

# ALAMEDA COUNTY COMMUNITY DEVELOPMENT AGENCY

Sandra Rivera Agency Director Agenda Item\_\_\_\_\_February 6, 2024

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January 23, 2024

Honorable Board of Supervisors Administration Building 1221 Oak Street, Suite 536 Oakland, California 94612

Dear Board Members:

**SUBJECT:** UPDATE ON UNINCORPORATED COUNTY JUST CAUSE

FOR EVICTION AND RENTAL HOUSING DISPUTE

RESOLUTION ORDINANCES

# **BACKGROUND:**

This staff report reintroduces the proposed Just Cause for Eviction ordinance and introduces the Rental Housing Dispute Resolution ordinance as part of the ongoing efforts to achieve a balanced approach to tenant protections and establish a transparent framework for both tenants and landlords.

In 2018, your Board directed the Community Development Agency's (CDA's) Housing and Community Development Department (HCD) to investigate tenant protections in the Unincorporated area of Alameda County.

After hearings in 2021 and 2022 at the unincorporated Municipal Advisory Councils, and various Board Committees, on December 20, 2022 (Item No. 50), your Board approved a first reading of the Just Cause ordinance, among other tenant protection ordinances. At the ordinance's second reading on February 28, 2023 (Item No. 92), the motion to adopt the ordinance failed to receive sufficient votes, and your Board directed staff to return to the Unincorporated Services Committee for further discussion to determine if a consensus could be found between rental housing providers and tenants in the Unincorporated County.

On June 28, 2023 (Item No. 1), the Unincorporated Services Committee determined that President Miley would spearhead stakeholder meetings regarding the Just Cause ordinance and return to your Board with revised versions of the ordinances. In response to expressed community support, President Miley also facilitated discussions regarding a mandatory mediation program in the form of a Rental Housing Dispute Resolution ordinance.

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As a result, in the Fall of 2023, President Miley hosted two facilitated stakeholder meetings with representatives from rental housing providers and tenants. These meetings led to the development of the proposed ordinances for your Board's consideration at your February 6, 2024 meeting.

# **Just Cause**

Just Cause for Eviction (Just Cause) ordinances provide a protective legal framework to govern when and how a landlord can evict a tenant. Historically, in jurisdictions with Just Cause ordinances, a tenant cannot be evicted unless a landlord can show one of the enumerated "just causes."

In 2019, the State of California passed AB 1482 (The Tenant Protection Act of 2019). This state law capped the amount that can be charged for annual rent increases annually and extended certain just cause evictions statewide by requiring "just cause" for termination of the lease for tenants who live in some properties, not all.

The proposed just cause ordinance (Exhibit A) adopts by reference the general just cause provisions in California Civil Code section 1946.2, as amended, while including several local provisions that are more protective than AB 1482. The State law does not include:

- protections for tenants who have lived in the unit for less than a year.
- relocation assistance of more than 1 month rent for no-fault evictions.
- and right of return.

The current version of the ordinance provides for these protections, makes the ordinance more protective than State law, and therefore allows for the adoption of a local ordinance to consistent with but more protective than AB 1482:

- 1. The proposed ordinance includes protections for tenants after they have occupied a rental unit for six months or at least one tenant has continuously and lawfully occupied a unit for twelve months. State law requires occupancy for 12 and 24 months, respectively.
- 2. The proposed ordinance includes relocation assistance for each tenant subject to a no-fault eviction equal to 3 months of the current rent amount or three months of Fair Market Rent, whichever is higher. Households, which include a child under 18 years, an elderly tenant, a tenant who is disabled, or a low-income tenant, will also receive an additional month of relocation assistance payments. State law requires only one month of relocation assistance and does not provide additional assistance for these at-risk groups.
- 3. Tenants displaced due to no-fault eviction for owner move-in or substantial remodel will have the first right of refusal to return to the unit if the unit should be returned to the rental market within five years. For substantial remodels, the landlord must offer the tenant the opportunity to return to the unit with a rental agreement containing similar terms as the original agreement, subject to an increase in rent if needed to afford the owner a reasonable rate of return. The right of return under state law is narrow and applies only when the intended occupant fails to move into the rental unit within 90 days after the tenant vacates and does not occupy the unit as a primary residence for 12 consecutive months.

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# **Rental Housing Dispute Resolution**

On February 8, 2003, your Board adopted Ordinance Number 0-2004-48, the Mandatory Notification of Rent Mediation Services ordinance (codified in Chapter 3.68 of the Ordinance Code). This ordinance requires owners of residential rental properties of three or more units in Unincorporated Alameda County to include specified language on the availability of rent mediation services on tenant rent increase notices.

During the recent facilitated stakeholder discussions, rental housing providers and tenants agreed that a more comprehensive dispute resolution ordinance is desirable, in conjunction with funding for a more robust mediation program. President Miley expressed interest in initially having the program funded by the County for the first year. The proposed ordinance states that the County will pay for the cost of the program to the extent funds are available in its first year, and CDA will seek to identify such funding. Subsequently HCD will conduct a fee study to ascertain the cost of the program in successive years, which the ordinance indicates will be allocated among the parties or paid with other available funding sources, as determined by the CDA director.

The proposed ordinance (Exhibit B) provides that a landlord or tenant in the unincorporated county may seek mediation if a proposed rent increase (1) raises the rent to an amount more than 5% greater than the base rent, (2) increases the monthly rent by an amount greater than \$75/month, or (3) follows a prior rent increase imposed within the previous twelve-month period. Both parties must participate in the mediation in good faith upon this request. These terms mirror those within the Mandatory Notification of Rent Mediation Services ordinance, except the proposed ordinance reduces the rent increase threshold from 10% to 5% to correspond with state law.

The ordinance details specific timelines for the assignment of a mediation and how long the mediation process will last. The mediation process will conclude upon the earlier of: (a) the execution of a legally enforceable, written agreement signed by all parties to the mediation; (b) the mediator's determination that no further progress is likely to result from continued mediation; or (c) all of the parties to the mediation indicate in writing that the mediation has concluded to their satisfaction.

# **FINANCING:**

The proposed Rental Housing Dispute Resolution ordinance states that the County will pay for the cost of the program to the extent funds are available in its first year, and CDA will seek to identify such funding. Subsequently, the ordinance indicates the cost will be allocated among the parties or paid with other available funding sources, as determined by the CDA director.

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# **VISION 2026 GOAL**:

Consideration of these ordinances meets the 10X goal pathway of <u>Eliminate Homelessness</u> in support of our shared visions of <u>Safe and Livable Communities</u> and <u>Thriving and Resilient</u> <u>Populations</u>.

Very truly yours,

Sandra Rivera, Director
Community Development Agency

cc: Susan S. Muranishi, County Administrator
Donna R. Ziegler, County Counsel
Melissa Wilk, Auditor-Controller
Peilin Chen, County Administrator's Office
Caitlyn M. Gulyas, Office of the County Counsel
Lucy Romo, Community Development Agency

ORDINANCE NO.	

AN ORDINANCE ADDING CHAPTER 3.70 TO THE ALAMEDA COUNTY ORDINANCE CODE REGARDING JUST CAUSE FOR EVICTIONS IN THE UNINCORPORATED AREAS OF ALAMEDA COUNTY AND INCORPORATING BY REFERENCE CALIFORNIA CIVIL CODE SECTION 1946.2, EXCLUDING SUBDIVISIONS (G) OR (K) THEREOF, AS AMENDED, AND ESTABLSHING PENALTIES FOR VIOLATIONS

The Board of Supervisors of the County of Alameda, State of California, does ordain as follows:

#### SECTION I

The Board of Supervisors makes the following findings in support of this ordinance:

- A. There is a shortage of decent, safe, affordable, and sanitary housing in the unincorporated areas of Alameda County.
- B. The prolonged affordable housing crisis in the unincorporated areas of Alameda County impacts low income and working-class households, senior citizens, people of color, immigrants, and people with disabilities, and thereby has a disproportionate impact on certain classes of people, and evictions without cause increases homelessness, crime, and harms neighborhood stability and cohesion.
- C. Residential tenants, who constitute over 50% of the residents of unincorporated areas of Alameda County, often suffer great and serious hardship when forced to move from their homes.
- D. Given the increased housing cost burden faced by many residents of the unincorporated areas of Alameda County, excessive rent increases threaten the public health, safety, and welfare of over 10,000 households, including seniors, people with disabilities, those on fixed incomes, those with low and moderate income levels, and those with other special needs, to the extent that such persons may be forced to choose between paying rent and providing food, clothing, and medical care for themselves and their families.
- E. According to the 2019 American Community Survey, 50% of tenant households are "rent-burdened households," meaning the household pays 30% or more of its income on housing costs and 27% of tenant household are "extremely rent-burdened households," meaning the household pays 50% or more of its income on housing costs.
- F. Given these concerns, including the current and immediate threat to the health, safety, and welfare of tenants residing in the unincorporated areas of Alameda County and the adverse impacts that would result from a substantial decrease of affordable housing within the unincorporated areas of Alameda County, the Board of Supervisors determines that it is in the interest of preserving the public health, safety and general welfare to enact this ordinance adopting more protective just cause eviction protections.
- G. California adopted AB 1482 enacting the Tenant Protection Act of 2019, effective January 2, 2020, and amended by SB 1371 (2021), AB 3088 (2021), AB 978 (2022), and SB 567 (2023). The Tenant Protection Act provided statewide just cause tenant protections and relocation assistance to many tenants in the state.
- H. The Tenant Protection Act, in California Civil Code Section 1946.2(g)(1)(B), authorizes a

local ordinance requiring just cause for termination of a residential tenancy to supplant the provisions of the statute if the local ordinance is "more protective." To qualify as "more protective" the local ordinance must be consistent with Section 1946.2; it must further limit the reasons for termination, provide for higher relocation assistance amounts, or provide additional tenant protections not prohibited by other provision of law; and the local government must make a binding finding within the local ordinance that it is more protective.

- I. This ordinance incorporates by reference those provisions of the Tenant Protection Act requiring just cause for eviction (Civil Code section 1946.2), with the exception of "more protective" local provisions including, for example, reduced tenancy eligibility from 12 to 6 months; increased mandatory relocation assistance for No-Fault Evictions, seniors, and disabled persons; heightened notice requirements for At-Fault Evictions; and expanded Tenants' right of return following substantial remodel, and enhanced protections for families.
- J. Other sections of the Tenant Protection Act place statewide limits on rental rate increases (Civil Code section 1947.22). Those sections are not affected or adopted by this ordinance.
- K. It is the express intent of this Board that the adoption in this ordinance by reference of the Tenant Protection Act is to include both the Act as it now exists and as subsequently modified or amended (*Palermo v. Stockton Theaters, Inc.* (1948) 32 Cal. 2d 53; 70 Ops. Cal. Atty. Gen. 49, 53 (1987)).

#### **SECTION II**

Chapter 3.70 is hereby added to the Alameda County Ordinance Code and reads as follows:

## **Chapter 3.70 – JUST CAUSE EVICTION**

# 3.70.010 Purpose, Incorporation of State Law, and Statutory Findings

- A. The purpose of this Chapter is to promote neighborhood and community stability, healthy housing, and affordability for tenants in the unincorporated areas of Alameda County by controlling arbitrary evictions, while providing landlords a fair and reasonable return on their investment.
- B. The Board of Supervisors hereby incorporates into this Chapter 3.70 by reference California Civil Code section 1946.2, as amended, as the County of Alameda Tenant Protection Act, excluding only subdivisions (g)(regarding local ordinance preemption) and (k)(sunset of current statute), as it now exists and as subsequently modified or amended, but with the additional local changes contained in this Chapter 3.70.
- C. The Board of Supervisors finds that: (i) the just cause for termination of a residential tenancy under this Chapter is consistent with Civil Code section 1946.2; (ii) this Chapter provides for reduced tenancy eligibility from 12 to 6 months, greater relocation assistance, expanded right of return, increased protections for additional occupants, heightened notice requirements for At-Fault Evictions, and other additional tenant protections not prohibited by other provision of law; and (iii) this Chapter is more protective than the provisions of Civil Code section 1946.2.

# 3.70.020 Director Authority to Establish Procedures, Implement and Enforce Program

Except as otherwise provided herein, the provisions of this Chapter shall be administered and enforced by the Director of the Housing and Community Development Department of the Community Development Agency or the Director's designee. The Director may adopt such rules, regulations, procedures, and forms as may be required to implement this Chapter.

## 3.70.030 Definitions

Unless the particular provision or the context otherwise requires, the following definitions shall govern the interpretation and application of this Chapter:

- A. "At-Fault Eviction" means evictions brought under Civil Code section 1946.2(b)(1), as amended.
- B. "Elderly Tenant" means a tenant who is 62 years of age or older.
- C. "Housing Department" means the Housing and Community Development Department of the County of Alameda.
- D. "Housing Director" means the director of the Housing Department or the director's designated representative, acting either directly or through their assigned deputies and employees.
- E. "Landlord" means an owner, lessor, or sublessor who receives or is entitled to receive rent for the use and occupancy of any Rental Unit, and the agent, representative, or successor of any of the foregoing.
- F. "No-Fault Eviction" means evictions brought under Civil Code section 1946.2(b)(2), as amended.
- G. "Reasonable Time to Cure" means not less than fourteen (14) calendar days after receipt of Warning Notice.
- H. "Rental Unit" means any unit in any real property (regardless of zoning status), including the land appurtenant thereto and spaces for mobile home dwelling units, that is rented or available for rent for residential use or occupancy (regardless of whether the unit is also used for other purposes), together with all housing-related services connected with use or occupancy of such property, such as common areas and recreational facilities held out for use by the tenant, including parking facilities.
- "Tenant" means a residential tenant, subtenant, lessee, sublessee, or other person entitled by written or oral rental agreement, or by sufferance, to the use or occupancy of a Rental Unit.
- J. "Tenant Household" means one or more Tenants who occupy an individual Rental Unit, including each dependent of a Tenant whose primary residence is the Rental Unit.
- K. "Termination Notice" shall have the meaning provided in Section 3.70.080.
- L. "Warning Notice" means the notice for an At-Fault Eviction described in Section 3.70.060. A Warning Notice must be delivered in writing to the Rental Unit. The notice shall include sufficient details allowing a reasonable person to comply with the notice. The notice shall

also include any information necessary to determine the date, time, place, witnesses present and other circumstances concerning the reason for the notice.

# 3.70.040 Applicability and Exemptions

- A. Applicability. The provisions of this Chapter shall apply to (1) all eligible Tenants who have rented a subject Rental Unit in the unincorporated area of Alameda County that is subject to this Chapter, and (2) to all Rental Units, in whole or in part, located in the unincorporated area of Alameda County, subject to the exemptions in paragraph B below.
- B. Exemptions. This Chapter shall not apply to the types of residential real properties and residential circumstances enumerated in Civil Code section 1946.2(e), as amended.
- C. This Chapter shall not apply to an unlawful detainer action solely for nonpayment of rent originally due from March 1, 2020 through June 30, 2022, to the extent prohibited by California Code of Civil Procedure Section 1179.05 or any successor statute.
- D. If a Landlord claims the Rental Unit is exempt from this Chapter based upon the provisions in this Section, the Landlord must list the applicable exemption in the Termination Notice.

#### 3.70.050 Just Cause Protections

- A. After all tenants have continuously and lawfully occupied a Rental Unit for six (6) months or at least one tenant has continuously and lawfully occupied a Rental Unit for twelve (12) months, and as otherwise provided for in Civil Code section 1946.2(a) as amended, a Landlord may not take any action to terminate any tenancy, including 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, or bringing any 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, unless the Landlord can demonstrate:
  - 1. That the Landlord served a Termination Notice to the Tenant and delivered a copy of the Termination Notice to the Housing and Community Development Department in accordance with Section 3.70.080; and
  - 2. That the termination qualifies as a just cause termination, whether At-Fault or No-Fault, in compliance with Civil Code section 1946.2(b), as amended.
- B. In any action to recover possession of a Rental Unit pursuant to this Chapter, a Landlord must allege and prove that the Landlord seeks to recover possession of the unit with good faith.

## 3.70.060 Just Causes For Termination

- A. The only just causes for eviction pursuant to Section 3.70.050 shall be those enumerated in Civil Code section 1946.2(b), as amended.
- B. A landlord may only serve a Termination Notice for At-Fault Evictions if the Landlord has provided the Tenant a written Warning Notice and after fourteen days from services of the Warning Notice the Tenant fails to comply with the terms of the Warning Notice. The

Warning Notice must contain sufficient details to allow a reasonable person to comply with the notice, include any information necessary to determine the date, time, place, witnesses present and other circumstances concerning the reason for the notice, and inform the Tenant that a failure to comply within fourteen days may result in the initiation of eviction proceedings. This Section shall not apply if a longer notice and cure period applies (for example, under the terms of the lease agreement between the parties); or if the Landlord is seeking to recover possession based on the Tenant causing or creating an imminent risk of physical harm to persons or property; or if the Landlord is seeking to recover possession based on the non-payment of rent.

# 3.70.070 Relocation Assistance Payments

- A. Each Tenant who receives a Termination Notice for a No-Fault Eviction, in addition to all rights under any other provision of law, shall be entitled to receive relocation assistance from the Landlord, in the amounts specified in paragraph C of this Section 3.70.070.
- B. A Landlord who pays relocation assistance, as required by this Section, in conjunction with a Termination Notice, is not obligated to pay subsequent relocation expenses for the same No-Fault Eviction under Section 3.70.060 for the same Rental Unit within 180 days of the notice that included the required relocation payment. The relocation assistance required by this Section 3.70.070 are separate from any security or other refundable deposits as defined in California Civil Code Section 1950.5. Further, payment or acceptance of relocation assistance shall not operate as a waiver of any rights a Tenant may have under law.
- C. A Landlord shall pay relocation assistance as follows:
  - 1. Each Tenant receiving a No-Fault Eviction Notice shall receive a sum equal to the value of three (3) months of the current rent amount, or three (3) months of Fair Market Rent for the size of the Rental Unit as established by the U.S. Department of Housing and Urban Development for the Oakland Fremont Alameda County Statistical Area, whichever is higher. The Landlord may elect to Waive in writing the payment of rent for the final month of the tenancy, prior to the rent becoming due, in lieu of a credit against the relocation assistance owed equal to one (1) month current value of rent. The remaining relocation assistance sum must be paid in accordance with Civil Code section 1946.2(d), as amended. In no case, however, shall the Landlord be obligated to provide more than twenty-eight thousand dollars (\$28,000), unless this sum is less than one month of current rent, in relocation assistance to all Tenants and members of the Tenant Household in the same Rental Unit under this paragraph C.1 and under paragraph C.2 below.
  - 2. In addition to the relocation assistance payment required by paragraph C.1, each Tenant Household with at least one Tenant and one or more child under the age of eighteen (18) years, person who is disabled, Elderly Tenant, or person who is lower income, as defined by Health and Safety Code section 50079.5, shall be entitled to receive an additional relocation assistance payment of one month of the current rent, half of which shall be paid within fifteen (15) calendar days of the Landlord's receipt of written notice from the Tenant of entitlement to the additional relocation assistance payment along with supporting evidence of each claimed entitlement. Within thirty (30) days after notification to the Landlord of a claim of entitlement to additional relocation assistance payments because of disability (as defined by Government Code section)

12926), age, lower income status or having minor children in the household, the Landlord shall give a Warning Notice to the Tenant of the claim for additional relocation assistance payments indicating whether or not the Landlord disputes the claim. Either party may initiate a legal action to resolve the dispute.

## 3.70.080 Notice Terminating Tenancy

- A. A Termination Notice means the notice informing a Tenant Household of the termination of its tenancy in accordance with this Section and California Civil Code Section 1946.1 (term not specified) or California Code of Civil Procedure Section 1161 (unlawful detainer).
- B. Termination Notices provided to Tenants must contain the following:
  - 1. The reason for the termination of tenancy in accordance with Section 3.70.060; and
  - 2. If the notice is for a No-Fault Eviction, an explanation of the right to and amount of relocation assistance payments pursuant to Section 3.70.070; and
  - 3. If the notice is for a No-Fault Eviction under Civil Code section 1946.2(b)(2)(D)(intent to substantially remodel), this 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 containing similar terms as your original agreement, subject to an increase in rent if needed to afford the owner a reasonable rate of return",

and a description of the right of first refusal, a description of all repairs to be performed, and an estimate of the time required to complete the repairs and the date upon which it is expected that the Rental Unit will be ready for habitation; and

- 4. If the Termination Notice is for an At-Fault Eviction, the notice must state specific facts to permit a determination of the date, place, witnesses, and circumstances concerning the reason for the eviction. All Warning Notices required for an At-Fault Eviction in Section 3.70.060, shall be attached to any corresponding Termination Notice.
- C. A copy of the Termination Notice issued to a Tenant shall be filed by the Landlord with the Housing Director within three (3) days after the service of the Termination Notice on the Tenant.

# 3.70.085 Rules, Regulations, Procedures and Forms

The Housing Director shall adopt reasonable rules, regulations, and forms as necessary to implement the procedures required in this Chapter.

#### 3.70.090 Rental Units Withdrawn from the Rental Market

The Ellis Act (Government Code sections 7060, *et seq.*) governs a Landlords withdrawal of Rental Units from the rental market. This Chapter shall be interpreted and applied in a manner that does not conflict or interfere with the Ellis Act.

## 3.70.100 Additional Protections

- A. Right of Return and First Right of Refusal. All Tenants displaced based on termination of tenancy for a No-Fault Eviction under Civil Code section 1946.2(b)(2)(A) (owner move in) or Civil Code section 1946.2(b)(2)(D) (substantial remodel) shall have the first right of refusal to return to the unit if the Rental Unit should be returned to the rental market by the Landlord or a successor Landlord within five (5) years of displacement of the Tenant. All notices of termination of tenancy served under Civil Code section 1946.2(b)(2)(A) or Civil Code section 1946.2(b)(2)(D) shall state the current rent in effect at the time of termination of tenancy.
- B. *Protections for Families*. Notwithstanding any contrary provision in this Section, a Landlord shall not be permitted 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, sibling, or spouse or domestic partner (as defined in California Family Code section 297) of such relatives, so long as the number of occupants does not exceed the maximum number of permitted occupants determined by applicable County building, housing or fire codes.
- C. Retaliation Barred. It shall be an affirmative defense to an action to recover possession of the Rental Unit that the eviction is knowingly or intentionally in retaliation for the Tenant reporting violations of this Chapter or other law, for exercising rights granted under this Chapter or other law, or for forming or participating in a Tenant organization.
  - 1. Retaliatory Eviction. It shall be unlawful for a Landlord to recover possession of a Rental Unit in retaliation of a Tenant exercising the Tenant's right to file a complaint with the County advising that a building, housing, nuisance Code or ordinance violation, or permit violation may exist on the property.
  - 2. Rent Increase or other Retaliatory Actions. The Landlord shall not engage in retaliatory conduct, such as improperly depriving the Tenant of use of the premises, decreasing services, or increasing the rent, or otherwise improperly interfering with the Tenants' rights under the lease agreement.
- D. *Protections for the Elderly*. A Landlord shall not refuse to rent or lease or otherwise deny to or withhold from any person any Rental Unit because the age of a prospective Elderly Tenant would result in the Tenant acquiring rights under this Chapter.

## 3.70.110 Fees

The Board of Supervisors may establish a fee for services under this Chapter for each Rental Unit to fund the reasonable regulatory and administrative enforcement costs of the Just Cause program, as permitted by law. This fee may be established under a separate ordinance or resolution and assessed and collected with other similar fees (for example, a Rental Unit registration fee) from Landlords. The fee will be payable by the Landlord to the County. The Landlord may charge the Tenant up to one half (50%) of the fee on a reimbursement basis. While the Landlord may recover 50% of the fee from the Tenant, the fee is not "rent" and cannot form the basis of an eviction for non-payment.

#### 3.70.120 Defenses and Remedies

A. Affirmative Defense. Each Landlord that seeks to terminate a tenancy of a Tenant must comply with this Chapter. Failure to comply with an applicable provision of this Chapter may

be asserted by a Tenant as a defense in an unlawful detainer action.

- B. Civil Remedies. Whenever a Landlord or anyone assisting a Landlord wrongfully recovers possession of a Rental Unit in violation of this Chapter, the Tenant or the County may institute a civil proceeding for injunctive relief, actual damages, and other relief deemed appropriate by the court or as provided for in Civil Code section 1946.2(h). Nothing in this Chapter is intended to limit the damages recoverable by any party through a private action.
- C. Landlord Rights. Nothing in this Chapter shall be deemed to interfere with the right of a Landlord to file an action against a Tenant or non-Tenant third party for the damage done to the Landlord's property.

#### **3.70.130** Penalties

- A. Any Landlord who attempts to recover a Rental Unit in material violation of this Chapter 3.70 shall be liable to the Tenant in a civil action for the following:
  - 1. the actual damages sustained by the Tenant.
  - 2. in the court's discretion, reasonable attorney's fees and costs.
- 3. upon a showing that the Landlord acted willfully or with oppression, fraud, or malice, up to three times the actual damages. An award may also be entered for punitive damages for the benefit of the Tenant.
- B. The county counsel may seek injunctive relief based on violations of this Chapter 3.7.

# 3.70.140 No Waiver

The provisions of this Chapter may not be waived, and any term of any lease, contract, or other agreement which purports to waive or limit the substantive or procedural rights created under this Chapter are contrary to public policy, unenforceable, and void.

## **SECTION III**

If any provision of this Chapter is found to be unconstitutional or otherwise invalid by any court of competent jurisdiction, that invalidity shall not affect the remaining provisions of this chapter which can be implemented without the invalid provisions, and to this end, the provisions of this Chapter are declared to be severable, and the Board of Supervisors hereby declares that it would have adopted this chapter and each provision thereof irrespective of whether any one or more provisions are found invalid, unconstitutional or otherwise unenforceable.

#### **SECTION IV**

This Ordinance shall take effect and be in force thirty (30) days from and after the date of passage and before the expiration of fifteen (15) days after its passage it shall be published once with the names of the members voting for and against the same in a newspaper of general circulation published in the County of Alameda.

Adopted by the Board o	of Supervisors of the County of Alameda, State of California, on the	
day of	20, by the following called vote:	
AYES:		

NOES:	
EXCUSED:	
ABSTAINED:	
ATTEST:	President of the Board of Supervisors
Anika Campbell-Belton, Clerk of the Board of Supervisors	
By: Deputy Clerk	
APPROVED AS TO FORM:	
DONNA R. ZIEGLER, COUNTY COUNSEL	
By:	
Caitlyn M. Gulyas Deputy County Counsel	-

ORDINANCE NO.
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AN ORDINANCE AMENDING CHAPTER 3.68 OF THE ALAMEDA COUNTY ORDINANCE CODE TO ESTABLISH A RENTAL HOUSING DISPUTE RESOLUTION PROCESS IN THE UNINCORPORATED AREAS OF ALAMEDA COUNTY AND TO MODIFY THE RENT REVIEW AND MEDIATION PROCESS

The Board of Supervisors of the County of Alameda, State of California, does ordain as follows:

#### **SECTION I**

Chapter 3.68 of the Alameda County Ordinance Code is amended to read as follows:

Chapter 3.68 - NOTIFICATION OF RENT MEDIATION REVIEW AND RENTAL HOUSING DISPUTE RESOLUTION PROCESS

Article I - General

3.68.010 - Findings and Purpose Short Title.

This chapter shall be known as the mandatory notification of rent mediation services ordinances. The board of supervisors finds that critical housing problems exist within the unincorporated area of Alameda County and numerous disputes have arisen between landlords and tenants of such units on issues of rental increases and rental housing habitability. This board finds:

- A. That such disputes frequently may be resolved if there exists a formal means of communication and a dispute resolution mechanism;
- B. That harmony in the relationships between tenants and rental property owners is essential for the public health, safety and welfare;
- C. That public policy favors the resolution of disputes between these parties through voluntary agreement without resort to formal court proceedings; and
- D. That it is proper for the county to mandate participation in the process for resolution of such disputes between landlords and tenants.

It is the purpose of this chapter to increase certainty and fairness in the residential rental market within in the residential rental market within unincorporated Alameda County, and to promote the health, safety, and general welfare of landlords and tenants within the county. This chapter governs rent and other disputes between landlords and tenants of all rental dwelling units located within the unincorporated areas of Alameda County.

## 3.68.020 - Applicability

The provisions of this chapter shall apply to all rental dwellings in the unincorporated area of Alameda County used for residential purposes, whether or not the residential use is a conforming use and including live-work spaces. Notwithstanding the foregoing, this chapter shall not apply to any dwelling unit that is owned or operated by a government agency.

3.68.030 - Definitions.

Unless the context otherwise requires, the terms defined in this chapter shall have the following meanings:

"Base rent" means the rental amount, including any amount paid to the landlord for parking, storage, utilities or any other fee or charge associated with the tenancy, required to be paid by the tenant to the landlord in the month immediately preceding the effective date of the rent increase.

"Board of supervisors" means the board of supervisors of the county of Alameda.

"Community development director" or "CDA director" means the director of the community development agency of the county of Alameda, or the director's his or her designated representative.

"County" means the county of Alameda.

"Designated service provider" means a party or organization, which may include a County agency or department, designated by the board of supervisors to provide rent review and mediation services in the unincorporated county and to perform other tasks necessary to implement the program and procedures contained in this chapter and any associated guidelines.

"Dwelling" means any building or portion of a building which contains one or more dwelling units. The term includes one-family dwelling, two-family dwelling and multiple dwelling.

"Dwelling unit" means a structure or the part of a structure used as a home, residence, or sleeping place by one person who maintains a household or by two or more persons who maintain a common household, as defined in California Civil Code section 1940(c), which is hired, rented, or leased to a household. The term "dwelling unit" shall also include, for the purposes of this Chapter a one-family mobilehome constructed after July 15, 1976, and issued an insignia of approval by the U.S. Department of Housing and Urban Development and permanently located on a foundation system.

"Good faith participation" includes the affirmative duty of a landlord to refrain from initiating an unlawful detainer proceeding while the parties are engaged in proceedings under this chapter, excepting only those actions authorized by subsections (3) and (4) of California Code of Civil Procedure section 1161 (unlawful detainer) or any successor provisions, and the affirmative duty of a tenant to abide by the terms of the lease or rental agreement and to pay all lawful rent owed.

"Guidelines" means written regulations for the administration and implementation of this chapter adopted by the CDA director. All forms and notices needed to facilitate the administration and implementation of this chapter shall be adopted by the CDA director and may be included in the guidelines.

"Housing director" means the housing <u>and community development</u> director of the county of Alameda or <u>their his or her</u> designated representative.

"Landlord" means any person, partnership, corporation, or other business entity offering for rent or lease any residential property in the unincorporated county. Landlord shall include the agent or representative of the landlord, provided that such agent or representative shall have full authority to answer for the landlord and enter into binding agreements on the landlord's behalf.

"Mediation" means one or more meetings in which a landlord and tenant have the opportunity to directly communicate with a mediator and each other in a face-to-face setting at a neutral location to resolve a rental housing dispute under ground rules designed to protect the confidentiality and neutrality of the communications.

"Mediator" means a person who is employed or retained by the designated service provider and who meets any criteria for conducting mediations that may be established in the guidelines.

"Nonrequesting party" means the party, either the tenant or landlord, who does not initiate a request for rent review or rent mediation but who is asked by either the requesting party or the rent review officer to participate.

"Rent" means a fixed periodic compensation paid by a tenant at fixed intervals to a landlord for the possession and use of property, including any amount paid to the landlord for parking, storage, utilities, or any other fee or charge associated with the tenancy.

"Rent increase" means any upward adjustment of the rent from the base rent amount.

"Rent review entity" means any organization, board or individual, as designated by the board of supervisors to provide rent review and mediation services in the unincorporated county.

"Rent review officer" means a person or persons working for the rent review entity, to provide rent review and/or <u>rent</u> mediation services to landlords and tenants in the unincorporated county.

"Rent review services" means services provided to tenants or landlords who request review of a rent increase up to, but not including rent mediation.

"Rent mediation" means mediation or conciliation services involving discussion among and between tenants and landlords facilitated by a rent review officer or a mediator telephonically or in person.

"Rental housing dispute" means a fact-based grievance raised by any tenant, landlord, or property manager regarding the occupancy or use of residential property including rental rate increases, deposits, habitability, repairs and maintenance, utilities, occupants, parking and storage facilities, privacy, quiet enjoyment, or use of common areas but excluding disputes that are the subject of a lawful eviction (unlawful detainer) proceeding in a court of competent jurisdiction.

"Residential property" means any <u>dwelling</u> housing unit offered for rent or lease in the unincorporated county , provided that such housing unit is on a property that contains three or more housing units, and mobilehomes . Mobilehomes are subject to this chapter only if a tenant rents the mobile housing unit itself. Mobilehome spaces in mobilehome parks are regulated under Chapter 3.32 of this code and are explicitly excluded from this chapter.

"Requesting party" means the party, either <u>a</u> the tenant or landlord, who initiates a request for rent review, or rent mediation, or rental housing dispute mediation.

"Tenant" means any person having the legal responsibility for the payment of rent for residential property in the unincorporated <u>area county</u> of Alameda <u>County</u>. "Tenant" includes the agent or representative of the tenant, provided that such agent or representative shall have full authority to answer for the tenant and enter into binding agreements on the tenant's behalf.

Article II – Notice of Availability of Rent Review and Mediation

3.68.0340 - Notice of availability of rent review and mediation required

In addition to the notice of a rent increase required by Civil Code Section 827(b), and at the time when a landlord provides such notice of a rent increase, the landlord shall also provide notice of the availability of voluntary rent review and mediation services. The required language to be included describing the voluntary rent review and mediation program shall be provided by the county.

3.68.04<u>5</u>0 - Contents of notice.

All notices of the availability of rent review and mediation shall be in writing, shall provide the name, address and phone number of the landlord and shall be personally delivered to the tenant or posted and mailed to the tenant at the address of the tenant's rental unit by first class mail, postage pre-paid. Service by mail shall be presumed complete within five (5) calendar days of mailing. This presumption may be rebutted by the tenant.

3.68.0<del>5</del>60 - Text of notice.

In addition to all other information provided in the notice of the availability of rent review and mediation required by this chapter, each such notice shall state:

NOTICE: Under Civil Code Section 827(b), a landlord must provide a tenant with thirty (30) days' notice prior to a rent increase of ten percent (10%) or less and <u>ninety (90)</u>sixty (60) days' notice of a rent increase of greater than ten percent (10%). Under Chapter 3.68 of Title 3 of Alameda County General Ordinance Code, a landlord of any rental unit <del>on a property with three or more housing units</del> must at the same time provide this notice of the county's rent review and mediation program before demanding or accepting any increase in rent.

You are encouraged to contact the owner or manager of your rental unit to discuss a rent increase as soon as possible. However, you may also request services under the Alameda County rent review and mediation program. Rent review services are available for any rent increase. You may also be eligible for voluntary rent mediation services if you have received notice of a rent increase that (1) will increase your rent more than  $\underline{\text{five ten}}$  percent ( $\underline{5}10\%$ ) above the rent you paid last month, (2) is greater than seventy-five dollars (\$75.00) per month, or (3) follows one or more prior rent increases within the past twelve (12) months.

Request for rent review or mediation services may be made in writing or by telephone. If you request mediation of the rent increase, you and your landlord may be requested to meet with a rent review officer for a hearing on your rent dispute. After hearing from you and your landlord, the rent review officer may make a nonbinding recommendation for resolution of the rent dispute. To request review or mediation of your rent increase, please contact the Rent Review Program, 224 W. Winton Ave., Room 108, Hayward, CA 94544 or by calling (510) 670- 6682 and requesting rent review or mediation services.

Under Civil Code Section 1942.5, it is illegal for a landlord to retaliate against a tenant for lawfully and peaceably exercising the tenant's his or her legal rights.

Article III - Rent Review

3.68.0670 - Request for rent review or mediation.

Either a landlord or a tenant may seek rent review services concerning any rent increase. Either a landlord or a tenant may request rent mediation if the proposed rent increase (1) raises the rent to an amount more than <u>fiveten</u> percent (<u>5</u>10%) greater than the base rent, (2) increases the monthly rent by an amount greater than seventy-five dollars (\$75.00) per month, or (3) follows a prior rent increase imposed within the previous twelve (12) month period. The party seeking rent review or mediation may submit the request in writing or by telephone, as specified in Section 3.68.0560. The rent review entity shall respond to all requests in an expeditious manner.

3.68.0780 - Rent review officer.

If the request is for rent review, the rent review officer shall review the increase with the requesting party. With the agreement of the requesting party and at the discretion of the rent review officer, the rent review officer may contact the nonrequesting party to discuss the increase.

If the request is for <u>rent</u> mediation, after determining that a proposed rent increase meets the criteria for mediation set forth in Section 3.68.0670, the rent review officer shall contact both parties by telephone to attempt mediation. If agreeable to both parties, the rent review officer may schedule an in-person hearing of the rent dispute.

3.68.0890 - Hearing and determination.

At a rent mediation hearing, the rent review officer will afford the landlord and the tenant an opportunity to explain their respective positions. After hearing from both parties, and taking into consideration such factors as the hardship to the tenant, the frequency and amount of prior rent increases, the landlord's mortgage payments and other costs associated with owning and maintaining the property, the landlord's interest in earning a reasonable rate of return, and any other relevant factors, the <u>rent review</u> officer may make a recommendation to the parties for the resolution of their dispute. If the parties agree to a resolution proposed by the <u>rent review</u> officer, they may formalize the agreement in a standard form signed by both parties. Neither the county, the rent review entity, nor the rent review officer shall be a party to such an agreement, nor shall the county, the entity, or the <u>rent review</u> officer assume any responsibility for enforcement of its terms.

3.68.10<del>9</del>0 – Continuance.

If the landlord and tenant are unable to reach a resolution of their dispute during a hearing before the <u>rent review</u> officer, the <u>rent review</u> officer may in <u>the officer's</u> his or her discretion continue the hearing and request the parties to return for a second and final hearing of their dispute.

3.68.1010 – Retaliatory eviction.

Commencement of eviction proceedings against a tenant for exercising the tenant's his or her rights under Article III of this chapter shall be considered a retaliatory eviction.

3.68.1420 - Violation of Article III chapter.

Any rent increase accomplished in violation of <u>Article III of</u> this chapter shall be void, and no landlord may take any action to enforce such an invalid rent increase. Any rent increase in violation of <u>Article III of</u> this chapter shall operate as a complete defense to an unlawful detainer action based on failure to pay any illegal rent increase. Any tenant required to pay an illegal rent increase may recover all illegal rent increase amounts actually paid by the tenant. 3.68.1230 – Nonbinding nature.

The final recommendation of the rent review officer shall be nonbinding on all parties, except as they are mutually agreed upon by both parties to the dispute in writing.

Article IV – Rental Housing Dispute Mediation

3.68.140 - Eligibility for Mediation.

- A. <u>Tenant-Requested Mediation. A tenant residing in a dwelling unit may file a request and</u> receive mediation services under the following circumstances:
  - 1. Within sixty (60) calendar days of enactment of this chapter;
  - 2. Within sixty (60) calendar days of providing written notice to the landlord of untenantable conditions as defined by California Civil Code section 1941.1; and
  - 3. Within twenty-one (21) calendar days of learning the facts that give rise to a dispute for any other rental housing dispute.
- B. <u>Landlord-Requested Mediation</u>. Any landlord may file a request and receive mediation services to pursue a rent increase greater than five percent (5%) within any twelvementh period or within sixty (60) calendar days of receiving written notice of untenantable conditions as defined by California Civil Code section 1941.1.

## 3.68.150 - Mediation Process.

A. Designated Service Provider. The county shall contract with or designate one or more designated service providers to provide mediation services. The guidelines may include a description of minimum qualifications for the designated service provider and mediators.

## B. Mediation Requests.

- 1. Any tenant or landlord eligible for mediation under this Article IV may request mediation services from a designated service provider.
- Each landlord or tenant requesting mediation services must complete and sign a form under penalty of perjury that demonstrates eligibility for mediation and includes other information as may be specified in the guidelines.
- 3. Separate requests for mediation services that involve one or more of the same parties may be consolidated with the consent of the landlord and the other tenants, but consolidation is not required and shall not affect individuals' ability to be separately represented or to bring a separate legal action.
- 4. If an eligible tenant has requested mediation as a result of receiving one or more notices in accordance with California Civil Code section 827 that individually or cumulatively increase rent more than five percent (5%) within any twelve-month period, unless the parties otherwise agree in writing, such noticed rent increase will not be effective until the mediation concludes.
- C. Mediation Process. The designated service provider shall assign a mediator within ten (10) calendar days of receiving a complete request for mediation services. The assigned mediator shall offer a mediation process as follows:
  - Mithin two (2) business days of receiving a mediation assignment from the designated service provider, the mediator shall provide notice of the mediation to the landlord and tenant. The mediation notice shall, at a minimum, inform each party of their obligation to appear at the mediation and participate in the mediation in good faith. The mediator shall make reasonable efforts to schedule

mediation sessions at times that are mutually convenient for the landlord and the tenant, which may include times that are outside of business hours. The mediation process shall commence upon notification of the landlord and tenant by the mediator.

- (a) A mediator may notify the landlord and tenant of the mediation process via telephone, email, or any other form of communication, but the mediator must notify each party in writing via first-class mail, postage prepaid to each parties' address of record.
- (b) Following the mediator sending such notification, both the landlord and the tenant have an affirmative obligation to participate in the mediation in good faith until the mediation concludes.
- 2. The mediation process shall conclude upon the earlier of: (a) the execution of a legally enforceable, written agreement signed by all parties to the mediation; (b) the mediator's determination that no further progress is likely to result from continued mediation; or (c) all of the parties to the mediation indicate in writing that the mediation has concluded to their satisfaction. In no event shall a mediation process last longer than thirty (30) calendar days after the request for mediation services is made to the designated service provider unless the parties agree in writing to extend the mediation term.
- <u>D.</u> Mandatory Participation. Every party to a mediation is affirmatively obligated to participate in such mediation in good faith until the mediator determines the mediation has concluded (as provided in C.2. above).
  - 1. For purposes of this section, in addition to the definition in section 3.68.030, good faith participation also includes the mutual obligation of the landlord and tenant to meet on each occasion when notified of mediation proceedings, provide relevant information, exchange proposals, timely consider and respond to proposals by opposing parties, and engage in meaningful discussion on the subject of proposed rent increases, issues related to the rent increase, and the rental housing dispute.
  - 2. Failure to participate in good faith.
    - (a) No rent increase will be effective unless or until the landlord of the dwelling unit complies with the provisions of this chapter by participating in good faith for the entirety of a mediation process.
    - (b) If a tenant fails to participate in good faith, the mediator at their discretion may determine that the tenant has withdrawn their request for mediation service and conclude the mediation process, allowing any rent increase to be implemented in accordance with the notice requirements in California Civil Code section 827.
- E. Mediation Agreements. No party shall be obligated to reach any specific agreement, or to reach any agreement at all, as a result of participating in mediation.

- 1. Any agreement reached by the parties in mediation must:
  - (a) Be made in writing and signed by the parties;
  - (b) State the specific terms of the mediation agreement including the duration and conditions of the agreement;
  - (c) State the effective date of any agreed-upon rent increase and stipulate to the adequacy of notice for any rent increase in accordance with California Civil Code section 827;
  - (d) Be legally enforceable against the parties to the agreement;
  - (e) Provide that the agreement may be enforced via civil action by any party and by the county or its designee as third-party beneficiaries; and
  - (f) Provide that any agent or representative signing a mediation agreement on behalf of other persons shall be responsible for promptly providing a copy of the agreement to the parties they represent.
- 2. A tenant bound by a mediation agreement may not request further mediation concerning any rent increase covering the same time period included in the mediation agreement but may request mediation concerning an additional rent increase that is first noticed or occurs after the mediation agreement is signed by both parties.
- 3. Mediation Statements. If a mediation does not result in a mediation agreement, then the designated mediator shall produce a nonbinding mediation statement. The guidelines shall include form mediation agreements and mediation statements that include, without limitation, the name of each party that appeared for and participated in good faith in the mediation service, and a concise summary of the dispute.

## 3.68.160 - Notice of Tenant Rights

- A. Landlords must provide to each of their tenants a notice of tenant rights under Article IV of this chapter that describes the mediation and how to request service; a form for providing such notice may be issued in the guidelines.
- B. Landlords must provide to their tenants the notice of tenant rights under subsection (A):
  - 1. Within thirty (30) calendar days of enactment of this chapter;
  - 2. When entering a lease or rental agreement;
  - 3. When renewing a lease or rental agreement;
  - 4. When providing notice of a rent increase; and
  - 5. <u>Upon receipt of written notice of untenantable conditions as defined by California</u> Civil Code section 1941.1.

## Article V - Miscellaneous

#### 3.68.170 – Rights Not Affected.

- A. <u>Nothing in this chapter shall be deemed to affect any rights or remedies of a tenant provided by state or federal law, including but not limited to:</u>
  - 1. <u>Tenant's right to quiet enjoyment of the rental premises.</u>
  - 2. The duty of a landlord to make a dwelling unit tenantable and repair all dilapidations that render it untenantable.
  - 3. <u>Prohibited landlord conduct including discrimination in housing; retaliation, threats or other coercive conduct; unauthorized entry into a tenant's unit, and unauthorized taking of tenant's personal property.</u>
  - 4. Rights concerning payment and return of rent and security deposits.
  - 5. Rights to required notice prior to termination of a rental agreement.
  - 6. Rights under unlawful detainer statutes.
- B. Nothing in subsection A of this section prohibits the lawful eviction of a tenant in accordance with California Civil Code section 1946.1 or by any other appropriate legal means.
- C. Nothing in this chapter shall be deemed to affect any duties or obligations of a landlord to comply with applicable housing, building, or zoning codes, including compliance with valid code enforcement orders and notices.

## 3.68.1<del>3</del>80 - Annual review.

The housing director shall annually prepare <u>and present</u> a report to the board of supervisors assessing the effectiveness of the mandatory notification of rent mediation services <u>and rental housing dispute mediation</u> program established under this chapter and recommend changes as may be appropriate. Annual assessment <u>of the rent review program</u> shall include factors such as rent levels and trends, number of tenant requests for rent review and mediation, and level of landlord participation.

## 3.68.190 - Civil remedies.

- A. <u>Injunctive relief.</u> Any aggrieved person may enforce the provisions of Article IV of this chapter by means of a civil injunctive action. Any person who commits, or proposes to commit, an act in violation of Article IV of this chapter may be enjoined therefrom by any court of competent jurisdiction. An action for injunction under this section may be brought by any aggrieved person, by county counsel, or by any person or entity which will fairly and adequately represent the interests of the protected class.
- B. Civil Liability. Any person who violates any of the provisions of Article IV of this chapter or who aids in the material violation of any provisions of Article IV of this chapter is liable for, and the court may award to the individual whose rights are violated special and general damages. The court may award attorney's fees, costs of action, and punitive damages. Civil actions filed pursuant to this section must be filed within one (1) year of the events giving rise to the alleged cause of action.

# 3.68.200 - Initial Cost of Program

For the first year during which Article IV of this chapter is in effect, the county shall pay the cost of any rental housing dispute mediation required by Article IV of this chapter to the extent funds are available. Thereafter the costs of the rental housing dispute mediation shall be allocated among the parties or paid with other available funding sources, as determined by the CDA director.

#### **SECTION II**

If any provision of this Ordinance is found to be unconstitutional or otherwise invalid by any court of competent jurisdiction, that invalidity shall not affect the remaining provisions of this chapter which can be implemented without the invalid provisions, and to this end, the provisions of this Chapter 3.68 are declared to be severable, and the Board of Supervisors hereby declares that it would have adopted this Chapter and each provision thereof irrespective of whether any one or more provisions are found invalid, unconstitutional or otherwise unenforceable.

#### **SECTION III**

This Ordinance shall take effect and be in force thirty (30) days from and after the date of passage and before the expiration of fifteen (15) days after its passage it shall be published once with the names of the members voting for and against the same in a newspaper of general circulation published in the County of Alameda.

Adopted by the Board of Supervisors of the day of 2024, by the following	County of Alameda, State of California, on the g called vote:
AYES:	
NOES:	
EXCUSED:	
ABSTAINED:	
	President of the Board of Supervisors
ATTEST:	Trestaent of the Beard of Edpervisore
Anika Campbell-Belton, Clerk of the Board of Supervisors	
By: Deputy Clerk APPROVED AS TO FORM:	
DONNA R. ZIEGLER, COUNTY COUNSEL	
By: Caitlyn M. Gulyas Deputy County Counsel	