

CITY OF ALAMEDA ORDINANCE NO. 3362
New Series

AMENDING ARTICLE XV OF THE ALAMEDA MUNICIPAL CODE,
AMENDING AND ENHANCING THE RENT CONTROL PROGRAM'S
CAPITAL IMPROVEMENT PLAN (CIP) PROGRAM AND
TERMINATING THE CURRENT MORATORIUM ON CIP
APPLICATIONS FOR PROPERTIES THAT HAVE 25 OR MORE
RENTAL UNITS AND MAKING OTHER NECESSARY UPDATES

WHEREAS, on April 5, 2016, City staff presented to the City Council, and the Council adopted, a Policy Concerning Capital Improvement Plans, which Policy identifies major long term repairs that could qualify as a Capital Improvement, provides a method by which a Landlord may receive a Rent Increase by undertaking such Capital Improvements, and requires the Landlord to provide relocation assistance to displaced Tenants when work associated with the Capital Improvements cannot be accomplished safely and reasonably with the Tenants remaining in their Rental Units, after hearing from the public concerning the Policy and thereafter discussed the Policy among themselves; consequently, the Council adopted Resolution No. 15138; and

WHEREAS, on October 25 2023, and on December 5, 2023, City staff presented to the City Council amendments to Ordinance No. 3250, as amended, codified at Alameda Municipal Code 6-58.10 et seq., concerning Capital Improvement Plans, the purpose of which is to further encourage Landlords to improve the quality of the City's rental housing stock, to ensure Landlords receive a fair return on their Capital Improvement expenditures, and that Tenants are not unreasonably displaced as a result of Capital Improvements to their Rental Units; and

WHEREAS, with the effective date of this Ordinance, Resolution No. 15138 (Policy Concerning Capital Improvement Plans) will no longer be necessary and will be repealed; and

WHEREAS, this Ordinance is exempt from review under the California Environmental Quality Act ("CEQA") under CEQA Guidelines Sections 15378 (not a project) and 15061(b)(3) (no significant environmental impact).

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ALAMEDA as follows:

Section 1: Alameda Municipal Code ARTICLE XV (RENT CONTROL, LIMITATIONS ON EVICTIONS AND RELOCATION PAYMENTS TO CERTAIN DISPLACED TENANTS ORDINANCE) is hereby amended as follows (in redline; otherwise, no change):

6-58.15 – Definitions.

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

Annual General Adjustment means seventy (70%) percent of the percentage change in the Consumer Price Index for the twelve (12) month period ending April of each year and rounded to the nearest one-tenth of a percent; provided, however, in no event shall the Annual General Adjustment be more than five (5%) percent nor less than one (1) percent.

Base Rent means for all Rental Units, other than a Floating Home or a vessel/boat for which there is a maritime residential tenancy, that State Law does not exempt from rent control, the Rent in effect on September 1, 2019 or the Rent in effect on a later date (as established in subsection A of Section 6-58.60) and shall be the reference point from which the Maximum Allowable Rent shall be adjusted upward or downward in accordance with this Article. For all Rental Units that are Floating Homes or vessels/boats for which there is a maritime tenancy, Base Rent shall mean the Rent that a Tenant paid for the Rental Unit on or before April 14, 2022 but not Rent paid thereafter and shall be the reference point from which the Maximum Allowable Rent shall be adjusted upward or downward in accordance with this Article. For Tenancies for Floating Homes or vessels/boats for which there will be a maritime tenancy, commencing after April 14, 2022, the Base Rent is the initial Rent in effect on the date the Tenancy commences.

Base Rent Year for all Rental Units other than Floating Homes or vessels/boats for which there is a maritime residential tenancy, Base Rent Year means 2015. Base Year Rent for all Rental Units that are Floating Homes or vessels/boats for which there is a maritime tenancy means 2021.

Buyout Agreement means a written agreement between a Landlord and a Tenant as provided in Section 6-58.115 by which a Tenant, typically in consideration for monetary payment, agrees to vacate a Rental Unit.

Capital Improvement means an improvement or repair to a Rental Unit or property that materially adds to the value of the property, appreciably prolongs the property's useful life or adapts the property to a new use, becomes part of the real property or is permanently affixed to the real property such that its removal would result in material damage to the real property or to the improvement itself, has a useful life of more than one (1) year and that is required to be amortized and depreciated over the useful life of the improvement under the provisions of the Internal Revenue Code and related regulations.

Capital Improvement Plan means a detailed proposal submitted to the Program Administrator by a Landlord in order to proceed with one or more Capital

Improvements, temporarily relocate a Tenant (in connection with the Capital Improvement work), and/or receive a Pass Through.

Certified Rent means the Rent, less than the Maximum Allowable Rent, that the Program Administrator determines is the allowable rent when the Landlord has chosen not to impose the Annual General Adjustment and has banked the difference as provided in Section 6-58.70.

City means the City of Alameda.

Community Development Director means the Director of the Community Development Department of the City of Alameda, or the Community Development Director's designated representative.

Comparable as applied to a Rental Unit means any Rental Unit that the Landlord owns in the City of Alameda, is similar in square footage, has the same number of or additional bedroom(s), has similar amenities, such as cable television or a washer/dryer, allows pets if the Tenant had a pet, as to a Tenant who is disabled, is disability accessible and ADA compliant and, if not currently habitable, can be made habitable without requiring the Landlord to obtain a building permit in order for the Rental Unit to be habitable. For purposes of paragraph 2 of subsection E of Section 6-58.80, the Comparable Rental Unit must be on the same property.

Condominium means the same as defined in Section 783 and 1351(f) of the California Civil Code.

Consumer Price Index means the Consumer Price Index for All Urban Consumers ("CPI-U") for the San Francisco-Oakland-Hayward, CA Region, published by the U.S. Department of Labor, Bureau of Labor Statistics.

Costs of Operation mean all reasonable expenses incurred in the operation and maintenance of a Rental Unit not exempt from rent control under State Law and the building(s) or complex of buildings of which it is a part, together with the common area, if any, and include but are not limited to property taxes, insurance, utilities, professional property management fees, pool and exterior building maintenance, supplies, refuse removal, elevator service, security services or system and the amortized cost of Capital Improvements for which the Landlord has not received an approved Pass Through for such improvements, but Costs of Operation exclude Debt Service, depreciation and the cost of Capital Improvements for which a Landlord has received an approved Pass Through for such improvements.

Council means the City Council of the City of Alameda.

Debt Service means the periodic payment or payments due under any security financing device that is applicable to a Rental Unit not exempt from rent control

under State Law or building or complex of which it is a part, including any fees, commissions or other charges incurred in obtaining such financing.

Disabled means disabled as defined in Section 12955.3 of the California Government Code.

Dwelling Unit means a room or group of rooms, designed and intended for occupancy and/or use by one (1) or more persons, that includes in the room or group of rooms sleeping quarters and one (1) or more of the following: the existence or capability for cooking facilities, e.g., refrigerator, stove, oven, microwave oven, etc.; and/or bath facilities, e.g., toilet, sink, shower, tub, etc.

Eligible Tenant means any Tenant entitled to be paid a Relocation Payment under this Article because the Landlord terminated the Tenant's tenancy for any of the reasons set forth in subsections E, F, G, H or I of Section 6-58.80, the Tenant has vacated a Rental Unit pursuant to a governmental agency's order to vacate or due to Health or Safety Conditions and for which in either case the Landlord did not serve a notice to terminate the tenancy, or the Tenant has vacated a Rental Unit following the Tenant's receipt of a Relocation Rent Increase.

Floating Home means the same as the term is defined in Health and Safety Code, section 18075.55.

Governmental Agency means any City, County, or State, and divisions or departments thereof, including those that are authorized to enforce Uniform Codes that the City had adopted except that Governmental Agency shall not include the Housing Authority.

Health or Safety Conditions mean conditions in a Rental Unit resulting from, or expected to result from, among other events, construction activities, flooding, fire or smoke, lack of proper maintenance, or facilities failures and not caused by a Tenant, the occupants of the Rental Unit or the invitees/guests of the Tenant that, in the determination of a Governmental Agency or a court of competent jurisdiction (i) have or will have an adverse effect on the health or safety of the Tenant or occupant if the Tenant/occupant were to occupy the Rental Unit while the conditions exist, (ii) render or will render the Rental Unit uninhabitable, or (iii) as to Rental Units in the Housing Choice Voucher Section 8 Program, fail to pass Housing Quality Standards as such Standards are determined by the U.S. Department of Housing and Urban Development.

Housing Authority means the Housing Authority of the City of Alameda.

Housing Services means those services provided and associated with the use or occupancy of a Rental Unit not exempt from rent control under State Law including, but not limited to, repairs, replacement, maintenance, effective waterproofing and weather protection, painting, providing light, heat, hot and cold water, elevator

service, window shades and screens, laundry facilities and privileges, janitorial services, utilities that are paid by the Landlord, refuse removal, allowing pets, telephone, parking, storage, the right to have a specified number of Tenants or occupants, computer technologies, entertainment technologies, including cable or satellite television services, and any other benefits, privileges or facilities connected with the use or occupancy of such Rental Unit including a proportionate share of the services provided to common facilities of the building in which such Rental Unit is located and/or of the property on which such Rental Unit is located.

Landlord means any person, partnership, corporation or other business entity, or any successor in interest thereto, offering for rent or lease any Rental Unit in the City and shall include the agent or representative of the Landlord if the agent or representative has the full authority to answer for the Landlord and enter into binding agreements on behalf of the Landlord.

Maximum Allowable Rent means the maximum Rent the Landlord may charge for the use or occupancy of any Rental Unit not exempt from rent control under State Law.

Maximum Increase means a Rent Increase that on a cumulative basis over the twelve (12) months preceding the effective date of a proposed Rent Increase is more than ten (10%) percent.

Net Operating Income means the gross revenues that a Landlord has received in Rent or any rental subsidy in the twelve (12) months prior to serving a Tenant with a notice of a Rent Increase less the Costs of Operation in that same twelve (12) month period.

Party means a Landlord or Tenant.

Pass Through means any monetary amount a Landlord is authorized to pass through to, and recover from, one or more Tenants in the form of a surcharge or in addition to Base Rent, as authorized by an approved Capital Improvement Plan or any other lawful authorization.

Permanent Relocation Payment means the payment the Landlord is required to make to a Tenant when (i) the Landlord takes action to terminate a tenancy under subsections E, F, G, H or I of Section 6-58.80, (ii) the Landlord did not serve a notice of termination of tenancy but the Tenant has permanently vacated a Rental Unit pursuant to a governmental agency's order to vacate the Rental Unit or due to Health or Safety Conditions, or (iii) the Landlord has served the Tenant with a Relocation Rent Increase and the Tenant has vacated the Rental Unit within ninety (90) days thereafter.

Primary Residence means a Single Dwelling Unit, Condominium, Stock Cooperative or other Dwelling Unit for which the Landlord is the property owner and

the residence is one in which the Landlord carries on basic living activities for at least six (6) months of the year, the indicia of which include, but are not limited to: (i) the Landlord has identified the residence address for purposes of the Landlord's driver's license, voter registration or filing tax returns, (ii) utilities in the name of the Landlord are billed to the residence address and (iii) the residence address has a homeowner's property tax exemption in the name of the Landlord.

Programs mean the programs created by this Article.

Program Administrator is a person designated by the City or the Housing Authority to administer one (1) or more of the Programs.

Program Fee means the fee the City imposes on each Landlord to cover the costs to provide and administer the Programs.

Qualified Tenant Household means a household with a Tenant who is displaced for any reason other than under subsections A, B, C or D of Section 6-68.80 and who: (i) is a Senior Adult, (ii) is a person with a Disability or (iii) has at least one (1) child under the age of eighteen (18) residing in the household.

Relocation Payment means the payment a Landlord is required to make for any of the reasons set forth in Section 6-58.85.

Relocation Rent Increase means a rent increase that exceeds the Maximum Increase.

Rent means periodic compensation, including all non-monetary compensation, that a Tenant provides to a Landlord concerning the use or occupancy of a Rental Unit, including any amount included in the Rent for utilities, parking, storage, pets or for any other fee or charge associated with the tenancy for the use or occupancy of a Rental Unit and related Housing Services.

Rent Differential Payment means the difference between the lawful Rent that the Tenant was paying at the time of displacement and the Fair Market Rent as established from time to time by the U.S. Department of Housing and Urban Development, for a Comparable Rental Unit in Alameda, based on the number of bedrooms.

Rent Hearing Officer or Hearing Officer means a person designated by the City Attorney to hear and decide petitions under this Article and to hear and decide appeals as provided in this Article, which decisions are binding subject only to judicial review.

Rent Increase means any upward adjustment of the Rent from the Base Rent.

Rental Agreement means an agreement, written, oral or implied between a Landlord and a Tenant for the use and/or occupancy of a Rental Unit.

Rental Unit means a Dwelling Unit, a Floating Home, a vessel/boat for which there is a maritime tenancy, or other real property, offered or available for Rent in the City of Alameda, and all Housing Services in connection with the use or occupancy thereof, other than the exemptions set forth in Section 6-58.20.

Senior Adult means any person sixty-two (62) years of age or older at the time the Landlord serves a notice of termination of tenancy or, if no notice of termination of tenancy was served, at the time the person vacated the Rental Unit.

Single Dwelling Unit means a single detached structure containing one dwelling unit for human habitation, any accessory buildings appurtenant thereto, and any accessory dwelling unit as defined in State Government Code, section 65852.2 (formerly a "second unit") and permitted by the City, when the Single Dwelling Unit is located on a single legal lot of record.

State Law means any California law, whether constitutional, statutory or executive order, that pre-empts local rent control such as, at the time this Ordinance is adopted, the Costa Hawkins Residential Rental Act (California Civil Code section 1954.50 and following, which Act exempts Rental Units for which a certificate of occupancy was issued after February 1, 1995 and Dwelling Units the title of which are separately alienable from the title of any other Dwelling Unit, (e.g., Single Dwelling Units and Condominiums)).

Stock Cooperative means the same as defined in section 4190 of the California Civil Code.

Temporary Relocation Payment means the payment that a Landlord is required to make to a Tenant when the Tenant has temporarily vacated the Rental Unit in compliance with a governmental agency's order to vacate, due to Health or Safety Conditions, or as part of an approved Capital Improvement Plan, regardless of whether the Tenant was served with a notice to terminate the tenancy.

Temporary Tenancy means a Tenancy in a Dwelling Unit which has been the Landlord's Primary Residence for at least three (3) months prior to the inception of the Temporary Tenancy, which Tenancy has a fixed term at the end of which the Landlord within sixty (60) days of the Tenant's vacating the Dwelling Unit re-occupies the Dwelling Unit as the Landlord's Primary Residence, and thereafter the Landlord resides continually in the Dwelling Unit as the Landlord's Primary Residence for at least twelve (12) consecutive months.

Tenancy means the right or entitlement of a Tenant to use or occupy a Rental Unit.

Tenant means a tenant, subtenant, lessee, sub-lessee, roommate with Landlord's consent or any other person or entity entitled under the terms of a Rental Agreement for the use or occupancy of any Rental Unit and (i) has the legal responsibility for the payment of Rent for a Rental Unit or (ii) has agreed to pay the Rent for a Rental Unit; "Tenant" includes a resident as defined in Civil Code, Section 800.8, a person who occupies a vessel/boat for which there is a maritime residential tenancy, or a duly appointed conservator or legal guardian of a Tenant as defined in this section, but excludes a property manager who occupies a Dwelling Unit on the property and has a written agreement with the Landlord under which the property manager does not pay the full amount of Rent that would otherwise be paid for a Comparable Rental Unit on the property.

6-58.35 – Documents That the Landlord Must File with the Program Administrator.

In addition to any other notice required to be filed with the Program Administrator by law or this Article, a Landlord shall file with the Program Administrator a copy of the following:

- A. Certain notices to terminate a tenancy (Section 6-58.80, E, F, G, H, and I; Section 6-58.110);
- B. The amount of the Rent for the new Tenant when the prior tenancy was terminated for no cause;
- C. The name and relationship of the person who is moving into the Rental Unit when the current tenancy is terminated due to an "owner move in" and documentation that the Landlord is a "natural person" (Section 6-58.80 E);
- D. Written notice that the Landlord or the enumerated relative who was intended to move into a Rental Unit did not move into the Rental Unit within sixty (60) days after the Tenant vacated the Rental Unit or that the Landlord or the enumerated relative who moved into the Rental Unit did not remain in the Rental Unit for three (3) years (Section 6-58.80 E.5(c).);
- E. Written notice and supporting documentation that the Landlord or the enumerated relative did move into the Rental Unit as the Landlord's or enumerated relative's Primary Residence. (Section 6-58.80 E.4.);
- F. The requisite documents initiating the process to demolish or withdraw the Rental Unit from rent or lease permanently under Government Code, section 7060 et seq. and the City of Alameda's Ellis Act Policy Resolution No. 15517 (Section 6-58.80 F and H);
- G. Written proof of the relocation payment provided to the Tenant if different than as provided in Section 6-58.95 (Section 6-58.95 G);

- H. A fully executed Buyout Agreement (Section 6-58.115 D);
- I. For all Rental Units, an annual registration statement for each Rental Unit (Section 6-58.55 A);
- J. For Rental Units that are not exempt from rent control under State Law, written notice within thirty (30) days of the close of escrow that the Rental Unit has been transferred, the Rent at close of escrow, and the name and contact information of the new Landlord (Section 6-58.55 A);
- K. For Rental Units that are not exempt from rent control under State Law, a registration statement within thirty (30) days of the inception of a new tenancy (Section 6-58.55 A);
- L. Written notice that a Landlord has entered into a Temporary Tenancy and copy of the Rental Agreement within thirty (30) days of the inception of the Temporary Tenancy (Section 6-58.40 A);
- M. Written notice and supporting documentation that the Landlord has moved into the Primary Residence within sixty (60) days of the termination of a Temporary Tenancy (as defined herein);
- N. Proof of a military assignment where a Temporary Tenancy for that purpose has been created, if the Program Administrator requires such proof (Section 6-58.40 A);
- O. All documents required by this Ordinance and Rent Regulations in conjunction with an application for a Capital Improvement Plan;
- P. Requests for a hearing when a Tenant has filed a Tenant Financial Hardship Application concerning the payment of a Pass Through and/or when a Landlord has information that a Tenant is no longer eligible for a financial hardship previously granted.
- Q. A copy of any notice of a rent increase that is a Relocation Rent Increase within three (3) days of serving a Tenant with such Increase (Section 6-58.110 G);
- R. The judicial filing and related court papers if the Landlord is seeking judicial review of a decision of a Hearing Officer (Section 6-58.75 K); and
- S. Any other information or document that the Program Administrator reasonably requests to carry out the purposes and intent of this Article to the extent such request does not unreasonably infringe on the privacy interests of the Landlord.

6-58.50 - Limitations on Pass Through Applications, the Frequency of Rent Increases, the Use of Banked Annual General Adjustments, and Rent Increases in Combination with Pass Throughs.

- A. The Program Administrator shall neither accept nor approve a Capital Improvement Plan application where the number of Rental Units at the subject property equals or exceeds 25.
- B. No Landlord shall increase the Rent of any Rental Unit or impose a Pass Through, whether such increase or imposition is separate or together: (a) more than once in any twelve (12) month period or (b) earlier than twelve (12) months after the inception of the tenancy.
- C. For Rental Units that are not exempt from rent control under State Law, no Landlord shall increase Rent by utilizing any banked Annual General Adjustments in consecutive years nor increase Rent using any banked Annual General Adjustments more than three (3) times during any tenancy.
- D. Imposition of any lawful Pass Through shall not constitute a Rent Increase, provided, however, no Landlord who has been granted a Pass Through shall impose a Rent Increase that, in combination with the Pass Through, is more than 8% of a Tenant's current rent.

6-58.77 – Capital Improvements.

In addition to the Petition process set forth above, a Landlord may file with the Program Administrator an application for a Capital Improvement Plan, with or without a request for a Pass Through of certain Capital Improvement costs to Tenants of Rental Units not exempt from rent control by State Law, subject to the provisions and limitations set forth in this Article and the Rent Program Regulations

- A. The following Capital Improvements may qualify for a Pass Through, provided that the costs for such improvements are no less than \$10,000 for all Capital Improvements referenced in the application and provided further that the direct cost is not less than \$1000 per Dwelling Unit affected. These dollar amounts shall be adjusted annually based on the percentage change in the Consumer Price Index for the twelve (12) month period ending April of each year.
 - 1. A new roof covering all or substantially all of a building or a structurally independent portion of a building.
 - 2. A significant upgrade of a foundation, including seismic retrofits, of all or substantially all of a building or a structurally independent portion of a building.
 - 3. A new or substantially new plumbing, electrical, or heating, ventilation, and air conditioning (HVAC) system in one or more Rental Units.

4. Exterior painting or installation/replacement of siding or stucco on all or substantially all of a building.
5. Repairs reasonably related to correcting or preventing the spread of defects that are noted in findings in a Wood Destroying Pest and Organisms Report issued by a pest control company registered in Branch 3 of the State of California Structural Pest Control Board.
6. The installation of water conservation devices that are intended to reduce the use of water, or the installation of energy efficient devices, such as a solar roof system, or converting utilities from gas to electric, that are intended to save energy or reduce greenhouse gases.
7. Improvements or upgrades to the Rental Unit or the building/complex that meet or exceed disability/accessibility standards as required by law.
8. A fire sprinkler or fire alarm system covering all or substantially all of a building.
9. Replacement of stairs and/or railings in all or substantially all of a building.
10. Improvements or repairs to any marina that has berths for Floating Homes or vessels/boats for which there are maritime residential tenancies and the improvements, in the determination of the Program Administrator, directly benefit the Tenants or the repairs are to existing facilities or infrastructure.
11. Lead based paint stabilization and abatement.

1. B. The Program Administrator shall determine the amount of the Pass Through by amortizing the cost of the authorized Capital Improvement, including an assumed interest rate as provided in Rent Program Regulations, over 15 years (except as otherwise noted below), and dividing that cost by each Rental Unit and any other Dwelling Unit on the property that benefits from the improvement. If the number of Rental Units subject to the Pass Through (a) is more than four but less than 16, the Program Administrator shall allocate to the Pass Through amount only 75% of such cost and (b) is more than 15 but less than 25, the Program Administrator shall allocate to the Pass Through amount only 50% of such cost; provided, however, regardless of the number of Rental Units set forth in this paragraph, the Program Administrator shall allocate to the Pass Through 100% of the cost of a seismic retrofit or the cost of lead based paint stabilization and abatement, as set forth in paragraphs 2 and 11 of subsection A of this Section 6-58.77.

2. The Program Administrator shall give no consideration (a) to any additional cost the Landlord incurs for property damage and/or deterioration due to an unreasonable delay in the undertaking or completing of any improvement or repair, or (b) for improvements or repairs for which the Landlord receives insurance proceeds.

3. The Program Administrator shall also give no consideration to any cost the Landlord incurs for any of the items set forth in paragraphs 1

through 10 of subsection A of this Section 6-58.77 if such items have been repaired, replaced or painted within 15 years of an application that seeks a Pass Through for those items except when necessary because a fire, flood, earthquake or other natural disaster requires such repairs, replacement or painting.

4. The Program Administrator may extend or shorten the 15 year presumptive amortization period based on demonstrated good cause.
- C. The Program Administrator shall not approve an application for a Capital Improvement Plan if any of the following apply:
1. The Capital Improvements for which the application has been filed have been completed more than 12 months prior to the filing of the application.
 2. As to the Capital Improvements for which an application has been filed, the Landlord previously received an upward adjustment of Rent through the petition process under Section 6-58.75.
 3. The number of Renta Units on the Property subject to the Pass Through application equals or is more than 25.
- D. If an application for a Capital Improvement Plan, if approved, would result in a cumulative Pass Through exceeding 5% of any Tenant's current rent as such Rent is determined at the time the application is filed, the pass through for any such Tenant shall be permanently capped at 5% for the Tenant's current rent.
- E. No Landlord shall impose a Pass Through and a Rent Increase, including a Rent Increase based on banking, where the combination of the Pass Through and the Rent Increase exceeds 8% of a Tenant's then current Rent.
- F. The Program Administrator shall determine the amount of the Pass Through based on the cost of the authorized Capital Improvement at the time the Program Administrator approves the application, using the best available information, as provided by the Landlord along with any other relevant information. Once there has been a final determination of the amount of the Pass Through, the amount of the Pass Through shall not be subject to future revision, including revisions based on actual construction costs.
- G. The Program Administrator shall adopt Regulations which would exempt or reduce any CIP Pass Through for tenants who can demonstrate financial hardship, whenever the hardship exists. Prior to approving an application for a Pass Through, the Program Administrator shall inform Tenants of the amount of the Pass Through and inform Tenants of the Tenant Financial Hardship Application procedures.

- H. All Pass Throughs authorized pursuant to a Capital Improvement Plan shall immediately terminate for any Rental Unit that becomes vacant.
- I. This Section does not preclude a Landlord from filing a petition for an upward adjustment of Rent under subsection G of Section 6-58.75 to the extent full recovery of the cost of Capital Improvements is necessary in order to provide the Landlord with a constitutionally required fair return on property. A Landlord, however, must disclose in such petition any Capital Improvement Pass Through previously awarded under this Section 6-58.77.
- J. A Landlord or Tenant may appeal the Program Administrator's CIP determination to a Hearing Officer, consistent with the process established by this Ordinance and the Rent Program Regulations.

6-58.80 - Evictions and Terminations of Tenancies.

No Landlord shall take action to terminate any Tenancy including, but not limited to, making a demand for possession of a Rental Unit, threatening to terminate a Tenancy, serving any notice to quit or other notice to terminate a Tenancy, e.g. an eviction notice, bringing any action to recover possession or be granted possession of a Rental Unit except on one (1) of the following grounds:

(Subsection A through F, no change.)

- G. Withdrawal from the rental market. The Landlord seeks in good faith and in compliance with the City's Ellis Act Policy to take action to terminate a Tenancy by withdrawing the Rental Unit from rent or lease with the intent of going out of the residential rental business permanently as to the Rental Unit(s) on the property.
- H. Compliance with a governmental order. If a Tenant has vacated the Rental Unit in compliance with a government agency's order to vacate, in response to a Landlord's taking action in good faith to terminate a Tenancy to comply with a government agency's order to vacate, in response to a Health or Safety Condition, or in connection with any other order that necessitates the vacating of the building or Rental Unit as a result of a violation of the City of Alameda's Municipal Code or any other provision of law:
 - 1. The Landlord shall offer the Rental Unit to the Tenant who vacated the Rental Unit when the Landlord has satisfied the conditions of the governmental agency that caused the governmental agency to order the Rental Unit vacated and at the same Rent that was in effect at the time the Tenant vacated the Rental Unit.
 - 2. The Landlord shall provide to the Tenant Relocation Payments as provided in Section 6-58.85 or as provided in Article 2.5, Chapter 5, Part 1.5, Division 13, California Health and Safety Code, beginning at section 17975, whichever is greater, and all reasonable and documented expenses incurred in returning to the Rental Unit should the Landlord be

required to offer the Rental Unit to the Tenant once the conditions have been satisfied and the Tenant does so.

6-58.85 - Relocation Payments.

- A. *Permanent Relocation Payments.* A Landlord who: (i) takes action to terminate a Tenancy permanently for the reasons specified in subsections E, F, G, or H of Section 6-58.80, (ii) serves a notice of a Rent Increase that is a Relocation Rent Increase as defined in this Article and the Tenant vacates the Rental Unit within ninety (90) days of receiving the Relocation Rent Increase, or (iii) fails to correct deficient Housing Quality Standards in Housing Choice Voucher Section 8 Rental Units resulting in the Tenant's vacating the Rental Unit, shall provide to an Eligible Tenant a Permanent Relocation Payment.
- B. *Other Relocation Payments.* If a Tenant (i) has vacated or is ordered to vacate a Rental Unit in compliance with an order from a Governmental Agency or from a court of competent jurisdiction, (ii) vacates a Rental Unit temporarily due to Health or Safety Conditions or (iii) vacates a Rental Unit temporarily in compliance with an approved Capital Improvement Plan:
1. For the first sixty (60) days from the date the Tenant vacates the Rental Unit, the Landlord shall make Temporary Relocation Payments to the Tenant until the Tenant re-occupies the Rental Unit and the Tenant, upon receipt of the Temporary Relocation Payment, shall be obligated to pay the Rent that was in effect at the time the Tenant vacated the Rental Unit, plus any adjustments as permitted under this Article and Rent Program Regulations.
 2. If the work necessary to comply with the order to vacate, or to correct the Health or Safety Conditions, or to complete the Capital Improvement work, takes longer than sixty (60) days to complete, the Landlord shall make Rent Differential Payments to the Tenant until either the work is completed and the Tenant re-occupies the Rental Unit or the Tenant finds alternative, permanent housing. A Tenant shall have no obligation to pay Rent to the Landlord when receiving Rent Differential Payments. If the Tenant re-occupies the Rental Unit, the Tenant shall pay the Rent in effect when the Tenant vacated the Rental Unit, plus any Rent adjustments as permitted under this Article and the Rent Program Regulations.
 3. If a Tenant who has been temporarily relocated or who has been informed that the Tenant will be temporarily relocated, and the Tenant, in the sole discretion of the Tenant, elects to find alternative permanent housing and elects to terminate the Tenancy, the Landlord shall provide to the Tenant a Permanent Relocation Payment, in addition to other Relocation Payments.
 4. If the Tenant has vacated the Rental Unit based on Health or Safety Conditions, and there is a dispute concerning whether there are Health or Safety Conditions and/or whether such Conditions were caused by the Landlord or by the Tenant,

or the guests/invitees of the Tenant, a Hearing Officer shall hear and decide the issue pursuant to procedures set forth in Rent Program Regulations.

(Subsections C and D, no change.)

Section 2: REPEAL

Any provision of the Alameda Municipal Code inconsistent with this Ordinance, to the extent of such inconsistencies and no further, is hereby repealed or modified to the extent necessary to effectuate this Ordinance.

Ordinance Number 3341 is repealed upon the effective date of this ordinance.

Section 3: CEQA DETERMINATION

The City Council finds and determines that the adoption of this ordinance is exempt from review under the California Environmental Quality Act (CEQA) pursuant to the following, each a separate and independent basis: CEQA Guidelines, Section 15378 (not a project) and Section 15061(b)(3) (no significant environmental impact).

Section 4: SEVERABILITY

If any provision of this Ordinance is held by a court of competent jurisdiction to be invalid, this invalidity shall not affect other provisions of this Ordinance that can be given effect without the invalid provision and therefore the provisions of this Ordinance are severable. The City Council declares that it would have enacted each section, subsection, paragraph, subparagraph and sentence notwithstanding the invalidity of any other section, subsection, paragraph, subparagraph or sentence.

Section 6: EFFECTIVE DATE

This Ordinance shall be in full force and effect from and after the expiration of thirty (30) days from the date of its final passage.

Presiding Officer of the City Council

Attest:

Lara Weisiger, City Clerk

* * * * *

I, the undersigned, hereby certify that the foregoing Ordinance was duly and regularly adopted and passed by the Council of the City of Alameda in a regular meeting assembled on the 19th day of December 2023, by the following vote to wit:

AYES: Councilmembers Daysog, Herrera Spencer and Jensen – 3.

NOES: Councilmember Vella and Mayor Ezzy Ashcraft – 2.

ABSENT: None.

ABSTENTIONS: None.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said City this 20th day of December 2023.

Lara Weisiger, City Clerk
City of Alameda

Approved as to form:

Yibin Shen, City Attorney
City of Alameda