



Item Number 13B

STAFF REPORT

Date: December 3, 2024

To: Honorable Mayor/Chair and City Council/Agency Members

From: From: Alfonso Noyola, City Manager/Executive Director
By: Joshua Calhoun, Finance Director

Subject: **A Public Hearing to Adopt Resolution No. 24-39, Establishing New Registration Fees for Rental Units Pursuant to Cudahy Municipal Code ("CMC") Chapter 5.13, Rent Stabilization**

RECOMMENDATION

City staff is recommending the City Council take the following action(s):

1. Open the public hearing and receive public comment; and
2. Adopt Resolution No. 24-39 (Attachment A) establishing an annual rental registration fee of \$126.00 and rental unit exemption fee of \$91.00, subject to late fees and annual consumer price index ("CPI") adjustments, based on the recommendation of the RSO and TPO cost of services study (Attachment B).

BACKGROUND

1. On June 6, 2023, the City Council adopted Ordinance No. 736 Rent Stabilization ("RSO"), adding Chapter 5.13 to Title 5 of the CMC and Ordinance No. 737 Just Cause Tenant Protections adding Chapter 5.14 to the CMC ("TPO"). The RSO and TPO went into effect on July 7, 2023. The RSO regulate rental increase for certain tenancies, requires landlords to register rental units, and establish administrative procedures while the TPO regulates evictions protections and prohibits landlord retaliation and harassment. The RSO and TPO went into effect on July 7, 2023.
2. Pursuant to CMC Section 5.13.100 (Rental Unit Registration), by July 1st of each subsequent year, a landlord must register with the Community Development Department each rental unit that is rented or available for rent by filing a rental registration. As such, in March 2024, the Housing Division established an "interim" rental registry. This temporary rental registry

was established to allow landlords to register rental units while the City implemented a rental registry fee and established an online rental registry portal.

3. To determine the recommended rental registration fee to recover the City's reasonable costs to implement, administer and enforce the RSO and TPO, City staff requested proposals for a cost study from qualified firms through the Request for Proposals ("RFP") process.
4. On May 29, 2024, the City Manager entered into an agreement with Revenue and Cost Specialists, LLC ("RCS") to conduct a RSO and TPO cost of services study ("Program Fee Study").

On October 31, 2024, RCS completed the Program Fee Study (Attachment B) which recommends the City implement a \$91 rental registry exemption fee and annual \$126 rental registry fee.

ANALYSIS

RCS worked with the Community Development and Finance Department City staff to first determine the projected budget, which includes both direct and indirect operating costs such as salary and employee benefits, operational services, overhead expenses and administrative costs. As shown in Tables 8 (Salary & Employee Benefits Costs) and 9 (Projected Rent Stabilization Program Budget) of the Program Fee Study (Attachment B, pp. 19-20), the City's projected operating costs is \$518,438.

RCS further analyzed the City's current staffing to determine if additional staffing was necessary to deliver adequate services of the RSO and TPO. As shown in Table 7, Allocation of Staff Time (Attachment B, pp. 16-18), the City's current staffing time which includes the Community Development Director, Senior Planner, Community Preservation Manager, Associate Planner, and Housing Specialist II is adequate. As such, there is no recommendation to increase staffing needs at this time.

Lastly, RCS identified an estimated 4,194 residential rental units subject to the City's RSO and estimated 245 rental units requiring a rental unit exemption.

Recommendation

Based on the results in the Program Fee Study a \$126 annual rental unit registration fee is recommended. This fee is calculated by taking the total projected annual cost of the RSO and TPO Programs, divided by the estimated number of residential rental subject to the RSO. As allowed by CMC Section 5.13.100(4), a landlord may recover 50-percent of the registration fee from the tenant of the rental unit, which would equate to \$5.24 per month, for a total of \$62.88.

Further, a separate fee of \$91 would be charged for properties that are requesting an exemption as permitted in the RSO, which includes two-unit properties with the property owner residing in one of the units. A property owner would need to re-apply for the exemption every year. This fee may also be used to determine eligibility of properties where there may be uncertainty regarding the RSO applicability as a one-time exemption fee.

For fiscal year 2024-2025 the registration fee will be imposed beginning February 1, 2025 at a pro-rated fee based on a monthly factor. Commencing the fiscal year 2025-2026, and each fiscal year thereafter, the registration fee shall be paid by July 1, of each year.

The amount of annual revenue generated by these fees, there would be with the assumption that there would be a 100% compliance with a total estimated revenue of \$519,869 to fully recover the City’s estimated costs of \$518,438. A low level of compliance or fluctuating number of rental units would result in lower revenue to be generated from the fees.

Pursuant to CMC Section 5.13.140, landlords who fail to register and make the requirements payments are already subject to administrative fines and citations. However, the Program Fee Study recommends implementing late fees for late registrations. After year one, landlords have already registered and with a late fee there would be an incentive to renew the rental registration in a timely manner. The following late fee for the City is based upon best practices from other jurisdictions with a rent stabilization ordinance.

Proposed Late Fees	Total Fees & Fines
If paid late, 30 days or less past due date	Registration Fee + 10% of remaining balance due
If paid 31 to 60 days past due date	Registration Fee + 25% of remaining balance due
If paid after 60 days past due date	Registration Fee + 50% of remaining balance due

CONCLUSION

City staff has reviewed the Program Fee Study and concurs with the recommendations made by RCS to recover the City’s reasonable costs to implement, administer and enforce the RSO and TPO based on the Program Fee Study. It is recommended that the City Council approve Resolution No. 24-39, establishing a \$126.00 annual rental registration fee and \$91.00 rental unit exemption, subject to subject to late fees and annual consumer price index (“CPI”) adjustments based on the Program Fee Study and pursuant to the City’s RSO and TPO.

STRATEGIC PLAN CORRELATION

None.

FINANCIAL IMPACT

The annual cost of the City's Rent Stabilization and Tenant Protections Program is projected to be \$518,438. This includes existing staff costs, overhead, office and administrative expenses, contract and consulting services, and non-staff overhead. Depending on the level of compliance, the proposed fee will generate approximately \$519,869.

ATTACHMENTS

- A. Resolution No. 24-39
- B. Cost of Services Study – Rent Stabilization Program

RESOLUTION NO. 24-39

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUDAHY ESTABLISHING RENTAL REGISTRATION FEES FOR THE RENTAL REGISTRY PURSUANT TO CUDAHY MUNICIPAL CODE CHAPTER 5.13, RENT STABILIZATION.

WHEREAS, on June 6, 2024, the City Council of the City of Cudahy (“City Council”) adopted Ordinance No. 736, Rent Stabilization (“RSO”) and Ordinance No. 737, Just Cause Tenant Protections (TPO), which added Chapter 5.13 “Rent Stabilization” and Chapter 5.14 “Just Cause Tenant Protections” to Title 5 of the Cudahy Municipal Code (“CMC”) and both went into effective on July 7, 2023; and

WHEREAS, pursuant to CMC Section 5.13.100(3), the City Council shall, by resolution, establish a rental unit registration fee to recover the City of Cudahy’s (“City”) reasonable costs to implement, administer and enforce the RSO and TPO; and

WHEREAS, the City retained a Revenue and Cost Specialists, LLC (“Consultant”) to prepare a comprehensive RSO and TPO cost of services fee study (“Program Fee Study”) to determine the appropriate rental registration fees necessary to recover the City’s costs associated with the RSO and TPO following a rigorous methodology and analysis; and

WHEREAS, the fees imposed is a function of projected annual operating costs by the City of approximately \$518,438, an estimated number of rental units subject to the Ordinance of 4,194 and achieving high registration compliance; and

WHEREAS, on December 3, 2024, at a duly noticed public hearing, the City Council considered the proposed fees and approved the adoption of said fees by this Resolution; and

WHEREAS, the fees established herein bear a reasonable relationship to the overall costs of administering and enforcing the RSO and TPO; and

BASED UPON THE ABOVE RECITALS, THE CITY COUNCIL OF THE CITY OF CUDAHY, CALIFORNIA, DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:

SECTION 1. The City Council, after consideration of the Program Fee Study dated October 31, 2024 (Exhibit A), staff report and presentation, discussion, oral testimony, and evidence presented to the City Council, hereby finds that the above recitals are true and correct and incorporate them herein.

SECTION 2. An annual rental registration fee of \$126 (one-hundred and twenty-six dollars) per unit per year is imposed on every property owner of residential real property for each rental unit that is subject to the RSO as described in CMC Section 5.13.100. Additionally, a rental registry exemption fee of \$91 (ninety-one-dollars) per unit per year is imposed to a property owner of residential real property for each rental unit that is claiming an exemption from the RSO as permitted and described in CMC Section 5.13.040.

SECTION 3. For fiscal year 2024-2025, the registration fee will be imposed beginning February 1, 2025, at a pro-rated fee based on a monthly factor. Commencing with fiscal year 2025-2026, and each fiscal year thereafter, the registration fee shall be paid by July 1 of each

year ("Due Date"). Property owners paying the registration fee after a 30 day grace period shall be considered ("Past Due"), shall pay, in addition to the registration fee, late charges as follows: Ten percent (10%), if paid less than 30 days from the past due date, ; Twenty-five percent (25%), if paid within 31 to 60 days from the past due date; and Fifty percent (50%), if paid after 60 days past the due date.

SECTION 4. The City Council further authorizes and directs the City Manager to take all actions necessary and appropriate to implement and effectuate the intent of the City Council as set forth in this Resolution and CMC Section 5.13.140.

SECTION 5. Subject to all applicable laws, the City Council hereby authorizes the City Manager to execute any ancillary documents relating to the established fees for the registration of rental units intended to recover the City's reasonable costs associated with the administration and enforcement of the City's RSO and TPO.

SECTION 6. The registration fees shall be reviewed on an annual basis and adjusted, if necessary, using the Consumer Price Index (CPI) of the Bureau of Labor Statistics (Average Price Data).

SECTION 7. The City Clerk shall attest and certify to the passage and adoption of this Resolution, enter it into the book of original Resolutions, and it shall become effective immediately upon its approval.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Cudahy at its regular meeting on this 3rd day of December 2024.

Jose R. Gonzalez
Mayor

ATTEST:

Richard Iglesias
City Clerk

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)
CITY OF CUDAHY) SS:

I, Richard Iglesias, City Clerk of the City of Cudahy, hereby certify that the foregoing Resolution No. 24-39 was passed and adopted by the City Council of the City of Cudahy, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 3rd day of December 2024, and that said Resolution was adopted by the following vote, to-wit:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

Richard Iglesias
City Clerk

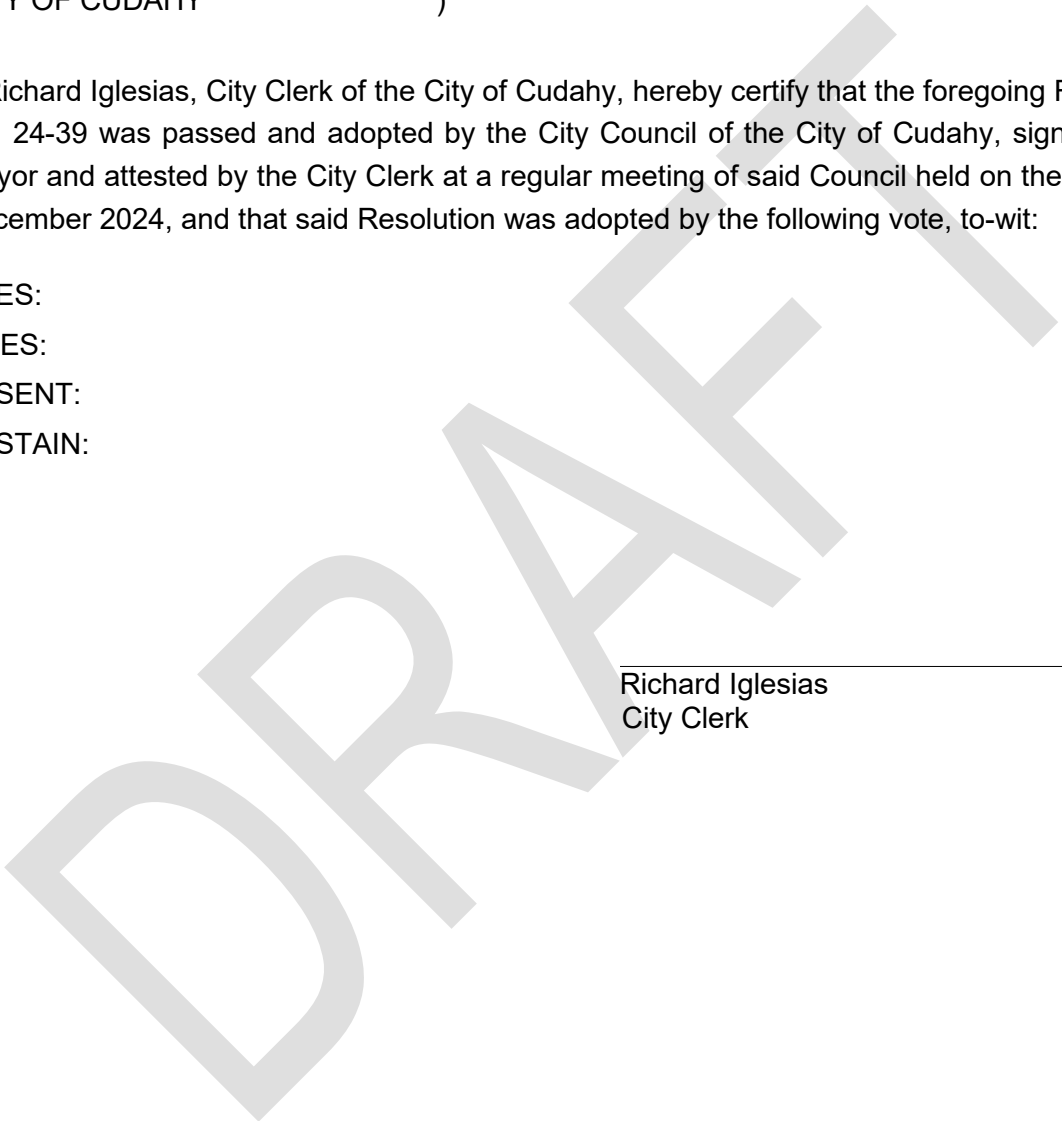


EXHIBIT A

Program Fee Study

DRAFT



**COST OF SERVICES STUDY:
CITY OF CUDAHY RENT STABILIZATION PROGRAM
OCTOBER 31, 2024**



Prepared by:
Revenue & Cost Specialists, LLC
1519 E Chapman Ave, Ste C
Fullerton, CA 92831
www.revenuecost.com





October 31, 2024

City of Cudahy
5220 Santa Ana St
Cudahy, CA 90201

Honorable Mayor, City Council, and City Manager:

On June 6, 2023, the City Council adopted Ordinance 736 Rent Stabilization Ordinance, adding a new chapter 5.13 to Title 5 of the Cudahy Municipal Code to regulate rent increases for certain tenancies while providing landlords an ability to receive a fair return on their rental property. The Ordinance requires a rental registration, which is currently being handled through the City's website, where landlords register and update their rental units and information, update tenancy information, submit notices for evictions, and pay the annual Rental Registration Fee. The plans to contract for an online portal to better manage registration and improve enforcement.

On June 6, 2023, the City Council adopted Ordinance 737, amending in its entirety Chapter 5.14 of Title 5 of the Cudahy Municipal Code regarding Tenant Protections. The Ordinance purpose is to reasonably regulate cause evictions to as to be more protective than State law. Further, it regulates evictions for certain tenancies, relocation assistance for certain no-fault evictions and prohibits landlord retaliation and harassment.

Cudahy is developing the Rent Stabilization Program within the Housing Division in the Community Development Department, to enforce the Rent Stabilization Ordinance and Tenant Protections Ordinance. As permitted in CMC Chapter 5.13, the registration fee is being established to fund the City's cost to implement, administer, monitor, support, and enforce the provisions of the rent stabilization regulation and tenant protection ordinances. Section 5.13.100.X states that the landlord may recover 50% of the registration fee from the tenant.

To fulfill its statutory requirement, the City of Cudahy issued a Request for Proposals seeking proposals for a Rent Stabilization Program Comprehensive Fee Study. Following this competitive procurement process, Revenue & Cost Specialists ("RCS") were selected and approved by the City and entered into an Agreement with the City to conduct this Fee Study.

RCS is now providing the City of Cudahy (“City”) with a comprehensive Fee Study identifying the appropriate fees to recover all costs associated with the Rent Stabilization Program. Since the rent stabilization and tenant protections programs are a new endeavor for the City, reasonable and evidence-based assumptions were made in the areas of staff time allocation and number of task participants. Where possible, we benchmarked with data from other cities that have a rent stabilization ordinance. Our Fee Study focused on calculating the lowest fee reasonably possible to operate the programs successfully. The Rental Registration Fee is required to offset the plan as presented in this report. The program’s Registration Exemption Fee is to exempt units occupied by the property owner or family member from the City’s rent control regulations.

Service	Proposed Fee	# of Units	Projected Budget
Registration Exemption Fee	\$91	245	\$22,295
Rental Registration Fee	\$126	3,949	\$497,574
Total		4,194	\$519,869

Based on our analysis, RCS recommends the adoption and enforcement of the proposed Rent Stabilization Program fees. Additional funding and dedicated City staff are needed to effectively provide services to the 4,086 rental units. The Registration Exemption Fee is based on a one hour average of the Associate Planner and Housing Specialist II, at the fully burdened hourly rate. This equates to \$91 to process an exemption from the rental registration and rent control. The remaining time and budget for each option are spread equally among the number of units to calculate the \$126 Rental Registration Fee. Section 5.13.100(4) of Ordinance 736 allows the landlord to recover 50% of the registration fee from each unit’s tenant. This equates to \$5.25 per month for each renter living in a rental unit.

Respectfully submitted,



CHU THAI
Partner

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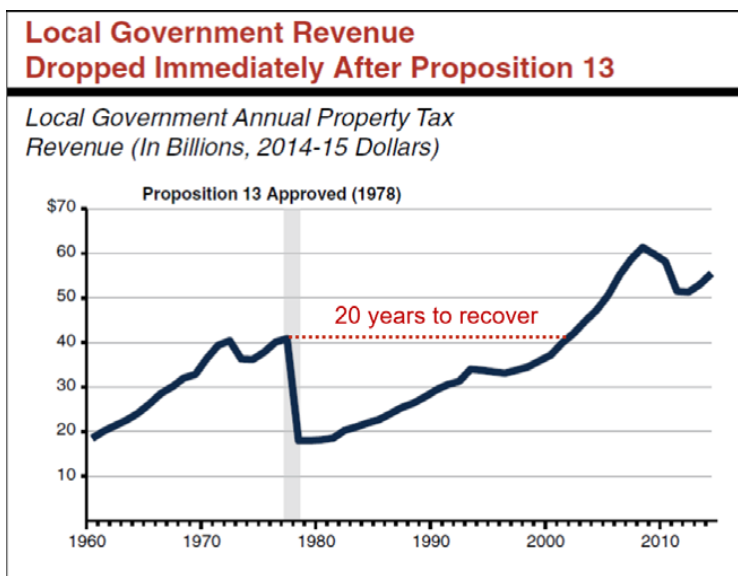
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CHAPTER I – THE NEED FOR USER FEES

Impact of Propositions 13, 4, 218 and 26

Proposition 13 was passed by California voters in 1978, forever changing city budgets. Prior to 1978, cities and counties balanced their budgets with a property tax formula. The property tax payments increased dramatically year to year, this created a hardship for those with fixed incomes. Proposition 13 capped property tax rates at 1%, with an annual inflation increase of no more than 2%. The passage of Proposition 13 immediately reduced property tax payments from homes, businesses, and farms by 57%.

The following year, Proposition 4 was passed to clarify language related to taxes and appropriations limits after the wake of Proposition 13. Section 8(c) defines user charges and user fees as:



Common Claims About Proposition 13 (2016) – Legislative Analyst's Office

“Proceeds of taxes” shall include, but not be restricted to, all tax revenues and the proceeds to an entity of government, from (1) regulatory licenses, user charges, and user fees to the extent that those proceeds exceed the costs reasonably borne by that entity in providing the regulation, product, or service...”

The Section above clarifies that any proceeds from user charges and user fees that exceed the “costs reasonably borne” are considered taxes. The legal ability for government agencies to charge fees in California in the wake of all the changes brought by Proposition 13 stated in the section above. The importance, and the deeper meaning, is detailed in this section of the author’s intent documents:

“The phrase ‘costs reasonably borne by such entity in providing the regulation, product, or service’ is intended to incorporate all appropriations by an entity for reasonable costs appropriate for the continuation of service over time. This includes ongoing expenses, such as operation costs and a reasonable allocation for overhead and administration, but it also includes responsible allocations for capital replacement, expansion of services, and repayment of related bond issuances would be considered ‘costs reasonably borne.’”

In November 1996, Proposition 218 passed and became Articles XIII C & D, further restricting municipal utility rates charged on property owners. Propositions 13, 4 and 218 have had, and will continue to have, a profound effect on California governments.

The passage of Proposition 26, passed in 2010, codified many fee setting practices of the previous 30 years. Article XIII C of the State Constitution was amended to formally declare that fees are not considered taxes if they do not exceed the reasonable costs of the service. Government Code Section 66014 further defined that statement for development fees. Some of the types of services for which reasonable fees are allowable are:

- A charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.
- A charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.
- A charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof.

Article XIII C also provides that a local government agency must demonstrate that the amount of revenue to be generated by a fee is no more than necessary to cover the reasonable costs of the governmental activity supported by the fee, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity. For example, a fee on liquor store owners to fund an alcohol education program would not be allowed.

While Proposition 26 was built on the foundations of Propositions 4 and 218, it provided a sharper definition of the reach and limits of service fees, and the courts have looked to it when reviewing fee challenges.

California Tenant Protection Act of 2019

The California Tenant Protection Act of 2019 went into effect on January 1, 2020 and caps rent increases statewide for qualifying units at either 5% plus the increase in the regional consumer price index (CPI), or 10% of the lowest rent charged at any time during the 12 months prior to the increase—whichever is less.

It is interesting to note that, with inflation (and thus regional CPI) skyrocketing in 2022-2023, the entire state met the 10% of lowest rent threshold rather than the CPI-based threshold, allowing landlords statewide to increase rent up to 10% annually.

Communities wanting further control or customization of their rent stabilization policies may pass by ordinance revised policies and limitations. Local rent increase percentage restrictions may be less than or equal to, but not more than state ceilings. Cudahy rent increase limitations of 5% of local CPI or 3%, whichever is less (CMC 5.13.050), is in compliance with state law.

Additionally, and subject to the rent cap, state law limits rent increases to only twice over any 12-month period, whereas the City's ordinance allows it only once per year.

Legal Approach to User Fees

This Fee Study presents the analytical advantages available to the City through the institution of a comprehensive system designed by RCS to implement Article XIII B of the California Constitution.

Constitutional Methodology. The methodology used for this analysis is the "costs reasonably borne" test established by Section 8(c) of Proposition 4, now Article XIII B of the California Constitution. In following that process, RCS has analyzed the ways in which City services can be financed more equitably to assure the City's future financial viability.

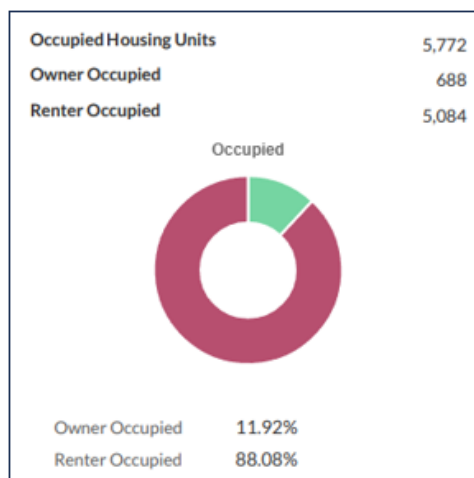
Full Business Costs Determined. The methodology followed by both the Authors of Proposition 4, and consequently by RCS, determines the full business cost of providing the reported City services. It also identifies the beneficiaries of those services and determines if they are paying in relationship to benefits derived or if they are deserving of a subsidy paid from the taxes paid by all local citizens and businesses. This allows the City Council to have full knowledge and visibility into costs that are occurring.

Financial Integrity Established. This text summarizes the work accomplished and presents recommendations. These recommendations, if implemented, would firmly establish the financial integrity of the analyzed City services, and would establish a continuing cost control system following the business principles, which are generally espoused for government, but often are ignored in application.

CHAPTER II – IDENTIFYING PROGRAM USERS

To better understand the service level requirements for the Rent Stabilization Program, we first need to estimate the number of rental units, number of landlords/property owners, and the demand for rent control services under the City’s Rent Stabilization Ordinance and Tenant Protections Ordinance. A higher certainty in the projected numbers will help RCS better estimate the staffing hours and program costs, along with more accurate calculation of the rent control fees. The City will also use these projections to effectively develop and enforce its rent control program.

Table 1: Estimated Number of Renter Occupied Units in Cudahy



Source: <https://www.point2homes.com/US/Neighborhood/CA/Cudahy-Demographics.html>

RCS verified Point2point’s chart with the U.S. Census data, presented as Table 2: U.S. Census Bureau QuickFacts for Cudahy and Los Angeles County. Unfortunately, the U.S. Census Bureau does not have the number of housing units for Cudahy, but the percent of owner-occupied housing units between the two tables are the same. The U.S. Census Bureau also estimate an average household size of 3.92 persons per household, which translates to approximately 19,933 of the 21,723 residents living in Cudahy are renters.

Table 2: U.S. Census Bureau QuickFacts for Cudahy and Los Angeles County

U.S. Census Bureau	City of Cudahy	Los Angeles County
Population estimates July 1, 2023 (V2023)	21,723	9,663,345
Population per square mile, 2020	19,397.10	2,466.90
Housing Units, July 1	N/A	3,675,720
Owner-Occupied housing Unit rate, 2018-2022	11.9%	46.2%
Non-Owner Occupied Housing Unit Rate 2018-2022	88.1%	53.8%
Median value of owner-occupied housing, 2018-2022	\$470,300	\$732,200
Median gross rent, 2018-2022	\$1,619	\$1,805
Households, 2018-2022	5,772	3,363,093
Persons per household, 2018-2022	3.92	2.89
Median household income (in 2022 dollars), 2018-2022	\$49,596	\$83,411
Per capita income (in 2022 dollars), 2018-2022	\$16,472	\$41,847

Source: <https://www.census.gov/quickfacts/Cudahycitycalifornia?>

Next, City staff provided RCS with a complete property tax database for the City of Cudahy, which included the situs address, mailing address, property owner name, parcel number, original year built, living area square footage, lot size square footage, use code description, and a unit count, for each parcel. The database included 2,053 rows of data and an initial total of 5,629 housing units. The database categorized every Cudahy parcel into the following land use categories:

- Commercial
- Government Owned
- Industrial
- Institutional
- Miscellaneous
- Residential
- Vacant

From the complete list of parcels within the City, RCS applied Cudahy's Ordinance 736 to determine which properties are eligible under Cudahy's Rent Stabilization Program, as well as units exempt from the Program. While other cities have some unique program eligibility and registration exemption language, Cudahy's program is straightforward and easy to understand and enforce:

Eligible and Must Register for Rent Stabilization Program:

- + Properties with 3 or more dwelling units are eligible and require registration to the RSP
- + Mobile home parks are eligible and require registration to the RSP

Exempt from Rent Stabilization Program:

- Dwelling units with a certificate of occupancy issued after February 1, 1995 are exempt
- Accommodations in hotels, motels, inns, and other short-term housing are exempt
- Hospitals, religious facilities, care facilities and subsidized housing are exempt
- Any unit that is alienable separate from the title, including Single family residents, condominiums and townhomes are generally exempt

Uncertain:

- ? Two-unit parcels where the owner occupies one as their primary residence are exempt from the City's Rent Stabilization Program. However, the City will need to annually review these two-unit parcels to ensure that the owner is still occupying the property.
- ? Some properties categorized as condominiums or townhomes may be operating as apartments, and City staff will need to make a determination of their Rent Stabilization Program eligibility.
- ? It is assumed that long-term rental of a bedroom or house sharing is exempt.

Based on comprehensive analysis of the data, RCS estimates that 4,194 housing units are covered under Ordinances 736 and 737 and receive a proportional benefit under the City's Program. This is approximately 900 less renter occupied units than the Point2Homes and U.S. Census Bureau estimate of 5,084, and likely due to the City's ordinances excluding housing units that are single family residential, condominium or planned communities.

RCS exempted one-unit condominiums and all housing related properties from the RSP eligibility count, however, City staff should conduct a one-time exemption review for these units. RSP also excluded two-unit properties, where the mailing address is the same as the situs address, because it is likely the property owner lives in one of the units. However, City staff should require registration exemption review annually, in case the owner decides to move and rent out both units one year.

Table 3: Cudahy Estimated Rental Units Covered by the City's Rent Stabilization Program

Category	UseDesc	Eligible Uni	Housing Uni	Number of Parcels
Commercial	Auto Body and Fender, 1 Story		1	3
	Fast Food, Walk Up, 1 Story		2	4
	Miscellaneous, 1 Story		2	1
	Motel, 1-49 Rooms, 1 Story		55	1
	Motel, 1-49 Rooms, 2 Stories		109	3
	Office Building, 1 Story		3	5
	Parking Lot, Patron/Employee, 1 Story		9	11
	Professional Building, Med/Dental, 1 Story		9	12
	Professional Building, Medical/Dental		2	2
	Shopping Center, Community, 1 Story		2	2
	Store and Office, 1 Story		1	2
	Store and Residence, 1 Story	8	13	6
	Store, 1 Story		15	14
Commercial Total		8	223	80
	Government, Unassigned		11	21
	High School		118	7
	Public Park		16	5
	School Administration Center		36	4
Govt. Owned Total			181	41
Industrial	Food Processing Plant, Meat, 1 Story		1	1
	Heavy Manufacturing, 1 Story		2	4
	Light Manufacturing, 1 Story		15	60
	Warehousing, Over 50000 SqFt, 1 Story		1	2
	Warehousing, Under 10000 SqFt, 1 Story		11	15
Industrial Total			30	91
Institutional	Church Parking Lots, 1 Story		1	1
	Churches, 1 Story		9	6
	Home For Aged and Others, 1 Story		52	2
Institutional Total			62	9
	Utility/Commercial/Mutual SBE Assessed		2	12
Miscellaneous Total			2	14
Residential	1 Unit		395	395
	1 Unit, Condominium	1	231	209
	1 Unit, Other Improvements	8	9	5
	1 Unit, Planned Community		119	121
	1 Unit, Pool		9	9
	1 Unit, Therapy Pool		1	1
	2 Units, 1-4 Stories	377	387	194
	2 Units, 1-4 Stories, Pool	12	12	6
	3 Units, 1-4 Stories	384	398	134
	3 Units, 1-4 Stories, Pool	9	9	3
	4 Units, 1-4 Stories	436	450	113
	4 Units, 1-4 Stories, Pool	7	7	2
	5+ Units, 1-4 Stories	2,463	2,591	308
	5+ Units, 1-4 Stories, Pool	269	269	14
	Mobile Home Park	220	226	14
	Mobile Home Park, Pool		2	1
	Residential Total		4,186	5,115
Vacant	Commercial, Unassigned, Vacant		4	10
	Industrial, Vacant		3	26
	Vacant Residential		9	39
Vacant Total			16	81
Grand Total		4,194	5,629	1,845

Table 3 above presents the number of rental units covered by the City's Rent Stabilization Program, the total number of housing units within these categories, and the number of parcels to make up the total number of

housing units. The complete list of parcels by category is included as Appendix B in this report.

Rental units in Cudahy are found mostly in residential properties, with a few under the commercial category and Store and Residence Use Description. None were found in the other land use categories. It is safe to assume all multi-unit residential properties are rented out and must comply with the City's rental registration requirement. For two-unit properties, the property may reside in one or more units but must complete a registration exemption form with the City. Single unit properties are assumed to be exempt from the Rent Stabilization Program. Housing units dated 1995 and newer are exempt.

It will be an ongoing task for the City to enforce rental registration and obtain a good citywide count of rental units. However, such information is necessary to the calculation of the rental registration fee, and for the equitable distribution of city costs among the renters and landlords.

Cudahy's data file is peculiar, because it shows housing units within the High School category, Light Manufacturing, Vacant Residential, and other categories where one would not expect to see housing units. For this project, RCS reviewed all these properties to ensure that eligible units do not exist there.

CHAPTER III – ALLOCATING TIME AND UNITS

Rent Stabilization Program Service Level Assumptions

Since the Cudahy Rent Stabilization Program has been in operation for less than one year, RCS does not have actual data for tasks and services performed by the City. RCS gathered rent control program annual reports from the cities of Alameda, Berkely, East Palo Alto, Oakland, Richmond, San Jose, Santa Monica and West Covina, because they include performance metrics worth reviewing. The metrics gathered will help Cudahy anticipate future workload levels for its program. The table below presents unit counts from rent stabilization program annual reports produced by the cities of Oakland and East Palo Alto. Appendix C contains the full comparison of city annual reports that RCS was able to obtain.

Table 4: Estimated Service Metrics based on Other Cities' Service Levels

Oakland (FY22) - Updated 09/2024			Cudahy Pro-Rated
TOTAL Units	14,822	Per 100	4,194
Eviction/Vacation Notices (Required for All within City)	807	5.44	228
<i>Pay or Quit</i>	440	2.97	125
<i>Violation of Lease Term</i>	81	0.55	23
<i>Distrubing the Peace & Quiet Enjoyment</i>	54	0.36	15
<i>Engaging in Unlawfual Activity</i>	55	0.37	16
<i>Other</i>	53	0.36	15
<i>Causing Substantial Damage</i>	23	0.16	7
<i>Ellis Act</i>	41	0.28	12
<i>Property Exempt</i>	11	0.07	3
<i>Owner/Relative Move-In (No Fault)</i>	9	0.06	3
<i>Disorderly Conduct</i>	29	0.20	8
<i>Sustantial Repairs Required - Relocation (No Fault)</i>	5	0.03	1
<i>Refusal to Allow Entry</i>	3	0.02	1
<i>Refusal to Sign New Lease</i>	2	0.01	1
<i>Cease and Desist</i>	1	0.01	-
Just Cause Eviction	900	6.07	255
Move-Out Disclosure Certification Forms	414	2.79	117
Move-Out Relocation Agreements	144	0.97	41
Petitions Filed	307	2.07	87
<i>Tenant Petitions</i>	228	1.54	65
<i>Owner Petitions</i>	79	0.53	22
Mediation & Settlement Conferences	47	0.32	13
Petitions (Appeals) Submitted to Board	307	2.07	87
<i>Appealable Decisions</i>	37	0.25	10
<i>Number of Appeals Heard</i>	36	0.24	10
<i>Resolved at End of FY</i>	35	0.24	10
Workshops (virtual)	18	0.12	5
<i>Tenant & Property Owners</i>	8	0.05	2
<i>Small Property Owners</i>	3	0.02	1
<i>COVID-19 & Eviction Moratorium</i>	1	0.01	-
<i>Tenants' Rights (English)</i>	3	0.02	1
<i>Tenant's Rights (Spanish)</i>	1	0.01	-
<i>Rent Control & Evictions</i>	2	0.01	1
Counseling Sessions Conducted	3,672	24.77	1,039

East Palo Alto (FY19)			Cudahy Pro-Rated
TOTAL Units	4,600	Per 100	4,194
Petitions Filed	124	2.70	113
<i>Habitability and Maintenance</i>	7	0.15	6
<i>Rent Ceiling Violation</i>	3	0.07	3
<i>Landlord's Failure to Register</i>	1	0.02	1
<i>Landlord's Fair Return Petition</i>	111	2.41	101
<i>Appeals</i>	2	0.04	2
Public Inquiries	2,327	50.59	2,122
<i>Tenant Walk-Ins</i>	89	1.93	81
<i>Landlord Walk-Ins</i>	127	2.76	116
<i>Other Walk-Ins</i>	80	1.74	73
<i>Phone Calls</i>	362	7.87	330
<i>Emails</i>	1,669	36.28	1,522
Notices Received			
<i>3 Day Notices (Not WPC)</i>	89	1.93	81
<i>WPC 3 Day Notices</i>	705	15.33	643
<i>Unlawful Detainers (Not WPC)</i>	18	0.39	16
<i>WPC Unlawful Detainers</i>	55	1.20	50
<i>Change in Tenancy/Vacancy Reg. (Not WPC)</i>	71	1.54	65
<i>WPC Change in Tenancy/Vacancy Registration</i>	332	7.22	303

If Cudahy's Rent Stabilization Program performs at similar levels as the cities of East Palo Alto and Oakland, then Cudahy could need adequate staffing to manage 87-113 petitions per year, or an average of 7-9 petitions per month. Cudahy staff could respond to 2,122 public inquiries per year, or 10 inquiries per day. Notices to Vacate/Change in Tenancy would vary between 228 and 303, which means Cudahy would be tracking 5 move-in/move-out per week. Cumulatively, providing these services will require thousands of hours of City staff time.

Staffing Level Assumptions

City staff and RCS discussed about the appropriate positions and percentages needed to successfully operate the Rent Stabilization Program. This program requires staffing who directly assist renters and landlords with registration, rent control and tenant protection services, and general public inquiries. A successful program also require positions who indirectly support the program with policy development, process creation, and staff supervision. Table 5 below represents the proposed allocation of staff resources to serve those engaged in the Rent Stabilization Program.

Table 5: Cudahy Staffing and Available Work Hours

Existing City Staff	FTE	Available Work Hours
Director of Community Development	0.15	250
Housing Specialist II	1.00	1,664
Associate Planner	0.5	832
Senior Planner	0.35	416
Community Preservation Manager	0.10	582
Total Program Staffing	2.10	3,495

The available work hours (AWH) for each position are based on current labor contracts. Available work hours were calculated as the total possible work hours in a year (2,080) minus the away-from-work benefit hours from holidays, vacations, personal leave, sick leave, morning/afternoon breaks, and start up/down time.

Table 6: Available Work Hour Calculation Per Full-Time Employee

Work Schedule 10/40	Days	Hours
Beginning Work Hours	208.0	2,080
Less:		
Holidays	(13.0)	(104)
Vacation	(13.3)	(120)
Sick Leave (50%)	(6.0)	(60)
Subtotal	175.7	1,796
Less:		
Start Up/Down (15 Min)		(44)
Breaks (30 min)		(88)
Full-Time Employee Available Work Hours		1,664

Allocating Cudahy Service Delivery

RCS was tasked with identifying appropriate staffing to carry out the policies of Cudahy’s Rent Stabilization Program. Based on the Rent Stabilization Ordinance and Tenant Protections Ordinance, Cudahy’s Rent Stabilization Program can be divided into the following service delivery areas:

1. Rental Registration – Section 5.13
2. Petition Process – Section 5.13.050 to 5.13.080
3. Enforcement and Compliance – Section 5.13.120 to 5.13.150
4. Hearings and Appeals – Section 5.13.130.B to 5.13.140.D.2
5. Tenant Protections – Section 5.14
6. Rent Stabilization Program Administration

For each of the service delivery areas above, we further identified relevant program tasks. The program tasks were created based on requirements of the rent stabilization and tenant protections ordinances. This helps us estimate the percentage of available work hours for each City staff. Reasonable assumptions were made to the times required for each task. It was a collaborative effort, engaging City staff, RCS’ decades of experience in measuring workflow times, and RCS’s experience in assisting to administer the City’s Ordinance and similar programs in other jurisdictions. We referred to the City’s Rent Stabilization Ordinance and Tenant Protections Ordinance and reviewed other cities’ rent stabilization program annual reports to identify trends in annual services provided. The allocation of time to tasks required several reviews before a reasonable decision was made with the results.

For the Fee Study, 100% of the available work hours for all City employees were accounted for, even if it’s not specific to the Rent Stabilization Program. In other words, one staff member cannot state they overworked on fee services beyond 100% of their hours, and another staff member cannot account for 100% of their time. Their time was distributed to those program tasks where the time would be expended.

Table 7: Allocation of Staff Time

ALLOCATION OF STAFF TIME PROGRAM TASKS	Estimated Units Per Year	Director (% of Time)	Director (Annual Hours)	Housing Specialist II (% of Time)	Housing Specialist II (Annual Hours)
1) Rental Registration - Section 5.13	4,194	5%	12	50%	832
Rental Registry (New/Annual) - Section 5.13.100	3,949				
Notice of New Tenancy - Section 5.13.100	395				
Change of Onwership/Management	1				
Verification of Exemption - Section 5.13.040	245				
Registration Fee Collection - Section 5.13.100	3,949				
Annual Allowable Rent Calculation - Section 5.13.050	1				
Forms of Tenant Rights - Section 5.13.110	1				
General Inquiries (Phone Calls & Walk Ins)	2,122				
2) Petition Process - Section 5.13	87	5%	12	5%	83
Capital Improvement Pass-Through - Section 5.13.060	8				
Landlord Rent Adjustment - Section 5.13.050	7				
Landlord Fair Return Petition - Section 5.13.070	7				
Tenant Petition Rent Adjustment - Section 5.13.080	65				
3) Administration and Enforcement (Rent Stabilization) - Sections 5.13.120 to 5.13.150	197	10%	25	10%	166
Enforcement - Section 5.13.120					
Administrative Review - Section 5.13.130.A	10				
Administrative Appeals - Section 5.13.130.B	10				
Judicial Review of Hearing Officer Decision - Section 5.13.130.I	1				
Administrative Citations - Section 5.13.140					
Administrative Appeal - Section 5.13.140.D.1					
Judicial Review of Hearing Officer Decision - Section 5.13.140.D.2					
Civil Liability - Section 5.13.150.A					
Civil Penalty - Section 5.13.150.B					
Criminal Penalty - Section 5.13.150.C					
Defense to Eviction - Section 5.13.150.D					
3) Administration and Enforcement (Tenant Protection) - Sections 5.14.110 to 5.14.130	113	10%	25	10%	166
Enforcement - Section 5.14.110					
Citations, Prosecutions & Litigations - Section 5.14.120					
Administrative Appeal - Section 5.14.120.D.1					
Judicial Review of Hearing Officer Decision - Section 5.14.120.I	1				
Civil Liability - Section 5.14.130.A					
Civil Penalty - Section 5.14.130.B					
Criminal Penalty - Section 5.14.130.C					
Defense to Eviction - Section 5.14.130.D					
4) Tenant Protections - Section 5.14	395	5%	12	15%	250
Termination of Tenancy - Section 5.14.040	395				
No-Fault Termination of Tenancy (demolition, withdraw from r	12				
For-Cause Termination of Tenancy - Section 5.14.050	255				
Relocation Assistance - Section 5.14.070	41				
Temporary Relocation Assistance - Section 5.14.070	6				
Tenant Buyout Agreements - Section 5.14.080	5				
Tenant Retalitory Eviction & Anti-Harrasment - Section - 5.14.090					
Forms of Tenant Rights - Section 5.14.100					
Assistance and mediation for Tenant Eviction					
6) Rent Stabilization Program Administration		65%	162	10%	166
Budget, Staffing, Training, Department Coordination					
Policy/Program Development, Legal Compliance					
Education & Outreach					
General Inquiries and Staff Guidance					
Agency Liaison & Regional/State representation					
TOTAL		100%	250	100%	1,664

RCS populated the Estimated Units Per Year where we have reasonable estimates. This helps the City validate the amount of hours each position spends to the program task. For the Director of Community Development, reallocating 0.15 other City functions will provide 250 hours of work for the Rent Stabilization Program.

Table 7: Allocation of Staff Time (continued)

ALLOCATION OF STAFF TIME PROGRAM TASKS	Estimated Units Per Year	Associate Planner (% of Time)	Associate Planner (Annual Hours)	Senior Planner (% of Time)	Senior Planner (Annual Hours)
1) Rental Registration - Section 5.13	4,194	45%	374	5%	29
Rental Registry (New/Annual) - Section 5.13.100	3,949				
Notice of New Tenancy - Section 5.13.100	395				
Change of Onwership/Management	1				
Verification of Exemption - Section 5.13.040	245				
Registration Fee Collection - Section 5.13.100	3,949				
Annual Allowable Rent Calculation - Section 5.13.050	1				
Forms of Tenant Rights - Section 5.13.110	1				
General Inquiries (Phone Calls & Walk Ins)	2,122				
2) Petition Process – Section 5.13	87	15%	125	10%	58
Capital Improvement Pass-Through - Section 5.13.060	8				
Landlord Rent Adjustment - Section 5.13.050	7				
Landlord Fair Return Petition - Section 5.13.070	7				
Tenant Petition Rent Adjustment - Section 5.13.080	65				
3) Administration and Enforcement (Rent Stabilization) – Sections 5.13.120 to 5.13.150	197	10%	83	15%	87
Enforcement - Section 5.13.120					
Administrative Review - Section 5.13.130.A	10				
Administrative Appeals - Section 5.13.130.B	10				
Judicial Review of Hearing Officer Decision - Section 5.13.130.I	1				
Administrative Citations - Section 5.13.140					
Administrative Appeal - Section 5.13.140.D.1					
Judicial Review of Hearing Officer Decision - Section 5.13.140.D.2					
Civil Liability - Section 5.13.150.A					
Civil Penalty - Section 5.13.150.B					
Criminal Penalty - Section 5.13.150.C					
Defense to Eviction - Section 5.13.150.D					
3) Administration and Enforcement (Tenant Protection) – Sections 5.14.110 to 5.14.130	113	10%	83	15%	87
Enforcement - Section 5.14.110					
Citations, Prosecutions & Litigations - Section 5.14.120					
Administrative Appeal - Section 5.14.120.D.1					
Judicial Review of Hearing Officer Decision - Section 5.14.120.E	1				
Civil Liability - Section 5.14.130.A					
Civil Penalty - Section 5.14.130.B					
Criminal Penalty - Section 5.14.130.C					
Defense to Eviction - Section 5.14.130.D					
4) Tenant Protections – Section 5.14	395	10%	83	15%	87
Termination of Tenancy - Section 5.14.040	395				
No-Fault Termination of Tenancy (demolition, withdraw from r	12				
For-Cause Termination of Tenancy - Section 5.14.050	255				
Relocation Assistance - Section 5.14.070	41				
Temporary Relocation Assistance - Section 5.14.070	6				
Tenant Buyout Agreements - Section 5.14.080	5				
Tenant Retalitory Eviction & Anti-Harrasment - Section - 5.14.090					
Forms of Tenant Rights - Section 5.14.100					
Assistance and mediation for Tenant Eviction					
6) Rent Stabilization Program Administration		10%	83	40%	233
Budget, Staffing, Training, Department Coordination					
Policy/Program Development, Legal Compliance					
Education & Outreach					
General Inquiries and Staff Guidance					
Agency Liaison & Regional/State representation					
TOTAL		100%	832	100%	582

Combined, the Associate Planner and Senior Planner would provide 1,415 hours (.85 FTE) of support to the program. The Associate Planner would provide more direct assistance in rental registration, while the Senior Planner would provide more indirect support within Rent Stabilization Program Administration.

Table 7: Allocation of Staff Time (continued)

ALLOCATION OF STAFF TIME PROGRAM TASKS	Estimated Units Per Year	Community Preservation Manager (% of Time)	Community Preservation Manager (Annual)
1) Rental Registration - Section 5.13	4,194	10%	17
Rental Registry (New/Annual) - Section 5.13.100	3,949		
Notice of New Tenancy - Section 5.13.100	395		
Change of Onwership/Management	1		
Verification of Exemption - Section 5.13.040	245		
Registration Fee Collection - Section 5.13.100	3,949		
Annual Allowable Rent Calculation - Section 5.13.050	1		
Forms of Tenant Rights - Section 5.13.110	1		
General Inquiries (Phone Calls & Walk Ins)	2,122		
2) Petition Process – Section 5.13	87	0%	0
Capital Improvement Pass-Through - Section 5.13.060	8		
Landlord Rent Adjustment - Section 5.13.050	7		
Landlord Fair Return Petition - Section 5.13.070	7		
Tenant Petition Rent Adjustment - Section 5.13.080	65		
3) Administration and Enforcement (Rent Stabilization) - Sections 5.13.120 to 5.13.150	197	45%	75
Enforcement - Section 5.13.120			
Administrative Review - Section 5.13.130.A	10		
Administrative Appeals - Section 5.13.130.B	10		
Judicial Review of Hearing Officer Decision - Section 5.13.130.I	1		
Administrative Citations - Section 5.13.140			
Administrative Appeal - Section 5.13.140.D.1			
Judicial Review of Hearing Officer Decision - Section 5.13.140.D.2			
Civil Liability - Section 5.13.150.A			
Civil Penalty - Section 5.13.150.B			
Criminal Penalty - Section 5.13.150.C			
Defense to Eviction - Section 5.13.150.D			
3) Administration and Enforcement (Tenant Protection) - Sections 5.14.110 to 5.14.130	113	45%	75
Enforcement - Section 5.14.110			
Citations, Prosecutions & Litigations - Section 5.14.120			
Administrative Appeal - Section 5.14.120.D.1			
Judicial Review of Hearing Officer Decision - Section 5.14.120.E	1		
Civil Liability - Section 5.14.130.A			
Civil Penalty - Section 5.14.130.B			
Criminal Penalty - Section 5.14.130.C			
Defense to Eviction - Section 5.14.130.D			
4) Tenant Protections – Section 5.14	395	0%	0
Termination of Tenancy - Section 5.14.040	395		
No-Fault Termination of Tenancy (demolition, withdraw from r	12		
For-Cause Termination of Tenancy - Section 5.14.050	255		
Relocation Assistance - Section 5.14.070	41		
Temporary Relocation Assistance - Section 5.14.070	6		
Tenant Buyout Agreements - Section 5.14.080	5		
Tenant Retalitory Eviction & Anti-Harrasment - Section - 5.14.090			
Forms of Tenant Rights - Section 5.14.100			
Assistance and mediation for Tenant Eviction			
6) Rent Stabilization Program Administration		0%	0
Budget, Staffing, Training, Department Coordination			
Policy/Program Development, Legal Compliance			
Education & Outreach			
General Inquiries and Staff Guidance			
Agency Liaison & Regional/State representation			
TOTAL		100%	166

The City suggests including the Community Preservation Manager within this program to assist with code enforcement, tenant protection cases, and the determination of other housing health and safety issues.

CHAPTER IV – CALCULATING COSTS AND FEES

Program Costs

The direct and indirect operating costs determined by RCS for the various services are based on the definitions of “costs reasonably borne” as utilized in Article XIII B (Proposition 4) and as further defined by its authors in their background documents. The following are generally accepted elements of "costs reasonably borne."

Cost of Services

- a) Labor costs and Employee Related Expenses
- b) Operational services and supply expenses
- c) Overhead expense
- d) Administrative costs
- e) Start-up costs
- f) Future capital and replacement expenses
- g) Costs of expansion of services
- h) Repayment of debt

Table 8: Salary & Employee Benefits Costs

Existing Staff	FTE	Staff Hours	Salary Costs	Benefit Costs	Total Costs
Community Development Director	0.15	250	28,042	7,750	35,792
Housing Specialist II	1.00	1,664	85,500	38,600	124,100
Associate Planner	0.50	832	44,886	19,575	64,461
Senior Planner	0.35	582	39,409	14,732	54,140
Community Preservation Manager	0.10	166	9,041	3,923	12,964
	2.10	3,495	\$206,878	\$84,581	\$291,458

Labor and Employee Benefit Costs – RCS worked with the City of Cudahy to identify the appropriate staffing levels and calculate associated costs. RCS calculated the labor costs based on Cudahy’s methodology for estimating vacant positions. We calculated the employee benefit costs based on the average fringe benefit percentage of each bargaining group.

Operational Services and Supply Expenses - Various contracted services and operating expenses are essential to the City’s Rent Stabilization Program. These include the need for legal services, registration software, education & outreach services, and additional policy and process development. Other expenses include postage, legal notices, and IT hardware and software. For these expenses, RCS used the proportional amount from the total Community Development Department budget, and removed any unnecessary expense line items.

Indirect Administrative Costs - The purpose of deriving overhead costs is to apportion these amounts to direct service program costs. By adopting this method, the City will be aware of its true costs and be able to mirror business methods.

The City’s Building and Planning budget for FY 2023-24 does not include expenditures for indirect costs or other unforeseen incidentals. Therefore, RCS included a calculated \$86,410 Indirect Administrative Cost, which is 20% of all other program costs, to the total program budget.

Startup Costs – The City’s rent programs’ budget includes both one-time and ongoing costs. For example, the rental registration software selected by the City has a one-time implementation cost for the initial year, and annual maintenance cost. The registration software is averaged over five years for this study. Interviews with neighboring rent stabilization programs indicate that legal costs may be higher in the initial year as well. The proposed policy and process development costs could be reduced or eliminated in future years, as the City staff could take over this function. Future Capital and Replacement Expense, Costs of Expansion of Services, and Repayment of Debt – None of these costs apply to the Rent Stabilization Program.

Table 9: Projected Rent Stabilization Program Budget

Line Item Expense	RSP Budget
5100 - Employee Salaries - Full-Time	206,878
Benefits	84,581
6040 – Gasoline	300
6080 - Office Supplies	930
6250 – Uniforms	370
6307 - Travel & Meetings	1,930
6392 – Training and Education	2,830
6394 – Vehicle Maintenance	900
6701 – Contractual	3,010
6720 – Hearing Officer	25,000
6720 - Legal	35,000
6720 - Policy & Process Development	10,000
6720 - Public Information	10,000
6720 - Registration Software	40,000
6720 - Translation	10,000
6760 – Project Consulting/Admin Services	300
Indirect Administrative Costs	86,410
Total Budget	\$518,438

Table 9 above presents the line-item budget for the Rent Stabilization Program’s first year of operations. Combined, the projected full cost for the Rent Stabilization Program is \$518,438.

Calculating the User Fee

While most city services are paid by local tax dollars, cities also adopt user fee schedules to recover costs for fee services, such as recreation classes, planning applications, public works inspections, and building permits. The legal test for a user fee are:

- The customer is identifiable
- The service is measurable (e.g., time or cost)
- The service benefits an individual or group, and the use is exclusive

The Rent Stabilization Program is designed to serve the landlords and tenants and exclude homeowners and businesses owners. The tasks and services within the Rent Stabilization Program proportionately serve all landlords and tenants, therefore, RCS recommends a single, flat Annual Rental Registration Fee.

To be exempt from the controlled rent increases and other services of the Rent Stabilization Program, an application must be reviewed and process by City staff, and the suggested fee for this service is \$91 per unit. Table 10 below estimated 245 units that are two-unit properties with the owner living in one unit. RCS included this exemption in the analysis because they may be program eligible at any time the property owner chooses to. Not included are housing units dated 1995 and newer, and the City staff may choose to verify their exemption, and charge a charge a fee.

Table 10: Suggested Rent Stabilization Program Fees

Rent Stabilization Program Fee Calculation	
Estimated Registry Exemptions	245
Assoc Plnr/Hsng Spec II - Fully Burdened Hourly Rate \$	91.23
Time to process Registry Exemption (Hours)	1.00
Suggested Registry Exemption Fee \$	91.00
Estimated Revenues - Registry Exemption Fee \$	22,295
Estimated Rental Registry	3,949
Suggested Rental Registration Fee \$	126.00
Allowable 50% Pass-Thru (Monthly per Tenant) \$	5.25
Estimated Revenues - Rental Registry \$	497,574
Total Estimated Revenues \$	519,869

The City will have more data after several years of operations and should recalculate the Annual Registration Fee and Registration Exemption Fee then. At that time, the City could also consider separate fees for petition filing, which typically take a significant amount of staff time and resources to process.

CHAPTER IV – COST RECOVERY RECOMMENDATIONS

Suggested Rent Stabilization Fees

RCS has calculated that the Rental Registration Fee required to offset the cost of the Rent Stabilization Program will be \$126 per unit, and the Registration Exempt Fee will be \$91 per unit.

Rent Stabilization Program	Fee Per Unit	# of Units	Projected Revenues
Rental Registration Fee	\$126	3,949	\$497,574
Registration Exemption Fee	\$91	245	\$22,295
Total		4,194	\$519,869

The landlord may pass through up to fifty percent (50%) of the Rental Registration Fee to tenants of the applicable rental unit, to be paid by the tenant in twelve (12) equal monthly installments. This translates to \$5.25 per month to be paid by the tenant.

Other Considerations

Achieving high registration compliance in Cudahy may be difficult with the current Rent Stabilization Ordinance. For Cudahy, there are few fines or penalties for landlords who do not register or pay the registration fee. Other cities restrict the landlord’s ability to increase rent or collect rent when they are noncompliant, and Cudahy may wish to consider updating the Rent Stabilization Ordinance to include similar language. The Ordinance requires City to issue administrative citations to landlords who do not register their rental units. This program is most successful when the City has a high registration rate. One hundred percent compliance would be ideal.

RCS recommends implementing late fees for late registrations. After year one, landlords have already registered but have to incentive or disincentive to renew their registration fee. The following fee/late fee for the City based upon best practices from other jurisdictions with a rent stabilization ordinance. RCS also recommends updating the fees annually by the Consumer Price Index.

Proposed Late Fees	Total Fees & Fines
If paid late, 30 days or less past due date	Registration Fee + 10% of remaining balance due
If paid 31 to 60 days past due date	Registration Fee + 25% of remaining balance due
If paid after 60 days past due date	Registration Fee + 50% of remaining balance due

Finally, RCS recommends creating a special revenue fund to account for all Rent Stabilization Program revenues and expenditures. This separation from the General Fund will help the City manage the program and ensure full cost recovery. The fund should build up and maintain a 20% fund balance reserve. A 20% fund balance reserve is best practice among municipal financing and suggested by the Government Finance Officers Association.

APPENDIX A: RENT STABILIZATION ORDINANCE AND TENANT PROTECTION ORDINANCE

ORDINANCE NO. 736

AN ORDINANCE OF THE CITY OF CUDAHY, CALIFORNIA ADDING CHAPTER 5.13 "RENT STABILIZATION" TO TITLE 5, BUSINESS LICENSES AND REGULATIONS OF THE CUDAHY MUNICIPAL CODE RESTRICTING RENT INCREASES AND ESTABLISHING OTHER REGULATIONS APPLICABLE TO CERTAIN COVERED RESIDENTIAL RENTAL UNITS IN THE CITY

WHEREAS, the City of Cudahy ("City") is a general law city, incorporated under the laws of the State of California; and

WHEREAS, pursuant to its police power, the City may enact and enforce laws within its boundaries that promote the public health, safety, or general welfare of the community, and are not in conflict with general laws; and

WHEREAS, cities across Los Angeles County and throughout the State of California are experiencing a housing shortage and affordability crisis; and

WHEREAS, per the U.S. Department of Housing and Urban Development (HUD), in 2023 the median monthly rent for a two-bedroom apartment in Los Angeles County is \$2,222, representing an 8.7% increase over the following year; and

WHEREAS, per the U.S. Census Bureau, the median household income in the City is \$47,050, compared to \$76,367 in Los Angeles County; and

WHEREAS, according to the City's Housing Element 2021-2029 ("Housing Element") approximately 85% of households in the City are renter occupied. Of the renter-occupied households, 56.3% are rent burdened, paying more than 30% of gross income on housing; and 10.2% are severely rent burdened, paying more than half of gross income on housing; and

WHEREAS, with high housing costs, low incomes and critical affordable housing shortages, many residents in the City struggle to pay for housing and meet other basic needs such as food, clothing, transportation and healthcare; and

WHEREAS, housing instability has been associated with other disruptive effects on vulnerable populations such as overcrowding, poorer health, and negative educational outcomes for children; and

WHEREAS, widespread housing insecurity and rent burdened households leads to heightened risk of displacement and homelessness, and threatens the public health, safety, and welfare of City residents; and

WHEREAS, the City Council of the City of Cudahy ("City Council") formed an Ad Hoc Committee (the "Ad Hoc Committee") at the City Council meeting of July 19, 2022,

to analyze and study the issue of rent control and to formulate legislative or other appropriate recommendations for City Council consideration; and

WHEREAS, on September 20, 2022, the City Council adopted Ordinance No. 725 that went into effect on October 19, 2022, to temporarily restrict rent increases for certain residential properties while the City studied the issue of rent control; and

WHEREAS, on January 17, 2023, the City Council adopted Urgency Ordinance No. 731 extending the temporary rent freeze for covered units to allow more time to study and analyze the issue; and

WHEREAS, on April 11, 2023, City staff provided an update to the City Council on the Ad Hoc Committee's efforts and the City Council directed staff to prepare a rent stabilization ordinance and a tenant eviction protections ordinance for future consideration by the City Council. The City Council also adopted Urgency Ordinance No. 735 further extending the temporary rent freeze for covered units to allow time for the ordinance to be prepared and considered; and

WHEREAS, on May 16, 2023, the City Council received public testimony and an update from staff, and provided further direction regarding consideration of a rent stabilization ordinance and a tenant eviction protections ordinance; and

WHEREAS, on May 19, 2023, the City Clerk posted a Notice of Public Hearing in accordance with the City's public notice requirements regarding adoption of an ordinance adding Chapter 5.13 "Rent Stabilization" to Title 5 of the Cudahy Municipal Code ("Municipal Code") restricting rent increases and establishing other regulations applicable to certain covered residential rental units in the City; and

WHEREAS, on May 30, 2023, the City Council heard public testimony under Agenda Item No. 5A regarding adoption of an ordinance adding Chapter 5.13 "Rent Stabilization" to Title 5 of the Municipal Code, restricting rent increases and establishing other regulations applicable to certain covered residential rental units in the City; and

WHEREAS, the California Tenant Protection Act of 2019 (the "Tenant Protection Act") went into effect on January 1, 2020. Among other provisions, the Tenant Protection Act limits rent increases for rental properties subject to the Act to five percent plus the percentage change in the consumer price index up to a maximum of 10% (Civil Code Section 1947.12); and

WHEREAS, the Mobilehome Residency Law ("MRL"), California Civil Code sections 798, et seq., expressly authorizes cities to regulate the setting and/or increasing of rents for the use and occupancy of a mobile home space, subject to certain exceptions; and

WHEREAS, the Costa-Hawkins Rental Housing Act, California Civil Code section 1954.50, et seq., ("Costa-Hawkins Act") limits the applicability of local rent stabilization

policies, including prohibiting local jurisdictions from applying rent control to certain residential rental properties; and

WHEREAS, based on the foregoing, for the preservation of public health, safety, and general welfare of the community, the City Council finds that it is in the interest of the City, residential property owners, residents and community as a whole that the City adopt policies to support affordable housing in the City, including rent stabilization regulations that protect residents from unconstrained rent increases, while recognizing the need for owners of residential real property to receive a fair return; and

WHEREAS, this Ordinance intends to comply with the Tenant Protection Act, the MRL, the Costa-Hawkins Act and all other applicable state laws.

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

SECTION 1. Findings. The Recitals above are true and correct and incorporated herein by reference.

SECTION 2. Chapter 5.13 is hereby added to Title 5 of the Cudahy Municipal Code in its entirety as shown on Exhibit "A", attached hereto and incorporated by reference herein.

SECTION 3. Inconsistent Provisions. Any provision of the Cudahy Municipal Code or appendices thereto that conflicts with the provisions of this Ordinance, to the extent of such conflict and no further, is hereby repealed or modified to the extent necessary to implement the provisions of this Ordinance.

SECTION 4. Severability. If any section, subsection, sentence, clause, or phrase of this Ordinance, or any part thereof, is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof, irrespective of the fact that any one or more section, subsection, subdivision, paragraph, sentence, clause, or phrase would be subsequently declared invalid or unconstitutional.

SECTION 5. Compliance with California Environmental Quality Act. The City Council finds that this Ordinance is not subject to the California Environmental Quality Act pursuant to Section 15060(c)(2), constituting an activity that will not result in a direct or reasonably foreseeable indirect physical change in the environment, and pursuant to Section 15060(c)(3) constituting an activity that is not a project as defined in Section 15378.

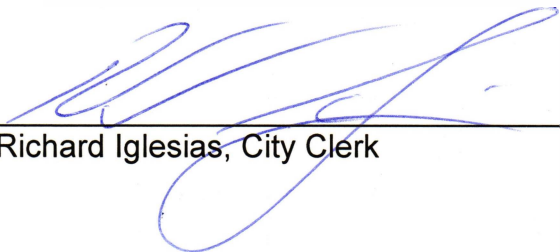
SECTION 6. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause this Ordinance to be published or posted as required by law. This Ordinance shall become effective thirty (30) days after the date of its adoption.

PASSED, APPROVED, AND ADOPTED this 6th day of June 2023.



Daisy Lomeli, Mayor

ATTEST:



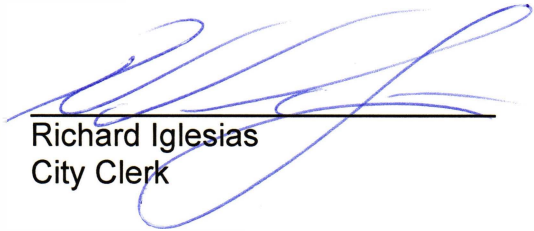
Richard Iglesias, City Clerk

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF CUDAHY)

I, Richard Iglesias, City Clerk of the City of Cudahy, hereby certify that the foregoing Ordinance No. 736 was introduced for a first reading on the 30th day of May 2023 and approved for a second reading and adopted by said Council at its regular meeting held on the 6th day of June 2023 by the following vote, to-wit:

AYES: C. Gonzalez, Fuentes, Alcantar, and Lomeli
NOES: None
ABSENT: J. Gonzalez
ABSTAIN: None



Richard Iglesias
City Clerk

EXHIBIT "A"

Cudahy Municipal Code

Title 5 - Business Licenses and Regulations

Chapter 5.13 – Rent Stabilization

Article I. Title, Purpose, Definitions and Applicability

- 5.13.010 Title
- 5.13.020 Purpose
- 5.13.030 Definitions
- 5.13.040 Applicability

Article II. General Provisions

- 5.13.050 Permitted Rent Increases for Covered Rental Units
- 5.13.060 Capital Improvement Pass-Through Cost Recovery
- 5.13.070 Landlord Fair Return Petition for Rent Increase
- 5.13.080 Tenant Petition for Adjustment
- 5.13.090 Security Deposits
- 5.13.100 Rental Unit Registration
- 5.13.110 Notices to Tenants

Article III. Administration and Enforcement

- 5.13.120 Enforcement
- 5.13.130 Administrative Review and Appeals
- 5.13.140 Administrative Citations
- 5.13.150 Remedies
- 5.13.160 Waiver
- 5.13.170 Severability

Article I. Title, Purpose, Definitions and Applicability

5.13.010. Title

This Chapter shall be known as the rent stabilization ordinance of the city.

5.13.020. Purpose.

- A. The purpose of this Chapter is to protect tenants from excessive rent increases and to promote long-term stability and certainty for tenants in the rental market while providing landlords an ability to receive a fair return on their rental property.
- B. This Chapter regulates rents for certain tenancies. It requires landlords to register rental units, establishes an administrative petition process, and provides for procedures and guidelines for the implementation of this Chapter.

5.13.030. Definitions. For the purposes of this Chapter, unless the context requires otherwise, the following definitions shall apply:

- A. **"Base Rent"** means the Rent charged for a Rental Unit in effect on April 11, 2022, when the City Council declared its intent to regulate rent for residential properties in the City, or at the initiation of the Tenancy, whichever is later, plus any rent increase allowed thereafter pursuant to this Chapter.
- B. **"Capital Improvement"** means the addition, substantial repair or replacement of any improvements to dwelling units, buildings, or common areas, which materially adds to the value of the property, appreciably prolongs its useful life or adapts it to new uses, and which is the same type of improvement as those allowed to be amortized over the useful life of the improvement in accordance with the Internal Revenue Code and its regulations and as specified in Section 5.13.060. Capital Improvement does not include normal or routine maintenance or repair or repairs covered by insurance.
- C. **"City"** means the City of Cudahy.
- D. **"Code"** means the City of Cudahy Municipal Code.

- E. **“Consumer Price Index”** or **“CPI”** means the Consumer Price Index for all urban consumers of the Los Angeles-Long Beach-Anaheim, California area, published by the U.S. Department of Labor, Bureau of Labor Statistics, or any successor designation of that index that may later be adopted by the U.S. Department of Labor.
- F. **“Covered Rental Unit”** means any Rental Unit that is not designated as exempt pursuant to Section 5.13.040 of this Chapter.
- G. **“Department”** means the Community Development Department of the City of Cudahy, or other Department designated by the City Council to administer the provisions of this Chapter.
- H. **“Director”** means the Director of the Department, or their designee.
- I. **“Hearing Officer”** means the person designated by the city manager or designee to conduct a review hearing and decide petitions and appeals under this Chapter.
- J. **“Housing Services”** means all services provided by the Landlord related to the use or occupancy of a Rental Unit, including, water, heat, utilities, insurance, maintenance, repairs, painting, elevator service, laundry facilities, janitorial service, refuse removal, furnishings, window shades and screens, parking, storage, security services, recreational areas, right to have specified number of tenants or occupants, allowing pets, communications technologies (internet, cable and satellite services), and any other benefit, privilege or facility that has been provided by the Landlord to the Tenant with use or occupancy of a Rental Unit. Housing Services to a Rental Unit shall include a proportionate part of services provided to common facilities of the building or residential complex in which a Rental Unit is contained.
- K. **“Landlord”** means an owner, lessor, sublessor, or any other person entitled to offer any Rental Unit for Rent or entitled to receive Rent for the use and occupancy of a Rental Unit, and the agent, representative, or successor of any of

the foregoing. "Landlord" includes an owner of a Mobilehome Park and its agent, representative, or successor.

- L. "**Mobilehome**" means any mobilehome as defined under California Civil Code Section 798.3.
- M. "**Mobilehome Park**" means an area of land located where two or more Mobilehome spaces are rented or leased out for Mobilehomes used as residences.
- N. "**Rent**" means 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 does not include any of the following: security deposits, utility charges billed separately to the Tenant by the utility company, and pass-through fees and charges authorized pursuant to this Chapter.
- O. "**Rental Agreement**" means an agreement, oral, written, or implied, between a Landlord and Tenant for the use or occupancy of a Rental Unit and related Housing Services.
- P. "**Rental Unit**" means any dwelling unit, as defined under California Civil Code section 1940 subsection (c) located in the jurisdictional boundaries of the City of Cudahy and that is used or occupied for human habitation in consideration of payment of rent, whether or not the residential use is legally permitted, including Mobilehomes rented by the owner of the Mobilehome, and accessory dwelling units. "Rental Unit" also means a Mobilehome Park space located in the jurisdictional boundaries of the City of Cudahy.
- Q. "**Residential Real Property**" includes any parcel of land containing one or more dwelling units intended for human habitation.

- R. **“Service Reduction”** means any decrease or diminution in the level of Housing Services provided by the Landlord on or after the effective date of this Chapter, including but not limited to, services the Landlord is required to provide pursuant to:
1. California Civil Code section 1941 et. seq.;
 2. The Landlord's implied warranty of habitability, which cannot be contractually excluded or waived;
 3. A Rental Agreement between the Landlord and the Tenant; and
 4. The level of service as implied by the condition of improvements, fixtures, and equipment, and their availability for use by the Landlord at the time of execution of the Rental Agreement between the Landlord and the Tenant.
- S. **“Tenancy”** means the lawful right or entitlement of a Tenant to use or occupy a Rental Unit. This includes a lease or a sublease.
- T. **“Tenant”** means a tenant, subtenant, lessee, sublessee, or any other person entitled, under the terms of a Rental Agreement to the use or occupancy of any Rental Unit.

5.13.040. Applicability.

- A. This Chapter shall apply to all Rental Units within the jurisdictional boundaries of the City, unless expressly exempt pursuant to any provision of this Chapter or State or federal law.
- B. Exemptions. The following are specifically exempt from the provisions of this Chapter:
1. Any dwelling unit that has a certificate of occupancy or equivalent permit for residential occupancy issued after February 1, 1995.
 2. Any dwelling unit that is alienable separate from the title to any other dwelling unit, including single family residences, condominiums and townhomes, but excluding Mobilehomes offered for rent by the owner of

the Mobilehome, or is a subdivided interest in a subdivision, as specified in California Business and Professions Code Section 11004.5 (b), (d) or (f).

3. Housing restricted by deed, regulatory restriction contained in an agreement with a government agency, or other recorded document as affordable housing for persons and families of very low, low or moderate income, as defined in Health and Safety Code section 50093, or subject to an agreement that provides housing subsidies for affordable housing for persons and families of very low, low or moderate income, as defined in Health and Safety Code section 50093 or comparable federal statutes, but excluding any dwelling unit for which a Landlord receives federal housing assistance vouchers issued under Section 8 of the United States Housing Act of 1937 line 9 (42 U.S.C. Sec. 1437f).
4. Residential Real Property containing no more than two (2) Rental Units in which the owner occupies one of the units as the owner's principal place of residence since the beginning of the Tenancy, so long as the owner continues in occupancy. For purposes of this subsection:
 - a. The term "owner" means a natural person who owns at least a 25% ownership interest in the Residential Real Property.
 - b. An exemption under this subsection shall expire by operation of law when the owner ceases to reside on the property as their principal place of residence.
5. Accommodations in hotels, motels, inns, tourist homes and boarding houses, and rooming houses, or other facilities, for which the City has received or is entitled to receive payment of transient occupancy tax pursuant to Chapter 3.32 of the Code (Transient Occupancy Tax) and California Civil Code section 1940 subdivision (b).

6. Housing accommodations in a nonprofit hospital, religious facility, extended care facility, licensed residential care facility for the elderly (as defined in Health and Safety Code Section 159.2), or any other facility licensed by the State to provide medical care for residents.
- C. Application for Rental Unit Exemption. Any person with an ownership interest in a Rental Unit may claim an exemption from this Chapter by filing with the Department an application of exemption on a form approved by the Department.

Article II. General Provisions

5.13.050. Permitted Rent Increases for Covered Rental Units.

- A. A Landlord shall not increase the Rent for a Covered Rental Unit by more than the change in CPI, or three percent (3%), whichever is lower.
- For purposes of this Section, “change in CPI” means the percentage change in the Consumer Price Index over the previous 12-month period ending in March of each year.
- B. A Landlord shall not impose more than one (1) Rent increase for a Covered Rental Unit in any 12-month period, calculated from the date the Rent increase takes effect, unless otherwise permitted pursuant to this Chapter.
- C. The Department shall announce the annual maximum allowable Rent increase effective as of July 1 of the same year, in accordance with the Department’s procedures and guidelines.
- D. A Landlord may impose an annual Rent increase for any Covered Rental Unit, as allowed in this Section, only after providing at least thirty (30) days written notice to the Tenant of the Rent increase pursuant to California Civil Code section 827.
- E. A Landlord may impose an annual Rent increase only upon registering the Rental Unit with the City and paying any required annual registration fees pursuant to Section 5.13.100, and maintaining compliance with State and local laws and requirements.

- F. A Landlord who does not impose a Rent increase or imposes only a portion of the permitted Rent increase in any twelve month period, as provided in this Section, waives that annual Rent increase or the remaining portion of that permitted annual Rent increase for the remainder of the Tenancy. A Landlord shall not bank any waived and/or unused portions of permitted annual Rent increases for use in future years.
- G. This Chapter does not supersede a Landlord's right to set the initial Rent for new tenancies under State law.
- H. A Tenant of a Covered Rental Unit subject to this Chapter shall not enter into a sublease that results in a total Rent for the Rental Unit that exceeds the allowable Rent authorized by this Section. Nothing in this Chapter authorizes a Tenant to sublet or assign the Tenant's interest where otherwise prohibited.
- I. A Tenant may refuse to pay a Rent increase which is in violation of this Chapter. Such refusal to pay the unallowed increased amount in excess of permitted Rent charges shall be an affirmative defense in any action brought to recover possession of a Rental Unit or to collect the Rent increase owed.

5.13.060. Capital Improvements Pass-Through Cost Recovery.

- A. A Landlord may pass-through 50% of Capital Improvement costs to existing Tenants in Covered Rental Units in accordance with the provisions of this Section.
- B. Capital Improvements must be for the primary benefit, use and enjoyment of Tenants, cost-factored, and amortized over a useful life of at least five (5) years, and permanently fixed in place or relatively immobile and appropriate to the use of the rental property.
- C. Capital Improvements eligible for pass-through cost recovery include, but are not limited to:
 - 1. The addition, but not the replacement, of the following improvements to a Rental Unit or common areas of the building in which the Rental Unit is

located: air conditioning, security gates and other security items, swimming pool, sauna or hot tub, fencing, children's play equipment permanently installed on the premises, and other similar improvements as determined by the Department.

2. Replacement or substantial modification of any structural, electrical, plumbing, or mechanical system that requires a permit pursuant to State or local law.
 3. Abatement of hazardous materials, such as lead-based paint, mold or asbestos, in accordance with applicable federal, State, and local laws.
- D. Capital Improvements cannot include regular maintenance or repairs from wear and tear, or be the result of a Landlord's failure to perform regular maintenance and repairs, or repairs covered by insurance.
- E. Application Process.
1. A Landlord must apply to the Department for recovery of Capital Improvement costs, on a form approved by the Department, within twelve (12) months from the date of completion of the Capital Improvement.
 2. The Capital Improvement cost recovery application must contain the following information, and be accompanied by copies of relevant supporting documentation:
 - a. A description of the completed Capital Improvement;
 - b. A copy of all estimates, contracts, bills, invoices, and other documentation reasonably necessary to establish the cost of the Capital Improvement;
 - c. The proposed amortization period to be used based on the Department's procedures and guidelines, if the period differs from sixty (60) months;

- d. A list of Tenants that will be affected by or benefit from the Capital Improvement;
 - e. The formula used to calculate the pro rata share of each Tenant;
 - f. The monthly cost to each affected or benefiting Tenant;
 - g. The commencement and completion dates of the Capital Improvement; and
 - h. Such other information as the Department may reasonably request.
3. Within five (5) calendar days after submission of the application with the Department, the Landlord shall serve each affected Tenant with notice of the application via personal service or certified mail return receipt requested. The notice must include a copy of the application.
 4. Within ten (10) calendar days after submission of the application, the Landlord shall file with the Department a proof of service signed under penalty of perjury stating that a copy of the application was served upon the affected Tenant(s). Such proof of notice is required before the application will be reviewed by the Department.
- F. A Landlord may not pass-through costs of Capital Improvements to Tenants until the Department approves the Landlord's application and the Landlord registers each affected Rental Unit and pays any required annual registration fees pursuant to Section 5.13.100.
- G. No pass-through cost-recovery shall be approved in an amount that would exceed five percent (5%) of the Rent in effect at the time the pass-through application is filed with the Department. If the total amount of calculated pass-through costs would result in an increase that exceeds five percent (5%), the pass-through cost amortization period may be extended beyond the established amortization period to allow the Landlord to recover eligible Capital Improvement costs while not exceeding the maximum increase authorized by this subsection.

- H. A Landlord shall provide written notice of an approved pass-through cost to Tenants in accordance with California Civil Code section 827 and the notice shall be delivered at least thirty (30) days before the approved pass-through cost takes effect.
- I. The approved pass-through cost should appear as a separate line item on a Rent statement along with the end date of the amortization period and any remaining pass-through balance. An approved pass-through cost is not considered Rent for purposes of this Chapter.
- J. Pass-through cost recovery applications will be considered and determined by the Director in accordance with guidelines and procedures established by the Department; and the Director's determination may be appealed to a Hearing Officer in accordance with the procedures set forth in Section 5.13.130.

5.13.070. Landlord Fair Return Petition for Rent Increase.

- A. Landlord's Fair Return Application for Rent Increase. A Landlord may file a fair return petition ("Application for Rent Increase") with the Department to request an increase in Rent for a Covered Rental Unit, beyond that which is otherwise permitted under Sections 5.13.050, if the Landlord contends, in good faith, that they are not receiving a fair and reasonable return on the Landlord's investment from the allowable Rent increases under Sections 5.13.050, in accordance with the provisions of this Section.
 - 1. Presumption. It shall be a rebuttable presumption that the annual net operating income earned by a Landlord, and Rent increases allowed under Sections 5.13.050, provide the Landlord with a fair and reasonable return on the investment. A Landlord shall have the burden to prove the necessity of any additional Rent increase necessary to earn a fair and reasonable return.

2. Nothing in this Section shall be interpreted to authorize a Rent increase for a Covered Rental Unit in excess of the amount authorized pursuant to California Civil Code section 1947.12.
- B. Approval of the Landlord's Application for Rent Increase may become effective only after all of the following:
1. A Landlord has provided written notice to the affected Tenant of the approved Rent increase for the Covered Rental Unit in accordance with California Civil Code section 827; and
 2. A Landlord has registered each affected Rental Unit in the rental property, and is current on payment of registration fees, pursuant to Section 5.13.100.
- C. Review and Approval of Application for Rent Increase.
1. The Department shall consider the following factors, as well as any other relevant factors, in reviewing the Application for Rent Increase and making its determination, and no one (1) factor shall be determinative:
 - a. Changes in the CPI.
 - b. The rental history of the affected Covered Rental Unit(s) and the rental property, including the Base Rent and pattern of past Rent increases or decreases.
 - c. Increases or decreases in property taxes.
 - d. The history or any prior hearings or determinations on an application for Rent increase by Landlord.
 - e. The addition of Capital Improvements on the rental property.
 - f. The physical condition of the affected Covered Rental Unit(s) and building, including the quantity and quality of maintenance and repairs performed during the preceding twelve (12) months, as well

as the long-term patterns of operating, maintenance, and Capital Improvement expenditures.

- g. The need for repairs caused by circumstances other than ordinary wear and tear.
- h. Any increase or decrease of Housing Services since the last Rent increase.
- i. Any existing Rental Agreement lawfully entered into between the Landlord and the Tenant.
- j. A decrease in net operating income.
- k. A fair and reasonable return on the building prorated among the Rental Units in the building.
- l. If Landlord received Rent in violation of this Chapter or has otherwise failed to comply with this Chapter.

2. The Director may approve or deny an Application for Rent Increase and make the following determinations, with written findings in support thereof, in compliance the provisions of this Chapter:

- a. The Department determines the Rent increase in the amount requested by Landlord is necessary and appropriate to ensure the Landlord receives a fair and reasonable return on the Landlord's investment, and will not cause an undue financial burden on the affected Tenant.
- b. The Department determines a lesser Rent increase than the amount requested by Landlord more appropriately ensures a fair and reasonable return on the Landlord's investment and will not cause an undue financial burden on the affected Tenant.

- c. The Department determines no additional Rent increase is necessary and appropriate to ensure the Landlord receives a fair and reasonable return on the Landlord's investment.
 3. Nothing in this Section shall be interpreted to authorize a Rent increase for a Covered Rental Unit in excess of the amount authorized pursuant to California Civil Code section 1947.12.
 4. The Department's decision may be appealed to a hearing officer, in accordance with the procedures set forth in Section 5.13.130.
- D. Notices Upon Filing Application for Rent Increase. Within five (5) calendar days after submission of an Application for Rent Increase with the Department, the Landlord, at their own expense, shall provide written notice of said application to each affected Tenant via personal service or certified mail return receipt requested.
- E. Submittal to Department of Application for Rent Increase. Upon receipt of an Application for Rent Increase, the Department shall review and evaluate whether there should be a Rent increase in accordance with this Section and the Department's procedures and guidelines.
 1. The application shall be on a form approved by the Department, signed under penalty of perjury, and must be accompanied by an application fee, if any, and must include the following:
 - a. The specific Rent increase or adjustment requested;
 - b. Copies of any books, records, papers, or other financial information relevant to the review of the application; and
 - c. Other documentation reasonably required by the Department relevant to the application.
 2. Application Fees. The Department may set a reasonable application fee to be paid by the applicant at the time of the filing based on the

administrative expenses incurred in reviewing and processing the application.

3. The Department shall have the authority to deem an application complete.
- F. Right of Assistance. All parties to an Application for Rent Increase may seek assistance from attorneys or any other person designated by said parties.
- G. Consolidation. Applications for Rent Increase pertaining to Tenants in the same building or rental property may be consolidated for determination at the election of the Department.

5.13.080. Tenant Petition for Adjustment.

- A. Tenant Application for Adjustment. A Tenant of a Covered Rental Unit may file a petition for adjustment (“Application for Adjustment”) with the Department for its determination, if the Tenant contends, in good faith, that they should receive an adjustment to their monthly obligation(s) because of a Landlord's potential violation(s) of this Chapter. A Tenant must file an Application for Adjustment within one hundred eighty (180) days from the date the Tenant knew, or reasonably should have known, of the Landlord's potential violation(s), in accordance with the provision of this Section.
1. Unlawful Rent and/or Fees or Charges. A Tenant may file an Application for Adjustment with the Department due to a Landlord’s demand for Rent, fees, or other charges that may be in excess of that permitted for a Covered Rental Unit under this Chapter.
 2. Failure to Maintain Habitable Premises. A Tenant may file an Application for Adjustment with the Department to request a refund of, or decrease in, Rent proportional to a Landlord's potential failure to maintain the Covered Rental Unit as a habitable premise in accordance with applicable laws or the Rental Agreement.

- a. A Landlord shall not be liable to a Tenant for failure to maintain habitable premises if the Tenant caused the condition that is the subject of the application.
 - b. Prior to filing an Application for Adjustment for failure to maintain habitable premises, a Tenant shall file a complaint with the proper enforcement agency and provide such proof of complaint filing to the Department.
 3. Decrease in Housing Services. A Tenant may file an Application for Adjustment with the Department for a Service Reduction in Housing Services, without a corresponding reduction in Rent, which may be considered an increase in excess of permitted Rent.
- B. Prior to filing an Application for Adjustment with the Department, a Tenant shall:
1. Provide written notice to Landlord identifying the potential violation(s) of excess Rent, fees or charges, failure to maintain habitable premises and/or decrease in housing services; and
 2. A reasonable opportunity for the Landlord to correct the issues.
- C. Review and Determination of Application for Adjustment. The Department shall consider the following factors, as applicable, as well as any other relevant factors, in making its determination and no one (1) factor shall be determinative.
1. Increases or decreases in Rent or Housing Services since the effective date of this Chapter.
 2. The pattern of recent Rent or Housing Service increases or decreases.
 3. Whether the Landlord has received payment in excess of the maximum allowable Rent, fees, or charges permitted by this Chapter or has otherwise failed to comply with this Chapter.
 4. When and how the Service Reduction was first identified by the Tenant and when and how the Landlord was notified of the alleged Service

Reduction, orally, or in writing, and Landlord's response to such notice and whether Housing Services were reinstated or restored by the Landlord, and if so, when and how.

5. Whether any habitability violations stated by the Tenant in the application was improved or corrected, and if so, when and how.
 6. The status of the habitability issues as of the date the application is signed.
- D. Notice upon Filing Application for Adjustment. Within five (5) calendar days after submission of an Application for Adjustment with the Department, the Tenant shall provide written notice of said application to the Landlord via personal service or certified mail return receipt requested.
- E. Submittal to Department of Application for Adjustment. Upon receipt of an application, the Department shall review and evaluate whether there should be an adjustment to Tenant's monthly obligations in accordance with this Section and the Department's procedures and guidelines.
1. The application shall be on a form approved by the Department, signed under penalty of perjury, and must be accompanied by an application fee, if any, and must include the following:
 - a. The specific adjustment requested and the basis for such adjustment;
 - b. Copies of any books, records, papers, or other financial information relevant to the review of the application; and
 - c. Other documentation reasonably required by the Department relevant to the application.
 2. Application Fees. The Department may set a reasonable application fee to be paid by the applicant at the time of the filing based on the administrative expenses incurred in reviewing and processing the application.

- 3. The Department shall have the authority to deem an application complete.
- F. Right of Assistance. All parties to an Application for Adjustment may seek assistance from attorneys or any other person designated by said parties.
- G. Consolidation. Applications for Adjustment for Tenants who live in the same building or rental property may be consolidated for determination at the election of the Department.

5.13.090. Security Deposit.

- A. Landlord may not demand or receive a security deposit, however denominated, in an amount or value in excess of the security deposit charged or received at the initiation of the Tenancy.
- B. As used in this Section, security deposit means any “security” as defined in California Civil Code section 1950.5.

5.13.100. Rental Unit Registration.

- U. On or before July 1, 2024, and by July 1 of each subsequent year, a Landlord must register with the Department each Rental Unit that is rented or available for Rent for a term exceeding thirty (30) consecutive days by filing a rental registration in a form approved by the Department. After initial Rental Unit registration, a Landlord shall notify the Department and update the rental registration within thirty (30) days of the start of a new tenancy or any subsequent change in tenancy or ownership.
- V. Registration must include, but is not limited to, the following information:
 - 1. Property information, including address, year built and certificate of occupancy date.
 - 2. Rent for each Rental Unit in the rental property at the time of registration and the date and amount of the last Rent increase.
 - 3. Ownership information for the rental property.

4. The number of total Rental Units in the rental property.
5. The number of bedrooms and bathrooms for each Rental Unit.
6. Tenant information, including names and move-in dates.
7. A description of Housing Services.
8. Any additional information reasonably required by the Department to implement this Chapter.

W. Registration Fee. A Landlord must pay an annual registration fee for each Rental Unit as established by resolution of the City Council. Such fees are intended to recover the City's reasonable costs to implement, administer and enforce its rent stabilization and tenant eviction protection regulations as set forth in Chapter 5.13 and Chapter 5.14 of the Code. The registration fee established by this subsection shall be waived for any Rental Unit in a Residential Real Property containing four (4) or fewer dwelling units in which the owner occupies one of the units as the owner's principal place of residence, so long as the owner continues in occupancy. For purposes of this subsection:

1. The term "owner" means a natural person who owns at least a 25% ownership interest in the Residential Real Property.
2. A waiver under this subsection shall expire by operation of law when the owner ceases to reside on the property as their principal place of residence.

X. Registration Fee Pass-Through. A Landlord may recover fifty percent (50%) of a registration fee from the Tenant. A Landlord may only collect one annual registration fee pass-through cost at a time and must also meet the following requirements to pass-through this registration fee:

1. Timely and accurately submits an annual registration for each Rental Unit in the rental property;

2. Lists the registration fee pass-through cost as a separate line item on the monthly obligation(s) statement;
3. Provides Tenant with thirty (30) days' notice before collecting any registration fee pass-through cost; and
4. A Tenant's payment to the Landlord for the registration fee pass-through cost is paid in twelve (12) equal, monthly installments, unless otherwise agreed to by the Tenant.

5.13.110. Notices to Tenants.

- A. **Mandatory Notices to Tenants.** Landlords must provide to each Tenant, prior to, or at the time of agreeing to rent or lease a Covered Rental Unit, a notice of Tenant rights under this Chapter. The Department shall publish a form notice of Tenant rights in English and other frequently spoken languages. Landlords must provide the form notice in the following circumstances.
1. When entering into a Rental Agreement, by including a copy of the form notice as an exhibit or attachment to the written Rental Agreement;
 2. When renewing a Rental Agreement; and
 3. When providing notice of a Rent increase or decrease in a Covered Rental Unit
- B. **Notice Regarding Potential Pass-Through Costs and Fees.** A Landlord shall include language in the Rental Agreement that Tenant may be subject to pass-through costs and fees that have been reviewed and approved by the Department.
- C. If the Rental Agreement is negotiated or written in a language other than English, the Landlord must also provide the form notice of Tenant rights in English and the language in which the Rental Agreement was negotiated or written.

Article III. Administration and Enforcement

5.13.120. Enforcement.

- A. Enforcement Authority. The Department is authorized to take appropriate steps it deems necessary to administer and enforce this Chapter.
- B. The Director of the Department, or designee, may develop and publish procedures and guidelines to aid in the implementation of this Chapter.

5.13.130. Administrative Review and Appeals.

- A. Administrative Review.
 - 1. The Department shall review and evaluate applications pursuant to this Chapter and issue a notice of decision in accordance with its procedures and guidelines.
 - 2. The Department may request documents, interview witnesses and affected parties, and gather necessary evidence to review and make appropriate conclusions and findings.
- B. Appeal. Any party dissatisfied by the Department's final decision pursuant to this Chapter may request an appeal of the Department's decision to a Hearing Officer, unless otherwise prohibited by this Chapter. The Department's administrative record shall be reviewable by the Hearing Officer.
- C. Time Limit. A party must file an appeal in writing before the Department within thirty (30) of the Department's final decision. The Hearing Officer shall have no authority to consider matters not filed within thirty (30) days of the Department's final decision.
- D. Filing of Appeals. An appeal shall be filed with the Department, on the prescribed form, along with any accompanying appeal fee, and shall state specifically the basis of the appeal.
- E. Procedures for Appeals.
 - 1. Hearing Dates. A hearing on a request for appeal will be scheduled before a Hearing Officer for a date no sooner than fifteen (15) days and no later

than sixty (60) days after receipt of the request for appeal and proof of service, unless the Hearing Officer determines that good cause exists for an extension of time. Upon setting the hearing date, the Hearing Officer shall send written notice to the appealing party of the date, time and place set for the hearing. Within five (5) calendar days of receipt of the notice of hearing, the appealing party shall deliver a copy of the notice to each affected Tenant or Landlord, as applicable, via personal service or certified mail return receipt requested.

2. Public Hearing. The appeal hearing shall be conducted at a hearing open to the public. At the hearing, the Hearing Officer shall review the record of the decision and hear testimony of the party requesting the appeal, representatives of the Department, and any other interested party. The Hearing Officer may continue the hearing and request additional information from the Landlord or Tenant before issuing a written decision. The Hearing Officer shall have the power to issue orders to keep order and decorum during the hearing.
3. Application and Materials. At an appeal hearing, the Hearing Officer shall consider only the administrative record that was the subject of the Department's final decision.

F. Decision and Notice.

1. After the hearing, the Hearing Officer shall either:
 - a. Affirm, modify, or reverse the Department's decision and specify the reasons for its decision; or
 - b. Refer the matter back to the Department for further review.
2. Decisions shall be rendered within thirty (30) days of the close of the hearing. If the Hearing Officer fails to act within thirty (30) days of the close of the hearing, the Department's decision shall be deemed affirmed.

- G. The Hearing Officer shall mail the Hearing Officer's decision to the affected parties within ten (10) days after it is rendered.
- H. Final decision. The decision of the Hearing Officer shall be final and not subject to further appeal.
- I. Judicial Review of Hearing Officer Decision. Any person directly aggrieved by an administrative decision of a Hearing Officer pertaining to a request for appeal of a Director's decision under this Chapter, may seek judicial review in the Court pursuant to Government Code Section 53069.4 and/or Code of Civil Procedure Sections 1094.5 and 1094.6.

5.13.140. Administrative Citations.

- A. Administrative Citation. Any Landlord or Tenant who violates any provision of this Chapter, or Department's procedures and guidelines, is subject to administrative fines and citations as provided in Chapter 1.40 of the Code.
- B. Remedies are Cumulative. Each day that a violation continues shall constitute a separate and distinct offense for which an administrative fine may be imposed. The remedies set forth in this section are cumulative and in addition to any other penalty provided by law, including any remedies which may be sought in a civil action. The provisions of this Chapter shall not be construed as limiting any party's right to obtain relief to which he or she may be entitled at law or in equity.
- C. Notices of Violation and Administrative Fine. If the Department determines that a Landlord or Tenant has violated this Chapter, the Department may issue notices of violation and administrative fines and citations in accordance with the authority and procedures set forth in Chapter 1.40 of the Code.
- D. Administrative Appeals and Judicial Review.
 - 1. Administrative Appeal. Any Landlord or Tenant who receives a notice of administrative fines or citations may request an administrative hearing before a hearing officer in accordance with Chapter 1.40 of the Code.

2. Judicial Review of Hearing Officer Decision. Any Landlord or Tenant may seek judicial review of a hearing officer's decision pertaining to the imposition of an administrative fine or citation in accordance Chapter 1.40 of the Code.

5.13.150. Remedies.

- A. Civil Liability. Any Tenant, or any other person or entity acting on behalf of the Tenant who will fairly and adequately represent the Tenant's interest, including the City, is authorized to bring a civil action and/or proceeding in a court of competent jurisdiction for violation of this Chapter, 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 Chapter. The court may award reasonable attorneys' fees and costs to a Landlord who prevails in any such action if the court determines that the Tenant's action was frivolous.
- B. Civil Penalty. Any person violating any of the provisions, or failing to comply with any of the requirements of this Chapter, may be liable for a civil penalty not to exceed One Thousand Dollars (\$1,000) for each violation.
- C. Criminal Penalty. Any person violating any of the provisions or failing to comply with any of the requirements of this Chapter, shall be guilty of a misdemeanor and punished by a fine of not more than One Thousand Dollars (\$1,000), or by imprisonment in the county jail for a period of not more than six (6) months, or by both.
- D. Defense to Eviction. A Tenant may assert as an affirmative defense a Landlord's failure to comply with the provisions of this Chapter in any action by a Landlord to recover possession of a Rental Unit.
- E. Each violation of any provision of this Chapter, and each day during which any such violation is committed, permitted or continued, shall constitute a separate offense.

F. The above remedies are not exclusive and do not preclude the City or any Tenant from seeking other remedies or penalties provided by applicable law.

5.13.160. Waiver. Any waiver of rights under this Chapter shall be void as contrary to public policy.

5.13.170. Severability. If any provision of this Chapter or the application thereof to any person, property, or circumstance, is held invalid, such invalidity shall not affect other provisions or applications of this Chapter that can be given effect without the invalid provision(s) or application, and to this end, the provisions of this Chapter are declared to be severable.

ORDINANCE NO. 737

AN ORDINANCE OF THE CITY OF CUDAHY, CALIFORNIA REPEALING CHAPTER 5.12 “RENTAL PROPERTY”, TITLE 5, BUSINESS LICENSES AND REGULATIONS, OF THE CUDAHY MUNICIPAL CODE AND ADDING NEW CHAPTER 5.14 “TENANT PROTECTIONS” TO TITLE 5 ESTABLISHING JUST CAUSE EVICTION PROTECTIONS AND OTHER TENANT PROTECTIONS APPLICABLE TO CERTAIN RESIDENTIAL TENANCIES IN THE CITY

WHEREAS, the City of Cudahy ("City") is a general law city, incorporated under the laws of the State of California; and

WHEREAS, pursuant to its police power, the City may enact and enforce laws within its boundaries that promote the public health, safety, or general welfare of the community, and are not in conflict with general laws; and

WHEREAS, cities across Los Angeles County and throughout the State of California are experiencing a housing shortage and affordability crisis, which drives housing insecurity and homelessness; and

WHEREAS, per the U.S. Department of Housing and Urban Development (HUD), in 2023 the median monthly rent for a two-bedroom apartment in Los Angeles County is \$2,222, representing an 8.7% increase over the following year; and

WHEREAS, per the U.S. Census Bureau, the median household income in the City is \$47,050, compared to \$76,367 in Los Angeles County; and

WHEREAS, according to the City's Housing Element 2021-2029 ("Housing Element") approximately 85% of households in the City are renter occupied. Of the renter-occupied households, 56.3% are rent burdened, paying more than 30% of gross income on housing; and 10.2% are severely rent burdened, paying more than half of gross income on housing; and

WHEREAS, with high housing costs, low incomes and critical affordable housing shortages, many residents in the City struggle to pay for housing and meet other basic needs such as food, clothing, transportation and healthcare; and

WHEREAS, housing instability has been associated with other disruptive effects on vulnerable populations such as overcrowding, poorer health, and negative outcomes for children; and

WHEREAS, widespread housing insecurity and rent burdened households leads to heightened risk of displacement and homelessness, given the shortage of affordable housing in the City and region, and threatens the public health, safety, and welfare of City residents; and

WHEREAS, evictions, without just cause, can be destabilizing and can create particular hardships for individuals and households of limited means, due to stress and anxiety experienced by those displaced, increased commute times and traffic impacts if displaced persons cannot find affordable housing near their workplace; and interruption of education for school-age children in the home; and

WHEREAS, an eviction can remain on a renter's credit history, impacting that persons' ability to rent elsewhere and find employment opportunities; and

WHEREAS, the City Council has received public testimony at multiple meetings from City residents who declared that they and their neighbors were reluctant to register complaints against their landlords over unsuitable living conditions and/or violations of their leases by landlords or management companies, based on a fear of being evicted without just cause; and

WHEREAS, the City Council of the City of Cudahy ("City Council") formed an Ad Hoc Committee (the "Ad Hoc Committee") at the City Council meeting of July 19, 2022, to analyze and study the issue of rent control and related policies to formulate legislative or other appropriate recommendations for City Council consideration; and

WHEREAS, on April 11, 2023, City staff provided an update to the City Council on the Ad Hoc Committee's efforts and the City Council directed staff to prepare a rent stabilization ordinance and a tenant eviction protections ordinance for future consideration by the City Council; and

WHEREAS, on May 16, 2023, the City Council received public testimony and an update from staff, and provided further direction regarding consideration of a rent stabilization ordinance and a tenant eviction protections ordinance; and

WHEREAS, on May 19, 2023, the City Clerk posted a Notice of Public Hearing in accordance with the City's public notice requirements regarding adoption of an ordinance repealing Chapter 5.12 "Rental Property" of the Cudahy Municipal Code and adding Chapter 5.14 "Tenant Protections" to Title 5 of the Cudahy Municipal Code ("Municipal Code"), establishing Just Cause Eviction Protections and other Tenant Protections applicable to certain residential tenancies in the City; and

WHEREAS, on May 30, 2023, the City Council heard public testimony under Agenda Item No. 5A regarding adoption of an ordinance repealing Chapter 5.12 "Rental Property" of the Municipal Code and adding Chapter 5.14 "Tenant Protections" to Title 5 of the Municipal Code, establishing Just Cause Eviction Protections and other Tenant Protections applicable to certain residential tenancies in the City; and

WHEREAS, the California Tenant Protection Act of 2019 (the "Tenant Protection Act") went into effect on January 1, 2020. Among other provisions, the Tenant Protection Act prohibits an owner of residential property, with certain exceptions, from terminating a tenancy without just cause, (Civil Code Section 1946.2); and

WHEREAS, based on the foregoing, for the preservation of public health, safety, and general welfare of the community, the City Council finds that it is in the interest of the City, to enact and enforce regulations related to just cause termination of tenancies in the City, and provide additional tenant protections regulating the relations between residential landlords and tenants; and

WHEREAS, the protections provided in this Ordinance are more protective than those set forth in California Civil Code section 1946.2 in that this Ordinance further limits the reasons for termination of a residential tenancy, provides for higher relocation assistance amounts, or provides additional tenant protections that are not prohibited by any other provision of law; and

WHEREAS, this Ordinance intends to comply with the Tenant Protection Act and all other applicable state laws.

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

SECTION 1. Findings. The Recitals above are true and correct and incorporated herein by reference.

SECTION 2. Chapter 5.12 “Rental Property” of Title 5 of the Cudahy Municipal Code is hereby repealed and deleted in its entirety.

SECTION 2. Chapter 5.14 is hereby added to Title 5 of the Cudahy Municipal Code in its entirety as shown on Exhibit “A”, attached hereto and incorporated by reference herein.

SECTION 3. Inconsistent Provisions. Any provision of the Cudahy Municipal Code or appendices thereto that conflicts with the provisions of this Ordinance, to the extent of such conflict and no further, is hereby repealed or modified to the extent necessary to implement the provisions of this Ordinance.

SECTION 4. Severability. If any section, subsection, sentence, clause, or phrase of this Ordinance, or any part thereof, is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof, irrespective of the fact that any one or more section, subsection, subdivision, paragraph, sentence, clause, or phrase would be subsequently declared invalid or unconstitutional.

SECTION 5. Compliance with California Environmental Quality Act. The City Council finds that this Ordinance is not subject to the California Environmental Quality Act pursuant to Section 15060(c)(2), constituting an activity that will not result in a direct or reasonably foreseeable indirect physical change in the environment, and pursuant to

Section 15060(c)(3) constituting an activity that is not a project as defined in Section 15378.

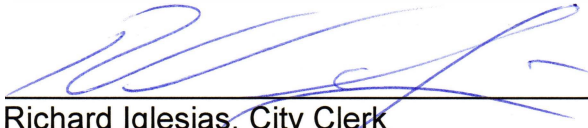
SECTION 6. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause this Ordinance to be published or posted as required by law. This Ordinance shall become effective thirty (30) days after the date of its adoption.

PASSED, APPROVED, AND ADOPTED this 6th day of June 2023.



Daisy Lomeli, Mayor

ATTEST:



Richard Iglesias, City Clerk

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF CUDAHY)

I, Richard Iglesias, City Clerk of the City of Cudahy, hereby certify that the foregoing Ordinance No. 737 was introduced for a first reading on the 30th day of May 2023 and approved for a second reading and adopted by said Council at its regular meeting held on the 6th day of June 2023 by the following vote, to-wit:

AYES: C. Gonzalez, Fuentes, Alcantar, and Lomeli
NOES: None
ABSENT: J. Gonzalez
ABSTAIN: None

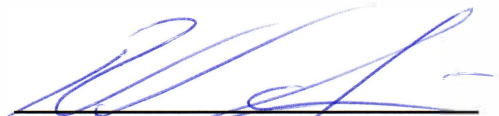

Richard Iglesias
City Clerk

EXHIBIT A

CUDAHY MUNICIPAL CODE
TITLE 5 - BUSINESS LICENSES AND REGULATIONS
CHAPTER 5.14 – JUST CAUSE TENANT PROTECTIONS

Article I. Title, Purpose, Definitions and Applicability

- 5.14.010 Title
- 5.14.020 Purpose and Applicability
- 5.14.030 Definitions

Article II. General Provisions

- 5.14.040 Termination of Tenancy
- 5.14.050 For-Cause Termination of Tenancy
- 5.14.060 No-Fault Termination of Tenancy
- 5.14.070 Relocation Assistance
- 5.14.080 Tenant Buyout Agreements
- 5.14.090 Retaliatory Eviction and Anti-Harassment
- 5.14.100 Notices to Tenants

Article III. Administration and Enforcement

- 5.14.110 Enforcement
- 5.14.120 Administrative Citations
- 5.14.130 Remedies
- 5.14.140 Waiver
- 5.14.150 Severability

Article I. Title, Purpose, Applicability and Definitions

5.14.010. Title.

This Chapter shall be known as the tenant protections ordinance of the city.

5.14.020. Purpose and Applicability.

- A. The purpose of this Chapter is to reasonably regulate just cause evictions so as to be more protective than Civil Code section 1946.2.
- B. This Chapter shall apply to any Tenancy after at least one Tenant has continuously and lawfully occupied a Rental Unit for twelve (12) months or more.
- C. This Chapter regulates evictions for certain tenancies. It requires landlords to provide relocation assistance for certain no-fault evictions, prohibits retaliation and harassment, and provides for the implementation and enforcement of this Chapter.

5.14.030. Definitions. For the purposes of this Chapter, unless the context requires otherwise, the following definitions shall apply.

- A. "**Buyout Agreement**" means a written agreement between a Landlord and a Tenant as provided in Section 5.14.080 by which a Tenant, typically in consideration for monetary payment, agrees to vacate a Rental Unit.
- B. "**City**" means the City of Cudahy.
- C. "**Code**" means the City of Cudahy Municipal Code.
- D. "**Department**" means the Community Development Department of the City of Cudahy, or other Department designated by the City Council to administer the provisions of this Chapter.
- E. "**Director**" means the Director of the Department, or their designee.
- F. "**Ellis Act**" means California Government Code sections 7060 - 7060.7.
- G. "**Housing Services**" means all services provided by the Landlord related to the use or occupancy of a Rental Unit, including, water, heat, utilities, insurance, maintenance, repairs, painting, elevator service, laundry facilities, janitorial service, refuse removal, furnishings, window shades and screens, parking, storage, security services, recreational areas, right to have specified number of tenants or occupants, allowing pets, communications technologies (internet, cable and satellite services), and any other benefit, privilege or facility that has been provided by the Landlord to the Tenant with use or occupancy of a Rental Unit. Services to

a Rental Unit shall include a proportionate part of services provided to common facilities of the building in which a Rental Unit is contained.

- H. "**Landlord**" means an owner, lessor, sublessor, or any other person entitled to offer any Rental Unit for Rent or entitled to receive Rent for the use and occupancy of a Rental Unit, and the agent, representative, or successor of any of the foregoing.
- I. "**Landlord's Family Member**" means a spouse, domestic partner, child, grandchild, parent, or grandparent of a Landlord who is a natural person whose name is on the title of the property.
- J. "**Mobilehome**" means any mobilehome as defined under California Civil Code Section 798.3.
- K. "**Mobilehome Park**" means an area of land located where two or more Mobilehome spaces are rented or leased out for Mobilehomes used as residences.
- L. "**Rent**" means 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 or Mobilehome Park space located in the jurisdictional boundaries of the City of Cudahy, 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 does not include any of the following: security deposits, utility charges billed separately to the Tenant by the utility company, and pass-through fees and charges authorized pursuant to this Chapter.
- M. "**Rental Agreement**" means an agreement, oral, written, or implied, between a Landlord and Tenant for the use or occupancy of a Rental Unit and related Housing Services.
- N. "**Rental Unit**" means any dwelling unit, as defined under California Civil Code section 1940 subsection (c) located in the jurisdictional boundaries of the City of Cudahy and that is used or occupied for human habitation in consideration of payment of rent, whether or not the residential use is legally permitted, including

Mobilehomes rented by the owner of the Mobilehome, and accessory dwelling units.

- O. **“Residential Real Property”** includes any parcel of land containing one or more dwelling units intended for human habitation.
- P. **“Tenancy”** means the lawful right or entitlement of a Tenant to use or occupy a Rental Unit. This includes a lease or a sublease.
- Q. **“Tenant”** means a tenant, subtenant, lessee, sublessee, or any other person entitled, under the terms of a Rental Agreement to the use or occupancy of any Rental Unit.

Article II. General Provisions

5.14.040. Termination of Tenancy.

- A. No Landlord shall terminate a Tenancy of an occupied Rental Unit after a Tenant has continuously and lawfully occupied the Rental Unit for twelve (12) months or more unless the Landlord can demonstrate either a For Cause or No-Fault termination as specified in Sections 5.14.050 and 5.14.060.
- B. When terminating a Tenancy either For Cause or No-Fault, a Landlord must comply with all of the following:
 - 1. The Landlord must serve a written notice to the Tenant in accordance with California Civil Code sections 1946 through 1946.5 that states the Landlord will terminate the Tenancy, indicates at least one For Cause or No-Fault reason for termination in reasonable detail, and includes any other information required by federal or State law.
 - 2. The Landlord has not accepted and will not accept Rent or any other consideration in return for the continued use of the Rental Unit beyond the term of the terminated Tenancy in compliance with California Civil Code sections 1945 through 1946.5.
 - 3. The Landlord qualifies the termination as For Cause or No-Fault.
 - 4. If the termination is a No Fault termination, the Landlord has provided the Tenant with the notice of relocation assistance required by Section 5.14.070.

5. The Landlord has submitted to the Department, within five (5) days after service of the notice of termination on the Tenant, a true and accurate copy of the Landlord's written notice of termination, and proof of such service, signed under penalty of perjury, on the Tenant. The Landlord shall maintain proof of service to the Department as evidence that the Landlord has complied with this Section.

5.14.050. For-Cause Termination of Tenancy.

A. **For Cause Termination of Tenancy.** If a Landlord can show any of the following circumstances with respect to a termination of Tenancy of a Rental Unit, the termination qualifies as a For Cause Termination:

1. **Failure to Pay Rent.** Tenant failed to pay Rent within three (3) days of written notice being served on Tenant by Landlord demanding payment as provided in paragraph (2) of California Code of Civil Procedure Section 1161.
2. **Violation of Material Term of Rental Agreement.** Tenant has continued to violate a material term of the Rental Agreement as provided in California Code of Civil Procedure section 1161 subdivision (3), after written notice to cease, and did not cure such violation within ten (10) days after receiving written notice from the Landlord of such violation.
3. **Waste.** A Tenant committed waste as described in California Code of Civil Procedure section 1161 subdivision (4).
4. **Nuisance or Illegal Purpose.** Tenant has maintained, committed, or permitted the maintenance or commission of a nuisance or used the Rental Unit for an illegal purpose as provided in California Code of Civil Procedure section 1161 subdivision (4) including:
 - a. Any crime or act of violence committed by a Tenant of a Rental Unit which involves use of a gun or a deadly weapon, or inflicts serious bodily injury and for which a police report has been filed;
 - b. Any threat of violent crime or violence, which includes any statement made by a Tenant, or at the Tenant's request, by the Tenant's agent, to any person who is on the property where the

Rental Unit is located, threatening to commit a crime or violence which will result in death or serious 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 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; or

- c. Tenant has created or is maintaining a dangerous condition or an unsanitary condition that endangers health, safety and welfare or physically damages the Rental Unit beyond normal wear and tear 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.

It shall be an affirmative defense to an action for possession of a Rental Unit under this Subsection if a court determines that: (i) The Tenant or the Tenant's household member is a victim of an act or acts that constitute domestic violence or sexual assault or stalking; and (ii) The notice of For Cause termination is substantially based upon the act or acts constituting domestic violence or sexual assault or stalking against the Tenant or a Tenant's household member, including but not limited to an action for possession based on complaints of noise, disturbances, or repeated presence of police.

5. **Failure to Sign Substantially Similar Lease.** The Tenant has refused to execute a written extension or renewal of a Rental Agreement upon expiration of a prior Rental Agreement, after written request or demand from the Landlord, but only if the provisions are substantially similar and

the additional term is of similar duration to the prior written Rental Agreement, and is consistent with federal, State, and local laws. For purposes of this Subsection, the Landlord's written request or demand must be received no later than sixty (60) days before final day of Tenancy of the prior Rental Agreement.

6. **Assignment or Subletting in Violation of Lease.** The Tenant has assigned or sublet the Rental Unit in violation of the Rental Agreement, as provided in California Code of Civil Procedure Section 1161(4).
7. **Refuse Access.** Tenant has continued to refuse, after Landlord has provided a written request, reasonable access to the Rental Unit by the Landlord for the purpose of making necessary repairs or improvements in accordance with California Civil Code Sections 1101.5 and 1954 and California Health and Safety Code Sections 13113.7 and 17926.1.
8. **Failure to Vacate After Termination of Employment.** Tenant was employed by the Landlord to serve as a resident manager or other employee, was provided with the Rental Unit as part of or as a condition of the employment and the employment has been terminated. This provision shall not apply to any Tenant whose Tenancy in the building or complex housing the Rental Unit commenced prior to assuming managerial responsibilities or whose status as a Tenant commenced prior to their status as a resident manager.
9. **Failure to Vacate After Termination of Lease.** A Tenant's failure to timely deliver possession of the Rental Unit after: (i) providing the Landlord written notice as provided in Civil Code section 1946 of the Tenant's intention to terminate a lease; or (ii) making a written offer to surrender, that is accepted in writing by the Landlord, but the time specified in that written notice as described in Code of Civil Procedure Section 1161(5) has expired.

5.14.060. No-Fault Termination of Tenancy.

A. **No-Fault Termination of Tenancy.** If a Landlord can show any of the following circumstances with respect to a termination of Tenancy in a Rental Unit, the termination qualifies as a No-Fault termination.

1. A Landlord seeks in good faith to recover possession in order to imminently:
 - a. Demolish the Rental Unit
 - b. Withdraw the Rental Unit permanently from rental housing use pursuant to the Ellis Act and other applicable State laws.
 - i. Amendments to the Ellis Act. In the case of any amendment to the Ellis Act, or any other provision of State law which amendment is inconsistent with this Section, this Section shall be deemed to be amended to be consistent with State law, and to the extent it cannot be so amended shall be interpreted to be effective as previously adopted to the maximum extent possible.
2. A Landlord seeks in good faith to recover possession of a Rental Unit for the use and occupancy by Landlord or Landlord's Family Member as the principal residence. Said Rental Unit must be occupied as the principal residence within ninety (90) days of the Tenant household vacating the Rental Unit, and the Rental Unit must continue to be occupied as the principal residence of Landlord or Landlord's Family Member for at least three (3) years, unless extenuating circumstances exist.
 - a. If the Rental Agreement was entered into on or after the effective date of this Chapter, this Subsection shall apply only if the Tenant agrees, in writing, to the termination, or if a provision of the Rental Agreement allows the Landlord to terminate the Rental Agreement if the Landlord, or Landlord's Family Member unilaterally decides to occupy the Rental Unit.
 - b. A Landlord must provide the Tenant sixty (60) days' written notice that the Landlord intends to terminate the Tenancy.
 - c. Owner-Occupancy Disclosure.

- i. Not less than sixty (60) days prior to the final date of the Tenancy, in addition to any notice required by California Civil Code Section 827, the Landlord must disclose to the Department the name(s) of the eligible individual(s) who will occupy the Rental Unit, and the relationship of said individual(s) to the Landlord.
 - ii. The Department may contact Landlord during the three (3) year occupancy period to confirm that the Landlord or Landlord's Family Member resides in the recovered Rental Unit(s), and may obtain written verification of residency.
- d. A Landlord may not terminate a Tenancy under this Subsection if any of the following apply, unless the Landlord or Landlord's Family Member who will reside in the Dwelling Unit is similarly situated as the Tenant or Tenant's household members who are being displaced:
 - i. the Tenant has continuously resided in the Rental Unit for at least five (5) years, and a member of Tenant's household is either: (i) 62 years of age or older; or (ii) disabled as defined in Section 12955.3 of the California Government Code or handicapped as defined in Section 50072 of the California Health and Safety Code;
 - ii. the Tenant or member of Tenant's household is terminally ill as certified by a treating physician licensed to practice in the State of California; or
 - iii. the Tenant is a low-income household (low-income household means a household whose income does not exceed the qualifying limits for lower income families as established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937, or as otherwise defined in California Health and Safety Code Section 50079.5).

- e. Tenant's Right of First Return.
 - i. If a Landlord or Landlord's Family Member ceases occupation of the Rental Unit within three (3) years after the final date of Tenancy, the Tenant of a Rental Unit is entitled to receive notice of the first right to return to rent the same Rental Unit at the Rent previously charged plus any annual Rent increases allowed under Chapter 5.13 of the Code.
 - ii. Nothing in this Section shall be construed to relieve the Landlord of the obligation to directly contact the former Tenant and to advise the Tenant that the recovered Rental Unit will again be offered for Rent.

3. A Landlord seeks in good faith to recover possession to comply with any of the following: (i) An order issued by a government agency or court relating to habitability that necessitates vacating the Rental Unit; (ii) An order issued by a government agency or court to vacate the Rental Unit; or (iii) A local ordinance that necessitates vacating the Rental Unit. If it is determined by any government agency or court that the Tenant is at fault for the condition or conditions triggering the order or for the need to vacate under this Subsection, the Tenant shall not be entitled to relocation assistance.

B. All No-Fault terminations of Tenancy are eligible for relocation assistance.

5.14.070. Relocation Assistance.

A. Permanent Relocation Assistance. When relocation assistance must be paid to Tenants who are evicted from their Rental Unit pursuant to Section 5.14.060, the Landlord must make the relocation assistance payment in accordance with this Section. The Landlord must provide written notice to the Tenant of the Tenant's entitlement to permanent relocation assistance at the same time the Landlord serves a notice of termination of Tenancy.

1. The Landlord shall pay a relocation assistance amount equal to three (3) times the Tenant's monthly Rent in effect when the Landlord served the notice to terminate the Tenancy.
2. If any Tenant residing in the Rental Unit from which the Tenants are to be displaced includes a Qualified Tenant, then all Tenants living in the Rental Unit are collectively entitled to additional relocation assistance as follows:
 - a. The Landlord shall pay an additional relocation assistance amount equal to one (1) times the Tenant's monthly Rent in effect when the Landlord served the notice to terminate the Tenancy.
 - b. For purposes of this Subsection, Qualified Tenant means any Tenant who:
 - i. Is sixty-two (62) years of age or older, disabled, as defined in Section 12955.3 of the California Government Code or handicapped as defined in Section 50072 of the California Health and Safety Code;
 - ii. Has one or more dependent children under the age of eighteen (18) residing in the Rental Unit;
 - iii. Meets the income limits for a "lower-income household" as defined in California Health and Safety Code section 50079.5; or
 - iv. Has continuously resided in the Rental Unit for five (5) years or more.

The Tenant shall notify Landlord within ten (10) days of receiving the termination of Tenancy notice, if any of the Tenants living in the Rental Unit from which the Tenants are to be displaced includes a Qualified Tenant, along with any reasonable proof of eligibility.

3. Permanent relocation assistance payments must be paid directly to the Tenant.

- a. If a Rental Unit is occupied by two (2) or more Tenants, then each Tenant of the Rental Unit shall be paid a pro-rate share of the relocation assistance payment.
 - b. Landlord shall pay one-half of the relocation assistance due no later than fifteen (15) days following service of the termination of Tenancy and the balance due no later than five (5) business days after the Tenant has vacated the Rental Unit. If a Tenant fails to vacate after the expiration of the notice to terminate the Tenancy, the actual amount of any relocation assistance provided pursuant to this Chapter shall be recoverable as damages in an action to recover possession.
- B. Temporary Relocation Assistance. A Landlord must provide temporary relocation assistance to Tenants of a Rental Unit who are temporarily displaced due to repairs, rehabilitation of a Rental Unit, health and safety violations, or other work or activities that will make the Rental Unit an untenable dwelling, as defined in California Civil Code Section 1941.1, or will expose the Tenant to toxic or hazardous materials, or that cannot otherwise be completed while the Tenant remains in the Rental Unit.
 1. Thirty (30) Days or Less. A Landlord must provide the Tenant a per-diem payment if the Tenant will be temporarily displaced for thirty (30) days or less.
 2. Thirty-One (31) Days or More. A Landlord must provide the Tenant either a per-diem payment or comparable temporary accommodations, if available.
 3. Per-Diem Payment.
 - a. Per-diem payment will be based on the Federal General Services Administration per-diem rate for lodging in the County of Los Angeles, which is updated on a yearly basis, unless otherwise agreed upon by the Landlord and Tenant, and may include any applicable transient occupancy taxes.

- b. Upon mutual agreement by the Landlord and Tenant, per-diem payments may be paid directly to the Tenant, or in the event of a hotel, motel or short-term rental accommodations, directly to the hotel, motel or short-term rental.
 4. Temporary Relocation Assistance payments will be made on a pro-rata basis to the eligible Tenant household.
 5. Temporary Hotel or Motel Accommodation. If relocation is to a hotel or motel, the Landlord must provide a hotel or motel accommodation which is safe, sanitary, and unless otherwise agreed upon by the Landlord and Tenant, within a reasonable distance of the Tenant's Rental Unit.
 6. The temporary displacement and relocation of a Tenant pursuant to this Section shall not terminate the Tenancy of the displaced Tenant. The displaced Tenant shall have the right to reoccupy his or her Rental Unit upon the completion of the work necessary for the Rental Unit to comply with housing, health, building or safety laws or any government order and the Tenant shall retain all rights of Tenancy that existed prior to the displacement.
 7. Nothing in this Section shall be construed as authorizing a Landlord to require a Tenant to vacate a unit, except as permitted under federal, state, or local law.
- C. No Waiver. A Tenant cannot waive his or her right to receive relocation assistance required by this Chapter.
- D. Any action brought by a Tenant for a violation of this Section must be brought in a court of competent jurisdiction. No administrative remedy need be exhausted prior to filing suit pursuant to this Section.

5.14.080. Tenant Buyout Agreements.

- A. Landlord's Disclosure Prior to Buyout Offer. At the time a proposed buyout agreement is provided, the Landlord shall provide each Tenant in the Rental Unit a written disclosure, on a form approved by the Department, in English and in the

Tenant's primary language if other than English translated at the Landlord's expense that shall include all of the following:

1. A statement that the Tenant has a right not to enter into buyout negotiations or a buyout agreement;
2. A statement that the Tenant may choose to consult with an attorney before entering into a buyout agreement;
3. A statement that the Tenant may rescind the buyout agreement for up to thirty (30) days after it is fully executed;
4. A statement that the Tenant may contact the Department for information about other buyout agreements in the Tenant's neighborhood and other relevant information;
5. Any other information required by the Department consistent with the purpose and provisions of this Section; and
6. A space for each Tenant to sign and write the date the Landlord provided the Tenant with the disclosure.

B. Requirement for Buyout Agreements. The buyout agreement shall:

1. Be in writing in English and the language in which the buyout agreement was negotiated if other than English translated at the Landlord's expense. The Landlord shall give each Tenant a copy of the proposed buyout agreement at least forty-five (45) days before the agreement is executed by the parties.
2. Include the following statement in bold letters in at least 12-point boldface type in close proximity to the space reserved for the signature of the Tenant:
 - a. "You may cancel this buyout agreement in writing at any time before the thirtieth (30th) day after all parties have signed this buyout agreement."
 - b. "You have a right not to enter into a buyout agreement."
 - c. "You may choose to consult with an attorney before signing this buyout agreement. The City of Cudahy Community Development

Department may also have information about other buyout agreements in your neighborhood."

- C. Rescission of Buyout Agreement. A Tenant shall have the right to rescind a buyout agreement for up to thirty (30) days after its execution by all parties. In order to rescind a buyout agreement, the Tenant must hand-deliver, email, or send by certified mail return receipt requested, a statement to the Landlord indicating that the Tenant has rescinded the buyout agreement.
- D. Filing of Buyout Agreement and Disclosure Notice. The Landlord shall provide the Tenant a copy of the fully executed buyout agreement within ten (10) days of execution. Landlord shall also file with the Department a copy of the executed buyout agreement, along with proof of service to the Tenant of the disclosure notice as required in this Section, within ten (10) days after the buyout agreement is executed by all parties.

5.14.090. Retaliatory Eviction and Anti-Harassment.

A. Retaliatory Eviction.

1. No Landlord may terminate a Tenancy or refuse to renew a Tenancy or otherwise cause a Tenant to vacate a Rental Unit, if the Landlord's intent in termination of the Tenancy or refusal to renew the Tenancy is retaliatory in nature, and if the Tenant is not in default as to the payment of Rent.
2. A Tenant may assert retaliation affirmatively or as a defense to the Landlord's action regardless of the period of time which has elapsed between the Tenant's assertion or exercise of rights under this Chapter and the alleged act of retaliation.
3. Retaliation against a Tenant because of the Tenant's exercise of rights under this Chapter is prohibited. Retaliation claims may only be brought in court and may not be addressed administratively. A court may consider the protections afforded by this Chapter in evaluating a claim of retaliation.

- B. **Anti-Harassment.** No Landlord, or any person, acting as a principal or agent, offering a Rental Unit for Rent, or any contractor, subcontractor or employee of

the Landlord shall, with respect to property used as a Rental Unit under any Rental Agreement or other lawful Tenancy, do any of the following:

1. Interrupt, terminate, or fail to provide Housing Services required by Rental Agreement or by federal, State, or local housing, health, or safety laws, or threaten to do so, or violate California Civil Code sections 789.3 and 1940.2.
2. Do any of the actions in bad faith:
 - a. Fail to perform repairs and maintenance required by Rental Agreement or by federal, State, or local laws;
 - b. Fail to exercise due diligence in completing repairs and maintenance once undertaken;
 - c. Fail to follow appropriate industry repair, containment, or remediation protocols designed to minimize exposure to noise, dust, lead, paint, mold, asbestos, or other building materials with potentially harmful health impacts;
 - d. Conduct elective renovation or construction of Rental Unit for the purpose of harassing a Tenant;
 - e. Refuse to acknowledge or accept receipt of a Tenant's lawful Rent payment as set forth in a Rental Agreement, by usual practice of the parties, or in a notice to pay Rent or quit;
 - f. Refuse to cash or process a rent check or other form of acceptable Rent payment for over thirty (30) days after it is tendered;
 - g. Fail to maintain a current address, in addition to any electronic payment methods, for delivery of Rent payments;
 - h. Request information that violates a Tenant's right to privacy, including, but not limited to, residency or citizenship status, protected class status, or social security number, except as required by law or in the case of a social security number, for the purpose of determining the Tenant's qualifications for a Tenancy;
 - i. Release information protected by the Tenant's right to privacy except as required or authorized by law; or

- j. Request or demand an unreasonable amount of information from Tenant in response to a request for reasonable accommodation.
- 3. Abuse the right of access into a Rental Unit as established by California Civil Code section 1954 or other applicable law. This includes, but is not limited to, entries for inspections that are not related to necessary repairs or services; entries that are unreasonable in frequency or duration; entries that improperly target certain Tenants or are used to collect evidence against the occupant or otherwise beyond the scope of an otherwise lawful entry.
- 4. Influence or attempt to influence a Tenant to vacate a Rental Unit through fraud, misrepresentation, intimidation or coercion, which shall include threatening to report a Tenant to the United States Department of Homeland Security.
- 5. Threaten the Tenant, by word or gesture, with physical harm, or repeatedly mistreat an occupant of a Rental Unit during in-person conversations, through social media postings or messages, or other communications, with language, verbal or written, that a reasonable person would consider likely to cause fear or provoke an immediate violent reaction.
- 6. Violate any law which prohibits discrimination based on race, gender, sexual preference, sexual orientation, ethnic background, nationality, religion, age, parenthood, marriage, pregnancy, disability, human immunodeficiency virus (HIV)/ acquired immune deficiency syndrome (AIDS), occupancy by a minor child, or source of income.
- 7. Take action to terminate any Tenancy including service of any notice to quit or other eviction notice or bring any action to recover possession of a Rental Unit based upon facts which the Landlord has no reasonable cause to believe to be true or upon a legal theory which is untenable under the facts known to the Landlord. No Landlord shall be liable under this Subsection for bringing an action to recover possession unless and until the Tenant has obtained a favorable termination of that action.

8. Remove from the Rental Unit personal property, furnishings, or any other items without the prior written consent of the Tenant, except when done pursuant to enforcement of a legal termination of Tenancy.
9. Provide false written or verbal information regarding any federal, State, or local Tenant protections, including mischaracterizing the nature or effect of a notice to quit or other eviction notice.
10. Offer payments to:
 - a. A Tenant to vacate, including a Buyout Agreement offer, more frequently than once every six (6) months, after the Tenant has notified the Landlord in writing that the Tenant does not desire to receive further offers of payments to vacate.
 - b. Attempt to coerce a Tenant to vacate accompanied with threats or intimidation. This shall not include settlement offers in pending eviction actions made in good faith and not accompanied with threats or intimidation.
11. Interfere with a Tenant's right to quiet use and enjoyment of a Rental Unit as that right is defined by law.
12. Commit repeated acts or omissions of such significance as to substantially interfere with or disturb the comfort, repose, peace, or quiet of any person lawfully entitled to occupancy of such Rental Unit and that cause, are likely to cause, or are intended to cause any person lawfully entitled to occupancy of a Rental Unit to vacate such Rental Unit or to surrender or waive any rights in relation to such occupancy.
13. Interfere with the right of Tenants to organize as Tenants and engage in concerted activities with other Tenants for the purpose of mutual aid and protection; provide property access to tenant organizers, advocates, or representatives working with or on behalf of Tenants living at a property; convene tenant or tenant organization meetings in an appropriate space accessible to Tenants under the terms of their Rental Agreement; or distribute and post literature in common areas, including lobby areas and

bulletin boards, informing other Tenants of their rights and of opportunities to involve themselves in organized tenant activities.

C. Remedies and Penalties. For the purposes of this Section

1. If any Landlord or any person, acting as a principal or agent, offering a Rental Unit for rent, or any contractor, subcontractor, or employee of the Landlord violates the terms of this Section, an aggrieved Tenant may institute a civil action, as allowed under Section 5.14.130, for injunctive relief, direct money damages, and any other relief that the court deems appropriate.
2. The above remedies are not exclusive and do not preclude any Tenant from seeking other remedies or penalties provided by this Chapter or applicable law. No administrative remedy need be exhausted prior to filing suit pursuant to this Section.

5.14.100. Notices to Tenants.

A. Mandatory Notices to Tenants. Landlords must provide to each Tenant, prior to, or at the time of agreeing to rent or lease a Rental Unit, a notice of Tenant rights under this Chapter. The Department shall publish a form notice of Tenant rights in English and other frequently spoken languages. Landlords must provide the form notice in the following circumstances.

1. When entering into a Rental Agreement, by including a copy of the form notice as an exhibit or attachment to the written Rental Agreement;
2. When renewing a Rental Agreement; and

B. If the Rental Agreement is negotiated or written in a language other than English, the Landlord must also provide the form notice of Tenant rights in English and the language in which the Rental Agreement was negotiated or written.

Article III. Administration and Enforcement

5.14.110. Enforcement.

A. Enforcement Authority. The Department is authorized to take appropriate steps it deems necessary to administer and enforce this Chapter.

- B. The Director of the Department, or designee, may develop and publish procedures and guidelines to aid in the implementation of this Chapter.
- C. The Department may collect data regarding residential evictions in the City, in an effort to help the City better understand rental housing and its impacts on renters and housing providers, and inform the need to develop and implement additional ordinances or policies regarding residential housing.

5.14.120. Administrative Citations.

- A. Administrative Citation. Any Landlord or Tenant who violates any provision of this Chapter, or Department's procedures and guidelines, is subject to an administrative fine as set in a schedule of fines adopted by resolution by the city council as provided in Chapter 1.40 of the Code.
- B. Remedies are Cumulative. Each day that a violation continues shall constitute a separate and distinct offense for which an administrative fine may be imposed. The remedies set forth in this Section are cumulative and in addition to any other penalty provided by law, including any remedies which may be sought in a civil action. The provisions of this Chapter shall not be construed as limiting any party's right to obtain relief to which he or she may be entitled at law or in equity.
- C. Notices of Violation and Administrative Fine. If the Department determines that a Landlord or Tenant has violated this Chapter, the Department may issue notices of violation and administrative fine in accordance with the authority and procedures set forth in Chapter 1.40 of the Code.
- D. Administrative Appeals and Judicial Review.
 - 1. Administrative Appeal. Any Landlord or Tenant who receives a notice of administrative fine may request an administrative hearing before a hearing officer in accordance with Chapter 1.40 of the Code.
 - 2. Judicial Review of Hearing Officer Decision. Any Landlord or Tenant may seek judicial review of a hearing officer's decision pertaining to the imposition of an administrative fine in accordance Chapter 1.40 of the Code.

5.14.130. Remedies.

- A. Civil Liability. Any Tenant, or any other person or entity acting on behalf of the Tenant who will fairly and adequately represent the Tenant's interest, including the City, is authorized to bring a civil action and/or proceeding in a court of competent jurisdiction for violation of this Chapter, 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 Chapter. The court may award reasonable attorneys' fees and costs to a Landlord who prevails in any such action if the court determines that the Tenant's action was frivolous.
- B. Civil Penalty. Any person violating any of the provisions, or failing to comply with any of the requirements of this Chapter, may be liable for a civil penalty not to exceed One Thousand Dollars (\$1,000) for each violation.
- C. Criminal Penalty. Any person violating any of the provisions or failing to comply with any of the requirements of this Chapter, shall be guilty of a misdemeanor and punished by a fine of not more than One Thousand Dollars (\$1,000), or by imprisonment in the county jail for a period of not more than six (6) months, or by both.
- D. Defense to Eviction. A Tenant may assert as an affirmative defense a Landlord's failure to comply with the provisions of this Chapter in any action by a Landlord to recover possession of a Rental Unit.
- E. Each violation of any provision of this Chapter, and each day during which any such violation is committed, permitted or continued, shall constitute a separate offense.
- F. The above remedies are not exclusive and do not preclude the City or any Tenant from seeking other remedies or penalties provided by applicable law.

5.14.140. Waiver. Any waiver of rights under this Chapter shall be void as contrary to public policy.

5.14.150. Severability. If any provision of this Chapter or the application thereof to any person, property, or circumstance, is held invalid, such invalidity shall not affect

other provisions or applications of this Chapter that can be given effect without the invalid provision(s) or application, and to this end, the provisions of this Chapter are declared to be severable.

APPENDIX B: CUDAHY PARCEL DATA SUMMARY

Category	UseDesc	Eligible Units	Housing Units	Number of Parcels
Commercial	Auto Body and Fender, 1 Story		1	3
	Auto Service Center, No Gasoline, 1 Story		-	1
	Car Wash, Self Service, 1 Story		-	1
	Commercial		-	1
	Commercial, Unassigned		-	1
	Fast Food, Walk Up, 1 Story		2	4
	Miscellaneous, 1 Story		2	1
	Motel, 1-49 Rooms, 1 Story		55	1
	Motel, 1-49 Rooms, 2 Stories		109	3
	Office Building, 1 Story		3	5
	Parking Lot, Patron/Employee, 1 Story		9	11
	Professional Building, Med/Dental, 1 Story		9	12
	Professional Building, Medical/Dental		2	2
	Restaurant, Lounge or Tavern, 1 Story		-	3
	Service or Repair Shop, 1 Story		-	1
	Service Station, 1 Story		-	3
	Shopping Center, Community, 1 Story		2	2
	Store and Office, 1 Story		1	2
	Store and Residence, 1 Story	8	13	6
	Store, 1 Story		15	14
Supermarket		-	1	
Supermarket, 12000+ SqFt, 1 Story		-	1	
Supermarket, Under 6000 SqFt, 1 Story		-	1	
Commercial Total		8	223	80
Govt. Owned	Government Services, General		-	3
	Government, Unassigned		11	21
	High School		118	7
	Public Park		16	5
	Rights of Way, General		-	1
	School Administration Center		36	4
Govt. Owned Total			181	41
Industrial	Food Processing Plant, Meat, 1 Story		1	1
	Heavy Manufacturing, 1 Story		2	4
	Light Manufacturing, 1 Story		15	60
	Miscellaneous, 1 Story		-	4
	Open Storage, 1 Story		-	1
	Parking Lot, Industrial Use, 1 Story		-	3
	Warehousing, 10000-24999 SqFt, 1 Story		-	1
	Warehousing, Over 50000 SqFt, 1 Story		1	2
	Warehousing, Under 10000 SqFt, 1 Story		11	15
Industrial Total			30	91

Category	UseDesc	Eligible Units	Housing Units	Number of Parcels
Institutional	Church Parking Lots, 1 Story		1	1
	Churches, 1 Story		9	6
	Home For Aged and Others, 1 Story		52	2
Institutional Total			62	9
Miscellaneous	Miscellaneous, Unassigned		-	2
	Utility/Commercial/Mutual SBE Assessed		2	12
Miscellaneous Total			2	14
Residential	1 Unit		395	395
	1 Unit, Condominium	1	231	209
	1 Unit, Other Improvements	8	9	5
	1 Unit, Planned Community		119	121
	1 Unit, Pool		9	9
	1 Unit, Therapy Pool		1	1
	2 Units, 1-4 Stories	377	387	194
	2 Units, 1-4 Stories, Pool	12	12	6
	3 Units, 1-4 Stories	384	398	134
	3 Units, 1-4 Stories, Pool	9	9	3
	4 Units, 1-4 Stories	436	450	113
	4 Units, 1-4 Stories, Pool	7	7	2
	5+ Units, 1-4 Stories	2,463	2,591	308
	5+ Units, 1-4 Stories, Pool	269	269	14
	Mobile Home Park	220	226	14
Mobile Home Park, Pool		2	1	
Residential Total		4,186	5,115	1,529
Vacant	Commercial, Unassigned, Vacant		4	10
	Government Owned, Vacant		-	1
	Industrial, Vacant		3	26
	Petroleum and Gas, Vacant		-	1
	Right of Way, Vacant		-	1
	Utility/Commercial/Mutual SBE Assessed		-	3
	Vacant Residential		9	39
Vacant Total			16	81
Grand Total		4,194	5,629	1,845

APPENDIX C: ANNUAL REPORT SERVICE METICS

APPENDIX D: SURVEY OF RENT STABILIZATION PROGRAMS

Jurisdiction	Approved By	Ordinance Effective Date	Population (2020 Census)	Rent Review Board/Committee	Rental Registration Required	Rental Registration Fee
Alameda City	City Council	Ordinance No. 3249 effective 9/4/19.	78,280	Rent Review Advisory Committee	Required	\$155/fully regulated units; \$105/partially regulated units; \$0/rental units occupied by subsidized tenants
Baldwin Park	City Council	12/4/19 effective 1/3/20.	72,176	None	Required	\$28/unit
Bell Gardens	City Council	9/12/2022	37,927	None	Required	\$156/unit
Berkeley	Voter	Rent Stabilization 6/3/80; Tenant Buyout 3/14/17. ADU Clarification, Emergency Exemption 11/3/20.	124,321	Rent Stabilization Board	Required	\$250/full regulated unit; \$150/partially regulated units; \$37/subsized unit; \$70/summer sorority/fraternity outside member rental unit
Culver City	City Council	Mediation: 5/11/19. Rent Control and Tenant Protections, 10/30/20.	40,799	None	Required	\$167/unit
East Palo Alto	City Council	Tenant Protections 5/6/14; Rent Stabilization 06/08/2010. Last amended 11/8/16.	30,034	Rent Stabilization Board	Required	\$222/non-exempt unit
Hayward	City Council	6/25/19 effective 7/25/19.	162,954	None	Not Required	Complaint Based Fees \$40/residential covered rental unit, \$19/residential rental unit
Inglewood	City Council	5/19/2011	107,762	Rental Housing Board	Required	\$206/unit \$92/unit Section 8

Jurisdiction	Approved By	Ordinance Effective Date	Population (2020 Census)	Rent Review Board/ Committee	Rental Registration Required	Rental Registration Fee
Los Angeles City	City Council	4/21/79. Last amended 5/20.	3,898,747	Rental Housing Oversight Commission	Required	\$38.75/unit
Oakland	City Council	10/7/80. Last amended 6/4/2019.	440,646	Residential Rent and Relocation Board	Required	\$101/unit
Richmond	Voter	Fair Rent adopted 11/08/16. Relocation adopted 12/20/16, effective 01/2017.	116,448	Rent Board	Required	\$218/unit fully covered, \$123/unit partially covered and government subsidized
San Francisco	Board of Supervisors	6/79. Last amended 12/19.	873,965	Rent Board	Required	\$59.00/apartment unit, \$29.50/residential hotel room
Santa Ana	City Council	10/19/2021	310,227	TBD	TBD	\$100/unit
Santa Monica	Voter	Charter: 4/10/79. Last amended 2010. Tenant Relocation: 2/27/90 last amended 3/28/17. Tenant Harassment: 10/10/95 last amended 01/13/15.	93,076	Rent Control Board	Required	\$198/unit
Unincorporated Los Angeles County	Board of Supervisors	Effective 04/1/20.	1,057,162	Rental Housing Oversight Commission	Required	Before 4/22 - Free, May - Sept 2022 - \$90/fully covered units
West Hollywood	City Council	6/27/85. Last amended 12/2019.	35,757	Rent Stabilization Commission	Required	\$144/unit full \$60/unit partial

APPENDIX E: RENT STABILIZATION POLICIES (2023)

Municipality	Restriction	Ordinance
Alameda	Landlords are limited to the base rent charged as of 9/1/19 plus the Annual General Adjustment (AGA). For tenancies beginning after 9/1/19, the base rent is the initial rent amount. The AGA is calculated using 70% of the regional Consumer Price Index (CPI), with a 1% floor and 5% ceiling. Each year in May the Program Administrator announces the AGA effective September 1st. A Landlord who does not increase rent by the full amount allowed annually can "bank" the unused portion and impose it in a later year. A new AGA of 3.5% went into effect on September 1, 2022. However, special Pandemic "wind-down" rules apply. See the Alameda Rent Program FAQ .	Alameda, California Code of Ordinances §§ 6-58.10 - 6-58.155
Antioch	Effective 7/23/22 landlords may increase rent once every 12 months, limited to 60 percent of the local CPI or 3%, whichever is less. Single-family homes without accessory units, condominiums and cooperatives are exempt as are units first certified for occupancy after 2/1/95.	Antioch Municipal Code Title 11, Chapter 1. §§ 11-1.01 - 11-1.013. Rent Stabilization.
Baldwin Park	Rent is effectively limited to 5% per 12-month period (based on the Consumer Price Index) of the "base rent ceiling" (rent in effect on 3/5/19, or if none the initial rent charged on the first day of tenancy).	Baldwin Park Code of Ordinances Chapter 11 §§ 129.01 - 129.78
Bell Gardens	Rent increases are limited to 50% of the local CPI or 4%, whichever is less.	Bell Gardens Municipal Code Chapter 5.62, "Rent Stabilization", and Chapter 5.63, "Tenant Eviction Protections".
Berkeley	Each January 1st rent ceilings are increased by the Annual General Adjustment (AGA). The AGA is set by October 31 of the preceding year, but has been 65% of the percentage increase of the regional Consumer Price Index (CPI) since 2005. Landlords or tenants may petition for exception.	Berkeley Municipal Code §§ 13.76.110 - 13.76.120
Beverly Hills	Landlord may increase rent once every 12 months, limited to 3% of the current rent, or the regional Consumer Price Index (CPI), whichever is higher.	Beverly Hills Municipal Code § 4-6- 3
City of Commerce	Rent increases are expressly subject to the provisions of AB 1482 California Tenant Protections Act (Cal. Civ. Code §§ 1946.2 and 1947.12).	City of Commerce Municipal Code §§ 19.40.010 - 19.40.090
Culver City	The rent as of 10/30/20 on then-existing tenancies, or the initial rent charged on tenancies beginning thereafter, is the "base rate" from which increases are calculated. Increases are limited per 12-month period to the average annual change in the Consumer Price Index (CPI) with a cap of 5%; if the CPA increase is less than 2%, the cap is 2%. Landlords can petition for an increase above the cap amount. (CCMC § 15.09.215).	Culver City Municipal Code §§ 15.09.200 - 15.09.270

Municipality	Restriction	Ordinance
East Palo Alto	Annual rent increases are limited to 80% of the percentage increase in the regional Consumer Price Index (CPI). Overall increase may not exceed 10% in any 12- month period.	East Palo Alto, California Code of Ordinances §§ 14.04.040, 14.04.090 - 100
Fairfax	Rent increases are limited to 60% of the percentage increase in the regional consumer price index (CPI) annually. Overall increase may not exceed 5% total. The cap is retroactive to 2/2/22.	Fairfax Town Code Title 5, Business. Chapter 5.55 "Rent Stabilization Program" §§ 5.55.010-5.55.120.
Gardena	Rent increases exceeding 5% are subject to mediation and binding arbitration.	Gardena Municipal Code §§ 14.04.010 - 14.04.300
Glendale	No limit on rent increases but increases exceeding 7% over any 12-month period may trigger relocation payments if tenants choose to vacate rather than renew.	Glendale Municipal Code §§ 9.30.10 - 9.30.100
Hayward	Rent increases are limited to 5% per year absent exception. Landlords may "bank" annual increases, but aggregate rent increases cannot exceed 10% in any year.	Hayward Municipal Code §§ 12:1.01 - 12:1.21
Inglewood	The base rent amount for calculations is the rent in effect on 6/18/19 or the initial rent for tenancies starting thereafter. Only one increase is allowed every 12 months, calculated from the day the increase first takes effect. For residential properties with five or more units, the maximum increase is 3% or the cost of inflation (whichever is greater), as measured by the local CPI. The increase cannot exceed 10%. For residential properties with four or less units, the maximum increase is 5% PLUS the cost of inflation as measured by the local CPI. The increase cannot exceed 10%.	Inglewood Municipal Code §§ 8-125 - 8-234
Los Angeles	Only one rent increase is allowed every 12 months based upon the regional Consumer Price Index (CPI). Effective July 1, 2020, the annual allowable increase is 3%.	Los Angeles Municipal Code §§ 151.00 - 155.09
Unincorporated Los Angeles County	Only one rent increase is allowed annually, based on the change in the regional Consumer Price Index (CPI) up to a total of 8% including pass-throughs and fees.	Los Angeles County Code §§ 8.52.010 - 8.52.200
Los Gatos	Rent may be increased only once annually and the increase cannot exceed the greater of 5% of existing rent, or 70% of the regional Consumer Price Index (CPI). The landlord can always increase rent with tenant's written consent.	Los Gatos Town Code §§ 14.80.010 - 14.80.315
Mountain View	Rents may be raised starting September 1st each year by Board-determined amount that is no less than 2%, nor more than 5%, of the existing rent. Landlords may "bank" annual rent increases.	Mountain View Code of Ordinances §§ 1700 - 1720

Municipality	Restriction	Ordinance
Oakland	<p>Rent may be increased once in any twelve-month period. Increases are limited based upon the local Consumer Price Index (CPI) or to prior "banked" increases but cannot exceed 60% of the percentage increase in the CPI for April of that calendar year from April of the immediately preceding calendar year, or 3%, whichever is lower. From 8/1/22 through 7/31/23 the limit is 3%.</p> <p>However, landlords may increase rent up to 5% for each qualifying additional tenant. Owners may also increase the rent when a tenant doesn't use the unit as a principal residence. Subtenants are also protected from overcharging by primary tenants.</p>	Oakland Municipal Code § 8.22.065 et seq.
Oxnard	Rent increases are limited to 4% annually, and one increase in any twelve (12) month period.	Oxnard City Code §§ 27-21 – 27-23
Palm Springs	Only one rent increase is allowed annually, limited to 75% of the increase in the regional Consumer Price Index (CPI). Rent control is permanently removed after the tenant voluntarily vacates or is evicted for cause. As a result, few properties remain subject to rent control.	Palm Springs Municipal Code §§ 4.02.010 - 4.08.190
Pasadena	Only one rent increase is allowed annually, limited to 75% of the increase in the regional Consumer Price Index (CPI).	Pasadena Municipal Code §§ 1801-1824
Richmond	Only one increase is allowed annually, limited to the lower of either 60% of the increase in the regional Consumer Price Index (CPI), or 3% of current rent, whichever is lower.	Richmond Code of Ordinances §§ 11.100.010 - 11.100.130
Sacramento	Rent increases cannot exceed 5% plus the percentage of annual increase in the cost-of-living adjustment promulgated by the U.S. Department of Labor, Bureau of Labor Statistics. The total increase is capped at 10% annually, and only one increase is allowed in any 12- month period.	Sacramento City Code §§ 5.156.010 - 5.156.150
San Francisco	Annual rent increases are limited to 60% of the regional Consumer Price Index (CPI).	San Francisco Administrative Code § 37.3
San Jose	The "Annual General Increase" is limited to the monthly rent for the previous 12 months, multiplied by 5% via one annual increase. The Landlord must petition for a higher increase.	San Jose Municipal Code §17.23.310
Santa Ana	Rent increase are expressly for buildings with certificate of occupancy on or before 1/1/95, annual rent increases are limited to the lower of 3% per year, or 80% of the percent change in the Consumer Price Index over the most recent 12-month period. The allowable increase is published no later than June 30 of each year.	Santa Ana Municipal Code §§ 8- 1998.1 – 8- 1998.3.
Santa Barbara	Rent increase are expressly subject to the provisions of AB 1482 California Tenant Protections Act (Cal. Civ. Code §§ 1946.2 and 1947.12).	Santa Barbara Municipal Code §§ 26.50.010 - 26.50.070

Municipality	Restriction	Ordinance
Santa Monica	<p>The Rent Control Board determines each year's increase ("General Adjustment" or GA). The Maximum Allowable Rent (MAR) for any unit is its base rent plus the increase allowed per the annual GA.</p> <p>In November 2022 voters approved Measure RC, which caps future general adjustments at 3% beginning February 2023, and reduces the MAR to .8% through August 2023 - effectively bringing the 2023 average rent increase to 3%. The city has a helpful webpage for determining allowable increases here.</p>	Santa Monica City Charter Amendment §§ 1800 - 1821
Thousand Oaks	Rent control is very limited—it only applies to tenants who have resided in the same unit since 1987.	Thousand Oaks Rent Stabilization Ordinances Nos. 755- NS, 956-NS, 1284-NS
West Hollywood	Rent increases are limited to 75% of the increase in the regional Consumer Price Index (CPI) during the preceding 12 months.	West Hollywood Municipal Code §§ 17.36.020 et seq.

<https://www.nolo.com/legal-encyclopedia/california-rent-control-law.html>

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Revenue & Cost Specialists, LLC



1519 E Chapman Ave, Ste C
Fullerton, CA 92831
Tel (714) 992-9020
www.revenuecost.com