

City of Santa Ana

Long-Term Implementation Plan for the
Rent Stabilization and Just Cause
Eviction Ordinances

August 29, 2022

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INTRODUCTION

On October 19, 2021, the Santa Ana City Council (“City”) adopted two tenant protection ordinances – the Rent Stabilization Ordinance (“RSO”) (Ord. No. NS-3009) and the Just Cause Eviction Ordinance (“JCEO”) (Ord. No. NS-3010), which became effective November 19, 2021:

- The City’s RSO limits rent increases to a maximum of 3%, or 80% of CPI, whichever is less, per year for certain residential rental units and mobilehome spaces in the City (Santa Ana Municipal Code section 8-1998.1).
- The City’s JCEO provides “just cause” eviction protections for most tenants that continuously and lawfully occupy a residential real property or mobilehome space for at least 30 days. The JCEO also defines what causes are allowable for a landlord to seek eviction of a tenant (Sec. 8-1994).

On September 21, 2021, the City adopted a resolution that “directed [staff] to conduct further study of the additional regulatory framework and infrastructure necessary to implement residential rent stabilization, just cause eviction, and other protections for Santa Ana residents facing housing instability. These measures are to include the creation and operation of a Rent Board or similar body, a rental registry, and the related costs thereof.” In order to conduct this study, the City retained RSG to complete the following tasks:

1. Develop a comprehensive list of California jurisdictions with RSO and/or JCEOs;
2. Research and analyze existing RSO and JCEO programs and best practices in selected jurisdictions; and
3. Provide recommendations for the City’s long-term implementation of the programs.

This report details RSG’s analysis, findings, and recommendations.

TENANT PROTECTIONS

The topic of tenant protection in California is not new and has been around for decades. Many jurisdictions throughout the years have established rent control ordinances. Established in 1995, the Costa-Hawkins Rental Housing Act (California Civil Code Section 1954.50, et seq.) limits the kind of rent control policies cities can impose by preventing cities from establishing rent restrictions on units constructed after 1995, protecting a landlord's right to raise the rent to market rate on a unit once a tenant moves out, and exempting single-family homes and condos unless they are owned by a corporation or real estate investment trust. The Costa-Hawkins Rental Housing Act prohibits vacancy control on residential properties and exempts certain kinds of units (e.g., new construction, single units with separately alienable titles, like single-family houses and condominiums) from rent control.

Housing costs in the State of California continue to rise and many tenants are experiencing significant rent increases and/or evictions. Recognizing this issue, the State Legislature enacted the Tenant Protection Act (Assembly Bill 1482, California Civil Code Section 1946.2, et seq.) which will be effective for 10 years from its effective date, through December 31, 2029¹. The Tenant Protection Act put in place a statewide rent stabilization cap that limits annual increases at 5%, plus any rise in the Consumer Price Index ("CPI"), not to exceed 10%. In addition to limiting annual rent increases, the Tenant Protection Act also provides tenant protections that prevent tenant evictions without just cause when all tenants have lived in the unit for 12 months or more, or where at least one tenant has occupied the unit for 24 months.

Excluding the City, twenty-three (23) jurisdictions in California have rent stabilization ordinances. Of these jurisdictions, nineteen (19) ordinances only apply to residential units and four (4) apply to both residential units and mobilehome park spaces.

Some characteristics vary amongst rent stabilization and just cause eviction programs, but of the twenty-three (23) jurisdictions:

- Twenty (20) jurisdictions require landlords to register rental units within a rental registry and have a registration fee that landlords are required to pay; and
- Fifteen (15) jurisdictions have rent review boards or commissions that help guide the program and review decisions.

The protections provided in these ordinances are more restrictive, or provide greater benefits to tenants, than those set forth in the Tenant Protection Act. Exhibit A includes a summary of all the jurisdictions in the State of California with rent stabilization ordinances.

¹ Assembly Bill 1482, Chapter 597

EXISTING RSO AND JCEO PROGRAMS

In May 2022, RSG researched existing RSO and JCEOs and their associated programs in seven (7) of the twenty-three (23) jurisdictions to understand program requirements, administrative structure and resources, program revenue and expenses, program compliance, and identify best practices that the City should consider in its long-term implementation of the programs. After researching each program, RSG interviewed staff from each of the jurisdictions to gather pertinent anecdotal information that is not publicly available.

RSG selected the seven (7) jurisdictions based on the following criteria (“Sample Jurisdictions”):

- Preference for jurisdictions with both a rent stabilization and just cause eviction ordinance;
- Similar number of approximate rental units as the City (40,000); and
- Ordinance(s) applies to both Residential and Mobilehome units.

Table 1 below lists the seven Sample Jurisdictions that RSG identified and includes a comparison of each jurisdiction to the City’s ordinances.

Table 1: Sample Jurisdictions

Jurisdiction	Ordinance Year	Approved By	Just Cause Eviction Ordinance	Allowable Rent Increase
1. Alameda	2019	City Council	Yes	70% of CPI, not to exceed 5%
2. Berkeley	1980	Voter	Yes	65% of CPI
3. Beverly Hills	1979	City Council	Yes	3% or CPI, whichever is higher
4. Inglewood	2019	City Council	Yes	3% or CPI for properties with greater than 5 units, and 5% plus CPI for properties with less than 5 units
5. Richmond	2016	Voter	Yes	100% of CPI
6. Santa Monica	1979	Voter	Yes	75% of CPI
7. West Hollywood	1985	City Council	Yes	75% of CPI
8. Santa Ana	2021	City Council	Yes	3% or 80% of CPI, whichever is less

Source: City Ordinances, May 2022

Overview of Sample Jurisdictions' RSO and JCEO Programs

The Sample Jurisdictions' RSOs, JCEOs, and their associated programs vary in terms of program goals and design, thus representing different design options for the City. The following section summarizes each of the key components of the Sample Jurisdiction programs and is organized by topic rather than a summary of each jurisdiction. Based on our research, RSG discovered that most jurisdictions administer the two programs collectively and do not run them as separate programs since both programs are meant to protect tenants. For our summary and recommendations, the information presented illustrates the combined programs.

Rental Housing Board

Each of the Sample Jurisdictions have a selected body that is responsible for rent stabilization program administration, which is generally described as a Rental Housing Board, Commission, or Committee. For the purposes of this report, RSG refers to this appointed body as a Rental Housing Board. Table 2 presents a summary of the Sample Jurisdictions' Rental Housing Board.

Table 2: Sample Jurisdictions' Rental Housing Board

Jurisdiction	Board Name	Members	Scope of Work
Alameda	Rent Review Advisory Committee	5 members appointed by the Mayor and approved by City Council <ul style="list-style-type: none"> • 2 Tenants • 2 Housing Providers • 1 Residential Property Owner but not Housing Provider 	<ul style="list-style-type: none"> • Review requests from tenants concerning rent increases • Hold hearings for requests for a rent increase review • Make recommendations to the tenants and their housing providers about the increases
Berkeley	Rent Board (with a number of Committees)	9 Commissioners elected by voters <ul style="list-style-type: none"> • Must submit a verified statement of their interests and dealings in real property during the previous three years 	<ul style="list-style-type: none"> • Implement and oversee program • Enact regulations • Hearing petition appeals filed by tenants and landlords
Beverly Hills	Rent Stabilization Commission	6 members and 3 alternates appointed by City Council <ul style="list-style-type: none"> • 2 Landlords • 2 Tenants • 2 members who are not tenants or managers or have 	<ul style="list-style-type: none"> • Make recommendations to the City Council concerning amendments to chapters of the Code that have not been resolved by the City Council • Perform any other functions that may be

		financial interest in multi-family residential rental property	designated by resolution or motion of the City Council
Inglewood	Rental Housing Board	<p>5 members appointed by the mayor and approved by City Council</p> <ul style="list-style-type: none"> • 2 Landlords • 2 Tenants • 1 City employee 	<ul style="list-style-type: none"> • Review applications submitted by landlords or tenants • Establish policies and procedures for administration and compliance of the program • Conduct hearings on petitions filed or appeals of decisions of a Hearing Officer filed
Richmond	Rent Board	<p>5 members, appointed by the Mayor subject to three additional votes by City Council members</p> <ul style="list-style-type: none"> • Shall be no more than two members that own or manage any rental property or are realtors 	<ul style="list-style-type: none"> • Establish Base Rent • Make adjustments in rent increases and decreases • Establish rules and regulations • Charge and collect registration fees • Collect/receive copies of landlord notices • Refer violations to appropriate authorities
Santa Monica	Rent Control Board	5 elected Commissioners	<ul style="list-style-type: none"> • Controlling residential rents • Limiting the grounds for eviction • Preserving rental housing • Encouraging maintenance • Ensuring landlords receive a fair return

West Hollywood	Rent Stabilization Commission	<p>7 members who shall be residents of the city.</p> <ul style="list-style-type: none"> Each member of the City Council shall appoint one member of the Commission. The Council as a whole will appoint the remaining two members. 	<ul style="list-style-type: none"> Responsible for promulgating policies, rules, forms, or regulations found necessary to implement the program Hear all appeals of decisions by a hearing examiner Submit an annual written report to the City Council describing its activities. Evaluate and make recommendations to the City Council relative to the city's rent stabilization policies.
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Sources: City Ordinances, May 2022; Zoom Interviews of Sample Jurisdictions conducted in May and June 2022

Program Design Recommendations

The City should consider the following as part of their long-term implementation of the RSO and JCEO programs:

1. **Create a Rental Housing Board** – Currently, the City does not have a Rental Housing Board. All Sample Jurisdictions with an ordinance that was approved by their City Council appoint members to the Rental Housing Board. Half of the Sample Jurisdictions boards are appointed by the Mayor and the other half by City Council. These appointees are typically required to be stakeholders in their respective jurisdiction's residential rental market and are required by city code to be equally balanced between landlords and tenants. The standard size of these boards range between five (5) to nine (9) members with a median of five (5). The City will need to determine if the Mayor or City Council will appoint members to the board.

Across all Sample Jurisdictions, the rent boards typically preside over hearings and appeals, monitor compliance with the ordinances through differing methods, and make recommendations for pertinent changes to the regulations regarding the ordinance(s). The City's RSO currently gives the City Manager or designee the authority to approve or deny fair return petitions or any other matters. By creating a Rental Housing Board, a board composed of representatives from the community would hear all appeals of decisions made by the authorized designee. Staff would review petition materials, analyze information, and prepare staff reports that would be used by the Rental Housing Board to make a determination. Any changes to the RSO or JCEO ordinances would remain with the City Council along with the financial oversight.

Rental Registry and Fee

A rental registry is a database where landlords register rental properties, update rental unit information, update tenancy information, and pay annual rent registration fees as may be required by RSO and/or JCEO programs. Most systems also allow landlords and tenants to file and submit required documentation and verify coverage under the programs. Rental registries allow tenants, landlords and

city staff to know which rental units are covered under the RSO (e.g. *rent-stabilized units*).¹ Rental registries increase transparency for rental units by providing a way to collect rental unit data and track changes including rent increases, vacancies, notices, and violations. All seven (7) Sample Jurisdictions have a rental registry and six (6) of the seven (7) require landlords to pay an annual registration fee. The one (1) jurisdiction that does not currently have a fee is planning to conduct a fee study to establish a fee. Table 2 presents a summary of the Sample Jurisdictions' rental registries. *[A fully covered unit refers to rental units where both the RSO and JCEO apply, and partially covered units refers to units where only the JCEO applies.]*

Table 3: Sample Jurisdictions' Rental Registry

Jurisdiction	Registry Fee	Unit Type	Number of Rental Units
Alameda	<p>\$155 fully covered units</p> <p>\$105 partially covered units</p> <p>\$0 (None) Section 8 Housing</p> <p>Fee system is estimated in terms of staff time required for fully vs. partially covered units</p> <p>Fee initially set through study conducted by SCI Consulting Group</p>	<p>Multi-family units built before 1995 are <u>fully covered</u></p> <p>Single-family homes, condos, post-1995 multi-family units, and Section 8 are <u>partially covered</u></p> <p>Landlords can pass through half of the fee to tenants</p>	<p>12,000 fully covered units</p> <p>2,000 partially covered units</p> <p>94% compliance rate</p> <p>Rental registry: 3Di</p>
Berkeley	<p>\$250 fully covered units</p> <p>\$150 partially covered units</p> <p>Adjustments are made by the Board depending on staffing and budgetary needs</p> <p>Fee initially established by annual fee study (1980-2004)</p>	<p>Units that meet rent control, rent registration, security deposit interest, and eviction protections requirements are <u>fully covered</u></p> <p>Single family homes, condominiums, post-1980 constructions, units with tenants using Section 8, and units exempt from rent control are <u>partially covered</u></p>	<p>20,000 fully covered units</p> <p>5,000 partially covered units</p> <p>Rental registry: 3Di</p>

¹ Rental units also include mobilehome park rental spaces.

		Landlords can pass through up to \$100/year to tenants	
Beverly Hills	<p>\$0 (None)</p> <p>Note: City is considering establishing a fee with a fee study completed by Revenue Cost Specialists LLC</p>	All Units	<p>7,700 units</p> <p>99% compliance</p> <p>Rental registry: 3Di</p>
Inglewood	<p>\$206 all units</p> <p>\$92 units with a Section 8 tenant</p> <p>\$0 units less than 70% of FMR</p> <p>Fee based on estimated costs and number of units</p>	<p><u>All units</u> must register even if exempt, except single-family homes not owned by company</p> <p>Landlords can pass through half of the fee to tenants, except to Section 8 tenants</p>	<p>23,000 units</p> <p>Rental registry: 3Di</p>
Richmond	<p>\$218 fully covered units</p> <p>\$123 partially covered units</p> <p>Annual fee study conducted by Management Partners</p>	<p>Multi-unit properties built before February 1995 are <u>fully covered</u></p> <p>Subsidized units, single family homes, condos, and units built after February 1995 are <u>partially covered</u></p>	<p>7,500-8,000 fully covered units</p> <p>10,700 partially covered units</p> <p>96.5% compliance</p> <p>Rental registry: Not yet selected</p>
Santa Monica	<p>\$198 fully covered units/rent-controlled units, with waivers available for units with Section 8 tenants</p> <p>Fee adjustments are based on costs and number of units</p> <p>Board establishes fees based on the budget and number of units</p>	<p>Pre 1979 construction units are <u>fully covered</u></p> <p>Post 1979 constructions are <u>partially covered</u></p> <p>Landlords can pass through half of the fee to tenants</p>	<p>27,484 units</p> <p>90-95% compliance</p> <p>Rental registry: Internal system</p>
West Hollywood	<p>\$144 fully covered units</p> <p>\$60 units with a Section 8 tenant</p>	Pre-July 1979 multi-family residential rental units and single-family homes and condos	<p>16,707 units</p> <p>95% compliance</p>

	<p>Note: City Council has recently enacted an ordinance for registering partially covered units. Fee undetermined.</p> <p>Fee study conducted by MGT of America</p>	<p>built pre-July 1979 units whose tenants moved in before January 1996 are <u>fully covered</u></p> <p>Post-January 1979 new construction units, properties with only one dwelling unit whose current tenant moved in after January 1996, and government owned or subsidized residential rental properties are <u>partially covered</u></p> <p>Landlords of fully covered units can pass through half of the fee to tenants, except for Section 8 tenants</p>	Rental registry: HdL software
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Sources: City Ordinances, May 2022; Zoom Interviews of Sample Jurisdictions conducted in May and June 2022

Program Design Recommendations

Currently, the City does not collect any rent or tenancy data for individual rental units. The City cannot confirm or deny which specific units are covered under the RSO and JCEO and which units are exempt – a key piece of information for any jurisdiction administering these ordinances. All jurisdictions reported having a higher rate of compliance with their jurisdictions' program requirements following the implementation of a rental registry. Collection of this data through a rental registry will provide a critical means of administering the ordinances and will provide the means to make informed, data-driven policy and administrative decisions to fulfill the objectives of the ordinances. The City should consider the following as part of their long-term implementation of the RSO and JCEO programs:

2. **Create a Rental Registry** – A rental registry is the most important tool used by jurisdictions to implement renter protections. A rental registry would allow the City to compile key data on rent-stabilized units, track allowable rent increases, monitor compliance with the City's RSO and JCEO, and communicate rental unit data on a regular basis to both landlords and tenants. Through the collection, monitoring, and dissemination of allowable rents and rent increases, a rental registry establishes and makes accessible the rent limits for each covered unit. This in turn increases transparency, eliminates doubt regarding rent maximums, and provides a clear basis for both landlords and tenants to verify that their rents and rent increases comply with ordinance requirements. A well-maintained rental registry also increases compliance and in turn, creates a robust database full of accurate data. In general, the rental registry compliance rate was over 90% in the jurisdictions that provided this information indicating that the system paired with staff efforts to facilitate registration are effective.

In addition to the benefits that rental registries provide for rent-stabilized units, the implementation of a rental registry also provides stronger protections for rental units that are covered only by the JCEO. The registry can be used to determine whether a landlord serving an eviction notice is in compliance with all aspects of the ordinance and inform tenants who have received eviction notices of their rights and responsibilities. Furthermore, registries allow for the monitoring of rental activity after a landlord has evicted a tenant for no-fault just cause reasons.

A rental registry provides the following benefits to both tenants and landlords:

- Landlords and tenants will be able to regularly access and verify their units' rental information, increasing transparency.
- A rental registry will eliminate doubt regarding which units are covered under the ordinances.
- Additional support will be available for mediating disputes and settling matters outside of the Court system, resolving issues more quickly and efficiently.
- Staff will be able to communicate with both landlords and tenants more effectively, which will allow both parties to better understand their rights and responsibilities under the RSO and JCEO.

There was an overwhelming recommendation from the Sample Jurisdictions encouraging the City to explore contracting with 3Di Systems to develop a database to organize the rental registry. 3Di Systems is a software development firm, based in the City of Brea, that specializes in working with local governments in the areas of housing, public safety, and community engagement. They have been in business for over twenty (20) years and expressed during an inquiry meeting with City staff that they have never had a client change services. Five (5) of the seven (7) Sample Jurisdictions use their services and all have expressed positive interactions and outcomes with them. Many expressed that they appreciated that 3Di Systems tailored the rental registry to meet the specific needs and nuances requested for program implementation.

3. **Adopt a Rental Registry Fee** – A rental registry fee is collected to offset and ultimately cover 100% of the cost of the programs, including maintaining the registry, program administration, and compliance activities. This fee ensures that the program is completely cost-neutral to the City. Sample Jurisdiction rental registry fees average approximately \$195 per unit. Many of the Sample Jurisdictions used a consultant to conduct a fee study to determine the rental registry fee amount. However, it should be noted that the City will need to develop a work plan before hiring a consultant to complete a fee study. Depending on the work plan, this framework can be prepared and provided to the consultant that will be responsible for determining the rental registry fee. During this process, the City can determine if they would like the fee to be adjusted annually by the Rental Housing Board, or if routine fee studies will be completed to adjust the rental registry fee amount.

Another consideration related to the rental registry fee is whether the City would like to establish a fee for fully and partially covered units and/or make certain units exempt from paying a registration fee. Generally, a fully covered unit refers to rental units where both the RSO and JCEO apply, and partially covered units refer to units where only the JCEO applies. The City may consider making certain units exempt from the requirement to pay a rental registry fee, such as rental units occupied by rent-subsidized tenants (e.g. Housing Choice Voucher / Section

8). Additionally, the City may consider allowing 50% of a unit's fees to be passed-through to its tenants as a rent surcharge prorated over twelve months. Allowing for the cost-sharing of the rental registry fee may promote equity and shared responsibility amongst tenants and landlords; however, the increased cost to tenants may undermine the stabilizing effects that the program seeks.

Program Administration

Program administration varies widely across jurisdictions. There are a few factors for determining the scale, breadth, and cost to administer the programs of which the number of rental units covered by the ordinances and the services provided are the most important. Table 4 presents a summary of the Sample Jurisdictions' program administration frameworks.

Table 4: Sample Jurisdictions' Program Administration

Jurisdiction	Full-Time Equivalent ("FTE")	Annual Budget Allocation	Division of Work	Total Number of Rental Units
Alameda	10 Note: FTEs are split between the City and Housing Authority	Start-up budget: \$1.7 million Expenses: \$2.2 million Revenues: \$1.8 million	Compliance, Hearings, Petitions, Public Information, Registration, Termination of Tenancy	14,000
Berkeley	24 Projected to reach 30	Start-up budget: \$225,000 Expenses: \$5,466,666 Revenues: \$4,850,000	Administration, Compliance, Counseling, Hearings, Housing, Mediation, Petitions, Public Information, Termination of Tenancy	25,000
Beverly Hills	6	Expenses: \$1.1 million Revenues: Paid from General Fund	Commission, Complaints, Compliance, Petitions, Registration,	7,700
Inglewood	8 Projected to reach 17	Start-up costs: \$352,379 Personnel, \$788,500 Office,	Administration Inspection, Public Information, Registration, Termination of Tenancy	23,000

		and professional services Expenses: \$3,427,121 Revenues: N/A (Still within first year of program)		
Richmond	12	Start-up costs: \$1.1 million Expenses: \$2,425,312 Revenues: \$2,609,056	Compliance, Counseling, Hearings, Housing, Legal Assistance, Petitions, Public Information, Registration, Termination of Tenancy	18,450
Santa Monica	24	Expenses: \$5,287,331 Revenues: \$5,307,131	Administration, Hearings, Mediation, Petitions, Public Information, Registration	27,484
West Hollywood	10	Start-up costs: \$200,000 Software and additional personnel Expenses: \$2,659,262 Revenues: \$2,211,000	Administration, Complaints, Compliance, Hearings, Inspections, Public Information, Registration	16,707

Sources: City Ordinances, May 2022; Zoom Interviews of Sample Jurisdictions conducted in May and June 2022

Program Design Recommendations

The City should consider the following as part of their long-term implementation of the RSO and JCEO programs:

4. **Develop a Work Plan** – The City currently administers the RSO and JCEO through a consultant, RSG, Inc., and partial staff time from a Housing Programs Analyst, Housing Division Manager, and Assistant City Attorney. The limited activities include:
 - Conduct outreach and education including periodically mailed communications, workshops, and website updates.
 - Respond to general public information inquiries.

- Prepare RSO and JCEO informational materials and notices.
- Refer tenant legal matters and interpretation questions to community legal aid organizations, as applicable.
- Review Fair Return Petitions.

A division of work plan should be prepared and provided to a consultant who will be responsible for determining the rental registry fee. Across Sample Jurisdictions, the following services were provided as best practices to effectively implement rent stabilization and just cause eviction ordinances:

- Annual Registration – Process registration fees for the rental registry, maintain rental registry, and send annual notices of maximum allowable rent increases.
- Compliance – Process notices of violations and complaints, send notices of non-compliance to landlords, and pursue compliance activities as necessary for non-compliant properties.
- Evictions/Termination of Tenancy – Review notices of eviction/termination of tenancy to ensure compliance with the JCEO.
- Hearings and Appeals – Process hearings for appeals to rent amounts and petitions. This includes communicating with the tenants and landlords involved, collecting supporting documentation, coordinating with the Rental Housing Board, and writing letters of determination.
- Housing Counseling/Mediation – Provide tenant and landlord housing counseling and mediation.
- Petitions – Receive, review, and analyze data to provide decisions on petitions, subject to appeal.
- Public Information – Provide customer service to inquiring tenants and landlords and conduct on-going community outreach and education.
- Rental Housing Board Administration – Facilitate regular meetings and complete administrative tasks related to the Rental Housing Board.

Each Sample Jurisdiction is unique in how these services are organized amongst various departments, demonstrated in their organizational charts in Exhibit B. In developing this work plan, the City may also consider if it will need the help of outside consultants or organizations to help with items such as mediations, hearing officers, petitions, and tenant/landlord legal advisors. A detailed budget to match the work plan would be the next step in the process to develop a rental registry fee.

5. **Conduct a Fee Study Based on the Work Plan and Staffing Needs** – Based on the information provided by the Sample Jurisdictions, the overall budget is mostly related to the number of units in the rental registry and services provided. Santa Ana has approximately 36,350 rental units that may be subject to registration in the rental registry. The number of units in the rental registry for all Sample Jurisdictions ranges from 7,700 to 27,484 with an average of 18,906 units. The rental registry compliance rate ranges from 92.5% to 99% with an average of 95%. The overall expenses range from \$433,000 to \$5.46 million with an average of \$3.5 million. The rental registry fee ranges from \$0 to \$250 with an average of \$167. *[To avoid skewing the results, RSG removed the \$0 fee amount that resulted in a range of \$144 to \$250 and an average fee of \$195.]*

Using an average rental registry fee per unit for all Sample Jurisdictions of \$195 and 36,350 rental units, the City could potentially collect approximately \$6.7 million annually for a fully operating program. To come up with this estimate, RSG multiplied the average rental registry fee per unit for all Sample Jurisdictions of \$195, by the number of rental units in Santa Ana equal to 36,350, and adjusted for a rental registry compliance rate of 95% to estimate that it could collect approximately \$6.7 million to administer the RSO and JCEO programs. This does not include the startup costs. The average startup cost for all jurisdictions was \$1,313,626. It should be noted that four (4) of seven (7) Sample Jurisdictions were unable to provide their start-up costs but indicated that the major components are the rental registry and department staffing.

A fee study that takes into account the number of units that may be included in the rental registry and the proposed budget based on the work plan will allow the City to determine the fees required to fully recover costs of all budgeted operations (e.g. 100% cost recovery). Currently, the City's ordinance costs over \$300,000 per year through an agreement with RSG and will increase to \$500,000 in the next fiscal year with no cost recapture. This estimate does not include partial staff time from a Housing Programs Analyst, Housing Division Manager, and Assistant City Attorney.

Compliance Activities

Each RSO and JCEO program from the Sample Jurisdictions includes monitoring the compliance of the programs. Compliance activities vary widely amongst the jurisdictions and depend partially on the design of the Program Administration. Table 5 presents a summary of the Sample Jurisdictions' compliance activities.

Table 5: Sample Jurisdictions' Compliance Activities

Jurisdiction	Penalties and Remedies	Activities
Alameda	<p>Series of citations for Article violations (\$250 – \$1,000) or by imprisonment not to exceed 6 months, or by both a fine and imprisonment</p> <p>Any aggrieved person, including the City and State of CA, may enforce this article by means of a civil action</p>	<p>Housing Authority provides annual report of Ordinance violations to the City</p> <p>City Attorney's Prosecution Unit is responsible for administering warning notices</p>
Berkeley	<p>Petition the board for appropriate relief</p> <p>Withhold up to the full amount of periodic rent in good faith</p> <p>Seek injunctive relief</p> <p>File a damage suit against the landlord</p>	<p>City Department is responsible for proactive compliance activities including the provision of online tools to assess landlord compliance in addition to mailed communications to tenants and landlords</p>

Beverly Hills	Series of citations for code violations (\$100 -\$500)	<p>City Code Enforcement division is responsible for proactive annual inspections</p> <p>Warning notices are first method of compliance for registration violations</p> <p>Contracted Criminal Prosecutor issues citations</p> <p>Mediation services are provided through a contracted program on behalf of the City</p>
Inglewood	<p>Misdemeanor</p> <p>Administrative Fine (\$500)</p> <p>The City's decision regarding enforcement shall not affect a Tenant's right to pursue the following civil remedies: file a petition with the Program Administrator, establish eligibility for exemptions, or dispute the amount of Relocation Assistance due</p>	<p>City department is responsible for contacting violators including by phone following a complaint by tenant</p> <p>City's legal aid provides further assistance by working with tenant to resolve further disputes</p>
Richmond	<p>Misdemeanor- any landlord who retains unentitled rent from a Tenant shall be liable for costs incurred by the Tenant</p> <p>In lieu of filing a civil action, a Tenant retains the right to file an administrative complaint</p>	City is responsible for the proactive administration of penalty fees
Santa Monica	<p>Landlord who retains unentitled rent from a Tenant shall be liable for costs incurred by the Tenant and Tenant retains the right to file an administrative complaint</p> <p>Misdemeanor citations not exceeding \$500, imprisonment not exceeding six months, or both</p>	<p>City software system responsible for notifying users of fees</p> <p>If fee remains unpaid, enforcement is handled through City's legal department and small claims court</p> <p>City's legal department is responsible for making recommendations to the Board in the case of appeals</p> <p>Mediation services are provided through a contracted program</p>

West Hollywood	Series of citations for code violations (\$100 to \$500) Misdemeanor upon 4 th offense	City Code Enforcement is primarily responsible for citations
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Sources: City Ordinances, May 2022; Zoom Interviews of Sample Jurisdictions conducted in May and June 2022

Program Design Recommendations

Currently, the City's RSO and JCEO Ordinance states the following if any person is in violation, *"It shall be unlawful for any person to violate or fail to comply with any provision of the ordinance. The violation of any provision of this ordinance shall first be punished through the use of an administrative citation, as provided in Santa Ana Municipal Code section 1-21, et. seq., prior to prosecution as a misdemeanor infraction, as provided in Santa Ana Municipal Code section 1-8"* (Santa Ana Municipal Code section 8-1998.8). The Sample Jurisdictions have similar provisions in their ordinances. However, the extent of actual compliance activities and the responsible party significantly varies.

6. **Expand Compliance Activities** – As part of the work plan prepared for Program Administration, the City should identify how the RSO and JCEO programs will be monitored for compliance. Currently, there are limited resources within the City that can adjudicate a dispute over tenant/landlord issues or concerns, short of the court system which can be time-consuming and costly. The positive impacts of the RSO and JCEO programs are directly correlated to effective monitoring of compliance with the ordinances. Some jurisdictions mentioned that staffing capacity and resources were the major drivers in the ability to proactively enforce violations of the ordinances. As part of this consideration, the City could consider hiring additional City staff for these compliance activities.

An analysis of the existing best practices and programs administered by Sample Jurisdictions determined that effective compliance activities include issuing notices and warnings in response to complaints and reported information in the rental registry, increasing staffing to issue citations and pursue criminal offenses, and contracting with a mediator to improve landlord-tenant relationships, among other activities. Additionally, the RSO and JCEO compliance activities provisions could be revised to add civil actions that may be utilized by any aggrieved person to monitor compliance with the ordinances.

Petitions

Generally, there are three types of petitions: 1) landlord fair return petitions, 2) landlord capital improvement petitions, and 3) tenant petitions.

Landlord Fair Return Petitions

A landlord is entitled under the law to receive a fair return on their rental property or mobilehome park. If a landlord believes that the maximum allowable rent under the RSO does not constitute a fair return, they have the right to file a fair return petition requesting an increase greater than what the RSO provides. This is a legal requirement that applies to all RSO programs.

Landlord Capital Improvement Petitions

Some jurisdictions allow for a separate capital improvement pass-through petition that is considered separately from the fair return petition. A capital improvement is one that materially adds to the value of the property (this is often detailed as a specific amount in the ordinance), appreciably prolongs its useful life, or adapts it to new uses, and which may be amortized over the useful life of the improvement of the building. As such, these fees are considered temporary and do not permanently increase a tenant's rent. In general, a capital improvement petition would allow a landlord to increase rents to recover the cost of capital improvements when the improvement(s) benefit the units in question and the improvements were not necessitated by the current landlord's neglect or failure to maintain the property. In some cases, the monthly rent increase cannot exceed a certain percentage of a tenant's monthly rental amount. In this case, the capital expense is amortized, with interest, over a longer term to allow the landlord to recover the cost of capital improvements while not causing an undue burden to the tenant. A capital expense can affect all the units in a building, some of the units in a building, or just one unit in a building. Examples of capital improvements include new windows, a roof replacement, and exterior painting to the entire building. Repair and maintenance work, such as replacing a broken windowpane, patching a roof, clearing a clogged pipe, or unit-specific repairs are not considered capital improvements.

Tenant Petitions

All of the Sample Jurisdictions have provisions in their programs that allow a tenant to file a petition asserting various types of claims against a landlord. Examples include a decrease in rent due to a substantial decrease in housing services, failure to repair or maintain a unit, or failure to discontinue a capital or utility pass-through. Table 6 presents a summary of the Sample Jurisdictions' petitions.

Table 6: Sample Jurisdictions' Petitions

Jurisdiction	Type of Petition	Petition Fee	Approves Petitions	Petitions Received Annually
Alameda	Fair Return, Separate Capital Improvement Plan, Tenant	\$0 (None)	Rent Review Advisory Committee, Appeal to Hearing Officer	3 Fair Returns, 17 Tenant Petitions, 10 progress to hearing
Berkeley	Fair Return, Separate Capital Improvement, Tenant	\$0 (None) Petition; \$100-\$200 Fair Return and Capital Improvement appeal	Hearing Examiner, Appeal to Rent Stabilization Board	0 Fair Returns since Ordinance Effective date, Limited Capital Improvements
Beverly Hills	Fair Return, Separate Capital Improvement, Tenant	\$896 Fair Return and Capital Improvement; \$0 (None) Tenant petition	Hearing Officer, Appeal to Rent Stabilization Commission	0 Fair Returns

Jurisdiction	Type of Petition	Petition Fee	Approves Petitions	Petitions Received Annually
Inglewood	Fair Return, Separate Capital Improvement, Tenant	\$199 petition, \$265 appeal; \$0 (None) Tenant petition	Rental Housing Board	New program, 0 Petitions
Richmond	Fair Return, Tenant	\$0 (None)	Hearing Officer, Rent Board	5-7 Fair Returns, 60 Rent Changes (majority tenant downward)
Santa Monica	Fair Return, Tenant	\$100 per petition for all properties up to ten (10) units; \$150 properties with between eleven (11) and fifteen (15) units; \$200 properties with sixteen (16) or more units; \$0 (None) Tenant petition	Hearing Officer, Appeal to Rent Review Board	Limited Fair Returns, 89 Tenant Petitions
West Hollywood	Fair Return, Separate Capital Improvement, Tenant	\$500 for buildings with 1-4 rental units; \$500 base fee for buildings with 5-9 rentals plus additional fee of \$25 per unit; \$500 base fee for buildings with 10+ units plus additional fee of \$35 per unit; \$25 Tenant decrease petition (low-income waiver available)	Hearing Officer, Appeal to Rent Stabilization Commission	2 Fair Returns in the past 10 years, 30-40 Tenant Petitions annually

Sources: City Ordinances, May 2022; Zoom Interviews of Sample Jurisdictions conducted in May and June 2022

Program Design Recommendations

As explained above, there are generally three types of petitions. Currently, the City's RSO and JCEO ordinances only have one type of petition, fair return petitions for landlords with capital improvements

included. Notably, all Sample Jurisdictions report receiving very few fair return petitions annually with the largest amount being seven. For example, West Hollywood received only two (2) fair return petitions in the past ten (10) years. Jurisdictions stated that they believe there are two reasons for this: 1) landlords do not want to go through the administrative petition process that is required; and 2) landlords, even when adhering to rent stabilization ordinances, do receive a fair return from their rental property. The City should consider the following as part of their long-term implementation of the RSO and JCEO programs:

7. **Create a Landlord Capital Improvement Petition and Tenant Petition** - Some Sample Jurisdictions include capital improvements as part of a fair return petition while others have a separate petition. The benefit to having a separate landlord capital improvement petition is that it incentivizes landlords to improve their property knowing they can pass through some of these costs to their tenants. Alternatively, while tenants may benefit from the capital improvement in the long term, it results in an increase in rent for tenants above the annual allowable rent increase imposed by the RSO.

All Sample Jurisdictions allow for tenant rent change petitions, allowing tenants to have an administrative tool to address excess rent based on conditions of the rental unit, reduction in services, issues of habitability, and landlord violations of the ordinance. These petitions are also beneficial in aiding in monitoring compliance with the ordinance and help maintain current rental data in the rental registry.

8. **Establish Petition Fees and a Petition Review Process** – Currently, the City’s ordinance requires applicants to pay for the cost of a consultant to review Fair Return petitions. The City should establish individual petition fees and appeal fees that are separate from the rental registry fee by including this component in the fee study. The fee study should consider the options of having the rental registry fee fully cover the expense of petitions or having additional petition fees to recover staff costs for the review of petitions. Two (2) of the seven (7) Sample Jurisdictions do not have individual petitions fees but are fully funded through their rental registry fees. Jurisdictions with petitions fees expressed that they chose to institute these fees due to a large amount of work that is required per petition, which many are eventually resolved through administrative means rather than going through the full petition review process.

Currently, the City’s ordinances place the decision-making responsibility for fair return petitions on the City Manager or a designee. Understanding that petitions require lengthy administrative work, communication with landlords and tenants, as well as processing time, the City should determine the most efficient use of time and budget for petitions. Many of the Sample Jurisdictions have specific staff members coordinating petition reviews with the applicant to ensure proper document submission while smaller organizations contract these services out. After a review and approval, the application is forwarded to the decision-maker. The decision-makers for appeals in the Sample Jurisdictions range from internal hearing officers, to contracted hearing officers/examiners, or the Rental Housing Board. Tying into the overall organization of the program administration, the City will need to determine what the petition review process will be for each type of petition.

Other Notable Program Design Recommendations

RSG has identified other notable considerations such as relocation payments for tenants, “banking” restrictions for rent increases, and establishing a mediation process. As it relates to banking and relocation, RSG is not recommending any amendments to the Ordinances due to the complexity of the issue and the potential negative impact to tenants. Specifically, banking can cause excessive rent increases, which may be harmful to tenants. Additionally, relocation regulations are already specified in the City’s JCEO wherein the City’s current ordinance states that if evicting a tenant for no-fault just cause termination, the landlord must provide three (3) months of relocation assistance or waive the payment of rent for the last three (3) months of the tenants’ tenancy. Among other notable program design recommendations, a mediation process is the final consideration.

9. **Create a Mediation Process** – California Evidence Code §§1115-1128 defines “mediation” as “a process in which a neutral person or persons facilitate communication between the disputants to assist them in reaching a mutually acceptable agreement.” Mediation differs from the conventional adversarial legal process by focusing on mutual agreement instead of trying to fight and argue against the other party in court. The City should develop a mediation program with contracted mediators to address landlord and tenant disputes that involve unresolved disputes, not landlord violations. Mediation can settle disputes without the need for a legal hearing.

Some advantages to mediation include:

- a. Mediation generally lasts a shorter amount of time than a trial;
- b. Mediation can be confidential such that nothing that is said during mediation can be used in court if mediation fails; and
- c. Mediation is generally more cost-effective and reduces the number of hearings.

Mediation programs have been successful in a few of the Sample Jurisdictions. For example, the City of Santa Monica provides voluntary mediation for rent decrease petitions, excess rent complaints, and other matters not raised by a petition. Mediation was successful during their fiscal year 2021 in which 61% of decrease petitions, 92% of construction petitions, and 92% of excess rent complaints were mediated and fully or partially resolved.

Separate from mediation, Sample Jurisdictions also stressed the importance of having low or no-cost legal services to refer landlords and tenants to help maintain equity. Sample Jurisdictions provide guidance regarding legal issues through housing counseling, but not legal advice. Therefore, Sample Jurisdictions rely on local legal organizations to refer tenants and landlords. Generally, the Jurisdictions contract with the organizations to ensure access. The funding for the contracts is provided from the Jurisdiction outside of the rental registry fee. Many organizations only provide services for tenants; therefore using the rental registry fee that is provided by landlords is not equitable. Other Sample Jurisdictions have self-help lines that provide services to tenants and landlords, but this is still funded outside of the rental registry fee. The City should continue coordinating with local legal organizations that provide services to landlords and/or tenants to understand the impact of the ordinances on their organization, identify areas of need for additional funding, and gather information to determine if additional City resources are needed for local tenant and landlord legal providers.

PROGRAM DESIGN RECOMMENDATIONS

Based on our analysis of the Sample Jurisdictions, RSG developed several recommendations for the City to consider in designing its RSO and JCEO long-term implementation program. The following details RSG's program design recommendations:

1. **Create a Rental Housing Board:** A Rental Housing Board should be assembled to preside over hearings and appeals, monitor compliance with the ordinances through differing methods, and make recommendations for pertinent changes to the regulations regarding the ordinance(s). The Board will guide staff in the long-term implementation of the program.
2. **Create a Rental Registry:** A rental registry is a critical component of administering an RSO and JCEO program. Landlords, tenants and the City need to know which units are rent-stabilized units. The City should seek assistance from a qualified consultant experienced in the development of a rental registry to create a registry for the City.
3. **Adopt a Rental Registry Fee:** A rental registry fee is necessary to offset and ultimately cover the cost of the programs, including maintaining the registry, program administration, and compliance activities. This fee is intended to ensure that the program is completely cost-neutral to the City.
4. **Develop a Work Plan:** The City must develop a work plan based on the division of work to be undertaken by the City, needed resources, and a budget.
5. **Conduct a Fee Study Based on the Work Plan and Staffing Needs:** The City should complete a fee study establishing a rental registry fee amount and petition fees. A fee study will take into account the number of units that may be included in the rental registry and determine the fees required to fully recover costs of all budgeted operations (e.g. 100% cost recovery).
6. **Expand Compliance Activities:** As part of the work plan, the City should identify how the RSO and JCEO programs will be monitored for compliance.
7. **Create a Landlord Capital Improvement Petition and Tenant Petition:** A separate capital improvement petition incentivizes landlords to upkeep their property knowing they can pass through some of these costs to their tenants. A tenant petition gives tenants an administrative tool to address excess rent based on conditions of the rental unit, reduction in services, issues of habitability, and landlord violations of the ordinance outside of the legal system.
8. **Establish Petition Fees and a Petition Review Process:** The petition fees would be separate from the rental registry fee and recover staff costs for the review of petitions. The petition review process will determine the most efficient use of time and budget for petitions as part of the work plan.
9. **Create a Mediation Process:** Mediation provides the opportunity for landlord and tenant issues to be resolved prior to court action and is facilitated by a neutral person or persons that

communicates between the disputants to assist them in reaching a mutually acceptable agreement. Mediation differs from the conventional adversarial legal process by focusing on mutual agreement instead of trying to fight and argue against the other party in court. Mediation generally lasts a shorter amount of time than a trial, can be confidential, and is generally more cost-effective.

Additional program design recommendations not previously mentioned above in the report include:

10. **Join the Rent Stabilization Consortium:** In addition to implementing the previous recommendations, the City should consider joining the Rent Stabilization Consortium. The Rent Stabilization Consortium is a group of representatives from California cities with rent stabilization programs. This consortium provides opportunities to discuss challenges, successes, and collaborate with other cities on the topic of rent stabilization. Multiple Sample Jurisdictions mentioned the positive impact of being a member of the consortium as a way to further opportunities for collaboration and knowledge of best practices for administering RSO and JCEO programs.

Exhibit A: Summary of All Jurisdictions with Rent Stabilization Ordinances

Jurisdiction	Approved by	Ordinance Effective Date	Population (2020 Census)	Rent Stabilization Ordinance	Just Cause Ordinance	Applies to Residential Units	Applies to Mobilehome Park Units	Rent Cap	Rent Review Board/Committee	Rental Registration Required	Rental Registration Fee	Petition for Rent Increase	Petition for Rent Increase Has Fee
Santa Ana	City Council	10/19/21	310,227	x	x	x	x	3% or 80% of change in CPI, whichever is lower.	TBD	TBD	TBD	TBD	TBD
Alameda City	City Council	Former Article XI pertaining to rent stabilization and limitations on evictions was repealed and reenacted as Article XVI by Ordinance No. 3249 effective 9/4/19.	78,280	x	x	x		Rent is limited to the base rent charged as of 9/1/19 plus the Annual General Adjustment (AGA). For tenancies beginning after 9/1/19, the base rent is the initial rent amount. The AGA is calculated using 70% of the regional Consumer Price Index (CPI), with a 1% floor and 5% ceiling.	Rent Review Advisory Committee	Required	\$155/fully regulated units; \$105/partially regulated units; \$0/rental units occupied by subsidized tenants	Yes	None
Baldwin Park	City Council	12/4/19 effective 1/3/20.	72,176	x	x	x	x	Annual rent increases are effectively limited to 3% (based on the Consumer Price Index) of the "base rent ceiling" (rent in effect on 3/5/19, or if none the initial rent charged on the first day of tenancy).	None	Required	\$28/unit	Yes	N/A
Berkeley	Voter	Rent Stabilization 6/3/80; Tenant Buyout 3/14/17. ADU Clarification, Emergency Exemption 11/3/20.	124,321	x	x	x		Each January 1 rent ceilings are increased by the Annual General Adjustment (AGA). The AGA is set by October 31 of the preceding year, but has been 65% of the percentage increase of the regional Consumer Price Index since 2005.	Rent Stabilization Board	Required	\$250/full regulated unit; \$150/partially regulated units; \$37/subsidized unit; \$70/summer sorority/fraternity outside member rental unit	Yes	\$0 petitions, \$100-200 appeal
Beverly Hills	City Council	4/27/79. Last amended 11/06/18.	37,701	x	x	x		Landlord may increase rent once every 12 months, limited to 3% of the current rent, or the regional Consumer Price Index (CPI), whichever is higher.	Rent Stabilization Commission	Required	\$55/unit	Yes	\$896 fair return and capital improvement, \$0 tenant petitions.
Culver City	City Council	Mediation: 5/11/19. Rent Control and Tenant Protections, 10/30/20.	40,799	x	x	x		The rent as of 10/30/20 on then-existing tenancies, or the initial rent charged on tenancies beginning thereafter, is the "base rate" from which increases are calculated. Increases are limited per 12-month period to the average annual change in the Consumer Price Index (CPI) with a cap of 5%; if the CPA increase is less than 2%, the cap is 2%.	None	Required	\$167/unit	Yes	N/A
East Palo Alto	City Council	Tenant Protections 5/6/14; Rent Stabilization 06/08/2010. Last amended 11/8/16.	30,034	x	x	x		Yearly rent increases are limited to 80% of the percentage increase in the Consumer Price Index (CPI). The overall rent increase, including the CPI-based rent adjustment and banked rent increases, may not exceed 10% in any twelve-month period.	Rent Stabilization Board	Required	\$222/non-exempt unit	Yes	N/A
Hayward	City Council	6/25/19 effective 7/25/19.	162,954	x	x	x		A landlord may only increase rent up to 5% per year on the anniversary date of the lease.	None	Not Required	Complaint Based Fees \$40/residential covered rental unit, \$19/residential rental unit	Yes	None
Inglewood	City Council	11/5/19	107,762	x	x	x		Rent increases are capped at 3% or the percentage change in the regional CPI- whichever is greater- of the lowest rent during the 12 months preceding the increase. Increases are limited to one per year.	Rental Housing Board	Required	Before 3/31/22 free; starting 4/1/22 - \$184/unit; \$92/unit with section 8 tenant; \$0/ unit duplex and owner start tenancy before tenant. Certification of Occupancy not older than 15 years, rents are less than 70% Fair Market Value, affordable housing developments with restricted deeds	Yes	\$199 petition, \$265 appeal, \$66 inspection, \$33 re-inspection, \$67 exemption
Los Angeles City	City Council	4/21/79. Last amended 5/20.	3,898,747	x	x	x	x	Only one rent increase is allowed every 12 months based upon the regional Consumer Price Index (CPI).	Rental Housing Oversight Commission	Required	\$38.75/unit	Yes	\$25
Los Gatos	City Council	10/27/80. Last amended 9/19/11 (§ 14.80.315).	33,529	x		x		Rent may be increased only once annually and the increase cannot exceed the greater of 5% of existing rent, or 70% of the regional Consumer Price Index (CPI).	None	Not Required	None	Yes	N/A
Mountain View	Voter	November 8, 2016; effective December 23, 2016. Last amended 5/2018.	82,376	x	x	x		Rents may be raised starting September 1st each year by board-determined amount that is no less than 2%, nor more than 5%, of the existing rent.	Rental Housing Committee	Required	Annual registration and fee required, amount not posted	Yes	N/A
Oakland	City Council	10/7/80. Last amended 6/4/2019.	440,646	x	x	x		Only one rent increase is allowed annually based upon the regional Consumer Price Index (CPI) or prior "banked" increases.	Residential Rent and Relocation Board	Required	\$101/unit	Yes	None
Oxnard	City Council	Effective 6/4/22 through 1/1/30	202,063	x	x	x		Rent increases are limited to 4% annually, and one increase in any twelve (12) month period.	None	Required	Annual registration and fee required, amount not posted	Yes	Yes, not specified but as determined by City for consultancy needs
Palm Springs	Voter	9/1/79. Last amended, by initiative, 12/94.	44,575	x	x	x		Rents are limited to 75% of the increase in the Consumer Price Index (CPI), and increases are limited to one per year. Landlords reducing "base year" services (the base year is 1979) must also reduce rents.	Rent Review Commission	Required	Annual registration and fee required, amount not posted	Yes	N/A
Richmond	Voter	Fair Rent adopted 11/09/16. Relocation adopted 12/20/16, effective 01/2017.	116,448	x	x	x		Maximum allowable rent for controlled units is the rent charged as of July 21, 2015 ("Base Rent") plus annual increases capped at 100% of the Consumer Price Index; if tenant moved in after that date, base rent is the rent paid for the first month. Landlords may raise rents on September 1 of each year, by an amount tied to the CPI for the region. Rents may be raised starting September 1 each year by an amount equal to the regional Consumer Price Index (CPI).	Rent Board	Required	\$218/unit fully covered, \$123/unit partially covered and governmentally subsidized	Yes	None

Jurisdiction	Approved by	Ordinance Effective Date	Population (2020 Census)	Rent Stabilization Ordinance	Just Cause Ordinance	Applies to Residential Units	Applies to Mobilehome Park Units	Rent Cap	Rent Review Board/Committee	Rental Registration Required	Rental Registration Fee	Petition for Rent Increase	Petition for Rent Increase Has Fee
Sacramento	City Council	Effective 9/12/19. Ordinance expires on December 31, 2024.	524,943	x	x	x		A rent increase cannot exceed 5% plus the percentage of the annual increase in the cost of living adjustment promulgated by the U.S. Department of Labor, Bureau of Labor Statistics. The total increase is capped at 10%, and only one increase is allowed in any 12-month period. (SCC § 5.156.050.) The "base rent" for purposes of calculating increases is the monthly rent in effect on 7/1/19. For tenancies commencing thereafter, the base rent is the initial monthly rent set forth in the lease—or if no lease exists the amount charged upon initial occupancy.	None	Required	\$20/unit	Yes	None
San Francisco	Board of Supervisors	6/79. Last amended 12/19.	873,965	x	x	x		Annual rent increases are limited to 60% of the regional Consumer Price Index (CPI).	Rent Board	Required	\$59.00/apartment unit, \$29.50/residential hotel room	Yes	None for Capital Improvement Petition, but must hire independent estimator if more than 25k in improvements
San Jose	City Council	§ 17.23.1200 and following, adopted 11/2016. Last amended 12/2018.	1,013,240	x	x	x		Rent increases may only be given once in a 12-month period. Annual general rent increases may not exceed the monthly rent charged for the previous 12 months multiplied by 5%.	None	Required	Annual registration and fee required, amount not posted	Yes	N/A
Santa Monica	Voter	Charter: 4/10/79. Last amended 2010. Tenant Relocation: 2/27/90 last amended 3/28/17. Tenant Harassment: 10/10/95 last amended 01/13/15.	93,076	x	x	x		The Rent Control Board determines each year's increase ("General Adjustment" or GA). The Maximum Allowable Rent (MAR) for any unit is its base rent plus the increase allowed per the annual GA. A tenancy must be in place for at least one year before a GA is allowed. A GA may then be implemented the following September 1st or anytime thereafter.	Rent Control Board	Required	\$198/unit	Yes	\$100 per petition for all properties up to ten (10) units; \$150 for properties with between eleven (11) and fifteen (15) units; \$200 for properties with sixteen (16) or more units.
Thousand Oaks*	City Council	7/1/80. Last amended 5/20/97.	126,966	x	x	x		*Apartment rent control does not apply to tenants who moved into their apartment units after 1987. Only tenants who have lived in the same rent-controlled unit since 1987 are eligible for rent control.	Rent Adjustment Commission	Required	Annual registration and fee required, amount not posted	None	None
Unincorporated Los Angeles County	Board of Supervisors	Effective 04/1/20.	1,057,162	x	x	x	x	Allowable annual rent increases are based on the change in the regional Consumer Price Index (CPI), up to a total of 8% including pass-throughs and fees. When CPI is 8% or more, the maximum increase is 8%. When CPI is between 3%-8%, the maximum increase will be equal to the CPI. When CPI is between 1%-3%, the maximum increase will be 3%. When CPI is -2%-1%, the maximum increase will be CPI plus 2%. When CPI is less than -2%, the maximum increase is zero. For DCBA "Certified" luxury market-rate units with two or less bedrooms in buildings of 25+ units, where the units had a base rent of \$4,000+/month on 11/11/18, landlord may increase rents by an additional 2% above CPI.	Rental Housing Oversight Commission	Required	Before 4/22 - Free, May Sept 2022 - \$90/fully covered units	Yes	None
West Hollywood	City Council	6/27/85. Last amended 12/2019.	35,757	x	x	x		Rent increases are limited to 75% of the increase in the regional Cost of Living Index (CPI) during the preceding 12 months.	Rent Stabilization Commission	Required	\$144/unit	Yes	\$500 for buildings with 1-4 rental units; \$500 base fee for buildings with 5-9 rentals plus additional fee of \$25 per unit; \$500 base fee for buildings with 10+ units plus additional fee of \$35 per unit
Westlake Village*	City Council	6/4/05	8,029	x		x	x	*Has only ever applied to 1 apartment complex (now condos) and 1 MHP. Rent control ordinance that applies to apartment complexes of five units or more as well as to mobile home parks. Rental price of mobile home lots has been frozen at the level of May, 1978, plus 30%.	None	Not Required	None	None	None

Exhibit B: Sample Jurisdictions Organizational Charts

City of Berkeley

Source: Staff Report 2022

RENT BOARD POSITION DETAIL			
Sorted by Unit, Classification and Job Assignment			
Budget Code 11-01 (Monthly Employees) + 11-03 (Hourly Employees)			
FY 2022 Adopted		FY 2023 Adopted	
Administration / Policy Unit		Administration / Policy Unit	
Executive Director	1.00	Executive Director	1.00
Deputy Director	1.00	Deputy Director	0.00
Policy Director	0.00	Policy Director	1.00
Community Services Specialist II	1.00	Community Services Specialist II	1.00
Associate Management Analyst	1.00	Associate Management Analyst	1.00
Senior Planner	0.70	Senior Planner	0.70
Associate Planner (Temporary)	0.50	Associate Planner (Temporary)	0.00
Associate Planner (Permanent)	1.00	Associate Planner (Permanent)	1.00
Office Specialist II	1.00	Office Specialist II	1.00
Subtotal for FTE	7.20	Subtotal for FTE	6.70
Salary/Benefit Total = \$1,250,000		Salary/Benefit Total = \$1,428,000	
Legal Unit		Legal Unit	
General Counsel	1.00	General Counsel	1.00
Staff Attorney II	1.60	Staff Attorney II	1.60
Legal Secretary	0.50	Legal Secretary	0.50
Subtotal for FTE	3.10	Subtotal for FTE	3.10
Salary/Benefit Total = \$600,000		Salary/Benefit Total = \$882,000	
Hearings Unit		Hearings Unit	
Senior Hearing Examiner	1.00	Senior Hearing Examiner	1.00
Staff Attorney II	0.20	Staff Attorney II	0.20
Legal Secretary	0.50	Legal Secretary	0.50
Subtotal for FTE	1.70	Subtotal for FTE	1.70
Salary/Benefit Total = \$331,000		Salary/Benefit Total = \$400,000	
Registration Unit		Registration Unit	
Senior Management Analyst	0.75	Senior Management Analyst	1.00
Community Services Specialist II	1.00	Community Services Specialist II	1.00
Accounting Office Specialist III	1.00	Accounting Office Specialist III	1.00
Office Specialist III	1.00	Office Specialist III	1.00
Office Specialist II	2.00	Office Specialist II	2.00
Senior Planner	0.15	Senior Planner	0.15
Staff Attorney II	0.10	Staff Attorney II	0.10
Subtotal for FTE	6.00	Subtotal for FTE	6.25
Salary/Benefit Total = \$900,000		Salary/Benefit Total = \$1,021,000	
Public Information Unit		Registration & Public Information Units	
Community Services Specialist III	0.80	Community Services Specialist III	1.00
Community Services Specialist II	5.00	Community Services Specialist II	5.00
Office Specialist II	1.00	Office Specialist II	1.00
Senior Planner	0.15	Senior Planner	0.15
Staff Attorney II	0.10	Staff Attorney II	0.10
Subtotal for FTE	7.05	Subtotal for FTE	7.25
Salary/Benefit Total = \$1,160,000		Salary/Benefit Total = \$1,330,000	
Total RSB Staff	25.05	Total RSB Staff	25.00

Board Approved Changes in FY 2022 include the following:

Create a 1.0 FTE General Counsel
 Eliminate a 1.0 FTE Staff Attorney III
 Create a 1.0 FTE Associate Planner Position
 Reduce 1.0 FTE Temporary Associate Planner Position to 0.5 FTE

Board Approved Changes in FY 2023 include the following:

Create a 1.0 FTE Policy Director (Authorized by Board Resolution 22-03)
 Eliminate a 1.0 FTE Deputy Director (Authorized by Board Resolution 22-03)
 Increase Senior Management Analyst to 1.0 FTE
 Increase Community Services Specialist III to 1.0 FTE

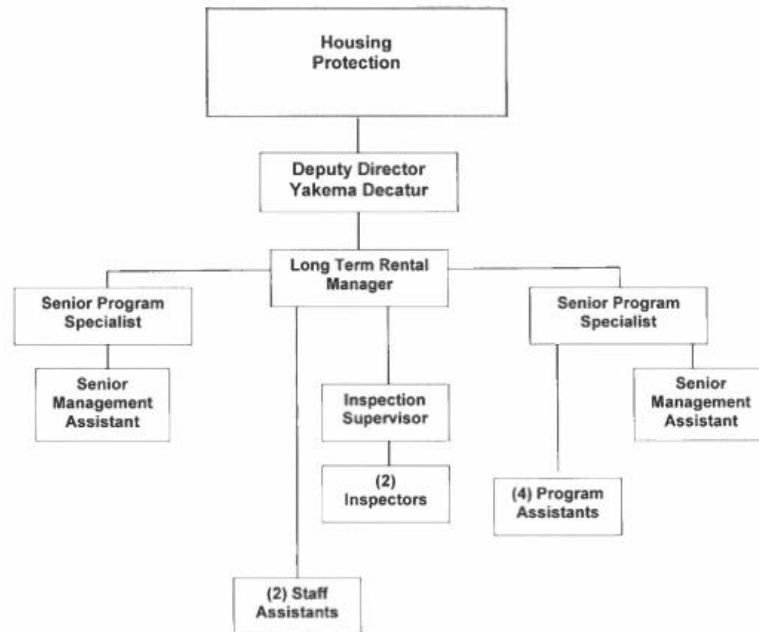
City of Inglewood

Source: Emailed by Deputy Director of Housing Protection on 8/10/22



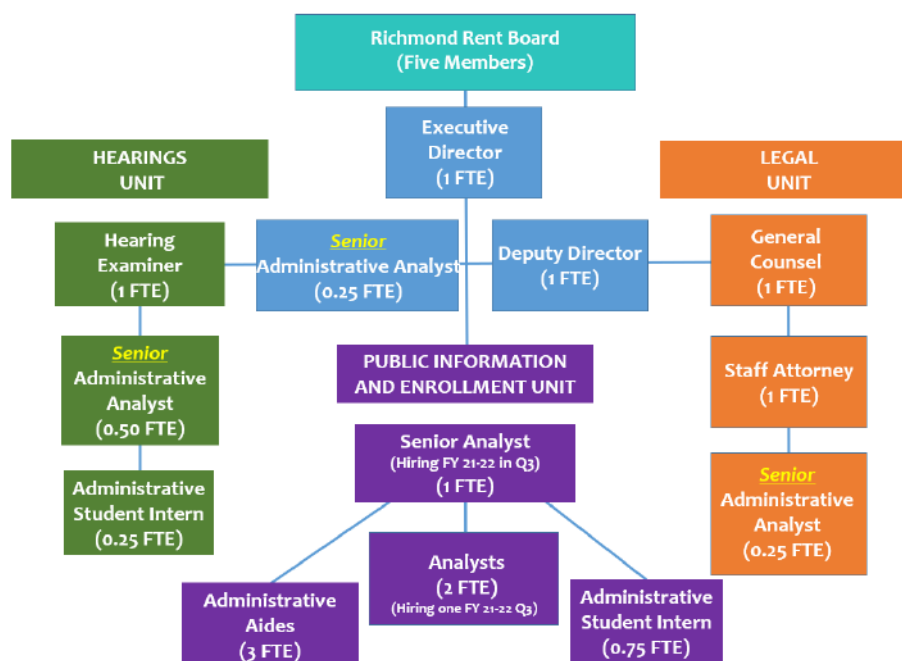
CITY OF INGLEWOOD

October 1, 2022



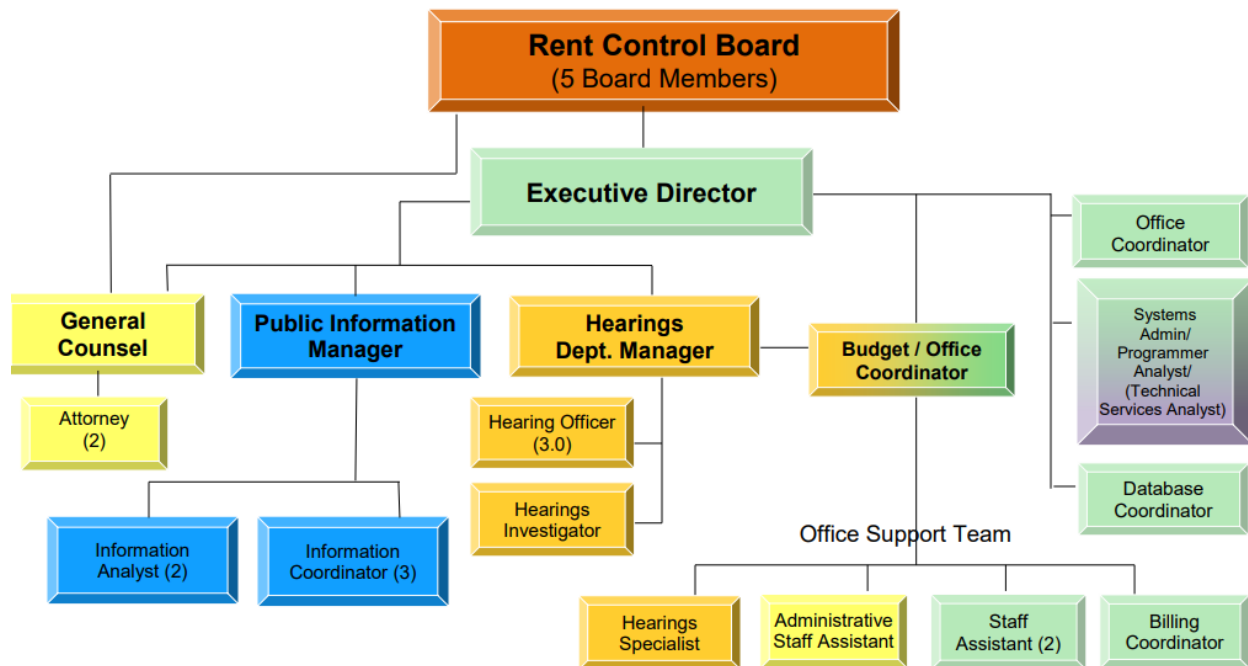
City of Richmond

Source: FY 2022-23 Budget & Rental Housing Fee Study



City of Santa Monica

Source: FY 2021-22 Annual Operating Budget



City of West Hollywood

Source: Emailed by Rent Stabilization Division Manager on 8/9/2022

