

## ANALYSIS

This ordinance amends Chapter 8.52 (Rent Stabilization and Tenant Protections) of Title 8 (Consumer Protection, Business and Wage Regulations) of the Los Angeles County Code by: (1) modifying and clarifying rental units that are fully covered, partially covered or fully exempt from this Chapter; (2) imposing a temporary cap, from January 1, 2023 through December 31, 2023, on the maximum allowable annual rent increase for fully covered rental units at three percent and luxury units at five percent; (3) modifying the term For Cause to an At-Fault termination; (4) requiring landlords to file an unlawful detainer action only if the tenant's rental debt exceeds one month of fair market rent dependent on their rental unit size; and (5) further clarifying the rights and responsibilities of landlords and tenants.

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BT:lr

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**ORDINANCE NO. \_\_\_\_\_**

This ordinance amends Chapter 8.52 (Rent Stabilization and Tenant Protections) of Title 8 (Consumer Protection, Business and Wage Regulations) of the Los Angeles County Code.

The Board of Supervisors of the County of Los Angeles ordains as follows:

**SECTION 1.** Section 8.52.030 is hereby amended to read as follows:

**8.52.030 Definitions.**

The following terms shall have the meaning provided below when used in this Chapter, whether plural or singular.

A. "Base Rent" means the Rent charged on September 11, 2018, when the County Board of Supervisors declared its intent to regulate rent for residential properties in the ~~un~~Unincorporated areas of the County, or at the initiation of the Tenancy, whichever is later, plus any rent increase allowed thereafter pursuant to the Interim Rent Stabilization Ordinance adopted by the ~~County~~ Board of Supervisors on November 20, 2018, and this Chapter unless otherwise provided.

B. "Board" means the County of Los Angeles Board of Supervisors.

C. "Buyout Agreement" means a written agreement where a Landlord pays a Tenant money or other consideration to voluntarily move out of a Rental Unit.

~~CD.~~ "Capital Improvement" means the addition, substantial repair or replacement of any improvements to ~~dwelling~~Rental ~~u~~Units or common areas of the building which materially adds to the value of the building and appreciably prolongs its useful life or adapts it to new uses, and which is the same type of improvement as those

allowed to be amortized over the useful life of the improvement in accordance with the Internal Revenue Code and its regulations and as specified in Section 8.52.070.

~~DE.~~ "Code" means the Los Angeles County Code.

~~EF.~~ "Commission" means the Rental Housing Oversight Commission created by the Board pursuant to County Code, Chapter 8.64 to oversee the implementation of this Chapter.

~~FG.~~ "County" means the County of Los Angeles.

~~G.~~ "~~Covered Rental Unit~~" means a Dwelling Unit that is rent-stabilized, located in the unincorporated County, and not designated as exempt under Section 8.52.050.

H. "CPI" means Consumer Price Index for all urban consumers of the Los Angeles-Riverside-Orange County, California area, or any successor designation of that index that may later be adopted by the U.S. Department of Labor. Calculation of the change in CPI percentage will be determined by the County Department and outlined in its procedures and guidelines.

I. "Days" means calendar days, which is all days including Saturdays, Sundays, and holidays, unless otherwise specified.

~~IJ.~~ "Department" means the County's Department of Consumer and Business Affairs.

~~J.~~ "~~Dwelling Unit~~" means a dwelling unit, as defined under California Civil Code section 1940 subsection (c), including joint living and work quarters, that is used or occupied in consideration of payment of rent, and applies to any dwelling space that

~~is actually used for residential purposes, whether or not the residential use is legally permitted, including live-work spaces, mobilehomes rented by the owner to a Tenant, and any accessory dwelling unit in the unincorporated areas of the County.~~

K. "Ellis Act" means California Government Code sections 7060-7060.7.

L. "Fully Covered Rental Unit" means (1) Rental Units in the Unincorporated areas of the County, which include two or more Rental Units offered for Rent and accessory dwelling units for which a certificate of occupancy or equivalent permit for residential occupancy is issued on or before February 1, 1995, and (2) Mobilehomes offered for Rent by the owner of the mobilehome regardless of the date of the certificate of occupancy or equivalent permit. The following are not considered a Fully Covered Rental Unit:

1. Rental Units that are expressly exempt from rent stabilization pursuant to California Civil Code section 1954.52 or federal law. This includes any Rental Unit that has a certificate of occupancy or equivalent permit for residential occupancy issued after February 1, 1995. For this purpose, a certificate of occupancy is the certificate issued before the property is used for any residential purposes.

2. An accessory dwelling unit for which a certificate of occupancy or equivalent permit for residential occupancy was issued after February 1, 1995, is exempt, unless it was occupied on or before February 1, 1995, and a Tenant provides evidence indicating as such, regardless of the legal or permit status of the Rental Unit.

M. "Fully Exempt" means those Rental Units that are not subject to this Chapter as set forth in Section 8.52.040.

LN. "Housing Services" means all services provided by the Landlord related to the use or occupancy of a Fully Covered Rental Unit, including, water, heat, utilities, painting, elevator service, refuse removal, janitorial service, maintenance, repairs, replacement, recreational areas (including pools), laundry facilities, furnishings, storage space and/or parking (including one or more automobiles), security services, insurance, and the payment of property taxes. The term "Housing Services" shall not include legal fees or mortgage payments, whether for principal, interest, or both, bonuses of any nature paid to employees, penalties, fees, damages, or interest assessed or awarded for violations of this Chapter or any other law, or any expenses for which the Landlord has been reimbursed by any security deposit, insurance, settlement, judgment for damages, or any other method.

MO. "Landlord" means an owner, lessor, sublessor, or any other person or entity entitled to offer any Dwelling Rental Unit for Rent or entitled to receive Rent for the use and occupancy of a Dwelling Rental Unit, and the agent, representative, or successor of any of the foregoing.

NP. "Landlord's Family Member" means a Landlord's parent, child, spouse or registered domestic partner, grandparent, grandchild, aunt or uncle at least sixty-two (62) years of age, or other dependent over which the Landlord has guardianship, the spouse or registered domestic partner's parent, child, grandparent, grandchild, aunt or uncle at least sixty-two (62) years of age, and other dependent over which the Landlord's spouse or domestic partner has guardianship.

EQ. "Luxury Unit" means a Fully Covered Rental Unit that meets all of the following criteria:

1. Has two (2) bedrooms or less;
2. Is located within a single structure that contains at least twenty-five (25) or more Dwelling Units; and
3. As of September 11, 2018, Landlord received at least four thousand dollars (\$4,000) per month in Rent.

R. "Partially Covered Rental Unit(s)" means any Rental Unit in the Unincorporated areas of the County that meets one or more of the following provisions:

1. Rental Units that are permitted with a certificate of occupancy after February 1, 1995, unless Fully Exempt. Permitted shall mean permits that are final and unit is fit for residential habitation.

2. Any Rental Unit that is separately transferable from the title to any other Rental Unit, including, single family residences, condominiums, and stock cooperatives as defined in California Business and Professions Code section 11003.2, but excluding mobilehomes offered for Rent by a mobilehome owner; or is a subdivided interest in a subdivision, as specified in California Business and Professions Code section 11004.5 subdivisions (b), (d), or (f).

PS. "Primary Renovation" means work performed either on a Dwelling Rental Unit or the Rental bBuilding containing the Dwelling Rental Unit(s) that improves the property by prolonging its useful life or adding value as specified in Section 8.52.070.

Q.T. "Rent" means the consideration paid for the use or occupancy of a ~~Dwelling~~Rental Unit or for Housing Services provided, or both, but does not include any of the following, each of which shall be separately listed and identified in the ~~lease or~~ Rental aAgreement:

1. Security deposits;
2. User fees for services or facilities which may be utilized at the option of the Tenant and are expressly not included as Rent in the Rental Agreement;
3. Utility charges for those ~~Dwelling~~Rental Units that are billed separately whether or not the ~~Dwelling~~Rental Units are individually metered;
4. Any ~~r~~Rent discounts, incentives, concessions, or credits offered by the Landlord; or
5. Any pass-through authorized pursuant to this Chapter.

R.U. "Rental Agreement" means ~~an lease or other oral or written agreement,~~ oral, written or implied, between ~~the~~a Landlord and Tenant ~~establishing the terms and conditions of the Tenancy for use and occupancy of a Rental Unit and for Housing Services.~~

V. "Rental Property" means all Rental Units on a parcel or lot or contiguous parcels or contiguous lots under common ownership.

W. "Rental Unit" means a dwelling unit, as defined under California Civil Code section 1940 subsection (c), including joint living and work quarters, and applies to any building, structure, or part thereof, or land appurtenant thereto, or any other Rental Property rented or offered for Rent for residential purposes, together with all Housing

Services connected with use or occupancy of such property such as common areas and recreational facilities held out for use by the Tenant, whether or not the residential use is legally permitted, including live-work spaces, mobilehomes rented by the owner to a Tenant, and any accessory dwelling unit located in the Unincorporated areas of the County.

§X. "Service Reduction" means any decrease or diminution in the level of Housing Services provided by the Landlord on or after September 11, 2018, including but not limited to, services the Landlord is required to provide pursuant to:

1. California Civil Code section 1941 et. seq.;
2. The Landlord's implied warranty of habitability, which cannot be contractually excluded or waived; and
3. A Rental Agreement between the Landlord and the Tenant; ~~and~~
4. ~~The level of service as implied by the condition of improvements, fixtures, and equipment, and their availability for use by the Landlord at the time of execution of the Rental Agreement with the Landlord.~~

¶Y. "State" means the State of California.

¶Z. "Tenancy" means the legal right or entitlement of a Tenant ~~or any other occupant who took possession of the~~ to use or occupy a Dwelling Rental Unit ~~for the use or occupancy of the Dwelling Unit~~, including the use of the Housing Services provided by the Landlord, subject to the terms of the Rental Agreement. This includes a lease or a sublease.

VAA. "Tenant" means a tenant, subtenant, lessee, sublessee, or any other person entitled under the terms of a Rental Agreement to the use or occupancy of any DwellingRental Unit.

BB. "Unincorporated areas" means areas in Los Angeles County outside the jurisdictional boundaries of incorporated cities.

**SECTION 2.** Section 8.52.040 is hereby amended to read as follows:

**8.52.040 General Applicability of ~~Chapter~~ and Exemptions.**

A. This Chapter shall be effective on April 1, 2020, and apply to all Landlords and Tenants in DwellingRental Units within the Unincorporated areas of the County, unless otherwise exempted by federal or State law or the provisions of this Chapter.

B. Exemptions. The following Rental Units are Fully Exempt from this Chapter:

1. Institutional Facilities. Housing accommodations in any hospital, convent, monastery, extended medical facility, asylum, non-profit home for the aged, or dormitory owned and operated by an accredited institution of higher education, fraternity, or sorority house, group home, licensed residential treatment or care facility, interim housing facility as defined in California Health and Safety Code section 1250, any housing accommodations owned, operated, or managed by a bona fide educational institution for occupancy by its students, or any other facility licensed by the State to provide medical care for residents.

2. Government Assisted or Owned Housing. Housing accommodations owned, managed or operated by or on behalf of the County or another public agency or authority, or which are specifically exempted under State or federal law or administrative regulation.

3. Occupancy of Hotels, Motels, or Other Facilities by Transient Guests. Housing units in hotels, motels, inns, tourist homes and boarding houses, and rooming houses, short-term rentals or other facilities, for which the County's Treasurer and Tax Collector has received or is entitled to receive payment of transient occupancy tax pursuant to County Code, Chapter 4.72 (Transient Occupancy Tax) and California Civil Code section 1940, subdivision (b), and for which tax is applicable to the entire term of the occupancy.

4. Owner-Occupied Shared Housing. A Rental Unit in a single-family residence, condominium, mobilehome or stock cooperative where the Landlord or Landlord's Family Member lives in the residence as their principal residence.

5. Rental Units – Vacant or for Nonrental Purposes. Rental Units which are vacant, not offered for Rent, or are not being used for rental purposes. This subsection will not apply once the Rental Unit is returned to the residential rental market. This subsection is not applicable to Rental Units which are withdrawn from the residential rental market pursuant to Section 8.52.090.E.

**SECTION 3.** Section 8.52.045 is hereby amended to read as follows:

**8.52.045 Base Rent.**

A. Except as hereinafter provided, a Landlord shall not demand, accept, or retain Rent for a Fully Covered Rental Unit exceeding the Rent in effect for said Fully Covered Rental Unit on September 11, 2018, when the County Board declared its intent to regulate Rent in the ~~unincorporated County, or at the initiation of the Tenancy,~~ ~~whichever is later,~~ plus any Rent increase allowed thereafter pursuant to the Interim Rent Stabilization Ordinance adopted by the County Board on November 20, 2018, and this Chapter unless otherwise provided.

B. If a Fully Covered Rental Unit is rented for the first time after September 11, 2018, the Landlord shall not demand, accept, or retain Rent for said Fully Covered Rental Unit exceeding the Rent first charged for the Fully Covered Rental Unit, plus any allowable increases as specified by Section 8.52.050.

**SECTION 4.** Section 8.52.050 is hereby amended to read as follows:

**8.52.050 Permitted Rent Increases for Fully Covered Rental Units.**

A. A Landlord may impose an annual Rent increase for any Fully Covered Rental Unit, as allowed in this Section, only after providing at least thirty (30) ~~d~~Days written notice to the Tenant of the Rent increase pursuant to California Civil Code section 827.

B. A Landlord may impose an annual Rent increase only upon registering the ~~Dwelling~~Fully Covered Rental Unit in the County's Rent Registry System, paying

required annual registration fees pursuant to Section 8.52.080, and being in compliance with federal, State, and local laws and requirements.

C. Annual Rent increases for Fully Covered Rental Units shall be limited to reflect the percentage change in the average CPI over the previous twelve (12) month period ending in September with a maximum of eight percent (8%), unless otherwise determined by the Department as set forth in Section 8.52.060 and as specified below:

...

6. Notwithstanding the above, effective January 1, 2023 through December 31, 2023, the maximum allowable annual Rent increase for Fully Covered Rental Units shall not exceed three percent (3%), unless otherwise determined by the Department pursuant to this Chapter.

D. Luxury Units.

1. Prior to December 31, 2023, a Landlord may increase Rent on a Luxury Unit annually by an additional two percent (2%) above the allowable annual Rent increase specified in this Section for a Fully Covered Rental Unit. Effective January 1, 2023 through December 31, 2023, the maximum allowable annual Rent increase for Luxury Units shall not exceed five percent (5%), unless otherwise determined by the Department pursuant to this Chapter.

2. An annual Rent increase for Luxury Units shall not exceed ten percent (10%), unless otherwise determined by the Department as set forth in Section 8.52.060.

E. Only one Rent increase for a Fully Covered Rental Unit may be imposed on a Tenant household in any twelve (12) month period, unless otherwise ~~permitted~~determined by the Department pursuant to this Chapter.

F. Notice and Calculation of Allowable Annual Rent Increase for a Fully Covered Rental Unit.

...

G. Rent Excess Paid for a Fully Covered Rental Unit.

...

H. Rent Paid Following Vacancy of Fully Covered Rental Unit. When a Tenant voluntarily moves out of a Fully Covered Rental Unit, or following an eviction for ~~an For Cause~~At-Fault Termination, as specified in Section 8.52.090(~~B,D~~), the Landlord may set the initial Rent for the next Tenant, without restriction, at the commencement of the new Tenancy. Rent increases following vacancy shall not incorporate any previously approved pass-through fees or costs.

I. Rent Banking. A Landlord who does not impose an annual Rent increase or a portion of the permitted annual Rent increase for a Fully Covered Rental Unit in any twelve (12) month period, as provided in this Section, waives that annual Rent increase or the remaining portion of that permitted annual Rent increase for the remainder of the Tenancy.

~~J. Exemptions. The following are exempt from this Section:~~

~~1. Dwelling Units that are expressly exempt under State or federal law. This includes any Dwelling Unit that has a certificate of occupancy or equivalent permit for~~

~~residential occupancy issued after February 1, 1995. For this purpose, a certificate of occupancy is the certificate issued before the property is used for any residential purposes.~~

~~2. Occupancy of Hotels, Motels, or Other Facilities by Transient Guests. Housing units in hotels, motels, inns, tourist homes and boarding houses, and rooming houses, or other facilities, for which the County's Treasurer and Tax Collector has received or is entitled to receive payment of transient occupancy tax pursuant to County Code, Chapter 4.72 (Transient Occupancy Tax) and California Civil Code section 1940 subdivision (b), and for which tax is applicable to the entire term of the Tenancy.~~

~~3. Institutional Facilities. Housing accommodations in any hospital, convent, monastery, extended medical facility, asylum, fraternity or sorority house, licensed residential treatment or care facility, interim housing facility as defined in California Health and Safety Code section 1250, any facility managed by a bona fide educational institution for occupancy by its students, or any other facility licensed by the State to provide medical care for residents.~~

~~4. Government Owned. Housing accommodations which the County or another public agency or authority owns or operates, or which are specifically exempted under State or federal law or administrative regulation.~~

~~5. Any Dwelling Unit that is alienable separate (i.e., separately transferable) from the title to any other Dwelling Unit, including, single family residences and condominiums, but excluding mobilehomes offered for rent by a Tenant; or is a~~

~~subdivided interest in a subdivision, as specified in California Business and Professions Code section 11004.5 subdivisions (b), (d), or (f).~~

~~6. Accessory Dwelling Units. An accessory dwelling unit for which a certificate of occupancy or equivalent permit for residential occupancy was issued after February 1, 1995, is exempt, unless it was occupied on or before February 1, 1995, and a Tenant provides evidence indicating as such, regardless of the legal or permit status of the Dwelling Unit.~~

~~7. Rooms Rented to Boarders. A Dwelling Unit in a single family residence, condominium, or stock cooperative where the Landlord owns the residence and shares kitchen or bath facilities with the Tenant and where the Landlord or Landlord's Family Member also occupies a Dwelling Unit in the residence as his or her principal residence.~~

~~K.J.~~ Tenant's Right of Refusal. A Tenant may refuse to pay a Rent increase for a Fully Covered Rental Unit which is in violation of this Chapter. Such refusal to pay the increased amount shall be a defense in any action brought to recover possession of a Fully Covered Rental Unit or to collect the Rent increase.

~~L.K.~~ Additional Occupants. An addition of occupants in the Fully Covered Rental Unit pursuant to this Section does not authorize a Rent increase or an increased security deposit.

**SECTION 5.** Section 8.52.055 is hereby amended to read as follows:

**8.52.055 Security Deposits.**

A. As used in this Section, security means any payment, fee, deposit, or charge that is imposed at the beginning of the Tenancy for a Fully Covered Rental Unit

to be used to reimburse the Landlord for costs associated with processing a new Tenant or that is imposed as an advance payment for Rent.

B. A Landlord may not demand or receive a security deposit, however denominated, in an amount or value in excess of the security deposit charged or received at the initiation of the Tenancy for a Fully Covered Rental Unit.

**SECTION 6.** Section 8.52.060 is hereby amended to read as follows:

**8.52.060 Applications for Rent Increase and Adjustment for Fully Covered Rental Units.**

A. Landlord's Application for Rent Increase. A Landlord who believes they are not receiving a fair and reasonable return from the allowable increases for a Fully Covered Rental Unit, as determined in Section 8.52.050, may file an Application for Rent Increase with the Department to request an increase in Rent for a Fully Covered Rental Unit(s) beyond that which is permitted under Section 8.52.050.

...

2. Nothing in this Section shall be interpreted to authorize a Rent increase for a Fully Covered Rental Unit in excess of the amount authorized pursuant to California Civil Code section 1947.12.

3. Approval of the Landlord's Application for Rent Increase may become effective only after all of the following:

a. A Landlord has provided written notice to the Tenant of the approved Rent increase for the Fully Covered Rental Unit in accordance with California Civil Code section 827;

b. A Landlord has registered each ~~Dwelling~~Fully Covered Rental Unit in the rental property, has not lapsed on registration of ~~Dwelling~~Fully Covered Rental Units in the previous years, and is current on payment of registration fees, pursuant to Section 8.52.080; and

c. ~~Any~~A Landlord has met any other conditions imposed for the Rent increase as determined by the Department's procedures and guidelines.

4. Review and Approval of Application for Rent Increase.

a. The Department shall consider the following factors, in accordance with its procedures and guidelines, as well as any other relevant factors, in reviewing the application and making its determination, and no one (1) factor shall be determinative.

...

(ii) The rental history of the affected Fully Covered Rental Unit(s) and the ~~r~~Rental pProperty since September 11, 2018:

(a) The Base Rent;

...

(c) The Landlord's income and expenses as they relate to the ~~r~~Rental pProperty.

...

(v) The addition of Capital Improvements on the ~~r~~Rental pProperty.

(vi) The physical condition of the affected Fully Covered Rental Unit and building, including the quantity and quality of maintenance and repairs performed during the preceding twelve (12) months, as well as the long-term patterns of operating, maintenance, and Capital Improvement expenditures.

...

(xi) A fair and reasonable return on the ~~building~~Rental Property prorated among the ~~Dwelling~~Fully Covered Rental Units in the ~~building~~Rental Property.

...

c. An Application for Rent Increase shall not be approved if any Rent increase for that year, plus any amount allowed for a fair and reasonable return on the Landlord's investment, will result in an increase of the Rent from the prior year of an affected Tenant for a Fully Covered Rental Unit by more than eight percent (8%), or of a Luxury Unit by more than ten percent (10%), unless otherwise determined by the Department pursuant to this Section.

5. Notices Upon Filing Application for Rent Increase.

a. Within five (5) ~~calendar~~ Days after submission of a Landlord's Application for Rent Increase with the Department, the Landlord, at their own expense, shall serve each affected Tenant with a notice of said application via personal service or certified mail return receipt requested. The Landlord, at their own expense, must make the supporting documents reasonably available to each affected Tenant within five (5) ~~calendar~~ Days of such request.

b. Within ten (10) ~~calendar~~ Days after submission of a Landlord's application with the Department, the Landlord shall file a proof of service with the Department, on a form approved by the Department, signed under penalty of perjury, stating that a copy of the notice of Application for Rent Increase was served upon each affected Tenant.

c. Fees and costs incurred by a Landlord to prepare, file, or pursue an Application for Rent Increase are not allowable as operating expenses and may not be passed on to Tenants. Such fees and costs include, but are not limited to, attorney fees and other similar professional services costs.

6. Examination and Inspection. A Landlord, at their expense must retain the Application for Rent Increase, any supporting documents, and the final decision, and make reasonably available for review and/or copy for six (6) months following the completion of the appeal process set forth in Section 8.52.150.

B. Tenant Application for Adjustment. A Tenant of a Fully Covered Rental Unit who believes they should receive an adjustment in their monthly obligation~~(s)~~ because of a Landlord's violation of this Chapter may file an Application for Adjustment with the Department. A Tenant must file such Application for Adjustment within one hundred eighty (180) Days from the date the Tenant knew, or reasonably should have known, of the Landlord's potential violation~~(s)~~ of this Chapter.

1. Unlawful Rent and/or Fees, Charges, or Pass-Throughs. If a Tenant believes that the Landlord's demand for Rent, fees, charges, or pass-throughs is in excess of that permitted for a Fully Covered Rental Unit, or in excess of the Rent

permitted by the Department, then the Tenant may file an Application for Adjustment with the Department for its determination.

...

2. Failure to Maintain Habitable Premises. A Tenant may file an Application for Adjustment with the Department to request a refund of, or decrease in, Rent proportional to the Landlord's failure to maintain the Fully Covered Rental Unit as a habitable premise in accordance with applicable State rental housing laws, State and local health and safety laws, or the Rental Agreement.

...

3. Decrease in Housing Services. A Service Reduction ~~in Housing Services~~, without a corresponding reduction in Rent, may be considered an increase in Rent. Before filing ~~an~~ the a Application for Adjustment with the Department, a Tenant shall provide the Landlord all of the following:

...

4. Review and Determination of Application for Adjustment. The Department shall consider the following factors, in accordance with its procedures and guidelines, as well as any other relevant factors, in making its determination, and no one (1) factor shall be determinative.

...

d. The date the Service Reduction was first noticed by the Tenant, ~~and when and how~~ oral or written notice, ~~orally or in writing~~, was provided to the Landlord of the alleged Service Reduction, ~~and~~ the Landlord's response to such notice,

and whether ~~it~~ the service was reinstated or restored by the Landlord, and if so, when and how.

...

~~5. Notice upon Filing Application for Adjustment. Within five (5) calendar days after submission of an Application for Adjustment with the Department, the Tenant shall serve the Landlord with a notice of said application via personal service or certified mail return receipt requested.~~

...

E. Consolidation. Applications for Rent Increase pertaining to Tenants in the same ~~building~~ Rental Property shall be consolidated for determination. Applications for Adjustment for Tenants who live in the same ~~Rental p~~ Property may be consolidated at the election of the Department.

F. Notwithstanding any other provision of this Section, if the Department has made a determination on an application for a Fully Covered Rental Unit pursuant to this Section within the previous six (6) months, then the Department may refuse to grant an application for such Fully Covered Rental Unit.

**SECTION 7.** Section 8.52.070 is hereby amended to read as follows:

**8.52.070** **Pass-Through Cost Recovery for Fully Covered Rental Units.**

A. Pursuant to this Section, a Landlord may file an application with the Department, on a form approved by the Department, to pass-through costs to ~~affected~~ Tenants in a Fully Covered Rental Units. Such application may include a request to

exceed any prescribed limitations described in Section 8.52.050 if necessary for the Landlord to pass-through costs.

B. A Landlord may not pass-through costs to a Tenants in a Fully Covered Rental Units until the Department approves the Landlord's application, the Landlord registers each ~~Dwelling~~ Fully Covered Rental Unit pursuant to Section 8.52.080 and is in compliance with federal, State, or local laws and requirements. The approved pass-through costs should appear as a separate line item on the Rent statement along with the end date of the amortization period and any remaining pass-through balance. An approved pass-through cost is not considered Rent.

...

2. In the event a Tenant paid pass-through costs in excess of that permitted by the Department or beyond the date of expiration of the pass-through, the Landlord shall reimburse the Tenant for the pass-through overpayment.

...

b. Reimbursement for Overpayment Exceeds Monthly Obligation(s) Due. Where the reimbursement due to the Tenant exceeds the total monthly obligation(s) due for the remainder of the Tenancy, the reimbursement exceeding the monthly obligation(s) shall be immediately paid to the Tenant as a lump sum payment.

C. Pursuant to this Section, no pass-through cost recovery shall be approved if the amount allowed to be a pass-through cost, plus any Rent increase for that year, would result in an increase of the Rent from the prior year of a Fully Covered Rental

Unit by more than eight percent (8%), or of a Luxury Unit by more than ten percent (10%) over the prior year's Rent, unless otherwise approved~~determined~~ by the Department pursuant to Section 8.52.060.

D. Notices to Tenants. A Landlord shall provide written notice of an approved pass-through cost to Tenants ~~in accordance with California Civil Code section 827~~ at least thirty (30) Days prior to collecting any pass-through cost.

E. Notices upon Filing Application for Pass-Through Cost Recovery.

1. Within five (5) ~~calendar~~ Days after submission of a Landlord's application with the Department, the Landlord shall serve each affected Tenant with a notice of said application via personal service or certified mail return receipt requested.

2. ~~\_\_\_\_\_~~ a. Notice must include copies of the Landlord's application, together with the projected monthly cost to be passed through to each Tenant.

3. ~~\_\_\_\_\_~~ b. Notice must state that all documentation supporting the application can be reviewed at the Landlord's office during regular business hours.

4. ~~2.~~ \_\_\_\_\_ Within ten (10) ~~calendar~~ Days after submission of a Landlord's application, the Landlord shall file with the Department a proof of service, on a form approved by the Department, signed under penalty of perjury, stating that a copy of the notice of application was served upon the affected Tenant.

5. ~~3.~~ \_\_\_\_\_ Proof of mailing or personal delivery of the notice to the Tenants shall be required before the application will be reviewed by the Department.

F. Safe, Clean Water Act Parcel Tax Pass-Through. A Small Landlord may pass-through the Safe, Clean Water Act parcel tax to Tenants. For purposes of this subsection F only:

1. "Small Landlord" means an owner that owns, or has common ownership or common control of, fifty (50) or fewer ~~Dwelling~~ Fully Covered Rental Units in the County.

2. "Owner" means the owner of record or the holder of an equitable or legal interest in the Rental pProperty, which shall mean any natural person, or living trust or legal entity created by said natural person, with at least a ten percent (10%) interest in the Rental pProperty.

3. "Common ownership" means two or more ~~residential rental units~~ Fully Covered Rental Units that share an eOwner, are owned or controlled by an eOwner's spouse or registered domestic partner, or are under the direct or indirect control of one person or legal entity through ownership, management, contract, or otherwise.

4. "Common control" means two or more eOwner's that directly or indirectly: (1) share a managing member or members in the case of a limited liability company; (2) share a managing general partner or partners in the case of a partnership; or (3) are under the management or control of boards of directors or officers that overlap by fifty percent (50%) or more in the case of a corporation.

G. Capital Improvements Pass-Through. A Landlord may recover up to fifty percent (50%) of a Capital Improvement cost from existing Tenants in Fully Covered

Rental Units if the Capital Improvement is in accordance with the Department's procedures and guidelines and with this Chapter.

1. Capital Improvements must be for the primary benefit, use and enjoyment of Tenants, cost-factored, and amortized over a useful life of at least five (5) years, and permanently fixed in place or relatively immobile and appropriate to the use of the ~~rental~~ Property.

2. Capital Improvements do not include the following:

...

e. Additions or replacements made to bring the Fully Covered Rental Unit into compliance with a provision of State or local law where the Fully Covered Rental Unit has not been in compliance with said provision from the time of its original construction or addition and such provision was in effect at the time of such construction or addition.

...

3. Application for Recovery of Pass-Through Capital Improvement Costs.

a. A Landlord must submit an Application for Recovery of Capital Improvement Costs, on a form approved by the Department, within one hundred twenty (120) ~~days~~ Days of completion of the Capital Improvement.

...

H. Primary Renovation Pass-Through. A Landlord may recover up to fifty percent (50%) of a Primary Renovation cost from existing Tenants in Fully Covered Rental Units.

1. A Primary Renovation involves either or both of the following:

a. Replacement or substantial modification of any structural, electrical, plumbing, or mechanical system that requires a permit pursuant to State or local laws.

...

2. Timeline to Request A Primary Renovation Pass-Through Cost.

a. Prior to starting any Primary Renovation work, and for review and approval by the Department, a Landlord must provide the Department, on a form approved by the Department, all of the following:

(i) A summary of any impact the Primary Renovation work will have on the Tenant's Fully Covered Rental Unit; and

...

I. Examination and Inspection.

...

2. Department shall be permitted by a Landlord, during reasonable business hours, to visit the residential property and/or the affected Fully Covered Rental Unit and confirm the Capital Improvement and/or Primary Renovation was completed and that the Capital Improvement and/or Primary Renovation cost amount is justified.

...

J. Standards for Approving Pass-Through Cost.

1. The Department may approve an application for recovery of a pass-through cost if the Department determines the ~~Capital Improvement and/or Primary Renovation~~ cost(s) are reasonable based on the prevailing costs of such improvements, considering the following and any other factors set forth in its procedures and guidelines:

a. The unique features of the ~~r~~Rental ~~p~~Property and/or Fully Covered Rental Unit affecting the cost;

b. That the costs incurred were necessary and appropriate to complete the ~~Capital Improvement and/or Primary Renovation~~;

c. Whether the work was necessary to bring the ~~r~~Rental ~~p~~Property into compliance or maintain compliance with County Code requirements affecting health and safety; and

...

**SECTION 8.** Section 8.52.080 is hereby amended to read as follows:

**8.52.080 Annual Registration.**

A. Registration of ~~Dwelling~~Rental Unit. On or before September 30th of each year, a Landlord must register each ~~Dwelling~~Rental Unit, unless Fully Exempt, that is rented or is available for Rent in the County's Rent Registry System or ~~in~~ on a form approved by the Department. A Landlord must contact the Department or update the County's Rent Registry System within thirty (30) ~~calendar~~ dDays of any subsequent

changes to the DwellingRental Unit or the discovery of any errors in the County's Rent Registry System.

B. Registration of Housing Services. When registering each DwellingRental Unit, the Department may also require a Landlord to register all Housing Services available to the Tenant.

C. Registration must include, but is not limited to, the following information:

1. Rent for each DwellingRental Unit in the rRental pProperty and, if applicable, the date of the last Rent increase for the Fully Covered Rental Unit.

2. The name, address, and telephone number of each Landlord for the rRental pProperty and the nature of such ownership interest.

3. The number of DwellingRental Units in the rRental pProperty.

...

D. Registration Fee. A Landlord must pay an annual registration fee for each DwellingRental Unit on the rRental pProperty. This registration fee shall be determined by the Board and shall be sufficient to pay operating costs for this Chapter, including but not limited to, administrative time and costs, legal fees and costs, and any other expense incurred to implement, administer, and enforce this Chapter. The Department may waive registration fees for special circumstances and as further set forth in its procedures and guidelines.

E. Registration Fee Pass-Through. A Landlord may recover up to fifty percent (50%) of a registration fee from the Tenant of a Fully Covered Rental Unit. The registration fee pass-through cost shall be calculated in accordance ~~to~~ with the

Department's policies and procedures. A Landlord may only collect one annual registration fee pass-through cost at a time and must also meet the following requirements to pass-through this registration fee:

1. Timely and accurately submits an annual registration for each ~~Dwelling~~Rental Unit and Housing Services in the ~~Rental p~~Property;
- ...
3. Provides Tenant with thirty (30) ~~d~~Days notice ~~before~~prior to collecting any registration fee pass-through cost; and
4. A Tenant's payment to the Landlord for the registration fee pass-through cost is paid in twelve (12) equal, monthly installments, unless otherwise agreed to by the Tenant. Penalty or late fees for failure to register shall not be passed through to the Tenant.

...

**SECTION 9.** Section 8.52.090 is hereby amended to read as follows:

**8.52.090 Termination of Tenancy.**

A. ~~No~~A Landlord may terminate a Tenancy of an occupied ~~Dwelling~~Fully or Partially Covered Rental Unit, ~~unless~~only if the Landlord can demonstrate either a ~~For Cause~~At-Fault or No-Fault termination.

B. When terminating a Tenancy either ~~For Cause~~At-Fault or No-Fault, a Landlord must comply with all of the following:

1. The Landlord must serve a written notice in accordance with California Civil Code sections 1946 through 1946.5 and California Code of Civil

Procedure section 1161, to the Tenant that states that, in addition to any information required by federal or State law, the Landlord will terminate the Tenancy, and that indicates at least one ~~For Cause~~At-Fault or No-Fault reason; and

2. The Landlord has not accepted and will not accept Rent or any other consideration in return for the continued use of the ~~Dwelling~~Fully or Partially Covered Rental Unit beyond the term of the terminated Tenancy in compliance with California Civil Code sections 1945 through 1946.5; and

3. The Landlord qualifies the termination as ~~For Cause~~At-Fault or No-Fault, as specified in this Section; and

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

C. A Landlord who is unable to show an ~~an~~ ~~For Cause~~At-Fault or No-Fault reason to terminate Tenancy, must instead pursue one of the following options:

1. Renew the Rental Agreement. At the conclusion of a term of Tenancy under a Rental Agreement, a Landlord may offer to renew the Rental Agreement, under substantially similar material terms including, but not limited to, ~~Rent~~, amenities, services, facilities, and term of the Tenancy.

...

3. Propose New Tenancy Terms. At the conclusion of a term of Tenancy under a Rental Agreement, a Landlord may provide notice of new proposed terms of Tenancy in accordance with California Civil Code section 827. This is not applicable to Fully Covered Rental Units.

D. ~~For Cause~~At-Fault Termination of Tenancy. If a Landlord can show any of the following circumstances with respect to a termination of Tenancy in a ~~Dwelling~~Fully or Partially Covered Rental Unit, the termination qualifies as an ~~For Cause~~At-Fault ~~T~~termination.

1. Failure to Pay Rent Exceeding Monetary Threshold. Tenant failed to pay Rent to which the Landlord is legally entitled pursuant to the Rental Agreement and under the provisions of State or local laws, unless the Tenant has withheld Rent pursuant to applicable law; and said failure has continued after service on the Tenant of a written notice setting forth the amount of Rent then due and requiring it to be paid, within a period, specified in the notice, of not less than three (3) ~~d~~Days. A Tenant may only be evicted for nonpayment of Rent if the Tenant's total rental debt owed exceeds a monetary threshold amount equal to one month of fair market rent for the Los Angeles-Long Beach-Glendale, CA HUD Metro FMR Area ("FMR"), set annually by the U.S. Department of Housing and Urban Development ("HUD") for 0-4 bedroom Rental Units, dependent on the type of Rental Unit occupied by the Tenant and further outlined in the Department's procedures and guidelines and this Chapter. The written notice shall be served in accordance with California Civil Code sections 1946 through 1946.5 and

California Code of Civil Procedure section 1161, and shall also state the number of bedrooms in the Tenant's Fully or Partially Covered Rental Unit.

2. Violation of Material Term of Rental Agreement. Tenant has continued to substantially violate any material term of the Rental Agreement as provided in California Code of Civil Procedure section 1161, subdivision (3), after written notice to cease, and did not cure such violation within ten (10) ~~e~~Days after receiving written notice from the Landlord of such violation.

...

b. Adding additional occupants in an existing Tenancy is not a breach of a material Rental Agreement term so long as the number of occupants does not exceed the maximum number of occupants as determined by State or local laws and is not in violation of any State or local laws.

c. Any term regarding a Tenant's willful cause or allowance of substantial damage to the ~~Dwelling~~Rental Unit beyond normal wear and tear and Tenant's refusal, after written notice, to pay the reasonable costs of repairing such damages and cease damaging said ~~Dwelling~~Rental Unit is considered a material term of the Rental Agreement.

3. Nuisance or Illegal Purpose. Tenant creates a nuisance or uses the ~~Dwelling~~Rental Unit for an illegal purpose as provided in California Code of Civil Procedure section 1161, subsection (4), including:

a. Any crime or act of violence committed by a Tenant of a ~~Dwelling~~Rental Unit which involves use of a gun or a deadly weapon, or inflicts serious

bodily injury and for which a police report has been filed, but not a crime or act of violence that is committed against a person residing in the same ~~Dwelling~~Rental Unit as the person committing the crime;

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

...

d. The act or acts constituting domestic violence, sexual assault, or stalking against the Tenant or a member of the Tenant's household cannot form the substantial basis of a ~~For Cause~~At-Fault termination of the Tenancy. The Tenant or a member of the Tenant's household may raise such facts as an affirmative defense to a Landlord's termination of the Tenancy.

4. Failure to Sign Substantially Similar Lease. The Tenant has refused to agree to a new written Rental Agreement upon expiration of a prior Rental Agreement, but only if the new Rental Agreement contains provisions that are substantially identical to the prior written Rental Agreement, and is consistent with federal, State, and local laws. For purposes of this ~~S~~subsection, the Landlord's written request or demand must be received no later than ninety (90) ~~d~~Days before final day of Tenancy of the prior Rental Agreement.

5. Failure to Vacate as Required by Approved Relocation Application. The Tenant has failed to vacate the ~~Dwelling~~Fully or Partially Covered Rental Unit as required by a relocation application that has been approved by the County, including relocation applications received from a Landlord to comply with a government order.

6. Households Exceeding Income Limits in Government Regulated Units. A Landlord may discontinue future renewals of a Rental Agreement if the Tenant's household income exceeds the income limits for a ~~Dwelling~~Rental Unit with rents that are controlled or regulated by any government unit, agency, or authority pursuant to a regulatory agreement or other recorded encumbrance that limits use and occupancy of the ~~Dwelling~~Rental Unit by a Tenant household with specified incomes. The Landlord must provide one year written notice to discontinue future renewals of the Rental Agreement based solely on the certified Tenant household income.

E. No-Fault Termination of Tenancy.

1. If a Landlord can show any of the following circumstances with respect to a termination of Tenancy in a Dwelling Fully or Partially Covered Rental Unit, the termination qualifies as a No-Fault termination.

a. Landlord or Landlord's Family Member Occupancy. A Landlord who owns the Dwelling Fully or Partially Covered Rental Unit, and seeks in good faith to recover possession of said Dwelling Fully or Partially Covered Rental Unit for the Landlord's or Landlord's Family Member's own use and occupancy as the Landlord's or Landlord's Family Member principal residence. The Landlord shall demonstrate good faith if the Landlord or the Landlord's Family Member moves into the Dwelling Fully or Partially Covered Rental Unit within sixty (60) ~~e~~Days after Tenant has vacated the Dwelling Fully or Partially Covered Rental Unit and occupies said Dwelling Fully or Partially Covered Rental Unit as the Landlord's or Landlord's Family Member's principal residence for at least three (3) years, unless extenuating circumstances exist.

(i) Displacement. To recover possession of said Dwelling Fully or Partially Covered Rental Unit for the Landlord's own use and occupancy as the Landlord's or Landlord's Family Member's principal residence, Landlord must first seek to occupy a vacant Dwelling Rental Unit if there are three (3) or more Dwelling Rental Units on the rRental pProperty. If no vacant Dwelling Rental Unit is available, then Landlord may displace the most current Tenant and Tenant's household

members so that the Landlord or the Landlord's Family Member's may move into the ~~Dwelling~~Rental Unit subject to the conditions set forth in this Chapter.

(ii) **Sixty-Day Notice Period to Tenant.** A Landlord must provide the Tenant sixty (60) ~~d~~Days' written notice that the Landlord intends to terminate the Tenancy. The Tenant may not waive the required sixty (60) ~~d~~Days' notice.

(iii) **Owner-Occupancy Disclosure.**

(a) Not less than sixty (60) ~~d~~Days prior to the final date of the Tenancy, in addition to any notice required by California Civil Code section 827, the Landlord must disclose to the Department the name~~(s)~~ of the eligible individual~~(s)~~ who will occupy the ~~Dwelling~~Fully or Partially Covered Rental Unit, and the relationship of said individual(s) to the Landlord.

(b) The Department may contact the Landlord at any time during the three (3) year time frame to confirm that the Landlord or Landlord's Family Member resides in the recovered ~~Dwelling~~Fully or Partially Covered Rental Unit~~(s)~~, and may obtain written verification of residency.

(iv) **Fifty Percent Ownership Interest.** In order to evict for Landlord or Landlord's Family Member occupancy, the Landlord must be a natural person and possess legal title to at least fifty percent (50%) of the ~~Dwelling~~Rental Unit or be a beneficiary with an interest of at least fifty percent (50%) in a trust that owns the ~~Dwelling~~Rental Unit. If two (2) persons purchase a duplex and each own fifty percent (50%) of the ~~building~~Rental Property, each may evict a Tenant under this Section.

(v) ~~Dwelling~~Rental Unit Limitation. A Landlord with less than one hundred percent (100%) ownership interest in a Rental ~~p~~Property may occupy only one (1) ~~Dwelling~~Rental Unit on that property. A Landlord with one hundred percent (100%) ownership interest in a Rental ~~p~~Property may occupy up to two (2) ~~Dwelling~~Rental Units on that property.

(vi) A Landlord may only terminate a Tenancy under this Section if the Landlord or Landlord's Family Member who will reside in the ~~Dwelling~~Rental Unit is similarly situated as the Tenant or Tenant's household members who are being displaced:

(a) If the Tenant or one of Tenant's household members is at least sixty-two (62) years of age or older, then the Landlord or the Landlord's Family Member who will reside in the ~~Dwelling~~Rental Unit must also be sixty-two (62) years of age or older;

(b) If the Tenant or one of Tenant's household members is a person with a disability who has a physical or mental impairment that limits one or more of the person's major life activities within the meaning of the California Fair Housing and Employment Act pursuant to California Government Code section 12926, then the Landlord or the Landlord's Family Member who will reside in the ~~Dwelling~~Rental Unit must also be a person with a disability;

(c) If the Tenant or one of the Tenant's household members has a terminal illness as verified by their medical care provider, then the

Landlord or the Landlord's Family Member who will reside in the DwellingRental Unit must also have a terminal illness as verified by their medical care provider; or

(d) If the Tenant is a low-income household (low-income household means a household whose income does not exceed the qualifying limits for lower income households 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), then the Landlord or the Landlord's Family Member who will reside in the DwellingRental Unit must also be a low-income household.

(vii) Tenant's Right of First Return Within Three (3) Years.

~~(a) Return Within Three (3) Years.~~ If a Landlord or Landlord's Family Member ceases occupation of the DwellingRental Unit within three (3) years after the final date of Tenant's Tenancy, the Tenant ~~of a Dwelling~~ who resided in the Fully or Partially Covered Rental Unit is entitled to receive notice of the first right to return to rent the same DwellingRental Unit at the Rent previously charged plus any annual Rent increases allowed under this Chapter. The Landlord must deliver the written notice to the Tenant in a form approved by the Department.

~~(b) Nothing in this Section shall be construed to relieve the Landlord of the obligation to directly contact the former Tenant and to advise the Tenant that the recovered Dwelling Unit will again be offered for Rent. Notice shall be on a form approved by the Department.~~

(viii) Rent to Tenant Not Previously Displaced. If a Landlord or Landlord's Family Member ceases occupation of the DwellingRental Unit within three (3) years of the Landlord or Landlord's Family Member taking possession of the Rental Unit, and the recovered DwellingRental Unit is offered for Rent to a Tenant who was not the previously displaced Tenant, the new Tenant is entitled to Rent the DwellingRental Unit at the Rent previously charged at the time of the prior Tenancy plus any annual Rent increases allowed under this Chapter.

b. Withdrawal of DwellingFully or Partially Covered Rental Units from Rental Market. A Landlord may seek to withdraw DwellingFully or Partially Covered Rental Units from the residential rental market ~~pursuant to~~ in compliance with this Section, the Ellis Act, ~~subject to and~~ the following ~~conditions and requirements~~:

~~(i) Landlord complies with all provisions of the Ellis Act, unless otherwise indicated in this Section.~~

~~(ii)(i)~~ Notice to Withdraw Rental Units and Terminate Tenancy. Not less than one hundred twenty (120) ~~d~~Days from the date the Landlord intends to withdraw all the DwellingFully or Partially Covered Rental Units in a ~~building or structure~~ Rental Property from the residential rental market, and after completion of all required proceedings, if any, the Landlord shall provide to the Department a written notice of intent to withdraw the DwellingFully or Partially Covered Rental Units to the Department on a form approved by the Department, and a written notice of termination of Tenancy to all Tenants. Said notices to the Department and Tenants shall be served contemporaneously.

~~(iii)~~(ii) Landlord's Notice of Intent to Terminate Requirements

Withdraw Rental Units. Landlord's shall file with the Department a notice of intent to withdraw the Dwelling Fully or Partially Covered Rental Units to the Department shall contain~~containing~~ the following information:

- (a) Address and legal description of the subject ~~r~~Rental pProperty;
- (b) The names, mailing addresses, and business phone numbers of the Landlord(s) of the ~~r~~Rental pProperty;
- (c) Number of ~~Dwelling Fully or Partially Covered Rental~~ Rental Units being removed;
- (d) The names of all Tenants residing in the ~~Dwelling Fully or Partially Covered Rental~~ Units being removed;
- (e) Date upon which the ~~Dwelling Fully or Partially Covered Rental~~ Units are intended to be withdrawn; and
- (f) The relocation assistance that the Tenant is qualified to receive in order to mitigate any impact on the Tenant from being displaced in accordance with Section 8.52.110 as well as any additional assistance if the Tenant is low-income, has minor children, is an elderly person, terminally ill, ~~and/or~~ a disabled person ~~in accordance with Section 8.52.110~~.

~~(iv)~~(iii) Landlord's Notice of Termination of Tenancy Due to Intent to Withdraw Dwelling Rental Units Requirements. The Landlord shall ~~provide~~serve to each Tenant to be displaced with a written notice of termination of

Tenancy due to Landlord's intent to withdraw Dwelling Fully or Partially Covered Rental Units from the residential rental market, containing the following information: Such notice of termination shall be provided to the Department in accordance with Section 8.52.110 and contain the following:

~~(a) — The Landlord has provided a notice of intent to withdraw Dwelling Units to the Department in accordance to this Section;~~

~~(b)(a) Said notice of intent specified the~~The name and address of ~~the~~each Tenant that will be displaced;

~~(e)(b) A description of the Tenant's rights to relocation assistance and right of first return if the Landlord returns the Dwelling Rental Units to the residential rental market and any other rights pursuant to this Section;~~

~~(d) — A Tenant who is sixty two (62) years of age or older or a disabled Tenant, who has lived in their Dwelling Unit for at least one (1) year prior to the filing of the notice of intent with the Department shall have their Tenancy extended to one (1) year after the date of filing of the notice of intent with the Department, provided that the Tenant gives written notice of their request to the Landlord to receive an extension of one (1) year from the Tenant's date of notice of intent;~~

~~(e)(c) Notice to Tenant that W~~within thirty (30) ~~d~~Days of receipt of notice of termination, the Tenant may notify the Landlord in writing that the Tenant would be interested in re-renting the Dwelling Rental Unit if any of the

~~Dwelling~~Rental Units are re-offered for Rent at a future time; if the Tenant provides this notice, the Tenant should notify the Landlord of future address changes; and

(f)~~(d)~~ The notice shall be accompanied by relocation assistance and any additional special assistance provided to the Tenant in accordance with Section 8.52.110.

~~(v) — The following Tenants who have resided in the Dwelling Unit for at least one (1) year prior to the Landlord's notice of termination to withdraw the Dwelling Unit in a building or structure from the residential rental market, and within thirty (30) days after receiving notice of termination, may submit a written request to the Landlord to receive an extension of one (1) year from the Tenant's date of notice:~~

(iv) One Year Extension for Applicable Tenants. A Tenant who is sixty-two (62) years of age or older or a disabled Tenant within the meaning of the California Fair Housing and Employment Act pursuant to California Government Code section 12926, who has lived in their Fully or Partially Covered Rental Unit for at least one (1) year prior to the filing of the notice of intent with the Department shall have their Tenancy extended to one (1) year after the date of filing of the notice of intent with the Department, provided that the Tenant gives written notice of their request to the Landlord to receive an extension of one (1) year from the Tenant's date of notice of intent.

~~(a) A Tenant who is at least sixty two (62) years of age; or~~

~~(b) A Tenant with a disability who has a physical or mental impairment that limits one or more of a person's major life activities within the meaning of the California Fair Housing and Employment Act pursuant to California Government Code section 12926.~~

~~(vi)~~(v) Withdrawn Dwelling Fully or Partially Covered Rental Units Re-Offered for Rent.

(a) Return Within Two (2) Years. A Tenant may resume their Tenancy in the Dwelling Fully or Partially Covered Rental Unit if a Landlord returns the Dwelling Rental Unit to the residential rental market within two (2) years after the effective date of withdrawal.

(1) The Landlord must provide the Tenant the notice to renew their Tenancy in a form approved by the Department through certified mail return receipt requested. Any Tenant displaced from a Dwelling Fully or Partially Covered Rental Unit may request the right of first return from the Landlord within thirty (30) ~~d~~Days of receiving notice from the Landlord of the Landlord's intent to return the Dwelling Fully or Partially Covered Rental Unit to the residential rental market.

(2) The Tenant of a Fully Covered Rental Unit is entitled to receive notice of the right of first return to Rent the same Fully Covered Rental Unit at the Rent previously charged to the Tenant plus any annual Rent increases allowed under this Chapter.

(3) A Landlord who re-offers a withdrawn Dwelling Fully or Partially Covered Rental Unit for Rent within two (2) years of

withdrawal shall be liable to any Tenant who was displaced by the withdrawal for actual and punitive damages. Any action by the Tenant pursuant to this subsection shall be brought within three (3) years of the withdrawal of the Dwelling Fully or Partially Covered Rental Units from the residential rental market. Nothing in this subsection precludes a Tenant from pursuing any alternative remedy available under the law.

(4) County Counsel may institute a civil proceeding against any Landlord who offers a withdrawn Dwelling Fully or Partially Covered Rental Unit for Rent within two (2) years of withdrawal of the Dwelling Fully or Partially Covered Rental Unit for exemplary damages for displacement of Tenants. Any action brought by County Counsel shall be brought within three (3) years of the withdrawal of the Dwelling Fully or Partially Covered Rental Unit from the residential rental market.

(b) Return More Than Two (2) Years but less than Five (5) Years. A Tenant may return to the Dwelling Fully or Partially Covered Rental Unit if a Landlord returns the Dwelling Rental Unit to the residential rental market for Rent more than two (2) years but less than five (5) years after the effective date of withdrawal.

(1) The Landlord must provide the Tenant the notice to renew their Tenancy in a form approved by a Department through a certified mail return receipt requested. Any Tenant displaced from a Dwelling Fully or Partially Covered Rental Unit may request the right of first return from the Landlord

within thirty (30) ~~d~~Days of receiving notice from the Landlord of the Landlord's intent to return the ~~Dwelling~~Rental Units to the residential rental market.

(2) A Tenant of a Fully Covered Rental Unit is entitled to receive notice of the right of first return to rent the same Fully Covered Rental Unit at the Rent previously charged plus any annual Rent increases allowed under this Chapter.

(3) Landlord shall be liable to any Tenant who was displaced from their ~~Dwelling~~Fully or Partially Covered Rental Unit for failure to comply with this subsection (b), for punitive damages in an amount which does not exceed the contract rent for six (6) months, the payment of which shall not be construed to extinguish the Landlord's obligation to comply with this ~~subdivision~~subsection (b).

(c) Return More than Five (5) Years but Less than (10) Ten Years. A Tenant may return to the ~~Dwelling~~Rental Unit if a Landlord returns the ~~Dwelling~~Rental Units to the residential rental market more than five (5) years but less than ten (10) years after the effective date of withdrawal.

(1) The Landlord must provide written notice to the County and previous Tenants of the Landlord's intent to return the ~~Dwelling~~Rental Unit to the residential rental market.

(2) Any Tenant displaced from at their ~~Dwelling~~Fully or Partially Covered Rental Unit may request the right of first return from the Landlord within thirty (30) ~~d~~Days of receiving notice from the Landlord of the Landlord's intent to return the ~~Dwelling~~Rental Unit to the residential rental market.

(3) Landlord shall be liable to any Tenant who was displaced from their ~~Dwelling~~Fully or Partially Covered Rental Unit for failure to comply with this subsection (c), for punitive damages in an amount which does not exceed the contract rent for six (6) months, and the payment of which shall not be construed to extinguish the Landlord's obligation to comply with this ~~subdivision~~subsection (c).

(d) Nothing in this Section shall be construed to relieve the Landlord of the obligation to directly contact the former Tenant and to advise the Tenant that the withdrawn ~~Dwelling~~Rental Unit will again be offered for Rent. Notice shall be on a form approved by the Department.

~~(vii)~~(vi) Restrictions if Fully Covered Rental Units

Demolished. If Fully Covered Rental Units are demolished and new ~~Dwelling~~Rental Units are constructed on the same ~~r~~Rental pProperty, and offered for Rent within five (5) years of the date the Fully Covered Rental Units were withdrawn from Rent, the newly constructed ~~Dwelling~~Rental Units shall be subject to Section 8.52.050 at which they would be offered on the basis of a fair and reasonable return on the newly constructed accommodations, notwithstanding any exemption from the system of controls for newly constructed ~~Dwelling~~Rental Units.

~~(viii)~~(vii) Recording of Memorandum. The Landlord shall record a memorandum, on a County-approved form, with the County's Registrar-Recorder/County Clerk encumbering the Rental pProperty where the ~~Dwelling~~Rental Unit~~(s)~~ is located no sooner than forty (40) ~~d~~Days after providing notice to the

Department of the Landlord's intent to withdraw the ~~Dwelling~~Rental Unit(s) from the residential rental market.

(a) The memorandum must be executed by the Landlord(s).

(b) The memorandum shall set forth the names of the Landlord(s) of the ~~r~~Rental ~~p~~Property, summarize the obligations of the Landlord, and any successor in interest to the Landlord, and include the Tenant's right to receive notice of the first right to return to Rent the ~~Dwelling~~Rental Unit returned to the residential rental market.

(c) The memorandum must encumber the Rental ~~p~~Property for ten (10) years from the date of Landlord's notice of intent to the Department to withdraw the ~~Dwelling~~Rental Unit(s) from the residential rental market.

(d) The Landlord shall deliver to the Department a conformed copy of the recorded memorandum within ninety (90) ~~d~~Days after filing notice of intent to the Department to withdraw the ~~Dwelling~~Rental Unit(s) from the residential rental market.

c. Government Agency or Court Order.

(i) The Landlord shall comply with any of the following:

(a) An order issued by a government agency or court relating to habitability that necessitates vacating the ~~Dwelling~~Fully or Partially Covered Rental Unit;

(b) An order issued by a government agency or court to vacate the ~~Dwelling~~Fully or Partially Covered Rental Unit; or

(c) A local ordinance that necessitates vacating the ~~Dwelling~~Fully or Partially Covered Rental Unit.

(ii) If it is determined by any government agency or court that the Tenant is at fault for the condition or conditions triggering the order or for the need to vacate under this ~~Section~~subsection, the Tenant shall not be entitled to relocation assistance.

2. Fees. The County may establish fees for County-incurred costs when a Landlord recovers possession of ~~Dwelling~~Rental Units or withdraws ~~Dwelling~~the Rental Units from the residential rental market. The fees shall be paid to the County prior to the Landlord's notice to a Tenant to recover possession or withdraw the ~~Dwelling~~Fully or Partially Covered Rental Unit. Failure to pay the fees prior to service of the notice to the Tenants shall invalidate such notice.

...

**SECTION 10.** Section 8.52.100 is hereby amended to read as follows:

**8.52.100 Tenant Buyout Agreements.**

A. Landlord's Disclosure Prior to Buyout Offer. At the time a proposed ~~Buyout a~~Agreement is provided, the Landlord shall provide each Tenant in the ~~Dwelling~~Fully or Partially Covered Rental Unit a written disclosure in the primary language of the Tenant, on a form approved by the Department, translated at the Landlord's expense, that shall include all of the following:

1. A statement that the Tenant has a right not to enter into buyout negotiations or a ~~b~~Buyout ~~a~~Agreement;
2. A statement that the Tenant may choose to consult with an attorney before entering into a ~~b~~Buyout ~~a~~Agreement;
3. A statement that the Tenant may rescind the ~~b~~Buyout ~~a~~Agreement for up to forty-five (45) ~~d~~Days after it is fully executed;
4. A statement that the Tenant may contact the Department for information about other ~~b~~Buyout ~~a~~Agreement in the Tenant's neighborhood and other relevant information;
5. Any other information required by the Department consistent with the purpose and provisions of this Section; and
6. A space for each Tenant to sign and write the date the Landlord provided the Tenant with the disclosure notice.

B. Requirement for Buyout Agreements. The ~~b~~Buyout ~~a~~Agreement shall:

1. Be in writing in the primary language of the Tenant, translated at the Landlord's expense. The Landlord shall give each Tenant a copy of the proposed ~~b~~Buyout ~~a~~Agreement at least forty-five (45) ~~d~~Days before it is executed by the parties.
2. Include the following statement in bold letters in at least 12-point boldface type in close proximity to the space reserved for the signature of the Tenant:
  - a. "You, the tenant, may cancel this buyout agreement in writing at any time on or before the forty-fifth (45th) day after all parties have signed this buyout agreement."

- b. "You have a right not to enter into a-buyout agreement."
- c. "You may choose to consult with an attorney before signing

this-buyout agreement. The County of Los Angeles Department of Consumer and Business Affairs may also have information about other-buyout agreement in your neighborhood."

3. A Buyout Agreement that does not satisfy all of the requirements of this Section shall be void and unenforceable against the Tenant. The Tenant shall be entitled to all remedies authorized by law and Section 8.52.170; provided, however, that said remedies shall not include the displacement of a subsequent Tenant in the Fully or Partially Covered Rental Unit.

C. Rescission of Buyout Agreement. A Tenant shall have the right to rescind a ~~b~~Buyout ~~a~~Agreement for up to forty-five (45) ~~d~~Days after its execution by all parties. In order to rescind a ~~b~~Buyout ~~a~~Agreement, the Tenant must hand-deliver, email, or send by certified mail return receipt requested, a statement to the Landlord indicating that the Tenant has rescinded the ~~b~~Buyout ~~a~~Agreement. Landlord shall provide written notice to the Department within ten (10) Days if the Tenant has rescinded the Buyout Agreement.

D. Filing of Buyout Agreement and Disclosure Notice. The Landlord shall provide the Tenant a copy of the fully executed ~~b~~Buyout ~~a~~Agreement and disclosure notice, within ten (10) ~~d~~Days of execution. Landlord shall also file with the Department, pursuant to its procedures and guidelines, a copy of the executed ~~b~~Buyout ~~a~~Agreement and disclosure notice, along with a copy of proof of service t~~o~~that the Tenant o~~f~~received

the disclosure notice as required in this Section, within ten (10) ~~e~~Days after the ~~b~~Buyout ~~a~~Agreement is executed by all parties.

**SECTION 13.** Section 8.52.110 is hereby amended to read as follows:

**8.52.110 Relocation Assistance.**

A. Permanent Relocation Assistance. When relocation assistance must be paid to Tenants who are evicted from their ~~Dwelling~~Fully or Partially Covered Rental Unit pursuant to Section 8.52.090.E, the Landlord must make the relocation assistance payment in accordance with this Section and the Department's procedures and guidelines. The relocation assistance payment shall be served simultaneously with the notice of termination of Tenancy.

1. The County will determine standard relocation assistance amounts based on the following:

a. Three times the Countywide median Rent based on the ~~Dwelling~~Rental Unit size;

...

2. A Tenant who is either a Qualified Tenant or a Lower-Income Tenant, as defined in this Section, may receive additional relocation assistance.

a. Qualified Tenant. If one of the Tenants living in the ~~Dwelling~~Fully or Partially Covered Rental Unit from which the Tenants are to be displaced includes a person who is sixty-two (62) years of age or older, disabled, terminally ill or has children under the age of eighteen (18), then all Tenants living in the

Dwelling Fully or Partially Covered Rental Unit are collectively entitled to the Qualified Tenant relocation assistance listed in the relocation fee schedule.

b. Lower-Income Tenant. If one of the Tenants living in the Dwelling Fully or Partially Covered Rental Unit from which the Tenants are to be displaced includes a lower-income person, as defined by California Health and Safety Code section 50079.5, then all Tenants living in the Dwelling Fully or Partially Covered Rental Unit are collectively entitled to the Lower-Income Tenant relocation assistance listed in the relocation fee schedule.

3. Permanent Relocation Assistance Payments shall be paid as follows and only upon the mutual written agreement between the Landlord and Tenant:

...

4. Relocation Specialist Services. A Landlord must, at the Landlord's own expense, hire a relocation specialist with experience in providing relocation services to Tenants in the County. A Landlord must disclose to the Department the relocation specialist hired and the relocation assistance that will be offered and provided to the Tenant. The Department may request a written certification on a form approved by the Department that the services were provided to the Tenant.

5. Refund of Security Deposit. A Landlord must refund to the Tenant any security deposit paid by the Tenant. A Landlord may withhold any properly itemized deductions from the security deposit in accordance with California Civil Code section 1950.5.

B. Temporary Relocation Assistance. A Landlord must pay temporary relocation assistance to Tenants of a ~~Dwelling~~Fully or Partially Covered Rental who are temporarily displaced due to repairs, rehabilitation of ~~Dwelling~~Fully or Partially Covered Rental Unit, health and safety violations, or other work that cannot be completed while the Tenant remains in the ~~Dwelling~~Fully or Partially Covered Rental Unit.

1. Thirty (30) Days or Less. A Landlord must provide the Tenant a per-diem payment if the Tenant will be temporarily displaced for thirty (30) ~~d~~Days or less.

2. Thirty-One (31) Days or More. A Landlord must provide the Tenant either a per-diem payment or comparable temporary accommodations, if available.

3. Per-Diem Payment.

a. Per-diem payment will be based on the Federal General Services Administration per-diem rate for lodging and any incidentals in the County, which is updated on a yearly basis, ~~unless otherwise agreed upon by the Landlord and Tenant~~, and may include any applicable transient occupancy taxes.

b. Upon mutual written agreement by the Landlord and Tenant, per-diem payments for lodging and any incidentals may be paid directly to the Tenant, or, in the event of a hotel or motel accommodation lodging costs may be paid directly to the hotel or motel.

...

5. Temporary Hotel or Motel Accommodation. If relocation is to a hotel or motel, the Landlord must provide a hotel or motel accommodation which is safe,

sanitary, and unless otherwise agreed upon by the Landlord and Tenant, within a reasonable distance of the Tenant's ~~Dwelling~~Fully or Partially Covered Rental Unit.

...

~~D. Relocation Specialist Services. A Landlord must, at the Landlord's own expense, hire a relocation specialist with experience in providing relocation services to Tenants in the County. A Landlord must also obtain the Department's approval of the relocation specialist services prior to providing relocation services to the Tenant.~~

~~E. Refund of Security Deposit. A Landlord must refund to the Tenant any security deposit paid by the Tenant. A Landlord may withhold any properly itemized deductions from the security deposit in accordance with California Civil Code section 1950.5.~~

~~F.D. Relocation Assistance Set By the Board. The relocation assistance per DwellingFully or Partially Covered Rental Unit shall be set by the Board and may be based on the number of bedrooms per DwellingFully or Partially Covered Rental Unit or as provided by the Board. The Department is authorized to do an annual adjustment in the relocation assistance multiplied by the percentage increase, if any, in the CPI Index for the Los Angeles-Long Beach-Glendale area as published by the U.S. Department of Labor Statistics for the twelve-month (12) period ending. Amounts will be rounded to the nearest whole dollar.~~

~~G.E. Any action brought by a Tenant for a violation of this Section must be brought in a court of competent jurisdiction. No administrative remedy need be exhausted prior to filing suit pursuant to this Section.~~

**SECTION 11.** Section 8.52.120 is hereby amended to read as follows:

**8.52.120 Notices to Tenants.**

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

...

3. When providing notice of a Rent increase or decrease in a Fully Covered Rental Unit or a Service Reduction.

...

D. Posting on Property. A Landlord must post a copy of the form notice of Tenant rights poster, as published by the Department, in an on-site management office or in accessible area of the ~~r~~Rental p~~Property~~.

**SECTION 12.** Section 8.52.130 is hereby amended to read as follows:

**8.52.130 Retaliatory Eviction and Anti-Harassment.**

...

B. Anti-Harassment. No Landlord, or any person, acting as a principal or agent, offering a ~~Dwelling~~Fully or Partially Covered Rental Unit for Rent, or any contractor, subcontractor or employee of the Landlord shall, with respect to Rental p~~Property~~ used as a ~~Dwelling~~Rental Unit under any Rental Agreement or other Tenancy or estate at will, however created, do any of the following:

...

2. Take any of the following actions in bad faith:

a. Fail to perform repairs and maintenance required by the

Rental Agreement or by federal, State, or local laws;

...

d. Conduct elective renovation or construction of Dwelling Fully

or Partially Covered Rental Unit for the purpose of harassing a Tenant;

...

f. Refuse to cash or process a ~~rent~~ check or other form of

acceptable Rent payment for over thirty (30) ~~d~~Days after it is tendered;

...

3. Abuse the right of access into a Dwelling Fully or Partially Covered

Rental Unit as established by California Civil Code section 1954 or other applicable law.

This includes entries for inspections that are not related to necessary repairs or

services; entries excessive in number; entries that improperly target certain Tenants or

are used to collect evidence against the occupant or otherwise beyond the scope of an

otherwise lawful entry; entries or demands for entry at times outside of normal business

hours, unless for health and safety reasons or if the Tenant agrees otherwise; entries

contrary to a Tenant's reasonable request to change the date or time of entry;

photographing or otherwise recording portions of a Dwelling Fully or Partially Covered

Rental Unit that are beyond the scope of lawful entry or inspection; and misrepresenting

the reasons for accessing a Dwelling Fully or Partially Covered Rental Unit.

4. Influence or attempt to influence a Tenant to vacate a ~~Dwelling~~Fully or Partially Covered Rental Unit through fraud, misrepresentation, intimidation or coercion, which shall include threatening to report a Tenant to the United States Department of Homeland Security.

...

7. Take action to terminate any Tenancy including service of any notice to quit or other eviction notice or bring any action to recover possession of a ~~Dwelling~~Fully or Partially Covered Rental Unit based upon facts which the Landlord has no reasonable cause to believe to be true or upon a legal theory which is untenable under the facts known to the Landlord. No Landlord shall be liable under this ~~Subsection~~Section for bringing an action to recover possession unless and until the Tenant has obtained a favorable termination of that action.

8. Remove from the ~~Dwelling~~Fully or Partially Covered Rental Unit personal property, furnishings, or any other items without the prior written consent of the Tenant, except when done pursuant to enforcement of a legal termination of Tenancy.

9. Provide false written or verbal information regarding any federal, State, County, or local ~~T~~tenant protections, including mischaracterizing the nature or effect of a notice to quit or other eviction notice. False information includes, without limitation, requesting or demanding a Tenant:

...

12. Interfere with a Tenant's right to quiet use and enjoyment of a ~~Dwelling~~Rental Unit, unless Fully Exempt, as that right is defined by law.

13. Commit repeated acts or omissions of such significance as to substantially interfere with or disturb the comfort, repose, peace, or quiet of any person lawfully entitled to occupancy of such Dwelling Rental Unit, unless Fully Exempt, and that cause, are likely to cause, or are intended to cause any person lawfully entitled to occupancy of a Rental Unit, unless Fully Exempt, to vacate such Dwelling Rental Unit or to surrender or waive any rights in relation to such occupancy.

14. Remove a Housing Service for the purpose of causing the Tenant to vacate the Dwelling Fully or Partially Covered Rental Unit. For example, taking away a parking space knowing that a Tenant cannot find alternative parking and must move.

...

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

1. If any Landlord or any person, acting as a principal or agent, offering a Dwelling Fully or Partially Covered Rental Unit for ~~rent~~ Rent, or any contractor, subcontractor, or employee of the Landlord violates the terms of this Section, an aggrieved Tenant may institute a civil action, as allowed under Section 8.52.170, for injunctive relief, direct money damages, and any other relief that the court deems appropriate, ~~which such~~ Such relief shall include a civil penalty of no less than Two Thousand Dollars (\$2,000), and no more than Five Thousand Dollars (\$5,000), per violation, at the discretion of the court. If the aggrieved Tenant is older than sixty-two (62) or disabled, the court may award an additional civil penalty of up to Five Thousand Dollars (\$5,000) per violation, at the discretion of the court.

...

**SECTION 13.** Section 8.52.150 is hereby amended to read as follows:

**8.52.150 Administrative Review and Appeals to the Rental**

**Housing Oversight Commission.**

...

C. Time Limit. A party must file an appeal before the Commission within fifteen (15) dDays of the Department's final decision. The Commission shall have no authority to consider matters not filed within fifteen (15) dDays of the Department's final decision.

...

F. Decision and Notice.

...

2. Decisions shall be rendered within thirty (30) dDays of the close of the hearing. If the Commission fails to act within thirty (30) dDays of the close of the hearing, the Department's decision shall be deemed affirmed.

3. The secretary or Department staff assigned to the Commission shall mail the Commission's decision to the parties within ten (10) dDays after it is rendered.

...

**SECTION 14.** Section 8.52.160 is hereby amended to read as follows:

**8.52.160 Administrative Fines.**

...

B. Remedies are Cumulative. Each day that a violation continues shall constitute a separate and distinct offense. The remedies set forth in this ~~§~~Section are cumulative and in addition to any other penalty provided by law, including any remedies which may be sought in a civil action. The provisions of this Chapter shall not be construed as limiting any party's right to obtain relief to which he or she may be entitled at law or in equity.

...

**SECTION 15.** Section 8.52.170 is hereby amended to read as follows:

**8.52.170 Remedies.**

...

C. Criminal Penalty. Any person violating any of the provisions or failing to comply with any of the requirements of this Chapter, shall be guilty of a misdemeanor and punished by a fine of not ~~more than~~ to exceed One Thousand Dollars (\$1,000), or by imprisonment in the County jail for a period of not more than six (6) months, or by both.

...

[CH852BTCC]