



CITY OF GLENDALE, CALIFORNIA REPORT TO THE CITY COUNCIL

AGENDA ITEM

Report: Ordinance Amending Chapter 9.30 (Rental Rights Program)

1. Ordinance for Introduction Amending Chapter 9.30 of the Glendale Municipal Code, 1995 – Relating to the Rental Rights Program.
2. Ordinance Amending the Citywide Fee Resolution and Adding Administration Citation Fine Amounts for Rental Rights Program Violations.
3. Motion Directing Staff.

COUNCIL ACTION

Item Type: Action Item

Approved for January 30, 2024 **calendar**

EXECUTIVE SUMMARY

In 2022, Glendale City Council (Council) formed the Landlord/Tenant Ad-Hoc Committee (Ad-Hoc Committee) to review the Rental Rights Program ordinance. The Committee met twelve times, focusing on assessing the current ordinance, planning outreach, and exploring dispute solutions.

By August 22, 2023, reports were presented to Council highlighting strengths of the ordinance, areas to improve, and other suggested changes and/or additions. While the outreach strategy received approval, some elements of the proposed ordinance needed clarification, leading to a follow-up meeting on September 27, 2023. This resulted in additional revisions after detailed discussions among Ad-Hoc Committee members.

On November 28, 2023, a comprehensive report was presented to Council, including a revised ordinance reflecting stakeholder input, Ad-Hoc Committee discussions, and Council insights. Council provided feedback on specific areas, prompting staff to explore defining a Qualified Tenant, options for small property owners, and adjustments to the Just Cause Eviction for Renovation provision.

In addition to the primary areas highlighted by Council, the report offers expanded discussions on potential measures related to major rehabilitation. These include longer eviction notice periods, financial assistance programs, legal aid and representation, pre-renovation assessments, appeals processes, City oversight of permits, renovation impact assessments, notices to the City and tenants, and enforcement provisions for tenant displacement.

RECOMMENDATION

- **Approve Proposed Revisions:** Following a discussion to determine their preferred options, the Council may choose to approve the proposed revisions to the ordinance.
- **Provide Feedback on Proposed Revisions:** City Council may opt to offer additional feedback on the proposed changes and request staff to refine the ordinance based on the discussions held.

ANALYSIS

Council initiated the Landlord/Tenant Ad-Hoc Committee in 2022 to review the Rental Rights Program ordinance. The Ad-Hoc Committee's purpose was to gather input and provide recommendations to Council on landlord/tenant rental housing matters. The Ad-Hoc Committee was assigned three main tasks, including reviewing the Rental Rights Program ordinance, developing education and marketing strategies, and evaluating a voluntary dispute resolution program. The Ad-Hoc Committee was originally comprised of seven but now six members, representing both renters and landlords in Glendale, and convened monthly for a total of twelve meetings.

On August 22, 2023, three detailed reports were presented by staff on the Ad-Hoc Committee's work plan. They covered the Rental Rights Program, outreach strategies, and mediation options, resulting from extensive research and collaboration.

The Rental Rights report outlined program strengths, areas for improvement, existing regulations, and recommendations for fairness. The outreach strategies explored ways to inform the community about rental rights through digital campaigns and local partnerships. Meanwhile, the mediation options report analyzed dispute resolution methods.

During the meeting, Council approved the outreach strategy. Council also acknowledged the Rental Rights ordinance recommendations but sought clarification. Additionally, Council requested exploration of dispute resolution beyond mediation.

On September 27, 2023, staff convened the Ad-Hoc Committee to address the feedback received from Council. While two committee members were unable to attend the meeting, the remaining four members engaged in an in-depth discussion of Council's feedback. They assessed and discussed the recommendations, subsequently voting on several issues based on thorough deliberation.

On November 28, 2023, staff presented Council with a report summarizing the Ad-Hoc Committee's discussions on the areas Council requested for review (Attachment 1). This report included a revised ordinance, incorporating changes discussed with the Ad-Hoc Committee, stakeholders, and from Council discussions. After considering community input and deliberating, Council decided to provide feedback on specific areas within the revised ordinance. Council instructed staff to conduct a thorough review of three crucial aspects of the ordinance to provide various options for Council to consider moving forward. These areas of consideration were:

- Defining a Qualified Tenant
- Exploring carve-out options for small property owners ("Mom and Pop" establishments)
- Adjustments to Just Cause Eviction for Renovation provision

In response to Council's feedback, staff has identified multiple options outlined in this report for Council's consideration, providing alternatives to the proposals presented on November 28, 2023. Alongside this report, staff has prepared a user-friendly guide, included as attachment 2, to assist Council in navigating the available options.

QUALIFIED TENANT

This category aimed to establish a comprehensive definition encompassing various criteria essential for identifying such tenants. These criteria included disability, age, individuals with low-income status, and families with school-aged children. This detailed categorization was intended to extend an added layer of protection and support for these tenant groups vulnerable to housing insecurities.

The segment of "Qualified Tenant" comprises of four distinct primary areas, each crucial in its definition and coverage:

- **Defining Seniors:** Outlining and clarifying the specific age parameters and conditions that classify an individual as a senior within the tenant population.
- **Identifying Disabled Individuals:** Establishing a clear set of criteria and qualifications to recognize individuals with disabilities as part of the protected

category of tenants.

- **Addressing School-Aged Families:** Detailing the conditions under which families with school-aged children qualify as part of the "Qualified Tenant" category.
- **Clarifying Low-Income Individuals:** Defining the parameters and conditions that categorize individuals with low-income status.

DEFINING SENIORS

In the proposed ordinance, the term "senior" was initially defined as anyone aged over 62. However, during Council's deliberation, there was consensus that setting the threshold at 62 might be perceived as unreasonable, as this age was considered relatively young and indicative of a workforce-capable demographic. Council members expressed concerns that individuals at this age could still actively participate in the workforce.

In response, staff has outlined several alternative options for Council's consideration, aiming to refine the definition of "senior" beyond the age of 62. There are several age options for Council discussion:

- A. 65 year old.
- B. 70 years old.
- C. 75 years old.
- D. 80 years old.
- E. Remove Age from Qualified Tenant.
- F. Any other age limit as determined by Council.

Of the options provided above, staff recommends that seniors be granted status as a Qualified Tenant and recommends the age be set no less than 65 and no more than 70 years old.

IDENTIFYING DISABLED INDIVIDUALS

In the proposed ordinance, the term "disability" is specifically defined in alignment with Title 42 United States Code Section 423, or as handicapped, as articulated in Section

50072 of the California Health and Safety Code. This definition encompasses individuals facing limitations outlined within these legal frameworks.

When addressing the issue of defining disability for tenants, it is crucial to recognize that both state and federal governments have established specific definitions for disabled individuals. In light of this, the staff strongly advises against Council's pursuit of creating an additional or more specific definition of disability. This caution stems from the potential implications it may have on fair housing regulations and the risk of litigation. Attempting to intricately detail what may or may not be considered a disability could lead to complications and legal challenges. It is essential to avoid opening a proverbial "can of worms" by delving into the nuanced aspects of disability definitions.

Rather than attempting to further refine the definition of disability, staff recommends two alternative approaches. One option is to completely exclude disabled individuals from the definition of qualified tenants. Another option is to refrain from explicitly defining disability and, instead, maintain the existing State and Federal definitions. The State of California Fair Housing Laws define disability as a physical or mental impairment that "limits a major life activity" (Government Code Section 12926-12926.1), here is a summary of the definitions for Mental Disability and Physical Disability:

Physical Disability

- Conditions affecting body systems (neurological, immunological, musculoskeletal, etc.) that limit major life activities, regardless of mitigating measures.
- Any health impairment requiring special education or related services.
- Having a record or history of specified conditions known to the employer or entity covered.
- Being regarded or treated as having a physical condition making major life activities difficult.
- Being regarded or treated as having a condition that may become a physical disability in the future.
- Exclusions: The definition excludes certain conditions like sexual behavior disorders, compulsive gambling, and substance use disorders resulting from unlawful drug use.

Mental Disability

- Disorders like intellectual disability, organic brain syndrome, emotional or mental illness, or specific learning disabilities that limit major life activities.

- "Limits" are determined without considering mitigating measures unless the measure itself limits a major life activity.
- A disorder or condition limits a major life activity if it makes achieving the activity difficult.
- "Major life activities" include physical, mental, social activities, and working.
- Any other mental or psychological disorder or condition not specified in (1) that requires special education or related services.
- Having a record or history of a mental or psychological disorder known to the employer or covered entity.
- Being regarded or treated as having a mental condition making achievement of a major life activity difficult.
- Being regarded or treated as having had a mental or psychological disorder that may become a mental disability.

The California Health and Safety Code (HSC) Section 50072 defines "handicapped" as a family where the head of the household has an orthopedic disability affecting personal mobility or a physical disability impacting employability. It also includes single individuals with such disabilities who require special care or facilities at home. The term encompasses families with a head of household having a developmental disability or mental disorder eligible for rehabilitation or social services.

Title 42 of the United States Code, Section 423 defines disability as:

Inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months; or in the case of an individual who has attained the age of 55 and is blind (within the meaning of "blindness" as defined in section 416(i)(1) of this title), inability by reason of such blindness to engage in substantial gainful activity requiring skills or abilities comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time.

If council chooses to include disabled persons as part of the definition for Qualified Tenant, staff recommends aligning the definition of disability to that of the existing State and Federal definitions.

ADDRESSING SCHOOL-AGED FAMILIES

With regards to defining "School-Aged Families," the proposed ordinance states that any a school-aged (grades Pre-K-12) child enrolled in a school located in the public school district to which the Rental Unit is located would be considered a Qualified

Tenant. Council expressed the concern that this section could essentially encompass the majority of tenants in Glendale, unintentionally including all residents as Qualified Tenants. To address this concern, staff focused on crafting more precise and detailed definitions specifically tailored to encapsulate the concept of school-aged families.

Staff has identified a few of options for Council's consideration, allowing for flexibility in their decision-making process. These options can be considered individually, or Council may opt to select multiple definitions, combining them to enhance the overall protective measure:

- A. School-Aged Families are households that include a child under the age of 18 years with a *physical or developmental disability* demonstrably proven through medical evidence. The Rental Unit serves as the primary residence for school-aged child, enrolled in grades Pre-K through 12, attending a school within the public school district corresponding to the Rental Unit's assignment.
- B. School-Aged Families encompass households that include a child under the age of 18 years with *one or more deceased or absent parents, currently under the care of a single parent, designated caretaker, or a sole adopting parent*. The Rental Unit serves as the primary residence for school-aged child, enrolled in grades Pre-K through 12, attending a school within the public school district corresponding to the Rental Unit's assignment.
- C. Remove School-Aged Families as a criteria for Qualified Tenant.
- D. Any other definition determined by Council.

CLARIFYING LOW-INCOME HOUSEHOLDS

Another crucial aspect under the umbrella of a Qualified Tenant is the determination of lower income Tenant. This wasn't a focal point of discussion or concern for Council. With regards to this discussion, the proposed ordinance uses federal definitions to describe lower income. This definition encompasses two levels of lower income including Very Low income and Extremely Low Income. The following criteria define Very Low and Extremely Low-Income Tenants:

Income Limits based on Persons in Family					
	1	2	3	4	5
Very Low	\$44,150	\$50,450	\$56,750	\$63,050	\$68,100
Extremely Low	\$26,500	\$30,300	\$34,100	\$37,850	\$40,900

Based on the current proposed definition, an individual would qualify as low income if their earnings fall below \$44,150. Should Council desire adjustments in this category—whether it involves raising or lowering the thresholds—staff recommends considering incremental changes of \$5,000 or \$10,000 to the existing defined standards. These standards change annually from HUD.

CARVE-OUT OPTIONS FOR SMALL PROPERTY OWNERS

Council requested further exploration regarding carve-out options tailored for small property owners, often referred to as "mom-and-pop" owners, defined in this context as property owners with properties that have four or fewer units. This specific definition aligns with various factors, including considerations based on loan processes and several other pertinent elements influencing small property ownership dynamics.

The definition of "four or fewer units" coincides with prevalent loan practices and lending criteria within the real estate sector. Financial institutions commonly categorize properties with up to four units under a distinct loan category, recognizing the manageable scale and different risk profiles associated with these smaller properties.

This loan categorization often involves different terms, eligibility criteria, and financing options compared to larger multifamily or commercial properties. In fact, a loan is considered a commercial loan when it involves property with five or more units.

It's crucial to emphasize that the decision made in this particular area will significantly impact a considerable number of housing units, estimated at nearly 12,000 units. This number is derived from data sourced from the American Community Survey of 2022 released annually by the United States Census Bureau.

Staff has come up with the following options as possible care-outs for smaller property owners:

- A. Exempt properties where the owner resides on-site or within the same building of a property with 4 or fewer units.
- B. Retain Current Carve-Out: Our current ordinance exempts properties with four or fewer units from the one-year lease requirement and requires a relocation fee of only "3 X Current Rent" as opposed to the proposed "3 X proposed Rent."
- C. Retain Current Carve-Out and additional Carve-Out for areas of intentional disrepair. Landlords who resides on-site or within the same building would be

exempt from all aspects of intentional disrepair.

D. Fully exempt all properties between two to four units. (SFH are already exempt)

E. No Carve-Out for Small Property owners.

F. Any other option considered by Council.

JUST CAUSE EVICTION FOR RENOVATION

Another significant area of discussion revolved around the prerequisites for landlords undertaking major rehabilitation. Within this provision, specific aspects necessitated further exploration to offer varied options. During their discussions, Council expressed concerns that certain proposed alterations might create barriers for landlords considering major rehabilitation efforts, potentially adversely affecting the housing market.

- Uninhabitability Duration
- Qualified Tenant Multiplier
- Other options to Consider

UNINHABITABILITY DURATION

A significant point of concern centered around the duration of uninhabitability, referring to the period during which a unit, slated for major rehabilitation, must be uninhabitable for the landlord to initiate tenant eviction. In the proposed revisions, this duration is set at 90 days. Consequently, the unit would need to be rendered uninhabitable for this duration for the landlord to proceed with tenant eviction. During discussions, several stakeholders and Council members expressed reservations, contending that this 90-day requirement could pose a substantial barrier.

In response to these concerns, staff reviewed the feedback and devised several alternative options to address the perceived challenges associated with the 90-day uninhabitability threshold.

- A. Revert to original ordinance: The unit would need to be uninhabitable for 30 days.

- B. 45 days: The unit would need to be uninhabitable for 45 days.
- C. 60 days: The unit would need to be uninhabitable for 60 days.
- D. Leave as is: The unit would need to be uninhabitable for 90 days.
- E. Any other option considered by Council.

QUALIFIED TENANT MULTIPLIER

An area where the status of a Qualified Tenant becomes significant pertains to the amount of relocation assistance they might receive. The proposed ordinance suggests setting this value at twice the relocation fee. This fee hinges on two distinct types of scenarios: one for Just Cause eviction and another for relocation assistance due to rent increases exceeding 7%.

For Just Cause eviction, the proposed calculation is "3 times the greater of Fair Market Rent (FMR) or the tenant's current rent plus \$2000." Meanwhile, relocation assistance for increases surpassing 7% is proposed at "3 times the proposed rent."

A qualified tenant, depending on the type of relocation, would receive two times the specified calculation. For instance, in the case of an eviction, the formula would be 2 times (3 times FMR or the greater of the tenant's current rent plus \$2000).

Council expressed interest in exploring alternative options regarding the treatment of qualified tenants in this realm, seeking additional perspectives or potential adjustments within the relocation assistance framework.

- A. Leave as proposed: Relocation fee multiplied by 2.
- B. Relocation fee multiplied set at 1.5.
- C. Relocation fee plus an additional \$3,500, (or other dollar amount agreed to).
- D. No additional protections for Qualified Tenant, (Remove Qualified Tenant definition).

OTHER OPTIONS TO CONSIDER

Council extensively discussed various changes, particularly focusing on Major Rehabilitation. In light of this, Council expressed an interest in further exploration, seeking additional ideas from staff to strengthen this particular area.

The initial report of November 28, 2023, provided a brief overview of a few ideas, and this section aims to delve deeper into those concepts. This expanded discussion intends to offer Council a more comprehensive understanding and evaluation of potential approaches best suited for Glendale's specific needs within the realm of Major Rehabilitation.

A. *Extended Notice Periods:* *Require landlords to provide longer eviction notice periods, especially for long-term tenants. This gives tenants more time to find alternative housing or address issues causing the eviction.*

Upon thorough review, the City Attorney's Office maintains the position that the City is preempted in this matter. State law mandates a 30-day notice period for tenants residing in a unit for less than a year, and a 60-day notice period for those residing in the unit for over a year. Although the proposed idea would extend these notice periods, it falls within the purview of state law, which explicitly governs such matters.

Considering that state law specifically addresses this area, staff believes that Council would not have the authority to enact these changes independently. However, if the Council is interested in pursuing such changes, legislative efforts can be directed towards amending state laws, akin to our successful efforts in implementing changes regarding extended notices for rent increases exceeding 10%.

B. *Financial Assistance Programs:* *Create financial assistance programs to help tenants facing evictions, providing temporary relief or rental assistance.*

Expanding financial assistance programs to aid tenants facing evictions involves establishing structured initiatives that offer relocation assistance. The program could function by providing eligible tenants with direct financial support, helping to pay additional relocation or related expenses during evictions.

Program Structure:

Eligibility Criteria: Clearly define eligibility criteria based on income levels, family size, and other relevant factors.

Application Process: Establish a straightforward application process, ensuring accessibility for tenants in need.

Aid Calculation: Determine the amount of financial aid based on factors such as the tenant's income, the severity of the financial crisis, and local housing costs. Staff would recommend assistance to be anywhere between \$500 to \$3500 depending on scope or size of the program.

Budgetary Considerations:

Staff would need to determine the annual budget required for the program, considering factors such as the number of eligible tenants, average assistance amounts, and program reach.

Allocate funds for administrative costs, including staffing, application processing, and outreach efforts. Additional staffing would be needed to for processing, handling applications, eligibility verification, and aid distribution.

Staff has some rough estimates of what potential costs of a program like this could amount to.

- Number of eligible tenants: 100 to 200
- Average assistance per household: \$500 - \$3500
- Total annual assistance budget: \$50,000 - \$700,000
- Staffing, administrative, and other costs: \$65,000 - \$150,000
- Estimated total annual budget: \$115,000 - \$850,000

The budget outlined here provides a rough estimation based on hypothetical numbers. The actual figures would depend on varies factors include the number of tenants in need, and the extent of financial support and need for additional staffing and marketing.

C. *Legal Aid and Representation:* Increase access to legal aid and representation for tenants facing eviction, ensuring they have proper representation in eviction proceedings.

This initiative aims to ensure that tenants have adequate representation during eviction proceedings, enhancing their ability to navigate the legal complexities of such situations.

Implementation Approach:

Partnering with outside Organizations: Collaborate with established legal aid agencies to handle cases for low-income tenants facing eviction.

Attorney Fee Coverage: Offer financial assistance to cover attorney costs for eligible tenants.

Reimbursement Mechanism: Create a system where any attorney fees recovered or saved due to legal victories would be reimbursed back to the City's budget, promoting a self-sustaining model.

Budget Considerations:

The budget would take into account the allocation funds for attorney fees, administrative costs, and any operational expenses incurred through partnering with external legal aid agencies. Staff estimates these costs to be anywhere from \$100,000 to \$250,000 annually. Further research would have to be conducted for a more accurate estimate.

D. Pre-Renovation Assessment: Mandate a comprehensive inspection of the property by certified inspectors before approving eviction for renovations. This assessment would determine the urgency and extent of renovations required, ensuring they are essential for the property's safety or habitability.

Before a landlord proceeds with evicting a tenant for major rehabilitation, they must first apply to the City for an inspection of the property. During this process, an inspector authorized by the City would conduct a thorough assessment of the property. This inspection aims to determine whether there exists a genuine necessity for renovation, specifically based on safety and habitability concerns.

An inspector would conduct a detailed inspection covering various aspects of the property, including structural integrity, safety hazards, habitability issues, and the scope of necessary renovations. Based on the determination the inspector makes, the landlord would be allowed to go through with the eviction or not.

Implementation and costs would include allocating budget for hiring certified inspectors and conducting these comprehensive pre-renovation assessments.

E. Appeals Process for Rehab Evictions: Establish a mechanism allowing tenants to appeal major rehab evictions if they believe the necessity of the remodel is misrepresented or unjustified.

Implementing a system for tenants to appeal eviction decisions would necessitate the establishment of new procedures. Staff would need to initiate a program resembling the following structure for this to function effectively.

Establishing the Appeals Mechanism:

Designated Authority: Appoint an impartial body or panel or employee to oversee and evaluate appeals, ensuring fairness and impartiality in the decision-making process.

Grounds for Appeal:

Misrepresentation of Renovation Necessity: Allow appeals based on tenants' belief that the necessity or urgency of the proposed renovations has been misrepresented.

Unjustified Eviction: Enable appeals when tenants believe the eviction for renovation purposes is unjustified or not warranted based on the property's actual condition.

Appeal Filing and Review:

Timely Filing: Define a reasonable timeframe within which tenants can file an appeal following the eviction notice.

Thorough Review Process: Facilitate a comprehensive review of the appeal, including a reevaluation of property conditions, inspection reports, and supporting evidence provided by both parties.

Decision and Resolution:

Resolution and Tenant Protection: In case of a successful appeal, offer protections such as halting the eviction or requiring further evaluation of renovation necessity.

Implementation and costs would include allocating budget for hiring certified inspectors conducting these comprehensive pre-renovation assessments and possibly additional staff to administrative purposes.

F. City Oversight of Permit: Mandate landlords to note on permits if evictions are tied to major renovations. Appoint an oversight role to review these permits for eviction-related renovations. This person ensures compliance, informs tenants of their rights, and ensures a fair process.

This procedure mandates landlords to indicate on their permits, during the permit application, if they intend to conduct significant rehabilitation work that could potentially lead to tenant displacement or evictions. This action will prompt a notification to Housing staff, who will then communicate with the landlord and tenant, ensuring both parties understand the process and their respective rights. This ensures a fair process for all involved.

Additionally, staff will be able to review permits that the landlord has pulled and determine based on scope of work if eviction is truly necessary.

This process would enhance transparency by ensuring that tenants, City authorities, and oversight personnel are informed about the eviction context associated with the renovation permits.

Staff anticipates minimal budgetary impact.

G. *Renovation Impact Assessments:* *Implement a requirement for landlords to conduct impact assessments before initiating major renovations that could lead to evictions. These assessments would detail the potential effects on tenants' housing security and propose mitigating measures.*

After further review, staff concluded that this provision is excessively complex and would introduce an intricate layer of bureaucracy, leading to a more subjective decision-making rather than what's intended. Implementing this provision would impose an undue burden on landlords and necessitate the collection of potentially sensitive information from tenants. Therefore, for these reasons, this option should not be entertained by the council.

H. *Notice to City and Tenant:* *Require landlords to provide notice to both the city and tenants when issuing renovation-based eviction notices. This measure can ensure the City is informed of evictions, allowing staff to track and potentially intervene in cases where tenants might face unjust or unwarranted eviction.*

This policy mandates landlords to notify both the city and tenants when issuing eviction notices alongside their permit applications for significant rehabilitation work. This notification triggers a direct alert to Housing staff, initiating communication with both the landlord and tenant. This proactive engagement ensures clarity regarding the process and rights for all parties involved, fostering a fair and transparent process.

Implementing this process enables improved transparency, ensuring that tenants and City authorities are fully aware of the eviction linked to renovation permits.

Notably, this measure allows City staff to track eviction instances, potentially intervening in cases where unjust or unwarranted evictions might impact tenants.

Staff recommends that if Council decides to proceed with this idea, it should be applied to all types of evictions.

The anticipated budgetary impact of implementing this measure is expected to be minimal.

I. Additional Enforcement Provisions: Provide for the ability for the City Attorney to institute a civil proceeding for damages for displacement of tenants.

Additional Enforcement Provisions would empower the City Attorney to initiate civil proceedings to seek damages on behalf of displaced tenants. This measure grants the City Attorney the authority to pursue legal action against landlords responsible for displacing tenants due to unjust evictions or improper procedures. This enforcement mechanism serves as a deterrent, holding landlords accountable for any actions resulting in tenant displacement and ensuring that affected tenants have legal recourse to seek redress for damages incurred.

ADMINISTRATIVE CITATIONS

Currently, the Rental Rights ordinance allows for enforcement through administrative citations, but the existing fee schedule lacks associated citations for the enforcement outlined in the ordinance. This may have been an oversight when the section was first added. Staff proposes adding these administrative citations as a measure to ensure compliance with Rental Rights Program provisions. These citations act as a structured deterrent, imposing fees based on the severity and recurrence of violations. Consistent with other penalties outlined in the current fee resolution, staff proposes that the initial penalty would be \$400, with a \$1000 penalty for the second offense and a \$2000 fine for the third. By implementing these citations, the objective is to safeguard the rights of tenants and landlord.

Next Steps

The redline version of the ordinance has been presented to Council and the Council now has several options to consider regarding the proposed ordinance.

1. **Passing as Is:** Council may choose to approve the redline version of the ordinance in its current form. This action would signify acceptance of the proposed changes without any alterations.
2. **Passing with Changes:** Alternatively, Council might opt to approve the ordinance with specific modifications. This route allows for adjustments to

the proposed redline version based on Council discussions, feedback, or identified areas requiring refinement.

3. **Requesting a Rewrite:** Should Council deem significant revisions necessary; they may request a complete reworking of the ordinance. This option entails sending the proposed redline version back for comprehensive revisions or clarifications based on Council directives.
4. **Exploring Other Options:** Additionally, Council retains the freedom to explore alternative courses of action. This could involve deferring the decision for further evaluation, seeking additional input from stakeholders, or initiating further discussion on specific sections before finalizing the ordinance.

STAKEHOLDERS/OUTREACH

On November 14, 15 and 21, 2023, staff convened meetings with stakeholders to present the redline version of the ordinance and the anticipated modifications. Additionally, staff extended an invitation to stakeholders for one-on-one sessions to share their concerns and feedback. Staff met with representatives from Apartment Association of Greater Los Angeles, California Apartment Association, Glendale Association of Realtors, Glendale Tenants Union, Neighborhood Legal Services, the Armenian Bar Association and the Housing Rights Center.

Upon analyzing stakeholders' feedback, various points have surfaced regarding the proposed ordinance. An overarching observation made by landlord representatives points out surprise and concern regarding the ordinance's treatment of smaller property owners, particularly those categorized as "mom and pop" operations. Stakeholders argue that these smaller-scale operations lack resources akin to larger entities and recommend keeping exemptions the same with regards to four units or fewer.

Additionally, there was a marked difference in the definition of a mom and pop owner offered by the landlord representatives to include complexes containing fewer than 20 rental units. Staff also heard feedback regarding strengthening some areas of the rehab eviction clause, the comment heard described changing the rehab project cost be 8 times the current rent or Fair Market Rent, whichever is higher for the landlord to be able to evict a tenant—a change from the existing ordinance, which specifies 8 times the current rent.

Some stakeholders, upon reviewing the Committee's suggestion to formalize oral agreements in writing, expressed reservations. They questioned the potential benefits for both tenants and landlords, raising concerns about potential legal complexities and the possibility of conflicting with state laws in the future.

FISCAL IMPACT

Revenue could be realized from the proposed Administrative Citations. Additionally, some of the measures discussed related to major rehabilitation, such financial assistance programs and legal aid and representation could have a fiscal impact. Staff will return to Council with a more detailed program analysis based on Council's direction.

ENVIRONMENTAL REVIEW (CEQA/NEPA)

CEQA does not apply to projects where the lead agency determines "with certainty that there is no possibility that the activity in question may have a significant effect on the environment." CEQA Guidelines (14 Cal. Code Regs.) § 15061(b)(3). Here, the action involves noting and filing of a staff report on the 12-month performance status of the Alex Theater and providing staff direction on the proposed reservation of twelve days of Theatre use for 2024. There is no possibility that the action to note and file this report and provide direction on Theatre use may have a significant effect on the environment.

CAMPAIGN DISCLOSURE

This item is exempt from campaign disclosure requirements.

ALTERNATIVES TO STAFF RECOMMENDATION

Alternative 1: Introduce the ordinance amending Chapter 9.30 of the Glendale Municipal Code, 1995 relating to the Rental Rights Program and Provide Direction regarding Administrative Citations.

Alternative 2: City Council may elect to consider any other alternative not proposed by staff.

ADMINISTRATIVE ACTION

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EXHIBITS/ATTACHMENTS

Attachment 1: November 28, 2023 Rental Rights Program Report

Attachment 2: Guide for Rental Rights Proposed Options