CITY OF GLENDALE, CALIFORNIA
REPORT TO THE CITY COUNCIL

AGENDA ITEM

Report: Ordinance Amending Chapter 9.30 (Rental Rights Program)

1. Ordinance for Introduction Amending Chapter 9.30 of the Glendale Municipal Code, 1995 – Relating to the Rental Rights Program.
2. Motion Directing Staff re Administrative Citations.

COUNCIL ACTION

Item Type: Action Item

Approved for November 28, 2023 **calendar**

EXECUTIVE SUMMARY

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

On August 22, 2023, the Ad-Hoc Committee presented three comprehensive reports detailing the Rental Rights Program to the City Council, covering the program's status, marketing strategies, mediation options, and improvement recommendations. While the marketing strategies were well-received and approved, the proposed changes to the Rental Rights ordinance sparked discussions and requests for further clarification.

On September 27, 2023, the Ad-Hoc Committee was convened to address the feedback received from the City Council. Although two committee members were unable to attend, the meeting proceeded with the remaining four members present. The Ad-Hoc Committee engaged in a comprehensive discussion of the City Council's feedback and proceeded to clarify and vote on their recommendations.

The Ad-Hoc Committee's discussions led to the following significant decisions:

- Lease Requirements: A nuanced approach was proposed, requiring a one-year lease offer after the initial year, subject to tenant acceptance or rejection.

- Service Reductions: Guidelines were outlined for tenants to request rent decreases in the event of significant reductions in housing services.

- Banking Provisions: A motion passed to limit historical look-back periods for rent increases to three years.

- Just Cause Eviction Relocation: A revised formula for relocation payments, addressing outdated parameters, ultimately landing on three times the greater of the tenant's current monthly rent or Fair Market Rent (FMR) plus $2,000.

It is important to highlight that these decisions came about as a result of lengthy discussions, compromise on the part of the Committee Members representing both sides of the issues and a vote that approved a recommendation to the City Council for these specific amendments to the code.

The proposed changes to Chapter 9.30 aim to streamline the Rental Rights Program, enhancing communication, balancing power dynamics, and stabilizing the rental market. Attachments providing the complete ordinance and a user-friendly guide accompany this report.

Recent concerns over Just Cause eviction prompted tailored revisions addressing City Council's and tenants' concerns. These revisions introduce protections for qualified tenants, refine major rehab criteria, and adjust relocation assistance formulas.

A comparative analysis with other cities—such as South Pasadena, Burbank, and California Tenant Protection Act (AB 1482)—shows that Glendale's proposed measures often exceed or supplement existing regulations. For instance, Glendale introduces stronger protections for qualified tenants and offers more substantial relocation assistance compared to AB 1482.

Regarding an emergency eviction moratorium, staff recommends prioritizing immediate enactment of the drafted ordinance over implementing a moratorium, given the ordinance's comprehensive coverage of anticipated changes. Additionally, as it relates to substantial remodel, the proposed ordinance offers a retroactive date of October 1, 2023.

The Council holds options to approve the ordinance as is, with modifications, request a rewrite, or explore alternative actions.

RECOMMENDATION

- **Approve Proposed Revisions:** Acknowledging the extensive collaborative efforts and deliberations undertaken by the Ad-Hoc Committee, introducing the ordinance in its current form signifies an endorsement of the proposed changes.

- **Provide Feedback on Proposed Revisions:** City Council may opt to offer additional feedback on the proposed changes and request staff to refine the ordinance based on the discussions held.

ANALYSIS

On August 22, 2023, staff presented three in-depth reports that delved into the work plan assigned to the Ad-Hoc Committee. These reports covered the Rental Rights Program ordinance, marketing and outreach strategies for the program, and mediation options. They were the culmination of extensive research, analysis, and collaborative efforts by the Ad-Hoc Committee.

The Rental Rights Program report highlighted the current state of the program, including its strengths and areas in need of improvement. It provided a comprehensive review of existing regulations, tenant rights, and landlord responsibilities. Additionally, the report featured a range of recommendations aimed at enhancing the overall effectiveness and fairness of the program.

The marketing and outreach strategies report explored methods to better reach and inform our community about their rental rights and the resources available to them. It offered insights into approaches, such as digital campaigns, community events, and partnerships with local organizations, to maximize the program's impact.

The mediation options report detailed the various methods by which tenant-landlord disputes could be resolved amicably. It presented a comprehensive analysis of the benefits and drawbacks of different mediation approaches and proposed potential options for a mediation program in Glendale.

During the August 22nd meeting, City Council engaged in a thorough discussion of these reports while the marketing and outreach strategy was received positively and was approved. Regarding the proposed changes to the Rental Rights ordinance, the City Council acknowledged the merits of several recommendations put forth by the Ad-Hoc Committee. However, they sought further clarification on specific aspects of the ordinance. Furthermore, the City Council expressed a desire for the Ad-Hoc Committee to explore alternative dispute resolution methods beyond mediation.

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

Committee Discussion

Based on City Council comment, staff took back areas of the Rental Rights Program to the Ad-Hoc Committee for further clarification and asked the members to make specific recommendations to the City Council. The following were the areas addressed with the Ad-Hoc Committee and their subsequent decisions.

Requirement of offering a one-year written leases

The Ad-Hoc Committee was asked to clarify the changes they would like to see and after extensive discussion, the Committee recommends as follows:

> Landlord is required to offer the one-year lease based on State noticing requirements, after the initial year, if the tenant accepts, they continue to offer the one-year lease, if the tenant rejects the landlord no longer has to offer the one-year lease. After rejection, it is up to mutual agreement of the parties. Furthermore, any one year lease offer would need to be substantially similar to any month to month option provided to tenant as an alternative to a one year lease.

The committee voted 4-0 for City Council to consider this option.

To guarantee every tenant has an opportunity to opt for a one-year lease, the proposed ordinance now includes a safeguard mandating landlords to extend the one-year lease offer for a full year beyond the anniversary date of the last rent increase.

In relation to one year lease terms, the committee discussed requirements for any amendments to a lease to be made in writing. The committee ultimately agreed 4-0 to the following:

> When it's an oral arrangement, the written lease where the terms of the lease apply but the end date has passed and are on a month to month and landlord and tenant come to an oral arrangement, they must reduce it to writing. Changes can still be made with 30-day notice.

Staff incorporated this language into the ordinance, then examined it during the stakeholder meetings. Both landlord and tenant stakeholders expressed reservations about this amendment and stated that there was no discernible advantages for either party. Lawyers who frequent represent tenants stated that often times an established pattern of an activity, combined with the landlord's tacit acceptance arguably creates a right for the tenant that can be later brought up in court. This requirement would remove the ability for tenants to raise this issue in court. Concerns arose regarding potential legal complexities prompted the removal of this recommendation from the final redline.

Reduction in Services

The Ad-Hoc Committee also discussed options for compensation for reducing rents when a landlord reduces services. After a lengthy discussion, the Ad-Hoc Committee agreed that the ordinance should have a provision, but had no definitive suggestion on how this should be done. The Ad-Hoc Committee directed staff to provide options to the Council for consideration. Staff prepared the provisions below and discussed them with the various stakeholders, and further refined the language after receiving feedback:

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

Banking

There were concerns over the complexity of the calculation of the banking provision, when allowing the carrying forward of unused rent increases indefinitely. The lack of a specific limit on the historical "look-back" period poses challenges for both tenants and landlord. To address this, the committee proposed a motion reducing the look-back period to three years and ensuring the provision transfers from the prior owner to the new one for consistency. The motion passed 4-0.

Just Cause Eviction Relocation

Considering various options, and aiming to align with current market conditions, the Ad-Hoc Committee, after extensive discussion on relocation and reviewing relocation fees in different cities, voted 3-1 for the following formula to calculate eviction relocation:

> *3 times the greater of the tenant's current monthly rent or Fair Market Rent (FMR) plus $2,000*

This decision is a response to the outdated 2003 formula, which no longer reflects current rental trends and falls short in comparison to neighboring areas.

For reference, the HUD Fair Market Rents for Fiscal Year 2024 are:

Fair Market Rents By Unit Bedrooms					
Year	Studio	1 Bed	2 Bed	3 Bed	4 Bed
2024 FY	$1,777	$2,006	$2,544	$3,263	$3,600

Furthermore, the committee agreed that smaller properties ranging from 2 to 4 units should not be treated differently in the ordinance. This decision stemmed from an analysis of deliberation comments and public feedback.

The Ad-Hoc Committee's choice not to differentiate between various types of landlords in the proposed ordinance was motivated by a commitment to impartial treatment of tenants regardless of their property type. While acknowledging the differences in scale and resources between larger property management companies and smaller, individual landlords, the committee emphasized the importance of consistent standards and accountability for all.

Advocating for uniform regulations without special considerations for smaller properties aims to ensure that all landlords, regardless of property size, adhered to the same set of guidelines and obligations and does not disproportionately penalize tenants who reside there. This approach aims to minimize potential abuses or loopholes arising from differential treatment based on property ownership scale, prioritizing the upholding of tenant rights and maintaining housing standards across the entire spectrum of rental property ownership.

It's important to note that smaller properties, typically ranging from 2 to 4 units, can often be owned by corporate entities overseeing multiple properties. While these properties might fall within the bracket of smaller-scale units, they might be managed by corporate entities that own and operate various rental units.

While it's arguable that smaller landlords, particularly those overseeing only a couple of units, might lack the financial resources or infrastructure of larger property management companies, it is crucial to highlight that the proposed revisions don't significantly alter the impact on properties with 2 to 4 units. The sole addition is the requirement for a one-year lease, which shouldn't pose a substantial financial burden and, if the owners are genuinely operating on a small scale, should entail minimal administrative hassle. The adjustment in relocation assistance for increases over 7%, from 3 times the current rent to 3 times the proposed rent, represents a minor change. A notable alteration that could affect small property owners involves the inclusion of duplexes where the owner doesn’t reside in any of the units. Staff introduced this change to align with state regulations, concerned that failing to do so might lead to legal challenges due to the state's stricter restrictions compared to our ordinance.

During stakeholder meetings, staff inquired of landlord representatives about their definition of a “mom-and-pop” owner. Universally, the explanation by landlord groups of a mom-and-pop owner is anyone who owns fewer than 20 units. The rationale was that for a corporate owner, the investment in complexes of fewer than 20 units was not financially sound for them. This was considerably different from the city’s interpretation of mom and pop and further lent support for treating all residential offerings the same.

Relocation of increase over 7%

Currently, the relocation formula for increases over 7% follows a tiered system, allowing tenants to receive anywhere from 3 times the proposed rent up to 6 times the proposed rent based on income and the duration of their occupancy. After discussing various options, the Ad-Hoc Committee chose to simplify the formula to a uniform 3 times the proposed rent for all tenants, irrespective of income or years of occupancy and unit size. Additionally, the Ad-Hoc Committee would like for the City Council to review the relocation calculation periodically. The Ad-Hoc Committee voted 3-1 for this change.

Other Changes Previously Discussed

In addition to the aforementioned modifications, staff also incorporated several changes that reflect the broader discussions within the committee and City Council, as well as feedback from stakeholders. These changes include:

Under Section 9.30.010, the Legislative Purpose has been updated, broadening the protective scope. Amendments to Section 9.30.020 Definitions include:

- Base Rent Definition: The revision aims to differentiate between rent and recurring charges, particularly utility costs. It refines the current definition, which considers all charges as part of a rent increase. Read together with the addition of the reduction of services section, this provision allows for reduction in the rent in the event that a landlord chooses to remove existing utility payments from the overall rental value.
- Qualified Tenant Definition: This addition establishes a clear definition for a qualified tenant, delineating criteria such as disability, age, low income, or having a school-aged child enrolled. This distinction provides an additional layer of protection for the vulnerable tenant population.
- Rental Unit Definition: Expansion of the rental unit definition includes units constructed illegally, ensuring they fall under the ordinance's provisions.

Further revisions to the definition of Rental Units involve modifications to exemptions:

- Previously exempted duplexes will only maintain exemption if the owner occupies one of the two units as their primary residence.
- Section 8 tenants, previously excluded, are now included in the program, expanding coverage to this group.

Additionally, adjustments to the term 'nuisance' broadens its scope to include obstructing free passage, generating excessive noise, and displaying aggressive behavior toward neighboring tenants. Also, there are additional requirements for owner move-in evictions, mandating that landlords must place family members or resident managers within two months of a tenant vacating a unit due to an owner move-in eviction, the new tenant must remain in the unit for a minimum of one year. Finally, there is a proposal prohibiting landlords from evicting qualified tenants and restricting the use of this type of eviction to only once per family member.

Intentional Disrepair/Damage to Rental Unit/Complex

During the committee meeting, a key topic of discussion revolved around habitability concerns, specifically landlords letting their properties deteriorate and the living standards regarding illegally constructed units. To tackle these issues, staff introduced provisions aimed at addressing landlords who deliberately allow their properties to fall into disrepair or who refuse to address major concerns like mold, leaking, inadequate heating and other habitability concerns.

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

Rehab Eviction Related Changes

One of the major areas of concern in the recent week's has been major rehab evictions. Staff has heard from stakeholders, City Council and Ad-Hoc Committee members regarding their concerns. Some stakeholders have provided options that could strengthen the requirements of the major rehab provision in our ordinance.

The changes that staff has incorporated into the ordinance include the extension of the uninhabitable period from 30 to 60 days during renovations for 'major rehab' evictions. This proposal addresses concerns related to the eviction timeframe. It includes the requirement that the project cost be 8 times the current rent or Fair Market Rent, whichever is higher—a change from the existing ordinance, which specifies 8 times the current rent.

These comprehensive revisions aim to strengthen the Rental Rights Ordinance and address various concerns discussed within the Ad-Hoc Committee and City Council meetings, incorporating valuable feedback from stakeholders.

Administrative Citations

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

Alternatives to Mediation Program

In addition to changes to the Rental Rights Program, City Council sought direction on alternatives to a mediation program. The Ad-Hoc Committee deliberated on various ideas, settling on several potential avenues for consideration. The Ad-Hoc Committee discussed funding a local agency to provide legal representation for landlords or tenants dealing with unresolved cases requiring legal action. This initiative would establish criteria for qualifying cases, ensuring targeted assistance where legal intervention is necessary.

Another discussion point was the development of a hotline escalation system within a general housing hotline. This system aims to swiftly escalate renter queries to attorneys or legal experts for immediate consultations when cases require specialized legal guidance. Lastly, the committee discussed dedicated staff to aid tenants in better understanding the ordinance. Strengthening staffing in this area would enhance community education and serve as a foundational step towards improved comprehension and engagement with the Rental Rights Program.

In summary, the proposed changes to Chapter 9.30 aim to simplify the ordinance, creating a clearer "Rental Rights Program" that both landlords and tenants can navigate easily. This includes defining qualified tenants and introducing measures to maintain housing standards and address service reductions. These revisions strive to improve communication, balance power dynamics, and foster a more stable rental market.

The complete ordinance is included as Attachment 1, while Attachment 2 provides a user-friendly guide that highlights the key changes in redline version for easy reference.

Recent Concerns of Just Cause Eviction

In recent City Council meetings, the issue of Just Cause eviction has taken center stage, fueled by complaints from tenants experiencing renovictions. City Council members, recognizing the gravity of the concerns raised by residents, have actively explored potential solutions. Staff has followed these discussions, aiming to stay informed about the ongoing dialogue. This section of the report will detail the proposed changes to the Rental Rights ordinance, specifically tailored to address the issues highlighted by City Council concerns and tenant complaints. Additionally, staff conducted a comparative analysis with other cities to gain insights into their approaches to similar challenges. By examining these varied strategies, staff aims to ensure that Glendale's proposed modifications not only address local concerns but also align with broader trends in tenant protections. This comprehensive exploration seeks to strike a balance between the unique needs of Glendale residents and the evolving landscape of tenant rights across different municipalities.

Glendale Proposed Revisions Addressing Evictions

Based on Ad-Hoc Committee discussion and comment, and in response to concerns raised by both Council and tenants, the proposed revisions to the rental rights ordinance should add sufficient protections for areas of concern:

- **Definition of Qualified Tenant:** This proposed addition to the ordinance introduces the concept of a "qualified tenant" with associated protections, specifically the doubling of any relocation fee. A "qualified tenant" is defined as an individual with either a disability, aged 62 or older, low income, or having a school-aged child enrolled in school. Additionally, City Council reserves the flexibility to consider extended noticing periods or heightened criteria for the eviction of qualified tenants.

- **Major Rehab Clarification:** This proposed revision intricately refines the 'major rehab' section by providing a clear definition of 'substantial remodel,' both explicitly encompassing structural, electrical, plumbing, and mechanical system repairs or alterations and aligning with the State definition. Notably, the extension of the uninhabitable period from 30 to 60 days during renovations for 'major rehab' evictions addresses concerns related to the eviction timeframe. These additional requirements serve as a crucial layer of protection, ensuring that landlords cannot invoke 'major rehab' as a pretext for eviction based solely on cosmetic enhancements, thereby safeguarding tenants from unwarranted displacement for non-essential renovations.

- **Relocation Assistance Adjustments:** This proposed revision marks a significant adjustment to the existing relocation formula, transitioning from the previous calculation of 2 times Fair Market Rent (FMR) + $1000 to a more robust formula of 3 times the greater of FMR or current rent + $2000. This amendment ensures that relocation assistance is more closely aligned with current market conditions and the economic realities faced by tenants.

Moreover, the proposal introduces a proactive approach to oversight with the mandate for periodic City Council reviews of the relocation amount. This mechanism allows for adjustments to be made in response to evolving economic factors or changes in the local housing landscape, maintaining the relevance and effectiveness of the relocation assistance program.

Additionally, a provision is introduced to specifically amplify support for qualified tenants, stipulating that any relocation assistance for this group would be doubled.

- **Owner Move-In Requirements:** Introduces additional requirements for owner move-in evictions, mandating that landlords must place family members or resident managers within two months of a tenant vacating a unit due to an owner move-in eviction, the new tenant must remain in the unit for a minimum of one year. Also proposes prohibiting landlords from evicting qualified tenants and restricting the use of this type of eviction to only once per family member.

- **Inclusion of Section 8 Tenants:** Proposes the elimination of the exemption of Section 8 tenants from the program, fostering inclusivity and ensuring equal rights and protections for all tenants, regardless of housing assistance source.

Staff is of the opinion that the aforementioned changes comprehensively address many concerns raised in recent weeks. However, should City Council seek to enhance these measures further, potential avenues include adjusting the relocation fee, extending the notice period, or providing additional clarity on the definition of substantial rehab. This framework allows for additional customization and refinement, empowering City Council to tailor the ordinance to more precisely align with the unique needs and preferences of the Glendale community.

Other Jurisdictions

As previously highlighted, staff sought a comprehensive understanding of eviction policies by examining the approaches of other municipalities in comparison to Glendale. In this analysis, staff has considered the practices of South Pasadena, Burbank, and the broader state-level protections concerning evictions.

California Tenant Protection Act

AB 1482, also known as the California Tenant Protection Act, is a statewide rent control measure that went into effect on January 1, 2020. The law establishes rent control and just-cause eviction protections for certain residential properties not previously covered by such regulations. Under AB 1482, non-exempt rental properties are subject to rent control limitations, capping annual rent increases at 5% of the current rent plus the local rate of inflation or 10% of the current rent, whichever is lower. Additionally, the law provides protection against arbitrary evictions by requiring landlords to provide just-cause reasons for eviction.

Permissible just-cause reasons include nonpayment of rent, material breach of the lease, engagement in criminal activities on the premises, creating a significant nuisance, owner move-in, and substantial remodel.

Both AB 1482 (California Tenant Protection Act) and Glendale's Just Cause provisions share common elements in addressing arbitrary evictions and providing tenant protections. However, Glendale's Just Cause provisions, especially with the proposed changes, extend further in certain aspects.

Differences with Glendale's Proposed Changes:

Definition of Qualified Tenant: Glendale introduces the concept of a "qualified tenant," offering additional protections for disabled individuals, seniors, low-income tenants, and those with school-aged children. This goes beyond the protections provided by AB 1482.

Relocation Assistance: Glendale proposes adjustments to the relocation formula, providing more substantial relocation assistance. The proposed formula is 3 times the greater of Fair Market Rent (FMR) or current rent + $2000, with an additional provision to double the relocation assistance for “qualified tenants”. AB 1482 sets relocation at of 1 times the current rent.

Owner Move-In Protections: Glendale adds further requirements for owner move-ins, mandating that landlords must place family members or resident managers within two months of a tenant vacating a unit due to an owner move-in eviction. Additionally, Glendale restricts the use of this type of eviction to only once per family member, offering enhanced tenant protections.

While Glendale's Just Cause regulations offer stronger protections for tenant rights, one notable distinction has been the definition of "substantial remodel." AB 1482 has had a more specific definition that clarifies the types of remodels that qualify for eviction. However, Glendale's proposed changes aim to bridge this gap, bringing its definition of "substantial remodel" in line with the standards set by AB 1482. By harmonizing this element, Glendale ensures that its regulations not only match but, in fact, exceed the statewide standards for determining when a remodel is significant enough to warrant an eviction.

<u>Burbank</u>

On September 12, 2023, the Burbank City Council implemented the Burbank Tenant Protection Urgency Ordinance, immediately enhancing safeguards for no-fault just cause evictions linked to demolitions and substantial remodels. This ordinance mandates landlords to obtain relevant permits and offer three months of relocation assistance to tenants affected by such evictions due to substantial remodels. For other no-fault just cause evictions, the relocation payment aligns with the California Tenant Protection Act (AB 1482) at one month's current rent. The ordinance establishes detailed requirements for landlords, including securing permits, and providing tenants with comprehensive details about the scope and necessity of the work.

While the Burbank Tenant Protection Urgency Ordinance shares some similarities with Glendale's current rental rights ordinance, Glendale's existing and proposed protections either match or surpass those of Burbank in several key aspects.

Required Permits: Glendale has required landlords to provide permits and work plans since 2019, a measure that Burbank has recently implemented.

Substantial Remodel: The additional protections Glendale is introducing in the revised ordinance specifically defines substantial remodels to closely mirror Burbank's and AB 1482 requirements.

Relocation Fees: Burbank's new ordinance sets it at three times the tenant's current rent, Glendale's existing formula is two times Fair Market Rent (FMR) + $1000. However, Glendale's proposed relocation formula, which stands at 3 times the greater of the tenant's current monthly rent or Fair Market Rent (FMR) plus $2,000, surpasses Burbank's standard.

While Burbank generally aligns with the state's AB 1482 protections, Glendale's proposed measures provide greater protections, offering enhanced safeguards for tenants. When considering both existing and proposed changes, Glendale's Rental Rights Program stands as a more comprehensive and robust framework compared to Burbank's.

South Pasadena

On May 17, 2023, the City Council of South Pasadena implemented an Urgency Ordinance, initially establishing a 45-day moratorium on no-fault just-cause evictions. Subsequently, on June 28, 2023, the City Council extended this moratorium for an additional 6 months. This ordinance prohibits any eviction for "no-fault just cause" during this period. Such just-cause reasons include the owner's intent to occupy the property, removal of the property from the rental market, and the intent to demolish or substantially remodel the property. The primary objective of the moratorium was to afford City staff the time to research and engage with the community on issues related to substantial remodel evictions, facilitating proposed changes to the Just Cause for Eviction Ordinance.

At the City Council Meeting on November 1, 2023, South Pasadena staff introduced a proposed ordinance outlining amendments to South Pasadena's Just Cause provisions. The key proposed changes include the removal of "substantially remodel" as a "no-fault just cause" for terminating a tenancy. Additionally, a new section titled "Tenant Protections During Temporary Untenantable Conditions Resulting from Necessary and Substantial Repairs" is proposed, defining necessary and substantial repairs, disallowing their use as a no-fault cause for termination, outlining landlord responsibilities to address temporary untenantable conditions, and providing tenants with the option to voluntarily terminate tenancy under specified circumstances through a tenant buyout agreement. South Pasadena City Council unanimously passed these new protections. Furthermore, a new section on "Tenant Buyout Agreements" was introduced to establish provisions that allow landlords to propose buyout agreements.

South Pasadena and Glendale share similarities in their Just Cause eviction policies, particularly regarding reasons for eviction. However, a notable divergence exists in the treatment of major rehab-related evictions. South Pasadena strictly prohibits landlords from evicting tenants for major rehab, while Glendale permits this action under certain limitations. Glendale's ordinance demonstrates strength, particularly in areas like relocation fees, where it offers more robust provisions. Glendale's ordinance strikes a better balance between landlord and tenant interests, whereas South Pasadena's approach appears restrictive. This strictness could pose challenges for remodels, potentially impacting housing stock negatively. The proposed ordinance also includes a provision for allowing tenants those similar rights as in South Pasadena, when a Landlord has intentionally allowed a unit to fall into disrepair. The key difference between the two types of processes being, that in the instance of disrepair, the habitability of the unit is comprised and the tenant has made several efforts to with the landlord to repair, vs. for major rehab, the landlord initiates the action. Additionally, in South Pasadena, it does not appear that any measures are offered for the landlord to recoup any of the costs for the added improvements in the event of a major rehab, which is typically allowed in jurisdictions that allow a right to return to the unit.

Emergency Eviction Moratorium

In recent City Council meetings, the concept of implementing an emergency eviction moratorium surfaced for discussion. An eviction moratorium is a temporary prohibition or suspension on evictions within a specified jurisdiction, usually imposed during emergencies or times of crisis. It's a measure implemented by local governments to prevent landlords from evicting tenants for a defined period, offering protection to renters facing financial hardship or other challenges.

While staff understands the basis behind some municipalities need for an eviction moratorium, there's a belief that such a measure might not be imperative now in Glendale, given the existence of a fully drafted ordinance ready for implementation. Unlike South Pasadena's situation, where they initiated a moratorium first and then assessed the ordinance, Glendale's situation is different. The proposed changes are already embedded in the drafted versions of Glendale's ordinance. Hence, opting for a moratorium might not be the most natural next step. Instead, City Council could consider immediate enactment of the ordinance, bypassing the waiting period, as the drafted ordinance encompasses many of the changes anticipated, making the moratorium seemingly redundant at this stage.

Additionally, with regard to the “substantial remodel,” the proposed ordinance offers a retroactive effective date of October 1, 2023, which will require any efforts for eviction pursuant to Chapter 9.30.030G relating to major rehabs to meet the updated requirements imposed by this amendment. It will have not impact to any unlawful detainer cases already filed with the court, but will require issuances of new notices to vacate.

Other Ideas and Avenues

Expanding upon the discussions, several additional promising concepts emerged, broadening the spectrum of potential measures to bolster tenant protections. These additional areas for consideration may require additional staff for implementation. These include:

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

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

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

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

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

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

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

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

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

Next Steps

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

Passing as Is: The Council may choose to approve the redline version of the ordinance in its current form. This action would signify acceptance of the proposed changes without any alterations.

Passing with Changes: Alternatively, the Council might opt to approve the ordinance with specific modifications. This route allows for adjustments to the proposed redline version based on Council discussions, feedback, or identified areas requiring refinement.

Requesting a Rewrite: Should the Council deem significant revisions necessary, they may request a complete reworking of the ordinance. This option entails sending the proposed redline version back for comprehensive revisions or clarifications based on Council directives.

Exploring Other Options: Additionally, the Council retains the freedom to explore alternative courses of action. This could involve deferring the decision for further evaluation, seeking additional input from stakeholders, or initiating further discussion on specific sections before finalizing the ordinance.

STAKEHOLDERS/OUTREACH

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

Upon analyzing stakeholders' feedback, various points have surfaced regarding the proposed ordinance. An overarching observation made by landlord representatives points out surprise and concern regarding the ordinance's treatment of smaller property owners, particularly those categorized as "mom and pop" operations. Stakeholders argue that these smaller-scale operations lack resources akin to larger entities and recommend keeping exemptions the same with regards to 4 units or fewer. Additionally, there was a marked difference in the definition of a mom and pop owner offered by the landlord representatives to include complexes containing fewer than 20 rental units.

Staff also heard feedback regarding strengthening some areas of the rehab eviction clause, the comment heard described changing the rehab project cost be 8 times the current rent or Fair Market Rent, whichever is higher for the landlord to be able to evict a tenant—a change from the existing ordinance, which specifies 8 times the current rent.

Other recommendations include removal of the mandate for a one-year lease, seen as unnecessary within the proposed ordinance considering other factors in the ordinance such as strong eviction protections mitigate the need for lease requirements.

Stakeholders have also had concerns regarding the Banking provisions as it relates to Relocation assistance triggered after an increase of over 7%, deeming it overly convoluted and unnecessary.

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

Additional individual comments focused on specific recommendations, including a change to the Legislative Purpose, removal of the Qualified Tenant designation, the proposal to implement a 12-month notification period for any changes in tenancy terms, advocating for the broadening of the nuisance definition to include sex trafficking, and suggesting the incorporation of a retroactive clause.

FISCAL IMPACT

There is no fiscal impact associated with this report.

ENVIRONMENTAL REVIEW (CEQA/NEPA)

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

CAMPAIGN DISCLOSURE

This item is exempt from campaign disclosure requirements.

ALTERNATIVES TO STAFF RECOMMENDATION

Alternative 1: Introduce the ordinance amending Chapter 9.30 of the Glendale Municipal

Code, 1995 relating to the Rental Rights Program and Provide Direction regarding Administrative Citations.

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

ADMINISTRATIVE ACTION

Submitted by:
Bradley Calvert, Director of Community Development

Prepared by:
Peter Zovak, Assistant Director of Community Development
Lucy Varpetian, Principal Assistant City Attorney
Sipan Zadoryan, Housing Analyst

Approved by:
Roubik R. Golanian, P.E., City Manager

EXHIBITS/ATTACHMENTS

Attachment 1: Redline version of Chapter 9.30 (Rental Rights Program)

Attachment 2: Guide for Redline version of Chapter 9.30 (Rental Rights Program)

MOTION

Moved by Council Member ____________________________, seconded by Council Member ___________________________, that the Council direct staff to draft a resolution to amend the fee structure to include administrative citations for violations of Chapter 9.30.

Vote as follows:

Ayes:

Noes:

Absent:

Abstain:

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY OF GLENDALE, CALIFORNIA AMENDING SECTIONS 9.30.010, 9.30.020, 9.30.022, 9.30.025, 9.30.030, 9.30.033, AND 9.30.035, AND ADDING SECTIONS 9.30.040 AND 9.30.045, OF TITLE 9 OF THE GLENDALE MUNICIPAL CODE, 1995, RELATING TO THE RENTAL RIGHTS PROGRAM

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLENDALE:

SECTION 1. Section 9.30.010 of the Glendale Municipal Code, 1995 is hereby amended to read as follows:

9.30.010 LEGISLATIVE PURPOSE.

~~The council finds and declares that there is an increasing demand for rental housing in the city of Glendale which has resulted in a critically low vacancy factor. In addition, an increasing number of residential rental housing units have substandard living conditions and reduced services. Tenants who have complained about substandard living conditions and/or a reduction in services have been threatened with eviction, and oftentimes have been evicted. Other tenants are fearful of eviction and, as a result, fail to complain about substandard living conditions. This circumstance is disruptive to a stable living environment and has a detrimental effect on the substantial numbers of renters in the city, particularly senior citizens, those with low or moderate incomes and persons on fixed incomes.~~

~~The council further finds and declares that there is a growing shortage of, but increasing demand for, housing in the city of Glendale. Such shortage and increased demand, coupled with increasing inflation, have placed substantial pressure on those residents of Glendale seeking rental housing, especially those tenants who are Qualified Tenants as described herein. This council finds that tenants are entitled to a contractual relationship with a landlord that offers some assurance of stability under the terms of a written lease so as to minimize displacement of tenants into a rental housing market which affords them few and expensive options.~~

~~The council further finds and declares that requiring relocation benefits for rent increases over seven (7) percent in a twelve (12) month period will help mitigate the impact to tenants who have to vacate their rental unit when they are unable to afford high rent increases.~~

~~The council further finds and declares that in order to protect the health, safety and welfare of the citizens of Glendale and to ensure that all residents of the city have a safe, habitable, well-maintained and stable housing environment, without the fear of reprisal, the city council enacts this chapter, and encourages property owners to provide well-maintained living units and discourage retaliatory evictions. It is vitally important that landlords provide for the care, upkeep and maintenance of residential rental units so that they meet and continue to meet minimum housing standards, particularly for those members of the community on limited or fixed incomes who are least able to protect themselves from retaliation, are least able to find~~

~~replacement housing and who will accept substandard conditions due to the fear of termination of their tenancy. (Ord. 5922 § 1, 2019; Ord. 5326, 2002)~~

Council acknowledges the growing demand for rental housing in Glendale, a testament to the city's appeal and vibrant community. However, with this popularity comes challenges: a limited number of available rentals, some of which do not meet the desired living standards. In addition, rents in Glendale, and in many parts of Los Angeles County, continue to rise as market pressures, such as increasing real estate costs, lead to a decrease of the affordability and stability of the housing stock. As a result, it is increasingly difficult for tenants to find adequate, safe, and habitable housing at reasonable or affordable rents. As a city committed to progress, it is imperative to address these challenges to maintain our reputation as a thriving community.

Council aims to balance the rental experience by fostering positive landlord-tenant relationships. Every individual, particularly our most vulnerable population including senior citizens and those with low or fixed incomes, deserves a secure, comfortable home without any apprehension.

Recognizing the growing housing shortage and heightened demand coupled with inflation, Council emphasizes stability and aims to minimize disruptions for tenants amidst an increasingly competitive housing market. Offering relocation benefits for significant rent increases intends to support individuals who might struggle with sudden housing cost changes, ensuring continued stability.

It is imperative for landlords to prioritize the care and maintenance of residential units, meeting minimum housing standards. This is especially crucial for community members with limited resources, who are more vulnerable to housing challenges and fear retaliation, making them more likely to accept substandard conditions.

By enacting this chapter, Council is taking initiative to ensure that the City of Glendale remains a robust community focused on safeguarding the health, safety, and welfare of Glendale's residents while providing landlords an ability to receive a fair and reasonable return with respect to the operation of their property. Encouraging property owners to uphold high-quality living spaces while discouraging retaliatory actions against tenants remains paramount. Upholding minimum housing standards fosters a community where everyone, irrespective of resources, feels secure and valued in their homes.

This initiative reaffirms Councils commitment to ensuring a safe, habitable, and stable housing environment for all residents. Council aim is to cultivate a thriving community where every individual feels valued, secure, and empowered to lead fulfilling lives. This Chapter shall be called the Rental Rights Program.

SECTION 2. Section 9.30.020 of the Glendale Municipal Code, 1995 is hereby amended to read as follows:

9.30.020 DEFINITIONS.

Unless the context otherwise requires, the terms defined in this chapter shall have the following meanings and govern the construction of this chapter.

"Base rent" means the rental amount, including any amount paid to the landlord for parking, storage, utilities, water, garbage or any other fee or charge associated with a residential property required to be paid by the tenant to the landlord on September 18, 2018, plus any lawful rent increases that were authorized by Ordinance No. 5919, entitled "An Ordinance of the City Council of the City of Glendale, California, Establishing a Temporary Moratorium on Certain Residential Rent increases in the City of Glendale." A tenancy which began after September 18, 2018, base rent shall be the amount of the initial monthly rent charged for that rental unit, plus any rent increase authorized by Ordinance No. 5919. On or after October 1, 2023, base rent means, for any tenancy commencing after that date, the rental amount, including any amount paid to the landlord for reoccurring charges or other fees regardless of the frequency of payment for such items as parking and storage, excluding any usage charges, such as charges for the service or applicable part of the service that are calculated by multiplying the volume of units that the Tenant used or incurred in a period, such as charges for utilities.

"Eviction" means any action taken by the landlord to remove a tenant involuntarily from a rental unit and terminate the tenancy, whether pursuant to a notice to quit, or by judicial proceedings, or otherwise.

"Landlord" means any person, partnership, corporation, family trust or other business entity offering for rent or lease any residential property in this city. With respect to any tenancy, "landlord" shall also be deemed to mean any person, partnership, corporation, family trust, or other business entity that is a predecessor in interest or successor in interest to that tenancy, as applicable.

"Lease year" means the year during which the one (1) year lease is in effect.

"Non-relocation rent increase" means a rent increase of seven (7) percent or less than the rent that was in place at any time during the twelve (12) month period preceding the effective date of the rent increase.

"Qualified Tenant" means:

a. Any Tenant in the Rental Unit has continuously resided in the Rental Unit for at least 10 years, and a member of Tenant's household is either: (i) 62 years of age or older; or (ii) disabled as defined in Title 42 United States Code Section 423 or handicapped as defined in Section 50072 of the California Health and Safety Code; or

b. Any Tenant in the Rental Unit is a low-income tenant (low-income tenant 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).

c. The Rental Unit is the primary residence of a school-aged (grades Pre-K-12) child enrolled in a school located in the public school district to which the Rental Unit is assigned, and the Notice of Termination requires that the Rental Unit be vacated during the current school term.

"Rent" means a fixed periodic compensation paid by a tenant at fixed intervals to a landlord for the possession and use of residential property, including any amount paid to the landlord for parking, storage, ~~utilities, water, garbage~~, or any other fee or charge associated with the tenancy. "Rent" ~~includes~~ excludes costs associated with a ratio utility billing system which allocates the property's actual utility bill to the tenant based on an occupant factor, square footage factor or any other similar factors.

"Rental complex" means one (1) or more buildings used in whole or in part for residential purposes, located on a single lot, contiguous lots, or lots separated only by a street or alley.

"Rent increase" means any upward adjustment of the rent.

"Rental unit" means a dwelling unit available for rent in the city of Glendale together with the land and appurtenant buildings thereto and all housing services, privileges and facilities provided in connection with the use or occupancy thereof, which unit is located in the structure or complex containing a multiple dwelling, boarding house or lodging house. Rental unit shall include units that do not have the required Certificate of Occupancy, even when they do not meet the legal definition of a dwelling unit under the Glendale Municipal Code.

The term "rental unit" shall not include the following:

(1) Rooms or accommodations in hotels (as defined in Section 4.32.020);

(2) Boarding houses or lodging houses which are rented to transient guests for a period of less than thirty (30) consecutive days;

(3) Housing accommodations in a hospital, convent, monastery, church, religious facility, extended care facility, asylum, nonprofit home for the aged;

(4) Dormitories owned and operated by an institution of higher education, or a high school or elementary school;

(5) Rental units located on a parcel containing two (2) or fewer dwelling units, where the landlord occupied one of the units as the landlord's principal place of residence at the beginning of the tenancy, so long as the landlord continues in occupancy;

(6) Rental units within a common interest development, except when the rental unit's landlord owns fifty (50) percent or more of the units in the common interest development;

(7) Rental units owned or operated by any government agency ~~or whose rent is subsidized by any government agency, including, but not limited to, subsidies under the federal government's Housing Choice Voucher Program (Section 8)~~;

(8) Rental units that require intake, case management or counseling as part of the occupation, and an occupancy agreement; or rental units subject to a covenant or agreement, such as a density bonus housing agreement, inclusionary housing agreement or an affordable housing agreement, with a government agency, including the city, the housing authority, the state of California, or the federal government, restricting the rental rate that may be charged for that unit.

"Tenant" means a person entitled by a written or oral agreement to occupy a rental unit to the exclusion of others, and actually occupy said rental unit. (Ord. 5922 § 2, 2019; Ord. 5910 § 1, 2018; Ord. 5340 § 1, 2003; Ord. 5326, 2002)

SECTION 3. Section 9.30.022 of the Glendale Municipal Code, 1995 is hereby amended to read as follows:

9.30.022 ~~RENT INCREASES AS OF THE EFFECTIVE DATE OF THE ORDINANCE CODIFIED IN THIS CHAPTER~~ MAJOR REHAB RETROACTIVE DATE.

~~As of the effective date of the ordinance enacting this chapter, no landlord of a rental complex of five (5) or more units on a parcel may request, impose, charge or receive monthly rent for any rental unit from an existing tenant in an amount that exceeds the base rent, without providing the tenant of the rental unit a new rent increase notice and an offer of a one (1) year lease that meet the requirements of this chapter. Notwithstanding the foregoing, if the ordinance enacting this chapter becomes effective after March 1, 2019, this section shall not prohibit a landlord from imposing, charging or receiving monthly rent in its entirety that is due and owing on March 1, 2019, but it shall apply to subsequent monthly rents. As of the effective date of the ordinance enacting this chapter, no landlord of a rental complex of three (3) or more units on a parcel may request, impose, charge or receive monthly rent for any rental unit from an existing tenant in amount that exceeds the base rent, without providing the tenant of the rental unit a new rent increase notice and the notice of relocation eligibility pursuant to this chapter. (Ord. 5922 § 3, 2019)~~

Requirements relating to 9.30.030 G and all other provisions relating to substantial remodel, shall apply retroactively to October 1, 2023.

SECTION 4. Section 9.30.025 of the Glendale Municipal Code, 1995 is hereby amended to read as follows:

9.30.025 REQUIREMENT OF OFFERING ONE-YEAR WRITTEN LEASES.

A. Offer.

1. A landlord shall offer in writing a lease with a minimum term of one (1) year to:

    a. Any prospective tenant.

    b. Any current tenant at the first time the landlord serves a notice of rent increase following the effective date of the ordinance enacting this chapter, unless the landlord has notified the tenant that the tenant is in default under the month-to-month tenancy and offering a lease to the tenant may waive any claims the landlord has regarding the default.

2. Such offer must be made in writing and must include the monthly rate of rent to be charged for occupancy for the duration of the lease. Signing of a lease which has a minimum term of one (1) year shall be considered an offer in writing.

B. Acceptance. If the tenant or prospective tenant accepts the offer of a written lease which has a minimum term of one (1) year, this acceptance must be in writing. Signing a lease which has a minimum term of one (1) year will be considered an acceptance.

C. Rejection. If the tenant rejects the offer of a written lease or does not accept the landlord's offer within fourteen (14) days of service of the written offer, then the offer of the written lease shall be deemed rejected. If the tenant or prospective tenant rejects the offer for a written lease which has a minimum term of one (1) year, then the landlord and tenant or prospective tenant may enter into an agreement, oral or written, that provides for a rental term of less than one (1) year.

D. Relocation Eligibility. If a lease offer includes a rent increase that exceeds a non--relocation rent increase (subject to banking of deferred rent increases set forth in Section 9.30.033(B)), the tenant may elect to vacate the rental unit and exercise relocation assistance pursuant to Sections 9.30.033 and 9.30.035(B). The landlord's written lease offer must provide notice of tenant's potential eligibility for relocation benefits.

E. Rent. If the landlord and tenant enter into a written lease which has a minimum term of one (1) year, such lease must set forth the amount of the rent, which may not be modified during the lease year.

F. Renewal of Lease. Not later than ~~ninety (90)~~ sixty (60) days prior to the expiration of the lease and every lease year thereafter that a written lease is in effect pursuant to this section, the landlord shall notify those tenants identified in the lease of such expiration and offer in good faith in writing to the tenants a written lease or lease renewal with a minimum term of one (1) year, provided there is no just cause for eviction pursuant to Section 9.30.030 of this chapter. Such offer must be made in writing and must include the proposed monthly rate of rent for occupancy of the rental unit, which may not be modified during the lease year.

If the lease renewal offer includes a rent increase that exceeds a non-relocation rent increase (subject to banking of deferred rent increases set forth in Section 9.30.033(B)), the tenant may elect to vacate the rental unit at the end of the term of the existing lease year and exercise relocation assistance pursuant to Sections 9.30.033 and 9.30.035(B). The landlord's renewal offer must provide notice of tenant's potential eligibility for relocation benefits.

Within ~~sixty (60)~~ thirty (30) days of receipt of such written offer, the tenant shall either notify the landlord in writing of his or her acceptance of the offer of a written lease, as set forth herein or reject the offer.

Notwithstanding the notification provision of Section 9.30.033(B), the tenant in receipt of a written lease offer shall have up to ~~sixty (60)~~ thirty (30) days after receipt of the written renewal offer to notify the landlord of his or her intent to vacate the rental unit at the end of the lease year and exercise relocation rights pursuant to Sections 9.30.033 and 9.30.035(B). Failure to accept the offer in writing shall be deemed a rejection. If the tenant rejects the offer of a written lease which has a minimum term of one (1) year, the landlord and tenant may then enter into an agreement, oral or written, that provides for a rental term of less than one (1) year. Failure to offer such a renewal of the lease shall render future rent increases null and void, until a landlord presents a new offer of a written lease with a minimum term of one (1) year, provided that the rental rate(s) set forth in such lease offer shall not increase for a period of ninety (90) days after the effective date of the lease.

G. Future Offers. As of the effective date of the ordinance enacting this section, the requirement to offer a future written lease renewal shall be in effect for one full year after the anniversary of the rent increase date. After such time, ~~A~~any time a tenant rejects an offer of a written lease or written lease renewal with a minimum term of one (1) year, the landlord shall not be required to subsequently offer a one (1) year lease, unless and until the Tenant requests a lease offer, in which case, the parties may negotiate the terms of a new lease, which shall be substantially similar to the terms of month-to-month offer. ~~under the following circumstance: upon the first date the landlord notices a rent increase after the first year anniversary of the tenant's rejection of the prior lease or lease renewal offer~~.

H. Good Faith. This chapter requires the exercise of good faith, which shall mean honestly and without fraud, collusion or deceit. It shall further mean that the written lease is not being utilized as a method of circumventing any of the provisions of this chapter. An example of good faith is when the landlord offers in writing a lease which has a minimum term of one (1) year, that lease is substantially similar to the written rental agreement for a period of less than one (1) year.

I. Applicability. This section shall not apply to:

1. A rental unit occupied by a tenant who subleases that unit to another tenant for less than one (1) year; or

2. A rental unit where tenancy is an express condition of, or consideration for, employment under a written rental agreement or contract or a unit leased to a corporation; or

~~3. Rental units in a rental complex of four (4) units or less on a parcel.~~ (Ord. 5922 § 4, 2019)

SECTION 5. Section 9.30.030 of the Glendale Municipal Code, 1995 is hereby amended to read as follows:

<u>9.30.030 EVICTIONS.</u>

Notwithstanding California Civil Code Section 1946, a landlord may bring an action to recover possession of a rental unit as defined herein only upon one (1) of the following grounds:

A. The tenant has failed to pay the rent to which the landlord is entitled.

B. The tenant has violated a lawful obligation or covenant of the tenancy and has failed to cure such violation after having received written notice thereof from the landlord, other than a violation based on:

1. The obligation to surrender possession upon proper notice; or

2. The obligation to limit occupancy when the additional tenant who joins the occupants is a dependent child who joins the existing tenancy of a tenant of record or the sole additional adult tenant. The landlord has the right to approve or disapprove the prospective additional tenant, who is not a minor dependent child, provided that the approval is not unreasonably withheld.

C. The tenant is permitting to exist a nuisance in, or is causing damage to, the rental unit, or the appurtenances thereof, or to the common areas of the rental complex, or creating an unreasonable interference with the comfort, safety or enjoyment of any other residents of the rental complex within a one thousand (1,000) foot radius extended from the boundary line of the rental complex.

The term "nuisance" as used herein includes, but is not limited to, any gang-related crime, any documented activity commonly associated with illegal drug dealing, including complaints of noise, steady traffic day and night to a particular unit, barricaded units, sighting of weapons, drug loitering as defined in California Health and Safety Code Section 11532, or other drug related circumstances brought to the attention of the landlord by other tenants, persons within the community, law enforcement agencies or prosecutorial agencies. For purposes of this subdivision, gang-related crime is any crime in which the perpetrator is a known member of a gang, or any crime motivated by gang membership in which the victim or intended victim of the crime is a known member of a gang.

The term "nuisance" as used herein includes anything which is injurious to health, is an obstruction to the free use of property, so as to interfere with the comfortable enjoyment of life or property, unlawfully obstructs the free passage or use, in the customary manner of any common area or otherwise, or creates such a continuous and serious nuisance, in terms of noise or aggressive behavior or similar activity, that the neighboring tenants are seriously affected, although the extent of the annoyance or damage inflicted upon individuals may be unequal.

D. The tenant is using, or permitting a rental unit, the common areas of the rental unit or rental complex containing the rental unit, or an area within a one thousand (1,000) foot radius from the boundary line of the rental complex, to be used for any illegal purpose.

The term "illegal purpose" as used herein, includes, but is not limited to violations of the provisions of Divisions 10 through 10.7 of the California Health and Safety Code.

E. A person in possession of the rental unit at the end of a lease term is a subtenant not approved by the landlord.

F. The tenant has refused the landlord reasonable access to the unit for the purposes of making repairs or improvements, or for any reasonable purpose as permitted or required by the lease or by law, or for the purpose of showing the rental unit to any prospective purchaser or mortgagee.

G. The landlord seeks in good faith to recover possession so as to:

1. Demolish the rental unit; or

2. ~~Perform work on~~ Substantially remodel the building or buildings housing the rental unit or units; and:

a. Such work costs not less than the product of eight (8) times the greater of the amount of the monthly rent or the fair market rent as established by the U.S. Department of Housing and Urban Development for a rental unit of similar size in Los Angeles County ~~amount of the monthly rent~~

times the number of rental units upon which such work is performed. For purposes of this section, the monthly rent shall be the average of the preceding twelve (12) month period; and

b. The work necessitates the eviction of the tenant because such work will render the rentable unit uninhabitable for a period of not less than ~~thirty (30)~~ ninety (90) calendar days, except that if the landlord seeks to recover possession for the purposes of converting the rental unit into a condominium, cooperative or community apartment, the landlord must comply with the notice requirements of Government Code Section 66427.1.

c. For purposes of this section, "substantially remodel" means the replacement or substantial modification of any structural, electrical, plumbing, or mechanical system that requires a permit from a governmental agency, or the abatement of hazardous materials, including lead-based paint, mold, or asbestos, in accordance with applicable federal, state, and local laws, that cannot be reasonably accomplished in a safe manner with the tenant in place and that requires the tenant to vacate the residential real property for at least 90 days. Cosmetic improvements alone, including flooring, countertops replacement, painting, decorating, and minor repairs, or other work that can be performed safely without having the residential real property vacated, do not qualify as substantial rehabilitation.

H. The landlord seeks in good faith to recover possession of the rental unit for use and occupancy by:

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

2. The landlord or the landlord's spouse, grandparents, brother, sister, father-in-law, mother-in-law, son-in-law, daughter-in-law, children, or parents provided the landlord is a natural person. However, a landlord may use this ground to recover possession for use and occupancy by the landlord, landlord's spouse, child, parent, in-laws or grandparents only once for that person in each rental complex of the landlord.

3. Tenants that require an occupancy agreement and intake, case management or counseling as part of the tenancy.

4. Residency Requirements for Replacement Occupant. The landlord must in good faith intend that the landlord, eligible relative, or a resident manager

will occupy the rental unit within two months after the existing tenant vacates the rental unit, and that the landlord, eligible relative, or a resident manager will occupy the rental unit as a primary residence for a period of no less than one full year. Failure of the landlord, eligible relative, or a resident manager to occupy the rental unit within two months after the existing tenant vacates the unit, or failure of the landlord, eligible relative, or a resident manager to occupy the rental unit as a primary residence for a minimum period of one full year, may be evidence that the landlord acted in bad faith in recovering possession of a rental unit. It will not be evidence of bad faith if a landlord recovers possession of a rental unit for use and occupancy by a resident manager, and during the next year replaces the resident manager with a different resident manager. Except that, a landlord may not utilize this ground for evicting a qualified tenant, unless no other comparable unit is available.

5. Number of units applicable. A landlord may use this ground to recover possession for use and occupancy by the landlord, eligible relative, or a resident manager only once for that person in any rental complex of the landlord.

6. Enforcement. In addition to all other penalties authorized by law, the following penalties apply for violations of the provisions of this Section:

   (a) If a landlord acts in bad faith in recovering possession of a rental unit pursuant to this Section, the landlord shall be liable to any tenant who was displaced from the property for three times the amount of actual damages, exemplary damages, equitable relief, and attorneys' fees.

   (b) Nothing in this paragraph precludes a tenant from pursuing any other remedy available under the law.

I. The landlord seeks in good faith to recover possession in order to remove the rental unit permanently from rental housing use pursuant to state law.

J. The landlord seeks in good faith to recover possession of the rental unit in order to comply with a government agency's order to vacate, or any other order that necessitates the vacating of the building, housing or rental unit as a result of a violation of this code or the Glendale building and safety code, or any other provision of law.

K. The landlord seeks in good faith to recover possession of the rental unit in order to comply with a contractual agreement relating to the qualifications of tenancy with a governmental entity, where the tenant is no longer qualified.

L. The tenant has continued to smoke, as defined in Section 8.52.030 of this code, in any one (1) or more of the following places, after the landlord's verbal or written warning to stop smoking:

1. In a rental unit that the landlord had designated as a non-smoking unit; or

2. In a common area, as defined in Section 8.52.030 of this code, where smoking is prohibited under Section 8.52.080 of this code. (Ord. 5628 § 25, 2008; Ord. 5383, 2004; Ord. 5340 § 2, 2003; Ord. 5326, 2002)

SECTION 6. Section 9.30.033 of the Glendale Municipal Code, 1995 is hereby amended to read as follows:

<u>9.30.033 RENT BASED TERMINATION.</u>

A. Requirement. If a landlord issues a notice for a rent increase that will increase the rent by an amount that is greater than a non-relocation rent increase, then the tenant may elect to vacate the rental unit, and, in the case of such election, the landlord shall:

(1) pay the tenant relocation assistance in accordance with Section 9.30.035; and

(2) at the tenant's request, the landlord shall waive the statutory requirement of tenant's notice to terminate the tenancy. Except as set forth in Section 9.30.025(F), the tenant shall exercise election of his or her right to vacate the rental unit and receive relocation assistance pursuant to this section and Section 9.30.035 within fourteen (14) days of service of the rent increase notice. Nothing herein shall prohibit the landlord from rescinding a rent increase that exceeds a non-relocation rent increase prior to the tenant's election to vacate and receive relocation assistance, or prohibit the parties from subsequently agreeing on a rent increase amount at or below a non-relocation rent increase.

B. Banking. Notwithstanding subsection A, to the extent the landlord has not increased rent up to the amount of the non-relocation rent increase, measured as a percentage and measured at the time of the most recent rent increase, a landlord shall have the ability to apply any deferred non-relocation rent increase to future rent increases; provided, however:

(1) if the landlord increases the rent at any time in an amount that is greater than fifteen (15) percent than the rent that was in place at any time during the twelve (12) month period preceding the effective date of the noticed rent increase, then the tenant may elect to vacate the rental unit and receive relocation assistance and waived noticing rights pursuant to subsection A and Section 9.30.035;

(2) the landlord shall not be permitted to accumulate more than an amount equal to the preceding three (3) years of deferred non-relocation rent increases.

Banking of non-relocation rent increases as set forth in this subsection shall be calculated on a simple basis. For example, a deferred non-relocation rent increase from one (1) year of three (3) percent plus a deferred non-relocation rent increase from a subsequent year of three point five (3.5) percent is an allowable combined increase of six point five (6.5) percent, not six point six (6.6) percent. The maximum amount of banked or deferred non-relocation rent increases shall be twenty-one (21) percent. Calculation of banking authorized pursuant to this subsection shall commence upon the first rent increase implemented by a landlord after the effective date of the ordinance enacting this chapter, and determined by calculating the amount of any deferred non-relocation rent increase, if any, at that time. By way of example and not limitation, if, after the effective date of the ordinance enacting this chapter, the landlord is permitted to increase the rent by five (5) percent on April 1, 2019 to remain under the non-relocation rent increase amount, but only increases it by three (3) percent, the landlord may apply that deferred non-relocation rent increase to a future rent increase, provided that if a future rent increase raises the rent greater than fifteen (15) percent more than the rent that was in place at any time during the twelve (12) month period preceding the effective date of the future rent increase, the tenant may elect to vacate the rental unit and receive relocation assistance in accordance with subsection A and Section 9.30.035.

The provisions of this section shall be deemed to be covenants running with the land and shall be binding upon and shall inure to the benefit of landlord and tenant and their respective successors and assigns and all subsequent landlords and tenants respectively hereunder.

C. This section shall not apply, and a relocation fee shall not be required to be paid pursuant to Section 9.30.035, to any rental unit that received a certificate of occupancy after February 1, 1995. (Ord. 5922 § 7, 2019)

SECTION 6. Section 9.30.035 of the Glendale Municipal Code, 1995 is hereby amended to read as follows:

9.30.035 REQUIRED PAYMENT OF RELOCATION FEE.

A. If the termination of tenancy is based on the grounds set forth in subsection G, H, I or J of Section 9.30.030, then the landlord shall pay a relocation fee in the amount of the product of ~~two (2)~~ three (3) times the greater of the amount of the current rent or the fair market rent as established by the U.S. Department of Housing and Urban Development for a rental unit of similar size of that being vacated in Los Angeles County during the year the unit is vacated, plus ~~one~~ two thousand dollars ($~~1~~2,000.00), which amount shall be reviewed periodically not to exceed three years by the City Council and adjusted as necessary.

B. If the termination of tenancy is caused by the tenant's election to vacate the unit in accordance with Section 9.30.033 when the landlord has imposed a rent increase that exceeds a non-relocation rent increase, the landlord shall pay a relocation fee equal to ~~as follows:~~

~~1. For rental units located on a parcel containing three (3) or four (4) dwelling units, the product of three (3) times the amount of the actual rent;~~

~~2. For rental units located on a parcel containing five (5) or greater dwelling units:~~

~~a. If the tenant has occupied the unit for three (3) years or less,~~ the product of three (3) times the amount of the rent after the rent increase set forth in the rent increase notice by the landlord~~, or:~~ <u>which multiplier shall be reviewed periodically not to exceed three years by the City Council and adjusted as necessary.</u>

~~b. When the overall household income is equal to or less than the Area Median Income (AMI) for Los Angeles County as determined by the United States Department of Housing and Urban Development, plus thirty (30) percent of the AMI amount (i.e., one hundred thirty (130) percent of AMI or less), then:~~

~~i. If the tenant has occupied the unit for more than three (3) years but not more than four (4) years, the product of four (4) times the amount of the rent after the rent increase set forth in the rent increase notice by the landlord,~~

~~ii. If the tenant has occupied the unit for more than four (4) years but not more than five (5) years, the product of five (5) times the amount of the rent after the rent increase set forth in the rent increase notice by the landlord, or~~

~~iii. If the tenant has occupied the unit for more than five (5) years, the product of six (6) times the amount of the rent after the rent increase set forth in the rent increase notice by the landlord.~~

C. The relocation fee shall be paid to the tenant or tenants as follows:

1. The entire relocation fee shall be paid to a tenant who is the only tenant in a rental unit; or

2. If a rental unit is occupied by two (2) or more tenants, then each tenant of the unit shall be paid a pro-rata share of the relocation fee.

<u>3. In the event of a Qualified Tenant, all relocation values shall be doubled.</u>

D. Landlord may deduct from the relocation fee payable any and all past due rent owed by tenant during the twelve (12) months prior to termination of tenancy and may deduct from the relocation fee any amounts paid by the landlord for any extraordinary wear and tear or damage cause by the tenant, cleaning, or other purposes served by a security deposit as defined by the rental agreement, to the extent the security deposit is insufficient to provide the amounts due for such costs. After taking into account any adjustments in the amount of the relocation assistance provided herein, the landlord shall pay the relocation fee as follows:

1. If the relocation fee is being paid pursuant to subsection A of this section, then the landlord shall pay one-half (1/2) of the relocation assistance no later than five (5) ~~business~~ days following service of the notice to a tenant of the termination and one-half (1/2) of the relocation assistance no later than five (5) ~~business~~ days after the tenant has vacated the rental unit.

2. If the relocation assistance is being paid pursuant to subsection B of this section, then the landlord shall pay one-half (1/2) of the relocation fee no later than five (5) ~~business~~ days following receipt of written notice that the tenant intends to vacate the rental unit and one-half (1/2) of the relocation fee no later than five (5) business days after the tenant has vacated the rental unit. If the tenant ultimately fails to vacate the rental unit, the tenant shall reimburse relocation fee to the landlord, unless the parties agree otherwise.

E. Subsection A of this section shall not apply in any of the following circumstances:

1. The tenant received written notice, prior to entering into a written or oral tenancy agreement, that an application to subdivide the property for condominium, stock cooperative or community apartment purposes was on file with the city or had already been approved, whichever the case may be, and that the existing building would be demolished or relocated in connection with the proposed new subdivision, and the termination of tenancy is based on the grounds set forth in subsection G or I of Section 9.30.030.

2. The tenant received written notice, prior to entering into a written or oral agreement to become a tenant, that an application to convert the building to a condominium, stock cooperative or community apartment project was on file with the city or had already been approved, whichever the case may be, and the termination of tenancy is based on the grounds set forth in subsection G or I of Section 9.30.030.

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

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

5. The tenant receives, as part of the eviction, relocation assistance from another government agency, and such amount is equal to or greater than the amount provided for by Section 9.30.035.

F. Subsection B of this section shall not apply, and a relocation fee shall not be required to be paid, as to any rental unit that received a certificate of occupancy after February 1, 1995.

G. The requirement to pay relocation assistance is applicable to all rental units, regardless of whether the rental unit was created or established in violation of any provision of law.

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

I. Where applicable, written notice of tenant's entitlement to relocation assistance shall be provided by the landlord at the same time that the landlord provides notice of termination of tenancy from a rental unit. Where a landlord issues a notice of a proposed rent increase that will exceed the non-relocation rent increase, including as part of a written lease offer or written lease renewal offer required pursuant to Section 9.30.025, the landlord shall provide a written notice of tenant's potential entitlement to relocation assistance at the same time that the landlord provides notice of a rent increase and, if applicable, written lease offer or lease renewal offer.

J. Text of Notice. The notice of potential eligibility to relocation assistance shall state:

> "NOTICE: Under Title 9, Chapter 30 of the Glendale Municipal Code, a landlord must provide qualifying tenants this notice of the tenant's eligibility for relocation assistance at the same time the landlord provides a notice of termination of tenancy or when a landlord provides a notice of a rent increase that will increase the rent to an amount more than seven percent (7%) during a twelve (12) month period and the tenant elects to not remain in the residential unit. Under Section 9.30.033(B), landlords are permitted to bank deferred rent increases, so a rent increase may be more than seven percent (7%) during a twelve (12) month period, but not more than fifteen percent (15%) over a twelve (12) month period, depending on the amount of prior deferred rent increases, before triggering relocation benefits. Unless part of a written lease renewal offer, tenant shall have fourteen (14) days to elect to vacate the unit and exercise relocation benefits pursuant to Sections 9.30.033 and 9.30.035. Qualifying tenants are entitled to relocation assistance as follows:

~~1. For rental units located on a parcel containing three (3) or four (4) dwelling units, the product of three (3) times the amount of the actual rent;~~

~~2. For rental units located on a parcel containing five (5) or greater dwelling units:~~

~~a. If the tenant has occupied the unit for three (3) years or less,~~ the product of three (3) times the amount of the rent after the rent increase set forth in the rent increase notice by the landlord~~; or:~~. A qualified tenant as defined in Section 9.30.020 is entitled to double the relocation value.

~~b. When the overall household income is equal to or less than the Area Median Income (AMI) for Los Angeles County as determined by the United States Department of Housing and Urban Development, plus 30% of the AMI amount (i.e., 130% of AMI or less), then:~~

~~i. If the tenant has occupied the unit for more than three (3) years but not more than four (4) years, the product of four (4) times the amount of the rent after the rent increase set forth in the rent increase notice by the landlord;~~

~~ii. If the tenant has occupied the unit for more than four (4) years but not more than five (5) years, the product of five (5) times the amount of the rent after the rent increase set forth in the rent increase notice by the landlord; or~~

~~iii. If the tenant has occupied the unit for more than five (5) years, the product of six (6) times the amount of the rent after the rent increase set forth in the rent increase notice by the landlord."~~.

Under Civil Code Section 1942.5 and Glendale Municipal Code Section 9.30.060, it is illegal for a landlord to retaliate against a tenant for lawfully and peaceably exercising his or her legal rights. (Ord. 5922 § 8, 2019; Ord. 5383, 2004; Ord. 5340 § 4, 2003)

SECTION 7. Section 9.30.040 of the Glendale Municipal Code, 1995 is hereby added to read as follows:

9.30.040 INTENTIONAL DISREPAIR/DAMAGE TO RENTAL UNIT/COMPLEX

In addition to the protections provided in California Civil Code section 1941.1 relating to the implied warranty of habitability and the requirements imposed by California Civil Code section 1941.2 relating to tenants' affirmative obligations, any intentional allowance on the part of the landlord for a rental unit to fall into disrepair, a landlord will offer temporary relocation as follows:

1. If the activities will make the rental unit an untenantable dwelling, as defined in California Civil Code section 1941.1, or will expose the tenant at any time to toxic or hazardous materials including, but not limited to, lead-based paint and asbestos, the landlord shall provide tenant with the following temporary relocation benefits during the temporary displacement period:

(a) Relocation to a motel or hotel accommodation which is safe, sanitary, comparable to the tenant's sleeping arrangement, located in the City of Glendale, or if suitable accommodation is not available within the City of Glendale, then within two miles of the tenant's rental unit, and contains standard amenities such as a television;

(b) Reasonable compensation for meals, if the temporary accommodation lacks cooking facilities;

(c) Reasonable compensation for laundry, if tenant's rental unit included laundry facilities inside the rental unit and the temporary accommodation does not include laundry facilities inside the unit;

(d) Reasonable accommodation for pets that were permitted in tenant's rental unit under the terms of the rental agreement or by law if the temporary accommodation does not accept pets;

(e) Any costs related to relocating the tenant to temporary housing accommodations, regardless of whether those costs exceed rent paid by the tenant for tenant's rental unit; and

(f) Any costs related to returning tenant to his/her rental unit, if applicable.

2. Unless otherwise agreed upon by landlord and tenant, the landlord shall make payment directly to the motel or hotel as required under herein. The landlord shall pay for lodging in the motel or hotel, even if the cost of such lodging is more expensive than the tenant's existing rent calculated on a daily basis. All other compensation hereunder shall be payable directly to the tenant, unless otherwise agreed upon by the landlord and tenant.

3. The landlord shall have the option, in lieu of providing tenant relocation as required herein of providing the tenant with comparable housing at any time during the period of the displacement, subject to the following:

(a) Such housing shall be comparable to the tenant's rental unit in location, size, number of bedrooms, furnishings, appliances, accessibility, type and quality of construction, proximity to services and institutions upon which the displaced tenant depends, and amenities, including the allowance for pets should the tenant have pets permitted under the rental agreement or by law.

(b) If the landlord provides comparable housing at any time during the period of displacement, the tenant shall be entitled to remain at that same comparable housing unit throughout the period of displacement.

(c) The landlord shall pay all costs associated with the temporary housing, including rent, even if the temporary housing is more expensive than the tenant's existing rental unit.

(d) If the temporary housing is unfurnished, the landlord shall provide essential furnishings and household items or pay reasonable moving costs for the tenant to move essential furniture and household items to and from the rental unit and the temporary housing.

(e) The landlord and tenant may agree that the tenant will occupy a non-comparable replacement unit provided that the tenant is compensated for any reduction in accommodations, amenities, and services.

4. A landlord and tenant may mutually agree to allow the landlord to pay the tenant a per diem amount for each day of temporary relocation in lieu of providing temporary replacement housing. The agreement shall be in writing and signed by the landlord and tenant and shall contain the tenant's acknowledgment that he/she received notice of his/her relocation rights required herein and that the tenant understands his/her rights.

5. The temporary housing required herein shall be available to tenant within 24-hours of service or posting of any order or notice to vacate. In the event the tenant is not required to immediately vacate, temporary housing shall be available to tenant as of the date the tenant actually vacates.

6. The displacement and relocation of a tenant per 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 governmental order and the tenant shall retain all rights of tenancy that existed prior to the displacement.

7. The tenant shall remain responsible to pay rent to the landlord that is due for the tenant's existing rental unit during the period of displacement.

8. The landlord and the tenant may mutually agree upon a housing type or benefits other than the temporary housing or benefits required herein.

9. The landlord shall provide written notice, before the tenant is temporarily displaced advising the tenant of the right to reoccupy the rental unit under the existing terms of tenancy once the work which necessitated the displacement is completed and the projected completion date of such work. Unless the landlord provides the temporary replacement housing, the tenant shall provide the landlord with the address to be used for the notifications required to be provided by the landlord. When the date on which the rental unit will be available for reoccupancy is known, or as soon as possible thereafter, the landlord shall provide written notice to the tenant by personal delivery, or registered or certified mail. If it became necessary to temporarily relocate the tenant for over 30 days and the tenant has a separate tenancy agreement with a third party housing provider, the landlord shall give the tenant a minimum of 30 days written notice to reoccupy the rental unit. In all other cases, the landlord shall give the tenant a minimum of seven days written notice to reoccupy, unless the landlord gave the tenant written notice of the date of reoccupancy prior to the start of temporary relocation.

10. 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.

11. The remedies herein are cumulative and in addition to any other remedies available under federal, State, or local law.

12. Option to voluntarily terminate tenancy.

a. If the temporary untenantable conditions of a rental unit are projected to persist for 30 days or more, the tenant of that rental unit shall have the option to terminate the tenancy voluntarily pursuant to a tenant buyout agreement in accordance with the provisions of Section 9.30.035A, and the return of any security deposit that cannot be retained by the landlord under applicable law.

b. If the temporary untenantable conditions of a rental unit continue for 30 days longer than the projected completion date of the work, as set forth in the written notice to tenant, the tenant's option to terminate voluntarily the tenancy pursuant to a tenant buyout agreement in accordance with the provisions of this subchapter shall be renewed.

SECTION 8. Section 9.30.045 of the Glendale Municipal Code, 1995 is hereby added to read as follows:

9.30.045 RENT REDUCTION FOR SERVICE REDUCTION

A. Reduced Services Defined.

1. For the purposes of this ordinance, "reduced services" refer to a significant and extended decrease in housing services and amenities that were included in the original rental agreement and have been provided to the tenant as part of the rental unit.

2. Examples of reduced services may include, but are not limited to, the following:

a. Reduction of essential utilities (e.g., water, heat, electricity).

b. Decreased maintenance or repair services.

c. Closure or significant reduction of common area amenities (e.g., fitness facilities, laundry facilities, community spaces).

d. Loss or reduction of parking availability.

e. Reduction of security services.

f. Other services that were explicitly stated in the rental agreement.

B. Conditions for Rent Decrease.

1. If a tenant experiences a significant and extended reduction in services as defined in this Chapter, the tenant may be entitled to a rent decrease.

2. The tenant shall provide written notice to the landlord of the reduction in services. The landlord shall have a reasonable time to address the issue. If the issue is not resolved within a reasonable timeframe, the tenant may request a rent decrease.

C. Determining the Rent Decrease.

1. The amount of the rent decrease shall be determined based on the extent and duration of the reduced services. The decrease in rent shall be proportional to the reduction in services, and it shall be calculated according to best practices as dictated by the market, which may be calculated as a two to ten percent of the total monthly rent based on the type of amenity as compared to other units when considering the valuation of such amenities in establishing rent. The parties shall engage in good faith negotiations considering factors such as the significance of the amenity in relation to the overall property value, the market value of similar units without the amenity, and when available, any documented costs or savings resulting from the removal.

Adopted by the Council of the City of Glendale on the _______ day of ________, 2023.

____
Mayor

ATTEST:

____
City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS.
CITY OF GLENDALE)

I, Dr. Suzie Abajian, City Clerk of the City of Glendale, hereby certify that the foregoing Ordinance was adopted by the Council of the City of Glendale, California, at a regular meeting held on the _______ day of ________________, 2023, and that the same was adopted by the following vote:

Ayes:

Noes:

Absent:

Abstain:

____

City Clerk

Proposed Revisions to Chapter 9.30 (Rental Rights Program)

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

Chapter 9.30 - Title

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

Section 9.30.010 - Legislative Purpose

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

9.30.020 Definitions

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

9.30.022 Major Rehab Retroactive Date.

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

9.30.025 Requirement of Offering One-Year Written Leases.

- Renewal of Lease:

- *Proposed Revisions:* Currently, the ordinance mandates landlords to provide a 90-day notice to tenants on a one-year lease, offering a new one-year lease annually and anytime there is a rent increase. The proposed change aims to reduce the notice period to 60 days and eliminate the requirement for landlords to offer a new lease annually or during a rent increase. Under the proposed amendment, landlords are only obligated to make an initial offer, and in subsequent years, the offer may be subject to negotiation between the landlord and tenant.

- Applicability:
  - *Proposed Revisions:* Eliminates the exemption for properties with four or fewer units. This change would ensure that exemptions are uniform across all areas of the ordinance.

9.30.030 Evictions.

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

9.30.033 Rent Based Termination.

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

9.30.035 Required Payment of Relocation Fee.

- Just Cause Eviction Relocation

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

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

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

New Section: 9.30.045 Rent Reduction for Service Reduction

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

9.30.090 Applicability.

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