

Exhibit A

RENT ~~CONTROL~~STABILIZATION

§ 15.09.200 FINDINGS AND PURPOSE.

The City Council of the City of Culver City finds:

A. Rents throughout the Los Angeles County region continue to rise as market pressures, such as increasing real estate costs, lead to a decrease of the affordability and stability of the housing stock. As a result, it is increasingly difficult for tenants to find adequate, safe, and habitable housing at reasonable rents.

B. According to the Culver City Housing Element, approximately 43.7% of Culver City renters are "rent burdened," which is defined by the U.S. Department of Housing and Urban Development (HUD) as a renter-household spending more than 30% of its household income on rent. In addition, a study by BAE Urban Economics indicates that during the 2012-2016 period, 43% of Culver City renter households were moderately or severely cost-burdened and over 80% of extremely low-income households were excessively cost-burdened.

C. The purposes of this subchapter are to promote long-term stability and certainty for tenants in the rental market while providing landlords an ability to receive a fair and reasonable return with respect to the operation of their property. This subchapter regulates rents and requires landlords to register rental property, establishes an administrative hearing process, and provides for procedures and guidelines for the implementation of this subchapter.

D. The purposes of this subchapter are to be more protective than state law, as allowed by Cal. Civil Code section 1946.2.

§ 15.09.205 DEFINITIONS.

For the purposes of this subchapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

CAPITAL IMPROVEMENT. The addition or replacement of improvements to a rental unit(s) or common areas of the building housing the rental unit(s) as specified in § 15.09.225.

CODE. The Culver City Municipal Code.

COVERED RENTAL UNIT. Any rental unit that is not exempt, pursuant to § 15.09.210.

CPI. The Consumer Price Index for All Urban Consumers for All Items (CPI-U) for the Los Angeles-Long Beach-Anaheim metropolitan area (1982-84=100 reference base), or any successor designation of that index that may later be adopted by the United States Bureau of Labor Statistics.

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CULVER CITY. The City of Culver City.

DIRECTOR. The Community Development Director of the City of Culver City, or his or her designee.

HOUSING SERVICES DIVISION. The Housing Services Division of the Culver City Housing and Human Services Community Development Department.

HOUSING SERVICES DIVISION GUIDELINES. The guidelines, procedures, and rules promulgated pursuant to the authority set forth in § 15.09.265.

HOUSING SERVICES. All services provided by the landlord related to the use or occupancy of a rental unit, including, but not limited to, insurance, repairs, replacement, maintenance, painting, utilities, heat, water, elevator service, laundry facilities, recreational areas and/or pools, janitorial service, refuse removal, furnishings, parking, storage, and security services, even if separately contracted.

INTERIM RENT CONTROL ORDINANCE. The urgency ordinance adopted by the City Council on August 12, 2019 establishing interim rent control and tenant protection measures for a 12-month period (Ordinance No. 2019-011), based on the findings set forth therein; and, on June 11, 2020, extended, without amendment or modification of its terms, through October 31, 2020.

LANDLORD. An owner, lessor, or sublessor who receives or is entitled to receive rent for the use and occupancy of any rental unit or portion thereof, and the representative, agent, or successor of such owner, lessor, or sublessor.

NOTICE OF TERMINATION. A written notice from a landlord to a tenant that is in the form required by State law to terminate a residential tenancy and that is served in accordance with State law.

PERCENTAGE CHANGE IN CPI. The percentage change in the annual average CPI, which is the average of the latest 12 monthly CPIs published before the effective date of the rent increase minus the average of the prior 12 monthly CPIs (the "base CPI"), divided by the base CPI and multiplied by 100. The percentage change in CPI shall be rounded to the nearest one-quarter of one percent.

RENT or RENTS. The sum of all periodic payments and all nonmonetary consideration demanded or received by a landlord from a tenant for the use or occupancy of a rental unit, including tenant's access to and use of housing services. Rent includes, without limitation, the fair market value of goods accepted, labor performed, or services rendered.

RENTAL AGREEMENT. A lease, sublease or other oral or written agreement between the landlord and tenant establishing the terms and conditions of the tenancy.

RENTAL UNIT. Any dwelling unit as defined in Cal. Civil Code § 1940(c), including joint living and work quarters, located within the jurisdictional boundaries of the City of Culver City and used for human habitation in consideration of payment of rent, whether or not such use is legally permitted, including mobilehomes rented by the owner of the mobilehome and accessory dwelling units.

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RESPONSIBLE PERSON. A person responsible for, or alleged to be responsible for, a violation of this subchapter.

STATE. The State of California.

TENANCY. The legal right of a tenant to the use or occupancy of the rental unit.

TENANT. A person entitled, by a rental agreement, or by sufferance, or by this code or State or federal law, to the use or occupancy of any rental unit.

§ 15.09.210 GENERAL APPLICABILITY AND EXEMPTIONS.

A. This subchapter shall apply to all landlords and tenants in rental units within the City, unless otherwise expressly exempted by section B.

B. This subchapter shall not apply to any dwelling units expressly exempt pursuant to any provision of state or federal law, and such units shall be exempt from the provisions of this subchapter, ~~with the exception of the requirements of § 15.09.230.~~ The following dwelling units are also specifically exempt from this subchapter, ~~with the exception of the requirements of § 15.09.230:~~

~~A1.~~ Any dwelling unit that has a certificate of occupancy or equivalent permit for residential occupancy issued after February 1, 1995. For this purpose, certificate of occupancy is the certificate first issued before the property is used for any residential purpose. To the extent State law permits, this exemption shall be limited to dwelling units that have a certificate of occupancy or equivalent permit for residential occupancy issued within the previous 15 years.

~~B2.~~ Any dwelling unit that is alienable separate from the title to any other dwelling unit, including single-family residences, condominiums and townhomes, but excluding: (i) mobilehomes offered for rent by the owner of the mobilehome; and (ii) a rental unit that is wholly contained within such separately alienable dwelling unit. To the extent State law permits, this exemption shall be limited to dwelling units owned by a landlord who has no direct or indirect economic interest in more than two rental units located within or outside of Culver City, and who also is not: (i) a real estate investment trust, as defined in § 856 of the Internal Revenue Code; (ii) a corporation; (iii) a limited liability company in which at least one member is, or is controlled by, a corporation; or (iv) a partnership in which at least one partner is, or is controlled by, a corporation.

~~C3.~~ Any dwelling unit that is a subdivided interest in a subdivision, as specified in Cal. Business and Professions Code § 11004.5(b), (d) and (f).

~~D4.~~ Any dwelling unit for which the landlord receives federal, state, or local housing subsidies, including, but not limited to, federal housing assistance vouchers issued under Section 8 of the United States Housing Act of 1937 line 9 (42 U.S.C. Sec. 1437f).

5. Any licensed residential care facility for the elderly, as specified in Cal. Health and Safety Code § 1569.147.

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§ 15.09.215 PERMISSIBLE RENT INCREASES.

A. Applicability. As of October 30, 2020, no landlord may request, receive, or retain rent for a covered rental unit from an existing tenant whose tenancy began on or before October 30, 2020, in an amount that exceeds the monthly rent that was in effect on October 30, 2020, plus any rent increase authorized by this § 15.09.215. No landlord may request, receive, or retain rent for a covered rental unit from a tenant whose tenancy began after October 30, 2020, which amount exceeds the initial monthly rent charged for the covered rental unit, plus any increase authorized by this § 15.09.215 ~~and §15.09.220~~. Rent increases that were instituted in compliance with the Interim Rent Control Ordinance and that took effect before October 30, 2020 shall not be invalidated by this § 15.09.215.

B. Annual permissible rent increases. On or after October 30, 2020, rent for a covered rental unit, ~~including housing services~~, may be increased annually, without application to the city, in an amount not to exceed the percentage change in CPI, subject to the following provisions:

1. ~~The housing services division shall announce the maximum permissible rent increase on an annual basis effective July 1st of each year.~~

~~2.~~ In no event shall the rent for a covered rental unit be increased more than 5% every 12 months.

~~3.~~ If the percentage change in CPI is less than 2%, rent for a covered rental unit may be increased by up to 2%.

~~4.~~ Not more than one rent increase for a covered rental unit may be imposed in any 12-month period, except as described in § 15.09.215.B.54.

~~5.~~ A landlord may impose a rent increase under this § 15.09.215 that takes effect sooner than 12 months following the date of the latest permitted rent increase under the Interim Rent Control Ordinance but such transitional increase, in combination with the prior increase, may not result in total rent increase that exceeds the maximum amount permitted under this § 15.09.215.B. Subsequent rent increases may only take effect every 12 months thereafter.

C. Overpayments. In the event that a tenant household has paid rent in excess of the maximum permissible increase authorized by this § 15.09.215, the landlord shall credit the tenant for the balance of the overpayment. The landlord may elect to either: (a) pay the tenant the balance of the overpayment directly in one lump sum; or (b) give the tenant a credit against the rent otherwise due from the tenant to the landlord over a period of not more than six months.

D. Rent increases following vacancies.

1. A landlord may set an initial rent for a covered rental unit without restriction at the commencement of a new tenancy where no member of tenant's household is an occupant of the covered rental unit only in the following circumstances:

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(a) The covered rental unit was voluntarily vacated by the tenant's household. For purposes of this § 15.09.215.D, a tenant will not be considered to have voluntarily vacated if:

- (1) The landlord served a notice of termination; or
- (2) The tenant has opted to voluntarily vacate pursuant to § 15.09.330.F of this code.

(b) The covered rental unit was vacated as a result of landlord's termination of tenancy pursuant to § 15.09.315 of this code.

(c) The covered rental unit was vacated as a result of landlord's termination of tenancy pursuant to § 15.09.320 of this code; provided, if the landlord recovered possession of the covered rental unit for use by the landlord or landlord's relative in accordance with § 15.09.320.B of this code, the landlord or landlord's relative must have continuously resided in the covered rental unit for three years before vacating for this § 15.09.215.D to apply.

2. This § 15.09.215.D shall not apply where:

(a) The vacancy was the result of conduct of the landlord or the landlord's agent, which constituted harassment prohibited by § 15.09.340 of this code or other applicable law, constructive eviction, or a breach of the covenant of quiet enjoyment of the property; or

(b) The vacancy was the result of an eviction of a tenant within the first 12 months of tenant's occupancy of the rental unit, as set forth in § 15.09.310.A.2 of this code.

3. After the landlord sets an initial rent for such covered rental unit in accordance with this § 15.09.215.D, the landlord may only increase the rent in the amount authorized by § 15.09.215.B.

E. Housing service adjustments. A decrease in housing services is considered an increase in rent. A tenant may petition for an adjustment in rent based on a decrease in housing services under the process set forth in § 15.09.235.

§ 15.09.220 APPLICATIONS FOR RENT ADJUSTMENTS.

A. If a landlord desires to increase the rent for a covered rental unit in an amount greater than allowed in § 15.09.215.B, and the landlord contends that the limitations on rent increases in § 15.09.215.B will prevent the landlord from receiving a fair and reasonable return with respect to the operation of the property containing the covered rental unit, the landlord may file a rent adjustment application with the housing services division to request an increase in rent beyond the amount permitted under § 15.09.215.B.

~~A.~~ **B. A landlord may not submit a rent adjustment application unless the landlord registers each covered rental unit pursuant to § 15.09.340.**

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~~B.~~ C. The landlord shall mail a copy of the rent adjustment application by first class mail, postage prepaid, to all tenants whose rents are the subject of the application within five calendar days after the date the application is filed with the housing services division. Within ten calendar days after the date the petition is filed, the landlord shall file a proof of service signed under penalty of perjury stating that a copy of the petition was mailed to all such tenants.

GD. It shall be a rebuttable presumption that the annual net operating income earned by a landlord on June 11, 2019 and rent increases allowed under the Interim Rent Control Ordinance and § 15.09.215, provide the landlord with a fair and reasonable return with respect to the operation of their property. A landlord shall have the burden to prove that the additional rent increase is necessary to earn a fair and reasonable return with respect to the operation of their property.

E. Rent adjustment applications will be considered and determined by the Director in accordance with housing division guidelines. The Director shall prepare a notice of decision. The Director's decision may be appealed to a hearing officer, in accordance with the procedures set forth in § 15.09.240.

F. The landlord shall mail a copy of the rent adjustment decision by first class mail, postage prepaid, to all tenants whose rents are the subject of the application within five calendar days after the date the decision is provided to the landlord. Within ten calendar days after the date the decision is filed, the landlord shall file a proof of service signed under penalty of perjury stating that a copy of the decision was mailed to all such tenants.

GD. All rent adjustments approved by the housing services division pursuant to this § 15.09.220 may be imposed by landlord only after the following:

1. Landlord has provided written notice to the tenant of the rent increase for the covered rental unit in accordance with Cal. Civil Code § 827; and
2. Landlord has registered the covered rental unit pursuant to § 15.09.~~340~~230 of this subchapter.

~~—E. Rent adjustment applications will be considered and determined by the Director in accordance with housing division guidelines; and the Director's decision may be appealed to a hearing officer, in accordance with the procedures set forth in § 15.09.240.~~

§ 15.09.225 CAPITAL IMPROVEMENT PASS-THROUGH COST RECOVERY.

A. Pass-through amount. Fifty percent of the approved cost of an eligible capital improvement may be passed-through to the tenant in accordance with the provisions of this § 15.09.225.

B. Eligible capital improvements. Capital improvements include, but are not limited to:

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1. The addition, but not the replacement, of the following improvements to a covered rental unit or common areas of the building in which the covered rental unit is located, provided such improvement has a useful life of five years or more: air conditioning, security gates and other security items, swimming pool, sauna or hot tub, fencing, garbage disposal, washing machine or clothes dryer, dishwasher, major appliances, meter conversions, children's play equipment permanently installed on the premises, and other similar improvements as determined by the housing services division.

2. Substantial improvements to, but not the renovation or replacement of, any structural, electrical, plumbing, or mechanical system that requires a permit pursuant to State or local law, such as a required seismic retrofit.

3. Abatement of hazardous materials, such as lead-based paint or asbestos, in accordance with applicable federal, State, and local laws.

4. Capital improvements cannot include regular maintenance or repairs from wear and tear, or be the result of a landlord's failure to perform regular maintenance and repairs.

C. Application process. ~~A landlord may not pass through approved costs of capital improvements to tenants in covered rental units until the housing division approves the landlord's pass-through cost recovery application.~~ A landlord may not submit a pass-through recovery application unless the landlord registers each covered rental unit pursuant to § 15.09.~~340230~~.

1. A landlord must submit a pass-through cost recovery application pursuant to this § 15.09.225 within 120 days of completion of an eligible capital improvement.

2. The landlord shall mail a copy of the pass-through cost recovery application by first class mail, postage prepaid, to all tenants whose rents would be subject to an increase within five calendar days after the date the application is filed with the housing services division. Within ten calendar days after the date the application is filed, the landlord shall file a proof of service signed under penalty of perjury stating that a copy of the application was mailed to all such tenants.

3. The following shall be established by housing services division guidelines:

(a) The cost recovery calculations, amortization period and depreciation schedules for the capital improvement pass-through cost for each covered rental unit;

(b) Criteria upon which the housing services division will evaluate a landlord's pass-through cost recovery application, including, but not limited to, whether the work was necessary to bring the property into compliance or maintain compliance with code requirements affecting health and safety; and

(c) Procedures for a low-income tenant to file a request for a hardship waiver of the pass-through cost (low-income tenant means a household whose income does not exceed the qualifying limits for lower income families as established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937, or as otherwise defined in Cal. Health and Safety Code § 50079.5).

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4. If the capital improvement benefitted the entire building in which the covered rental units are located, the pass-through costs shall be prorated among all the tenants' rents on a square footage basis of each covered rental unit, but annualized in accordance with depreciation schedules set forth in the housing services division's guidelines.

5. If the capital improvement inures solely to the benefit of one or more of the covered rental units, but to less than all of the rental units located in the building, the pass-through cost shall be annualized in accordance with depreciation schedules set forth in the housing services division's guidelines, but shall be applied and/or prorated only with respect to the covered rental unit or units directly benefitted.

6. No capital improvement pass-through cost shall be allowed which exceeds 3% of rent in place at the time the pass-through cost recovery application is filed with the housing services division. For the purposes of such computation, the base rent level for any time period shall not include any previously imposed pass-through cost for capital improvement. If the total amount of calculated pass-through costs exceeds 3%, the pass-through cost amortization period may be extended beyond the established amortization period to allow the landlord to recover capital improvement costs while not exceeding the 3% maximum increase in rent.

7. Pass-through cost recovery applications will be considered and determined by the Director in accordance with housing services division guidelines; ~~and. The Director shall prepare a notice of decision.~~ ~~†The Director's decision determination~~ may be appealed to a hearing officer in accordance with the procedures set forth in § 15.09.240.

8. The landlord shall mail a copy of the cost recovery decision by first class mail, postage prepaid, to all tenants whose rents are the subject of the application within five calendar days after the date the decision is provided to the landlord. Within ten calendar days after the date the decision is filed, the landlord shall file a proof of service signed under penalty of perjury stating that a copy of the decision was mailed to all such tenants.

9. A landlord may not pass-through approved costs of capital improvements to tenants in covered rental units until the housing services division approves the landlord's pass-through cost recovery application and the landlord provides the notices to tenants required by this section.

D. Tenant consent. Except where capital improvements are required by law, any capital improvement to the interior of any covered rental unit shall only be performed with the written consent of the tenant, which shall not be unreasonably withheld, or the landlord shall not be entitled to add to the rent the pass-through cost for such expenditure.

E. No collusion. No landlord shall be entitled to recover from a tenant any pass-through cost based upon any capital improvement expense, the computation or representation of which has been inflated in collusion between the landlord and a contractor or other person.

F. Landlord's collection process.

1. A landlord shall provide written notice of a pass-through cost to tenants in accordance with Cal. Civil Code § 827.

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2. An approved pass-through cost is not considered rent. The approved pass-through cost should appear as a separate line item on the rent statement along with the end date of the amortization period.

3. A landlord must cease collecting the monthly pass-through cost when the landlord has recovered the total pass-through costs approved by the housing services division pursuant to this § 15.09.225.

4. If an existing tenant who is paying a pass-through cost vacates the unit, and the landlord is authorized to set an initial rent for a covered rental unit without restriction at the commencement of a new tenancy vacancy in compliance with § 15.09.215.D, then landlord may not collect pass-through costs from a new tenant of the rental unit, but must recover the balance of the capital improvement costs through the new rent.

5. In the event a tenant paid pass-through costs in excess of the amount approved by the housing services division, or continued payments beyond the date of expiration of the pass-through, the landlord shall reimburse the tenant for the amount of the overpayment. The landlord may elect to either: (a) pay the tenant the amount of the overpayment directly in one lump sum; or (b) give the tenant a credit against the rent otherwise due from the tenant over a period not longer than six months.

§ 15.09.230 ~~RENT REGISTRY.~~ [RESERVED]

~~A. Registration required. Upon issuance by the housing division of a valid written rent registration certificate, as set forth in this § 15.09.230, no landlord shall demand or accept rent for a rental unit without first serving on the tenant, or displaying in a conspicuous place, such rent registration certificate.~~

~~B. Registration process.~~

~~— 1. A landlord shall provide rent amount and tenancy information for every rental unit on a rent registration form provided by the housing division. The rent registration form shall be submitted by July 31, 2021 and July 31 of each year thereafter. Registration is complete only when all of the following information is provided: ownership information; property information; year built and certificate of occupancy date; number of bedrooms and bathrooms for each rental unit; the amount of rent in effect at the time of registration; and a description of housing services.~~

~~— 2. Rental unit rent registration certificates issued after August 12, 2019 shall expire at midnight on August 31, 2021 and if not replaced with a newly issued certificate before that date, the landlord will be deemed out of compliance with this § 15.09.230.~~

~~— 3. Every rental unit rent registration certificate shall be updated annually, as required by § 15.09.230.B.1, upon a new tenancy, and when there are changes in housing services for the covered rental unit.~~

~~— 4. A landlord of a rental unit which is not registered with the housing division shall provide the housing division, on the form approved by the housing division and~~

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~~accompanied by supporting documentation, a written declaration stating the facts upon which the landlord bases a claim of exclusion from the requirements of § 15.09.230. If a landlord fails to submit a written declaration and supporting documents by July 31, 2021 and July 31 of each year thereafter, the rental unit shall be deemed to be subject to the provisions of this § 15.09.230. If a landlord declares that the rental unit is not subject to the registration requirements of this § 15.09.230 because the rental unit is vacant, the landlord shall provide a certification to the housing division declaring that the rental unit is and shall remain vacant, and the rental unit shall be secured against unauthorized entry.~~

~~—5. For every property for which a landlord is required to procure a rent registration certificate pursuant to this § 15.09.230, the landlord shall post a notice in a form provided by the housing division, providing information about this §§ 15.09.200, et seq. and housing division contact information. Notices must be posted in a conspicuous location in the common area, at the entry or entries to the building or units, or other similar location or locations as necessary to provide tenants a reasonable opportunity to view the notice. If there is no common area or similar location, this requirement may be satisfied by mailing the notice to each tenant of the building, by certified mail, return receipt requested. The notice shall be written in English and Spanish, and in any other languages as required by the housing division.~~

~~—C. Notice of rent information deficiencies and opportunity to cure; appeals; and final administrative decision.~~

~~—1. The housing division shall provide written notification to the landlord of a failure to comply with this § 15.09.230 and allow 15 calendar days to respond. The housing division shall not issue a rent registration certificate for the rental unit until the landlord has substantially complied by providing the rental information as required by § 15.09.230.A.~~

~~—2. Any landlord disputing the housing division's notification of deficient registration may file a written appeal with the Director within ten calendar days of the date of the notice of deficiency. The Director shall provide a written notice within 30 calendar days of its appeal decision, which shall be a final administrative decision.~~

~~—D. Registration fee.~~

~~—1. A fee for the registration of rental units may be established by resolution of the City Council. Such fees are intended to recover the city's reasonable costs associated with the administration and enforcement of its residential rent control program and tenant protection program, as set forth in §§ 15.09.200 et seq. and §§ 15.09.300 et seq. of this code.~~

~~—2. A landlord may pass-through to the tenant 50% of the initial fee for the registration of tenant's rental unit (the "pass-through fee") if such tenant continuously occupied the rental unit during the period of August 12, 2019 through October 31, 2020. The pass-through fee is not considered rent and should appear as a separate line item on the rent statement. A landlord may collect a maximum of one-twelfth of the pass-through fee per month.~~

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§ 15.09.235 TENANT PETITION FOR NONCOMPLIANCE.

A. If a tenant contends that a proposed or actual rent increase is not in compliance with this subchapter or that there has been a reduction in housing services, the tenant may file a petition with the housing services division. The tenant shall mail a copy of the petition by first class mail, postage prepaid, to the landlord within five calendar days after the date the petition is filed. Within ten calendar days after the date the petition is filed, the tenant shall file a proof of service signed under penalty of perjury stating that a copy of the petition was mailed to the landlord. The petition shall include a statement indicating the basis on which the tenant contends that a proposed or actual rent increase or a proposed or actual reduction in housing services is in violation of this subchapter, together with any evidence that the tenant wants the Director to consider. The tenant shall bear the burden of proving by a preponderance of the evidence at the hearing that the rent increase or reduction in housing services is not in compliance with this § 15.09.200 et seq.

B. Tenant petitions for noncompliance will be considered and determined by the Director in accordance with housing services division guidelines. The Director shall prepare a notice of decision and send it to the tenant and landlord concurrently. ; and tThe Director's decision may be appealed to a hearing officer, in accordance with the procedures set forth in § 15.09.240.

§ 15.09.240 APPEAL AND HEARING PROCEDURES.

~~—The Director's decision on a rent adjustment application, pass-through cost recovery application or a tenant petition for noncompliance will be given in a notice of decision. In the case of a decision on a rent adjustment application or pass-through cost recovery application, the landlord shall, within five calendar days after the decision date identified in a notice of decision that approves an increase in rent or a pass-through of capital improvement costs, deliver a copy of the notice to each affected tenant. In the case of a decision on a tenant petition for noncompliance, the Director shall serve the notice of decision on the tenant and the landlord concurrently.~~ The Director's decision on a rent adjustment application, pass-through cost recovery application or a tenant petition for noncompliance may be appealed to a hearing officer in accordance with the following procedures:

A. Appeal. A landlord or an affected tenant who wishes to contest the Director's decision on a rent adjustment application or pass-through cost recovery application, or a landlord or tenant who wishes to contest the Director's decision on a tenant petition for noncompliance, may file a request for appeal of the Director's decision with the housing services division requesting a hearing, which will be heard in accordance with the procedures set forth in this § 15.09.240.B.

1. Appeals shall be submitted in writing on a request for appeal form and filed with the housing services division within 15 calendar days after the decision date identified in the

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notice of decision. If the filing deadline falls on a weekend, holiday, or other day when city hall is officially closed, the filing deadline will extend to the following city hall business day.

2. The request for appeal shall specifically state the pertinent facts and the basis for the appeal as required by § 15.09.240.A.5.

3. A landlord who files a request for appeal shall do the following:

a. Mail a copy of the request for appeal by first class mail, postage prepaid, to all tenants who would be subject to a rent increase or pass-through of capital improvement costs, or the tenant who filed the petition for noncompliance, as applicable, within five calendar days after the date the request for appeal is filed with the housing services division.

b. Within ten calendar days after the date the request for appeal is filed with the housing services division, the landlord shall file a proof of service signed under penalty of perjury stating that a copy of the request for appeal was mailed to all such tenants.

4. A tenant who files a request for appeal shall do the following:

a. Mail a copy of the request for appeal by first class mail, postage prepaid, to the landlord or landlord's agent within five calendar days after the date the request for appeal is filed with the housing services division.

b. Within ten calendar days after the date the request for appeal is filed with the housing services division, the tenant shall file a proof of service signed under penalty of perjury stating that a copy of the request for appeal was mailed to the landlord or landlord's agent.

5. The request for appeal shall include:

a. A general statement, specifying the basis for the appeal and the specific aspect of the decision being appealed, and shall be based upon an error in fact or dispute of findings.

b. Supporting evidence substantiating the basis for the appeal.

c. Any other documentation or information the appealing party wants the hearing officer to consider.

B. Hearing procedure.

1. A hearing on a request for appeal will be scheduled before a hearing officer -on a date set by the hearing officer after receipt of the request for appeal and proof of service in compliance with the requirements of § 15.09.240.A, ~~unless the hearing officer determines that good cause exists for an extension of time.~~

2. Upon setting the hearing date, the hearing officer shall send written notice to the appealing party of the date, time and place set for the hearing.

3. If the landlord is the appealing party, upon receipt of the notice setting the date, time and place of the hearing, the landlord shall, in the case of a request for appeal of a rent

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adjustment application or pass-through cost recovery application, post such notice in a conspicuous place at the affected property including the covered rental units that are the subject of the appeal. Such notice shall be placed on a written instrument that is at least 11 inches in width and 17 inches in length, and shall be placed not less than four feet above ground level in the common area, at the entry or entries to the building or units, or other similar location or locations as necessary to provide tenants a reasonable opportunity to view the notice and be advised of the hearing. Within five calendar days of receipt of the notice of hearing, the landlord shall personally deliver a copy of the notice to each tenant in the affected covered rental units. In the case of landlord's request for appeal of a tenant petition for noncompliance, the hearing officer shall send a copy of the notice setting the date, time and place of the hearing to the tenant concurrently with sending the notice to the landlord.

4. If the tenant is the appealing party, the hearing officer shall send a copy of the notice setting the date, time and place of the hearing to the landlord concurrently with sending the notice to the tenant.

5. At the hearing, the appealing party shall be given the opportunity to testify, call witnesses and to present evidence concerning the appeal. The hearing officer may also hear testimony and consider written evidence offered by the tenants in the affected covered rental units and, if a tenant is the appealing party, hear testimony and consider written evidence offered by the landlord.

6. The hearing officer may continue the hearing and request additional information from the landlord, affected tenants, or petitioning tenant, as applicable, prior to issuing a written decision.

7. The hearing officer shall have the power to issue orders to maintain order and decorum during the hearing.

8. All hearings conducted by the hearing officer shall be open to the public.

C. Hearing continuance. The hearing officer may, in his or her discretion, grant a continuance of the hearing date upon a request and a showing of good cause. The request must be made in writing and be received by the hearing officer at least five business days prior to the hearing date. If the landlord is the party requesting an extension, the landlord must personally deliver a copy of the request to the affected tenant(s). If a tenant is the party requesting an extension, the tenant must personally deliver a copy of the request to the landlord or landlord's agent. In no event shall the continuance be longer than 15 calendar days from the originally scheduled hearing date.

D. Hearing officer decision. After considering all of the testimony and evidence submitted at the hearing, within 20 calendar days after the conclusion of the hearing, the hearing officer shall issue a written decision denying, affirming or modifying the Director's decision and shall adopt written findings in support of that decision. The written decision shall be served by first-class mail, postage prepaid on the appealing party. If the landlord is the appealing party and the appeal concerned a rent adjustment application or pass-through cost recovery application, the landlord shall post such notice in a conspicuous

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place at the property containing the affected covered rental units and within five calendar days of receipt of the written decision, the landlord shall personally deliver a copy of the written decision to each tenant in the affected covered rental units. If a tenant is the appealing party or if the landlord is the appealing party and the appeal concerned a tenant petition for noncompliance, the hearing officer shall serve a copy of the written decision on the landlord and the tenant concurrently. The hearing officer's decision shall be final, unless an administrative penalty has been assessed.

E. Judicial review of hearing officer decision. Any person directly aggrieved by an administrative decision of a hearing officer pertaining to a request for appeal of a Director's decision on a rent adjustment application or pass-through cost recovery application, may seek judicial review in the Superior Court pursuant to Cal. Government Code § 53069.4 and/or Cal. Code of Civil Procedure §§ 1094.5 and 1094.6.

§ 15.09.245 PENALTIES AND ENFORCEMENT.

A. Administrative citations. The housing **services** division is authorized to take appropriate steps to enforce this subchapter, including conducting investigations of possible violations by a landlord. The city, in its sole discretion, may choose to enforce the provisions of this subchapter through the administrative citation process set forth in Chapter 1.02 of this code. Notwithstanding any provision in Chapter 1.02 to the contrary, each violation of any provision of this subchapter may be subject to an administrative fine of up to \$1,000.

B. Administrative appeals and judicial review of administrative citations.

1. Administrative appeal. Any person who receives an administrative citation may request an administrative hearing before a hearing officer in accordance with Chapter 1.02 of this code.

2. Judicial review of hearing officer decision. Any responsible person may seek judicial review of a hearing officer's decision pertaining to the imposition of an administrative fine in accordance with Chapter 1.02 of this code.

C. Civil action. The City Attorney is authorized to bring a civil action and/or proceeding for violation of this subchapter, or any guideline or rule promulgated pursuant to § 15.09.265 of this subchapter, for civil penalties, injunctive, declaratory and other equitable relief, restitution and reasonable attorneys' fees and costs and may take such other steps as necessary to enforce this subchapter.

D. Criminal penalty. Any person violating any of the provisions of this subchapter shall be deemed guilty of a misdemeanor, which shall be punishable as provided in Chapter 1.01 of this code.

E. Separate violation. Each separate day, or any portion thereof, during which any violation of this subchapter occurs or continues, constitutes a separate violation.

F. Remedies cumulative.

Exhibit A

1. The remedies, violations, and penalties set forth in this subchapter are cumulative and in addition to all other remedies, violations, and penalties set forth in this code, or in any other city, county, State or federal ordinance, laws, rules or regulations.

2. The city's decision to pursue or not pursue enforcement of any kind shall not affect a tenant's rights to pursue civil remedies in accordance with § 15.09.250 of this subchapter.

§ 15.09.250 CIVIL REMEDIES.

Any tenant aggrieved by a violation of this subchapter may bring a civil suit in an appropriate State or federal court. A landlord found to be in violation of this subchapter shall be liable to the aggrieved tenant for damages and for tenant's attorneys' fees and costs. Tenants are not required to exhaust their administrative remedies under this subchapter prior to filing suit pursuant to this § 15.09.250.

§ 15.09.255 WAIVER PROHIBITED.

Any waiver of rights under this subchapter shall be void as contrary to public policy.

§ 15.09.260 SEVERABILITY.

If any provision of this subchapter or the application thereof to any person, property, or circumstance, is held invalid, such invalidity shall not affect other provisions or applications of this subchapter that can be given effect without the invalid provision(s) or application, and to this end, the provisions of this subchapter are declared to be severable.

§ 15.09.265 IMPLEMENTATION; RULEMAKING; AND SUBPOENA AUTHORITY.

The Director is authorized to administer and enforce this subchapter, which may include promulgating guidelines, procedures, and rules consistent with the provisions of this subchapter. These housing services division guidelines shall have the force and effect of law and may be relied upon by parties to determine their rights and responsibilities under this subchapter. In administering and enforcing this subchapter, the Director may also issue subpoenas pursuant to Cal. Government Code § 53060.4 and may report noncompliance therewith to the judge of the Superior Court.

§ 15.09.270 CONFLICT OF PROVISIONS.

In the event of any conflict between this subchapter and any other provision of this code, this subchapter shall control.