ORDINANCE NO. 4359

RENT STABILIZATION AND EVICTION CONTROL ORDINANCE OF 2025

Be it ordained by the Council of the City of Pomona as follows:

The following is hereby added as DIVISION 4 OF ARTICLE VIII OF CHAPTER 30 OF SUBPART A – GENERAL ORDINANCES:

Section 30-571 ENACTMENT.

This Division enacts the City of Pomona's Rent Stabilization and Eviction Control Ordinance of 2025.

Section 30-572 FINDINGS AND PURPOSE.

(a) The residents of the City face economic conditions that lead to housing instability, increases in rent, and substandard living conditions. City residents experience ongoing detrimental effects of a housing shortage throughout Southern California, including high housing costs, limited housing supply, and uncertainty about long-term housing arrangements.

(b) High rent burdens, housing instability, eviction, and displacement effect the health, safety, and welfare of City residents. These effects include job loss, adverse health effects, and negative consequences for children. The effects can be more significant for senior citizens, low-income households, persons living on a fixed income, and other vulnerable populations. Advances in technology, including artificial intelligence software, compound the factors leading to high rent burdens, instability, eviction and displacement.

(c) The City finds and declares that rent stabilization and eviction protections are needed to improve public health, safety, and welfare, and that the provisions of this ordinance serve the interest of the City, residents, property owners, and the community as a whole to improve housing stability, prevent displacement, protect against homelessness, and provide rights and remedies for Tenants and Landlords that serve the public interest in regulating the residential rental market.

(d) On August 1, 2022, the City enacted Urgency Ordinance No. 4320 for the purpose of adopting rent stabilization and eviction protections. On April 17, 2023, the City enacted Urgency Ordinance No. 4329 for the purpose of adopting provisions for relocation assistance. Those provisions were codified in Division 4 of Article VIII of Chapter 30A of Subpart A of the City's Municipal Code, which shall be repealed upon this Division 4 going into effect, in accordance with Section 30-587.

(e) The City further finds and declares that this Division is intended to be more protective than state law.

Section 30-573 DEFINITIONS.

(a) "Calendar Day" or "Day" shall mean any day.

(b) "*Capital Improvement(s)*" shall mean an improvement, addition or major repair to a Rental Unit or common areas of the housing complex containing the Rental Unit, providing such new

improvement has a useful life of five (5) years or more and that is required to be amortized over the useful life of the improvement, such as: roofing, carpeting, draperies, stuccoing or re-surfacing for the outside of a building, air conditioning, security gates, swimming pool, sauna or hot tub, fencing, garbage disposal, washing machine or clothes dryer, dishwasher, children's play equipment permanently installed on the premises, the complete exterior painting of a building, and other similar improvements as set forth in regulations established by the City. Capital Improvement does not include normal or routine maintenance, repair, replacements, and/or deterioration resulting from an unreasonable delay in the undertaking of completion or after a Notice of Violation by a government agency ordering repairs.

(c) "*City*" means the City of Pomona, and includes the Department, as defined below.

(d) *"City Manager"* shall mean the City Manager or the City Manager's designee.

(e) *"Covered Rental Unit"* shall mean any Rental Unit that is not exempt, pursuant to this Division.

(f) *"Department"* shall mean the City of Pomona Neighborhood Services Department, or any successor Department designated by the City Manager. All references to the Department shall be deemed to reference to the City, unless otherwise noted.

(g) *"Eligible Tenant"* shall mean the Tenant is entitled to receive relocation assistance under this Division or as approved by resolution of the City Council. An Eligible Tenant may also be a Qualified Tenant, as defined below.

(h) *"Housing Services"* shall mean services that are connected with the use or occupancy of a Rental Unit including, but not limited to, utilities paid by the Landlord (including light, heat, water and telephone), ordinary repairs or replacement, and maintenance including painting. The term also includes the provision of elevator service, laundry facilities and privileges, common recreational facilities, janitor service, resident manager, refuse removal, furnishings, food service, parking and any other benefits, privileges or facilities.

(i) "Just Cause" shall mean that a termination of tenancy is based upon "At-fault" or "No-fault" grounds set forth in Section 30-576, subdivisions (c) and (d).

(j) *"Landlord"* shall mean an owner, lessor, or sublessor who receives or is entitled to receive Rent for the use and occupancy of any Rental Unit or portion thereof, and the representative, agent, or successor of such owner, lessor, or sublessor.

(k) "*Municipal Code*" shall mean the City of Pomona Municipal Code.

(l) *"Notice of Termination"* shall mean any written notice served on a Tenant in accordance with state law which seeks to terminate a tenancy and upon which an unlawful detainer action to recover possession of the Rental Unit may be commenced. This includes, but is not limited to, three-day notices to pay rent or quit, notices to perform or quit, No-fault Just Cause termination notices and all other termination notices permitted under state law.

(m) *"Qualified Tenant"* shall mean any Tenant who on the date of service of the written Notice of Termination is (1) 62 years of age or older; (2) handicapped, as defined in Section 50072 of the California Health and Safety Code, or disabled as defined in Title 42 of the United States Code, Section 423; or (3) who has one or more minor dependent children (as determined for federal tax purposes. The City Council may amend or modify the definition of a Qualified Tenant by adopting a resolution setting forth different or additional criteria.

(n) *"Rent"* or "*Rents"* shall mean the sum of all periodic payments and all nonmonetary consideration demanded or received by a Landlord from a Tenant for the use or occupancy of a Rental Unit, including Tenant's access to and use of Housing Services. Rent includes, without limitation, the fair market value of goods accepted, labor performed, or services rendered. Rent shall not include any amount for utilities which a Tenant is obligated to pay under a Rental Agreement, but which are charged to and paid by a Landlord due to Tenant's breach of the obligation to pay for such utilities, provided that Landlord allows Tenant an opportunity to cure the breach.

(o) "*Rental Agreement*" shall mean a lease, sublease or other oral or written agreement between the Landlord and Tenant establishing the terms and conditions of the tenancy.

(p) "*Rental Unit"* shall mean any dwelling unit as defined in California Civil Code section 1940(c), including joint living and work quarters, located within the jurisdictional boundaries of the City and used for human habitation in consideration of payment of rent, whether or not such use is legally permitted, including accessory dwelling units. For purposes of this Division, a "Rental Unit" shall not include any mobile home subject to Division 3 of this Article VIII, or which meets the definition of California Civil Code § 798.3.

(q) "*Tenant*" shall mean a person entitled, by a rental agreement, or by sufferance, or by this Code or state or federal law, to the use or occupancy of any Rental Unit.

Section 30-574 SCOPE; EXEMPTIONS.

(a) This Division applies to all Rental Units within the City.

(b) Exemptions. The following Rental Units are exempt from this Division 4, provided a valid Notice of Exemption is filed in accordance with subdivision (c) and the Rental Unit remains eligible for the exemption claimed therein.

(1) Transient and tourist hotel occupancy as defined in subdivision (b) of Section 1940 of the Civil Code.

(2) Housing accommodations in a nonprofit hospital, religious facility, extended care facility, licensed residential care facility for the elderly, as defined in Section 1569.2 of the Health and Safety Code, or an adult residential facility, as defined in Chapter 6 of Division 6 of Title 22 of the Manual of Policies and Procedures published by the State Department of Social Services.

(3) Any Rental Unit that has a certificate of occupancy or equivalent permit for residential occupancy issued after February 1, 1995. For this purpose, certificate of occupancy is the certificate first issued before the property is used for any residential purposes.

(4) Dormitories owned and operated by an institution of higher education or a kindergarten and grades 1 to 12, inclusive, school.

(5) Housing accommodations in which the Tenant shares bathroom or kitchen facilities with the Owner who maintains their principal residence at the Residential Real Property.

(6) Single-family Owner-occupied residences, including a residence in which the Owner-occupant rents or leases no more than two units or bedrooms, including, but not limited to, an accessory dwelling unit or a junior accessory dwelling unit.

(7) A duplex in which the Owner occupied one of the units as the Owner's principal place of residence at the beginning of the Tenancy, so long as the owner continues in occupancy.

(8) Housing that has been issued a certificate of occupancy within the previous 15 years.

(9) Any Rental Unit that is alienable separate from the title to any other dwelling unit, including single family residences, condominiums, and townhomes.

(10) Any Rental Unit that is a subdivided interest in a subdivision, as specified in California Business and Professions Code Section 11004.5 (b), (d) and (f).

(11) Any Rental Unit for which the Landlord receives federal, state, or local housing subsidies, including, but not limited to, federal housing assistance vouchers issued under Section 8 of the United States Housing Act of 1937 line 9 (42 U.S.C. section 1437f).

(12) Any Rental Unit subject to a recorded covenant that restricts the income qualifications and amount of Rent for residents.

(c) Claims of Exemption. A Landlord that claims an exemption under subdivision (b) shall file a Notice of Exemption with the Department on a form prescribed by the Department. The notice shall certify that the Rental Unit is exempt, specify the grounds for the claimed exemption, and be supported by documentation required by the Department.

(1) For tenancies commencing on or after the effective date of this Division, the Notice of Exemption shall be filed prior to collecting Rent for a Rental Unit. For existing tenancies, the notice shall be filed no later than sixty (60) calendar days after the effective date of this Division or when this Division becomes applicable to the Rental Unit. Failure to file the Notice of Exemption shall be a violation of this Division and shall result in the Rental Unit being deemed subject to the provisions of this Division.

(2) All claimed exemptions are subject to approval by the Department based on criteria established in administrative regulations. The Department may require additional documentation or initiate a review to verify eligibility, and exemptions may be subject to periodic re-certification. Any exemption claimed based on false or misleading information may result in revocation and penalties under this Division.

Section 30-575 RENT STABILIZATION.

(a) No Landlord may request, receive, or retain an increase in Rent for a Covered Rental Unit that exceeds five percent (5%) of the highest monthly Rent for that Covered Rental Unit during the twelve (12) months prior to the effective date of the increase. The allowable increase does not carry forward or accumulate.

(b) A Landlord shall not increase Rent more than one time in any twelve (12) month period, including any period of time prior to the effective date of this section. This limitation applies even if a Landlord imposed a rent increase less than the maximum allowed by subdivision (a) of this section or previously authorized by Municipal Code Section 30-574.

(c) Housing service adjustments. A decrease in Housing Services is considered an increase in Rent. A Tenant may petition for an adjustment in Rent based on a decrease in Housing Services under the process set forth in section 30-578 of this Division.

(d) No Rent increase may be imposed on a Tenant if the Landlord's failure to maintain or repair the Covered Rental Unit has caused the Rental Unit to be out of compliance with the implied warranty of habitability or untenantable pursuant to California Civil Code § 1941.1. A Tenant may petition for an adjustment in Rent and reimbursement for overpayment of Rent, based on a Covered Rental Unit's uninhabitable condition or failure to comply with the implied warranty of habitability, under the process set forth in section 30-578 of this Division.

(e) Notwithstanding any other provisions set forth in this Division to the contrary, a Landlord may set an initial Rent for a Covered Rental Unit without restriction at the commencement of a new tenancy where no Tenant is an occupant of the Covered Rental Unit in question. After the Landlord sets the initial Rent for such Covered Rental Unit, the Landlord may only increase the Rent as provided by this Division.

Section 30-576 EVICTION CONTROLS.

(a) This Division shall apply to any Notice of Termination of tenancy, regardless of the date it is delivered to a Tenant of a Rental Unit, if the Tenant has not vacated the Rental Unit as of the effective date of this Division.

(b) *Cause required to terminate tenancy*. No Landlord may terminate a residential tenancy of a Tenant occupying a Covered Rental Unit unless the Landlord can demonstrate all of the following:

(1) The Landlord served a Notice of Termination on the Tenant in accordance with California Code of Civil Procedure section 1162; and

(2) The Landlord has not accepted and will not accept Rent or any other consideration in return for the continued use of the Covered Rental Unit beyond the term of the terminated tenancy in compliance with California Civil Code sections 1945, 1946, and 1946.1; and

(3) The termination qualifies as At-fault Just Cause under subdivision (c) of this section or No-fault Just Cause under subdivision (d) of this section; and

(4) The Landlord has timely submitted to the Department a true and accurate copy of the unlawful detainer action filed in court, including the court name, case number, and proof of service within ten (10) calendar days after service on the Tenant.

(c) At-fault Just Cause termination. If a Landlord can show any of the following circumstances with respect to a termination of tenancy, the termination will qualify as an At-fault Just Cause termination:

(1) Tenant failed to pay Rent owed under the Rental Agreement within three (3) days of receiving written notice from the Landlord demanding payment as provided in California Code of Civil Procedure section 1161(2);

(2) Tenant violated a material term of the Rental Agreement and did not cure the violation as provided in California Code of Civil Procedure section 1161(3) after receiving written notice from the Landlord of such violation;

(3) Tenant has continued to refuse, after Landlord has provided a written request, reasonable access to the Rental Unit by the Landlord in accordance with California Civil Code section 1954;

(4) Tenant, or Tenant's guest or invitee, is creating or maintaining a nuisance in, or is causing damage to, the Rental Unit, or the appurtenances thereof, or to the common areas of the rental complex, or creating an unreasonable interference with the comfort, safety or enjoyment of any other residents of the rental complex within 1,000 feet outside the boundary line of the rental complex. The term "nuisance" as used herein includes, but is not limited to;

(A) Maintaining a dangerous and unsanitary condition and that condition has not been promptly abated or repaired after written notice to the Tenant from the Landlord and the passage of a reasonable cure period;

(B) Any gang-related crime, any documented activity commonly associated with illegal drug dealing, including complaints of noise, steady traffic day and night to a particular unit, barricaded units, sighting of weapons, drug loitering as defined in California Health and Safety Code section 11532, or other drug related circumstances brought to the attention of the Landlord by other Tenants, persons within the community, law enforcement agencies or prosecutorial agencies. For purposes of this section 30-576, gang-related crime is any crime in which the perpetrator is a known member of a gang, or any crime motivated by gang membership in which the victim or intended victim of the crime is a known member of a gang.

(5) Tenant, or Tenant's guest or invitee, is using the Rental Unit, the common areas of the Rental Unit or rental complex containing the Rental Unit, or an area within 1,000 feet outside the boundary line of the rental complex, to be used for any illegal purpose. The term "illegal purpose" as used herein, includes, but is not limited to:

(A) A violation of the provisions of divisions 10 through 10.7 of the California Health and Safety Code;

(B) A crime committed by a Tenant of a Rental Unit which involves use of a gun, a deadly weapon or serious bodily injury and for which a police report has been filed, but not a crime that is committed against a person residing in the same Rental Unit as the person committing the crime;

(C) A threat of violent crime, which includes any statement made by a Tenant, or at his or her request, by his or her agent to any person who is on the premises that includes the Rental Unit or to the Landlord, or his or her agent, threatening the commission of a crime which will result in death or great bodily injury to another person, with the specific intent that the statement is to be taken as a threat, even if there is no intent of actually carrying it out, when on its face and under the circumstances in which it is made, it is so unequivocal, immediate and specific as to convey to the person threatened, a gravity of purpose and an immediate prospect of execution of the threat, and thereby causes that person reasonably to be in sustained fear for his or her own safety or for his or her immediate family's safety, but not including a threat that is committed against a person who is residing in the same Rental Unit as the person making the threat.

Any act or acts constituting domestic violence or sexual assault or stalking against a Tenant or a member of Tenant's household cannot form the substantial basis of a Just Cause reason to terminate the tenancy of the victim of such acts. A member of a Tenant household may raise such facts as an affirmative defense to an action terminating the tenancy.

(d) No-fault Just Cause termination. If a Landlord can show any of the following circumstances with respect to a termination of tenancy, the termination will qualify as a No-fault termination:

(1) Landlord seeks in good faith to recover possession in order to:

(A) Demolish the Rental Unit.

(B) Remove the Rental Unit permanently from rental housing use pursuant to state law.

(C) Perform work on the building or buildings housing the Rental Unit(s); and:

i. Such work costs not less than the product of eight times the amount of the monthly Rent times the number of Rental Units upon which such work is performed. For purposes of this section, the monthly Rent shall be the average of the preceding 12-month period; and

ii. The work necessitates the eviction of Tenant because such work will render the Rental Unit uninhabitable for a period of not less than thirty (30) calendar days, except that if Landlord seeks to recover possession for the purposes of converting the Rental Unit into a condominium, cooperative or community apartment, Landlord must comply with the notice requirements of Government Code section 66427.1.

iii. The work satisfies requirements for terminating a tenancy to substantially remodel a Rental Unit under California Civil Code section 1946.2 or other applicable state law.

(2) Landlord seeks in good faith to recover possession of the Rental Unit in compliance with the following:

(A) For use and occupancy by:

i. A resident manager, provided that no alternative vacant unit is available for occupancy by a resident manager; except that where a building has an existing resident manager, the Landlord may only evict the existing resident manager in order to replace him or her with a new manager.

ii. Landlord or Landlord's spouse registered domestic partner, children, grandchildren, parents, grandparents, brother, sister, father-in-law, mother-in-law, son-in-law, or daughter-in-law, as a primary place of residence. The Rental Unit must be occupied as the primary residence within three months of the Tenant household vacating the Rental Unit, and the Rental Unit must continue to be occupied as the primary residence for at least 12-months. However, Landlord may use this section to qualify as a No Fault termination only once for a particular person in each rental complex of the Landlord.

iii. A Tenant that requires an occupancy agreement and intake, case management or counseling as part of the tenancy.

(B) A Landlord may not recover possession of a Rental Unit for the reasons set forth in sub-paragraph (A) if:

i. Any Tenant in the Rental Unit has continuously resided in the Rental Unit for at least ten years, and is either: (a) 62 years of age or older; or (b) disabled as defined in Title 42 United States Code section 423 or handicapped as defined in section 50072 of the California Health and Safety Code; or

ii. Any Tenant in the Rental Unit is terminally ill as certified by a treating physician licensed to practice in the state.

(C) A Landlord may recover possession of a Rental Unit for the reasons set forth in sub-paragraph (A) only from a Tenant who is the most recent Tenant, if not protected from termination of tenancy pursuant to the provisions of this section, to occupy a Rental Unit in the building with the same number of bedrooms needed by the Landlord, the Landlord's eligible relative or the resident manager, except that a Landlord may recover possession from a different Tenant if a different unit is required because of medical necessity, as certified by a treating physician licensed to practice in the state.

(3) Landlord seeks in good faith to recover possession of the Rental Unit in order to comply with a government agency's order to vacate, or any other order that necessitates the vacating of the building, housing or Rental Unit as a result of a violation of the Municipal Code or any other provision of law.

(4) Landlord seeks in good faith to recover possession of the Rental Unit in order to comply with a contractual agreement relating to the qualifications of tenancy with a governmental entity, where Tenant is no longer qualified.

Section 30-577 RELOCATION ASSISTANCE.

(a) If a termination of tenancy of a Rental Unit is based on the No-fault Just Cause termination grounds set forth in subdivision (d) of Section 30-576, then the Landlord shall pay relocation assistance to an Eligible Tenant in an amount established by resolution adopted by the City Council. The resolution adopted by the City Council may establish eligibility and amounts for the relocation assistance required by this section.

(b) Notwithstanding subdivision (a) of this Section 30-577, until such time as the City Council adopts a resolution establishing the eligibility and amounts of relocation assistance, a Landlord shall pay relocation assistance to Eligible Tenants as follows:

(1) Except as set forth in sub-paragraph (2) of this subdivision (b), the relocation assistance shall be as follows: $12,998.00 to any Qualified Tenant and $6,164.00 to all other Tenants who have lived in their Rental Unit for fewer than three years; $15,377.00 to any Qualified Tenant and $8,074.00 to all other Tenants who have lived in their Rental Unit for three years or longer; or $15,377.00 to any Qualified Tenant and $8,074.00 to all other Tenants whose household income is 80 percent or below area median income (AMI), as adjusted for household size, as defined by the U.S.

Department of Housing and Urban Development, regardless of length of tenancy. If more than one amount set forth above applies to a Rental Unit, the Landlord shall pay the highest applicable amount.

(2) A Landlord shall be eligible to pay reduced relocation assistance in the amount of $11,960.00 to any Qualified Tenant and $5,926.00 to all other Tenants, if all the following conditions are satisfied:

(A) The building containing the Rental Unit contains four or fewer Rental Units;

(B) Within the previous three years, the Landlord has not paid the relocation assistance authorized by this Division, or the predecessor provisions set forth in Urgency Ordinance No. 4329, to any Tenant who resided in the building;

(C) The Landlord owns, in the City, no more than four units of residential property and a single-family home on a separate lot; and,

(D) Any eligible relative for whom the Landlord is recovering possession of the Rental Unit does not own any residential property in the City.

(c) Relocation assistance owed for termination of tenancy based on No-fault Just Cause termination under this section shall not relieve any obligations under the Uniform Relocation Act or California Relocation Assistance Act, or any other required payments imposed by local, state or federal law.

(d) Qualified Tenants who claim eligibility for increased relocation assistance based on qualifications established by the City Council shall provide to the Landlord and file with the Department a statement verifying their eligibility on a form prescribed by the Department and in accordance with procedures established by administrative regulation. If a Landlord disputes a Tenant's eligibility for relocation assistance based on being a Qualified Tenant, the Landlord may file a written request for a determination by the Department. The request shall be submitted on a form prescribed by the Department and received by the Department within twenty (20) calendar days of service of the Tenant's request for relocation assistance based on being a Qualified Tenant. The process for a Landlord to seek the Department's determination of eligibility is voluntary. A Landlord seeking the written determination from the Department shall agree that the Department's decision will be final, and that the Landlord will not commence an unlawful detainer action until a written determination from the Department. The Department shall issue a final written determination within twenty (20) calendar days. If a Landlord does not file a timely request for a determination from the Department, or if the Department determines the termination relates to Qualified Tenants, then the Landlord shall pay the increased relocation assistance.

(e) The entire relocation assistance shall be paid to an Eligible Tenant who is the sole Tenant occupying the Rental Unit. If a Rental Unit is occupied by two or more Eligible Tenants, the relocation assistance shall be divided equally among all Tenants of the Rental Unit. Nothing in this section shall require payment to any occupant who does not meet the definition of "Tenant" under this Division.

(f) A Landlord may deduct from the relocation assistance payable any and all past due Rent owed by an Eligible Tenant during the 12-months prior to termination of tenancy and may deduct from the relocation assistance any amounts paid by the Landlord for any extraordinary wear and tear or damage caused by the Tenant, cleaning, or other purposes served by a security deposit as defined by the rental agreement, to the extent the security deposit is insufficient to provide the amounts due for such costs. This subdivision (f) only establishes a Landlord's right to make deductions from relocation assistance based on amounts that a Tenant is lawfully obligated to pay to a Landlord. Except for the right to make lawful deductions, nothing in this subdivision (f) is intended to or shall be construed as a modification of the rights or obligations of Landlord or Tenants.

(g) After taking into account any adjustments in the amount of the relocation assistance provided herein, the Landlord shall pay one-half of the relocation assistance no later than seven (7) calendar days following service of the notice to a Tenant of the termination and one-half of the relocation assistance no later than seven (7) calendar days after the Tenant has vacated the Rental Unit.

(h) This section shall not apply in any of the following circumstances:

(1) Tenant received written notice, prior to entering into a Rental Agreement, that an application to subdivide the property for condominium, stock cooperative or community apartment purposes was on file with the Department or had already been approved, whichever the case may be, and that the existing building would be demolished or relocated in connection with the proposed new subdivision, and the termination of tenancy is based on the grounds set forth in this Division.

(2) The Tenant received written notice, prior to entering into a Rental Agreement, that an application to convert the building to a condominium, stock cooperative or community apartment project was on file with the Department or had already been approved, whichever the case may be, and the termination of tenancy is based on the grounds set forth in this Division.

(3) The Landlord seeks in good faith to recover possession of the Rental Unit for use and occupancy by a resident manager, provided that the resident manager is replacing the existing resident manager in the same Rental Unit. For the purposes of this exception, a resident manager shall not include the Landlord, or the Landlord's spouse, children, or parents.

(4) The Landlord seeks in good faith to recover possession of the Rental Unit in order to comply with a governmental agency's order to vacate the building housing the Rental Unit due to hazardous conditions caused by a natural disaster or act of God.

(5) The Tenant receives, as part of the eviction, relocation assistance from another government agency, and such amount is equal to or greater than the amount provided for by this section.

(i) Notwithstanding the date of the Notice of Termination, this section shall apply in any case where Tenant has received a Notice of Termination of tenancy based on the No-fault Just Cause termination grounds set forth in this Division, but has not yet vacated the Covered Rental Unit as of the effective date of this Division.

(j) The requirements set forth in this section are applicable to all Covered Rental Units, regardless of whether the Covered Rental Unit was created or established in violation of any provision of law.

(k) Nothing in this section relieves a Landlord from the obligation to provide relocation assistance pursuant to any other provision of local, state, or federal law. If a Tenant is entitled to monetary relocation benefits pursuant to any other provision of local, state, or federal law, then such monetary benefits shall operate as a credit against monetary benefits required to be paid to the Tenant under this section.

(l) Where applicable, written notice of a Tenant's entitlement to relocation assistance shall be provided by the Landlord at the same time the Landlord provides Notice of Termination of tenancy of a Rental Unit. A Landlord must provide qualifying Tenants this notice of the Tenant's eligibility for relocation assistance at the same time the Landlord provides a Notice of Termination of tenancy.

Section 30-578 PETITIONS.

(a) *Petitions for relief from Division.*

(1) Fair Return Petition. If a Landlord desires to increase the Rent for a Covered Rental Unit in an amount greater than allowed by this Division, and the Landlord contends that the limitations on Rent increases will prevent the Landlord from receiving a fair and reasonable return with respect to the operation of the property containing the Covered Rental Unit, the Landlord may file a petition with the Department requesting a hearing. The petition shall be submitted on a form prescribed by the Department and accompanied by sufficient supporting documentation as required pursuant to administrative regulation. The petition will be reviewed for completeness and compliance with applicable requirements, and shall be heard by a hearing officer appointed by the City Manager upon acceptance of the complete petition by the Department.

(2) Capital Improvement Petition. A Landlord may also submit a petition for relief to recoup costs for Capital Improvements. The petition shall be submitted on a form prescribed by the Department and include a description of the Capital Improvement, documentation of the costs, a description of the reasons for the Capital Improvement, and any other supporting documentation required pursuant to administrative regulation. In evaluating the petition, the hearing officer may consider the need for the Capital Improvement, based upon the condition of the Rental Unit or the property, whether prior similar work had been performed, the reasonableness of the costs, and any other matter deemed relevant to the hearing officer or set forth in administrative regulation. The hearing officer's determination on a petition submitted under this sub-paragraph (2) may allow for pass through costs based on a reasonable amortization schedule for recouping the Capital Improvement costs, provided that the amortization shall not result in a monthly pass through cost that exceeds the lesser of (A) ten percent (10%) of monthly Rent or (B) one hundred dollars ($100).

(3) The Landlord shall mail a copy of the petition by first class mail, postage prepaid, to all Tenants whose rents are the subject of the petition within ten (10) calendar days after the date the petition is accepted as complete. Within fifteen (15) calendar days after the date the petition is

accepted as complete, the Landlord shall file a proof of service signed under penalty of perjury stating that a copy of the petition was mailed to all such Tenants. The petition shall include a statement indicating the basis on which the Landlord contends that the limitations of this Division on Rent increases will prevent the Landlord from receiving a fair and reasonable return, together with any evidence that the Landlord wants the hearing officer to consider. The Landlord shall bear the burden of proving by a preponderance of the evidence at the hearing that because of the implementation of this Division, the Landlord is unable to obtain a fair and reasonable return.

(4) A Landlord applying for relief under this subdivision (a) shall be responsible for all costs associated with the Department's review of the petition. Upon receipt of a petition, the City Manager shall determine the anticipated costs of review and if the employment of expert(s) will be necessary or appropriate for a proper analysis of the applicant's request. If the City Manager so determines, the City Manager shall also determine the anticipated costs of employing such expert(s). The resulting figure shall be communicated to the applicant, and the petition shall not be determined complete until the applicant has paid to the Department the estimated cost of the complete analysis and the hearing. The Department will provide the applicant with an invoice of all costs incurred after the review of the petition. Any unused portion of the advance payment for analysis shall be refunded to the applicant. If additional funds are required, payment will be required before applicant receives the determination on the petition from the Department. The Department may adopt administrative regulations relating to the determination of costs and requirements for payment by a Landlord.

(b) Petitions for noncompliance.

(1) If a Tenant contends that a proposed or actual Rent increase is not in compliance with this Division or that a Landlord has violated other provisions of this Division, the Tenant may file a petition with the Department requesting a hearing. The petition shall be submitted on a form prescribed by the Department and accompanied by sufficient supporting documentation as required pursuant to administrative regulation. The petition will be reviewed for completeness and compliance with applicable requirements, and shall be heard by a hearing officer appointed by the City Manager. The Tenant shall mail a copy of the petition by first class mail, postage prepaid, to the appropriate Landlord whose rents are the subject of the petition within ten (10) calendar days after the date the petition is accepted as complete. Within fifteen (15) calendar days after the date the petition is accepted as complete, the Tenant shall file a proof of service signed under penalty of perjury stating that a copy of the petition was mailed to all such Landlords. The petition shall include a statement indicating the basis on which the Tenant contends that a proposed or actual Rent increase is in violation of this Division, or that a Landlord has violated other provisions of this Division, together with any evidence that the Tenant wants the hearing officer to consider. The Tenant shall bear the burden of proving by a preponderance of the evidence at the hearing the non-compliance with this Division.

(2) A Landlord who is determined by the hearing officer to be in violation of this Division may be subject to an administrative fine of up to $1,000.00. Each separate day, or any portion thereof, during which any violation of such Division occurs or continues constitutes a separate violation.

(c) Hearing procedure.

(1) For petitions submitted under subdivisions (a) and (b), a hearing before the hearing officer shall be set for a date no sooner than fifteen (15) days and no later than sixty (60) calendar days after the petition has been accepted as complete and proof of service has been provided in accordance with the requirements of this Section, unless the hearing officer determines that just cause exists for an extension of time.

(A) In the instance of a Landlord's petition filed pursuant to subdivision (a) of this section, upon setting the hearing date, Department staff shall send written notice to all parties of the date, time and place set for the hearing. Upon receipt, the Landlord shall post such notice in a conspicuous location at the subject property to ensure reasonable visibility to all affected Tenants, such as in a common area or near entryways. Within ten (10) calendar days of receipt of the notice of hearing, the Landlord shall serve a copy of the notice to each affected Tenant, either by personal delivery or by another method authorized by administrative regulation.

(B) In the instance of a Tenant's petition filed pursuant to subdivision (b) of this section, upon setting the hearing date, the Department shall send written notice to the Tenant and Landlord of the date, time and place set for the hearing.

(2) At the hearing, the parties shall be given the opportunity to testify, call witnesses and to present evidence concerning the petition.

(3) In the instance of a Landlord's petition, filed pursuant to this section, the hearing officer may hear testimony from the Landlord, Tenants in the affected Covered Rental Units, and other witnesses as determined by the hearing officer.

(4) In the instance of a Tenant's petition, filed pursuant to this section, the hearing officer may hear testimony from the Landlord, Tenants, and other witnesses as determined by the hearing officer.

(5) The hearing officer may continue the hearing and request additional information from the Landlord or Tenant prior to issuing a written decision.

(6) The hearing officer shall have the power to issue orders to keep order and decorum during the hearing.

(7) All hearings conducted by the hearing officer shall be open to the public, provided, however, that the hearing officer may close the hearing or restrict access in accordance with law.

(d) *Hearing continuance.* The hearing officer may, in his or her discretion, grant a continuance of the hearing date upon a request and a showing of just cause by the Landlord or Tenant. The request must be submitted in writing and be received by the Department at least ten (10) calendar days prior to the scheduled hearing, and must include at least three (3) alternative dates and times for rescheduling. Upon receipt, the Department shall forward the request to the hearing officer for

consideration. A copy of the continuance request must be served by the party seeking a request to the other party on the same day it is submitted to the Department, either by electronic or personal delivery. In no event shall the continuance be longer than twenty (20) calendar days from the originally scheduled hearing, unless all parties provide written consent to a longer extension. The Department is not responsible for coordinating continuance requests or negotiating hearing dates on behalf of the parties. It is the responsibility of the requesting party to notify the opposing party and coordinate alternative dates. The Department may adopt regulations governing service of a request for continuance involving five (5) or more affected Tenants.

(e) *Evaluation of petitions.*

(1) In evaluating the petitions from a Landlord, the hearing officer shall consider all relevant factors that may potentially impact a Landlord's ability to obtain a fair and reasonable return and shall consider the basis for the calculation of any increase in rent or recouping costs for Capital Improvements. Relevant factors may include, but are not limited to, changes in operating costs attributable to increased utility rates, property taxes, insurance, advertising expenses, governmental assessments and fees, employee-related expenses, normal repairs and maintenance, and minor improvements to amenities or services that do not constitute Capital Improvements under this Division. Additional factors may include rental income documentation, financial statements, expert analysis, and relevant studies. The Department may establish additional procedures or evidentiary requirements for petition evaluations by administrative regulation.

(2) For purposes of evaluating petitions, the Department may prepare a summary of evidence submitted by the parties, which summary shall be provided to the hearing officer and the parties at least fifteen (15) calendar days prior to the scheduled hearing date. Any party may object to the Department's written summary in writing or at the time of the hearing. The Department's written summary shall not be considered evidence and the hearing officer may disregard any portion of the summary that is not supported by substantial evidence or relevant to a resolution of the issues.

(f) Hearing officer decision.

(1) After considering all of the testimony and evidence submitted at the hearing, the hearing officer shall issue a written decision denying, affirming or modifying the petition and shall adopt written findings in support of that decision. The decision shall be issued within thirty (30) calendar days after the conclusion of the hearing, unless just cause exists for an extension. Upon issuance, the Department shall serve the written decision to all parties by email and first-class mail, postage prepaid.

(2) In the instance of a Landlord's petition filed pursuant to this section, within ten (10) calendar days of receiving the written decision, the Landlord shall post such notice in a conspicuous place at the property containing the affected Covered Rental Units, and shall personally deliver a copy of the written decision to each Tenant in the affected Covered Rental Units.

(3) In the instance of a Tenant's petition filed pursuant to this section, the Department's service of the written decision on both the Landlord and the Tenant shall satisfy notice requirements.

(4) The hearing officer's decision shall be final, unless an administrative penalty has been assessed.

(5) If the hearing officer determines that a Landlord is in violation of this Division and assesses an administrative penalty, the Landlord may file a request with the Department for a separate administrative hearing before a hearing officer to contest the imposition and/or the amount of the administrative penalty in accordance with the procedures identified in Municipal Code section 2-1188. Unless a Landlord requests an administrative hearing to contest the imposition of the administrative penalty, pursuant to Municipal Code section 2-1188, the assessment of the administrative penalty shall constitute the final administrative order of the City with respect to said administrative penalty, and the penalty shall be due and payable by the Landlord to the City within fifteen (15) calendar days following assessment of the administrative penalty.

(g) *Judicial review of hearing officer decision.* Any person directly aggrieved by an administrative decision of a hearing officer pertaining to a petition for relief from this Division, petition for noncompliance, or assessment of an administrative penalty, may seek judicial review in the superior court pursuant to Government Code section 53069.4 and/or Code of Civil Procedure sections 1094.5 and 1094.6.

(h) *Mediation Program*. The Department may establish a mediation program and administrative regulations that allow for voluntary mediation between Landlords and Tenants.

Section 30-579 ENFORCEMENT AND ADMINISTRATIVE FINES.

(a) *Administrative citations.* The City is authorized to take appropriate steps to enforce this Division, including conducting investigations of possible violations by a Landlord. The City, in its sole discretion, may choose to enforce the provisions of this Division through the administrative citation process set forth in Municipal Code section 2-1181 et. seq.. Notwithstanding any provision in section 21181 et. seq. to the contrary, each violation of any provision of this Division may be subject to an administrative fine of up to the maximum as established by law and adopted by Resolution of the City Council. Each separate day, or any portion thereof, during which any violation of such Division occurs or continues, constitutes a separate violation. The City's decision to pursue or not pursue enforcement of any kind shall not affect a Tenant's rights to pursue civil remedies.

(b) Administrative appeals and judicial review.

(1) *Administrative appeal.* Any person who receives an administrative citation may request an administrative hearing before a hearing officer in accordance with section 2-1181 et. seq. of the Municipal Code.

(2) *Judicial review of hearing officer decision.* Any person responsible for payment of a fine may seek judicial review of a hearing officer's decision pertaining to the imposition of an administrative fine in accordance with Municipal Code section 2-1181.

(c) *Civil action.* The City Attorney is authorized to bring a civil action and/or proceeding for violation of this Division or any administrative regulation, rule or guideline promulgated pursuant to this Division for civil penalties, injunctive, declaratory and other equitable relief, restitution and reasonable attorneys' fees and costs and may take such other steps as necessary to enforce this Division.

Section 30-580 CIVIL REMEDIES.

(a) Any Tenant aggrieved by a violation of this Division may bring a civil suit in the courts of the state alleging a violation of this Division. In a civil suit, a Landlord found to be in violation of this Division shall be liable to the aggrieved Tenant. A prevailing Tenant in a civil action shall be awarded attorneys' fees and costs. No administrative remedy need be exhausted prior to filing suit pursuant to this section.

(b) A Tenant may challenge the validity of a Notice of Termination, and a suit for unlawful detainer, based on a Landlord's failure to comply with any or all of the requirements of this Division, including the Landlord's failure to provide the Department with a true and accurate copy of the Notice of Termination with proof of service. A violation of this Division shall be a defense to an unlawful detainer action.

(c) Nothing in this Division shall be interpreted to deprive a Landlord of the ability to earn a fair and reasonable return from a property or to preclude a Landlord from terminating a tenancy in accordance with this Division and California Code of Civil Procedure section 1161.

Section 30-581 IMPLEMENTATION; RULEMAKING AND SUBPOENA AUTHORITY.

The City Manager is authorized to administer and enforce this Division, which may include promulgating guidelines and rules consistent with the provisions of this Division. Guidelines and rules promulgated by the City Manager pursuant to the authority provided under this Division shall have the force and effect of law and may be relied upon by parties to determine their rights and responsibilities under this Division. In administering and enforcing this Division, the City Manager may also issue subpoenas and may report noncompliance thereof to the judge of the superior court, pursuant to California Government Code section 53060.4.

Section 30-582 EXEMPTIONS.

Pursuant to the Costa-Hawkins Rental Housing Act, the provisions of this Division regulating the amount of Rent that a residential real property owner may charge shall not apply to the following: any residential real property that has a certificate of occupancy issued after February 1, 1995 (California Civil Code section 1954.52(a)(1)); and, any other provisions of the Costa-Hawkins Rental Housing Act addressing exemptions, as applicable.

Section 30-583 WAIVER PROHIBITED.

Any waiver of rights under this Division shall be void as contrary to public policy.

Section 30-584 COMPUTATION OF DEADLINES.

Subject to requirements of state or federal law, in the event that a deadline to complete any act or obligation under this Division falls on a Saturday, Sunday, or other day when the City is closed for a legal holiday or other day established by City Council, then the deadline shall fall on the next calendar day when the City is open to serve the public.

Section 30-585. SEVERABILITY.

The provisions of this Division are declared to be separate and severable. If any clause, sentence, paragraph, subdivision, section, subsection, or portion of this Division, or the application thereof to any Rental Unit, person, or circumstance, is held to be invalid, it shall not affect the validity of the remainder of this Division, or the validity of its application to other Rental Units, persons or circumstances.

Section 30-586. EFFECTIVE DATE; REPEAL OF EXISTING PROVISIONS.

(a) This Division shall take effect on January 1, 2026 and shall remain in effect only until December 31, 2026, unless the City Council adopts a Resolution on or before December 31, 2026 explicitly identifying and appropriating funds to provide for the continued implementation of this Division. If the City Council adopts the Resolution this Division shall remain in effect until repealed by a subsequently adopted Ordinance. Once this Division goes into effect, Urgency Ordinance Nos. 4320 and 4329, as codified in Municipal Code sections 30-571 to 30-582, inclusive, shall be repealed. If the City Council does not adopt the necessary Resolution as stated herein above, this Division shall become inoperative as if repealed and shall not become operative, unless a later enacted Ordinance is adopted.

(b) In the event this Division does not go into effect for any reason, Urgency Ordinance Nos. 4320 and 4329, as those provisions are codified in the Municipal Code, shall remain in full force and effect.

(c) Until the City Council adopts a resolution that modifies eligibility as Qualified Tenants or the amounts of relocation assistance and related conditions for determining those amounts, the eligibility and amount of relocation assistance shall be determined in accordance with Section 30-577, subdivision (b), which is intended to re-enact the amount of relocation assistance required by Urgency Ordinance No. 4329, subject to amendment or modification by resolution adopted by the City Council.