

Proposed Revisions to Chapter 9.30 (Rental Rights Program)

The following is a summary proposed revisions to the rental rights program ordinance. This can be used as a guide along with the redline version of the ordinance to review the proposed changes.

Chapter 9.30 - Title

- *Proposed Revisions:* The title of Chapter 9.30 from “Just Cause and Retaliatory Evictions” to the following title: "Rental Rights Program.”

Section 9.30.010 - Legislative Purpose

- *Proposed Revisions:* Updated Legislative Purpose has been update.

9.30.020 Definitions

- Definitions of Base Rent
 - *Proposed Revisions:* The revision aims to differentiate between rent and recurring charges, particularly those associated with utility usage. The current definition categorizes all charges as part of a rent increase.
- Definition of Qualified Tenant
 - *Proposed Revisions:* This modification was introduced to establish the definition of a qualified tenant. A qualified tenant is an individual who is one of the following: disabled, 62 years or older, low income, or a tenant with a school-aged child enrolled in school. This section elaborates on the specifics of each qualified tenant category in accordance with the California Health and Safety Code.
- Definition of Rent
 - *Proposed Revisions:* Change was made to match definition of base rent, whereby it excluded utilities from being considered rent.
- Definition of Rental Unit
 - *Proposed Revisions:* The definition of a rental unit was expanded to include units that are illegally constructed, thereby subjecting them to the provisions outlined in the ordinance.
 - *Proposed Revisions:* Currently, the ordinance provides exemptions for all duplexes. The proposed change aims to modify this by only exempting duplexes where the owner occupies one of the units as their principal place of residence.
 - *Proposed Revisions:* Currently, Section 8 tenants are excluded from the program. The proposed change seeks to eliminate this exemption.

9.30.022 Major Rehab Retroactive Date.

- As it relates to major rehab, the proposed ordinance offers a retroactive date of October 1, 2023.

9.30.025 Requirement of Offering One-Year Written Leases.

- Renewal of Lease:

- *Proposed Revisions:* Currently, the ordinance mandates landlords to provide a 90-day notice to tenants on a one-year lease, offering a new one-year lease annually and anytime there is a rent increase. The proposed change aims to reduce the notice period to 60 days and eliminate the requirement for landlords to offer a new lease annually or during a rent increase. Under the proposed amendment, landlords are only obligated to make an initial offer, and in subsequent years, the offer may be subject to negotiation between the landlord and tenant.
- Applicability:
 - *Proposed Revisions:* Eliminates the exemption for properties with four or fewer units. This change would ensure that exemptions are uniform across all areas of the ordinance.

9.30.030 Evictions.

- Nuisance:
 - *Proposed Revisions:* The term 'nuisance' has been amended to encompass unlawfully obstructing free passage, generating excessive noise, and displaying aggressive behavior towards neighboring tenants.
- Major Rehab
 - *Proposed Revisions:* Further clarification has been incorporated under 'major rehab' to specify the types of renovations for which a landlord can initiate eviction. This is defined as 'substantial remodel,' encompassing activities such as structural, electrical, plumbing, and mechanical system repairs or alterations.
 - *Proposed Revisions:* Currently, the ordinance stipulates that a unit must be uninhabitable for 30 days during renovation in order to qualify for 'major rehab' evictions. The proposed changes extend this period to 90 days.
- Owner Move-In
 - *Proposed Revisions:* Introduces additional requirements for evictions related to owner move-ins, including the stipulation that landlords must place family members or resident managers within two months of a unit in which a tenants was asked to vacate form.
 - *Proposed Revisions:* Another modification involves prohibiting landlords from evicting qualified tenants and restricting the use of this type of eviction to only once per family member.

9.30.033 Rent Based Termination.

- Banking
 - *Proposed Revisions:* Limits the accumulation of a bank up to three years.
 - *Proposed Revisions:* Clarifies that the banking provision can be transferred from one owner to the next in the event of a sale.

9.30.035 Required Payment of Relocation Fee.

- Just Cause Eviction Relocation

- *Proposed Revisions:* Adjusts the existing relocation amount from 2 times Fair Market Rent (FMR) + \$1000 to **3 times the greater of FMR or current rent + \$2000**. Additionally, mandates periodic Council reviews of the relocation amount.
- Relocation Assistance for Rent increase over 7 %
 - *Proposed Revisions:* Currently, the relocation formula for increases over 7% follows a tiered system, allowing tenants to receive anywhere from 3 times the proposed rent up to 6 times the proposed rent based on income and the duration of their occupancy. The proposed change simplifies the formula to a uniform 3 times the proposed rent for all tenants, irrespective of income or years of occupancy.
- Payment of relocation
 - *Proposed Revisions:* Introduces a provision stipulating that for qualified tenants, any relocation assistance would be doubled.

NEW SECTION: 9.30.040 Intentional Disrepair/Damage to Rental Unit/Complex

- *Proposed Revisions:* This amendment enhances protections against intentional disrepair or damage to rental units. In addition to the existing safeguards outlined in the California Civil Code, if a rental unit is intentionally allowed to deteriorate to the point of being uninhabitable, the landlord is obligated to provide temporary relocation benefits during the displacement period. These benefits include lodging in a secure hotel or motel, compensation for meals, and laundry services if facilities are lacking. Alternatively, the landlord may choose to offer comparable housing during the displacement period, meeting specific criteria.

New Section: 9.30.045 Rent Reduction for Service Reduction

- *Proposed Revisions:* This amendment introduces protections against a reduction in services. 'Reduced services' are defined as a significant decrease in housing services and amenities originally included in the rental agreement. Examples include disruptions or reductions in essential utilities, loss or reduction of parking availability, and other explicitly stated services in the rental agreement. If a tenant experiences a significant reduction in services, they may be entitled to a rent decrease. The tenant must provide written notice to the landlord, who has a reasonable time to address the issue. If not resolved, the tenant can request a rent decrease. The amount of the decrease is determined based on the extent and duration of reduced services, proportional to the reduction and calculated according to market best practices. For partial reductions, the decrease is prorated based on the percentage of affected services, and for permanent reductions, it may be calculated as 2 to 10 percent of the total monthly rent.

9.30.090 Applicability.

- *Proposed Revisions:* This section has been removed as the language added in 2019 for transitional changes is no longer relevant.