. Pursuant to the California Constitution, Article XI and the Government Code, Title 4, Division 2, Chapter 2, and Elections Code Division 9, Chapter 3, Article 3, of the State of California, there is called and ordered to be held in the City of Alameda, California, on \_\_\_\_\_ for the purpose of submitting the following measure:

Shall Ordinance No. 3180 Amending the Alameda Municipal Code by Amending Various Sections of Article XV of Chapter VI Concerning (1) Review of Rent Increases Applicable to All Rental Units and Rent Stabilization Applicable to Certain Rental Units and (2) Limitations on Evictions and the Payment of Relocation Assistance Applicable to all Rental Units (Eliminating “No Cause” Ground for Eviction) be adopted?
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Section 2. The text of Ordinance No. 3180 being submitted to the voters is attached as Exhibit A.

Section 3. The vote requirement for the measure to pass is a majority (50% +1) of the votes cast.

Section 4. The ballots to be used at the election shall be in form and content as required by law.

Section 5. The City Clerk is hereby directed to cause notice of the measure to be published once in the official newspaper of the City of Alameda, in accordance with Section 12111 of the Elections Code and Section 6061 of the Government Code.

Section 6. The City Clerk is hereby directed to transmit a copy of the measure attached hereto as Exhibit A to the City Attorney, who shall prepare an impartial analysis of the measure in accordance with California Elections Code section 9280. The City Attorney shall issue the impartial analysis within ten (10) days of receipt of the measure from the Clerk.

Section 7. The City Council adopts the provisions of section 9285(a) of the Elections Code to permit rebuttal arguments, if arguments have been filed in favor of or against the measure.

Section 8. Notice of the time and place of the election on this proposed measure is hereby given, and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form and manner as required by law.

Section 9. In all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections.

Section 10. The City Clerk is hereby authorized, instructed and directed to procure and furnish (or cause to be procured and furnished) any and all official ballots, notices, printed matter and all other supplies, equipment and paraphernalia that may be necessary to properly and lawfully conduct the election.

Section 11. The polls for the special election shall be open at 7:00 AM on the day of said election and shall remain open continuously from said time until 8:00 PM of the same day when the polls shall be closed, pursuant to Elections Code Section 10242, except as provided in Section 14401 of the Elections Code.

Section 12. The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

Section 13. This action is not a project and is exempt from the California Environmental Quality Act (CEQA) pursuant to section 15378(b)(3) of CEQA Guidelines, as it concerns the submittal of a proposal to the voters of the City.

Section 14. This measure proposes Charter Amendment and shall be approved if a majority (50% +1) of those voting on the measure approve it.

Section 15. The City Clerk is hereby directed to file a certified copy of this resolution with the Alameda County Clerk of the Board of Supervisors and the County Registrar of Voters in sufficient time so that the measure may be included in the \_\_\_\_\_ Election ballot.

Exhibit A

CITY OF ALAMEDA ORDINANCE NO. 3180  
New Series

AMENDING THE ALAMEDA MUNICIPAL CODE BY AMENDING VARIOUS SECTIONS OF ARTICLE XV OF CHAPTER VI CONCERNING (1) REVIEW OF RENT INCREASES APPLICABLE TO ALL RENTAL UNITS AND RENT STABILIZATION APPLICABLE TO CERTAIN RENTAL UNITS AND (2) LIMITATIONS ON EVICTIONS AND THE PAYMENT OF RELOCATION ASSISTANCE APPLICABLE TO ALL RENTAL UNITS

WHEREAS, in response to community concern that rents in Alameda were rising at a rate greater than household incomes and that some landlords were terminating tenancies for no cause in order to raise rents, after numerous public hearings, the Alameda City Council on March 1, 2016, adopted an Ordinance (Ordinance No.3148), which became effective March 31, 2016, that sets forth (a) procedures for the review of rent increases applicable to all rental units, (b) procedures for the stabilization of rent increases above 5% for certain rental units, (c) limitations on the grounds for which landlords may terminate tenancies for tenants in all rental units and (d) a requirement that landlords pay relocation fees when terminating a tenancy for certain reasons, such as a “no cause” tenancy termination; and

WHEREAS, the City Council placed on the November 8, 2016 ballot a measure (designated as Measure L1) asking Alameda voters to confirm Ordinance No. 3148 but which measure, if passed by a majority vote, also provided the City Council would retain the authority to amend, suspend or repeal Ordinance No. 3148 without a further vote of the people; and

WHEREAS, Alameda voters passed Measure L1 with 55.5% of the voters in favor of the measure; and

WHEREAS, over the course of implementing Ordinance No. 3148 in the past 12 months, City staff and the Program Administrator have determined that certain sections of the Ordinance should be amended in order to clarify ambiguities, eliminate internal inconsistencies and close latent “loopholes”, such as landlords’ avoiding paying relocation fees through the use of fixed term leases; and

WHEREAS, on April 4, 2017, City staff presented to the City Council an agenda report concerning staff-proposed clarifying amendments to Ordinance No. 3148 and proposed amendments to the Ordinance by stakeholder groups; and

WHEREAS, on April 4, 2017 City Council considered the agenda report, received public comment on amendments to the Ordinance, discussed among themselves on April 4 and April 7, 2017 such amendments and on April 4, 2017 which meeting was continued to April 7, 2017 provided direction to the City staff as to what amendments to the Ordinance the Council wanted to consider further and directed staff to return with proposed amendments to the Ordinance to the City Council for further consideration; and

WHEREAS, the City Clerk published and posted a notice of public hearing for City Council's regular meeting of May 16, 2017 for the purpose of considering proposed amendments to the Ordinance; and

WHEREAS, to further protect the public peace, health, and safety, in addition to the clarifying amendments, the City Council considered certain amendments that would (a) remove a ground for eviction under Ordinance No. 3148 (codified at Alameda Municipal Code section 6-58.140.A.) ("no cause"); and (b) articulate the effect of the City Council's adoption of the proposed ordinance amending Ordinance No. 3148 on actions taken by landlords to evict tenants for "no cause" or otherwise regain possession of a rental unit on that ground; and

WHEREAS, when the City Council adopted Ordinance No. 3148 it made certain findings to warrant the adoption of the Ordinance; and

WHEREAS, based on public testimony, the information and reports in its agenda packets, and other information and testimony presented by or to the City Council on April 4, 2017, April 7, 2017, and May 16, 2017, the City Council finds and determines that to better address conditions that gave rise to the adoption of Ordinance No. 3148 in March 2016, findings and determinations adopted herein by reference support the adoption of the proposed ordinance amending Ordinance No. 3148; and

WHEREAS, adoption of this ordinance is exempt from review under the California Environmental Quality Act (CEQA) pursuant to the following, each a separate and independent basis: CEQA Guidelines, Section 15378 (not a project) and Section 15061(b)(3) (no significant environmental impact).

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ALAMEDA DOES ORDAIN AS FOLLOWS:

Section 1: Chapter VI of Article XV of the Alameda Municipal Code is amended to read as follows:

## **ARTICLE XV RENT STABILIZATION AND LIMITATIONS ON EVICTIONS ORDINANCE**

### **6-58.10. Title**

This Article shall be known as the "City of Alameda Rent Review, Rent Stabilization and Limitations on Evictions Ordinance."

#### **6-58.15. Definitions**

Unless the context requires otherwise, the terms defined in this Article shall have the following meanings:

- A. Base Rent. "Base Rent" is the Rent that the Tenant is required to pay to the Landlord in the month immediately preceding the effective date of the Rent Increase.
- B. Base Rent Year. "Base Rent Year" means 2015.
- C. Capital Improvement. "Capital Improvement" means an improvement or repair to a Rental Unit or property that materially adds to the value of the property, appreciably prolongs the property's useful life or adapts the property to a new use, and has a useful life of more than one year and that is required to be amortized over the useful life of the improvement under the straight line depreciation provisions of the Internal Revenue Code and the regulations issued pursuant thereto.
- D. Capital Improvement Plan. "Capital Improvement Plan" means a plan that meets the criteria of a Capital Improvement and meets the following four criteria: (1) is submitted by a Landlord (a) on the Landlord's own initiative or (b) as a result of the Landlord's obligation to comply with an order of a local, state or federal regulatory agency, such as the City's Community Development Department or Fire Department, or (c) in order for the Landlord to repair damage to the property as a result of fire, flood, earthquake or other natural disaster, (2) the cost of which improvement is not less than the product of eight times the amount of the monthly Rent multiplied by the number of Rental Units to be improved, (3) the implementation of which may render one or more Rental Units uninhabitable and (4) is approved by the Program Administrator
- E. City. "City" means the City of Alameda.
- F. Committee. "Committee" means the Rent Review Advisory Committee created in Article II of Chapter II of the Alameda Municipal Code.
- G. Community Development Director. "Community Development Director" means the Director of the Community Development Department of the City of Alameda, or his/her designated representative.
- H. Condominium. "Condominium" means the same as defined in Section 783 and 1351 (f) of the California Civil Code.

- I. Consumer Price Index. "Consumer Price Index" means the Consumer Price Index for All Urban Consumers ("CPI-U") for the San Francisco-Oakland-San Jose, CA Region, published by the U.S. Department of Labor, Bureau of Labor Statistics.
- J. Costs of Operation. "Costs of Operation" means all reasonable expenses incurred in the operation and maintenance of the Rental Unit and the building(s) or complex of buildings of which it is a part, together with the common area, if any, and include but are not limited to property taxes, insurance, utilities, professional property management fees, pool and exterior building maintenance, supplies, refuse removal, elevator service and security services or system, but Costs of Operation exclude Debt Service, depreciation and the cost of Capital Improvements that have been recovered through a Capital Improvement Plan..
- K. Council. "Council" means the City Council of the City of Alameda.
- L. Debt Service. "Debt Service" means the periodic payment or payments due under any security financing device that is applicable to the Rental Unit or building or complex of which it is a part, including any fees, commissions or other charges incurred in obtaining such financing.
- M. Housing Authority. "Housing Authority" is the Housing Authority of the City of Alameda.
- N. Housing Services. "Housing Services" means those services provided and associated with the use or occupancy of a Rental Unit including, but not limited to, repairs, replacement, maintenance, painting, light, heat, hot and cold water, elevator service, window shades and screens, laundry facilities and privileges, janitorial services, refuse removal, allowing pets, telephone, parking, storage, computer technologies, entertainment technologies including cable or satellite television services, and any other benefits, privileges or facilities.
- O. Housing Unit. "Housing Unit" means a room or group of rooms that includes a kitchen, bathroom and sleeping quarters, designed and intended for occupancy as a dwelling unit by one or more persons as separate living quarters, but does not mean (i) a room or rooms in a Single Dwelling Unit, Condominium or Stock Cooperative or (ii) a room or rooms in an apartment in which a Tenant has allowed or permitted a person to use or occupy the room(s).
- P. Landlord. "Landlord" means any person, partnership, corporation or other business entity offering for rent or lease any Rental Unit in the City and shall include, except as set forth in subsection D of Section 6-58.90 and in subsection F of Section 6-58.140, the agent or representative of the

Landlord if the agent or representative has the full authority to answer for the Landlord and enter into binding agreements on behalf of the Landlord.

- Q. Maximum Increase. "Maximum Increase" means a Rent Increase that on a cumulative basis over the 12 months preceding the effective date of a proposed Rent Increase is more than 5%.
- R. Net Operating Income. "Net Operating Income" means the gross revenues that a Landlord has received in Rent or any rental subsidy in the twelve months prior to serving a Tenant with a notice of a Rent Increase less the Costs of Operation in that same twelve month period.
- S. Notice to Vacate. "Notice to Vacate" means a notice to vacate a Rental Unit that a Landlord serves on a Tenant under Section 1946.1 of the California Civil Code and Section 1162 of the California Code of Civil Procedure.
- T. Party. "Party" means a Landlord or Tenant.
- U. Primary Residence. "Primary Residence" means a Single Dwelling Unit, Condominium or Stock Cooperative for which the Landlord must be the property owner and the residence is one in which the Landlord carries on basic living activities for at least six months of the year, the indicia of which include, but are not limited to, (i) the Landlord has identified the residence address for purposes of the Landlord's driver's license, voter registration or filing tax returns, (ii) utilities in the name of the Landlord are billed to the residence address and (iii) the residence address has a homeowner's property tax exemption in the name of the Landlord.
- V. Programs. "Programs" mean the programs created by this Article.
- W. Program Administrator. "Program Administrator" is a person designated by the City or the Housing Authority to administer one or more of the Programs.
- X. Program Fee. "Program Fee" means the fee the City imposes on each property owner or Landlord of a Rental Unit to cover the costs to provide and administer the Programs.
- Y. Rent. "Rent" means a fixed periodic compensation including any amount paid for utilities, parking, storage, pets or any other fee or charge associated with the tenancy that a Tenant pays at fixed intervals to a Landlord for the possession and use of a Rental Unit and related Housing Services; as to any Landlord whose Rental Unit was but is no longer subject to this Article under Section 6-58.18, Rent shall include the subsidy amount, if any, received as part of the Base Rent.



- Z. Rent Dispute Hearing Officer. "Rent Dispute Hearing Officer" or "Hearing Officer" means a person designated by the Program Administrator to hear rent dispute petitions under this Article.
- AA. Rent Increase. "Rent Increase" means any upward adjustment of the Rent from the Base Rent.
- BB. Rental Unit. "Rental Unit" means a Housing Unit offered or available for Rent in the City of Alameda, and all Housing Services in connection with the use or occupancy thereof, other than the Housing Units set forth in Section 6-58.18.
- CC. Single Dwelling Unit. "Single Dwelling Unit" means a single detached structure containing one dwelling unit for human habitation, any accessory buildings appurtenant thereto and any accessory dwelling unit as defined in State Government Code, section 65852.2 (formerly a "second unit"), when located on a single legal lot of record.
- DD. Stock Cooperative. "Stock Cooperative" means the same as defined in section 4190 of the California Civil Code.
- EE. Temporary Tenancy. "Temporary Tenancy" means a Tenancy in a Primary Residence that has a fixed term at the end of which the Landlord immediately re-occupies the Primary Residence and thereafter resides therein for at least six months.
- FF. Tenancy. "Tenancy" means the right or entitlement of a Tenant to use or occupy a Rental Unit.
- GG. Tenant. "Tenant" means a tenant, subtenant, lessee, sub-lessee, roommate with Landlord's consent or any other person or entity entitled under the terms of a rental agreement or lease for the use or occupancy of any Rental Unit and (i) having the legal responsibility for the payment of Rent for a Rental Unit or (ii) having agreed to pay the Rent for a Rental Unit, and includes a duly appointed conservator or legal guardian of the foregoing.

## **6-58.18. Housing Units not Subject to this Article**

The following Housing Units are not subject to this Article:

- A. Housing Units, regardless of ownership, for which the Rents are regulated by federal law or by regulatory agreements between a Landlord and (i) the City, (ii) the Housing Authority or (iii) any agency of the State of California or the Federal Government; provided, however, if the Housing Unit no longer qualifies for the exemption, for example, the Landlord withdraws from a subsidy program or a regulatory agreement expires, the Housing Unit will immediately be subject to this Article;
- B. Housing Units that are rented or leased for 30 days or less;
- C. Accommodations in hotels, motels, inns, tourist homes, rooming or boarding houses, provided that such accommodations are not occupied by the same occupant or occupants for more than 30 consecutive days;
- D. Commercial units, such as office condominiums or commercial storage units;
- E. Housing accommodations in any hospital, convent, monastery, extended care facility, convalescent home, non-profit home for the aged, a fraternity or sorority house, or housing accommodations owned, operated or managed by a bona fide education institution for occupancy by its students;
- F. Mobile homes or mobile home lots;
- G. Houseboats;
- H. Housing Units that require intake, case management or counseling and an occupancy agreement as part of that occupation; and
- I. Housing Units in which the Landlord owns the Rental Unit, shares kitchen or bath facilities with one or more Tenants and occupies the Rental Unit as the Landlord's Primary Residence.

#### **6-58.20. Notices and Materials to be Provided to Current and Prospective Tenants**

- A. In addition to any other notice required to be given by law or this Article, a Landlord shall provide to a current Tenant and to a prospective Tenant (1) a written notice that the Rental Unit is subject to this Article, (2) a copy of this Article as such Article exists at the time such notice is provided and (3) a copy of the then current City regulations promulgated to implement this Article and (4) a copy of the then current information brochure(s) that the City provides that explains this Article.
- B. For leasehold Tenancies in existence as of March 31, 2016, a Landlord shall comply with the requirements of subsection A of this Section 6-58.20 no later than the date on which the Landlord receives the first payment of Rent from the Tenant. For a prospective Tenant, a Landlord shall comply with the requirements of subsection A of this Section 6-58.20 prior to, or concurrently with, the Landlord's offering the Tenant a one-year lease as required by Section 6-58.35.
- C. A Landlord satisfies the requirements of this Section 6-58.20 by providing to the Tenant or a prospective Tenant a hard copy of the materials set forth in subsection A of this Section 6-58.20 or, if a Tenant or prospective Tenant has internet access and so acknowledges in writing, referring a Tenant or prospective Tenant to the Rent Program website ([www.alamedarentprogram.org](http://www.alamedarentprogram.org)) where the materials can be found online. A Landlord shall document that the Tenant/prospective Tenant has been informed of the choices and of what choice the Tenant/prospective Tenant made including, where applicable, the Tenant's/prospective Tenant's written acknowledgement to receive the materials on line.

#### **6-58.25. Disclosures**

- A. A Landlord shall in writing disclose to a potential purchaser of the Rental Unit or of property that has one or more Rental Units that such Rental Unit or property is subject to this Article and all regulations that the City promulgates to implement this Article.
- B. The failure of a Landlord to make the disclosure set forth in subsection A of this Section 6-58.25 shall not in any manner excuse a purchaser of such Rental Unit or property of any of the obligations under this Article.

**6-58.30. Documents That the Landlord Must File with the Program Administrator**

In addition to any other notice required to be filed with the Program Administrator by law or this Article, a Landlord shall file with the Program Administrator a copy of the following:

- A. The notice to the Tenant that the Landlord is proposing a Rent Increase of more than 5% and has initiated the process to have the Committee review the Rent Increase as required by Section 6-58.75;
- B. The terms of any settlement as to the Rent Increase reached between the Landlord and the Tenant when either the Tenant or the Landlord has requested the Committee to review the Rent Increase but settlement is reached before the Committee's hearing (Sections 6-58.75 D);
- C. The petition when the Landlord disagrees with the decision of the Committee and files a petition with the Program Administrator (Section 6-58.100);
- D. Certain notices to terminate a tenancy (Section 6-58.140 A, F, G, H, I and J; Section 6-58.155);
- E. The name and relationship of the person who is moving into the Rental Unit when the current tenancy is terminated due to an "owner move in" and documentation that the Landlord is a "natural person" (Section 6-58.140 F);
- F. Written notice that the Landlord or the enumerated relative who was intended to move into a Rental Unit either did not move into the Rental Unit within 60 days after the Tenant vacated the Rental Unit or that the Landlord or the enumerated relative who moved into the Rental Unit did not remain in the Rental Unit for one year (Section 6-58.140 F. 5 (c).);
- G. The requisite documents initiating the process to withdraw the Rental Unit from rent or lease permanently under Government Code, section 7060 et seq. (Section 6-58.140 I);
- H. Written proof of the relocation assistance provided to the Tenant if different than as provided in Section 6-58.150 (Section 6-58.150 D);
- I. Requests for a Rent Increase in Conjunction with a Capital Improvement Plan; and
- J. Any other information or document that the Program Administrator reasonably requests to carry out the purposes and intent of this Article to the extent such request does not unreasonably infringe on the privacy interests of the Landlord.

#### **6-58.35. Offer of a One-Year Lease**

- A. Except as otherwise provided in Section 6-58.37, a Landlord shall one time offer in writing a one-year lease to:
1. Any prospective Tenant.
  2. Any Tenant with a lease at the first time the Landlord serves a notice of Rent Increase after March 30, 2016 unless the Tenant is in default under the lease and offering a lease to the Tenant may waive any claims the Landlord has regarding the default. If at the first time the Landlord serves a notice of Rent Increase after March 30, 2016 the lease is not a fixed-term lease, the Landlord shall not offer the Tenant a fixed-term lease unless the Tenant requests such a lease. The Landlord must offer a Tenant a lease that has terms materially the same as the terms in the current lease as to duration, Housing Services and household composition provided such terms do not conflict with this Article.
  3. Any Tenant on a month to month Tenancy at the first time the Landlord serves a notice of Rent Increase after March 30, 2016 unless the Landlord has notified the Tenant that the Tenant is in default under the month to month tenancy and offering a lease to the Tenant may waive any claims the Landlord has regarding the default. If a Landlord and Tenant had entered into a lease that has been converted to a month to month Tenancy or if the Tenancy had always been a month to month Tenancy, the Landlord (1) shall not offer a Tenant a fixed-term lease and (2) shall offer a Tenant a non-fixed-term lease that has terms materially the same as the terms of the initial lease or the existing month to month Tenancy as to duration, Housing Services and household composition provided such terms do not conflict with this Article.
- B. The offer of a one-year lease must remain open to the Tenant for at least thirty calendar days.

#### **6-58.37. Temporary Tenancy**

Landlord may offer a Tenant a Temporary Tenancy of no more than 12 months provided, however, (a) if a Landlord is in the military and has a military assignment that will require the Landlord to be absent from the City, the Landlord may offer a Tenant a Temporary Tenancy consistent with the length of the military assignment but no more than five years or (b) if the Tenant is in the military and has a military assignment, a Landlord may offer such Tenant a Temporary Tenancy consistent with the military assignment but of no more than five years.

#### **6-58.38. Fixed-Term Leases**

If a Landlord and a Tenant have entered into a fixed-term lease and the Tenancy is not a Temporary Tenancy, a Landlord shall not offer the Tenant another fixed-term lease unless such lease, and any subsequent lease, has a term of at least 12 months.

#### **6-58.40. Limitations on Revising What is Included in the Rent**

- A. As to any lease or lease that has been converted to a month to month Tenancy in which charges or fees for utilities, parking, storage, pets or any other charge or fee associated with the Tenancy that the Tenant pays at fixed intervals to a Landlord that are (or were) not identified separately within the lease, a Landlord shall not:
  - 1. Unbundle any of such charges or fees during the term of the lease or the month to month Tenancy; or
  - 2. Increase any of such charges or fees except for increased charges paid directly to the Landlord for utilities that are separately metered or for charges for utilities that are pro-rated among the Tenants pursuant to a Ratio Utility Billing System or a similar cost allocation system.
- B. As to the terms of a new or renewed lease or revisions to the terms of a month to month Tenancy, to the extent a Landlord unbundles any of such charges or fees and lists them separately in a new or renewed lease or in the terms of a revised month to month Tenancy, the amount of such charges or fees shall be included in calculating the Maximum Increase..
- C. Notwithstanding subsections A and B of this section 6-58.40, to the extent that a Tenant requests Housing Services that were not included in an existing lease or month to month Tenancy, such as a parking space or an additional parking space, storage space or additional storage space, a pet or an additional pet, or to the extent that utilities are separately metered or the amount of such utility charges are pro-rated among the Tenants pursuant to a Ratio Utility Billing System or other similar cost allocation system but the charges are paid directly to the Landlord, such fees for Housing Services or charges for utilities shall not be included in calculating the Maximum Increase.

#### **6-58.45. Limitations on the Frequency of Rent Increases**

No Landlord shall increase the Rent of any Rental Unit more than once in any twelve month period.

#### **6-58.50. Notice of Review Procedures for Rent Increases; Exceptions**

- A. In addition to the notice of a Rent Increase required by Civil Code, section 827(b), at the time a Landlord provides such notice to the Tenant, the

Landlord shall also provide to the Tenant a notice of availability of the rent review procedures established by this Article when the Rent Increase is equal to or less than the Maximum Increase and a notice that the Landlord has requested the Committee to review the Rent Increase when the Rent Increase is more than the Maximum Increase.

- B. Any notice of Rent Increase or a Rent Increase in violation of Sections 6-58.50, 6-58.55, 6-58.60 or 6-58.65 shall be void and a Landlord shall take no action to enforce such an invalid Rent Increase; provided, however, a Landlord may cure the violation by re-serving the Tenant with the notice that complies with the provisions of Sections 6-58.50, 6-58.55, 6-58.60 or 6-58.65. A Tenant may use as evidence in a Tenant's defense to an unlawful detainer action based on the Tenant's failure to pay the illegal Rent Increase of the Landlord's violation of Sections 6-58.50, 6-58.55, 6-58.60 or 6-58.65, or any other violation of this Article.

**6-58.55. Information in and Service of the Notice of the Availability of Rent Review Procedures or the Request for the Committee to Review a Rent Increase.**

All notices of the availability of rent review procedures or of a Landlord's request for the Committee to review a Rent Increase under this Article shall be in writing and shall provide the name, address, phone number and email address of the Landlord. If the Landlord is required to serve a notice of a Rent Increase under State law, the Landlord shall serve notice of the availability of the rent review procedures (Section 6-58.60), or notice that the Landlord has requested the Committee to review the Rent Increase (Section 6-58.65), concurrently with the Landlord's service of a notice of a Rent Increase under State law, and in the same manner as the Landlord's service of the notice of a Rent Increase under State law. Even if the Landlord is not required to serve a Tenant a notice of a Rent Increase under State law, if the Tenancy is based on a fixed-term lease but the Landlord intends to offer the Tenant another lease (whether fixed-term or not) but with a Rent Increase, the Landlord shall provide the Tenant with the notice of the availability of rent review procedures (see Section 6-58.60) or notice that the Landlord has requested the Committee to review the Rent Increase (see Section 6-58.65). The Landlord has the burden of proof that the Landlord served any notice under Section 6-58.60 or Section 6-58.65 as provided in this Section 6-58.55.

**6-58.60. Content of Notice to Tenant When Rent Increase is Equal to or less than the Maximum Increase.**

In addition to all other information that the Landlord must provide to a Tenant in a Rental Unit in the notice of the availability of rent review procedures established by this Article, if the Rent Increase is at or below the Maximum Increase, the notice of the availability of rent review procedures shall state:

This is an important document, please have it translated.

Este es un documento importante, hágalo traducir.

本文件為重要文件，請做好翻譯。

Đây là tài liệu quan trọng, vui lòng biên dịch.

Ito ay isang mahalagang dokumento, mangyaring ipasalin ito.

**“NOTICE: Under Civil Code, section 827 (b), a Landlord must provide a Tenant with 30 days’ notice prior to a Rent Increase of 10% or less and must provide a Tenant with 60 days’ notice of a Rent Increase greater than 10%. Because your Landlord proposes a Rent Increase that is at or below the Maximum Increase (as defined in subsection Q of Section 6-58.15 of the Alameda Municipal Code), under Article XV of Chapter VI of the Alameda Municipal Code your Landlord must at the same time provide this Notice that advises you of the availability of the City’s rent review procedures.**

**You may request the City’s Rent Review Advisory Committee to review the increase by submitting in writing a request for review within 15 calendar days of your receipt of the notice of the Rent Increase either by mailing the request to the Program Administrator, 701 Atlantic Avenue, Alameda, CA 94501, or emailing the request to the Program Administrator at [rrac@alamedahsg.org](mailto:rrac@alamedahsg.org). You must submit along with your request a copy of the notice of the Rent Increase. If you do not submit a request within 15 calendar days, the Committee will not have the authority to review the Rent Increase.**

**If you submit such a request, the Program Administrator will advise you of the date, time and place of the hearing concerning the Committee’s review of the Rent Increase. If the effective date of the Rent Increase is before the date of the hearing, you must nevertheless pay the Rent Increase. If you and your Landlord reach agreement as to the Rent Increase before the hearing, you and your Landlord must provide written confirmation to the Program Administrator concerning the terms of such agreement. If no agreement is reached, you and your Landlord must appear before the Committee concerning the Rent Increase. If you fail to appear at the hearing, the Committee will not consider your request and you will be precluded from seeking further or additional review of the particular Rent Increase under the City’s rent review procedures.**

**At the hearing, the Committee will make a decision concerning your request. You and your Landlord may agree to accept the Committee’s decision even though the Committee’s decision will be non-binding on you and your Landlord. If you and your Landlord agree to a Rent Increase less than the Rent Increase your Landlord requested and you have already paid the Rent Increase, your Landlord must provide you with a refund or a credit against future rents.**



**It is illegal for a Landlord to retaliate against a Tenant for the Tenant's lawfully and peacefully exercising his or her rights including a request for the Committee to review a Rent Increase. Civil Code, section 1942.5. A Landlord's efforts to evict a Tenant within six months of a Tenant's requesting a hearing or otherwise participating in any way in the City's rent review process may be used as evidence of a retaliatory eviction."**

**6-58.65. Content of Notice When Rent Increase is Greater than the Maximum Increase.**

In addition to all other information that the Landlord is required to provide to a Tenant in a Rental Unit in the notice of availability of rent review procedures established by this Article, if the Rent Increase is greater than the Maximum Increase, the notice shall state:

This is an important document, please have it translated.

Este es un documento importante, hágalo traducir.

本文件為重要文件，請做好翻譯。

Đây là tài liệu quan trọng, vui lòng biên dịch.

Ito ay isang mahalagang dokumento, mangyaring ipasalin ito.

**"NOTICE: Under Civil Code, section 827 (b), a Landlord must provide a Tenant with 30 days' notice prior to a Rent Increase of 10% or less and must provide a Tenant with 60 days' notice of a Rent Increase greater than 10%. Because your Landlord proposes a Rent Increase that is greater than the Maximum Increase (as defined in subsection Q of Section 6-58.15 of the Alameda Municipal Code), under Article XV of Chapter VI of the Alameda Municipal Code your Landlord must at the same time provide this Notice that advises you that the Landlord has requested the City's Rent Review Advisory Committee to review the Rent Increase.**

**If your Rental Unit is not exempt from certain provisions of the City's Rent Review, Rent Stabilization and Limitations on Evictions Ordinance, the Rent Increase will not go into effect until the Committee reviews the Rent Increase, unless you and your Landlord agree otherwise. If your Rental Unit is exempt from certain provisions of the City's Rent Review, Rent Stabilization and Limitations on Evictions Ordinance and if the effective date of the Rent Increase is before the date of the Committee's hearing, you must pay the Rent Increase. You will need to contact the Program Administrator [rrac@alamedahsg.org](mailto:rrac@alamedahsg.org) as to whether your Rental Unit is or is not exempt from certain provisions of the City's Rent Review, Rent Stabilization and Limitations on Evictions Ordinance.**

**The City's Program Administrator ([rrac@alamedahsg.org](mailto:rrac@alamedahsg.org)) will advise you of the date, time and place of the Committee's hearing concerning its rent**

review. If you and your Landlord reach agreement as to the Rent Increase before the hearing, you and your Landlord must provide written confirmation to the Program Administrator concerning the terms of such agreement. If no agreement is reached, you and your Landlord must appear before the Committee concerning the Rent Increase. If you fail to appear at the hearing, the Committee will not consider the matter and you will be precluded from seeking further or additional review of the particular Rent Increase under the City's rent review procedures.

At the hearing, the Committee will make a decision concerning the Rent Increase. You and your Landlord may agree to accept the Committee's decision. Depending on whether your Rental Unit is or is not exempt from certain provisions of the City of Alameda's Rent Review, Rent Stabilization and Limitations on Evictions Ordinance, the decision of the Committee may be non-binding or may become binding on you and your Landlord.

If your Rental Unit is not exempt from certain provisions of the City's Rent Review, Rent Stabilization and Limitations on Evictions Ordinance, and if you or your Landlord do not agree with the Committee's decision, you or your Landlord may file a petition with the Program Administrator within 15 calendar days of the Committee's decision and have the determination of the Rent Increase decided by a neutral Rental Dispute Hearing Officer whose decision is final and binding. If you or your Landlord do not agree with the Committee's decision and do not file a timely petition, the Committee's decision will be binding on you and your Landlord. You will need to contact the Program Administrator ([rrac@alamedahsg.org](mailto:rrac@alamedahsg.org)) concerning whether the Committee's decision will be binding on you and your Landlord if you or your Landlord do not file a timely petition.

If your Rental Unit is exempt from certain provisions of the City's Rent Review, Rent Stabilization and Limitations on Evictions Ordinance, the Committee's decision as to the Rent Increase is non-binding on you and your Landlord. You will need to contact the Program Administrator concerning whether the Committee's decision will be non-binding on you and your Landlord.

It is illegal for a Landlord to retaliate against a Tenant for the Tenant's lawfully and peacefully exercising his or her rights including a request for the Committee to review a Rent Increase. Civil Code, section 1942.5. A Landlord's efforts to evict a Tenant within six months of a Tenant's participating in the City's rent review process may be used as evidence of a retaliatory eviction."

#### **6-58.70. Tenant's Request for Rent Review; Agreement Before the Committee's Review**

- A. A Tenant may request the Committee to hear a proposed Rent Increase when the Landlord proposes to increase the Base Rent at or below the Maximum Increase.
- B. The tenant requesting review must within fifteen calendar days of the Tenant's receipt of the notice of Rent Increase either (a) mail or email the written request for review to the Program Administrator ([rrac@alamedahsq.org](mailto:rrac@alamedahsq.org)) or (b) call the Program Administrator and request a review. In either event, the Tenant must submit to the Program Administrator a copy of the notice of Rent Increase. If mailed, the request must be postmarked within the fifteen calendar days.
- C. The Program Administrator will ascertain from the City's Finance Department whether the Landlord has a current City business license if such license is required by City Ordinance. A Landlord's failure to have a valid City business license at the time the Landlord served the Tenant with the notice under Section 6-58.60 shall render the Rent Increase null and void; provided, however, a Landlord may cure the violation by obtaining a business license and re-serving the Tenant with the notice under Section 6-58.60.
- D. If prior to the hearing the Tenant and Landlord reach agreement as to the Rent Increase, the Tenant and the Landlord must inform the Program Administrator in writing concerning the terms of the agreement as to the Rent Increase and thereafter the Program Administrator will cancel the Committee's review. The parties shall use their best efforts to notify the Program Administrator that they have reached agreement.

**6-58.75. Landlord's Request for Rent Review; Agreement Before the Committee's Review**

- A. A Landlord must (a) comply with all the notice and participation provisions of this Article, (b) request the Committee to review a Rent Increase when the Landlord proposes to increase the Base Rent by more than the Maximum Increase and (c) provide evidence to the Program Administrator the Landlord has a current City of Alameda business license if such license is required by City Ordinance.
- B. A Landlord must within 15 calendar days from the date the Landlord serves on the Tenant the notice of Rent Increase either (a) mail or e-mail the written request for review to the Program Administrator ([rrac@alamedahsq.org](mailto:rrac@alamedahsq.org)) or (b) call the Program Administrator and request a review. In either event, the Landlord must submit to the Program Administrator a copy of the notice of Rent Increase. If mailed, the request must be postmarked within the 15 calendar days.

- C. A Landlord's failure to comply with subsections A and B of Section 6-58.75 shall render the Rent Increase null and void; provided, however, a Landlord may cure the violation by re-serving the Tenant with the notice that complies with the provisions of Sections 6-58.50, 6-58.55, 6-58.60 or 6-58.65 and/or obtaining a valid business license.
- D. If prior to the hearing the Landlord and Tenant reach agreement as to the Rent Increase, the Landlord and the Tenant must inform the Program Administrator in writing concerning the terms of the agreement as to the Rent Increase and thereafter the Program Administrator will cancel the Committee's review. The parties shall use their best efforts to notify the Program Administrator if they have reached agreement.

#### **6-58.80. Effective Date of Rent Increases**

- A. If the Rent Increase is equal to or less than the Maximum Increase and the effective date of the Rent Increase occurs before the Committee's hearing, unless the landlord and the tenant agree, the rent increase will become effective as provided in the notice of Rent Increase but subject to subsection A of Section 6-58.90 (a Landlord's failure to appear at the Committee's hearing renders the Rent Increase void).
- B. If the Rent Increase is more than the Maximum Increase, the Rent Increase will be effective only as provided in subsections D, E, F or G of Section 6-58.85.

#### **6-58.85. Committee's Hearing and Decision**

- A. At the hearing, the Committee will afford the Landlord and the Tenant the opportunity to explain their respective positions as to the Rent Increase. The Committee will encourage the parties to have a dialogue concerning the Rent Increase in an effort to have the parties reach a voluntary agreement but neither the Committee as a whole nor any individual member of the Committee will act as an advocate for either the Landlord or the Tenant.
- B. If the parties are unable to reach a voluntary agreement as to the Rent Increase, the Committee may take into consideration any factors that may assist the Committee in determining a fair resolution concerning the Rent Increase including, but not limited to, such factors as the financial hardship to the Tenant, the frequency, amount and the presence or absence of prior Rent Increases including any Rent increases that the Landlord was prevented from noticing or imposing during the moratorium (November 5, 2015 through April 1, 2016), the Landlord's Costs of Operation including, as to historic buildings, that costs to repair or maintain may be higher than comparable costs for non-historic buildings, any increases or decreases in Housing Services since the last Rent Increase, and the Landlord's interest

in earning a just and reasonable rate of return on the Landlord's property. The Landlord (as the party who requested the Rent Increase) shall have the burden of proof to demonstrate the need for a Rent Increase.

- C. After discussion and deliberation, the Committee will render a decision concerning the Rent Increase.
- D. If the parties agree with the Committee's decision, the Landlord and all Tenants who have financial responsibility for the Rent shall formalize and sign an acknowledgement , in a form to be provided by the Program Administrator, to that effect. Neither the City, the Program Administrator nor the Committee shall be a signatory to such an acknowledgement and neither the City, the Program Administrator nor the Committee shall assume any obligation or responsibility to enforce the terms of the acknowledgement, except as provided in this Article.
- E. If the Tenant has requested the Committee to review the Rent Increase pursuant to Section 6-58.70, the Committee's decision will be non-binding on the parties.
- F. If the Landlord has requested the Committee to review the Rent Increase and either the Landlord or the Tenant does not agree with the Committee's decision, unless the Rental Unit is an exempt Rental Unit under Section 6-58.135, either party may file a petition for further review of the Rent Increase as set forth in Section 6-58.100 or Section 6-58.105. If neither party files a petition, the Committee's decision will be binding on the parties and the Rent Increase shall be effective upon the expiration of the time to file the petition. If either party files a petition, the Rent Increase shall take effect only as provided in subsection D of Section 6-58.100 or subsection D of Section 6-58.105.
- G. If the Landlord has requested the Committee to review the Rent Increase and either the Landlord or the Tenant does not agree with the Committee's decision, and the Rental Unit is an exempt Rental Unit under Section 6-58.135, the Committee's decision is non-binding on the parties and the Rent Increase shall be effective as provided in the notice of Rent Increase but subject to subsection A of Section 6-58.90 (a Landlord's failure to appear at the Committee's hearing renders the Rent Increase void). The Tenant may request the City Council to review the Committee's decision as set forth in Section 6-58.95 but such request shall not delay the effective date of the Rent Increase.

#### **6-58.90. A Party's Failure to Appear at the Committee Hearing or the City Council Meeting**

Regardless of whether a Landlord or a Tenant has requested the Committee, or where the Tenant has requested the City Council (as provided in Section 6-58.95), to review the Rent Increase:

- A. If the Tenant or a person with authority to bind the Tenant appears at a noticed Committee hearing or City Council meeting and the Committee/Council finds the Landlord fails to appear without notifying the Program Administrator prior to the hearing/meeting and providing a good reason for not appearing, the Rent Increase shall be void and the Landlord shall neither take action to enforce such Rent Increase nor notice another Rent Increase for one year from the date the proposed rent increase was to become effective.
- B. If the Landlord appears at a noticed Committee hearing or City Council meeting and the Committee/Council finds the Tenant or a person with authority to bind the Tenant fails to appear without notifying the Program Administrator prior to the hearing/meeting and providing a good reason for not appearing, the Committee/Council shall take no action and the Landlord's Rent Increase will be effective as of the effective date of the Rent Increase in the notice of Rent Increase.
- C. If both the Tenant or a person with authority to bind the Tenant and the Landlord fail to appear at a noticed Committee hearing or City Council meeting without providing notice to the Program Administrator prior to the hearing/meeting and providing good reasons for not appearing, the Committee/Council shall take no action, the Rent Increase shall be void and the Landlord shall neither take action to enforce such Rent Increase nor notice another Rent Increase for one year from the date the proposed Rent Increase was to become effective.
- D. For purposes of this Section 6-58.90 and Section 6-58.95, when the Landlord has requested the Committee, or when a Tenant has requested the Council, to review a Rent Increase that exceeds the Maximum Increase, "Landlord" shall mean either a person who has an ownership interest in the Rental Unit or the property in which the Rental Unit is located or, if an entity owns the Rental Unit or the property in which the Rental Unit is located, then a person from that entity who has the lawful authority to bind the entity, must appear at the hearing and the failure of such person to attend the hearing will constitute a failure to appear as set forth in subsections A and C of this Section 6-58.90. Where an entity owns the Rental Unit, the Program Administrator, upon advice of the City Attorney, will determine whether the person who intends to attend the Committee/Council meeting has the lawful authority to bind the entity.

- E. For purposes of this Section 6-58.90 and Section 6-58.95, when the Tenant has requested the Committee to review a Rent Increase that does not exceed the Maximum Increase, or when a Tenant has requested the Council to review a Rent Increase that does exceed the Maximum Increase, “Landlord” shall mean a person who has the lawful authority to bind the Landlord but not necessarily a person with an ownership interest in the Rental Unit or the property in which the Rental Unit is located.

#### **6-58.95. City Council Review of the Committee’s Decision**

- A. After the Committee has made its decision, if (i) the Rental Unit is an exempt Rental Unit under Section 6-58.135 or (ii) the Rental Unit is not an exempt Rental Unit under Section 6-58.135 but the Tenant has requested the Committee to review the Rent Increase under subsection E of Section 6-58.85, the Tenant may within 15 calendar days following the Committee’s decision request the City Council to review the decision by filing such request with the Program Administrator.
- B. The City Council’s review of the Rent Increase under subsection A of this Section 6-58.95 will occur as soon as practicable and be limited to reviewing the Committee’s decision and then issuing a letter, under the Mayor’s signature, as to the Council’s non-binding recommendation as to the Rent Increase.
- C. The failure of the Landlord and/or the Tenant or a person with authority to bind the Tenant to appear at the City Council meeting where the Rent Increase will be reviewed is governed by Section 6-58.90.

#### **6-58.100. Petitions Filed by Landlords Following the Committee’s Decision**

- A. Any Landlord whose Rental Unit is not an exempt Rental Unit under Section 6-58.135 and who does not agree with the Committee’s decision under subsection F of Section 6-58.85 may initiate a hearing process by filing a petition with the Program Administrator. The Landlord shall include with the petition a list of names and addresses of all such Tenants and the Program Administrator shall notify the Tenants that the Landlord has filed such petition and advise them of the petition hearing process.
- B. Petitions must be filed on a form prescribed by the Program Administrator and must be accompanied by such supporting material as the Program Administrator shall prescribe including, but not limited to, a copy of the Landlord’s notice of the Rent Increase.
- C. If the Landlord does not file the petition and the prescribed documentation within 15 calendar days of the date of the Committee’s decision, and if the Tenant has not filed a petition as provided under Section 6-58.105, the

Committee's decision will be binding on the parties.

- D. Provided that a petition has been filed as provided in this Section 6-58.100, the Rent Increase shall not take effect until 60 days after a decision of a Hearing Officer or, if that decision is judicially challenged, until there is a final judgment from a court of competent jurisdiction or other resolution, such as a settlement.

**6-58.105. Petitions and Requests for City Council Review Filed by Tenants Following the Committee's Decision**

- A. A Tenant whose Rental Unit is not an exempt Rental Unit under Section 6-58.135 and who does not agree with the Committee's decision under subsection F of Section 6-58.85 may initiate a hearing process by filing a petition with the Program Administrator and notifying the Landlord in writing that the Tenant has filed such petition.
- B. Petitions must be filed on forms as prescribed by the Program Administrator and must be accompanied by such supporting material as the Program Administrator shall prescribe including, but not limited to, a copy of the Landlord's notice of the Rent Increase.
- C. A Tenant must file the petition and the prescribed documentation within 15 calendar days of the date of the Committee's decision. If a Tenant does not file the petition within 15 calendar days of the date of the Committee's decision, and if the Landlord has not filed a petition under Section 6-58.100, the Committee's decision will be binding on the parties.
- D. Provided that a petition has been filed as provided in this Section 6-58.105, the Rent Increase shall not take effect until 60 days after a decision by the Hearing Officer or, if that decision is judicially challenged, until there is a final judgment from a court of competent jurisdiction or other resolution, such as a settlement.
- E. A Tenant whose Rental Unit is not an exempt Rental Unit under Section 6-58.135 and who does not agree with the Committee's decision under subsection E of Section 6-58.85 may request the City Council to review the decision as provided in Section 6-58.95.

**6-58.110. Burden of Proof**

The Landlord (as the party who requested the Rent Increase) shall have the burden of proof. As to the burden of proof, the Hearing Officer will use the preponderance of evidence test, i.e. that what the petitioner is required to prove is more likely to be true than not and, after weighing all of the evidence, if the Hearing Officer cannot decide that something is more likely to be true than not true, the Hearing Officer must conclude that the petitioner did not prove it.



#### **6-58.115. Hearing Process**

- A. The Program Administrator, in consultation with the City Attorney, shall randomly assign a Rent Dispute Hearing Officer to decide any petition, including its timeliness and other procedural matters, which is filed under this Article.
- B. The Hearing Officer shall endeavor to hold the hearing within 30 days of the filing of the petition or within such time as the Hearing Officer and the parties may agree.
- C. The Hearing Officer shall conduct the hearing employing the usual procedures in administrative hearing matters, i.e., the proceeding will not be governed by the technical rules of evidence and any relevant evidence will be admitted. Hearsay evidence may be admitted solely for the purpose of supplementing or explaining other evidence.
- D. Any party may appear and offer such documents, testimony, written declarations, or other evidence as may be pertinent to the proceeding. Each party shall comply with the Hearing Officer's request for documents and information and shall comply with the other party's reasonable requests for documents and information. The Hearing Officer may proceed with the hearing notwithstanding that a party has failed to provide the documents or information requested by the Hearing Officer, a party has failed to provide documents or information requested by the other party or one party fails to appear at the hearing without good cause. The Hearing Officer may take into consideration, however, the failure of a party to provide such documents or information and/or a party's failure to appear without good cause.
- E. The hearing will be reported by a certified court reporter for purposes of judicial review.

#### **6-58.120. Hearing – Findings and determination**

Within 30 days of the close of the hearing, the Hearing Officer shall make a determination, based on the preponderance of evidence and applying the criteria set forth in Section 6-58.125, whether the proposed Rent Increase is reasonable under the circumstances or not, and shall make a written statement of decision upon which such determination is based. The Hearing Officer's allowance or disallowance of any Rent Increase or portion thereof may be reasonably conditioned in any manner necessary to effectuate the purposes of this Article. Copies of the statement of decision shall be served on the parties, the Program Administrator and the City.

#### **6-58.125. Criteria to be applied to rent increases**

In determining whether or not a Rent Increase is reasonable, the Hearing Officer shall take into account the purposes of this Article to eliminate imposing excessive Rent Increases while providing Landlords with a just and reasonable return on property, the non-exclusive factors that the Committee considered in making its decision as set forth in subsection B of Section 6-58.85, the existing market value of rents to Rental Units 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 after February 1, 1995; Rental Units that are separately alienable from the title of any other dwelling (e.g., Single Dwelling Units, Condominiums or Stock Cooperatives.); 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. [Subsection A is 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 Tenant’s spouse or registered domestic partner, (b) a Tenant’s parent, 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 grandchild of the Tenant or any of the individuals described in subparagraphs (a) or (b) of this paragraph, (d) any other person that federal or state fair housing laws may in the future protect, or (e) a person necessary to reasonably accommodate the needs of a Tenant or any of the individuals described in subparagraphs (a), (b), (c) or (d) of this paragraph, so long as the number of occupants does not exceed the maximum number of occupants as determined under Section 503(b) of the Uniform Housing Code as incorporated by California Health and Safety Code, section 17922.
  2. Before taking any action to terminate a Tenancy based on the violation of a lawful obligation or covenant of Tenancy regarding subletting or limits on the number of occupants in the rental unit, the Landlord shall serve the Tenant a written notice of the violation that provides the Tenant with the opportunity to cure the violation within 14 calendar days. The Tenant may cure the violation by making a written request to add occupants to which request the Landlord reasonably concurs or by using other reasonable means, to which the Landlord reasonably concurs, to cure the violation including, but not limited to, causing the removal of any additional or unapproved occupant.
- D. Nuisance. The Tenant has continued, after the Landlord has served the Tenant with a written notice to cease, to commit or expressly permit a nuisance on the Rental Unit or to the common area of the rental complex, or to create a substantial interference with the comfort, safety or enjoyment of the Landlord, other Tenants or members of a Tenant’s household or neighbors, provided, however, a Landlord need not serve a notice to

cease if the Tenant's conduct is illegal activity, has caused substantial damage to the Rental Unit or the common area of the rental complex, or poses an immediate threat to public health or safety.

- E. Failure to give access. The Tenant has continued to refuse, after the Landlord has served the Tenant with a written notice, to grant the Landlord reasonable access to the Rental Unit for the purpose of inspection or of making necessary repairs or improvements required by law, for the purpose of showing the Rental Unit to any prospective purchaser or mortgagee, or for any other reasonable purpose as permitted or required by the lease or by law.
- F. Owner move-in. The Landlord seeks in good faith to recover possession of the Rental Unit for use and occupancy as a primary residence by (1) the Landlord, (2) the Landlord's spouse or registered domestic partner, or (3) the Landlord's parent, grandparent, child, grandchild, brother, sister, father-in-law, mother-in-law, son-in-law, or daughter-in-law, whether that person is related to the Landlord by blood, birth, adoption, marriage or registered domestic partnership.
  - 1. For purposes of this section a "Landlord" shall only include a Landlord that is a natural person who has at least a 50% ownership interest in the property and the Landlord shall provide to the Program Administrator documentation that the Landlord meets the definition of Landlord as provided in this paragraph. For purposes of this paragraph, a "natural person" means a human being but may also include a living, family or similar trust where the natural person is identified in the title of the trust.
  - 2. No action to terminate a Tenancy based on an "owner move-in" may take place if there is a vacant Rental Unit on the property and the vacant Rental Unit is comparable in size and amenities to the Rental Unit for which the action to terminate the Tenancy is sought.
  - 3. The notice terminating the Tenancy shall set forth the name and relationship to the Landlord of the person intended to occupy the Rental Unit.
  - 4. The Landlord or the enumerated relative must intend in good faith to move into the Rental Unit within 60 days after the Tenant vacates and to occupy the Rental Unit as a primary residence for at least one year.
  - 5. If the Landlord or enumerated relative specified on the notice terminating the Tenancy fails to occupy the Rental Unit within 60 days after the Tenant vacates or if the Landlord or enumerated relative vacates the Rental Unit without good cause before occupying the Rental Unit for one year, the Landlord shall:

(a) Offer the Rental Unit to the Tenant who vacated it and at the same Rent that was in effect at the time the Tenant vacated the Rental Unit;

(b) Pay to the Tenant all reasonable and documented expenses incurred in moving to and from the Rental Unit, to the extent such expenses exceed the relocation assistance the Landlord has already paid to the Tenant as provided in Section 6-58.150; and

(c) Inform the Program Administrator in writing.

G. Demolition. The Landlord seeks in good faith to take action to terminate a Tenancy to demolish the Rental Unit and remove the property permanently from residential rental housing use; provided, however, the Landlord shall not take any action to terminate such Tenancy until the Landlord has obtained all necessary and proper demolition and related permits from the City.

H. Capital Improvement Plan. The Landlord seeks in good faith to take action to terminate a Tenancy in order to carry out an approved Capital Improvement Plan.

I. Withdrawal from the rental market. The Landlord seeks in good faith to take action to terminate a Tenancy by withdrawing the Rental Unit from rent or lease with the intent of going out of the residential rental business permanently only as to the Rental Unit(s) on the property.

J. Compliance with a governmental order. If a Tenant has vacated the Rental Unit in compliance with a government agency's order to vacate or in response to a Landlord's taking action in good faith to terminate a Tenancy to comply with a government agency's order to vacate, or with any other order that necessitates the vacating of the building, Housing or Rental Unit as a result of a violation of the City of Alameda's Municipal Code or any other provision of law:

1. The Landlord shall offer the Rental Unit to the Tenant who vacated the Rental Unit when the Landlord has satisfied the conditions of the governmental agency that caused the governmental agency to order the Rental Unit vacated and at the same Rent that was in effect at the time the Tenant vacated the Rental Unit; provided, however,

The Landlord is not required to offer the Rental Unit to the Tenant who vacated the Rental Unit when (i) the Tenant was occupying the Rental Unit under a lease or other written agreement and the Tenant's right to occupy the Rental Unit has ended; or (ii) eminent domain proceedings preclude the Tenant from returning to the Rental Unit.

2. The Landlord shall pay to the Tenant all reasonable expenses incurred in vacating the Rental Unit, as provided in Section 6-58.150 or as provided in Article 2.5, Chapter 5, Part 1.5, Division 13, California Health and Safety Code, beginning at section 17975, whichever is greater, and all reasonable and documented expenses incurred in returning to the Rental Unit should the Landlord be required to offer the Rental Unit to the Tenant once the conditions have been satisfied and the Tenant does so.

**6-58.150. Required Payment of a Relocation Fee.**

- A. If the Landlord has taken any action to terminate a tenancy on the grounds set forth in subsections F, G, H, I or J of Section 6-58.140, or if a Tenant has otherwise vacated a Rental Unit as a result of a governmental agency's order to vacate the Rental Unit, and except as to a governmental agency's order to vacate the Rental Unit due to eminent domain proceedings:
  1. The Landlord shall pay a relocation fee in an amount of one month's Rent, as averaged over the twelve months preceding the serving of the Notice to Vacate, the serving of a notice to terminate a Tenancy or the date of the governmental agency's order to vacate the Rental Unit, for each year, or portion thereof, to a maximum of four months' Rent if the Tenant has rented the Rental Unit for four or more years, plus \$1553. The \$1553 will be adjusted on January 1 of each year based in the change of the Consumer Price Index from the previous November.
  2. If the Landlord knows, or reasonably should know, the length of the Tenant's Tenancy in the Rental Unit, at the time the Landlord serves the Notice to Vacate or other notice to terminate the tenancy, the Landlord shall inform the Tenant in writing of the amount of the relocation fee to which the Tenant is entitled as calculated in paragraph 1 above. The failure of the Landlord to so inform the Tenant renders void any action to terminate the Tenancy.
- B. The Landlord shall pay the relocation fee as follows:
  1. The entire fee shall be paid to a Tenant who is the only Tenant but if there are two or more Tenants, then each Tenant shall be paid a pro-rata share of the relocation fee; provided, however, if a Tenant or Tenants receive, as part of the termination of the Tenancy proceedings, relocation assistance from a governmental agency, such as in eminent domain proceedings, then the amount of that relocation assistance shall operate as a credit against any relocation fee to be paid to the Tenant(s) under this Section 6-58.150.
  2. As to actions taken to terminate a Tenancy on the grounds set forth in subsections F, G, H or I of Section 6-58.140, and after taking into

account any adjustments in the amount of the relocation fee under subsection C of this Section 6-58.150, the Landlord shall pay one half of the applicable relocation fee within three business days after the Tenant has informed the Landlord in writing that the Tenant will vacate the Rental Unit on the date provided in the Notice to Vacate or other notice to terminate the Tenancy, as permissibly extended by subsection C of this Section 6-58.150, and the other half within three business days after the Tenant has vacated the Rental Unit and removed all of Tenants' personal property from the Landlord's property, including a storage unit, on the date provided in the Notice to Vacate or other notice to terminate the tenancy, as permissibly extended by subsection C of Section 6-58.150.

3. Subject to the exception in subsection A of this Section 6-58.150, as to a Tenant who has vacated a Rental Unit due to a governmental agency's order to vacate, or as to actions taken to terminate a Tenancy on the grounds set forth in subsection J of Section 6-58.140, the Landlord shall pay the full amount of the applicable relocation fee within three business days of the date of the governmental agency's order to vacate.
- C. As to any Rental Unit to be vacated under subsections G or I of Section 6-58.140, a Landlord must also inform a Tenant in writing at the time the Landlord serves the Notice to Vacate or other notice to terminate the Tenancy that the Tenant has the choice to remain in the Rental Unit, starting from the termination of Tenancy date in the Notice to Vacate or in another notice to terminate a Tenancy, an additional month for every year, or portion thereof, up to a maximum of four months if the Tenant has rented the Rental Unit for four or more years. The Landlord's failure to so inform the Tenant shall render void any action to terminate the Tenancy. Within 30 days of a 60-day Notice to Vacate or other 60day notice to terminate a Tenancy, or within 15 days of a 30-day Notice to Vacate or other 30day notice to terminate a Tenancy, a Tenant shall notify the Landlord in writing if the Tenant intends to exchange additional time in the Rental Unit for a reduction in the relocation fees to which the Tenant would otherwise be entitled. The failure of the Tenant to so notify the Landlord waives the Tenant's right to exchange additional time for reduced relocation fees but does not reduce the relocation fees to which the Tenant is entitled under this Section 6-58.150. If the Tenant has notified the Landlord as provided in this subsection C that the Tenant elects to remain in the Rental Unit beyond the date on which the Tenant was required to vacate as provided in the Notice to Vacate or other notice to terminate the Tenancy, the Landlord's requirement to pay the relocation fee under this Section 6-58.150 will be reduced by one month's Rent for every month, or portion thereof, the Tenant retains possession of the Rental Unit beyond the date on which the Tenant was required to vacate as provided in the Notice to Vacate or other

notice to terminate the Tenancy; provided, however, unless the Landlord and Tenant agree some or all of the relocation fee that is payable to the Tenant may be applied as a credit against the Rent, the Tenant remains obligated to pay Rent while the Tenant retains possession of the Rental Unit.

- E. D. Nothing provided herein prohibits a Landlord and a Tenant from agreeing to relocation assistance different than as provided in this Section 6-58.150, provided the Landlord and Tenant provide to the Program Administrator written proof of the alternative relocation assistance within 21 days of the Tenant's vacating the Rental Unit. A Landlord shall not be required to pay a relocation fee to a Tenant at the termination of a Temporary Tenancy.
- F. A Landlord shall not be required to pay a relocation fee to a Tenant at the end of the term of a fixed-term lease ("the initial fixed-term lease"), regardless of the length of such term, but if the Tenant remains in the Rental Unit beyond the term of the initial fixed-term lease, by a subsequent fixed-term lease, the Landlord shall pay a relocation fee to the Tenant at the end of that subsequent fixed term lease.

**6-58.155. Service and Contents of the Written Notices to Terminate a Tenancy**

- A. In any notice purporting to terminate a Tenancy the Landlord shall state in the notice the cause for the termination, if any.
- B. If the cause for terminating the Tenancy is for the grounds in subsections B, C, D or E of Section 6-58.140 and a notice to cease is required, the notice shall also inform the Tenant that the failure to cure may result in the initiation of an action to terminate the Tenancy; such notice shall also include sufficient details allowing a reasonable person to comply and defend against the accusation.
- C. If the cause for terminating the Tenancy is for the grounds in subsections F, G, H, I or J of Section 6-58.140, except as to a governmental agency's order to vacate the Rental Unit due to eminent domain proceedings, the notice shall also inform the Tenant that the Tenant is entitled to a relocation fee and the amount thereof if the Landlord knows or should reasonably know the amount thereof.
- D. If the cause for terminating the Tenancy is for the grounds in subsection H of Section 6-58.140, the notice shall state the Landlord has complied with that subsection by obtaining a City approved Capital Improvement Plan and a copy of the approved Capital Improvement Plan shall accompany the notice.



- E. The Landlord shall file with the Program Administrator within seven calendar days after having served any notice required by subsections F, G, H, I or J of Section 6-58.140 a copy of such notice.

#### **6-58.160. Retaliation Prohibited.**

No Landlord shall take any action to terminate a tenancy, reduce any Housing Services or increase the Rent where the Landlord's intent is to retaliate against the Tenant (i) for the Tenant's assertion or exercise of rights under this Article or under state or federal law, (ii) for the Tenant's request to initiate, or the tenant's participation in, the rent review procedures under this Article or (iii) for the Tenant's participation in litigation arising out of this Article. Such retaliation may be a defense to an action to recover the possession of a Rental Unit and/or may serve as the basis for an affirmative action by the Tenant for actual and punitive damages and/or injunctive relief as provided herein. In an action against the Tenant to recover possession of a Rental Unit, evidence of the assertion or exercise by the Tenant of rights under this Article or under state or federal law within 180 days prior to the alleged act or retaliation shall create a rebuttable presumption that the Landlord's act was retaliatory; provided, however, a Tenant may assert retaliation affirmatively or as a defense to the Landlord's action without the presumption regardless of the period of time that has elapsed between the Tenant's assertion of exercise of rights under this Article and the alleged action of retaliation.

#### **6-58.170. Program Fee**

- A. There is hereby imposed on each Rental Unit in the City a Program Fee. The Program Fee shall be paid to the City annually. The Program Fee may be included as a Cost of Operation and up to one half of the Program Fee may be allocated to a Tenant, to be paid by the Tenant in 12 equal installments, which payments shall not be included in the calculation of the Maximum Increase.
- B. The Community Development Director shall report to the City Council no less than once each year a recommendation as to the amount of the Program Fee necessary to recover the costs of administering the Programs under this Article. The amount of the Program Fee shall be determined by resolution of the City Council adopted from time to time. The Program Fee shall not exceed the amount found by the City Council to be necessary to administer the costs of the Programs under this Article and the City Council's finding in this regard shall be final.
- C. Any Landlord responsible for paying the Program Fee who fails to pay the Program Fee within 30 calendar days of its due date shall, in addition to the Program Fee, pay an additional penalty assessment

as determined by resolution of the City Council adopted from time to time.

#### **6-58.175. Actions to Recover Possession**

In any action brought to recover possession of a Rental Unit, the Landlord shall allege and prove by a preponderance of evidence compliance with this Article.

#### **6-58.180. Landlord's Failure to Comply.**

A Landlord's failure to comply with any requirement of this Article may be asserted as an affirmative defense in an action brought by the Landlord to recover possession of the Rental Unit. Additionally, any attempt to recover possession of a Rental Unit in violation of this Article shall render the Landlord liable to the Tenant for actual and punitive damages, including damages for emotional distress, in a civil action for wrongful eviction. The Tenant may seek injunctive relief and money damages for wrongful eviction. The prevailing party in an action for wrongful eviction shall recover costs and reasonable attorneys' fees.

#### **6-58.185. Penalties for Violations.**

- A. The City may issue an administrative citation to any Landlord and to the Landlord's agent for a violation of this Article. The fine for such violations shall be \$250 for the first offense, a fine of \$500 for a second offense within a one year period and a fine of \$1000 for a third offense within a one year period. In addition, the first two violations of this Article shall be deemed infractions and the fines therefor for the first and second offenses shall be as set forth in the previous sentence. A third violation in any one year period shall constitute a misdemeanor, punishable as set forth in Chapter I of this Code.
- B. Notwithstanding subsection A of Section 6-58.185 it shall constitute a misdemeanor for any Landlord to have demanded, accepted, received or retained any Rent in excess of the Maximum Rent allowed by a binding decision of the Committee, a decision of a Rent Dispute Hearing Officer, or by a final judgment of a court of competent jurisdiction should the Rent Dispute Hearing Officer's decision be challenged in court.
- C. In addition to all other remedies provided by law, including those set forth above, as part of any civil action brought by the City to enforce this Article, a court may assess a civil penalty in an amount up to the greater of \$2500 per violation per day or \$10,000 per violation, payable to the City, against any person who commits, continues to commit, operates, allows or maintains any violation of this Article. The prevailing party in any such civil action shall be entitled to its costs and attorney's fees.

#### **6-58.190. Waiver**

- A. Any waiver or purported waiver of a Tenant of rights granted under this Article prior to the time when such rights may be exercised shall be void as contrary to public policy.
- B. It shall be unlawful for a Landlord to attempt to waive or waive, in a rental agreement or lease, the rights granted a Tenant under this Article prior to the time when such rights may be exercised.

#### **6-58.195. Annual Review**

The Community Development Director shall annually prepare a report to the Council assessing the effectiveness of the Programs under this Article and recommending changes as appropriate.

#### **6-58.197. Implementing Policies and Regulations**

The City Council may adopt by resolution such policies and regulations as necessary to implement this Article.

#### **6-58.200. Repeal of Ordinance**

By operation of law, this Ordinance shall be repealed in its entirety unless by December 31, 2019, the City Council by an affirmative vote has taken action to retain the Ordinance and any amendments thereto, or portions thereof.”

Section 2. Prospective Application of Ordinance. To the extent this Ordinance imposes new obligations or requirements on a Landlord under subsection C, Section 6-58.20, subsections A and B, Section 6-58.35, Section 6-58.35, Section 6-58.55, Section 6-58.110, paragraphs 4-6, paragraphs a 1 and 2, subsection J, Section 6-58.140, subsections A, B, C and E, Section 6-58.150, subsections C and E, Section 6-58.155 and Section 6-58.170, this Ordinance is to be applied prospectively.

Section 3. Declaratory of Existing Law. The provisions of paragraph 3 of subsection A of section 6-58.35 are deemed declaratory 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 5. 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 6. 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.

\* \* \* \* \*

I, the undersigned, hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the Council of the City of Alameda in regular meeting of the City Council assembled on the 5th day of September, 2017 the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

IN WITNESS, WHEREOF, I have hereunto set my hand and affixed the official seal of the said City this 6<sup>th</sup> day September, 2017.

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Lara Weisiger, City Clerk  
City of Alameda

Approved as to Form:

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Janet C. Kern, City Attorney