

AN ORDINANCE OF THE PEOPLE OF THE CITY OF REDWOOD CITY REPEALING REDWOOD CITY MUNICIPAL CODE CHAPTERS 42 AND 42A AND ADOPTING A NEW CHAPTER 42

The People of Redwood City do hereby ordain as follows:

Section 1. Amendment of Redwood City Municipal Code to Repeal Chapters 42 and 42A and Adopt a New Chapter 42. The Redwood City Municipal Code is hereby amended by deleting Chapter 42 and 42A and adopting in the place of Chapter 42 an Ordinance which shall read as follows:

Sec. 42.1. - TITLE AND PURPOSE:

This Chapter shall be known as the Redwood City Fair and Affordable Housing Ordinance. The purpose of this Chapter is to promote neighborhood and community stability, healthy housing, and affordability for renters in the City of Redwood City by controlling excessive rent increases and arbitrary evictions to the greatest extent allowable under California law, while ensuring landlords a fair and reasonable return on their investment.

Sec. 42.2. - FINDINGS:

- A. There is a shortage of decent, safe, affordable, and sanitary housing in the City of Redwood City.
- B. The prolonged affordable housing crisis in the City of Redwood City disproportionately impacts low income and working class households, senior citizens, people of color, immigrants, and people with disabilities. Without bold action the crisis continues to increase homelessness, harm neighborhood stability and cohesion.
- C. Residential tenants, who constitute approximately 50% of the residents of Redwood City, suffer great and serious hardship when forced to move from their homes.
- D. As of 2023, 79% of Black households and 72% of Latino households in Redwood City are renters, meaning that renters' rights are a racial equity issue and strengthening tenant protections furthers fair housing.
- E. State laws that eliminate limits on rent increases when a rental unit becomes vacant provide added economic incentive for landlords to evict tenants.
- F. Tenants should not consistently face the threat of losing their homes at no fault of their own. Common sense protections against unfair evictions are needed in Redwood City to protect long-time and low income residents from landlords who game the system to try to take advantage of high rents.
- G. According to the Comprehensive Housing Affordability Strategy data for Redwood City from the U.S. Department of Housing and Urban Development, at least 7,590 renter

households in Redwood City, representing 51.5% of renters, are rent-burdened, which means that they pay more than 30% of their income on rent. Without rent stabilization, a tenant who moved into a unit they could initially afford can very quickly find themselves rent burdened.

- H. According to the same data source, between 85 and 90% of very low income households (making less than 50% area median income) in Redwood City are rent burdened.
- I. Given the increased housing cost burden and poverty faced by many Redwood City residents, excessive rent increases threaten the public health, safety, and welfare of Redwood City residents, including seniors, people with disabilities, those on fixed incomes, those with very low, low, and moderate income levels, and those with other special needs. Such persons are often forced to choose between paying rent and providing food, clothing, and medical care for themselves and their families.
- J. The problem of rent increases in Redwood City has reached a crisis level, with rents consistently rising at rates higher than inflation and average wage growth. Many local workers have been forced to move away and either quit their jobs, live in their cars or commute from untold distances.
- K. Without sufficient and long-term eviction protections, many tenants “self-evict” and move out even without adequate replacement housing, rather than face future legal eviction that could impact their ability to find new housing.
- L. Evictions can lead to homelessness. Unsheltered homelessness – the number of people living on the street, in tents or in vehicles – is increasing in Redwood City. Unsheltered homelessness increased 20% between February 2022 and March 2023. As of March 2023, 205 people were living on the streets, in tents, or in vehicles in Redwood City.
- M. According to the San Mateo County One Day Homelessness Count and Survey, the number of people living on the street, tents or in vehicles increased throughout San Mateo County by 21% between 2019 and 2022.
- N. Tenants in Redwood City have experienced significant displacement caused by a lack of legal protections against no-fault evictions. Without additional legal protections, such problems are expected to recur.
- O. Construction and repairs on rental units or adjacent to such units can create hardships for tenants, especially those who are senior citizens, persons on fixed incomes and members of low and moderate-income households. However, both preventative maintenance as well as code enforcement-related maintenance sometimes involve the replacement or substantial modification of major building systems or the abatement of hazardous materials and, by their very nature, generally make rental units temporarily untenable, as defined by California Civil Code section 1941.1. Additionally, the State of California has passed several laws which have streamlined the ability of landlords to build on lots next to residential units that are already occupied by residential housing.

These provisions have recently been extended to include not only units built in owner-occupied lots but also investment properties owned by developers who do not live in the community where they own property.

- P. In accordance with California Civil Code section 1946.2(g)(1)(B), this Chapter is more protective than the provisions of California Civil Code section 1946.2 for the following reasons:
1. The just cause for termination of a residential tenancy under this Chapter is consistent with California Civil Code section 1946.2; and
 2. This Chapter further limits the reasons for termination of a residential tenancy, provides for higher relocation assistance amounts, and provides additional tenant protections that are not prohibited by any other provision of law.
- Q. On December 11th, 2023, this Ordinance was first filed with the City Clerk of Redwood City as a potential ballot measure, providing notice of the provisions of this Chapter.

Sec. 42.3. - APPLICABILITY AND EXEMPTIONS:

- A. **Applicability of this Chapter.** This Chapter applies to all residential Rental Units except for those units that are exempted.
- B. **Exemptions from this Chapter.** The following Rental Units are exempt from all provisions of this Chapter:
1. Rental Units in hotels, motels, and inns which are rented primarily to transient guests for a period of fewer than thirty (30) days. This exemption does not apply:
 - i. to a Tenant who has lived at the Property for more than thirty continuous days;
 - ii. to a Tenant who has entered into an agreement to lease a Rental Unit for 30 days or more; or
 - iii. where a Landlord has violated California Civil Code 1940.1 with regard to the Tenant.
 2. Rental Units in any hospital, convent, monastery, extended medical care facility, non-profit home for the aged, or dormitory as defined in California Building Code section 202 that is solely owned and operated by an accredited institution of higher education.
 3. A Rental Unit that has been the Primary Residence of the Landlord since the beginning of the tenancy, and where the Landlord shares a bathroom or kitchen with the Tenant. A Landlord, as used in Subsection 42.3(B)(3), means a natural

person who has at least a fifty-one (51) percent recorded ownership interest in the Property.

Sec. 42.4. - EXEMPTED ONLY FROM RENT STABILIZATION:

- A. Rental Units exempt pursuant to the Costa-Hawkins Rental Housing Act (California Civil Code sections 1954.50—1954.535) are exempt only from Section 42.6 and Section 42.15 of this Chapter (Rent Stabilization). If the Costa-Hawkins Rental Housing Act is repealed or amended, by operation of law, new Rental Units shall be exempt per this Section 42.4(A) only for the first 10 years after the completion of their construction.
- B. Rental Units fully owned, operated, and managed by a San Mateo County government unit, agency or authority. This exemption applies only if applicable federal or state law or administrative regulation specifically exempt such units.

Sec. 42.5. - DEFINITIONS:

The following words or phrases as used in this Chapter shall have the following meanings:

- A. **Annual Allowable Rent Increase.** The percent by which a landlord may increase the Rent for any Controlled Rental Unit each year without an order from a hearing officer.
- B. **City.** The City of Redwood City.
- C. **Controlled Rental Units.** All Rental Units in the City of Redwood City except those units exempt as defined in Subsection 42.3(B) and Section 42.4.
- D. **Council.** The City Council of Redwood City.
- E. **Creditworthiness.** Any standard for determining whether a Tenant is suitable to receive credit or reliable to pay money owed, including any financial or income standard created by a Landlord as part of a rental application.
- F. **Disabled or Disability.** As defined in California Government Code section 12955.3.
- G. **Educator.** Any person who works at a school in the Redwood City School District, Sequoia Union High School District, or Belmont-Redwood Shores School District as an employee of the school or of the governing body that has jurisdiction over the school, including, without limitation, all teachers, classroom aides, administrators, administrative staff, counselors, social workers, psychologists, school nurses, speech pathologists, custodians, security guards, cafeteria workers, community relations specialists, child welfare and attendance liaisons, and learning support consultants.
- H. **Fair Market Rent.** As determined by the U.S. Department of Housing and Urban Development for a unit of equivalent size in the San Francisco, CA HUD Metro FMR

Area for the fiscal year in which the Rent is demanded, as published on the San Mateo Housing Authority website.

- I. **Housing Services.** Amenities provided by the Landlord in connection with a tenancy. Housing Services include, but are not limited to, repairs, maintenance, painting, light, hot and cold water, electricity service, heating service, sewer service, elevator service, window shades and screens, storage, kitchen, bath and laundry facilities and privileges, janitor services, access to exterior doors, entry systems, and gates, refuse removal, furnishings, telephone, parking, the right to have a specified number of occupants or Tenants, the right to have pets, Utility infrastructure, and any other benefit, privilege or facility connected with the use or occupancy of any Rental Unit. Housing Services for a Rental Unit include a proportionate part of services provided to common facilities of the building where the Rental Unit is located. In addition, a Tenant's right to engage in Organizing Activities, to receive assistance from a Tenant Association, and to have Organizing Activities occur at the Property shall qualify as a housing service.
- J. **Landlord.** An owner, lessor, sublessor or any other person entitled to receive Rent for the use and occupancy of any Rental Unit, or an agent, representative or successor of any of the foregoing.
- K. **Maximum Allowable Rent.** The maximum Rent which a landlord may legally charge for any Controlled Rental Unit covered by this Chapter.
- L. **Organizing Activities.** Concerted activities by Tenants or individuals acting on behalf of Tenants for their shared collective interests as Tenants, regardless of whether they share the same Landlord or management company. Collective interests may include concerns regarding Housing Services, repairs and maintenance, security, rent amounts or rent increases, evictions, discrimination, or harassment. Organizing Activities shall include, but are not limited to:
 - 1. Engaging with other Tenants for the purpose of mutual aid and protection;
 - 2. Convening Tenant or Tenant Association meetings in an appropriate space accessible to Tenants under the terms of their Rental Agreement;
 - 3. Providing Property access to Tenant organizers, advocates, or representatives working with or on behalf of Tenants living at a Property;
 - 4. Distributing and posting literature informing other Tenants of their rights and of opportunities to involve themselves in their project in common areas, including lobby areas and bulletin boards, or communicating with other Tenants about their rights;
 - 5. Advocating for government action or legislation addressing issues of particular concern to Tenants;

6. Initiating contact with other Tenants, including by conducting door-to-door surveys, to ascertain interest in and/or seek support for forming a Tenant Association;
7. The operations of a Tenant Association, including joining or supporting a Tenant Association; or
8. Otherwise acting on behalf of one or more Tenants in the building regarding issues of common interest or concern.

M. **Primary Residence.** A housing unit that is an individual's usual place of return. Occupancy of a Primary Residence does not require an individual to be physically present in the unit at all times or continuously.

1. Factors that indicate Primary Residence include:
 - a. The individual carries on basic living activities at the residence for extended periods;
 - b. The residence is listed with other public agencies, including federal, state and local taxing authorities as the individual's Primary Residence;
 - c. Utilities are billed to and paid by the individual at the residence;
 - d. A homeowner's tax exemption for the individual has not been filed for a different property;
 - e. The individual is not registered to vote at any other location;
 - f. All or most of the individual's personal possessions have been moved into the residence;
 - g. The residence is the place the individual normally returns to as their home, exclusive of military service, hospitalization, vacation, family emergency, travel necessitated by employment or education, incarceration, or other reasonable temporary periods of absence;
 - h. Other relevant factors illustrating Primary Residence.
2. In order for a housing unit to qualify as a Primary Residence by a Landlord, ownership must be held by the natural person claiming Primary Residence and cannot be held by a limited liability corporation, limited partnership, or other corporate structure. A housing unit owned by a living trust may qualify as a Primary Residence if the trust beneficiary meets the above criteria, so long as the Landlord provides documentation to the Program of the name and address of all trust beneficiaries.

N. **Property.** All Rental Units on a parcel or lot, including any associated common areas.

- O. **Rent.** All periodic payments and all nonmonetary consideration a Tenant pays in exchange for the use or occupancy of a Rental Unit and common areas, including all payment and consideration for Housing Services. Nonmonetary compensation includes the fair market value of goods, labor performed or services rendered to or for the benefit of the Landlord under a Rental Agreement.
- P. **Rent Stabilization Program Administrator or “Program Administrator.”** A person designated by the City to administer and oversee the Program.
- Q. **Rent Stabilization and Tenant Protections Program or “Program.”** The City department that implements and enforces this Chapter.
- R. **Rental Agreement.** An agreement, oral, written or implied, between a Landlord and Tenant for use or occupancy of a Rental Unit and for Housing Services.
- S. **Rental Housing Fee.** The fee described in Subsection 42.14(D).
- T. **Rental Unit.** Any unit in any real property, rented or offered for rent for residential purposes, regardless of zoning or permitting status, together with all Housing Services connected with use or occupancy of the real property such as common areas and recreational facilities held out for use by a Tenant. A room or rooms rented separately from other rooms at the same real property shall constitute a single Rental Unit, even if Tenants share other common spaces or amenities.
- U. **School Year.** Either the Redwood City School District, Sequoia Union High School District, or Belmont-Redwood Shores School District school year, starting with the first day of instruction for the Fall semester through two weeks after the last day of instruction for the Spring semester, as posted on the District website each year. For an Educator, the applicable School Year shall be for the District in which the Educator is employed at the time a notice of termination is served. For a child, the applicable School Year shall be for the Redwood City School District if the child is in Pre-K through 8th grade and Sequoia Union High School District if in High School, unless the Rental Unit in question is in the Belmont-Redwood Shores School District, in which case that School Year shall apply.
- V. **Tenant.** A tenant, subtenant, lessee, sublessee or any other person entitled under the terms of a Rental Agreement to use or occupy a Rental Unit.
- W. **Tenant Association.** Any group of Tenants who organize collectively for their shared interest(s) as Tenants, including concerns regarding repairs and maintenance, Housing Services and conditions, rent amounts or rent increases, evictions, discrimination, or harassment, regardless of whether they share the same Landlord or management company.
- X. **Tenant Household.** All persons living together in one Rental Unit under one Rental Agreement.

- Y. **Utility.** The provision of gas, heat, electricity, water, hot water, sewer, refuse removal, telephone, cable or internet.

Sec. 42.6. - RENT STABILIZATION FOR CONTROLLED RENTAL UNITS:

- A. No Landlord shall charge Rent or increase Rent for a Controlled Rental Unit to an amount greater than the Base Rent, as specified in Subsection 42.6(D) plus any lawful Rent increases allowed under this Chapter.
- B. A Landlord may set the initial Rent for a new tenancy to the extent permitted by state law. After that, a Landlord may only increase the Rent as allowed by this Chapter.
- C. **Annual Allowable Rent Increase.**
 - 1. A Landlord may increase the Rent each year by an amount equal to the Annual Allowable Rent Increase.
 - 2. The Annual Allowable Rent Increase shall be equal to sixty percent (60%) of the percentage increase in the Consumer Price Index (All Urban Consumers, San Francisco-Oakland-Hayward region as reported and published by the U.S. Department of Labor, Bureau of Labor Statistics, or any successor designation of that index that may later be adopted by the U.S. Bureau of Labor Statistics) for the 12-month period ending as of April of the current year.
 - 3. The new Annual Allowable Rent Increase will take effect each year on September 1.
 - 4. In no event will the Annual Allowable Rent Increase be less than zero percent (0%) or greater than five percent (5%).
 - 5. The Program shall publicize the Annual Allowable Rent Increase amount each year by no later than August 1.
- D. **Calculation of Base Rent.**
 - 1. **Initial rollback.** Beginning the effective date of this Chapter, no Landlord shall charge more Rent for any Controlled Rental Unit than the Rent amount in effect on December 11th, 2023 except for increases expressly allowed under this Chapter. For a tenancy that began before December 11th, 2023, the Rent in effect on that date shall be the Base Rent.
 - 2. For tenancies beginning after December 11th, 2023, the Base Rent is the initial rental rate in effect on the date the tenancy begins. As used in this Subsection 42.6(D)(2), the term “initial rental rate” means only the amount of Rent actually paid by the Tenant for the initial term of the tenancy.
- E. **Utilities.** A Landlord may not charge a Tenant for Utilities in addition to Rent. In order to be paid by a Tenant, the Utility service must be separately or individually metered and

the Utility account must be registered to the Tenant and not the Landlord. This prohibition applies only to tenancies entered into after the effective date of this Chapter. It applies regardless of if the written lease allows for split utility charges or ratio utility billing services.

Sec. 42.7. - JUST CAUSE FOR EVICTION PROTECTIONS:

- A. **Just Cause Required.** No Landlord shall take action to terminate any tenancy unless the Landlord is able to prove the existence of one of the following at-fault or no-fault grounds in Sections 42.8 and 42.9. The grounds must be stated in the termination notice that the court action is based upon.
- B. Actions to which this Section 42.7 applies include, but are not limited to, making a demand for possession of a Rental Unit, threatening to terminate a tenancy verbally or in writing, serving any notice to quit or other eviction notice, bringing any court action to recover possession or be granted recovery of possession of a Rental Unit, including by seeking the entry of an eviction judgment, or by causing or permitting a writ of possession to be entered or executed.

Sec. 42.8. AT-FAULT JUST CAUSES FOR EVICTION:

The following are the only at-fault just causes for which a Landlord may terminate a tenancy under this Chapter:

- A. **Failure to Pay Rent.** The Tenant failed to pay the Rent to which the Landlord is legally entitled under the Rental Agreement, this Chapter, federal, state, and any other local law.

In any action to recover possession of a Rental Unit filed under this Subsection 42.8(A), it shall be a defense that the Landlord impeded the Tenant's effort to pay Rent by refusing to accept Rent that a third party paid on behalf of the Tenant or refusing to provide a W-9 form or other necessary documentation for the Tenant to receive rental assistance from a government agency, non-profit organization, or other third party.

- B. **Breach of Lease.** The Tenant has continued, after written notice to cease, to substantially violate any of the written material terms of the Rental Agreement, except the requirement to surrender possession on proper notice as required by law.
 - 1. To constitute a breach of lease, the substantially violated term must be reasonable and legal and have been accepted in writing by the Tenant as part of the Rental Agreement. Where such terms were accepted by the Tenant or made part of the Rental Agreement after the initial creation of the tenancy, the Landlord must have first notified the Tenant in writing that they need not accept such terms or agree to their being made part of the Rental Agreement.

2. Before attempting to recover possession of a Rental Unit based on this Subsection 42.8(B), the Landlord shall serve the Tenant a written notice of the violation that provides the Tenant with a minimum of fourteen (14) days' opportunity to cure the violation. The warning notice shall inform the tenant that a failure to cure may result in the initiation of eviction proceedings and include sufficient details of the violation to allow the tenant to reasonably comply and any information necessary to determine the date, time, place, witnesses present, and the circumstances concerning the reason for the notice. Any such warning notice must be attached to a notice terminating tenancy.
 3. Notwithstanding any lease provision to the contrary, a Landlord shall not take any action to terminate a tenancy based on a Tenant's sublease of the Rental Unit if the Landlord has unreasonably withheld the right to sublease following a written request by the Tenant. The Tenant must continue to reside in the Rental Unit as their Primary Residence and the sublease must replace one or more departed Tenants under the Rental Agreement on a one-for-one basis.
 - a. A Landlord's refusal of a subtenant must state the reason for the refusal. If the Landlord fails to respond to the Tenant's request to sublease in writing within fourteen (14) days of receipt of the Tenant's request, the Tenant's request shall be deemed approved by the Landlord.
 - b. A Landlord's reasonable refusal of the Tenant's written request may not be based on the proposed occupant's lack of Creditworthiness, if the occupant will not be legally obligated to pay some or all of the Rent directly to the Landlord.
 4. **Protections for Families.** Notwithstanding any contrary provision in this Section 42.8(B), a Landlord shall not attempt to recover possession of a Rental Unit as a result of the addition to the Rental Unit of a Tenant's child, parent, grandchild, grandparent, brother or sister, or the spouse or domestic partner (as defined in California Family Code section 297) of such relatives, or as a result of the addition of the spouse or domestic partner of a Tenant, so long as the number of occupants does not exceed the maximum lawful number of occupants as determined under section 503(b) of the Uniform Housing Code as incorporated by California Health & Safety Code section 17922.
- C. **Cause Substantial Damage to Unit.** The Tenant has continued, after the Landlord has served the Tenant with a written notice to cease, to cause substantial damage to or expressly permit substantial damage to be caused to the Rental Unit and, after written notice, has refused to cease damaging the premises, or has refused to either make satisfactory correction or to pay the reasonable costs of repairing such damage over a reasonable period of time.

Before attempting to recover possession of a Rental Unit based on this Subsection 42.8(C), the Landlord shall serve the Tenant a written notice of the violation that provides

the Tenant with a minimum of fourteen (14) days' opportunity to cure the violation. The warning notice shall inform the tenant that a failure to cure may result in the initiation of eviction proceedings and include sufficient details of the violation to allow the tenant to reasonably comply and any information necessary to determine the date, time, place, witnesses present, and the circumstances concerning the reason for the notice. Any such warning notice must be attached to a notice terminating tenancy.

- D. **Nuisance.** The Tenant has created a threat to the health or safety of other occupants of the Property or of the immediate area. The fact that a Tenant has been arrested or convicted of a crime, been the victim of a crime, or contacted the police or other emergency services, in and of itself, is not evidence of nuisance for purposes of this Subsection 42.8(D).
- E. **Failure to Give Access.** The Tenant has continued to refuse, after the Landlord has served the Tenant with a written notice, to grant the Landlord reasonable access to the Rental Unit for the purposes of showing the unit to a prospective purchaser or mortgagee or making necessary repairs or improvements required by the law. Unless necessary due to a documented emergency affecting a Tenant's health and/or safety, all repair or improvement work will be scheduled in compliance with the Tenant Safety Plan and Section 42.10 and any applicable Program regulations.
1. To terminate a tenancy under this Subsection 42.8(E), a Landlord:
 - a. Must show that they provided written notice to the Tenant in compliance with California Civil Code section 1954 and all necessary repair or improvement work was scheduled in compliance with this Ordinance and all applicable Program regulations.
 - b. Shall serve the Tenant a written notice of the violation that provides the Tenant with a minimum of fourteen (14) days' opportunity to cure the violation. The warning notice shall inform the tenant that a failure to cure may result in the initiation of eviction proceedings and include sufficient details of the violation to allow the tenant to reasonably comply and any information necessary to determine the date, time, place, witnesses present, and the circumstances concerning the reason for the notice. Any such warning notice must be attached to a notice terminating tenancy.
 2. Tenants may request that workers, agents or any other people requesting access to their Rental Unit wear face masks and may deny access if such a request is refused.
- F. **Return to Primary Residence.** The Landlord seeks in good faith to recover possession of a separately alienable Rental Unit for their occupancy as a Primary Residence, after the Tenant failed to vacate upon proper notice. This shall apply only where the Landlord has previously occupied the Rental Unit as their Primary Residence and has the right to recover possession of the unit for their occupancy as a Primary Residence under an

existing written Rental Agreement with the current Tenants for a term of no more than 12 consecutive months.

1. The Tenant must be provided, at the inception of the tenancy, with a written statement that includes the length of the tenancy and that the tenancy may be terminated at the end of the temporary tenancy period with no further good cause.
2. No relocation payment is required under this Subsection 42.8(F). However, if the Landlord fails to move in within 90 days of the Tenant vacating or re-rents the Rental Unit, any new Tenant moving into the Rental Unit will have as the original Base Rent the Rent in effect at the time the previous Tenant vacated.

Sec. 42.9. - NO FAULT JUST CAUSES FOR EVICTION:

- A. The following are the only no-fault just causes for which a Landlord may terminate a tenancy under this Chapter:
 1. **Owner Move-In.** The Landlord seeks to recover possession in good faith for use as a Primary Residence by the Landlord or the Landlord's Designated Relative or by a professional caretaker who meets the requirements of Subsection 42.9(A)(1)(d).
 - a. For purposes of this Subsection 42.9(A)(1), "Designated Relative" shall mean a Landlord's spouse, domestic partner, child, parent or grandparent.
 - b. A Landlord, as used in Subsection 42.9(A)(1), means a natural person who has at least a fifty-one (51) percent recorded ownership interest in the Property.
 - c. The Landlord or Designated Relative or professional caretaker must intend in good faith to move into the Rental Unit within ninety (90) days after the Tenant vacates and to occupy the Rental Unit as a Primary Residence for at least thirty-six (36) consecutive months.
 - d. Where a Landlord or their Designated Relative as listed in Subsection 42.9(A)(1) already lives at the Property and is over the age of 65 or Disabled, a professional caretaker of that Landlord or Designated Relative may additionally qualify as a valid person for whose use of the Rental Unit the Landlord may recover possession under Subsection 42.9(A)(1). All other requirements under this Subsection 42.9(A)(1) shall continue to apply. If a professional caretaker who has moved into a Rental Unit under this Subsection 42.9(A)(1)(d) is subsequently charged Rent for the Rental Unit, it cannot be more than the previous Rent in effect at the time the previous Tenant vacated.

- e. Except as provided in Subsection 42.9(A)(1)(d), above, no eviction may take place under Subsection 42.9(A)(1) if the same Landlord or the same Designated Relative already occupies a Rental Unit on the Property, or if a vacancy already exists at the Property. Only one specific unit per building may undergo an “Owner Move-in” eviction. Once a Landlord has successfully recovered possession of a Rental Unit pursuant to Subsection 42.9(A)(1), no other Landlords may recover possession of any other Rental Unit at the Property under Subsection 42.9(A)(1). Any future evictions taking place at the same Property under Subsection 42.9(A)(1) must be of that same Rental Unit. At all times, a Landlord may request a reasonable accommodation to the Program if the Landlord or enumerated relative is Disabled and a different unit is necessary to accommodate the person’s Disability.
- f. A Landlord who has terminated a tenancy for a Rental Unit under Subsection 42.9(A)(1) may not terminate a tenancy for a Tenant who subsequently reoccupies a Rental Unit after termination of tenancy under Subsection 42.9(A)(1) or relocates to a comparable Rental Unit on the same Property for a period of four years beginning from the date of the latest notice terminating tenancy.
- g. A notice terminating tenancy under Subsection 42.9(A)(1) shall contain the name, address of Primary Residence, and relationship to the Landlord of the person intended to occupy the Rental Unit, a list of all real property owned by each intended future occupant, and the address of the real property, if any, on which each intended future occupant claims a homeowner’s property tax exemption.
- h. If the Landlord, Designated Relative, or professional caretaker specified on the notice terminating tenancy fails to occupy the Rental Unit within 90 days after the Tenant vacates, the Landlord shall:
 - i. Offer the Rental Unit to the Tenant who vacated it at the same Rent in effect at the time the Tenant vacated; and
 - ii. Pay to said Tenant all reasonable expenses incurred in moving to and from the Rental Unit, including lease termination fees. This Subsection 42.9(A)(1)(h)(ii) does not limit any other remedies a Tenant may have under this Chapter or applicable law.
 - iii. If the Landlord, Designated Relative, or professional caretaker specified on the notice fails to occupy the Rental Unit within 90 days after the Tenant vacates or does not occupy the Rental Unit as a Primary Residence for at least 36 months, the Landlord shall have the burden of producing evidence that the failure to occupy occurred in good faith.

- i. If the Landlord, Designated Relative, or professional caretaker specified on the notice terminating tenancy fails to occupy the Rental Unit within ninety days or fails to occupy for at least 36 months, and the previous Tenant declines to move back into the Rental Unit, any new Tenant moving into the Rental Unit will have as the original Base Rent the Rent in effect at the time the previous Tenant vacated.
- j. **Eviction Protection for Elderly, Disabled, or Terminally Ill Tenants.** A Landlord may not evict a Tenant under Subsection 42.9(A)(1) if:
 - i. The Tenant has resided in the Rental Unit for at least three (3) years and is either at least 62 years of age or Disabled; or
 - ii. The Tenant is certified as being terminally ill by the Tenant's treating physician.

For the purposes of this Subsection 42.9(A)(1)(j), notwithstanding the above, a Landlord may evict a Tenant who qualifies for the exemption because they are Disabled if the Landlord or designated relative who will occupy the Rental Unit is also Disabled and no other units are available at the Property. Likewise, a Landlord may evict a Tenant who qualifies for the exemption because they are terminally ill if the Landlord or designated relative who will occupy the Rental Unit is also terminally ill and no other units are available at the Property.

- k. **School Year Protections for Educators and Students.** It shall be a complete defense to an action to recover possession under this Subsection 42.9(A)(1) if:
 - i. A child under the age of 18 or any Educator resides in the unit and the Educator is a Tenant in the unit or the child has a custodial or family relationship with a Tenant in the unit;
 - ii. The Tenant has resided in the unit for 12 months or more; and
 - iii. The expiration date of the notice of termination of tenancy falls during the School Year.
- l. A Landlord may not evict a Tenant under Subsection 42.9(A)(1) if there is a comparable Rental Unit at the Property occupied by a Tenant who moved onto the Property more recently than the Tenant from whom the Landlord seeks to recover possession.

- 2. **Withdrawal from Rental Market.** The Landlord seeks in good faith to recover possession of all Rental Units on a parcel of land to permanently withdraw the units from the rental market or for demolition so long as the withdrawal is permitted by the Ellis Act (California Government Code section 7060 et seq.).

The Landlord must have fulfilled all requirements of this Chapter and all regulations passed by the Program initiating the procedure for withdrawing Rental Units from rent or lease, with the intention of completing the withdrawal process and going out of the rental business or demolishing the Rental Units. Tenants shall be entitled to a minimum of 120-day notice of termination of tenancy. If a Tenant is at least 62 years of age or Disabled, the notice period shall be one year. Notice times may be increased by regulation if state law allows for additional time.

The following shall apply to a unit where the Landlord recovers possession pursuant to Subsection 42.9(A)(2):

- a. **Re-rental Within Two Years.** If the Rental Unit is offered again for rent or lease for residential purposes within two years of the date the Rental Unit was withdrawn from rent or lease, the following shall apply:
 - i. The Landlord of the Rental Unit shall be liable to any Tenant who was displaced from the Property by that action for actual and punitive damages. Any action by a Tenant pursuant to this paragraph shall be brought within three years of the withdrawal of the Rental Unit from rent or lease. However, nothing in this paragraph precludes a Tenant from pursuing any alternative remedy available under the law.
 - ii. The Program may institute a civil proceeding against the Landlord for punitive damages for displacement of Tenants. Any action pursuant to this paragraph shall be brought within three years of the withdrawal of the Rental Unit from rent or lease.
 - iii. **Right to Reoccupy.** The Landlord shall first offer the unit for rent or lease to the Tenant displaced from that unit by the withdrawal pursuant to this Chapter, if the Tenant has advised the Landlord in writing within 30 days of the displacement of the Tenant's desire to consider an offer to renew the tenancy and has furnished the Landlord with an address to which that offer is to be directed. That Tenant or former Tenant may advise the Landlord at any time during the eligibility of a change of address to which an offer is to be directed.
 - iv. If the Tenant has advised the Landlord of a desire to consider an offer to renew the tenancy, then the Landlord shall offer to reinstate a Rental Agreement or lease on terms permitted by law to that displaced Tenant. This offer shall be deposited in the United States mail, by registered or certified mail with postage prepaid, addressed to the displaced Tenant at the address furnished to the Landlord as provided in this Subsection

42.9(A)(2)(a), and shall describe the terms of the offer. The displaced Tenant shall have 30 days from the deposit of the offer in the mail to accept the offer by personal delivery of that acceptance or by deposit of the acceptance in the United States mail by registered or certified mail with postage prepaid. The Tenant shall have the option to offer an email instead of an address to receive such offers. However, the email must be offered for this specific purpose to be considered offered.

- b. **Re-rental of Rental Units Within Five Years.** If the Rental Unit is offered again for rent or lease for residential purposes within five years of the date the Rental Unit was withdrawn from rent or lease, the Rental Unit shall be offered and rented or leased at the lawful Rent in effect at the time any notice of intent to withdraw the Rental Unit is filed with the Program, plus any lawful Annual Allowable Rent Increases. The provisions of this paragraph shall apply to all tenancies commenced during either of the following time periods:
- i. The five-year period after any notice of intent to withdraw the Rental Unit is filed with the Program, whether or not the notice of intent is rescinded or the withdrawal of the Rental Unit is completed pursuant to the notice of intent.
 - ii. The five-year period after the Rental Unit is withdrawn.

This Subsection 42.9(A)(2)(b) shall prevail over any conflicting provision of law authorizing the Landlord to establish the rental rate upon the initial hiring of the Rental Unit.

- c. **Re-rental Within Ten Years.** A Landlord who offers a Rental Unit again for rent or lease within 10 years from the date on which it is withdrawn shall first offer the unit to the Tenant displaced from that unit by the withdrawal, if that Tenant requests the offer in writing within 30 days after the Landlord has notified the Program of an intention to offer the Rental Unit again for residential rent or lease. The Landlord of the Rental Unit shall be liable to any Tenant who was displaced by that action for failure to comply with this paragraph, for punitive damages in an amount which does not exceed the contract Rent for six months, and the payment of which shall not be construed to extinguish the Landlord's obligation to comply with this Subsection 42.9(A)(2).
- d. **Demolition Restrictions.** If the Rental Unit(s) are demolished, and new Rental Unit(s) are constructed on the same Property, and offered for rent or lease within five years of the date the Rental Unit(s) were withdrawn from rent or lease, the newly constructed Rental Unit(s) shall be subject to the system of control established in Section 42.6 at which time they would

be offered at the Rent that was paid at the time the prior tenancy was terminated under this Subsection 42.9(A)(2), notwithstanding any exemption from the system of controls for newly constructed Rental Units.

- e. **Applicability to Successors in Interest.** When a Landlord withdraws Rental Units from rent or lease pursuant to Subsection 42.9(A)(2), the requirements of Subsection 42.9(A)(2) shall apply to all successors in interest. The Program shall record a notice with the county recorder which shall specifically describe the real property where the Rental Unit is located, the dates applicable to the constraints and the name of the Landlord of record of the real property. The notice shall be indexed in the grantor-grantee index. The Program shall charge a fee for the processing of evictions filed pursuant to Subsection 42.9(A)(2).
- f. **Notice of Withdrawal.** A Landlord who seeks to demolish or withdraw a Rental Unit from the rental market under Subsection 42.9(A)(2) must provide the Program with a notice, that states under the penalty of perjury:
 - i. the number of Rental Units withdrawn;
 - ii. the address or location of those Rental Units;
 - iii. the name or names of the Tenants of the Rental Units;
 - iv. the lawful Rent applicable to each Rental Unit.

The name or names of the Tenants, the Rent applicable to any residential Rental Unit, and the total number of Rental Units, is confidential information and for purposes of this Chapter shall be treated as confidential information for purposes of the Information Practices Act of 1977 Chapter 1 (commencing with section 1798) of Title 1.8 of Part 4 of Division 3 of the California Civil Code).

- g. The Landlord must record with the county recorder a memorandum summarizing the provisions, other than the confidential provisions, of the notice in a form which shall be prescribed by the regulation from the Program, and will require a certification with that notice that actions have been initiated as required by law to terminate any existing tenancies.
- h. The Landlord must notify the Program in writing of their intention to re-offer the Rental Unit for rent or lease.
- i. The date on which the Rental Unit is withdrawn from rent or lease for purposes of this Chapter is 120 days from the delivery in person or by first-class mail of the notice of withdrawal to the Program. However, if the Tenant is at least 62 years of age or Disabled, and has lived in their

Rental Unit for at least one year prior to the date of delivery to the Program of the notice of intent to withdraw, then the date of withdrawal of the Rental Unit of that Tenant shall be extended to one year after the date of delivery of that notice to the Program, provided that the Tenant gives written notice of their entitlement to an extension to the Landlord within 60 days of the date of delivery to the Program of the notice of intent to withdraw.

- j. **Protections During Extension of Tenancy for Elderly or Disabled Tenants.** If a Tenant notifies a Landlord of their right to an extension pursuant to the previous Subsection 42.9(A)(2)(i) in writing within 60 days of the Program receiving the notice of intent to withdraw the Rental Unit, the following provisions shall apply:
- i. The tenancy shall be continued on the same terms and conditions as existed on the date of delivery to the Program of the notice of intent to withdraw, subject to any adjustments otherwise available under this Chapter.
 - ii. No party shall be relieved of the duty to perform any obligation under the lease or Rental Agreement.
 - iii. The Landlord may elect to extend the tenancy on any other Rental Unit within the rental property up to one year after date of delivery to the Program of the notice of intent to withdraw, subject to paragraphs (i) and (ii).
 - iv. Within 30 days of the notification by the Tenant to the Landlord of their entitlement to an extension, the Landlord shall give written notice to the Program of the claim that the Tenant is entitled to stay in their Rental Unit for one year after date of delivery to the Program of the notice of intent to withdraw.
 - v. Within 90 days of the date of delivery to the Program of the notice of Intent to withdraw, the Landlord shall give written notice of the Landlord's election to extend a tenancy under paragraph (iii) and the revised date of withdrawal to the Program and any Tenant whose tenancy is extended.
 - vi. The date of withdrawal for the Rental Unit as a whole, for purposes of calculating any time-periods in this Chapter, shall be the latest termination date among all Tenants within the Rental Unit, as stated in the notices required by paragraphs (iv) and (v). A Landlord's further voluntary extension of a tenancy beyond the date stated in the notices required by paragraphs (iv) and (v) shall not extend the date of withdrawal.

- k. The Landlord must notify any Tenant displaced pursuant to Subsection 42.9(A)(2) of the following:
 - i. That the Program has been notified pursuant to Subsection 42.9(A)(2)(f).
 - ii. That the notice to the Program specified the name and the amount of Rent paid by the Tenant as an occupant of the Rental Unit.
 - iii. The amount of Rent the Landlord specified in the notice to the Program.
 - iv. Notice to the Tenant of their rights under Section 42.9(A)(2)(a)(iii).
 - v. That if the Tenant is at least 62 years of age or Disabled, and has lived in their Rental Unit for at least one year prior to the date of delivery to the Program of the notice of intent to withdraw, then tenancy shall be extended to one year after date of delivery to the Program of the notice of intent to withdraw, provided that the Tenant gives written notice of their entitlement to the Landlord within 60 days of date of delivery to the Program of the notice of intent to withdraw.
 - vi. That the extended tenancy shall be continued on the same terms and conditions as existed on date of delivery to the Program of the notice of intent to withdraw, subject to any adjustments otherwise available under Section 42.6.
 - vii. That no party shall be relieved of the duty to perform any obligation under the lease or Rental Agreement during the extended tenancy.
- l. Not later than the last day of the third and sixth calendar months following the month in which notice is given to the Program, and thereafter not later than December 31 of each calendar year for a period of five years, beginning with the year in which the six-month notice is given, the Landlord of any Property which contains or formerly contained one or more Rental Units which a Tenant or Tenants vacated pursuant to Subsection 42.9(A)(2) shall notify the Program, in writing, under penalty of perjury, for each such Rental Unit:
 - i. Whether the unit has been demolished;
 - ii. If the unit has not been demolished, whether it is in use;
 - iii. If it is in use, whether it is in residential use;

- iv. If it is in residential use, the date the tenancy began, the name of the Tenant(s), and the amount of Rent charged.

If the Rental Unit has been demolished, and one or more new units constructed on the lot, the Landlord shall furnish the information required by items (ii), (iii) and (iv) for each new unit. The Program shall maintain a record of the notices received under this Subsection 42.9(A)(2)(l) for each Rental Unit withdrawn from the rental market pursuant to Subsection 42.9(A)(2).

- m. The Program shall notify each person who is reported as having become a Tenant in a vacated or new Rental Unit subject to the reporting requirements of Subsection 42.9(A)(2)(l) that it maintains the records described in Subsection 42.9(A)(2)(l), and that the Rent of the Rental Unit may be restricted pursuant to Subsection 42.9(A)(2).
 - n. The Program shall maintain a register of all Rental Units withdrawn from rent or lease under Subsection 42.9(A)(2) and the Rent applicable to each unit at the time of withdrawal. The Program shall inform Tenants displaced from units withdrawn from rent or lease at the address provided by the Tenant, when the Landlord notifies the Program that the Rental Unit or replacement unit will again be offered for rent or lease within ten years of the date of withdrawal.
 - o. The Program may investigate whether a Rental Unit that was withdrawn from rent or lease has been again offered for rent or lease, and whether the Landlord has complied with the provisions of Subsection 42.9(A)(2).
3. **Temporarily Vacate for Substantial Renovation.** The Landlord, after having obtained all necessary permits from the City and an approved Tenant Safety Plan on or before the date the notice of termination is given, seeks in good faith to perform Substantial Renovation to the Property.
- a. For purposes of this Subsection 42.9(A)(3), “Substantial Renovation” means repair or renovation work performed on a Rental Unit or on the building containing the Rental Unit that (1) brings the Rental Unit into compliance with applicable laws regarding building health and safety requirements by making substantial repairs, (2) cannot be performed while the Tenant lives there, and (3) that improves the property by prolonging its useful life or adding value. Substantial Renovation must additionally involve one of the following:
 - i. Replacement or substantial modification of any structural, electrical, plumbing or mechanical system that requires a permit under the Redwood City Municipal Code.

- ii. Abatement of hazardous materials, such as lead-based paint and asbestos, in accordance with applicable federal, state and local laws.
 - iii. Repairs required by a Building Official in a Notice of Violation.
- b. Where the Landlord owns any other Rental Units in the City of Redwood City of the same number of bedrooms or fewer, and any such unit is vacant and available at the time of service of the written notice terminating the tenancy, or at any time thereafter until the earlier of the Tenant vacates the Rental Unit or a court of competent jurisdiction enters judgment awarding possession of the premises to the Landlord, the Landlord may notify the Tenant in writing of the existence and address of each such vacant Rental Unit and offer it to the Tenant as an alternative to providing the relocations payments required under Section 42.9(C), if the Tenant so chooses. In such case, the Landlord additionally shall offer the Tenant the right, at the Tenant's option, to enter into a Rental Agreement (to be designated as a "Temporary Rental Agreement") for the available Rental Unit which the Tenant may choose. The Rent for such a unit shall not exceed the lesser of the lawful Rent which may be charged for the available Rental Unit or the lawful Rent in effect at the original Rental Unit at the time of the notice of termination of tenancy. The Rental Agreement for the replacement Rental Unit shall be for a term of the lesser of ninety days or until the Substantial Renovation is completed on the Rental Unit vacated by the Tenant.
- c. A notice terminating tenancy under Subsection 42.9(A)(3) must include the following information:
 - i. A statement informing Tenants of their right to relocation payments under this Chapter.
 - ii. The statement, "When the needed repairs are completed on your unit, the Landlord must offer you the opportunity to return to your unit with a Rental Agreement that has the same terms as your original one and with the same rent."
 - iii. A description of the Substantial Renovation to be completed and the approximate expected duration of the Substantial Renovation.
- d. Where the Landlord recovers possession under Subsection 42.9(A)(3) either prior to or after an unlawful detainer judgment, the Tenant must be given the right of first refusal to re-occupy the unit. The Landlord shall notify the Tenant Household at least sixty (60) days in advance of the date the Rental Unit becomes available. Within thirty (30) days of receipt of the notice of availability, a Tenant Household must notify the Landlord if it

wishes to reoccupy the Rental Unit. The Landlord must hold the Rental Unit vacant at no cost to the Tenant for sixty (60) days from the date the Tenant Household's written notice of its intent to reoccupy the Rental Unit is received.

- e. **School Year Protections for Educators and Students.** If the expiration date of the notice of termination of tenancy falls during the School Year, the Landlord must make a showing that the Substantial Renovation cannot wait to be completed after the School Year. Otherwise, it shall be a defense to an action to recover possession under this Subsection 42.9(A)(3) that:
 - i. A child under the age of 18 or any Educator lives in the unit and the child or Educator is a Tenant in the Rental Unit or the child has a custodial or family relationship with a Tenant in the Rental Unit;
 - ii. The Tenant has lived in the Rental Unit for 12 months or more; and
 - iii. The expiration date of the notice of termination of tenancy falls during the School Year.

B. **Right of Return and First Right of Refusal at the Same Rent.** All Tenants that are displaced based on reasons under this Section 42.9(A) shall have the first right of refusal to return to a Rental Unit if it is ever returned to the rental market by the Landlord or a successor Landlord.

1. The new Rental Agreement shall include the same terms as the original and the original Base Rent shall be the Rent lawfully paid by the Tenant at the time the Landlord gave notice for which the basis was listed in this Section 42.9.
2. Should the Tenant decline to reoccupy the Rental Unit after it is returned to the rental market, the lawful Base Rent for the new tenancy shall be the Rent lawfully paid by the former Tenant at the time the Landlord served the termination notice, plus any lawful Annual Allowable Rent Increases.

C. **Relocation for No Fault Evictions.**

1. A Landlord seeking to recover possession under Subsections 42.9(A) must make a relocation payment to the Tenant Household. The amount of the relocation payment shall be equal to four times the monthly Fair Market Rent for the Rental Unit being vacated, per Tenant Household, or \$8,000, whichever is more. The landlord shall pay this amount at the time of service of the notice of termination of tenancy. If the notice of termination is withdrawn, the Tenant shall return the relocation payment.

2. If any Tenant of the Tenant Household is 62 years of age or older, Disabled, or terminally ill at the time a notice of intent to withdraw Rental Units under Subsection 42.9(A) is filed with the Program, the Tenant Household shall be entitled to receive a payment of \$4,000 in addition to the payment required by Subsection 42.9(C)(1). A Tenant must notify the Landlord of their entitlement to this payment.
3. When a Landlord disputes a Tenant Household's eligibility to receive standard or additional relocation assistance, either party may file a petition with the Program requesting a hearing to determine eligibility. Such petitions and hearings shall follow all applicable procedures specified in Section 42.15 and Program regulations. This is not an exclusive remedy.
4. Every year following the date of passage, both the minimum relocation payment provided for in Subsection 42.9(C)(1) and the additional relocation payment for provided for in Subsection 42.9(C)(2) shall adjust annually at the rate of increase in the Consumer Price Index for All Urban Consumers: Rent of Primary Residence in San Francisco-Oakland-Hayward for the preceding calendar year, as that data is made available by the United States Department of Labor and published by the Program.

Sec. 42.10. TENANT SAFETY PLANS FOR REPAIRS, CONSTRUCTION, AND SUBSTANTIAL RENOVATION OF OCCUPIED RENTAL PROPERTIES

- A. **Purpose.** The purpose of this Section 42.10 is to facilitate investment by Landlords in renovations and the construction of new housing without subjecting tenants to either untenable housing conditions during such renovation work or forced permanent displacement. A Tenant Safety Plan requires landlords to mitigate such temporary untenable conditions, either through actions to ensure that Tenants can safely remain in place during construction, or through the temporary relocation of Tenants to alternative housing accommodations. These two options should not be regarded as mutually exclusive but rather as complementary approaches that may be appropriate for different stages of the renovation process.
- B. No Landlord shall perform repair, construction, or Substantial Renovation on an occupied Rental Unit, a building containing occupied Rental Units, or on the same lot as the occupied Rental Unit, which requires a permit or is performed in response to an order to abate from the City building official, without first obtaining an approval of a Tenant Safety Plan for such construction, renovations or repairs.
 1. **Emergency Repair Exempted.** In the event that a necessary repair must be completed in less than 48 hours to ensure the health and safety of a Tenant Household and no permit is required before work may commence, the work may commence without a Tenant Safety Plan.

2. **Substantial Renovation.** For purposes of this Section 42.10, “Substantial Renovation” means work performed either on a Rental Unit or on the building containing the Rental Unit that brings the Rental Unit into compliance with the Housing Code by making substantial repairs and that cannot be made while the Tenant lives there, improves the property by prolonging its useful life or adding value, and involves either or both of the following:
 - a. Replacement or substantial modification of any structural, electrical, plumbing or mechanical system that requires a permit under the Redwood City Municipal Code.
 - b. Abatement of hazardous materials, such as lead-based paint and asbestos, in accordance with applicable federal, state and local laws.
- C. The City (or Program, at the discretion of the City Manager) shall not approve a Landlord's application for a permit for repairs, construction, or Substantial Renovation unless both of the following conditions have been met:
1. The Landlord has submitted a Tenant Safety Plan to the Program which, in accordance with this Section 42.10, the Program finds adequately mitigates the impact of the construction, renovation, or repairs upon affected Tenants; and
 2. The Landlord has submitted to the Program a declaration documenting that the Landlord served to affected Tenants both a Notice of Substantial Renovation and a copy of the non-confidential portions of the Tenant Safety Plan.
- D. **Tenant Safety Plan Requirements.** At a minimum, a Tenant Safety Plan shall provide the following information as well as any other information the Program deems necessary to ensure that the impact of the renovation upon affected Tenants is adequately mitigated:
1. Identification of the Landlord, the general contractor responsible for the renovation, and any specialized contractor responsible for hazardous material abatement, including but not limited to lead-based paint and asbestos.
 2. Identification of all affected Tenants, including the current Rent each Tenant pays and the date of each Tenant's last Rent increase. In accordance with California Civil Code section 1798 et seq., information regarding Tenants shall be considered confidential.
 3. Description of the scope of work covered in the construction, repair or renovation. This description shall address the overall work to be performed on all affected Rental Units and common areas, the specific work to be undertaken on each affected Rental Unit, an estimate of the total project cost and time, and an estimate of the cost and time of renovation for each affected Rental Unit.

4. Identification of the impact of the renovation on the habitability of affected Rental Units, including a discussion of impact severity and duration of noise, Utility interruption, exposure to hazardous materials, interruption of fire safety systems, inaccessibility of all or portions of each affected Rental Unit, other potential health hazards such as exposure to infectious diseases, and disruption of other Housing Services.
 5. Identification of the mitigation measures that will be adopted to ensure that Tenants are not required to occupy an untenable dwelling, as defined in California Civil Code section 1941.1, outside of the hours of 8:00 am through 5:00 pm, Monday through Friday, and are not exposed at any time to toxic or hazardous materials including, but not limited to, lead-based paint and asbestos. Such measures may include the adoption of work procedures that allow a Tenant to remain on-site and/or the temporary relocation of Tenants.
 6. Identification of the impact of the renovation on the personal property of affected Tenants, including work areas which must be cleared of furnishings and other Tenant property, and the exposure of Tenant property to theft or damage from hazards related to work or storage.
 7. Identification of the mitigation measures that will be adopted to secure and protect Tenant property from reasonably foreseeable damage or loss.
 8. Identification of a phone number and email address of a responsible party who will be responsive to tenant complaints about the execution of the Substantial Renovation.
- E. **Tenant Safety Plan Acceptance.** The Program shall make a determination of whether the Landlord's proposed Tenant Safety Plan is adequate within five working days of the date the Program receives the plan for review. The Program shall accept those plans which meet the requirements of this Section 42.10 and which it determines, with reference to the standards set forth in California Civil Code section 1941.1, applicable local codes, and in accordance with any regulations or guidelines adopted by the Program, will adequately mitigate the impacts of renovation upon Tenants.
1. The Tenant Safety Plan may allow for the temporary disruption of major systems during the hours of 8:00 a.m. to 5:00 p.m., Monday through Friday, without requiring the relocation of Tenants in order to adequately mitigate the impacts upon the affected Tenants.
 2. The Program shall provide landlords with written indications of deficiencies which must be addressed whenever a Tenant Safety Plan is determined to be inadequate. A landlord may submit an amended plan in order to correct identified deficiencies.

3. Once the Program has approved a Landlord's proposed Tenant Safety Plan, the Landlord must provide impacted Tenants a copy of the approved Tenant Safety Plan along with a notice, as provided by the Program, of the Tenant's right to appeal the Tenant Safety Plan pursuant to Subsection 42.10(E)(4).
 4. Landlords and Tenants may appeal the Program's determination regarding a Tenant Safety Plan. The appeal shall be made in writing, upon appropriate forms provided by the Program, and shall specify the grounds for appeal, such as the plan being overly disruptive or that a temporary relocation should or should not be provided. The appeal shall be filed within 15 calendar days of the service of the Program's determination. The requested hearing shall be held within 30 calendar days of the filing of the appeal following the procedures adopted under this Chapter. The Program shall issue a written decision within ten calendar days of the hearing on the appeal, with a copy of the decision served on the landlord and the tenants by first class mail, postage prepaid, or in person. Such appeals and hearings shall follow all applicable procedures specified in Section 42.15 and Program regulations.
 5. Tenants may raise on appeal that job or childcare schedules or other unavoidable hardship require relocation or other mitigation measures beyond those proposed by the Landlord, in addition to the other requirements of this Section 42.10.
 6. Notwithstanding Subsection 42.10(E)(1), a Tenant Safety Plan shall not be approved if it would allow Tenants to be exposed at any time to toxic or hazardous materials, including, but not limited to, lead-based paint and asbestos.
- F. **Substantial Renovation Notice.** In the event that the work proposed is a Substantial Renovation, service of the approved Tenant Safety Plan items shall be provided in the manner prescribed by section 1162 of the California Code of Civil Procedure and at least 60 days prior to the date the Substantial Renovation is scheduled to begin. Notice of Substantial Renovation shall be written in the language in which the original lease was negotiated and shall provide the following information.
1. The estimated start and completion dates of any Substantial Renovation associated with the accepted Tenant Safety Plan.
 2. A description of the Substantial Renovation to be performed and how it will impact that particular tenant or household.
 3. Whether temporary relocation will be required, and if so, a notice concerning Tenants' rights under this Chapter.
 4. Instructions that Tenants with questions should consult the Landlord or the Program.

5. Notice of the Tenant's right to reoccupy the units under the existing terms of tenancy upon completion of the Substantial Renovation.
6. Notice that the Tenant may appeal the Program's acceptance of a Tenant Safety Plan provided such request is submitted within 15 days of the tenant's receipt of the Notice of Substantial Renovation.
7. Notice that a tenant can make complaints to the responsible party identified in the Tenant Safety Plan.
8. A disclaimer in at least 24 point bold font on the first page of the notice stating "THIS IS NOT AN EVICTION NOTICE. IF YOU HAVE QUESTIONS CONCERNING YOUR RIGHTS AS A TENANT CALL [Phone Number of Program]."

G. Short-Term Tenant Relocation Plan.

1. When a Tenant will be displaced from their Rental Unit for renovation, repairs, or construction work for a period of fewer than thirty days, the Tenant shall be immediately entitled to receive short-term relocation payments from the Landlord as set out in Subsection 42.10(G)(3). The Tenant may choose not to receive short-term relocation payments. If the Tenant receives short-term relocation payments, the Tenant remains obligated to pay to the Landlord the lawful Rent in effect when the Tenant vacates. If the Tenant has chosen not to receive short-term relocation payments, the Tenant shall not be obligated to pay any Rent until the Tenant reoccupies the Rental Unit.
2. Should a Tenant be displaced for a greater time than originally notified, the Landlord shall pay additional short-term relocation expenses for each additional day of displacement, to be paid on a weekly basis prior to each additional week.
3. The following amounts shall be paid by the Landlord to the Tenant for each day of displacement:
 - a. Hotel or motel accommodations: \$150.00 per Household;
 - b. Meal expenses: \$30.00 per occupant;

The dollar amounts specified in this Subsection 42.10(G)(3) shall adjust annually at the rate of increase in the Consumer Price Index for All Urban Consumers: Rent of Primary Residence in San Francisco-Oakland-Hayward for the preceding calendar year, as that data is made available by the United States Department of Labor and published by the Program. The Program shall publish the new short-term relocation payment amounts each year following the increase.

4. A Landlord's failure to properly comply with the provisions of this Section 42.10 is not a defense to failing to provide relocation payments under this Subsection 42.10(G) or any available remedy.
- H. Nothing in this Section 42.10 shall prevent a Tenant from seeking a reasonable accommodation for Disability from a Landlord or impact a Tenant's existing legal right to Disability accommodations during renovations.

Sec. 42.11. - PROVISIONS APPLICABLE TO ALL EVICTION ACTIONS:

- A. In any action to recover possession of a Rental Unit, a Landlord must allege and prove that the Landlord seeks to recover possession of the unit with good faith, honest intent, and with no ulterior motive, for the reason stated in the termination notice.
- B. If a Landlord claims the Rental Unit is exempt from this Chapter, the Landlord must allege in the notice of termination of tenancy and prove that the unit is covered by one of the exceptions enumerated in Subsection 42.3(B), including the specific grounds for the exemption. Failure to make such allegations in the notice shall be a complete defense to any unlawful detainer action.
- C. **Additional Notice Requirements.** In any notice purporting to terminate tenancy under this Chapter, the Landlord shall state the cause for the termination and any information required under this Chapter. All termination notices served under this Chapter must additionally include the following:
 1. A statement that information regarding the laws upon which the notice terminating tenancy is based is available from the Redwood City Rent Stabilization and Tenant Protections Program.
 2. A statement that Tenants seeking legal advice should consult with an attorney.
 3. The statement, "The Redwood City Fair and Affordable Housing Ordinance applies to your rental unit. Your landlord must have one of the reasons specified in the Ordinance in order to end your tenancy. Reasons that are not listed in the Ordinance, such as the sale of the property, are not valid causes for eviction under the Ordinance."
 4. The calendar date on which the Tenant is required to vacate, including the month and day.
 5. All notices that the Landlord is otherwise required by this Chapter to serve on a Tenant during an effort to terminate a tenancy, which must be attached to the termination notice.
 6. Any other information that the Program may, by regulation, require.
- D. **Filing of Termination Notices.** The Landlord shall file with the Program a copy of any notice terminating tenancy within three (3) days after serving the notice on the Tenant.

- E. **Failure to Strictly Comply in Eviction Actions.** In any legal action brought to recover possession of a Rental Unit, the Landlord must allege and prove compliance with this Chapter. A Landlord's failure to strictly comply with any requirement of this Chapter or any implementing regulation may be asserted by a Tenant as an affirmative defense in an action brought by the Landlord to recover possession of the Rental Unit.
- F. The requirements of this Section 42.11 shall apply to all notices terminating tenancy that have been served as of the effective date of this Chapter, but where the corresponding Rental Unit has not been vacated or an unlawful detainer judgment has not been issued as of the effective date of this Chapter.
- G. **Good Faith in Eviction Actions.** The Program may adopt regulations governing the determination of good faith.

Sec. 42.12. - BUYOUT OFFERS AND AGREEMENTS:

- A. **Definitions.** As used in this Section 42.12, the following terms shall have the following meanings:
 - 1. **Buyout Agreement.** An agreement in which a Landlord pays a Tenant money or other consideration to vacate a Rental Unit. An agreement to settle an unlawful detainer action pending in court does not constitute a "Buyout Agreement."
 - 2. **Buyout Offer.** An offer, written or oral, by a Landlord to pay a Tenant money or other consideration to vacate a Rental Unit. An offer to settle an unlawful detainer action pending in court does not constitute a "Buyout Offer."
- B. **Disclosure Required.** No less than ten days prior to making a Buyout Offer for a Rental Unit, the Landlord shall provide each Tenant in that Rental Unit a written disclosure, on a form developed and authorized by the Program, that includes the following:
 - 1. A statement that the Tenant has a right not to enter into a Buyout Agreement;
 - 2. A statement that the Tenant may choose to consult with an attorney before entering into a Buyout Agreement;
 - 3. A statement that the Tenant may rescind the Buyout Agreement for up to thirty days after it is fully executed;
 - 4. A statement that the Tenant may consult the Program with respect to the Buyout Agreement;
 - 5. Any other information required by the Program consistent with the purposes and provisions of this Section 42.12; and
 - 6. A space for each Tenant to sign and write the date the Landlord provided the Tenant with the disclosure.

- C. Every Buyout Agreement shall be in writing and include the following statements in bold letters in at least fourteen-point type in close proximity to the space reserved for the signature of the Tenant(s):

“You may cancel this agreement in writing at any time before the thirtieth day after all parties have signed this agreement. You have a right not to enter into a buyout agreement. You may choose to consult with an attorney or the Redwood City Rent Stabilization and Tenant Protections Program before signing this agreement. The Redwood City Rent Stabilization and Tenant Protections Program may have information about other buyout agreements in your neighborhood.”

- D. A Buyout Agreement that does not satisfy all the requirements of this Section 42.12 shall not be effective and shall be void at the option of the affected Tenant(s). However any remedy based on an ineffective or void Buyout Agreement shall not include displacement of a subsequent Tenant or Tenants of the affected Rental Unit.
- E. **Right to Rescind.** A Tenant shall have the right to rescind a Buyout Agreement for up to thirty days after its execution by all parties, so long as the Tenant has not already permanently vacated the Rental Unit. In order to rescind a Buyout Agreement, the Tenant must hand-deliver, e-mail, or place in the U.S. mail a statement to the Landlord indicating that the Tenant has rescinded the Buyout Agreement no later than the 30th day after it is executed by all parties.
- F. The Landlord shall retain a copy of each signed disclosure form for five years, along with a record of the date the Landlord provided the disclosure to each Tenant, and shall give each Tenant a copy of the Buyout Agreement at the time the Tenant executes it.
- G. The Landlord shall provide a copy of the Buyout Agreement to the Program no sooner than the thirty-first day after the Buyout Agreement is executed by all parties, and no later than sixty days after the agreement is executed by all parties.
- H. Buyout Agreements must be maintained by the Program in a file that is separate from any other file.
- I. All information included in the Buyout Agreements by which an individual might reasonably be identified ("personally-identifying information"), including without limitation an individual's name, phone number, unit number, or specific street address, must be maintained as confidential.
- J. The Program shall collect data from the filed Buyout Agreements--including, without limitation, the compensation paid as consideration for the Buyout Agreement and the neighborhood of the affected Rental Unit--and shall make that data public; but only to the extent that no personally identifying information is revealed.

Sec. 42.13. - HARASSMENT PROHIBITED:

- A. No Landlord or such Landlord's agent, contractor, subcontractor, or employee shall do any of the following, in bad faith. For purposes of this Section 42.13, "bad faith" means willful, reckless, or grossly negligent conduct in disregard for legal requirements or in a manner indifferent to the rights of or impact on Tenants. The scope and effect of the conduct will be taken into account in determining whether the conduct is in bad faith. The Program may enact regulations to further guide the determination that conduct is in bad faith.
1. Reduce, interrupt, terminate, or fail to provide Housing Services required by a Rental Agreement or by state, county or local housing health or safety laws, or threaten to do so. This includes the following:
 - a. Curtailing any Utility services by any means whatsoever, including, but not limited to, the cutting or removal of wires, removal of fuses, switching of breakers, and non-payment of bills for Utilities that are part of the Housing Services.
 - b. Impeding reasonable access to the Rental Unit.
 - c. Removing doors or windows of the Rental Unit.
 2. Fail to perform repairs or maintenance required by a Rental Agreement or by state, county or local housing, health or safety laws, or threaten to do so.
 3. Fail to exercise due diligence in completing repairs or maintenance once undertaken or fail to follow appropriate industry repair containment or remediation protocols designed to minimize exposure to noise, dust, lead paint, mold, asbestos, or other building materials with potentially harmful health impacts, or fail to use all containment or remediation protocols designed to protect the health and safety of the occupants of Property when completing repairs and maintenance.
 4. Abuse the Landlord's right of access into a Rental Unit as established and limited by California Civil Code section 1954 or successor statute, including the following:
 - a. Failing to provide the approximate time of entry to a Tenant or providing a time window that is excessive relative to the amount of time for which the Landlord requires access.
 - b. Entering or photographing portions of a Rental Unit that are beyond the scope of a lawful entry or inspection, including exceeding the scope of a notice provided per California Civil Code section 1954.
 - c. Entering an excessive number of times.

- d. Entering in a way that improperly targets certain Tenants or is used to collect evidence against occupants or is beyond the scope of an otherwise lawful entry.
 - e. Entering or demanding entry at times outside of normal business hours, unless for health and safety reasons or if the Tenant agrees otherwise.
 - f. Entering contrary to a Tenant's reasonable request to change the date or time of entry.
 - g. Misrepresenting the reasons for accessing a Rental Unit.
 - h. Failing to notify a Tenant that a noticed entry has been canceled.
5. Remove or threaten to remove from the Rental Unit personal property, furnishings, or other items that belong to the Tenant or that are part of the Housing Services without the prior written consent of the Tenant, except when done pursuant to the procedures set forth in California Civil Code section 1980 et seq., or successor statute.
 6. Influence or attempt to influence a Tenant to vacate a Rental Unit through fraud, intimidation, or coercion. This includes threatening to report a Tenant or other person known to the Landlord to be associated with the Tenant to any local, state, or federal agency based on their perceived or actual immigration status.
 7. Offer payments to a Tenant to vacate more than once in six months, after the Tenant has notified the Landlord in writing the Tenant does not desire to receive further offers of payments to vacate.
 8. Attempt to coerce a Tenant to vacate with offer(s) of payments to vacate that are accompanied with threats or intimidation.
 9. Threaten the Tenant, or their guests, by word or gesture, with physical harm.
 10. Interfere with a Tenant's right to quiet use and enjoyment of a Rental Unit as that right is defined by California law.
 11. Refuse to accept or acknowledge receipt of a Tenant's lawful Rent payment or rental assistance payment. This shall include a refusal to accept Rent paid on behalf of the tenant from a third party, or to timely provide a W-9 form or other necessary documentation for the Tenant to receive rental assistance from a government agency, non-profit organization, or other third party.
 12. Refuse to cash a Rent check or money order for more than 30 days.
 13. Interfere with a Tenant's right to privacy. This includes, but is not limited to the following:

- c. Recording video or audio that captures the interior of a Rental Unit.
 - d. Unreasonable inquiry into a Tenant's relationship status or criminal history.
 - e. Unreasonable restrictions on or inquiry into guests. Unreasonable restrictions on guests include, but are not limited to, prohibiting a Tenant from hosting overnight guests and charging a Tenant a fee for hosting overnight guests.
14. Request information that violates a Tenant's right to privacy. This includes, but is not limited to, requesting information regarding the residency status, citizenship status, or social security number of any Tenant or member of the Tenant's family or household member, occupant, or guest of any Tenant, except as required by law or, in the case of a social security number, for the purpose of obtaining information for the qualifications for a tenancy prior to the inception of a tenancy, or releasing such information except as required or authorized by law. This includes a refusal to accept equivalent alternatives to information or documentation that does not concern immigration or citizenship status, e.g. an Individual Taxpayer Identification Number (ITIN). This Subsection 42.13(A)(14) applies to a prospective Tenant as well as to a current Tenant.
15. Misrepresent to a Tenant that they are required to vacate a Rental Unit or otherwise entice a Tenant to vacate a Rental Unit through misrepresentations or concealment of material facts.
16. Force a Tenant to vacate their Rental Unit and reregister to avoid classification as a Tenant under California Civil Code section 1940.1. Forced vacation can be implied from the totality of the circumstances.
17. Unilaterally impose or require an existing Tenant to agree to material new terms of tenancy or to a new Rental Agreement, unless:
- a. The change in the terms of tenancy is authorized by California Civil Code sections 1946.2(f), 1947.5, or 1947.12, or successor statutes, or is required by federal, state, or local law or regulatory agreement with a government agency, or
 - b. The change in the terms of the tenancy was accepted in writing by the Tenant after receipt of written notice from the Landlord that the Tenant need not accept such new terms as part of the Rental Agreement.

Notwithstanding Subsections 42.13(A)(17)(a) and (b), for Controlled Rental Units, all changes in terms of tenancy must additionally comply with the provisions of this Chapter and any accompanying regulations.

18. Remove a Housing Service for the purpose of causing the Tenant to vacate the Rental Unit.
19. Commit elder financial abuse, as defined by California Welfare and Institutions Code 15610.30 et seq., of a Tenant.
20. Fail to provide or fail to adequately provide Housing Services to a Tenant that are customarily provided to other Tenants in the building who pay a different Rent amount or use a different source of income to pay Rent.
21. Fail to provide or fail to adequately provide Housing Services to a Tenant that are customarily provided to other Tenants in the building when the Tenant owes COVID-19 rental debt. For purposes of this Subsection 42.13(A)(21), "COVID-19 rental debt" shall mean unpaid rent or any other unpaid financial obligation under the Rental Agreement that came due between March 1, 2020 and February 28, 2023.
22. Release information protected by the Tenant's right to privacy except as required or authorized by law.
23. Conduct elective renovation of or construction work on a Rental Unit for the purpose of harassing a Tenant.
24. Provide false written or verbal information regarding any federal, state, county, or local 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:
 - a. Sign a new Rental Agreement not in the Tenant's primary language if:
 - i. Rental Agreement negotiations were conducted in the Tenant's primary language;
 - ii. The existing Rental Agreement is in the Tenant's primary language; or
 - iii. The Landlord is otherwise aware that the new Rental Agreement is not in Tenant's primary language.
 - b. Enter into a Rent repayment plan if the Landlord states, misrepresents, suggests, or implies, that the Tenant should or must do so to take advantage of Tenant protection laws that do not in fact require such plans.
25. Communicate with the Tenant in a language other than the Tenant's primary language for the purpose of intimidating, confusing, deceiving or annoying the Tenant.
26. Interfere with the right of Tenants to engage in Organizing Activities.

27. Engage any Tenant in any form of human trafficking as defined by California Penal Code section 236.1, as a condition of that Tenant's continued occupancy of a Rental Unit.
28. Other repeated acts or omissions of such significance as to substantially interfere with or disturb the comfort, peace or quiet of any person lawfully entitled to occupancy of such Rental Unit and that cause, are likely to cause, or are intended to cause any person lawfully entitled to occupancy of a Rental Unit to vacate such Rental Unit or to surrender or waive any rights in relation to such occupancy.

The Program may, by regulation, augment but not eliminate, reduce or weaken this list.

B. **Severances Prohibited.** The following amenities, supplied in connection with use or occupancy of a Rental Unit, may not be severed from a tenancy without good cause: garage facilities, parking facilities, driveways, storage spaces, laundry rooms, decks, patios, backyards, gardens on the same lot, kitchen facilities, toilet facilities, or lobbies in residential hotels. For purposes of this Section 42.13, good cause shall include:

1. The requirement of federal, state, or local law;
2. For Rental Units which are not Controlled Rental Units, acceptance of the severance in writing by the Tenant after receipt of written notice from the Landlord that the Tenant need not accept the severance;
3. For Controlled Rental Units, Program approval of the removal of amenities in a manner consistent with the Program's regulations; or
4. The removal of a balcony for which repair or removal was necessary for safety and where the Landlord has obtained all necessary permits for the removal.

A severance does not include noticed temporary unavailability of the above Housing Services to perform necessary work with all required permits.

Sec. 42.14. - RENT STABILIZATION AND TENANT PROTECTIONS PROGRAM AND FUNDING:

A. **Powers and Duties.** The Program shall have the following powers, duties, and responsibilities:

1. Establish a Base Rent under Subsection 42.6(A).
2. Make Rent increases and decreases in accordance with Section 42.15.
3. Issue orders, rules and regulations, conduct hearings and charge and collect fees as set forth below.

4. Make such studies, surveys and investigations, conduct such hearings, and obtain such information as is necessary to carry out its powers and duties.
 5. Report annually to the Council on the status of rental housing covered by this Chapter.
 6. Maintain a database of unlawful detainer filings, and termination, rent increase, and change in terms of notices received by the Program.
 7. Administer oaths and affirmations and subpoena witnesses.
 8. Establish rules and regulations for deducting penalties and settling civil claims regarding the Rental Housing Fee.
 9. Seek injunctive and other civil relief under this Chapter.
 10. Charge and collect the Rental Housing Fee, including penalties for late payments.
 11. Make available on a contract basis legal services for low income residents of the City related to presentation in evictions, petitions, hearings and administrative appeals.
 12. Collect and/or receive copies of notices of termination of tenancy, unlawful detainer complaints, Rent increase, and changes in terms of tenancy.
 13. Any other duties necessary to administer and enforce this Chapter.
- B. **Rules and Regulations.** The Program shall issue such rules and regulations as will further the purposes of the Chapter. The Program shall publicize its rules and regulations prior to promulgation on its website and any other appropriate medium. All rules and regulations, internal staff memoranda, and written correspondence explaining the decisions, orders, and policies of the Program shall be kept in the Program's office and made available online to the public for inspection, download and copying or any other future appropriate technology.
- C. **Community Education.**
1. The Program shall publicize this Chapter so that all residents of Redwood City will have the opportunity to become informed about their legal rights and duties under this Chapter. The Program shall prepare a brochure which fully describes the legal rights and duties of Landlords and Tenants under this Chapter. The brochure will be available to the public and each Tenant of a Rental Unit shall receive a copy of the brochure from their Landlord. Landlords shall provide the brochure at the commencement of the tenancy and with each notice of Rent increase, and to all sitting Tenants when the brochure is first made available by the Program. This brochure will be made available for download from the City

website and/or other appropriate technology. Information about the Chapter shall be made available in all other languages that are requested by the community.

2. The Program shall produce materials describing a Tenant's rights under the Ordinance for posting in common areas. If Rental Units subject to this Chapter are located on a Property with an interior common area that all Tenants have access to, the Landlord must post the materials as provided and specified by the Program in at least one such common area on the Property.

D. Rental Housing Fee.

1. The Council shall finance the reasonable and necessary expenses of the Program by charging Landlords an annual Rental Housing Fee. The Council shall ensure that the Rental Housing Fee is set at a level sufficient to fund the duties and responsibilities of the Program, including but not limited to the provision of legal services as set out under Subsection 42.14(A)(12).
2. The Rental Housing Fee amount will be determined by the Council after the Program provides a recommendation to the Council. The Program and staff to enforce this Chapter shall be funded only by the Rental Housing Fee and not from the General Fund. However, the City shall front any necessary funds until the City has collected such fees.
3. From the time that this Chapter goes into effect until the Rental Housing Fee is determined, the amount shall be \$120 per Controlled Rental Unit per year (\$10 per month) and \$84 per unit (\$7 per month) for Units that are partially exempt under Section 42.4 only and are not Controlled Rental Units.
4. The Rental Housing Fee shall become due at the start of a new tenancy if no Rental Housing Fee was paid the prior year. Ongoing tenancies shall have Rental Housing Fees collected in January of each year or at the same time as the City business license fee each year. The fee shall not be deemed late and no penalty shall be imposed unless received by the Program 30 days or more after the due date.
5. The Rental Housing Fee shall be deposited into a Rent Stabilization and Tenant Protections Program Fund, the sole and exclusive purpose for which shall be the funding of the Program and the administration, enforcement, and enactment of this Chapter.

- E. **Personnel.** The Council shall review and assess yearly that a sufficient number of staff are employed by the Program, such as a Program Administrator, hearing examiners, housing counselors and legal services, as may be necessary to perform the functions of the Program efficiently in order to fulfill the purpose of this Chapter.

F. Reporting and Fee Payment Requirements.

1. Within sixty (60) days after the adoption of this Chapter, all Landlords shall be required to provide a copy of all Rent increase notices, change of terms of tenancy and tenancy termination notices with the Program within 3 days after serving said notice on a Tenant. A proof of service with time and date of service of notice on Tenant shall be included with any notice filed with the City.
2. If the Program, after the Landlord has proper notice and after a hearing, determines that a Landlord has willfully and knowingly failed to properly report, as described above, any Rent increase notices, change of terms of tenancy or tenancy termination, or to pay the Rental Housing Fee, the Program may authorize the Tenant of such a Rental Unit to withhold all or a portion of the Rent for the Rental Unit until such time as the Rental Housing Fee is paid or notice filed. After a notice is properly filed or fee paid, the Program shall determine what portion, if any, of the withheld Rent is owed to the Landlord for the period in which the notice is not properly filed or fee paid. Whether or not the Program allows such withholding, no Landlord who has failed to properly report or pay the fee shall at any time increase Rents for a Controlled Rental Unit until such fee or notice is reported. This shall take effect thirty (30) days after determination of the Program.
3. Failing to pay the fee or comply with Subsection 42.14(F)(1), before the filing of an unlawful detainer lawsuit, is a complete defense to an unlawful detainer. No Program action is required for this defense to be alleged or litigated in an unlawful detainer action.

Sec. 42.15. - RENT STABILIZATION PETITION AND HEARING PROCESS:

- A. **Petitions to Raise or Decrease Rents.** A Landlord or a Tenant may file a petition with the Program to increase or decrease the Maximum Allowable Rent of a Rental Unit for a reason outlined in this Chapter.
 1. **Petition Procedures.** The petition shall be filed on the form provided by the Program. A petition filed by a Landlord shall include a declaration by the Landlord that the Rental Unit meets all requirements of this Chapter. The Program may refuse to hold a hearing and/or grant a Rent adjustment if an individual hearing has been held and decision made regarding Maximum Allowable Rent for the Rental Unit within the previous twelve (12) months.
 2. **Procedures for Rent Adjustment.** After a petition is filed, a hearing examiner may adjust the Maximum Allowable Rent of an individual Controlled Rental Unit upward or downward per the requirements of this Chapter. In making adjustments, the hearing examiner shall consider the purposes of this Chapter and the requirements of law, including state law.
- B. **Downward Adjustments.** In making an individual downward adjustment, the Program may consider prior or current unlawful increases, decreases in Housing Services;

substantial deterioration of the Controlled Rental Unit other than as a result of ordinary wear and tear; or failure on the part of the Landlord to provide adequate Housing Services or to comply substantially with applicable housing, health and safety codes.

C. Upward Adjustments - Right of Reasonable Return for Landlords.

1. Landlords have the right to a reasonable return on their investment. A hearing examiner shall make an upward adjustment of the Maximum Allowable Rent if a Landlord demonstrates that the such adjustments are necessary to provide a reasonable return. The Program may create regulations to govern petitions filed under this Subsection 42.15(C) in accordance with this Chapter and the law.
2. **Factors to be considered.** In making such upward adjustments of the Maximum Allowable Rent, the hearing examiner shall consider the purposes of this Chapter and shall specifically consider all relevant factors, including (but not limited to):
 - a. Increases or decreases in property taxes;
 - b. Unavoidable increases or any decreases in maintenance and operating expenses;
 - c. The cost of completed capital improvements to the Rental Unit (as distinguished from ordinary repair, replacement and maintenance) where such capital improvements are necessary to bring the Property into compliance or maintain compliance with applicable local code requirements affecting health and safety, and where such capital improvement costs are properly amortized over the life of the improvement;
 - d. Increases or decreases in the number of Tenants occupying the Rental Unit, living space, furniture, furnishings, equipment, or other Housing Services provided, or occupancy rules;
 - e. Substantial deterioration of the Rental Unit other than as a result of normal wear and tear;
 - f. Failure on the part of the Landlord to provide adequate Housing Services, or to comply substantially with applicable state rental housing laws, local housing, health and safety codes, or the Rental Agreement;
 - g. Whether parties conferred in good faith relating to Housing Services and conditions, landlord-tenant relations, rent increases, and other issues of common interest or concern;
 - h. The pattern of recent Rent increases or decreases;
 - i. The Landlord's rate of return on investment. In determining such return, all relevant factors, including but not limited to the following shall be

considered: the Landlord's actual cash down payment, method of financing the property, and any federal or state tax benefits accruing to the Landlord as a result of ownership of the property; and

- j. Whether or not the property was acquired or is held as a long-term or short-term investment.
2. Additional limits on the total increase per month and length of monthly increases shall be added by the Program through regulations.
 3. The Program shall not authorize an upward adjustment of an individual Maximum Allowable Rent if the Landlord:
 - a. has continued to fail to comply, after order of the Program, with any provisions of this Chapter and/or orders or regulations issued thereunder by the Program, or
 - b. has failed to bring the Rental Unit into compliance with the implied warranty of habitability.
- D. **Effective Date of Adjustment.** If the Program approves an increase in the Maximum Allowable Rent, the increase shall become effective only after the Landlord gives the Tenant at least a thirty (30) day written notice of the Rent increase and the notice period expires. If the Program approves a downward adjustment of the Maximum Allowable Rent, the Rent decrease shall take effect no sooner than thirty (30) days after the date both parties are sent notice of the downward adjustment and its effective date by the Program.
- E. **Hearing Procedure.** The Program shall enact rules and regulations for hearings and appeals which shall include the following:
1. **Hearing Examiner.** A hearing examiner designated by the Program shall conduct a hearing to act upon the petition for individual adjustment of Maximum Allowable Rent and shall have the power to administer oaths and affirmations.
 2. **Notice.** Once it receives a petition, the Program shall notify the other party and provide a copy thereof.
 3. **Time of Hearing.** The hearing officer shall notify all parties of the time, date and place of the hearing.
 4. **Records.** The hearing examiner may require either party to a hearing to provide it any records and papers deemed pertinent in addition to the information in registration statements for the Rental Unit. If the hearing examiner finds good cause to believe the Program's information does not reflect the current condition of the Controlled Rental Unit, the hearing examiner shall conduct a current building inspection and/or request that the City conduct a current building inspection. The Tenant may request that the hearing examiner order such an

inspection on or prior to the date of the hearing. All documents required under this Subsection 42.15(E)(4) shall be made available to the parties at the Program office prior to the hearing. In cases where information filed in a petition or in additional submissions filed at the request of the hearing examiner is inadequate or false, no action shall be taken on the petition until the deficiency is remedied.

5. **Open Hearings.** All Maximum Allowable Rent adjustment hearings shall be open to the public.
6. **Right of Assistance.** All parties to a hearing may have assistance in presenting evidence and developing their position from attorneys, legal workers, Tenant Association representatives or any other persons designated by the parties.
7. **Hearing Record.** The Program shall make an official record of the hearing, including the recording, available for inspection and copying by any person. This shall constitute the exclusive record for decision on the issues of the hearing. The record of the hearing shall include all exhibits, papers and documents required to be filed or offered or accepted into evidence during the proceedings; a list of participants present; a summary of all testimony accepted in the proceedings; a statement of all materials officially noticed; all recommended decisions, orders and/or rulings; all final decisions, orders and/or rulings, and the reasons for each final decision, order and/or ruling. All hearings shall be recorded. Any party may receive a copy of the audio recording. Reasonable costs may be charged for a recording copy. The Program shall not be responsible for transcribing the audio recording.
8. **Standard of Proof and Notice of Decision.** A hearing office shall not grant an individual adjustment unless the adjustment is supported by the preponderance of the evidence submitted at the hearing. All parties to a hearing shall be sent a notice of the decision and a copy of the findings of fact and law upon which the decision is based. The parties to the proceeding shall also be notified in the decision of their right to any appeal allowed by the Program and/or to judicial review of the decision pursuant to this Section 42.15.
9. **Consolidation.** All Landlord petitions pertaining to Tenants of the same Property shall be consolidated for hearing. All petitions filed by Tenants occupying the same Property shall be consolidated for hearing unless there is a showing of good cause not to consolidate the petitions.
10. **Appeal.** Any person aggrieved by the decision of the hearing examiner may appeal to the Council. On appeal, the Council shall affirm, reverse or modify the decision of the hearing examiner.
11. **Finality of Decision.** The decision of the hearing examiner shall be the final decision of the Council in the event that neither party appeals to the Council. The decision of the hearing examiner shall be stayed pending appeal.

12. **Time for Decision.** The rules and regulations adopted by the Program shall require final action on any individual Rent adjustment petition within a reasonable time.

- F. Decisions decreasing Rents due to reductions in services or failure to maintain the Property shall remain in effect until the hearing officer finds that the Landlord has corrected the defect warranting the decrease. The Program shall, by regulation, establish procedures for making prompt compliance determinations. Upon a determination of compliance, the Landlord shall be entitled to reinstate the prior Rent level, retroactive to the date that the Landlord notified the Program that it had corrected the defect that warranted the decrease. This shall occur in compliance with California Civil Procedure section 1942.4. If the Landlord is found to be in violation of California Civil Procedure section 1942.4, then no Rent shall be charged for the period during which the Landlord was in violation.

Sec. 42.16. - NON-WAIVERABILITY:

Any provision, whether oral or written, whereby any provision of this Chapter is waived, shall be deemed to be against public policy and shall be void.

Sec. 42.17. - JUDICIAL REVIEW:

A Landlord or Tenant aggrieved by any action or decision of the Program may seek judicial review by appealing to the appropriate court within the jurisdiction. No action or decision by the Program shall go into effect until thirty (30) days have expired to allow for such appeal.

Sec. 42.18. - REMEDIES:

- A. **Civil.** Any aggrieved Tenant, or the City, may enforce the provisions of this Chapter by means of a civil action.
- B. **Injunctive and Equitable Relief.** Any person who commits an act or engages in any pattern and practice that violates this Chapter or its implementing regulations may be enjoined therefrom by a court of competent jurisdiction. A court may issue other equitable relief as may be necessary to prevent the use or employment by any person of any practice which violates this ordinance or as may be necessary to restore to any person in interest any money or property, real or personal, which may have been acquired through practices that violate this ordinance. An action for injunction under this Subsection 42.18(B) may be brought by an aggrieved Tenant, by the City Attorney, or by any person or entity who will fairly or adequately represent the interests of the protected class.

C. Damages

1. **Damages for Relocation Payments.** If a Landlord fails to provide required relocation payments in accordance with this Chapter, in addition to any other

remedy under this Chapter, or at law, the Landlord shall be liable to the Tenant in a civil action for damages of not less than three times actual damages.

2. **Wrongful Eviction Damages.** Any attempt to recover possession of a Rental Unit or obtain possession of a Rental Unit in violation of this Chapter shall render a Landlord liable to the Tenant in a civil action for wrongful eviction for damages of not less than three times actual damages, including damages for emotional distress. Damages for mental anguish and emotional distress shall only be trebled if the Landlord acted in knowing violation or reckless disregard of this Chapter.
3. **Damages for Excess Rent.** Any Landlord who demands, accepts, receives, or retains any payment of Rent in excess of the Maximum Allowable Rent, in violation of the provisions of this Chapter or any rule, regulation or order hereunder promulgated, including the provisions ensuring compliance with habitability standards and registration fee requirements, shall be liable in a civil action to the Tenant from whom such payments are demanded, accepted, received or retained, for damages of not less than three times actual damages, in the amount by which the payment or payments demanded, accepted, received or retained exceeds the maximum lawful Rent. If the Landlord's violation under this Subsection 42.18(C)(3) was willful, the Landlord shall be liable for three times actual damages.
4. **Harassment Damages.** Any person who violates, or aids or incites another person to violate, the provisions of Section 42.13 shall be liable in a civil action for each and every such offense for money damages of not less than three times actual damages suffered by an aggrieved Tenant (including damages for mental or emotional distress), or for the minimum damages in the sum of \$1,000.00, whichever is greater, and whatever other relief the Court deems appropriate. In the case of an award for damages for mental or emotional distress, the award shall be trebled only if the trier of fact finds that the Landlord acted in knowing violation of or reckless disregard of this Chapter. Moreover, any person who violates, or aids or incites another person to violate, this Chapter shall be liable for an additional civil penalty of up to \$5,000.00 for each offense committed against a person who is Disabled or aged 62 or over. The court may also award punitive damages to any plaintiff, including the City, in a proper case as defined by California Civil Code section 3294 or successor statute.

D. Attorney's Fees and Costs.

1. **Action by City Attorney.** In any civil proceeding brought by the City Attorney pursuant to this Section 42.18, the City may, at the initiation of the proceeding, seek an award of attorney's fees. If the City seeks an award of attorney's fees, the award shall be made to the prevailing party. Court costs may be awarded to a prevailing party pursuant to state law.

2. **Action by Tenant.** In any civil action brought pursuant to this Section 42.18, the prevailing Tenant is entitled to recover the Tenant's reasonable attorney's fees. A defendant Landlord may recover reasonable attorney's fees if the complaint brought by the Tenant was devoid of merit and brought in bad faith. Court costs may be awarded to a prevailing party pursuant to state law.
 3. **Costs of Investigation.** In the event the City Attorney brings a civil action, or proceeding pursuant to this Chapter, the City Attorney may recover its costs of investigation.
- E. **No Exhaustion Requirement.** No administrative remedy need be exhausted prior to filing suit pursuant to this Section 42.18.
- F. **Nonexclusive Remedies and Penalties.** The remedies provided in this Section 42.18 are not exclusive and are not intended to be exclusive of each other or to any other existing legal remedies. The remedies of this Chapter may be used cumulatively with any other remedy available at law or equity.
- G. **Statute of Limitations.** The statute of limitations for an action shall be three (3) years. All remedies under this Chapter are available for the entire three-year statutory period.

Section 2. Severability - Liberal Construction. If any section, subsection, sentence, clause, or phrase of this Ordinance is, for any reason, held to be unconstitutional or invalid, such decision shall not affect other provisions or applications of this Chapter which can be given effect without the invalid provision or application, and to this end the provisions of this Chapter are declared to be severable. The People of Redwood City declare that they would have adopted this Ordinance and each section, subsection, sentence, clause or phrase of the Ordinance in spite of the fact that any one or more of the same be declared unconstitutional or invalid. This Chapter shall be liberally construed to achieve the purposes of this Chapter and to preserve its validity.

Section 3. Competing Ordinances. In the event that there is another ordinance on the ballot during the same election which seeks to regulate residential housing which also passes, the ordinance which obtains the higher number of votes shall be the controlling ordinance.

Section 4. Effective Date. This Ordinance shall be effective only if approved by a majority of the voters voting thereon and shall go into effect ten (10) days after the vote is declared by the City Council. The Mayor and City Clerk are hereby authorized to execute this Chapter to give evidence of its adoption by the voters.