

CITY OF ALAMEDA ORDINANCE NO. _____

New Series

PROHIBITING THE USE OF RATIO UTILITY BILLING SYSTEMS FOR
UTILITY CHARGES AND PROVIDING A PROCESS FOR LANDLORDS
TO RECEIVE A ONE-TIME UTILITY ADJUSTMENT FOR RENT

THE CITY COUNCIL OF THE CITY OF ALAMEDA DOES HEREBY ORDAIN AS
FOLLOWS:

Section 1. Section 6-58.15 is amended to read as follows:

“6-58.15 Definitions.

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

Annual General Adjustment means seventy (70%) percent of the percentage change in the Consumer Price Index for the twelve (12) month period ending April of each year and rounded to the nearest one-tenth of a percent; provided, however, in no event shall the Annual General Adjustment be more than five (5%) percent nor less than one (1) percent.

Base Rent means for all Rental Units, other than a Floating Home or a vessel/boat for which there is a maritime residential tenancy, that State Law does not exempt from rent control, the Rent in effect on September 1, 2019 or the Rent in effect on a later date (as established in subsection A of Section 6-58.60) and shall be the reference point from which the Maximum Allowable Rent shall be adjusted upward or downward in accordance with this Article. For all Rental Units that are Floating Homes or vessels/boats for which there is a maritime tenancy, Base Rent shall mean the Rent that a Tenant paid for the Rental Unit on or before April 14, 2022 but not Rent paid thereafter and shall be the reference point from which the Maximum Allowable Rent shall be adjusted upward or downward in accordance with this Article. For Tenancies for Floating Homes or vessels/boats for which there will be a maritime tenancy, commencing after April 14, 2022, the Base Rent is the initial Rent in effect on the date the Tenancy commences.

Base Rent Year for all Rental Units other than Floating Homes or vessels/boats for which there is a maritime residential tenancy, Base Rent Year means 2015. Base Year Rent for all Rental Units that are Floating Homes or vessels/boats for which there is a maritime tenancy means 2021.

Buyout Agreement means a written agreement between a Landlord and a Tenant as provided in Section 6-58.115 by which a Tenant, typically in consideration for monetary payment, agrees to vacate a Rental Unit.

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, becomes part of the real property or is permanently affixed to the real property such that its removal would result in material damage to the real property or to the improvement itself, has a useful life of more than one (1) year and that is required to be amortized and depreciated over the useful life of the improvement under the provisions of the Internal Revenue Code and related regulations.

Capital Improvement Plan means a detailed proposal submitted to the Program Administrator by a Landlord in order to proceed with one or more Capital Improvements, temporarily relocate a Tenant (in connection with the Capital Improvement work), and/or receive a Pass Through.

Certified Rent means the Rent, less than the Maximum Allowable Rent, that the Program Administrator determines is the allowable rent when the Landlord has chosen not to impose the Annual General Adjustment and has banked the difference as provided in Section 6-58.70.

City means the City of Alameda.

Comparable as applied to a Rental Unit means any Rental Unit that the Landlord owns in the City of Alameda, is similar in square footage, has the same number of or additional bedroom(s), has similar amenities, such as cable television or a washer/dryer, allows pets if the Tenant had a pet, as to a Tenant who is disabled, is disability accessible and ADA compliant and, if not currently habitable, can be made habitable without requiring the Landlord to obtain a building permit in order for the Rental Unit to be habitable. For purposes of paragraph 2 of subsection E of Section 6-58.80, the Comparable Rental Unit must be on the same property.

Condominium means the same as defined in Section 783 and 1351(f) of the California Civil Code.

Consumer Price Index means the Consumer Price Index for All Urban Consumers ("CPI-U") for the San Francisco-Oakland-Hayward, CA Region, published by the U.S. Department of Labor, Bureau of Labor Statistics.

Costs of Operation mean all reasonable expenses incurred in the operation and maintenance of a Rental Unit not exempt from rent control under State Law 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, security services or system and the amortized cost of Capital Improvements for which the Landlord has not received an approved Pass Through for such improvements, but Costs of Operation exclude Debt Service, depreciation and the

cost of Capital Improvements for which a Landlord has received an approved Pass Through for such improvements.

Council means the City Council of the City of Alameda.

Debt Service means the periodic payment or payments due under any security financing device that is applicable to a Rental Unit not exempt from rent control under State Law or building or complex of which it is a part, including any fees, commissions or other charges incurred in obtaining such financing.

Disabled means disabled as defined in Section 12955.3 of the California Government Code.

Dwelling Unit means a room or group of rooms, designed and intended for occupancy and/or use by one (1) or more persons, that includes in the room or group of rooms sleeping quarters and one (1) or more of the following: the existence or capability for cooking facilities, e.g., refrigerator, stove, oven, microwave oven, etc.; and/or bath facilities, e.g., toilet, sink, shower, tub, etc.

Eligible Tenant means any Tenant entitled to be paid a Relocation Payment under this Article because the Landlord terminated the Tenant's tenancy for any of the reasons set forth in subsections E, F, G, H or I of Section 6-58.80, the Tenant has vacated a Rental Unit pursuant to a governmental agency's order to vacate or due to Health or Safety Conditions and for which in either case the Landlord did not serve a notice to terminate the tenancy, or the Tenant has vacated a Rental Unit following the Tenant's receipt of a Relocation Rent Increase.

Floating Home means the same as the term is defined in Health and Safety Code, section 18075.55.

Governmental Agency means any City, County, or State, and divisions or departments thereof, including those that are authorized to enforce Uniform Codes that the City had adopted except that Governmental Agency shall not include the Housing Authority.

Health or Safety Conditions mean substandard conditions in a Rental Unit resulting from, or expected to result from, among other events, construction activities, flooding, fire or smoke, lack of proper maintenance, or facilities failures and not caused by a Tenant, the occupants of the Rental Unit or the invitees/guests of the Tenant that, in the determination of a Governmental Agency or a court of competent jurisdiction (i) have or will have an adverse effect on the health or safety of the Tenant or occupant if the Tenant/occupant were to occupy the Rental Unit while the conditions exist, (ii) render or will render the Rental Unit uninhabitable, or (iii) as to Rental Units in the Housing Choice Voucher Section 8 Program, fail to pass Housing Quality Standards as such Standards are determined by the U.S. Department of Housing and Urban Development.

Housing Authority means the Housing Authority of the City of Alameda.

Housing Services means those services provided and associated with the use or occupancy of a Rental Unit not exempt from rent control under State Law including, but not limited to, repairs, replacement, maintenance, effective waterproofing and weather protection, painting, providing light, heat, hot and cold water, elevator service, window shades and screens, laundry facilities and privileges, janitorial services, utilities that are paid by the Landlord, refuse removal, allowing pets, telephone, parking, storage, the right to have a specified number of Tenants or occupants, computer technologies, entertainment technologies, including cable or satellite television services, and any other benefits, privileges or facilities connected with the use or occupancy of such Rental Unit including a proportionate share of the services provided to common facilities of the building in which such Rental Unit is located and/or of the property on which such Rental Unit is located.

Landlord means any person, partnership, corporation or other business entity, or any successor in interest thereto, offering for rent or lease any Rental Unit in the City and shall include 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. Landlord includes a Master Tenant.

Master Tenant means a Tenant who offers for rent or lease a portion of the Rental Unit that the Tenant rents or leases from a Landlord.

Maximum Allowable Rent means the maximum Rent the Landlord may charge for the use or occupancy of any Rental Unit not exempt from rent control under State Law.

Maximum Increase means a Rent Increase that on a cumulative basis over the twelve (12) months preceding the effective date of a proposed Rent Increase is more than ten (10%) percent.

Net Operating Income means the gross revenues that a Landlord has received in Rent or any rental subsidy in the twelve (12) months prior to serving a Tenant with a notice of a Rent Increase less the Costs of Operation in that same twelve (12) month period.

Party means a Landlord or Tenant.

Pass Through means any monetary amount a Landlord is authorized to pass through to, and recover from, one or more Tenants in the form of a surcharge or in addition to Base Rent, as authorized by an approved Capital Improvement Plan or any other lawful authorization.

Permanent Relocation Payment means the payment the Landlord is required to make to a Tenant when (i) the Landlord takes action to terminate a tenancy under subsections E, F, G, or H Section 6-58.80, (ii) the Landlord did not serve a notice of

termination of tenancy but the Tenant, after seven days of being temporarily displaced, has permanently vacated a Rental Unit pursuant to a governmental agency's order to vacate the Rental Unit or due to Health or Safety Conditions, or (iii) the Landlord has served the Tenant with a Relocation Rent Increase and the Tenant has vacated the Rental Unit within ninety (90) days thereafter.

Primary Residence means a Single Dwelling Unit, Condominium, Stock Cooperative or other Dwelling Unit for which the Landlord is the property owner and the residence is one in which the Landlord carries on basic living activities for at least six (6) 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.

Programs mean the programs created by this Article.

Program Administrator is a person designated by the City to administer one (1) or more of the Programs.

Program Fee means the fee the City imposes on each Landlord to cover the costs to provide and administer the Programs.

Qualified Tenant Household means a household with a Tenant who is displaced for any reason other than under subsections A, B, C or D of Section 6-68.80 and who: (i) is a Senior Adult, (ii) is a person with a Disability or (iii) has at least one (1) child under the age of eighteen (18) residing in the household.

Relocation Payment means the payment a Landlord is required to make for any of the reasons set forth in Section 6-58.85.

Relocation Rent Increase means a rent increase that exceeds the Maximum Increase but is not prohibited by State Law.

Rent means periodic compensation, including all non-monetary compensation, that a Tenant provides to a Landlord concerning the use or occupancy of a Rental Unit, including any amount included in the Rent for utilities, parking, storage, pets or for any other fee or charge associated with the tenancy for the use or occupancy of a Rental Unit and related Housing Services.

Rent Differential Payment means the difference between the lawful Rent that the Tenant was paying at the time of displacement and the Fair Market Rent as established from time to time by the U.S. Department of Housing and Urban Development, for a Comparable Rental Unit in Alameda, based on the number of bedrooms.

Rent Hearing Officer or Hearing Officer means a person designated by the City

Attorney to hear and decide petitions under this Article and to hear and decide appeals as provided in this Article, which decisions are binding subject only to judicial review.

Rent Increase means any upward adjustment of the Rent from the Base Rent.

Rental Agreement means an agreement, written, oral or implied between a Landlord and a Tenant for the use and/or occupancy of a Rental Unit.

Rental Unit means (a) (i) a Dwelling Unit (other than the Dwelling Units exempted in Section 6-58.20), (ii) other real property, (iii) a Floating Home, (iv) or a vessel/boat with a maritime residential tenancy at a Floating Home Marina, (b) offered or available for Rent in the City of Alameda, and (c) all other Housing Services in connection with the use or occupancy thereof.

RUBS means a Ratio Utility Billing System or any similar system or methodology that is not based on a Tenant's actual usage to allocate Utility Charges to a Tenant.

Senior Adult means any person sixty-two (62) years of age or older at the time the Landlord serves a notice of termination of tenancy or, if no notice of termination of tenancy was served, at the time the person vacated the Rental 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") and permitted by the City, when the Single Dwelling Unit is located on a single legal lot of record.

Single Room Occupancy means the same as Dwelling Unit provided, however, that a Single Room Occupancy (a) has cooking facilities and/or bath facilities, as those terms are defined in Rent Program Regulations, that are shared with one or more Tenants of other Single Room Occupancy units and (b) shall not include a Rental Unit that is either exempt from rent control under State Law or is a Dwelling Unit in which the Landlord owns the Rental Unit, occupies the Rental Unit as the Landlord's Primary Residence, and shares kitchen or bath facilities with one or more Tenants.

State Law means any California law, whether constitutional, statutory or executive order, that pre-empts local rent control such as, at the time this Ordinance is adopted, the Costa Hawkins Residential Rental Act (California Civil Code section 1954.50 and following, which Act exempts Rental Units for which a certificate of occupancy was issued after February 1, 1995 and Dwelling Units the title of which are separately alienable from the title of any other Dwelling Unit, (e.g., Single Dwelling Units and Condominiums)).

Stock Cooperative means the same as defined in section 4190 of the California Civil Code.

Subtenant means a person or entity who has the legal responsibility for the payment of Rent to a Master Tenant or has agreed to pay Rent to a Master Tenant for a Rental Unit. Subtenant includes a sublessee.

Temporary Relocation Payment means the payment that a Landlord is required to make to a Tenant when the Tenant has temporarily vacated the Rental Unit in compliance with a governmental agency's order to vacate, due to Health or Safety Conditions, or as part of an approved Capital Improvement Plan, regardless of whether the Tenant was served with a notice to terminate the tenancy.

Temporary Tenancy means a Tenancy in a Dwelling Unit which has been the Landlord's Primary Residence for at least three (3) months prior to the inception of the Temporary Tenancy, which Tenancy has a fixed term at the end of which the Landlord within sixty (60) days of the Tenant's vacating the Dwelling Unit re-occupies the Dwelling Unit as the Landlord's Primary Residence, and thereafter the Landlord resides continually in the Dwelling Unit as the Landlord's Primary Residence for at least twelve (12) consecutive months.

Tenancy means the right or entitlement of a Tenant to use or occupy a Rental Unit.

Tenant means any one of the following: 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 for the use or occupancy of any Rental Unit and (i) has the legal responsibility for the payment of Rent for a Rental Unit or (ii) has agreed to pay the Rent for a Rental Unit; "Tenant" includes a resident as defined in Civil Code, Section 800.8, a person who occupies a vessel/boat for which there is a maritime residential tenancy, or a duly appointed conservator or legal guardian of a Tenant as defined in this section, but excludes a property manager who occupies a Dwelling Unit on the property and has a written agreement with the Landlord under which the property manager does not pay the full amount of Rent that would otherwise be paid for a Comparable Rental Unit on the property.

Utility means any utility including but not limited to gas, electricity, water, refuse, sewer, telephone, cable, and internet.

Utility Adjustment means a one-time Utility Adjustment as set forth in subsection C in Section 6-58.45 of this Article.

Utility Charge mean any charge for a Utility which is paid directly or indirectly (such as through a third party billing service) to the Landlord.”

Section 2. Section 6-58.45 is amended to read as follows:

“Section 6-58. 45 Utility and Other Charges Paid Directly or Indirectly to Landlord

For Rental Units not exempt from rent control under State Law the following shall apply:

- A. Utility Charges Paid Directly or Indirectly to Landlord. No Utility Charge shall be unbundled nor increased except as set forth in subsection D of this Section 6-58.45.
1. Limitations on Increases to a Utility Charge. A Utility Charge is considered Rent and a Landlord shall not increase the Utility Charge for a Rental Unit by more than the Annual General Adjustment or by more than an amount authorized by a Hearing Officer pursuant to a Petition for Upward Adjustment of Rent—Fair Rate of Return. In addition, a Landlord shall not increase Rent, including the Utility Charge for a Rental Unit, more than once in any twelve (12) month period.
 2. Applicability. Paragraph 1 of subsection A does not apply to any individually sub-metered Utility or a Utility for which the Tenant is billed directly by the Utility service provider (such as Alameda Municipal Power or Pacific Gas & Electric). Sub-metered water shall be subject to the requirements of Civil Code Sections 1954.204, *et seq.* Notwithstanding the foregoing, a Landlord to which paragraph 1 of subsection A does not apply shall file a declaration of exemption from the One-Time Utility Adjustment (e.g., that the Rental Unit is separately metered, that the Landlord already includes Utility Charges in the Rent for the Rental Unit), and providing documentation as specified in subparagraph c of paragraph 5 of subsection C of this Section 6-58.45 to verify the exemption.
 3. Ineligibility. The One-Time Utility Adjustment Petition process shall not be available to a Landlord for Tenancies where all of the following conditions are met:
 - a. The initial rental rate for the Rental Unit was inclusive of Utility Charges that were paid by the Landlord;
 - b. On or after March 31, 2016, the Landlord ceased paying for one or more of the Utility Charges without a corresponding decrease in the Tenant's Rent and began using a RUBS; and
 - c. The Landlord demanded, and the Tenant actually paid, the Utility Charges allocated to the Tenant based on RUBS.
 4. If all of the conditions in paragraph 3 of subsection A are met, it constitutes an unlawful Rent Increase that must be addressed as provided in Rent Ordinance Regulations.
- B. RUBS Prohibited. On [*effective date of this ordinance*] and in accordance with paragraphs 1 and 2 of this subsection B, Landlords are prohibited from using a RUBS. No Landlord shall impose a separate fee or charge for any Utility service

that is billed to the Landlord by the Utility provider unless such Utility service is sub-metered such that the Tenant's actual usage of such Utility is measured.

1. Tenancies Commencing Prior to [effective date of this ordinance]. For any Tenancy commencing prior to [effective date of this ordinance], where the Landlord uses RUBS, a Landlord may continue to use RUBS until such date that a Utility Adjustment is implemented in accordance with the requirements and timelines set forth in subsection C of this Section 6-58.45 and approved by the Program Administrator. Proportionate shares of Utility Charges for vacant or newly rented Rental Units may not be allocated to existing Tenancies through RUBS. If a Landlord fails to file a timely petition for a Utility Adjustment, the Landlord is prohibited 60 days thereafter from using a RUBS.
2. Tenancies Commencing On or After [effective date of this ordinance]. For any Tenancy commencing on or after [effective date of this ordinance], the Landlord shall include the cost of Utilities, other than those Utilities charged directly to the Tenant by the Utility service provider or those Utilities that are sub-metered, in the total Rent for the Rental Unit. At the commencement of such Tenancy, the Landlord, in the Rental Agreement, shall indicate the fixed dollar amount of the initial Rent and specify which Utility Charges and any Housing Services that have a discernible fee associated with them are included in the initial Rent (such as water, garbage, sewer, parking, storage or for a pet).

C. One-time Utility Adjustment .

1. Purpose and Applicability.
 - a. Purpose. A Landlord may petition for a Utility Adjustment in order that all Landlords that are currently using RUBS have a process to come into compliance with this Article.
 - b. Applicability. The Utility Adjustment petition process applies only to Utility Charges, not to any other discernable charges or fees associated with other Housing Services, such as parking, storage, or for pets, that are included in the Rent for a Rental Unit.
2. Utility Adjustment Amount. The Utility Adjustment amount for each Rental Unit shall be the lesser of: (i) the average monthly Utility Charges paid by the Tenant for the period between June 1, 2025, and May 31, 2026, or the 12-month period that encompasses utility billing cycles that commence as close to June 1, 2025, as possible, adjusted by the percentage change in the Consumer Price Index; or (ii) the sum of all applicable Housing Authority Utility Allowances effective on the date the petition for a Utility Adjustment is

filed. The lesser of (i) or (ii) in the previous sentence is the maximum amount allowed for the Utility Adjustment.

3. Adjustment Less Than the Maximum. A Landlord may choose to impose less than the maximum allowed amount for the Utility Adjustment, provided, however, a Landlord who imposes less than the maximum allowed amount for the Utility Adjustment shall not apply the remainder of the Utility Adjustment amount at a later time.
4. Deadlines for Submitting a Utility Adjustment Petition. A Landlord may only submit a Utility Adjustment petition within the time provided in Table 1 below. Any Landlord who does not submit the Utility Adjustment petition by the applicable deadline in Table 1 forfeits the right to petition for a Utility Adjustment. If a Landlord fails to or chooses not to submit a Utility Adjustment Petition by the deadline provided in Table 1 below, the Program Administrator will send written notice to the Landlord and any affected Tenants that the Landlord is prohibited 60 days thereafter from using a RUBS.

Table 1: Submittal Periods for One-Time Utility Adjustment Petitions

Number of Units on Property	Submittal Periods
16 or more units	Petition must be submitted to the Program Administrator within eight (8) months of the Program Administrator’s release date of petition form(s).
5-15 units	Petition must be submitted to the Program Administrator no sooner than nine (9) months and no later than sixteen (16) months of the Program Administrator’s release date of petition form(s).
2-4 units	Petition must be submitted to the Program Administrator no sooner than seventeen (17) months and no later than twenty-four (24) months of the Program Administrator’s release date of petition form(s).

5. Requirements for Utility Adjustment Petition. Before the deadline set forth in Table 1, a Landlord shall submit the Utility Adjustment petition on a form provided by the Program Administrator and shall provide all supporting documentation required by the Utility Adjustment petition form, this Ordinance, or Rent Ordinance Regulations. At minimum, the Landlord shall include the following supporting documentation with the Utility Adjustment petition:

- a. A list of all Rental Units on the property with the following information about each Rental Unit:
 1. Whether the Rental Unit is occupied or vacant at the time of the filing of the petition;
 2. If occupied, the date on which the Tenancy of the Rental Unit commenced; and
 - b. Copies of all master billing statements for all Utility Charges paid by the Landlord for the entire rental property for the period between June 1, 2025, and May 31, 2026, or the 12-month period that encompasses utility billing cycles that commence as close to June 1, 2025 as possible (i.e., the billing statements from the Utility provider);
 - c. Documentary or other evidence (such as photos of individual meters, invoices from contractors demonstrating installation of individual meters or submeters, billing statements from Utility providers showing the Utility is sub-metered, or copies of Rental Agreements showing all Utilities are included with Rent) supporting a claim that one or more Rental Unit(s) are exempt from the Utility Adjustment.
 - d. For any Tenancy commencing on or after [*effective date of this ordinance*], the Landlord shall provide to the Program Administrator an example of the Rental Agreements demonstrating compliance with the requirements in paragraph 2 of subsection B.
6. Determination of Completeness of Petition. The Program Administrator shall make a determination regarding the completeness of the Utility Adjustment petition, which includes all relevant petition forms and supporting documentation. A Utility Adjustment petition is incomplete if any required fields on the form are omitted, or if the supporting documentation is incomplete, missing, or improperly marked.
7. Incomplete Utility Adjustment Petition. If the Program Administrator determines that the Utility Adjustment petition is incomplete, notice by mail and/or electronic mail (if provided) shall be provided to the Landlord that the petition is incomplete together with a list of the deficiencies in the petition and/or the supporting documentation. The Landlord may add to, amend, or revise and resubmit the petition within 15 business days after the mailing date. If the Landlord fails to add to, amend, and/or revise and resubmit the petition within 15 business days, the Landlord forfeits the right to petition for a Utility Adjustment; the Program Administrator will send written notice to both the Landlord and any affected Tenants that the Landlord is prohibited 60 days thereafter from using a RUBS.

8. Notice of Final Administrative Determination by the Program Administrator. After review of a complete Utility Adjustment petition, the Program Administrator shall make a final determination of whether the Utility Adjustment(s) for the rental property were properly calculated. If the Program Administrator confirms that the Utility Adjustment(s) were properly calculated, then a notice shall be sent to the Landlord and the affected Tenant(s) confirming the amounts in the Utility Adjustment petition. If the Program Administrator determines that the Utility Adjustment(s) were improperly calculated, any erroneous calculations shall be corrected by the Program Administrator, and the notice with the corrected adjustment(s) shall be sent to the Landlord and the affected Tenant(s). The Program Administrator's final determination is not subject to further administrative review; provided, however, a Tenant may file a petition for a downward adjustment of rent as provided in paragraph 1 of subsection E of this Section 6-58.45.

9. Imposition of a Utility Adjustment.
 - a. A Utility Adjustment approval less than 10 months of the date of the most recent Rent Increase. If the date of the notice of final administrative determination described in paragraph 8, subsection C of this Section 6-58.45 is less than 10 months of the effective date of the most recent Rent Increase or the start date of the Tenancy, whichever is later, the Landlord shall impose the Utility Adjustment 12 months after the date of most recent Rent Increase or start date of the Tenancy.

 - b. A Utility Adjustment approval 10 or more months after the date of the most recent Rent Increase. If the date of the notice of final administrative determination described in paragraph 8, subsection C of this Section 6-58.45 is 10 or more months after the effective date of the most recent Rent Increase or the start date of the Tenancy, whichever is later, the Landlord shall impose the Utility Adjustment no later than 60 days after the date of the notice of final administrative determination.

 - c. Current-Year Annual General Adjustment. As permitted by subsection B of Section 6-58.50 and Section 6-58.65 of this Article, the Landlord may impose the Annual General Adjustment at the same time as the Utility Adjustment. The Landlord shall impose the Utility Adjustment at the time required by subparagraphs a and b of this paragraph 9 regardless of whether the Landlord imposes the Annual General Adjustment. If the Landlord imposes the Annual General Adjustment at the same time as the Utility Adjustment, the Utility Adjustment will be applied to the Rent only after the Annual General Adjustment has been applied.

 - d. Landlord Notice to Tenant of Utility Adjustment. At least 30 days before the effective date of the Utility Adjustment, the Landlord must complete

and serve the Tenant with a form (provided by the Program Administrator) that informs the Tenant of the effective date of the Utility Adjustment, the amount of the Utility Adjustment and which Utilities were included in the calculation of the Utility Adjustment.

- e. Filing of Landlord Notice to Tenant. Within three calendar days of serving the form on the Tenant, the Landlord shall file with the Program Administrator a copy of the form and a proof of service.
- f. RUBS Prohibited. Immediately upon the imposition of the One-Time Utility Adjustment, a Landlord shall cease the use of a RUBS.
- g. Rent Adjustment. The Program Administrator will adjust the Maximum Allowable Rent and Certified Rent based on the Utility Adjustment and provide to Landlords and Tenants the adjusted amounts with the next annual determination of the Maximum Allowable Rent and Certified Rent.

D. Charges Other Than Utility Charges Included in the Rent

A Landlord shall neither unbundle nor increase any charge or fees, such as for parking, storage, pets, or any other charge or fee associated with the use or occupancy of a Rental Unit and attendant Housing Services that is included in the Rent; provided, however, if a Tenant requests and the Landlord provides Housing Services that were not included in the Rent, such as a parking space or an additional parking space, storage space or an additional storage space, or a pet or an additional pet, such charge or fee shall not be included in determining the Annual General Adjustment or an allowable Banked Rent Increase.

E. Tenant Filings.

- 1. Rent Adjustment Petition. A Tenant may at any time file a petition for a downward adjustment of Rent pursuant to Section 6-58.75 of this Article if, during the 12-month period used to calculate the One-Time Utility Adjustment, the Tenant paid Utility Charges that were not consistent with the Tenant's responsibilities to pay for Utilities as set forth in the Tenant's Rental Agreement.
- 2. Administrative Review of Unlawful Utility Charges. A Tenant at any time may file a request with the Program Administrator to review overpayment of Rent related to Utility Charges in violation of this Section 6-58.45, in the following circumstances:
 - a. The Tenancy meets all of the criteria in paragraph 3 of subsection A; or
 - b. The Landlord has unlawfully demanded or retained payment of Utility

Charges that were allocated to the Tenant using a RUBS after such charges were prohibited in violation of subsection B of this Section 6-58.45; or

- c. The Landlord has unbundled or increased any charges or fees other than Utility Charges in violation of subsection D of this Section 6-58.45.”

Section 3. Section 6-58.50 is amended to read as follows:

“Subsection A, no change.

B. No Landlord shall increase the Rent of any Rental Unit or impose a Pass Through, whether such increase or imposition is separate or together: (a) more than once in any twelve (12) month period, (b) earlier than twelve (12) months after the inception of the tenancy, or (c) earlier than twelve (12) months after the imposition of a Utility Adjustment.

Subsections C and D, no change.”

Section 4. Section 6-58.75 is amended to read as follows:

“Subsections A through G, no change.

H. In making an individual downward adjustment of Rent, the Hearing Officer may consider: decreases in Housing Services, living space, or amenities; substantial deterioration of the Rental Unit other than as a result of ordinary wear and tear; the Landlord’s failure to comply substantially with applicable housing or health and safety codes; the Tenant’s payment of Utility Charges that were not consistent with the Tenant’s responsibilities to pay for Utilities as set forth in the Tenant’s Rental Agreement during the 12 month period used to calculate the One-Time Utility Adjustment; or the Landlord’s failure to comply with any other provision of this Article.

Subsections I and J, no change.”

Section 5. Section 6-58.77 is amended to read as follows:

“6-58.77 Capital Improvements

In addition to the Petition process set forth in Section 6-58.75, a Landlord may file with the Program Administrator an application for a Capital Improvement Plan, with or without a request for a Pass Through of certain Capital Improvement costs to Tenants of Rental Units not exempt from rent control by State Law, subject to the provisions and limitations set forth in this Article and the Rent Program Regulations.

- A. The following Capital Improvements may qualify for a Pass Through, provided that the costs for such improvements are not less than \$10,000 for all Capital

Improvements referenced in an application and provided further that the direct cost is not less than \$1000 per Dwelling Unit affected. These dollar amounts shall be adjusted annually based on the percentage change in the Consumers Price Index for the twelve (12) month period ending April of each year.

(Paragraphs 1 through 11, no change)

12. Installation of submeters for a Utility that meter the use of a Utility in individual Rental Units.

Subsection B, no change.

C. The Program Administrator shall not approve an application for a Capital Improvement Plan if any of the following apply:

Paragraphs 1 and 2, no change.

3. The number of Rental Units on the Property subject to the Pass Through application equals or is more than Twenty-five (25); provided, however, such prohibition does not apply if the application is for the installation of submeters for a Utility.

Subsections D through J, no change.”

Section 6. Implied Repeal

Any provision of the Alameda Municipal Code inconsistent with this Ordinance, to the extent of such inconsistency and no further, is hereby repealed or modified to the extent necessary to effectuate this Ordinance.

Section 7. CEQA Determination

The City Council finds and determines that the 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 (b)(2) (continuing administrative activity/general policy and procedure and hence not a project) and Section 15061 (b)(3) (no significant environmental impact).

Section 8. Severability

If any provision of this Ordinance is held by a court of competent jurisdiction to be invalid, such invalidity shall not affect other provisions of this Ordinance that may 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 9. Effective Date

This Ordinance shall be in full force and effect from and after the expiration of 30 days from the date of its final passage.

Presiding Officer of the City of Alameda

Attest:

Lara Weisiger, City Clerk

* * * * *

I, the undersigned, hereby certify that the foregoing Ordinance was duly and regularly adopted and passed by the Council of the City of Alameda in a regular meeting assembled on the 7th day of July 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said City this 8th of July 2026.

Lara Weisiger, City Clerk
City of Alameda

Approved as to form:

Yibin Shen, City Attorney
City of Alameda