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THE CITY OF OAKLAND—PROTECT OAKLAND RENTERS ACT

BE IT ORDAINED by the People of the City of Oakland as follows:

- (a) Oakland rents are now the EIGHTH highest in the country, our residents are being priced out of the housing market and there is a lack of housing that all families can afford; and
- (b) There is a shortage of decent, safe, affordable, and sanitary rental housing in the City of Oakland; and
- (c) While some landlords abide by the law, others do not—taking advantage of their tenants, with unsafe properties, illegal rent increases and evictions—landlords who don't obey tenant protection laws must be charged fines; and
- (d) According to the City of Oakland Housing Element, 2015-2022, 65% of renter households in the City pay a gross rent which exceeds 50% of their income and are thus considered to be extremely housing cost burdened; and
- (e) According to the City of Oakland Housing Element, 2015-2022, approximately 52% of low-income renter occupied households pay 70% or more of income for rent, and are also extremely housing cost burdened; and
- (f) According to Zillow Inc., the average asking price for rental units in the City of Oakland rose 154% between 2011 and 2014; and
- (g) According to the Oakland Housing Equity Roadmap, the median income gap between owner and renter households in the City of Oakland in 2015 was \$55,450, with renter households earning substantially less than owner households; and
- (h) According to the Oakland Housing Equity Roadmap, between 2000 and 2010, 25% of the African American population, a loss of 33,502 residents, and 16.7% of school age children in the City of Oakland, compared with a decline of only 3.9% in Alameda County, had been evicted and/or displaced from Oakland with corresponding impact on schools, culture, and the stability of neighborhoods; and
- (i) Oakland is one of the most diverse cities in the country—we can only keep it that way by protecting against the evictions and rent increases pricing out people of color, seniors, working families, and artists who have made and make Oakland vibrant; and
- (j) Rent stabilization programs have been adopted in several jurisdictions in California and have long been upheld as constitutional;

This measure shall be known as the Protect Oakland Renters Act.

Article I. - Residential Rent Adjustment Program

8.22.020 - Definitions.

Section 1. That Section 8.22.020 of the Oakland Municipal Code is amended to read as follows:

As used in this chapter, Article 1:

"1946 notice" means any notice of termination of tenancy served pursuant to California Civil Code Section 1946. This notice is commonly referred to as a thirty (30) or sixty (60) day notice of termination of tenancy, but the notice period may actually be for a longer or shorter period, depending on the circumstances.

"1946 Termination of Ttenancy" means any termination of tenancy pursuant to California Civil Code § Section 1946.

"Anniversary date" is the date falling one year after the day the tenant was provided with possession of the covered unit or one year after the day the most recent rent adjustment took effect, whichever is later. Following certain vacancies, a subsequent tenant will assume the anniversary date of the previous tenant (Section 8.22.080).

~~"Banking" means any CPI Rent Adjustment (or any rent adjustment formerly known as the Annual Permissible Rent Increase) the owner chooses to delay imposing in part or in full, and which may be imposed at a later date, subject to the restrictions in the regulations.~~

"Board" and "Residential Rent Adjustment Board" means the Housing, Residential Rent and Relocation Board.

~~"Capital improvements" means those improvements to a covered unit or common areas that materially add to the value of the property and appreciably prolong its useful life or adapt it to new building codes. Those improvements must primarily benefit the tenant rather than the owner.~~

~~"CPI—All items" means the Consumer Price Index—All items for all urban consumers for the San Francisco—Oakland—San Jose area as published by the U.S. Department of Labor Statistics for the twelve (12) month period ending on the last day of February of each year.~~

~~"CPI—Less shelter" means the Consumer Price Index—All items less shelter for all urban consumers for the San Francisco—Oakland—San Jose area as published by the U.S. Department of Labor Statistics for the twelve (12) month period ending on the last day of February of each year.~~

"Annual General Adjustment" means the maximum allowable rent increase that the owner may impose once per year without an order from a hearing officer. The maximum is the set at sixty (60) percent of the percentage increase of the Consumer Price Index. All references to the "CPI Rent Adjustment" in this chapter will now be interpreted to refer to the Annual General Adjustment.

~~"CPI Rent Adjustment" means the maximum rent adjustment (calculated annually according to a formula pursuant to Section 8.22.070 B.3) that an owner may impose within a twelve (12) month period without the tenant being allowed to contest the rent increase, except as provided in Section 8.22.070B.2 (failure of the owner to give proper notices, decreased housing services, and unneured code violations).~~

"Costa-Hawkins" means the California state law known as the Costa-Hawkins Rental Act codified at California Civil Code §Section 1954.50, et seq. (Appendix A to this chapter contains the text of Costa-Hawkins).

"Covered unit" means any dwelling unit, including joint living and work quarters, and all housing services located in Oakland and used or occupied in consideration of payment of rent with the exception of those units designated in Section 8.22.030A as exempt.

"Disability" means physical and mental disabilities as defined in Government Code Section 12955.3.

"Ellis Act Ordinance" means the ordinance codified at O.M.C. 8.22.400 (Chapter 8.22, Article III) setting out requirements for withdrawal of residential rental units from the market pursuant to California Government Code §Section 7060, et seq. (the Ellis Act).

"Fee" means the Rent Program Service Fee as set out in O.M.C. 8.22.500 (Chapter 8.22, Article IV).

"Housing sServices" means all services provided by the owner related to the use or occupancy of a covered unit, including, but not limited to, insurance, repairs, maintenance, painting, utilities, heat, water, elevator service, laundry facilities, janitorial service, refuse removal, furnishings, parking, security service, and employee services.

"Owner" means any owner, lessor or landlord, as defined by state law, of a ~~covered~~ rental unit that is leased or rented to another, and the representative, agent, or successor of such owner, lessor or landlord.

"Owner of record" means a natural person, who is an owner holding an interest equal to or greater than Fifty (50%) ~~thirty three~~ 33% percent in the property, but not including any lessor, sublessor, or agent of the owner of record.

~~"Just Cause for Eviction Ordinance" means the just causes listed in means the ordinance adopted by the voters on November 5, 2002 (also known as Measure EE) and codified at O.M.C. 8.22.300 (O.M.C. Chapter 8.22, Article II). This includes the amendments made by this amendment.~~

"Rent" means the total consideration charged or received by an owner in exchange for the use or occupancy of a covered unit including all housing services provided to the tenant.

"Rental Unit." Any building, structure, or part thereof, or land appurtenant thereto, or any other rental property rented or offered for rent for residential purposes, together with all Housing Services connected with use or occupancy of such property, such as common areas and recreational facilities held out for use by the Tenant.

"Rent Adjustment Program" means the department in the city that administers this chapter and also includes the ~~h~~BBoard.

"Regulations" means the regulations adopted by the ~~B~~Bboard and ~~approved by the City Council~~ for implementation of this chapter, Article I (formerly known as "Rules and Procedures") (After regulations are approved, they will be attached to this chapter as Appendix B).

"Security deposit" means any payment, fee, deposit, or charge, including but not limited to, an advance payment of rent, used or to be used for any purpose, including but not limited to the compensation of an owner for a tenant's default in payment of rent, the repair of damages to the premises caused by the tenant, or the cleaning of the premises upon termination of the tenancy exclusive of normal wear and tear.

~~"Tenant" means a person entitled, by written or oral agreement to the use or occupancy of any covered unit.~~ "Tenant" means a tenant, subtenant, lessee, sub-lessee or other person entitled to the use or occupancy of a Rental Unit by written, oral, or implied agreement, or any tenant at sufferance or tenant at will, or any successor of any of the foregoing.

Section 2. That subdivisions A and B of Section 8.22.030 of the Oakland Municipal Code are amended to read as follows:

8.22.030 - Exemptions.

- A. Types of Dwelling Units Exempt from Rent Control. The following dwelling units are not covered units for purposes of this chapter, Article I only (the Just Cause for Eviction Ordinance (Chapter 8.22, Article II) and the Ellis Act Ordinance (Chapter 8.22, Article III)) have different exemptions):
1. Dwelling units whose rents are controlled, regulated (other than by this chapter), or subsidized by any governmental unit, agency or authority.
 2. Accommodations in motels, hotels, inns, tourist houses, rooming houses, and boarding houses, provided that such accommodations are not occupied by the same tenant for (14) fourteen ~~thirty (30)~~ or more continuous days.
 3. Housing accommodations in any hospital, convent, monastery, extended care facility, convalescent home, nonprofit home for the aged, or dormitory owned and operated by an educational institution.
 4. Dwelling units in a nonprofit cooperative, owned, occupied, and controlled by a majority of the residents.
 5. Dwelling units which were newly constructed and received a certificate of occupancy on or after January 1, 1983. This exemption does not apply to any newly constructed dwelling units that replace covered units withdrawn from the rental market in accordance with O.M.C. 8.22.400, et seq. (Ellis Act Ordinance).

To qualify as a newly constructed dwelling unit, the dwelling unit must be entirely newly constructed or created from space that was formerly entirely non-residential.

~~6. Substantially rehabilitated buildings.~~

7. Dwelling units exempt pursuant to Costa-Hawkins (California Civil Code §Section 1954.52).

8. A dwelling unit in a residential property that is divided into a maximum of two ~~(2) three (3)~~ units, one of which is occupied by an owner of record as his or her principal residence. For purposes of this section, the term owner of record shall not include any person who claims a homeowner's property tax exemption on any other real property in the state of California.

B. Exemption Procedures.

1. Certificate of Exemption:

a. A certificate of exemption is a determination by the Rent Adjustment Program that a dwelling unit or units qualify for an exemption, and, therefore, are not covered units. An owner may obtain a certificate of exemption by claiming and proving an exemption in response to a tenant petition or by petitioning the Rent Adjustment Program for such exemption. A certificate of exemption may be granted only for dwelling units that are permanently exempt from the Rent Adjustment Ordinance as new construction, ~~substantial rehabilitation~~, or by state law (Costa Hawkins).

b. For purposes of obtaining a certificate of exemption or responding to a tenant petition by claiming an exemption from Chapter 8.22, Article I, the burden of proving and producing evidence for the exemption is on the owner. ~~A certificate of exemption is a final determination of exemption absent fraud or mistake.~~

~~c. Timely submission of a certificate of exemption previously granted in response to a petition shall result in dismissal of the petition absent proof of fraud or mistake regarding the granting of the certificate. The burden of proving such fraud or mistake is on the tenant.~~

2. Exemptions for Substantially Rehabilitated Buildings.

~~a. In order to obtain an exemption based on substantial rehabilitation, an owner must have spent a minimum of fifty (50) percent of the average basic cost for new construction for a rehabilitation project.~~

~~b. The average basic cost for new construction shall be determined using tables issued by the chief building inspector applicable for the time period when the substantial rehabilitation was completed.~~

Section 3. That subdivision D of Section 8.22.030 of the Oakland Municipal Code is amended to read as follows:

D. Exemptions for Owner-Occupied Properties of Two (2) Three or Fewer Units. Units in owner-occupied properties divided into ~~three~~ two or fewer units will be exempt from this chapter, Article I under the following conditions:

- a. One-Year Minimum Owner Occupancy. A qualifying owner of record must first occupy one of the units continuously as his or her principal residence for at least one year.
- b. Continuation of Exemption. The owner-occupancy exemption continues until a qualifying owner of record no longer continuously occupies the property.
- c. Rent Increases. The owner of record qualifying for this exemption may notice the first rent increase that is not regulated by this chapter, Article I one year after the effective date of this exemption or one year after the qualifying owner of record starts residing at the affected property as his or her principal place of residence.
- d. Effective date of this Exemption. This exemption for owner-occupied properties of ~~three~~ two or fewer units takes effect one year after the adoption of this ordinance modifying this chapter, Article I.

Section 4. That subdivision A of Section 8.22.040 of the Oakland Municipal Code is amended to read as follows:

8.22.040 - Composition and Functions of the Board.

A. Composition.

1. Members. The Board shall consist of seven regular members appointed pursuant to Section 601 of the City Charter. The Board shall be comprised of seven (7) ~~two residential rental property owners, two tenants~~ members of which four (4) shall be ~~tenants, two neither tenants nor residential rental property owners.~~ There shall be a Board Member from each council district. The Board shall also have three alternate members, one residential rental property owner, one tenant and one person who is neither a tenant nor residential rental property owner appointed pursuant to Section 601 of the Charter. An alternate member may act at Board meetings in the absence of a regular Board member of the same category.
2. Appointment. A Board member is deemed appointed after confirmation by the City Council and upon taking the oath of office.
3. Board members serve without compensation.

Section 5. That subdivision D of Section 8.22.040 of the Oakland Municipal Code is amended to read as follows and subdivisions E and F of Section 8.22.040 of the Oakland Municipal Code are added to read as follows:

D. Duties and Functions.

1. Appeals. The Board hears appeals from decisions of hearing officers.
2. Regulations. The Board may develop or amend the regulations, ~~subject to City Council approval.~~
3. Reports. The Board shall make such reports to the City Council or committees of the City Council as may be required by this chapter, by the City Council or by City Council Committee.
4. Recommendations. The Board may make recommendations to the City Council or appropriate City Council committee pertaining to this chapter or City housing

policy when requested to do so by the City Council or when the Board otherwise acts to do so.

5. Establish and announce the Annual General Adjustment under Section 8.22.070 A.
6. Make adjustments in the Rent Increase and Decreases in accordance with Section 8.22.070.
7. Issue orders, rules and regulations, conduct hearings and charge fees as set forth in this chapter.
8. Make such studies, surveys and investigations, conduct such hearings, and obtain such information as is necessary to carry out its powers and duties.
9. Report annually to the City Council of the City of Oakland on the status of rental housing covered by this chapter. Reports shall include a summary of the numbers of notices served, the basis upon which they were served, the amount of the Rent increases and the addresses for which they were served.
10. Charge and collect registration fees, including penalties for late payments.
11. Collect and receive copies of notices of termination of tenancy and changes in terms of tenancy.
12. A searchable database will be created so that service of notice may be determined as well information for the reports described above.
13. Administer the withdrawal process for the removal of Rental Units from rental housing market under sections 8.22.360 8.
14. Administer oaths and affirmations and subpoena witnesses.
15. Establish rules and regulations for deducting penalties and settling civil claims under Section 8.22.670.
16. Refer violations of this Chapter to appropriate authorities for prosecution.
17. Seek injunctive and other civil relief under Section 8.22.670.
18. Make available, on a contract basis, translation services in Spanish, Chinese, Mandarin, Vietnamese, Tagalog, and other languages, where requested in advance, to interpret and translate documents and procedures as needed related to Board Hearings and Appeals.
19. Make available, on a contract basis, legal assistance services for low and moderate income tenants and landlords who express the need for legal assistance related to Board Hearings, Appeals and eviction defense.
20. Any other duties necessary to administer and enforce this chapter.

E. Administration of the Board

1. **Financing.** The Board shall finance its reasonable and necessary expenses by charging Landlords annual registration fees in amounts deemed reasonable by the Board. The Board is also empowered to request and receive funding when and if necessary from any available source for its reasonable and necessary expenses.
2. **Integrity and Autonomy of Board.** The Board shall be an integral part of the government of the City, but shall exercise its powers and duties under this Chapter independent from the City Council, City Administer, and City Attorney, except as requested by the Board. The City shall provide infrastructural support on an ongoing basis as it would with any other department. During the transition period before the Board Members are appointed and an Executive Director is

- hired, the City shall take whatever steps necessary to perform the duties of the Board and implement the purpose of this Chapter.
3. **Budget.** The Board shall, prior to July 1 of each year, hold a public hearing on a proposed budget and adopt an annual budget for the ensuing fiscal year. At least thirty-five (35) days prior to the beginning of each fiscal year, the Board's Executive Director shall submit to the Board the proposed budget as prepared by the Executive Director. After reviewing the same and making such revisions as it may deem advisable, the Board shall determine the time for the holding of a public hearing thereon and shall cause to be published a notice thereof not less than ten (10) days prior to said hearing, by at least one insertion in the official newspaper. Copies of the proposed budget shall be available for inspection by the public in the office of the Board at least ten (10) days prior to said hearing. The City Council and the City Administer shall have no authority to oversee, supervise, or approve this budget. Upon final adoption, the budget shall be in effect for the ensuing fiscal year and the amounts stated therein shall be and become appropriated by the Board for the respective objects and purposes therein specified. At any meeting after the adoption of the budget, the Board may amend or supplement the budget by the affirmative votes of at least three members. Copies of the adopted budget and any amendments or supplements shall be filed with the City Clerk and City Administer. Necessary adjustments to city administrative procedures shall be made.
 4. **Personnel.** The Board shall review and assess yearly that a sufficient number of staff are employed, including an Executive Director, hearing examiners, housing counselors, and legal staff, as may be necessary to perform its function efficiently in order to fulfill the purpose of this Chapter. The Executive Director shall be hired by the Board.
 5. **Board Legal Work.** Legal staff hired by the Board shall represent and advise the Board, its Members, and its staff in any civil matters, actions, or proceedings in which the Board, its Members, or its staff, in or by reason of their official capacity, are concerned or are a party. The Board may, in its sole discretion, and without approval of the City Council, retain private attorneys to furnish legal advice or representation in particular matters, actions, or proceedings.
 6. **Contracts and Purchases.** The Board shall procure goods and services as do other City agencies using existing support services within the City as would any other department, i.e. Finance, Information Technology, and Public Works, among others. Provided, however, that the Board shall have sole and final authority to employ attorneys, legislative lobbyists, and other professionals, and to approve contracts for such professional services.
 7. **Conforming Regulations.** If any portion of this Chapter is declared invalid or unenforceable by decision of a court of competent jurisdiction or rendered invalid or unenforceable by state or federal legislation, the Board and not the City Council shall have authority to enact replacement regulations consistent with the intent and purpose of the invalidated provision and applicable law. Such replacement regulations shall supersede invalidated or unenforceable provisions of this Chapter to the extent necessary to resolve any inconsistency. The subject

matter of such replacement regulations shall be limited to rent control matters as enumerated in this Chapter.

- F. In the event the duties of the Board under this section is adjudged to be invalid for any reason by a court of competent jurisdiction, the City Council shall designate one or more City departments, agencies, boards, or commissions to perform the duties of the Rent Board as prescribed by this Chapter.

Section 6. That Section 8.22.050 of the Oakland Municipal Code is amended to read as follows:

8.22.050 - Summary of notices required by this chapter, Article I. Notice Requirements.

The following is a summary of notices required by this chapter, Article I (the Just Cause for Eviction Ordinance (Chapter 8.22, Article II) and the Ellis Act Ordinance (Chapter 8.22, Article III) may require other or different notices). Details of the requirements for each notice are found in the applicable section.

- A. Notice at the Commencement of a Tenancy. Existence and scope of this chapter (Section 8.22.060).
- B. Change in Terms of Tenancy or Rent Increase. Notice of tenant's right to petition. (Section 8.22.070 H).
- C. All Landlords shall be required to file a copy of all rental increase notices, change of terms of tenancy and tenancy termination notices with the Board before serving the tenant the notice. A proof of service with time and date of service of notice shall be included with notice filed with the City.
- D. If the Board, after the Landlord has proper notice and after a hearing, determines that a Landlord has willfully and knowingly failed to properly report, as described above, any rental increase notices, change of terms of tenancy, or tenancy termination, the Board may authorize the Tenant of such a non-reporting unit to withhold all or a portion of the Rent for the Rental Unit until such time as the notice is filed. After a notice is properly filed, the Board shall determine what portion, if any, of the withheld Rent is owed to the Landlord for the period in which the notice was not properly filed. Whether or not the Board allows such withholding, no Landlord who has failed to properly report shall at any time increase Rents for a Rental Unit until such notice is properly reported. This shall go into effect thirty (30) days after determination of the Board.

Section 7. That subdivision A of Section 8.22.060 of the Oakland Municipal Code is amended to read as follows:

8.22.060 - Notice of the existence of this chapter required at commencement of tenancy.

- A. Notice at Commencement of Tenancy. The owner of any covered unit is required to comply with the following notice requirements at the commencement of any tenancy:

1. On or before the date of commencement of a tenancy, the owner must give the tenant a written notice in a form prescribed by the Rent Adjustment Program which must include the following information:
 - a. The existence and scope of this chapter; ~~and~~
 - b. That no owner may increase rent beyond the annual maximum adjustment; and
 - c. The tenant's rights to petition against certain rent increases and seek decreases for a reduction of services.

Section 8. That subdivisions A, B, and C of Section 8.22.070 of the Oakland Municipal Code are amended to read as follows:

8.22.070 – Annual rRent adjustments for occupied covered units.

This section applies to all rent adjustments for continuously occupied covered units. (Rent increases following vacancies of covered units are governed by Section 8.22.080). Any rent increase for a continuously occupied covered unit must comply with this section.

A. One Rent Increase Each 12 Months and Limitations.

1. An owner may increase the rent on a covered unit occupied continuously by the same tenant only once in a 12-month period. Such rent increase cannot take effect earlier than the tenant's anniversary date.
2. No individual rent increase can exceed the existing rent plus ~~by more than five (5) ten percent in any 12-month period for any and all a the Annual General Adjustment.~~ The Annual General rent Aadjustment shall be equal to sixty (60) percent of the percentage increase in the Consumer Price Index (All Urban Consumers, San Francisco-Oakland-San Jose region, or any successor designation of that index that may later be adopted by the U.S. Bureau of Labor Statistics) as reported and published by the U.S. Department of Labor, Bureau of Labor Statistics, for the twelve (12) month period ending on February 1 of the current year. rent increases based on the CPI Rent Adjustment, as set out in O.M.C. 8.22.070B (CPI Rent Adjustment), and any justifications pursuant to O.M.C. 8.22.070C.2 (Rent Increases In Excess of CPI Rent Adjustment)
3. In no event shall the Annual General Adjustment be approved greater than five (5) percent, nor shall a rent increase on the rent of any tenant exceed five (5) percent in any twelve (12) month period. Should the Board determine, as result of a landlord petition for "fair return," that a resulting Rent Adjustment would be greater than 5%, landlord shall be permitted to carry the excess to future years until "fair return" is re-established.
4. The owner may petition for an increase beyond the Annual General Adjustment for an individual adjustment if the owner can show that he or she is unable to obtain a reasonable return on his or her investment. In making individual adjustments of the rent, the hearing examiner shall consider the purposes of this chapter and shall specifically consider all relevant factors, including:
 - a. Increases or decreases in property taxes;

- b. Unavoidable increases or any decreases in maintenance and operating expenses;
 - c. The cost of planned or completed capital improvements to the rental unit (as distinguished from ordinary repair, replacement and maintenance), where such capital improvements are necessary to bring the property into compliance or maintain compliance with applicable local code requirements affecting health and safety, and where such capital improvement costs are properly amortized over the life of the improvement;
 - d. Increases or decreases in the living space, furniture, furnishings, equipment, or other housing services provided, or occupancy rules;
 - e. Substantial deterioration of the controlled rental unit other than as a result of normal wear and tear;
 - f. Failure on the part of the landlord to provide adequate housing services, or to comply substantially with applicable state rental housing laws, local housing, health and safety codes, or the rental agreement;
 - g. The pattern of recent rent increases or decreases.
 - h. No upward adjustment of an individual rent ceiling shall be authorized by the Board under this Section if the landlord:
 - i. Has continued to fail to comply, after order of the board, with any provisions of this chapter and orders or regulations issued thereunder by the Board; or
 - ii. Has failed to bring the rental unit into compliance with the implied warranty of habitability.
 - i. Allowable rent increases pursuant to an individual upward adjustment of the rent ceiling shall become effective only after the landlord gives the tenant at least a thirty (30) day written notice of such rent increase and the notice period expires. If the Board makes a downward individual adjustment of the rent ceiling, such rent decrease shall take effect no sooner than thirty (30) days after the effective date set by the Board for the downward adjustment.
 - j. No provision of this chapter shall be applied so as to prohibit the Board from granting an individual rent adjustment that is demonstrated by the landlord to be necessary to provide the landlord with a fair return on investment. Limits on the total increase per month and length of monthly increase shall be promulgated by the Board through regulations.
 - k. A rent increase based on the CPI Rent Adjustment for the current year that exceeds ten percent, provided however that such Rent increase may only include a CPI Rent Adjustment;
 - l. The rent increase is required for the owner to obtain a fair return pursuant to O.M.C. 8.22.070C.2.f.
5. ~~No series of rent increases in any five-year period can exceed 30 percent for any rent increases based on the CPI Rent Adjustment, as set out in, O.M.C. 8.22.070B (CPI Rent Adjustment) and any justifications pursuant to O.M.C. 8.22.070C.2 (Rent Increases In Excess of CPI Rent Adjustment) except for the following:~~

- a. ~~A series of rent increases composed solely of CPI Adjustments may exceed the 30 percent limitation;~~
 - b. ~~Exceeding the 30 percent limitation is required for the owner to obtain a fair return pursuant to O.M.C. 8.22.070C.2.f.~~
 - 6. If an owner is entitled to a rent increase or increases that cannot be taken because of the Rent increase limitations pursuant to Subsections 2.or 3. above, the owner may defer the start date of the increase to a future period, provided that in the rent increase notice that limits the owner's ability to take the increases, the owner must identify the justification and the amount or percentage of the deferred increase that may be applied in the future.
- ~~B. CPI Rent Adjustments.~~
- 1. ~~Effective Date of this Section. An owner may first impose CPI Rent Adjustments pursuant to this section that take effect on or after July 1, 2002.~~
 - 2. ~~CPI Rent Adjustment Not Subject to Petition. The tenant may not petition to contest a rent increase in an amount up to and including the CPI Rent Adjustment unless the tenant alleges one or more of the following:~~
 - a. ~~The owner failed to provide the notice required at the commencement of tenancy and did not cure such failure (Section 8.22.060);~~
 - b. ~~The owner failed to provide the notice required with a rent increase (Section 8.22.070 H);~~
 - c. ~~The owner decreased housing services;~~
 - d. ~~The covered unit has uncured health, safety, fire, or building code violations pursuant to California Civil Code Section 1942.4 and Section 8.22.070 D.7).~~
 - 3. ~~Calculation of the CPI Rent Adjustment. Beginning in 2002, the CPI Rent Adjustment is the average of the percentage increase in the CPI—All items and the CPI—Less shelter for the twelve (12) month period starting on March 1 of each calendar year and ending on the last day of February of the following calendar year calculated to the nearest one tenth of one percent.~~
 - 4. ~~Effective Date of CPI Rent Adjustments. An owner may notice a rent increase for a CPI Rent Adjustment so that the rent increase is effective during the period from July 1 following the Rent Adjustment Program's announcement of the annual CPI Rent Adjustment through June 30 of the next year. The rent increase notice must comply with state law and take effect on or after the tenant's anniversary date.~~
 - 5. ~~Banking. In accordance with rules set out in the regulations, Aan owner may not bank CPI rent adjustments and annual permissible rent adjustments previously authorized by this chapter.~~
 - 6. ~~Schedule of Prior Annual Permissible Rent Adjustments. Former annual permissible rent adjustments available under the prior versions of this chapter:~~
 - a. ~~May 6, 1980 through October 31, 1983, the annual rate was ten percent.~~
 - b. ~~November 1, 1983 through September 30, 1986, the annual rate was eight percent.~~
 - c. ~~October 1, 1986 through February 28, 1995, the annual rate was six percent.~~
 - d. ~~March 1, 1995 through June 30, 2002, the annual rate was three percent.~~
- ~~C. Rent Increases in Excess of the CPI Rent Adjustment.~~

- ~~1. A tenant may file a petition in accordance with the requirements of Section 8.22.110 contesting any rent increase which exceeds the CPI Rent Adjustment. The tenant may also petition for a decrease of rent due to a reduction of housing services.~~
- ~~2. If a tenant files a petition and if the owner wishes to contest the petition, the owner must respond by either claiming an exemption to the~~
- ~~3. and/or justifying the rent increase in excess of the CPI Rent Adjustment. on one or more of the following grounds:~~
4.
 - a. Banking;
 - b. Capital improvement costs, including financing of capital improvement costs;
 - c. Uninsured repair costs;
 - d. Increased housing service costs;
 - e. The rent increase is necessary to meet constitutional or fair return requirements.
- ~~5. The amount of rent increase allowable for the grounds listed in Section 8.22.070 C.2 are subject to the limitations set forth in the regulations.~~
- ~~6. An owner must provide a summary of the justification for a rent increase upon written request of the tenant.~~

D. Operative Date of Rent Adjustment when Petition Filed.

- ~~1. While a tenant petition is pending, a tenant must pay when due, pursuant to the rent increase notice, the amount of the rent increase that is equal to the CPI Rent Adjustment unless:~~
 - ~~a. The tenant's petition claims decreased housing services; or~~
 - ~~b. The owner failed to separately state in the rent increase that equals the CPI Rent Adjustment pursuant to Section 8.22.070 H.~~

Section 9. That subdivisions G and H of Section 8.22.070 of the Oakland Municipal Code are amended to read as follows:

- G. Pass-through of Fee. There shall be no pass-through of the Fee to a Tenant. ~~An owner may pass through one half of the fee to a tenant in accordance with Section 8.22.500G. The allowed fee pass-through shall not be added to the rent to calculate the CPI Rent Adjustment or any other rent adjustment and shall not be considered a rent increase.~~
- H. Notice Required to Increase Rent or Change Other Terms of Tenancy.
 1. As part of any notice to increase rent or change any terms of tenancy, an owner must include:
 - a. Notice of the existence of this chapter;
 - b. The tenant's right to petition against any rent increase in excess of the CPI Rent Annual General Adjustment;
 - c. For all rent increases ~~other than one solely based on capital improvements~~ when an owner notices a rent increase in excess of the Annual General Adjustment CPI Rent Adjustment, the notice must include a statement that the owner must provide the tenant with a summary of the justification for the amount of the rent increase in excess

of the Annual General Adjustment CPI Rent Adjustment, if the tenant makes a written request for such summary. Requirements for rent increase notices for capital improvements are set out in subparagraph d. below.

- i. If a tenant requests a summary of the amount of the rent increase in excess of the Annual General Adjustment CPI Rent Adjustment, the tenant must do so in writing within 30 days of service of the rent increase notice;
 - ii. The owner must respond to the request with a written summary within 15 days after service of the request by the tenant.
- d. Additional Notice Required for Capital Improvement Rent Increase.
- i. ~~In addition to any other information or notices required by this chapter or its regulations, or by state law a notice for a rent increase based on a capital improvement(s) (other than after an owner's petition) must include the following:~~
 - (a) ~~The type of capital improvement(s);~~
 - (b) ~~The total cost of the capital improvement(s);~~
 - (c) ~~The completion date of the capital improvement(s);~~
 - (d) ~~The amount of the rent increase from the capital improvement(s);~~
 - (e) ~~The start and end of the amortization period.~~
 - ii. ~~Within ten working days of serving a rent increase notice on any tenant based in whole or in part on capital improvements, an owner must file the notice and all documents accompanying the notice with the Rent Adjustment Program. Failure to file the notice with this period invalidates the rent increase.~~
 - iii. ~~The above noticing requirement for capital improvements is an alternative to an owner filing an owner's petition for a capital improvement rent increase and this noticing is not required after a capital improvement rent increase has been approved through an owner's petition.~~
- e. If the increase exceeds the CPI Rent Adjustment, the notice must state the amount of the increase constituting the CPI Rent Adjustment. If the amount constituting the CPI Rent Adjustment is not separately stated the tenant is not required to pay the amount of the CPI Rent Adjustment while a petition challenging the rent increase is pending.
- f. The Rent Adjustment Program may provide optional, "safe harbor" forms for required notices, unless the ordinance or regulations require use of a specified form.
2. A notice to increase rent must include the information required by Subsection 8.22.070 H.1 using the language and in a form prescribed by the Rent Adjustment Program.
3. A rent increase is not permitted unless the notice required by this section is provided to the tenant. An owner's failure to provide the notice required by this section invalidates the rent increase or change of terms of tenancy. This remedy is not the exclusive remedy for a violation of this provision. If the owner fails to

timely give the tenant a written summary of the basis for a rent increase in excess of the ~~CPI Rent Adjustment~~ Annual General Adjustment, as required by Subsection 8.22.070 H.1.c, the amount of the rent increase in excess of the ~~CPI Rent Adjustment~~ Annual General Adjustment is invalid.

Section 10. That subdivision A of Section 8.22.090 of the Oakland Municipal Code is amended to read as follows:

8.22.090 - Petition and response filing procedures.

A. Tenant Petitions.

1. Tenant may file a petition regarding any of the following:
 - a. A rent increase exceeds ~~CPI Rent Adjustment~~ the Annual General Adjustment, including, without limitation circumstances where:
 - i. The owner failed to timely give the tenant a written summary of the basis for a rent increase in excess of the ~~CPI rent adjustment~~ annual rent increase as required by Subsection 8.22.070 H.1.c.; and
 - ii. The owner set an initial rent in excess of the amount permitted pursuant to Section 8.22.080 (Rent increases following vacancies);
 - iii. A rent increase notice fails to comply with the requirements of Subsection 8.22.070 H;
 - iv. The owner failed to give the tenant a notice in compliance with Section 8.22.060;
 - v. The owner decreased housing services to the tenant;
 - vi. The tenant alleges the covered unit has been cited in an inspection report by the appropriate governmental agency as containing serious health, safety, fire, or building code violations pursuant to Subsection 8.22.070 D; and
 - vii. The owner fails to reduce rent on the month following the expiration of the amortization period for capital improvements, or to pay any interest due on any rent overcharges from the failure to reduce rent for a capital improvement.
 - viii. ~~The owner noticed a rent increase of more than the ten percent annual limit or that exceeds the rent increase limit of 30 percent in five years.~~
 - b. The tenant claims relocation restitution pursuant to Subsections 8.22.360 A.6-8 or Subsection 8.22.450.
 - c. The petition is permitted by the Just Cause for Eviction Ordinance (Measure EE) O.M.C. 8.22.300.
 - d. The petition is permitted by the Ellis Act Ordinance, O.M.C. 8.22.400.
 - e. The tenant contests an exemption from this O.M.C. 8.22, Article I.
2. ~~For a petition contesting a rent increase, the petition must be filed within sixty (60) days of whichever of the following is later:~~
 - a. ~~The date the owner serves the rent increase notice; or~~
 - b. ~~The date the tenant first receives written notice of the existence and scope of this chapter as required by Section 8.22.060.~~

3. In order to file a petition or respond to an owner petition, a tenant may provide the following at the time of filing the petition or response:
 - a. A completed tenant petition or response on a form prescribed by the Rent Adjustment Program;
 - ~~b. Evidence that the tenant's rent is current or that the tenant is lawfully withholding rent; and~~
 - c. A statement of the services that have been reduced or eliminated, if the tenant claims a decrease in housing services;
 - d. A copy of the applicable citation, if the tenant claims the rent increase need not be paid because the covered unit has been cited in an inspection report by the appropriate governmental agency as containing serious health, safety, fire, or building code violations pursuant to Section 8.22.070 D.7.
 4. A tenant may ~~shall~~ file a response to an owner's petition to increase rent pursuant to within thirty (30) days of service of the notice by the Rent Adjustment Program that an owner petition was filed. Board staff shall prepare a response and recommendation for the Board regardless if tenant files a response. The response and recommendation by Board staff shall review and provide all necessary information so that the Board may consider the factors listed in Section 8.22.070(A)(3).
- B. ~~General~~ Civil Remedies. An aggrieved party or the City Attorney, on behalf of such party, may bring a civil action for injunctive relief or damages, or both, for any violation of the provisions of this chapter or an order or decision issued by a Hearing Officer or the Board.
1. Any Landlord who demands, accepts, receives or retains any payment of Rent in excess of the Maximum Allowable Rent, in violation of the provisions of this Chapter or any rule, regulation or order hereunder promulgated, including the provisions ensuring compliance with habitability standards and registration fee requirements, shall be liable in a civil action to the Tenant from whom such payments are demanded, accepted, received or retained, for reasonable attorney's fees and costs as determined by the court, plus damages in the amount by which the payment or payments demanded, accepted, received or retained exceeds the Maximum Allowable Rent. A civil penalty of treble the amount by which the payment or payments demanded, accepted, received or retained exceeds the Maximum Allowable Rent shall be awarded against the Landlord upon a showing that the Landlord has acted willfully or with oppression, fraud or malice. No administrative remedy need be exhausted prior to filing suit pursuant to this Subsection.
 2. In lieu of filing a civil action, a Tenant may file an administrative complaint. The Board shall establish by rule and regulation a hearing procedure similar to that set forth in Section 8.22.090.
 3. The rules and regulations adopted by the Board shall provide for final Board action on any complaint for excess Rent within one hundred twenty (120) days following the date of filing of the complaint.
 4. In any administrative hearing under this Section, a Landlord who demands, accepts, receives or retains any payment of Rent in excess of the Maximum

Allowable Rent shall be liable for damages in the amount by which the payment or payments demanded, accepted, received or retained exceeds the Maximum Allowable Rent.

5. If the Tenant from whom such excessive payment is demanded, accepted, received or retained in violation of the foregoing provisions of this Chapter, or any rule or regulation or order hereunder promulgated, fails to bring a civil or administrative action as provided for in Sections 8.22.090 within one hundred twenty (120) days from the date of occurrence of the violation, the Board may settle the claim arising out of the violation or bring such action. Thereafter, the Tenant on whose behalf the Board acted is barred from also bringing an action against the Landlord in regard to the same violation for which the Board has made a settlement or brought action. In the event the Board settles said claim, it shall be entitled to retain the costs it incurred in settlement thereof, and the Tenant against whom the violation has been committed shall be entitled to the remainder.
6. The appropriate court in the jurisdiction in which the Controlled Rental Unit affected is located shall have jurisdiction over all actions brought under this Section.
7. Any Landlord violating this Chapter shall be guilty of a misdemeanor and shall be punished in accordance with the Oakland Municipal Code.

Section 11. That subdivision (F) of Section 8.22.350 of the Oakland Municipal Code is amended to read as follows and subdivision (H) of Section 8.22.350 is repealed:

F. A rental unit in a residential property that is divided into a maximum of ~~two~~three units, one of which is occupied by the owner of record as his or her principal residence. For purposes of this section, the term owner of record shall not include any person who claims a homeowner's property tax exemption on any other real property in the State of California.

~~H. Newly constructed rental units which are completed and offered for rent for the first time after the effective date of the initial Oakland Residential Rent, Relocation, and Arbitration Ordinance, provided that such new units were not created as a result of rehabilitation, improvement or conversion as opposed to new construction.
(Ord. 12537 § 1 (part), 2003)~~

Section 12. That subdivisions (A) and (B) of Section 8.22.360 of the Oakland Municipal Code are amended to read as follows:

A. No landlord shall take action to terminate any tenancy, including but not limited to making a demand for possession of a Rental Unit, threatening to terminate a tenancy verbally or in writing, serving any notice to quit or other eviction notice, or bringing any action to recover possession or be granted recovery of possession of a Rental Unit endeavor to recover possession, issue a notice terminating tenancy, or recover possession of a rental unit in the city of Oakland unless the landlord is able to prove the existence of one of the following grounds:

1. Failure to Pay Rent. The tenant has failed to pay rent to which the landlord is legally entitled pursuant to the lease or rental agreement and under provisions of state or local law, and said failure has continued after service on the tenant of a written notice correctly stating the amount of rent then due and requiring its payment within a period, stated in the notice, of not less than three (3) days. However, this subsection shall not constitute grounds for eviction where tenant has withheld rent pursuant to applicable law.

2. Breach of Lease. The tenant has continued, after written notice to cease, to substantially violate a material term of the tenancy other than the obligation to surrender possession on proper notice as required by law, and provided that such terms are reasonable and legal and have been accepted in writing by the tenant or made part of the rental agreement; and provided further that, where such terms have been accepted by the tenant or made part of the rental agreement subsequent to the initial creation of the tenancy, the landlord shall have first notified the tenant in writing that he or she need not accept such terms or agree to their being made part of the rental agreement. ~~notwithstanding any lease provision to the contrary, a landlord shall not endeavor to recover possession of a rental unit as a result of subletting of the rental unit by the tenant if the landlord has unreasonably withheld the right to sublet following a written request by the tenant, so long as the tenant continues to reside in the rental unit and the sublet constitutes a one-for-one replacement of the departing tenant(s). If the landlord fails to respond to the tenant in writing within fourteen (14) days of receipt of the tenant's written request, the tenant's request shall be deemed approved by the landlord.~~

a. Notwithstanding any contrary provision in this Section, a Landlord shall not take any action to terminate a tenancy based on a Tenant's sublease of the unit if the following requirements are met:

i. The Tenant continues to reside in the Rental Unit as his, her or their primary residence.

ii. The sublease replaces one or more departed Tenants under the Rental Housing Agreement on a one-for-one basis.

iii. The Landlord has unreasonably withheld the right to sublease following written request by the Tenant. If the Landlord fails to respond to the Tenant in writing within fourteen (14) days of receipt of the Tenant's written request, the Tenant's request shall be deemed approved by the Landlord. A Landlord's reasonable refusal of the Tenant's written request may not be based on the proposed additional occupant's lack of creditworthiness, if that person will not be legally obligated to pay some or all of the Rent to the Landlord. A Landlord's reasonable refusal of the Tenant's written request may be based on, but is not limited to, the ground that the total number of occupants in a Rental Unit exceed the maximum number of occupants as determined

under Section 503(b) of the Uniform Housing Code as incorporated by California Health and Safety Code Section 17922.

b. Protections for Families. Notwithstanding any contrary provision in this Section, a Landlord shall not endeavor to recover possession of a Rental Unit as a result of the addition to the Rental Unit of a Tenant's child, parent, grandchild, grandparent, brother or sister, or the spouse or domestic partner (as defined in California Family Code Section 297) of such relatives, or as a result of the addition of the spouse or domestic partner of a Tenant, so long as the number of occupants does not exceed the maximum number of occupants as determined under Section 503(b) of the Uniform Housing Code as incorporated by California Health and Safety Code Section 17922. The Rent Board shall promulgate regulations that will further protect families and promote stability for school-aged children.

~~3. The tenant, who had an oral or written agreement with the landlord which has terminated, has refused after written request or demand by the landlord to execute a written extension or renewal thereof for a further term of like duration and under such terms which are materially the same as in the previous agreement; provided, that such terms do not conflict with any of the provisions of this chapter. [O.M.C. Chapter 8.22, Article II].~~

~~4. The tenant has willfully caused substantial damage to the premises beyond normal wear and tear and, after written notice, has refused to cease damaging the premises, or has refused to either make satisfactory correction or to pay the reasonable costs of repairing such damage over a reasonable period of time.~~

3. Nuisance. The tenant has continued, after the Landlord has served the Tenant with a written notice to cease, to commit or expressly permit a nuisance in, or cause substantial damage to the Rental Unit.

~~6. The tenant has continued, following written notice to cease, to be so disorderly as to destroy the peace and quiet of other tenants at the property.~~

~~7. The tenant has used the rental unit or the common areas of the premises for an illegal purpose including the manufacture, sale, or use of illegal drugs.~~

4. Failure to Give Access. The tenant has, after written notice to cease without good cause, continued to deny landlord access to the unit that is permitted under Civil Code Section 1954 as required by state law.

5. Temporary Tenancy for Principal Residence. The owner of record seeks to recover possession of the rental unit for his or her occupancy as a principal residence where he or she has previously occupied the rental unit as his or her principal residence and has the right to recover possession for his or her occupancy as a principal residence under a written rental agreement with the current tenants.

6. Owner Move-In. The owner of record seeks in good faith, without ulterior reasons and with honest intent, to recover possession for his or her own use and occupancy as his or her principal residence, or for the use and occupancy as a principal residence by the owner of record's spouse, domestic partner, child, parent, or grandparent. The owner shall pay relocation expenses. The Board shall adopt rules and regulations regarding relocation expenses.

- a. ~~When the owner of record recovers possession under this Subsection (9) [Paragraph 8.22.360 A.9], and where continuous occupancy for the purpose of recovery is less than thirty-six (36) months, such recovery of the residential unit shall be a presumed violation of this chapter. The owner of record may not recover possession pursuant to this subsection more than once. in any thirty-six (36) month period.~~
- b. ~~When the owner seeking possession of a unit under Section 6(A)(9) [8.22.360 A.9] owns a similar vacant unit, the owner's decision not to occupy said similar unit shall create a rebuttable presumption that they are seeking to recover possession in bad faith.~~

c. Until such time as the Board adopts additional rules and regulations regarding relocation expenses to be paid by landlords who seek to recover possession of a unit pursuant to Subsections and 9, the following fees shall be the total amount paid for each tenancy based on length of tenancy, age of tenants and whether or not a tenant has a disability. Relocation in the amount of \$7,300 shall be paid if that tenant has lived in his or her rental unit for fewer than three years, or \$9,650 if the tenant has lived in the rental unit for three years or more. This payment is to be provided to the tenant at the time of service of the notice to quit. Each tenant who is 62 years of age or older or who is disabled within the meaning of California Government Code Section 12955 et seq., and each household with at least one tenant and at least one child under the age of 18 years, shall be entitled to receive a payment of \$15,500 if that tenant has lived in the rental unit for less than three years, or \$18,300 if the tenant has lived in the rental unit for three years or more.

c. This payment is to be provided to the tenant within fifteen (15) calendar days of the landlord's receipt of written notice from the tenant of entitlement to the relocation payment along with supporting evidence. The landlord shall notify the tenants of their rights under this section at the time of service of the notice to quit.

<u>Length of Tenancy</u>	<u>Base Rate</u>	<u>Tenant 62 and older Or minor child</u>	<u>Disabled Tenant</u>

<u>Less than three years</u>	<u>7,300</u>	<u>15,000</u>	<u>15,000</u>
<u>3 years or more</u>	<u>9,650</u>	<u>18,300</u>	<u>18,300</u>

d. Commencing upon passage of this Ordinance, these relocation expenses shall increase annually, rounded to the nearest dollar, at the rate of increase in the "rent of primary residence" expenditure category of the Consumer Price Index ("CPI") for the preceding calendar year, as that data is made available by the United States Department of Labor and published by the Board.

7. Temporarily Vacate in Order to Make Substantial Repairs. The owner of record, after having obtained all necessary permits from the City of Oakland on or before the date upon which notice to vacate is given, seeks in good faith to undertake substantial repairs that cannot be completed while the unit is occupied, and that are necessary either to bring the property into compliance with applicable codes and laws affecting health and safety of tenants of the building, or under an outstanding notice of code violations affecting the health and safety of tenants of the building. The owner shall pay relocation expenses. The Board shall adopt rules and regulations regarding relocation expenses.

a. Until such time as the Board adopts additional rules and regulations regarding relocation expenses to be paid by landlords who seek to recover possession of a unit pursuant to Subsections and 9, the following fees shall be the total amount paid for each tenancy based on length of tenancy, age of tenants and whether or not a tenant has a disability. Relocation in the amount of \$7,300 shall be paid if that tenant has lived in his or her rental unit for fewer than three years, or \$9,650 if the tenant has lived in the rental unit for three years or more. This payment is to be provided to the tenant at the time of service of the notice to quit. Each tenant who is 62 years of age or older or who is disabled within the meaning of California Government Code Section 12955 et seq., and each household with at least one tenant and at least one child under the age of 18 years, shall be entitled to receive a payment of \$15,500 if that tenant has lived in the rental unit for less than three years, or \$18,300 if the tenant has lived in the rental unit for three years or more.

i. This payment is to be provided to the tenant within fifteen (15) calendar days of the landlord's receipt of written notice from the tenant of entitlement to the relocation payment along with supporting evidence. The landlord shall notify the tenants of their rights under this section at the time of service of the notice to quit.

<u>Length of Tenancy</u>	<u>Base Rate</u>	<u>Tenant 62 and older Or minor child</u>	<u>Disabled Tenant</u>
<u>Less than three years</u>	<u>7,300</u>	<u>15,000</u>	<u>15,000</u>
<u>3 years or more</u>	<u>9,650</u>	<u>18,300</u>	<u>18,300</u>

- b. Commencing upon passage of this Ordinance, these relocation expenses shall increase annually, rounded to the nearest dollar, at the rate of increase in the "rent of primary residence" expenditure category of the Consumer Price Index ("CPI") for the preceding calendar year, as that data is made available by the United States Department of Labor and published by the Board.
8. **Ellis Act Eviction.** The owner of record seeks in good faith, without ulterior reasons and with honest intent, to remove the property from the rental market in accordance with the terms of the Ellis Act (California Government Code Section 7060 et seq.). The owner shall pay relocation expenses. The Board shall adopt rules and regulations regarding relocation expenses.
- a. Until such time as the Board adopts additional rules and regulations regarding relocation expenses to be paid by landlords who seek to recover possession of a unit pursuant to Subsections and 9, the following fees shall be the total amount paid for each tenancy based on length of tenancy, age of tenants and whether or not a tenant has a disability. Relocation in the amount of \$7,300 shall be paid if that tenant has lived in his or her rental unit for fewer than three years, or \$9,650 if the tenant has lived in the rental unit for three years or more. This payment is to be provided to the tenant at the time of service of the notice to quit. Each tenant who is 62 years of age or older or who is disabled within the meaning of California Government Code Section 12955 et seq., and each household with at least one tenant and at least one child under the age of 18 years, shall be entitled to receive a payment of \$15,500 if that tenant has lived in the rental unit for less than three years, or \$18,300 if the tenant has lived in the rental unit for three years or more.
- b. This payment is to be provided to the tenant within fifteen (15) calendar days of the landlord's receipt of written notice from the tenant of entitlement to the relocation payment along with supporting evidence. The landlord shall notify the tenants of their rights under this section at the time of service of the notice to quit.
- c. Commencing upon passage of this Ordinance, these relocation expenses shall increase annually, rounded to the nearest dollar, at the rate of increase in the "rent of primary residence" expenditure category of the Consumer Price Index ("CPI") for the preceding calendar year, as that

data is made available by the United States Department of Labor and published by the Board.

- C. Within ten (10) days of service of a notice terminating tenancy upon a tenant, a copy of the same notice and any accompanying materials must be filed with the Rent Board. Each notice shall be indexed by property address and by the name of the landlord and shall be placed in a searchable database by the Board. Such notices shall constitute public records of the City of Oakland, and shall be maintained by the Rent Board and made available for inspection during normal business hours. Failure to file the notice within ten (10) days of service shall be a defense to any unlawful detainer action.

Section 13. That subdivisions C, D and E of Section 8.22.450 of the Oakland Municipal Code are removed, and current subdivisions A, B, F, and G of Section 8.22.450 of the Oakland Municipal Code are amended to read as follows:

8.22.450 - Relocation payments ~~for lower income households.~~

- A. ~~Tenant households whose income is not more than that permitted for lower income households, as defined by California Health and Safety Code Section 50079.5, are entitled to receive payments to mitigate the adverse impact of displacement from withdrawal of the unit.~~
- B. ~~The relocation payment is two months of the tenant's rent in effect at the time owner issues the notice of termination of tenancy under this O.M.C. Article 8.22.400. The owner shall pay relocation expenses. The Rent Board shall adopt rules and regulations regarding relocation expenses.~~
1. Until such time as the Rent Board adopts additional rules and regulations regarding relocation expenses to be paid by landlords who seek to recover possession of a unit pursuant to Subsections and 9, the following fees shall be the total amount paid for each tenancy based on length of tenancy, age of tenants and whether or not a tenant has a disability. Relocation in the amount of \$7,300 shall be paid if that tenant has lived in his or her rental unit for fewer than three years, or \$9,650 if the tenant has lived in the rental unit for three years or more. This payment is to be provided to the tenant at the time of service of the notice to quit. Each tenant who is 62 years of age or older or who is disabled within the meaning of California Government Code Section 12955 et seq., and each household with at least one tenant and at least one child under the age of 18 years, shall be entitled to receive a payment of \$15,500 if that tenant has lived in the rental unit for less than three years, or \$18,300 if the tenant has lived in the rental unit for three years or more. These amounts shall supersede any passed by the City Council if they are less than the amounts listed below.
 - a. This payment is to be provided to the tenant within fifteen (15) calendar days of the landlord's receipt of written notice from the tenant of entitlement to the relocation payment along with supporting evidence. The landlord shall notify the tenants of their rights under this section at the time of service of the notice to quit.

<u>Length of Tenancy</u>	<u>Base Rate</u>	<u>Tenant 62 and older Or minor child</u>	<u>Disabled Tenant</u>
<u>Less than three years</u>	<u>7,300</u>	<u>15,000</u>	<u>15,000</u>
<u>3 years or more</u>	<u>9,650</u>	<u>18,300</u>	<u>18,300</u>

- b. Commencing upon passage of this Ordinance, these relocation expenses shall increase annually, rounded to the nearest dollar, at the rate of increase in the "rent of primary residence" expenditure category of the Consumer Price Index ("CPI") for the preceding calendar year, as that data is made available by the United States Department of Labor and published by the Board.
- C. ~~A tenant whose household qualifies as lower income may request relocation payments from the owner, provided the tenant gives written notice of his or her entitlement to such payments to the owner within sixty (60) days of the date of delivery to the Rent Adjustment Program of the Withdrawal Documents.~~
- D. ~~An owner who, reasonably and in good faith, believes that a tenant does not meet the income standards as a household may request documentation from the tenant demonstrating the tenant's income. Such documentation may not include any document that is protected as private or confidential under any state, local, or federal law. The owner's request must be made within fifteen (15) days after receipt of the tenant's notification of eligibility for relocation benefits. The tenant has thirty (30) days following receipt of the owner's request for documentation to submit documentation. The owner must keep the documents submitted by the tenant confidential unless there is litigation or administrative proceedings regarding the tenant's eligibility for relocation payments or the documents must be produced in response to a subpoena or court order, in which case the tenant may seek an order from the court or administrative body to keep the documents confidential.~~
- E. ~~Time for payment. The owner must make the relocation payment within fifteen (15) days of the tenant's notice of eligibility or the tenant supplying documentation of the tenant's eligibility, provided that the tenant agrees not to contest an unlawful detainer based on the notice to terminate tenancy for the withdrawal of the tenant's rental unit. If the tenant does not so agree, then the relocation payment is not due unless the owner prevails in the unlawful detainer. If the owner prevails in the unlawful detainer, the relocation payment must be paid to the tenant prior to the owner seeking a writ of possession for the tenant to vacate the withdrawn unit.~~
- F. ~~Failure to make the relocation payments in the manner and within such times as prescribed in this Section 8.22.450 is not a defense to an unlawful detainer action. However, Additionally, if an owner fails to make the relocation payment as prescribed, the tenant may file an action against the owner and, if the tenant is found eligible for the relocation payments, the tenant will be entitled to recover the amount of the relocation payments plus an equal amount as damages and the tenant's attorney's fees. Should the owner's failure to make the payments as prescribed be found to be in bad faith, the tenant~~

shall be entitled to the relocation payments plus an additional amount of three times the amount of the relocation payments and the tenant's attorney's fees.

- G. ~~A tenant who is eligible for relocation payments under state or federal law, is not also entitled to relocation under this section.~~ A tenant who is also eligible for relocation under the City of Oakland's Code Enforcement Relocation Program (O.M.C. Chapter 15.60), must elect for either relocation payments under this section or O.M.C. Chapter 15.60, and may not collect relocation payments under both.

Section 14. That subdivision G of Section 8.22.500 of the Oakland Municipal Code is amended to read as follows:

- G. ~~No Pass through Passthrough of One-Half of Fee. For rental properties that are covered by the rent adjustment program, a rental property owner may pass through one-half of the fee to a tenant in the year in which it is due, unless the owner does not pay the fee before the date it is deemed late.~~ A rental property owner may not pass through any penalties, delinquent charges, or interest to a tenant. Rental properties that are subject to the fee, but are not covered by the rent adjustment program are not subject to the limitation in this Subsection 8.22.500(G).

Section 15. That Section 8.22.690 of the Oakland Municipal Code is added to read as follows:

8.22.690 – Implementation of “Tenant Protection Ordinance” [Ordinance No. 13265, OMC Section 8.22.650 et seq.]

- A. At the time of adoption of the Tenant Protection Ordinance by the City Council, the “Remedies” section were stayed, with no scheduled date for removal of the stay. As a part of this Article, Section 8.22.650 “General Remedies;” “Section 8.22.660 “(Reserved), Section 8.22.670 “Civil Remedies;” and Section 8.22.680 “Miscellaneous” of the Tenant Protection Ordinance are herein adopted.
- B. Within ninety (90) days of passage and certification of this Ordinance, the Office of the City Attorney, Office of the City Administrator, and Officer of the Rent Stabilization Board, administered by the City Attorney, shall present to the City Council for adoption, and implementation plan, staffing plan, Rules and Regulations, and a two (2) year budget plan for the Tenant Protection Ordinance. The City Attorney shall announce the plan and dates of scheduled City Council action to the general public.

