

The People of the City of Anaheim do hereby enact the following Ordinance, which may be referred to as: “*City of Anaheim Community Preservation, Rent Stabilization, Tenants’ Rights Act*”

TITLE 19

- SECTION 1 TITLE AND PURPOSE
- SECTION 2 FINDINGS
- SECTION 3 DEFINITIONS
- SECTION 4 EXEMPTIONS
- SECTION 5 ADDITIONAL HOMEOWNER PROTECTIONS
- SECTION 6 JUST CAUSE FOR EVICTION PROTECTIONS; FAMILY PROTECTIONS
- SECTION 7 STABILIZATION OF RENTS
- SECTION 8 RENT INCREASES PURSUANT TO ANNUAL RENT ADJUSTMENT
- SECTION 9 INITIAL RENTS FOR NEW TENANCIES ARTICLE
- SECTION 10 NOTICE OF RIGHTS UNDER THIS CHAPTER
- SECTION 11 TENANT BUYOUT NOTIFICATION PROGRAM
- SECTION 12 ANAHEIM RENT BOARD
- SECTION 13 PETITIONS FOR INDIVIDUAL RENT ADJUSTMENT- BASES
- SECTION 14 PETITIONS FOR INDIVIDUAL RENT ADJUSTMENT- PROCEDURES
- SECTION 15 REGULATION OF LEASES IN MOBILEHOME PARKS
- SECTION 16 JUDICIAL REVIEW
- SECTION 17 NON-WAIVERABILITY
- SECTION 18 REMEDIES
- SECTION 19 INJUNCTIVE AND OTHER CIVIL RELIEF
- SECTION 20 SEVERABILITY
- SECTION 21 CONFLICTING CHARTER PROVISIONS

SECTION 22 CODIFICATION

SECTION 23 DUTY TO DEFEND

SECTION 24 MAJORITY APPROVAL, EFFECTIVE DATE, EXECUTION

SECTION 1 TITLE AND PURPOSE

This Ordinance shall be known as the City of Anaheim Community Preservation, Rent Stabilization, Tenants' Rights Act. The purpose of the Ordinance is to promote neighborhood and community stability, healthy housing, and affordability for renters in the City of Anaheim by regulating excessive rent increases and arbitrary evictions to the maximum extent permitted under California law, while ensuring Landlords a fair return on their investment and guaranteeing fair protections for renters, Mobilehome Owners, homeowners, and businesses.

It is the further purpose of this Ordinance to stabilize the rate of Mobilehome Park space rentals to:

1. Prevent exploitation of a shortage of vacant Mobilehome Park spaces should it occur;
2. Prevent excessive and unreasonable Mobilehome Park space rent increases while still assuring Mobilehome Park owners' right to a fair return;
3. Provide a process for ensuring Mobilehome Park owners a fair, just and reasonable rate of return on their parks in cases where the guaranteed annual space rent increase provided by this chapter proves insufficient;
4. Assist in protecting affordable housing to help provide a variety of housing types within a range of costs affordable to the low- and very low-income households; and
5. Rectify the disparity of bargaining power that exists between Mobilehome Owners or Prospective Mobilehome Owners and Mobilehome Park owners.

SECTION 2 FINDINGS

The People of the City of Anaheim find and declare as follows:

(a) A shortage of decent, safe, affordable, and sanitary housing exists in the City of Anaheim, which has resulted in a quickly gentrifying city that is pushing out valuable, long-term residents. Because of this shortage of moderately priced rental space, freedom of contract and the ability of tenants to bargain in the setting of rents have become illusory.

(b) The City of Anaheim's 2024-2034 Strategic Plan's¹ mission aims to provide a high quality of life for all Anaheim residents.

(c) High rental housing costs make it increasingly difficult, if not impossible, for renter households in the City of Anaheim to become first-time homeowners. According to the Southern California Association of Governments (SCAG), Orange County has had its largest decrease in homeownership in the last decade.² According to the 2024 American Community Survey (ACS) 1-year estimates, the City of Anaheim has a homeownership rate of just over

¹ [City of Anaheim 2024-2034 Strategic Plan, Attachment 4](#)

²

forty-seven percent (47%), compared to a homeownership rate of over fifty-six percent (56%) in Orange County generally in 2024³.

(d) Tenants should not have to worry constantly about losing their home for no reason. Common-sense protections against unfair evictions are needed in the City of Anaheim to safeguard long-time and low-income residents from landlords who attempt to exploit the system to capitalize on record-high rents.

(e) The People of the City of Anaheim believe that housing instability is a public health emergency. Rising housing costs and an unpredictable housing market create an unstable economic and housing fabric, as many lower-income households face higher rates of housing cost burden. Research from Health in Partnership, a public health research, organizing, and policy collective, highlights that a 10 percentage point increase in rent burden correlates with an 8 percent higher rate of death. Rent stabilization ordinances, when paired with Just Cause protections, create predictable rent increases while ensuring a fair rate of return for landlords. Slowing rent growth and helping people remain in their homes for longer periods promotes housing affordability and stability. These benefits can lead to health improvements due to potential reductions in financial strain, reducing risks of homelessness, improving housing stability, and creating stronger, cohesive communities.⁴

(f) The City of Anaheim is the largest of the 34 cities in Orange County. In 2024, according to the 2024 American Community Survey 1-year estimate, the City of Anaheim's estimated population of 344,579 residents represented approximately 11 percent of Orange County's total population, ranking the City of Anaheim as the most populated city in Orange County⁵. As of the 2024 American Community Survey 1-year estimate, the City of Anaheim has approximately 108,465 housing units. Multi-family housing comprises 44 percent of all housing, of which 11 percent are duplexes, triplexes, and fourplexes⁶.

(g) The People of the City of Anaheim recognize the value of homeownership, and specifically the value of local ownership of rental housing. As such, the Ordinance seeks to balance tenant protections with the rights and interests of residents in the City of Anaheim who own their homes.

(h) According to the U.S. Census Bureau's 2024 American Community Survey 1-Year Estimate, residents in the City of Anaheim have a median household income of just over \$101,145, compared to a median income of more than \$115,229 for Orange County⁷. According to the 2025 report by the California Housing Partnership Corporation, asking rents in Orange County, which includes the City of Anaheim, increased 27 percent, approximately \$609, since 2019, while renters need to earn 3.3 times the state minimum wage to afford the average asking rent of \$2,857 for a two-bedroom apartment in the County. Moreover, the majority, 81%, of Orange County's extremely low-income renters spend more than half of their income on housing costs, leaving very little to meet other basic human needs such as food and health.⁸

³ [American Community Survey \(ACS\)](#).

⁴ [Health in Partnership. The Health Benefits of Rent Control: A Policy Brief for Public Health Practitioners \(2025\)](#)

⁵

⁶

⁷ [American Community Survey \(ACS\), Income in the Past 12 Months \(Table S1901\)](#)

⁸ [California Housing Partnership](#).

(i) Reports from prominent rental sites where residents commonly search for vacant apartment units demonstrate high average rents and cost of living reports in Anaheim. For example, Redfin Group, Inc., a major housing real estate platform for rentals and property sales, reports that the average rent in Anaheim is \$2,720 as of August 2025. They reported \$46 increase compared to the previous month, July 2025, demonstrating increasing average rents.⁹ Apartment List, another major rental and property sales platform, shares in their ‘Cost of Living in Anaheim, CA 2025’ report¹⁰, according to Best Places, the cost of living in the City is 64.9% higher than the U.S. average and 10% higher than the California average.¹¹

(j) Renter households are more likely to be lower income than those of homeowners. The 2021-2029 Housing Element for the City of Anaheim states that more than fifty percent of households (57%) in the City of Anaheim have incomes that are less than 80 percent (80%) of the Area Median Income (AMI), the low-income threshold as defined by the U.S. Department of Housing and Urban Development¹².

(k) In 2024, 10 percent of Anaheim families had household incomes below the poverty level. This is a 2 percent increase from 2023. Approximately 15 percent of Anaheim households received Food Stamps/SNAP benefits in 2024.¹³

(l) A household is rent-burdened if it spends more than 30 percent (30%) of its gross income on housing costs. According to the 2018-2022 U.S. Department of Housing and Urban Development’s (HUD) Comprehensive Housing Affordability Strategy (CHAS) data, approximately 54% of all renter households in the City of Anaheim are low-income and rent burdened, which is approximately 30,270 households in the City of Anaheim. Approximately 31% of Anaheim renters spend 50% or more of their household income on rent¹⁴.

(m) The increasing housing rent burden and poverty faced by many residents in the City of Anaheim threaten the health, safety, and welfare of its residents by forcing them to choose between paying rent and providing food, clothing, and medical care for themselves and their families.

(n) In 2018, the Economic Roundtable and Occidental College published ‘*Working for the Mouse: A Survey of Disneyland Resort Employees*’ that identified that the majority of Disneyland employees do not earn enough money to cover basic expenses every month and worry about housing instability, like being evicted from their homes. Approximately more than 1 out of 10 Disneyland employees reported having been homeless in the past two years of this report’s publishing year. Half of Disneyland employees reported living in overcrowded housing conditions.¹⁵ In 2024, Disneyland reached a settlement of 233 million dollars for allegedly evading Measure L, the City of Anaheim’s minimum wage law for Anaheim Resort employers

9 [Redfin, Rental Market Trends for Anaheim, CA](#)

10 [Apartment List, Cost of Living in Anaheim, CA 2025](#)

11 [Best Places, Anaheim, CA Cost of Living \(2025\)](#)

12 [City of Anaheim, 2021-2029 City of Anaheim Housing Element, Section 2 - Anaheim Community Profile, 2-14](#)

13 [American Community Survey \(ACS\), 2024 1-year Comparative Economic Characteristics \(Table CP03\)](#)

14 [2018-2022 Comprehensive Housing Affordability Strategy \(CHAS\) Data \(U.S. Department of Housing and Urban Development \(HUD\)\)](#)

15 [Economic Roundtable and Occidental College, Working for the Mouse: A Survey of Disneyland Resort Employees \(2018\)](#)

that receive a city tax rebate.¹⁶ The People of Anaheim anticipate that these numbers have only increased post-pandemic despite increases in wages given that to afford to live in Orange County renters have to earn at least \$54.95 an hour to afford current asking rents.¹⁷

(o) According to the official Orange County Affordable Housing List, there are approximately 73 deed-restricted government affordable housing buildings available in Anaheim.¹⁸ As of 2023, the Orange County Housing Authority's Waiting List is closed, signifying that it is not currently accepting any applications for affordable housing units in the City of Anaheim.¹⁹

(p) The State of California's Housing Element Law (Gov. Code §§65863, 65580-65589.8, and §§65751-65761 (including the State of California's Housing Accountability Act, Gov. Code §65589.5, §65598.6, as those sections may be amended), requires that the City of Anaheim encourage the production of a variety of housing types; and identify adequate sites for affordable housing for persons at extremely low- very-low, low-, and moderate-income levels. Further, as of January 1, 2019, through Assembly Bill 686 (amending Gov. Code §65863, and adding Gov. Code §8899.50, as those sections may be amended), the California Legislature now requires all its jurisdictions to affirmatively further fair housing in their cities.

(q) The City of Anaheim was designated a 2021-2029 Regional Housing Needs Allocation (RHNA) totaling a need for 17,453 units during the planning period, including 3,767 very low-income units, 2,397 low-income units, 2,945 moderate-income units, and 8,344 above-moderate income units.²⁰ Given the current challenges in meeting the existing and projected housing needs of lower-income residents in the City of Anaheim, regulating and stabilizing rents serves as a vital tool to maintain the affordability of a significant portion of the housing supply within a reasonable period. It is also a tool for community preservation and protection against displacement. According to the Urban Displacement Project, a University of California, Berkeley research project team, identifies the Los Angeles-Long Beach-Anaheim, CA metropolitan area as one of the top ten most housing precarious metros, meaning that these communities have higher risks of post-pandemic eviction, displacement, and long-term poverty.²¹

(r) The U.S. Department of Housing and Urban Development's (HUD) Comprehensive Housing Affordability Strategy (CHAS) identified that approximately 53% of Anaheim residents experience overcrowding, overpayment, or incomplete kitchen and/or plumbing facilities. Approximately 36% of residents in the City of Anaheim live in severe levels of the aforementioned housing conditions.²²

(s) In the 2024-2025 academic school year, there were approximately 41,970 enrolled students in the Anaheim Elementary School District (14,740²³) and the Anaheim Union High School District (27,195) combined. Of the 41,970 combined student population, in 2025, 73.4%

¹⁶ [LA Times, Disney agrees to \\$233-million settlement in wage theft case \(2024\)](#)

¹⁷

¹⁸ [Orange County Housing Authority \(OCHA\), O.C. Affordable Rental Housing List \(2025\)](#)

¹⁹ [Orange County Housing Authority \(OCHA\), 2023 OCHA Waiting List](#)

²⁰ [City of Anaheim, 2021-2029 City of Anaheim Housing Element, Section 1 - Introduction, 1-3](#)

²¹ [The Urban Displacement Project, 2022 Housing Precarity Risk Model](#)

²² [2018-2022 Comprehensive Housing Affordability Strategy \(CHAS\) Data \(U.S. Department of Housing and Urban Development \(HUD\)\)](#)

²³ [California Department of Education, 2024-2025 District Profile: Anaheim Elementary](#)

at Anaheim Elementary School District and 81.9% are considered economically disadvantaged, meaning they were eligible for free or reduced lunch, or their parents did not graduate high school. Additionally, in the 2024-2025 academic year, 1,868 Anaheim Elementary School District students, 12.6%, were identified as homeless.²⁴ The Anaheim Union High School District had 2,022, 7.4%, enrolled students identified as homeless in the 2024-2025 academic year.²⁵ Evictions and displacement impose an especially high burden on school-aged children and their families, including increased absences from school and other educational disruptions that can have long-lasting effects, such as impacts on mental and physical health, as well as school and social hardships for the children and their families.²⁶

(t) Additionally, homelessness in Orange County is rising at a rapid pace. The most recent publicly available Point-In-Time Count & Survey, a federally mandated snapshot of the homeless population, conducted in 2024, revealed approximately 7,322 homeless persons living in Orange County. In 2024, Anaheim had the second-largest reported population of homeless individuals in Orange County, at 1,417 persons. This makes up more than 19.3% of Orange County’s homeless population.²⁷

(u) In 2020, the U.S. Government of Accountability describe in their *Homelessness: Better HUD Oversight of Data Collection Could Improve Estimates of Homeless Population* Report, in their statistical analysis, that a median rent increase of \$100 per month are associated with a 9 percent increase in homelessness.²⁸

(v) According to findings by the National Law Center on Homelessness and Poverty, “[l]aws that stabilize rents and prevent unjust evictions . . . directly address the underlying causes of housing instability and homelessness.”²⁹ The People of the City of Anaheim seek to promote the development of affordable housing and to provide robust and effective services to residents experiencing chronic homelessness. The People of the City of Anaheim further recognize that policies designed to prevent individuals and families from losing their housing by stabilizing housing costs and prohibiting unjust evictions are critical tools for addressing homelessness in the City of Anaheim.

(w) The California Legislature has found that some landlords report (or threaten to report) their tenants’ immigration status to harass or intimidate those tenants.³⁰ Other landlords carry out such reports or threats as a way of retaliating against tenants who have reported habitability issues or who have exercised other tenant rights. Reports and threats based on immigration status are also used to pressure tenants into leaving their homes, a problem that is particularly salient in rapidly gentrifying cities such as Anaheim, where some landlords might be

²⁴ [California Department of Education \(Data Quest\), 2024-25 Anaheim Elementary School District: Homeless Student Enrollment by Dwelling Type](#)

²⁵ [California Department of Education \(Data Quest\), 2024-25 Anaheim Union High School District: Homeless Student Enrollment by Dwelling Type](#)

²⁶

²⁷

²⁸ [U.S. Government Accountability Office, Homelessness: Better HUD Oversight of Data Collection Could Improve Estimates of Homeless Population \(2020\)](#)

²⁹

³⁰

motivated to illicitly push out lower- and moderate-income tenants in favor of more lucrative projects. Arrest by ICE can lead to detention and deportation, ripping families and communities apart. For more than a century, the U.S. Supreme Court has recognized deportation as a deprivation of liberty that “may result . . . in loss of both property and life, or of all that makes life worth living.” *Ng Fung Ho v. White*, 259 U.S. 276 (1922).

(x) Landlords have greater incentives to induce tenants in rent-stabilized units to vacate. In jurisdictions with rent stabilization ordinances, many landlords offer cash buyouts in exchange for tenants vacating rental units. Many of these buyout negotiations are not conducted fairly, and landlords sometimes employ high-pressure tactics or intimidation to induce tenants to sign agreements. Legislation is needed to promote fairness in buyout negotiations and agreements by requiring landlords to provide tenants with a statement of rights and allowing tenants a 30-day period during which they may rescind the buyout agreement in order to give tenants sufficient time to seek advice. This Legislation will help ensure that the City of Anaheim meets its goals to increase opportunities for extremely-low, very-low, low-, and moderate-income individuals and families to find diverse and quality housing in the City of Anaheim.

(y) Furthermore, tenants who are displaced by landlord actions are subject to serious adverse impacts. Such actions can include evictions, which impose unfair burdens on tenants when they are evicted through no fault of their own. The financial implications of displacement include, but are not limited to, packing, moving, temporary housing, application for new housing, and storage costs, as well as lost wages and time due to taking time off work. Additionally, landlords often require prospective tenants to pay the equivalent of three months' rent upfront to secure a lease—generally representing the first and last month's rent, as well as a security deposit. The total accumulated cost imposed on a displaced household generally exceeds \$10,000 and can frequently reach \$20,000 or greater. Tenants who are seniors, persons with disabilities, or have children incur even higher costs due to their particular circumstances. School-aged children who are evicted from their homes often miss school; transitioning to new schools also interrupts their education. Low- and moderate-income tenants cannot afford such sudden and costly expenses, and they often experience homelessness as a direct consequence of eviction, which itself imposes further financial, social, health, and emotional costs. The severe financial impacts of displacement on tenants pose a threat to the public health, safety, and welfare of the residents in the City of Anaheim.

(z) The City of Anaheim does not currently restrict rental increases or grounds for eviction. Residents have been unfairly evicted so that landlords can take advantage of the current housing shortage in Anaheim and raise rents. Many tenants do not understand what their rights are in an eviction case and how they may get help if they believe their landlords are violating their rights. Gentrification is rapidly rising in Anaheim, with dozens of estimated new luxury buildings developed in the last five years, while simultaneously, landlords can currently evict tenants to make way for newer buildings without any compensation to renters.

(aa) The Consumer Price Index (CPI) is an accepted measure of the general change over time in prices and, therefore, the cost of living and doing business. Since 1984, increases in the CPI (All items, All Urban Consumers, Los Angeles-Long Beach-Anaheim region) have been modest, generally under four (4%) percent per year, with the latest increase at 3.6% for

November 2025.³¹ Meanwhile, the counties of Los Angeles and Orange are experiencing a rapid rise in the rent index. The cost of renting in the Los Angeles-Long Beach-Anaheim metropolitan area rose 2.7% when comparing January 2025 to November 2025.³² Wage increases have trailed rather than stimulated general cost increases. A cap on rent increases tied to the change in the CPI generally will protect low-wage tenants without limiting landlords' fair return on investment.

(bb) In unusual cases where a cap on rent increases poses difficulty for a particular landlord, the legal requirement for a fair return is satisfied so long as an adequate process is established for the landlord to seek an individualized adjustment. Courts in California have long upheld the constitutionality of the maintenance of the net operating income (MNOI) standard in these individualized determinations. The MNOI standard typically indexes increases to those found in the CPI, including indexing the MNOI standard at less than 100% of the change in the CPI. One reason is that such indexing accounts for the fact that a landlord's return on investment is not limited to the revenue from rent rolls, but also includes increases to the landlord's equity in the property and overall appreciation of the property. Another reason is that a major component of the CPI is determined by increases in housing costs, which are often driven by speculation rather than maintenance costs; thus, these costs unduly influence the rise in the overall CPI. Over the last 40 years, the change in the CPI for the Los Angeles-Long Beach-Anaheim region for "All items less shelter" was approximately 80% of the change in the CPI for "All items." The People of the City of Anaheim find that indexing the MNOI standard at 80% of the change in the CPI for "All items" is reasonable and will guarantee that landlords will obtain a fair rate of return on their investments.

(cc) The Tenant Protection Act of 2019 (AB 1482) caps the statewide rent increases to 5% in addition to CPI, which does not greatly benefit Anaheim residents who are at risk of displacement, even with increases at or below this level. Additionally, AB 1482 excludes many Anaheim residents from just cause eviction protections, including new tenants who have resided in a new apartment for less than a year. Furthermore, it exempts from rent stabilization renters who reside in mobile home parks and duplexes, who comprise 5% of Anaheim's population.³³

(dd) In the City of Anaheim, Mobile home Parks comprise approximately 3% of all housing in the City of Anaheim.³⁴ According to the Mobile Home Park Home Owners Allegiance (MHPOA), a mobile home resident-led association, report, as of August 2025, a total of 26 Mobile Home Parks totaling 3,527 spaces with an average rent of \$1,540 excluding HOA fees.³⁵

(ee) Housing costs continue to escalate in Orange County, and Mobilehome Parks serve as an important affordable housing option for residents in the City of Anaheim.

(ff) Since a Mobile Home is affixed to the property on which it resides, it is generally

³¹ [U.S. Bureau of Labor Statistics, Consumer Price Index, Los Angeles area: AllegianceAllegiancetherereportsNovember 2025](#)

³²

³³ [American Community Survey, 2024 1-year estimates Physical Housing Characteristics for Occupied Units \(Table S2504\)](#)

³⁴ [American Community Survey, 2024 1-year estimates Physical Housing Characteristics for Occupied Units \(Table S2504\)](#)

³⁵ [Mobile Home Park Owners Allegiance, Mobile Home Parks in Anaheim, CA \(2025\)](#)

not cost-effective to move it, often resulting in the Homeowner losing the Mobile Home if he or she cannot pay the rent imposed by the landlord.

(gg) According to the Mobile Home Park Owners Allegiance (MHPOA), approximately 106 jurisdictions have enacted Mobile Home rent stabilization ordinances (RSOs) in California. The most recent Mobile Home adopted RSO was in National City, CA, in 2023.³⁶

(hh) Absent the adoption of this Ordinance, due to the economic conditions and recognized housing shortage in Southern California, significant rent increases will continue to affect a substantial number of Mobile Home residents in the City of Anaheim and constitute a threat to their public health, safety, and welfare.

(ii) Manufactured housing and mobile homes can provide housing opportunities that are deemed to be more affordable to lower and moderate income households. Further, mobile homes provide an important form of affordable housing for a substantial number of mobile home Owners/Residents who reside in the City of Anaheim.

(jj) The City of Anaheim's Housing Element's Policy Program contains five core strategy areas including the Housing Conservation and Preservation Action aiming to "establish policy actions for the conservation of the existing housing stock and preservation of housing opportunities for Anaheim residents", of which affordable Mobile Home Park spaces are typically an example. It is in the City of Anaheim's interest to preserve Mobile Homes as affordable housing and facilitate the displacement of residents affected by mobile home Park conversions. To this end, protections against Mobilehome Park conversions are necessary to protect what is, for many, their most prized and valued asset.³⁷

(kk) Studies undertaken in surrounding areas have shown that typical moving costs for Mobile Homes from one Mobile Home Park to another (if vacant spaces could be located) can be several thousand dollars, depending upon the age and size of the Mobile Home. In many instances, removal requires a separation of the Mobile home unit from appurtenances, which have been made permanent, thus causing severe damage and depreciation to the Mobile home.³⁸

(ll) Mobile Homes and manufactured housing have represented an affordable form of shelter to the residents of the City of Anaheim with low- and modest incomes. Because senior citizens often own Mobile Homes, persons on fixed incomes, and persons of low- and moderate-income, rent increases for these spaces can have a significant impact on these individuals and families.

(mm) The City of Anaheim has already witnessed momentum in Mobile Home Park protections, like the case of the Rancho La Paz Senior Mobile Home Park. In this case, senior residents organized for a years-long fight for rent stabilization in which they received state law protections from rent spikes.³⁹ Prior to receiving temporary state protections, the City failed to adequately provide relief when Rancho La Paz residents advocated for local rent stabilization for

³⁶ [Mobile Home Park Owners Allegiance, California MHP Rent Stabilization Ordinances \(RSO aka SRSO\) \(2025\)](#)

³⁷ [City of Anaheim, 2021-2029 Housing Element, Section 4: Housing Policy Program, 4-5](#)

³⁸ [Forbes, How Much Does It Cost To Move A Mobile Home?, 2025](#)

³⁹ [Voice of OC, OC Mobile Home Park Seniors Win Rent Relief After Two Years of Activism \(2021\)](#)

mobile home parks to which they received substantial rent increases the next day.⁴⁰ While these protections provide relief for only Rancho La Paz Mobile Home Park residents, they are temporary and sunset in 2030⁴¹. This case demonstrates that there is a current issue with Mobile Home Park rent affordability among mobile home residents relying on fixed incomes or lower incomes. Anaheim Mobile Home Park residents need and deserve permanent rent stabilization and just cause protections.

(nn) It is desirable to provide Prospective Mobilehome Owners/Residents of Mobilehomes with the understanding that Landlords do not require multi-year leases that would render protections under this Ordinance meaningless.

(oo) The City of Anaheim does not currently restrict rental increases or grounds for eviction. Further, many tenants do not understand or know their rights in the eviction case process. Most tenants also do not know of the limited, existing resources that can support them during their eviction case, or if they believe their landlord violated their rights.

(pp) The Costa-Hawkins Rental Housing Act (California Civil Code Section 1954.50, et seq.) currently limits the applicability of local rent stabilization policies, including prohibiting local jurisdictions from applying rent stabilization to certain residential rental properties. This Ordinance intends to comply with the Costa-Hawkins Rental Housing Act and all other applicable state and federal laws. However, if the California Legislature repeals, amends, or if a court invalidates the Costa-Hawkins Rental Housing Act, this Ordinance will apply to residential rental properties that the Costa-Hawkins Rental Act had previously exempted from local rent stabilization.

(qq) The City of Anaheim finds that the protections provided in this Ordinance are more restrictive, or provide greater benefits, than those outlined in California Civil Code sections 1946.2 and 1947.12, in areas relating to annual rent increases, evictions, relocation assistance for displaced Tenants, protection against harassment, discrimination of Tenants, and residential applicants. The Ordinance further provides other Tenant protections not subject to preemption or otherwise precluded by any other provision of law.

(rr) Because of the numerous concerns noted herein related to the adverse impacts that result from a lack of affordable housing within the City of Anaheim, the People of the City of Anaheim determine that it is in the interest of its residents to preserve the public health, safety, and general welfare to adopt this Ordinance. Accordingly, the People of Anaheim seek to put into place, among other things, just cause for eviction, rent stabilization, and a process to resolve disputes between landlords and tenants and to ensure that landlords continue to receive a fair rate of return.

⁴⁰ [Voice of OC, Anaheim City Council Shelves Mobile Home Rent Control Ordinance, Rent Increases for Seniors Start Today \(2020\)](#)

⁴¹ [Spectrum News, Seniors protected after Gov. Newsom signs mobile home rent stabilization bill \(2021\)](#)

SECTION 3 DEFINITIONS

Unless further defined elsewhere in this Title, the following words or phrases as used in this Title shall have the meaning provided below when used in this Title whether plural or singular:

(a) **Annual General Adjustment.** The Annual General Adjustment is the percentage by which the Rent for existing tenancies in Covered Rental Units may be increased each year, subject to the limitations of this Title.

(b) **Base Rent.** The Base Rent is the reference point from which the lawful Rent shall be determined and adjusted in accordance with this Title.

(1) Tenancies commencing on or before January 1, 2026. The Base Rent for tenancies that commenced on or before January 1, 2026, shall be the Rent in effect on January 1, 2026.

(2) Tenancies commencing after January 1, 2026. The Base Rent for tenancies that commenced after January 1, 2026, shall be the initial rental rate charged upon initial occupancy, provided that amount is not a violation of this Title or any provision of state law. The term "initial rental rate" means only the amount of Rent actually paid by the Tenant for the initial term of the tenancy.

(c) **Buyout Agreement.** A written agreement where a Landlord pays a Tenant money or offers other consideration to voluntarily vacate a Rental Unit covered by this Title.

(d) **Buyout Offer.** An offer, written or oral, by a Landlord to a Tenant to pay money or other consideration to vacate a Rental Unit covered by this Title.

(e) **Change of Use.** A Use of the Park for a purpose other than the rental, or the holding out for rent, of two or more Mobilehome sites to accommodate Mobilehomes used for human habitation, and does not mean the adoption, amendment, or repeal of a Park rule or regulation. A Change of Use may affect an entire Park or any portion thereof and includes conversion to a condominium, stock cooperative, planned unit development, or any form of ownership wherein spaces within the park are to be sold.

(f) **City Attorney.** The City Attorney of the City of Anaheim.

(g) **City Council.** The City Council of the City of Anaheim.

(h) **City Manager.** The City Manager of the City of Anaheim.

(i) **Code Enforcement.** The Code Enforcement Division of the Planning and Building Department of the City of Anaheim.

(j) **Comparable Housing.** Housing in an apartment complex or condominium that is similar in size, number of bedrooms and amenities to the Mobilehome that is being displaced and

is located in a community that has similar access to community amenities such as shopping, medical services, recreational facilities, schools, and transportation, or a comparable mobilehome in a Comparable Mobilehome Park.

(k) **Comparable Mobilehome Park.** A Mobilehome Park that is similar in condition, age, size, and amenities to the Mobilehome Park that is being closed and is located within a community similar to that in which the Mobilehome Park that is being closed is located and has similar access to community amenities such as shopping, medical services, recreational facilities, schools, and transportation.

(l) **Covered Rental Unit.** All Rental Units not specifically exempted under Section 4 (Exemptions – Fully Exempt) or Section 5 (Additional Homeowner Protections) herein, or California Civil Code Section 1954.52, as may be amended.

(m) **Custodial Relationship.** With respect to a child and a Tenant/Resident, that the Tenant/Resident is the legal guardian of the child, or has a court-recognized caregiver authorization affidavit for the child, or has provided full-time custodial care of the child pursuant to an agreement with the child's legal guardian or court-recognized caregiver and has been providing that care for at least one year or half of the child's lifetime, whichever is less.

(n) **Educator.** A person who works at a school in the City of Anaheim as an employee or an independent contractor of the school or of the governing body that has jurisdiction over the school, including, without limitation, all teachers, classroom aides, administrators, administrative staff, counselors, security guards, cafeteria workers, community relations specialists, child welfare, and attendance liaisons, and learning support consultants.

(o) **Fair Return.** A Fair Return shall be determined by using the maintenance of net operating income (MNOI) standard as outlined in Section 13 herein.

(p) **Hearing Officer.** An official appointed by the Rent Board to conduct an investigation or administrative hearing pursuant to this Title.

(q) **Homeowner.** A person or entity, such as a mortgagor or a lender, who has an interest in a home of at least 50% ownership interest.

(r) **Mobilehome Owner.** A person who owns their Mobilehome and who has a tenancy in a Mobilehome Park under a Rental Agreement.

(s) **Housing and Community Development.** The Housing and Community Development Department of the City of Anaheim.

(t) **Housing Services.** Housing Services include, but are not limited to, repairs, maintenance, painting, providing light, hot and cold water, elevator service, window shades and screens, storage, kitchen, bath and laundry facilities and privileges, janitor services, Utility Charges that are paid by the Landlord, refuse removal, furnishings, telephone, parking, the right to have a specified number of occupants, and any other benefit, privilege, arrangement or facility

provided or contracted for in connection with the use or occupancy of any Rental Unit. Housing Services to a Rental Unit shall include a proportionate part of services provided to common facilities of the building in which the Rental Unit is contained.

(u) **Individual Rent Adjustment**. An adjustment to the otherwise lawful Rent that is authorized by a Hearing Officer or the Rent Board pursuant to this Title.

(v) **Immigration or Citizenship Status**. For purposes of this chapter, "immigration or citizenship status" includes a perception that the person has a particular immigration or citizenship status, or that person is associated with a person who has, or is perceived to have, a particular immigration or citizenship status.

(w) **Landlord**. An owner, lessor, sublessor or any other person entitled to receive Rent for the use and occupancy of any Rental Unit, or an agent, representative, predecessor, or successor of any of the foregoing.

(x) **Landlord's Family Member**. A Landlord's parent, child, spouse or registered domestic partner, parent(s) (age 62 or over), child or children, brother, or sister.

(y) **Legal Owner**. Any person or entity having a legal interest in a Mobilehome, such as a lender or mortgagor.

(z) **Management**. Management means the owner of a Mobilehome Park or an agent or representative authorized to act on his behalf in connection with matters relating to a Tenancy in the Park.

(aa) **Mobilehome**. Mobilehome is a structure designed for human habitation and for being moved on a street or highway under permit pursuant to Section 35790 of the Vehicle Code. Mobilehome includes a manufactured home, as defined in Section 18007 of the Health and Safety Code, and a Mobilehome, as defined in Section 18008 of the Health and Safety Code, but, except as provided in subdivision (b), does not include a recreational vehicle, as defined in Section 799.29 of the California Civil Code and Section 18010 of the Health and Safety Code or a commercial coach as defined in Section 18001.8 of the Health and Safety Code. Mobilehome, for purposes of this Title, other than California Civil Code Section 798.73, also includes trailers and other recreational vehicles of all types defined in Section 18010 of the Health and Safety Code, other than motor homes, truck campers and camping trailers, which are used for human habitation if the occupancy criteria of either of the following are met, as follows: (1) The trailer or other recreational vehicle occupies a Mobilehome site in the park, on November 15, 1992, under a Rental Agreement with a term of one month or longer, and the trailer or other recreational vehicle occupied a Mobilehome site in the park prior to January 1, 1991. (2) The trailer or other recreational vehicle occupies a Mobilehome site in the park for nine or more continuous months commencing on or after November 15, 1992. Mobilehome does not include a trailer or other recreational vehicle located in a recreational vehicle park subject to Title 2.6

(commencing with California Civil Code section 799.20).

(bb) Mobilehome Park. An area of land where two or more Mobilehome sites are rented, or held out for rent, to accommodate Mobilehomes for human habitation.

(cc) New Construction. The term new construction means newly constructed spaces initially held out for rent after January 1, 1990.

(dd) Notice of Intent to Withdraw. An intention of the Landlord to Withdraw a Covered Rental Unit or Rental Unit/Dwelling from the rental market, per Government Code section 7060, et seq., as may be amended. The Notice of Intent to Withdraw shall contain the following: statements, under penalty of perjury on the form and in the number prescribed by the Rent Board, stating that the Landlord intends to evict to demolish the Covered Rental Unit, Rental Unit or Dwelling, or to remove the Covered Rental Unit, Rental Unit/Dwelling from rental housing use, the address or location of the Covered Rental Unit, Rental Unit/Dwelling, the number of Covered Rental Unit(s), Rental Unit(s)/Dwelling(s) to be demolished or removed from rental housing use, the names of the Tenants of each Covered Rental Unit, Rental Unit/Dwelling, the date on which the Covered Rental Unit, Rental Unit/Dwelling will be withdrawn from rental housing use and the rent applicable to that Covered Rental Unit, Rental Unit/Dwelling.

(ee) Notice of Intention to Re-Rent Withdrawn Accommodations. An intention to re-rent a Covered Rental Unit, or Rental Unit/Dwelling. This Notice must contain the following information:

1. The names and mailing addresses of all owners or Landlords of the Covered Rental Unit, or Rental Unit/Dwelling;
2. A statement that said owners or Landlords intend to re-rent the accommodations;
3. The addresses of those accommodations.

(ff) Occupant. A person who is entitled to use and occupy any Rental Unit at the permission of the Landlord or Tenant.

(gg) Park Owner. A person or entity that owns a Mobilehome Park or a person or entity authorized to act on behalf of the owner of a Mobilehome Park.

(hh) Petition. A petition for an Individual Rent Adjustment pursuant to this Title.

(ii) Primary Residence. The Occupant's usual place of return. To classify a unit as

an Occupant's Primary Residence does not require that the Occupant be physically present in the unit at all times or continuously but does require that the unit be the Occupant's usual place of return. Factors that are indicative of Primary Residence include but are not limited to:

(1) The Occupant carries on basic living activities at the subject premises for extended periods;

(2) The subject premises are listed with public agencies, including but not limited to federal, state and local taxing authorities, as the Occupant's primary residence;

(3) Utility Charges and other charges and fees associated with usage of the structure are billed to and paid by the Occupant at the subject premises;

(4) The Occupant does not file for a Homeowner's tax exemption for any different property;

(5) The Occupant is not registered to vote at any other location; and

(6) Ownership is held in the name of the occupant claiming Primary Residence and not held by a Limited Liability Corporation or other corporate or business entity structure.

(jj) Property. All Rental Units on a parcel or lot or contiguous parcels or contiguous lots under common ownership.

(kk) Prospective Mobilehome Owner. A person who is not currently a resident in a Park but who is a prospective Mobilehome space resident who desires the use of a Mobilehome space and who has presented himself/herself to the Park owner/Management as such, or who is a current Resident in a Park who desires to occupy another Mobilehome space in that Park.

(ll) Qualified Tenant. Any tenant who satisfies any of the following criteria on the date of service of the written notice of termination described in California Civil Code Section 1946: has attained age 62; is a Tenant/Resident with a disability as defined in California Government Code sections 12926, 12955.3, et seq., as those code sections may be amended; or is a person residing with and on whom is legally dependent (as determined for federal income tax purposes) one or more minor children.

(mm) Recognized Tenant Organization. Any group of Tenants residing in Rental Units in the same building or in different buildings operated by the same management company, agent or Landlord, who choose to be so designated. This shall also include any other at-large organization that represents the interest of Tenants.

(nn) Relocation Assistance. Financial assistance in the amounts set forth in Section 6 or amounts set forth by the Rent Board pursuant to Section 12.

(oo) Rent. All periodic payments and all nonmonetary consideration including, but not

limited to, the fair market value of goods, labor performed or services rendered to or for the benefit of the Landlord under a Rental Housing Agreement, as defined in this Section, concerning the use or occupancy of a Rental Unit and premises, including all payment and consideration demanded or paid for parking, utilities, pets, furniture, subletting and security deposits for damages and cleaning.

(pp) **Rent Board**. The term “Rent Board” refers to the Anaheim Rent Board established by this Title.

(qq) **Rental Agreement**. The Agreement between the Management and the Mobilehome Owner establishing the terms and conditions of a Park Tenancy. A lease is a Rental Agreement.

(rr) **Rental Housing Agreement**. An agreement, oral, written, or implied, between a Landlord and Tenant, or a Landlord and a Tenant for use or occupancy of a Rental Unit and for Housing Services. For the purpose of this Title, the terms “Rental Housing Agreement” and “Lease” are interchangeable.

(ss) **Rental Housing Fee**. The fee described in Section 12 herein.

(tt) **Rental Unit or Dwelling**. Any building, structure, or part thereof, or land appurtenant thereto, or any other rental property rented or offered for rent for residential purposes, whether or not such units possess a valid Certificate of Occupancy for use as rental housing, 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, which is offered or available for rent.

(uu) **Resident**. A person who lawfully occupies a Mobilehome.

(vv) **School**. Any state-licensed childcare center, state-licensed family day care, and/or any public, private, or parochial institution that provides educational instruction for students in any or all of the grades from kindergarten through twelfth grade.

(ww) **School Year**. First day of instruction for the Fall Semester through the last day of instruction for the Spring Semester, as posted on the Anaheim Elementary School District and the Anaheim Union High School District websites for each year, or, if a student does not attend an Anaheim Elementary School District or Anaheim Union High School District school, as posted on the applicable school’s website or confirmed through a letter from that institution.

(xx) **Single-Family Home**. A detached building containing a single residential dwelling unit separately alienable from any other dwelling unit.

(yy) **Substantial Remodel**. The replacement or substantial modification of any structural, electrical, plumbing, telecommunication, or mechanical system that requires a permit from a governmental agency, or the abatement of hazardous materials, including lead-based paint, mold, or asbestos, in accordance with applicable federal, state, and local laws, that cannot

be reasonably accomplished in a safe manner with the tenant in place and that requires the tenant to vacate the residential real property for at least 30 days. To ensure quality repairs and upgrades to the rental unit, the landlord must contract proper contractors with current licenses and certifications in order to prevent faulty, superficial repairs.

(zz) Tenant. A Tenant, subtenant, lessee, sublessee or any other person entitled under the terms of a Rental Housing Agreement or this Title to the use or occupancy of any Mobilehome, Covered Rental Unit, or Rental Unit.

(aaa) Tenancy. (1) In a Covered Rental Unit or Rental Unit, the legal right of a Tenant or any other original Occupant who took possession of the Covered Rental Unit or Rental Unit for the use or occupancy of the Covered Rental Unit or Rental Unit subject to the terms of the Rental Housing Agreement. (2) In a Mobilehome Park, Tenancy is the right of a Mobilehome Owner to the use of a site within a Mobilehome Park on which to locate, maintain, and occupy a Mobilehome, site improvements, and accessory structures for human habitation, including the use of the services and facilities of the Park.

(bbb) Utility Charges. Any charges for gas, electricity, water, garbage, sewer, telephone, cable, internet, or other service relating to the use and occupancy of a Rental Unit.

(ccc) Withdrawal. The termination of tenancy or eviction of all tenants from all residential rental units on a particular property. Such withdrawal results in a removal of residential rental units from the housing market and as such is a limited form of removal by means other than conversion or demolition. To the extent that owners of withdrawn units desire to convert such units to other uses, including but not limited to condominiums, community apartments, stock cooperatives, other forms of owner-occupancy, or other change in use, or to permanently remove them from the rental housing market by demolition, or otherwise remove them by means other than withdrawal, such owners must obtain all required permits and approvals from the City.

(ddd) Written Notice to Cease or Correct. A written notice provided by a Landlord that gives a Tenant an opportunity to cure an alleged violation or problem prior to initiating legal proceedings to terminate tenancy. Any Written Notice to Cease or Correct must:

- (1) Be dated and served upon the Tenant, pursuant to at least one of the methods authorized under California Code of Civil Procedure Section 1162, as may be amended;
- (2) Provide the Tenant a reasonable period to cure the alleged violation or problem;
- (3) Inform the Tenant that failure to cure may result in the initiation of eviction proceedings;
- (4) Inform the Tenant of the right to request a reasonable accommodation;
- (5) Inform the Tenant of the contact number for the Rent Board; and

(6) Include a specific statement of the reasons for the Written Notice to Cease or Correct with specific facts to help the Tenant determine the date(s), place(s), witness(es), and circumstance/circumstances that support the reason(s) for the eviction.

SECTION 4 EXEMPTIONS

(a) All sections of this Title apply to all Rental Units and Dwellings except as provided by the Costa-Hawkins Rental Housing Act of 1995 (California Civil Code section 1954.52, as may be amended), and as specifically exempted under subsection (b) Fully Exempt and subsection (c) Partially Exempt, and Section 5. Upon repeal or modification of the Costa-Hawkins Rental Housing Act of 1995, at California section 1954.52, as may be amended, Rental Units and Dwellings no longer covered by that Act shall fall within the scope of this Title. At such time, the Rent Board promptly shall issue guidance for implementing the state legislative change.

(b) **Fully Exempt (Exempt from Both Rent Stabilization and Just Cause for Eviction)**. The following Rental Units are exempt from all provisions of this Title:

(1) Units in hotels, motels, inns, tourist homes and rooming and boarding houses which are rented to transient guests for a period of fewer than thirty (30) days;

(2) Rental Units in any hospital, religious facility, extended medical care facility, asylum, non-profit home for the aged, or dormitory owned and operated by an accredited institution of higher education;

(3) Rental Units owned or operated or managed by a not-for-profit organization pursuant to a tax credit program;

(4) Rental Units that are owned, operated, or managed as a government unit by a federal, state, or local agency or authority; or subject to an agreement that provides housing subsidies for affordable housing for person and families of very low-, low- or moderate-income, as defined in section 50092 of the Health and Safety Code or comparable state or federal statute or regulation, if applicable federal or state law or administrative regulation specifically exempt such units from municipal rent control.

(c) **Partially Exempt (Rent Stabilization and Anti-Conversion Protections Apply)**. The following Rental Units are exempt from Section 6 (Just Cause for Eviction Protection), but no other provisions of this Title: Mobilehomes that are owned by the Mobilehome Owners.

SECTION 5 ADDITIONAL HOMEOWNER PROTECTIONS

Homeownership is of great importance to the residents of the City of Anaheim. In addition to the Rental Units exempted in Section 4(a) of this Title, the following Rental Units are also exempt from all provisions of this Title, unless specifically protected by Section 6, Just Cause Eviction Protections; Family Protections. This is the case with Single-Family Owner-

Occupied Homes, and Owner-Occupied Duplexes where the Owner does not occupy the Property as follows:

(a) **Single-Family Owner-Occupied Homes.** Single-Family Homes as specified in California Civil Code Section 1954.52(a)(3)(A), except if the single-family dwelling is not owner-occupied, the protections contained in Section 6, Just Cause Eviction Protections; Family Protections, herein apply.

(b) **Owner-Occupied Duplexes.** Rental Units in a single structure with two or fewer units being used as residential housing where the Owner is a natural person whose Primary Residence is at the same property, and where the Owner has made the duplex their Primary Residence at the Property for at least 36 months. Except, if the duplex is not owner-occupied, the protections contained in Section 6, Just Cause Eviction Protections; Family Protections, herein apply.

(c) **Senior Citizens' Dwelling Units.** A Rental Unit that is permitted and in compliance with Anaheim Municipal Code, Title 18, Zoning, Chapter 18.36, Section 18.36.030 .

(d) **Short Term Rentals.** Defined as a rental of a dwelling or a portion thereof, by the owner to another person or group of persons for occupancy, dwelling, lodging or sleeping purposes for a period of less than thirty (30) consecutive calendar days, per Anaheim Municipal Code, Title 4, Business Regulations, Chapter 4.05, Sections 4.05.010 to 4.05.180. .

SECTION 6 JUST CAUSE FOR EVICTION PROTECTIONS; FAMILY PROTECTIONS

A. No Landlord may terminate a Tenancy of a Tenant occupying a Covered Rental Unit or of a Resident who rents a Mobilehome, unless the Landlord can demonstrate just cause for termination of the Tenancy. Only the Tenant-Fault and No-Fault causes enumerated in this Section shall constitute just cause for Termination of a Tenancy.

B. When terminating a Tenancy of a Tenant occupying a Covered Rental Unit or the Tenancy of a Tenant who rents a Mobilehome, a Landlord must comply with all of the following:

1. The Landlord must serve a written notice in the language of the tenant (e.g., English, Spanish, Vietnamese, Korean, Chinese, Tagalog, Mandarin, Farsi, Arabic). The Landlord must serve this written notice to the Tenant/Resident using one of the three following methods: (1) by delivering the written notice to the Tenant/Resident personally; (2) if the Tenant/Resident is absent from his or her place of residence, and from his or her usual place of business, by leaving a copy of the notice with some person of suitable age and discretion at either place, and sending a copy of the notice through certified mail addressed to the Tenant/Resident at his or her place of residence; or (3) via certified mail to the Tenant/Resident. The written notice must advise the Tenant/Resident that, in addition to any notice requirements required by federal or state law, the Landlord will terminate the Tenant's/Resident's Tenancy because of at least one Tenant Fault or No-Fault reason. In the case of a curable lease violation, before a Landlord for a Covered Rental

Unit, or Rental Unit/Dwelling issues a notice to terminate a Tenancy for Tenant Fault that is a curable lease violation, the Landlord shall first serve a written notice upon the Tenant/Resident with an opportunity to cure the violation pursuant to paragraph (3) of Section 1161 of the Code of Civil Procedure, as may be amended. If the Tenant/Resident fails to cure the violation within the time set forth in the notice, the Landlord may thereafter serve upon the Tenant/Resident a three-day notice to quit without an opportunity to cure to terminate the Tenancy; and

2. The Landlord specifies the termination as Tenant Fault or No-Fault, as specified in this Section; and

3. Within five days (5) after service of the notice of Termination, the Landlord has submitted to the Rent Board via a transmittal method authorized by the Rent Board, a true and accurate copy of the Landlord's written notice of termination, and if applicable, a Written Notice to Cease and Correct, and proof of such service on the Tenant. The Landlord shall maintain proof of service to the Rent Board as evidence that the Landlord has complied with this Section.

C. **Termination of Tenancy for Tenant Fault.** If a Landlord can show any of the following circumstances with respect to a termination of Tenancy in a Covered Rental Unit or Rental Unit/Dwelling, the termination qualifies as a Tenant Fault termination:

1. Default in the Payment of Rent. After being provided written notice of the identity and mailing address of the Landlord, and the amount of Rent due, the Tenant or Resident has failed to pay Rent to which the Landlord is legally entitled pursuant to any written or oral Lease or Rental Housing Agreement and under the provisions of state or local law, unless the Tenant has withheld Rent pursuant to applicable law, and said failure has continued after service on the Tenant or Resident of a written notice setting forth the amount of Rent then due and requiring it to be paid, within a period, specified in the notice, of not less than three days, excluding weekends and holidays, as provided for in California Code of Civil Procedure section 1161(2), as may be amended.

2. Breach of Lease. The Tenant/Resident, after receiving a Written Notice to Cease or Correct, has continued to substantially violate any of the material terms of the Lease or Rental Housing Agreement, except 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/Resident; and provided further that, where such terms have been accepted in writing by the Tenant/Resident subsequent to the initial creation of the Tenancy, the Landlord shall have first notified the Tenant/Resident in writing that he or she need not accept such terms.

3. Maintaining, committing, or permitting, the maintenance or commission of a nuisance, within a 12-month period, at the Covered Rental Unit or on the Rental Unit/Dwelling as described in paragraph (4) of Section 1161 of the California Code of Civil Procedure, as may be amended. If a Tenant or Resident engages in conduct that constitutes a nuisance, the Landlord must provide the Tenant or Resident with a Written Notice to Cease or Correct. The Landlord must serve the Written Notice to Cease or Correct within a five business days before serving a notice to terminate Tenancy. For purposes of this subsection, reasonable time shall mean not less than five business days. Provided, however, that where it is not reasonable that the time to abate the nuisance can be accomplished within five business days, the Tenant or Resident shall notify

the Landlord either orally or in writing that he or she has taken steps to abate the nuisance and is diligently pursuing abatement. The Written Notice to Cease or Correct shall inform the Tenant or Resident (i) that the failure to abate the nuisance may result in the Landlord's initiating an eviction proceeding, (ii) the right to request reasonable accommodation and (iii) the contact number for the Rent Board. The Written Notice to Cease or Correct shall also include sufficient details allowing a reasonable person to comply and shall also include any information necessary to determine the date, time, place, witnesses present and other circumstances concerning the reasons for the Written Notice to Cease or Correct. If the Tenant or Resident creates the same or substantially similar nuisance within 12 months from the date the Tenant or Resident received the initial Written Notice to Cease or Correct, the Landlord need not serve a further written Warning Notice to Cease, but may then take action to terminate the Tenancy.

4. The Tenant/Resident had a written Lease or Rental Housing Agreement that terminated on or after January 1, 2026, and after a written request or demand from the Landlord, the Tenant/Resident has refused to execute a written extension or renewal of the Lease or Rental Housing Agreement for an additional term of the same or substantially similar provisions, provided that those terms do not violate this Section or any other provision of law.

5. Termination of a Tenancy for Engaging in Criminal Activity, including Drug-related Criminal Activity.

(A) A Landlord may initiate an action to terminate a Tenancy (as provided under State law) without providing a written Notice to Cease or Correct if all of the following are met:

(a) The Tenant/Resident has:

(1) Engaged in criminal activity, including drug-related criminal activity, in or near the Tenant's or Resident's Covered Rental Unit, or Rental Unit/Dwelling; or

(2) Has engaged in or threatened violent or abusive behavior to other members of the Tenant's household or to other Tenants/Residents; or

(3) Has permitted the rental unit to be used for, or to facilitate criminal activity, including drug related criminal activity that threatens the health, safety, or right to peaceful enjoyment of the property by other members of the Tenant's or Resident's household or by other Tenants.

(b) The Landlord has within a reasonable time reported the criminal activity or the violent or abusive behavior to law enforcement.

(c) Law enforcement has investigated the criminal activity or violent or abusive behavior and has advised the Landlord there is probable cause that the Tenant or Resident engaged in criminal activity or violent or abusive behavior as reported by the Landlord.

(d) Notwithstanding the foregoing, if there is more than one Tenant or Resident in a Covered Rental Unit, Rental Unit/Dwelling, Section 6(C)(6) shall apply only to that Tenant or Resident or those Tenants or Residents for which the law enforcement investigation determines there is probable cause that the Tenant(s) or Resident(s) engaged in criminal activity or violent or abusive behavior.

(B) A Landlord may initiate an action to terminate a Tenant's or Resident's Tenancy from the Covered Rental Unit, Rental Unit/Dwelling without providing a Written Notice to Cease or Correct if:

(1) A member of Tenant's or Resident's household or a guest or invitee of the Tenant or Resident engages in the activity or behavior set forth in this subsection at Section 6(C)(a)(1-3);

(2) The Landlord within a reasonable time has reported the activity or behavior to law

enforcement;

(3) Law enforcement has investigated the activity or behavior and has advised the Landlord that there is probable cause that a member of the Tenant's or Resident's household, or a guest, or an invitee of the Tenant or Resident has engaged in activity or behavior as reported by the Landlord; and

(4) The Tenant or Resident fails to demonstrate to the Landlord that they removed the person(s) who engaged in the activity or behavior, or had been removed from the Tenant's or Resident's household, but the Tenant or Resident has permitted such person to return to the Tenant's or Resident's household.

Notwithstanding the foregoing, if there is more than one Tenant or Resident in the Covered Rental Unit, Rental Unit/Dwelling, this subsection at Section 6(C)(B)(1-4) shall apply only to that Tenant or Resident or those Tenants or Residents to which Section 6(C)(B)(1-4) applies.

(C) For purposes of this subsection, criminal activity includes, but shall not be limited to, prostitution as defined in Penal Code section 647(b), as may be amended, criminal street gang activity as defined in Penal Code section 186.20 and following, as may be amended, assault and battery, as defined in Penal Code sections 240 and 242, as may be amended, burglary as defined in Penal Code section 908, as may be amended, sexual offenses as defined in Penal Code sections 261 and following and 286, as may be amended, or any other behavior that involves the imminent or actual threat of the health or safety of the Landlord or other Tenants or Residents or actual property damage in excess of \$5,000.

(1) For purposes of this subsection, drug related criminal activity, includes, but shall not be limited to, the illegal manufacture, sale, distribution, use or possession with the intention to manufacture, sell, or distribute, or use a controlled substance as defined in Section 102 of the Controlled Substances Act [21 USC section 802, as may be amended] or as defined in Health and Safety Code section 11350, except as may be permitted under federal, state, and local law.

(2) For purposes of this subsection, abusive or violent behavior includes verbal as well as physical abuse or violence, or actions that are prohibited under California Penal Code section 273.5 or Family Code section 6320, *et seq.*, as may be amended, including the use of racial epithets or other language, written or oral that is customarily used to intimidate.

(3) For purposes of this subsection, threatening refers to oral or written threats or physical gestures that communicate to a reasonable person an intent to abuse or an intent to commit violence.

(D) The past criminal history of a Tenant or Resident, or of the Tenant's or Resident's guest or invitee, shall not be a factor in determining whether the Tenant or Resident has violated Section 6(C)(6).

(E) If the Tenant or Resident, or the guest or invitee of the Tenant or Resident is acquitted from the charges, or the charges are dismissed or reduced, then the Tenancy shall be restored, and the Tenant or Resident is permitted to return to the Covered Rental Unit, or Rental Unit/Dwelling.

6. Refusing Access to the Covered Rental Unit, or Rental Unit/Dwelling. The Tenant/Resident, after Written Notice to Cease and a reasonable time to cure, continues to refuse the Landlord reasonable access to the Covered Rental Unit, or Rental Unit/Dwelling, so long as the Landlord is not abusing the right of access under California Civil Code section 1954, as may be amended.

7. The Tenant's or Resident's use of the Covered Rental Unit, or Rental Unit/Dwelling for an unlawful purpose as described in paragraph (4) of Section 1161 of the California Code of Civil Procedure, as may be amended. A person who illegally sells a controlled substance in the Covered Rental Unit, Rental Unit/Dwelling, or on the property where the Covered Rental Unit, or Rental Unit/Dwelling is located to further that illegal purpose, is deemed to have committed the illegal act in the Covered Rental Unit, or Rental Unit/Dwelling, or on the property where the Covered Rental Unit, or Rental Unit/Dwelling is located, in accordance with California Code of Civil Procedure section 1161(4), as may be amended.

8. The employee, agent, or licensee's failure to vacate after their termination as an employee, agent, or licensee from the Covered Rental Unit or Rental Unit/Dwelling as described California Code of Civil Procedure section 1161(1), as may be amended.

9. When the Tenant/Resident fails to deliver possession of the Covered Rental Unit or Rental Unit/Dwelling after providing the Landlord written notice as provided in Section 1946 of the California Civil Code, as may be amended, of the Tenant's/Resident's intention to terminate the hiring of the Covered Rental Unit, or makes a written offer to surrender that is accepted in writing by the Landlord, but fails to deliver possession at the time specified in that written notice as described in California Code of Civil Procedure section 1161(5), as may be amended.

10. Notwithstanding Section 6(C) Nos. 1-9, above, the following violations of Leases or Rental Housing Agreements shall not be grounds for evictions:

(a) The obligation to limit occupancy, provided that the additional Tenant/Resident who joins the occupants of the unit thereby exceeding the limits on occupancy set forth in the Rental Housing Agreement is a dependent child to join the existing Tenancy of a Tenant of record, the sole additional adult Tenant/Resident, or is a replacement Tenant/Resident who moved in after an approved Tenant/Resident vacated the Covered Rental Unit or Rental Unit or Dwelling, so long as the addition does not exceed the Uniform Housing Code. The Landlord, however, has the right to approve or disapprove the prospective additional or replacement Tenant/Resident, who is not a minor dependent child, provided that the Landlord does not unreasonably withhold approval. If the Landlord fails to respond to the Tenant/Resident in writing with a description of the reasons for the denial of the request within seven (7) days of receipt of the Tenant's/Resident's written request, the Tenant's/Resident's request shall be deemed approved by the Landlord; or

(b) A change in the terms of the Tenancy that is not the result of an express written agreement signed by both of the parties. The Tenant/Resident must knowingly consent, without threat or coercion, to each change in the terms of the Tenancy. A Landlord is not required to obtain a Tenant's/Resident's written consent to a change in the terms of the tenancy if the change in the terms of the Tenancy is authorized by this Title, or if the Landlord is required to change the terms of the Tenancy pursuant to federal, state, or local law. Nothing in this paragraph shall exempt a Landlord from providing legally required notice of a change in the terms of the Tenancy.

(c) Notwithstanding any contrary provision in this Section, a Landlord shall not take any

action to terminate a Tenancy based on a Tenant's/Resident's sublease of the Covered Rental Unit or Rental Unit/Dwelling if all the following requirements are met:

- i. The tenant requests of the Landlord in writing to sublease the rental unit; and
- ii. The Tenant/Resident continues to reside in the Covered Rental Unit or Rental Unit/Dwelling as his or her Primary Residence; and
- iii. The sublease replaces one or more departed Tenants or Residents under the Rental Housing Agreement on a one-for-one basis; and
- iv. The Landlord fails to respond to the Tenant or Resident within seven (7) calendar days of the receipt of the Tenant's or Resident's written request. If the Landlord fails to respond to the Tenant's or Resident's written request, then the Tenant's or Resident's request shall be deemed approved by the Landlord. A Landlord's reasonable refusal of the Tenant's or Resident'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 or Resident's written request may be based on, but is not limited to, the ground that the total number of occupants in a Covered Rental Unit or Rental Unit/Dwelling exceeds the maximum number of occupants as determined under Section 503(b) of the Uniform Housing Code as incorporated by California Health & Safety Code Section 17922, as described below
 - a. "Every residential rental unit must have at least 120 square feet; other rooms used for living must be at least 70 square feet; and any room used for sleeping must increase the minimum floor area by 50 square feet for each occupant in excess of two. Different rules apply in the case of 'efficiency units'" (See 1997 Uniform Housing Code section 503(b), and Health and Safety Code section 17958.1, as may be amended.)
 - b. "The standard shall be two occupants per bedroom plus one additional occupant."

(d) Eviction Protection for Victims of Domestic Violence, Elder or Dependent Adult Abuse, or Sexual Assault, Human Trafficking, or Stalking. It shall be a defense to an action for possession of a unit under Section 6(D), Nos. 1-10, if the trier of fact determines that:

(1) The Tenant/Resident or Tenant's/Resident's household member is a victim of an act or acts that constitute domestic violence, elder or dependent adult abuse, sexual assault, human trafficking, or stalking if: (i) The domestic violence, elder or dependent adult abuse, sexual assault, human trafficking, or stalking has been documented by one of the following: (A) By a temporary restraining order, emergency protective order or protective order issued within the last 180 days pursuant to law that protects the Tenant/Resident or Tenant's/Resident's household member from domestic violence, elder or dependent adult abuse, sexual assault, human trafficking, or stalking; or (B) There is a written report, within the last 180 days, by a peace officer stating that the Tenant/Resident, or a member of the Tenant's/Resident's household has filed a report alleging that he or she is a victim of domestic violence, elder or dependent adult abuse, sexual assault, human trafficking, or stalking, or (C) Documentation from a qualified third party based on information received by that third party while acting in his or her professional

capacity to indicate that the Tenant, Resident, or Tenant's or Resident's household member is seeking assistance for physical or mental injuries or abuse resulting from an act of domestic violence, sexual assault, stalking, human trafficking, elder abuse, or dependent adult abuse, as provided in California Code of Civil Procedure section 1161.3(a)(1)(C), (D), and (E).

(2) The Tenant/Resident or the notice to vacate is substantially based upon the act or acts constituting domestic violence, elder or dependent adult abuse, sexual assault, human trafficking, or stalking against the Tenant/Resident or a Tenant's/Resident's household member, including but not limited to an action for possession based on complaints of noise, disturbances, or repeated presence of police.

(3) Notwithstanding Section 6(C)(d)(1) and (2), a Landlord may terminate the Tenancy of a Tenant or Resident or a member of Tenant's or Resident's household if (i) either (A) the Tenant or Resident allows the person against whom the protective order has been issued or who was named in the police report as committing an act of domestic violence, elder or dependent adult abuse, sexual assault, human trafficking, or stalking, to visit the rental property or (B) the Landlord reasonably believes the presence of the person against whom the protective order has been issued or who was named in the police report as having committed an act of domestic violence, elder or dependent adult abuse, sexual assault, human trafficking, or stalking poses a physical threat to other Tenants, Residents, guests, invitees, or to a Tenant's or Resident's right to quiet enjoyment and the Landlord previously gave the Tenant or Resident a three day Written Notice to Cease and Correct this violation.

(e) Tenant Protections during Foreclosure. The protections found at 42 U.S.C. section 1437f(o)(7), and Pub.L. No. 111-22, tit. VII, §702, 123 Stat. 1632, 1660-61 (2009) (known as the Protecting Tenants In Foreclosure Act), as amended and California Code of Civil Procedure sections 1161a, 1161b, 1161c, et seq., as amended (known as the California Homeowner Bill of Rights Act) shall apply with equal force and effect. In addition, notwithstanding anything to the contrary in Sections 4 or 5 herein, a Landlord who obtains title through foreclosure to Property containing Rental Units subject to this Title may not bring an action to recover possession of the Rental Unit from a Tenant whose Tenancy commenced on or before the date that the Landlord obtained title, unless the reason for the eviction is based upon the grounds set forth in Section 6(C). To recover possession of the Rental Unit from a Tenant, the Landlord must comply with all of the requirements and provisions of this section, including, without limitation, the payment of Relocation Assistance required pursuant to the provisions of Section 6(G).

D. No-Fault Just Cause. If a Landlord can show any of the following circumstances with respect to a termination of Tenancy in a Covered Rental Unit, or Rental Unit/Dwelling, the termination qualifies as a No-Fault termination. No-fault termination of tenancy may only apply to month-to-month tenancies or once a fixed-term tenancy has ended.

(i) Intent to occupy the Covered Rental Unit, or Rental Unit/Dwelling by the Landlord or Landlord Family Member, provided that to use this section, the Landlord must be a natural person. The Landlord seeks in good faith, honest intent, and without ulterior motive to recover possession for:

(a) The Landlord's own use and occupancy as the Landlord's principal residence for a period of at least 36 consecutive months commencing within three months of vacancy; or

(b) The principal residence of the Landlord's Family Member. Provided that the Landlord's Family Member must be: (1) an elder adult, aged 60 or over, or a person with a disability; (2) must move into the Covered Rental Unit, Rental Unit/Dwelling for the Landlord's Family Member is located within the same building as the Landlord's principal residence within sixty (60) days from the date the Tenant/Resident surrendered possession of the Covered Rental Unit, or Rental Unit/Dwelling; and (3) The Landlord's Family Member, who is an elder adult, aged 60 or over, or a person with a disability has occupied the Covered Rental Unit, or Rental Unit/Dwelling for as his or her principal residence for a period of at least thirty-six (36) consecutive months.

The Landlord shall confirm to the Tenant/Resident in writing and file a copy of said notice with the Rent Board that no other unit in the Covered Rental Unit, Rental Unit/Dwelling is vacant. Provided, however, if there is a comparable unit in the Covered Rental Unit, Rental Unit/Dwelling, then this shall not serve as a basis to terminate the Tenancy of the Tenant/Resident. It shall be a rebuttable presumption that the Landlord has acted in bad faith where the Landlord or the Landlord's Family Member fails to move into the Covered Rental Unit, Rental Unit/Dwelling within sixty (60) days from the date that the Tenant or Resident surrendered possession of the Covered Rental Unit, Rental Unit/Dwelling; or occupy the Covered Rental Unit, Rental Unit/Dwelling as his or her principal residence for a period of at least thirty-six (36) consecutive months. In the case where either the Rent Board, or in the event of an eviction proceeding, a court has made a specific finding of bad faith by the Landlord, the tenancy of the displaced Tenant/Resident shall be restored, or the Tenant/Resident shall have the right of first refusal to return to the Covered Rental Unit, Rental Unit/Dwelling. In the circumstances where the Landlord is unable to restore the Tenant to his or her Tenancy, the Landlord shall have provided relocation assistance to the displaced Tenant or Resident as required by Section 6(G).

(ii) A landlord may not recover possession of a unit from a tenant under this subsection, if the landlord has or receives notice, any time before recovery of possession, that any tenant in the rental unit:

(I) Has been residing in the unit for five (5) years or more; and

(a) Is sixty (60) years of age or older; or

(b) Is a disabled tenant as defined in the California Fair Employment and Housing Act (California Government Code § 12926); or

(II) Has been residing in the unit for five (5) years or more, and is a catastrophically ill tenant, and who suffers from a life threatening illness as certified by his or her primary care physician.

(iii) The provisions of this subsection above shall not apply where the landlord's qualified relative who will move into the unit is 60 years of age or older, disabled or catastrophically ill, and where every rental unit owned by the landlord is occupied by a tenant otherwise protected from eviction by Subsection (ii)(I) and Subsection (ii)(II).

(iv) For Leases entered into on or after July 1, 2026, clause (i) shall apply only if the Tenant/Resident agrees, in writing, to the termination, or if a provision of the Lease allows the

owner to terminate the Lease if the Landlord, which must be a natural person, or Landlord Family Member, unilaterally decides to occupy the Covered Rental Unit, or Rental Unit/Dwelling. Addition of a provision allowing the owner to terminate the Lease as described in this clause to a new or renewed Rental Housing Agreement or fixed-term Lease constitutes a similar provision for the purposes of this subsection.

(v) Removal of the Covered Rental Unit, or Rental Unit/Dwelling pursuant to government order. To use this ground as a basis to evict the Tenant/Resident from the Covered Rental Unit, Rental Unit/Dwelling, the Landlord's termination of Tenancy must incorporate or attach the following:

(I) An order issued by a government agency or court relating to habitability that necessitates vacating the Covered Rental Unit, or Rental Unit/Dwelling; or

(II) An order issued by a government agency or court to vacate the Covered Rental Unit, or Rental Unit/Dwelling; or

(III) A local ordinance that necessitates vacating the Covered Rental Unit, or Rental Unit/Dwelling.

If it is determined by any government agency or court that the Tenant is at fault for the condition or conditions triggering the order or need to vacate under Section 6(D)(iii), the Tenant shall not be entitled to relocation assistance as outlined in Section 6(G).

(vi) Vacation of Unpermitted Covered Rental Unit, Rental Unit/Dwelling. The Landlord seeks in good faith to recover possession of an unpermitted Covered Rental Unit, or Rental Unit/Dwelling to end the unpermitted use. The Landlord shall have provided relocation assistance as required by Section 6(G).

(vii) Ellis Act Removal. The Landlord seeks in good faith to recover possession of the Covered Rental Unit, or Rental Unit/Dwelling to remove the building in which the Covered Rental Unit is located permanently from the residential rental market under the Ellis Act and, having complied in full with the Ellis Act and Section 6(F) of this Ordinance

(viii) Intent to demolish or to substantially remodel the Covered Rental Unit, or Rental Unit/Dwelling. A Landlord is not permitted to terminate the Tenancy of a Tenant/Resident under this section unless the Landlord has first obtained all permits from the City of Anaheim to undertake substantial repairs which are necessary to bring the Covered Rental Unit, or Rental Unit/Dwelling into compliance with applicable codes and laws affecting the health and safety of Tenants or Residents in the Covered Rental Unit, or Rental Unit/Dwelling provided that the Landlord complies with all of the following:

(1) The repairs cost not less than the product of ten (10) times the amount of the monthly Rent times the number of Covered Rental Units, Rental Unit/Dwelling upon which such work is performed. For purposes of this subsection, the monthly Rent for each Covered Rental Unit, Rental Unit/Dwelling shall be the average of the preceding twelve-month period; and

(2) The repairs necessitate the relocation of the Tenant or Resident household because the work will render the Covered Rental Unit, Rental Unit/Dwelling uninhabitable for a period of

not less than thirty (30) calendar days; and

(3) The Landlord gives advance notice to the Tenant or Resident of the ability to reoccupy the unit upon completion of the repairs at the same Rent charged to the Tenant or Resident before the Tenant or Resident vacated the Covered Rental Unit, Rental Unit or Dwelling, or if requested by the Tenant or Resident, the right of first refusal to any comparable vacant Covered Rental Unit, Rental Unit, or Dwelling which has been offered at comparable Rent owned by the Landlord; and

(4) In the event the Landlord files a petition under the Ordinance within six (6) months following the completion of the work, the Tenant or Resident shall be a party to such proceeding as if he or she were still in possession of the Covered Rental Unit, Rental Unit or Dwelling, unless the Landlord shall submit with such application a written waiver by the Tenant or Resident of his or her right to reoccupy the premises pursuant to this subsection; and

(5) The Landlord shall have provided relocation assistance as required by Section 6(G); and

(6) If the Landlord owns other vacant units in Anaheim, the Landlord must make the vacant unit available to the Tenant/Resident at the same Rent.

(ix) For a Tenancy that a Landlord is required to terminate because of Tenant Fault under Section 6(C), if an owner of residential real property issues a No-Fault termination notice as described in Section 6(D), the owner shall, regardless of the Tenant's/Resident's income, at the Landlord's option, do all of the following:

(A) Assist the tenant to relocate by providing a direct payment to the Tenant/Resident as described in Section 6(G); and

(B) Waive in writing the payment of rent for the final three months of the Tenancy, prior to the Rent becoming due.

(x) If a Landlord issues a notice to terminate Tenancy for no-fault just cause, the Landlord shall notify the Tenant/Resident of the Tenant's/Resident's right to relocation assistance or Rent waiver pursuant to this section. If the Landlord elects to waive the Rent for the final month of the Tenancy as provided, the notice shall state the amount of Rent waived and inform the Tenant/Resident that no Rent is due for the final month of the Tenancy.

(xi) A Landlord's failure to strictly comply with this subdivision shall render the notice of termination void. This article may be asserted as an affirmative defense in an unlawful detainer proceeding. A tenant who is wrongfully evicted under this article may file a civil action to recover actual and punitive damages, and obtain injunctive and other equitable relief. A tenant prevailing in court under this article shall be awarded three times compensatory damages (including, if applicable, as compensation for mental or emotional distress and/or for reimbursement for failure to pay the amount of relocation assistance required under Section 6(G)), reasonable attorney's fees and costs, civil penalties up to \$10,000 but not less than \$2,000 per violation depending upon the severity of the violation, and other appropriate relief, as adjudged by the court. If a tenant prevailing under this article is older than 60 years or disabled when the violation occurred, the court may impose additional civil penalties up to \$5,000 per

violation depending upon the severity of the violation. Violations of this Article shall be a misdemeanor.

E. Defense to termination for Educators and Students.

1. The following additional provision shall apply to a Landlord who seeks to recover a Covered Rental Unit or a Rental Unit/Dwelling that is occupied by a Tenant/Resident who is an educator or a Tenant/Resident who has students in elementary, junior high, or high school.

a. It shall be a defense to an eviction under Section 6(E), until the end of the school year if a child under the age of 21 or any educator resides in the unit, the child or Educator is a Tenant/Resident in the Covered Rental Unit/Rental Unit or Dwelling, or has a Custodial or family relationship with a Tenant in the Covered Rental Unit/Rental Unit or Dwelling, the Tenant or Resident has resided in the unit for 12 months or more, and the effective date of the notice of termination of Tenancy falls during the School Year. The Tenant or Resident may petition the Rent Board to extend the defense, and the Rent Board may grant an extension upon a showing of unusual hardship to the Tenant or Resident stemming from the Tenant's or Resident's protected status under this section.

b. Within 30 days of personal service by the Landlord of a written request, or, at the Landlord's option, a notice of termination of Tenancy under Sections 6(D) and 6(E), the Tenant/Resident must submit a statement with supporting evidence to the landlord, if the Tenant/Resident claims to be a member of the class protected from eviction by Section 6(E) . The Landlord's written request or notice shall contain a warning that a Tenant's/Resident's failure to submit a statement within the 30-day period shall be deemed an admission that the Tenant/Resident is not protected from eviction by Sections 6 (D) and 6(E). The Landlord shall file a copy of the Landlord's request or notice with the Rent Board within 10 days of service on the tenant. A Tenant's/Resident's failure to submit a statement within the 30-day period shall be deemed an admission that the Tenant/Resident is not protected from eviction by Sections 6(D) and 6(E). A Landlord may challenge a Tenant's/Resident's claim of protected status either by requesting a hearing with the Rent Board or, at the Landlord's option, through commencement of eviction proceedings, including service of a notice of termination of tenancy. In the Rent Board hearing or the eviction action, the Tenant/Resident shall have the burden of proof to show protected status.

F. Ellis Act Provisions—Statement of Purpose and Effect

California Government Code Sections 7060, et seq. (the "Ellis Act") permits the City of Anaheim, among other things, to require landlords to provide all tenants with 120 days' notice, or one year if the tenants lived in the accommodations for at least one year and are more than 62 years of age or disabled, when rental units subject to this Title are to be withdrawn from the rental market. The Ellis Act also permits the City of Anaheim to impose other restrictions, conditions and requirements upon the property. It is the purpose of this section, to implement provisions of the Ellis Act. The Rent Board may develop forms and regulations to assist in the implementation of these provisions.

There continues to be a low vacancy rate for rental units in the City of Anaheim, and the

withdrawal of residential rental property from rent or lease will exacerbate the rental housing shortage and make it more difficult for tenants displaced by the withdrawal to obtain replacement housing. Because of the rental housing shortage, it is essential that Tenants be afforded substantial advance notice to enable them to obtain replacement housing, and that they receive other protections available under law.

In any action by a landlord to recover possession of a rental unit subject to the Ordinance, the tenant may raise as an affirmative defense the failure of the landlord to comply with the requirements of Sections 6(F)(1) through 6(F)(6) as well as the failure of the landlord to comply with any other requirement of this Title.

1. Ellis Act Provisions—Required Notice.

Notwithstanding any provision of this chapter to the contrary, if a Landlord desires to demolish rental units subject to the Ordinance, or otherwise withdraw the units from rental housing use, then the following provisions shall apply:

A. Notice of Intent to Withdraw. The Landlord shall notify the Rent Board of an intention to withdraw a Covered Rental Unit, or Rental Unit/Dwelling from rental housing use due to removal of the Covered Rental Unit, or Rental Unit/Dwelling from the rental housing market altogether, or the demolition/substantial of the Covered Rental Unit, or Rental Unit/Dwelling, as provided for in Section 6(D)(vi) of this Ordinance. This Notice of Intent to Withdraw shall contain the following: statements, under penalty of perjury on the form and in the number prescribed by the Rent Board, stating that the Landlord intends to evict to demolish the Covered Rental Unit, Rental Unit or Dwelling, or to remove the Covered Rental Unit, Rental Unit/Dwelling from rental housing use, the address or location of the Covered Rental Unit, Rental Unit/Dwelling , the number of Covered Rental Unit(s), or Rental Unit(s)/Dwelling(s) to be demolished or removed from rental housing use, the names of the Tenants of each Covered Rental Unit, or Rental Unit/Dwelling, the date on which the Covered Rental Unit, or Rental Unit/Dwelling will be withdrawn from rental housing use and the rent applicable to that Covered Rental Unit, Rental Unit/Dwelling.

The Rent Board shall have the authority to promulgate forms and procedures to assist in the implementation of this subdivision.

B. Recordation of Non-Confidential Memorandum and Extension of the Date of Withdrawal from Rental Housing Use. The Landlord shall record with the County Recorder a memorandum summarizing the provisions of the Notice of Intent to Withdraw, other than those provisions that are confidential. Information respecting the name or names of the Tenants, the Rent applicable to any Covered Rental Unit, Rental Unit/Dwelling , and the total number of units is confidential information and shall be treated as confidential information by the Rent Board for

purposes of the Information Practices Act of 1977, as contained in Title 1 (commencing with Section 1798) of Chapter 1.8 of Part 4 of Division 3 of the California Civil Code, as amended.

The Landlord shall submit a copy of the memorandum filed with the County Recorder to the Rent Board concurrently with the Notice of Intent to Withdraw, with a certification that actions have been initiated as required by law to terminate any existing Tenancies.

The date on which the Covered Rental Unit or Rental Unit/Dwelling are to be withdrawn from rental housing use shall be at least 120 days from the date of the delivery to the Rent Board in person, via email, or by first-class mail of the Notice of Intent to Withdraw.

If the Tenant is a Qualified Tenant and has lived in his or her accommodations for at least one year prior to the date of delivery to the Rent Board of the Notice of Intent to Withdraw the Covered Rental Unit, Rental Unit/Dwelling, pursuant to Subsection A of this section, then the date of withdrawal of the accommodations of that Tenant shall be extended to one year after the date of delivery of that Notice to the Rent Board. This extension shall take place, if and only if, the Tenant gives written notice of his or her entitlement to an extension to the Landlord within 60 days of the date of delivery to the Department of the Notice of Intent to Withdraw. In that situation, the following provisions shall apply:

1. The Tenancy shall be continued on the same terms and conditions as existed on the date of delivery to the Department of the Notice of Intent to Withdraw, subject to any adjustments otherwise available under the Ordinance.

2. No party shall be relieved of the duty to perform any obligation under the lease or rental agreement.

3. The Landlord may elect to extend the date of withdrawal on any other rental units up to one year after the date of delivery to the Department of the Notice of Intent to Withdraw, subject to Subparagraphs 1. and 2.

4. Within 30 days of the notification by the Tenant to the Landlord of his or her entitlement to an extension, the Landlord shall give written notice to the Rent Board of the claim that the Tenant is entitled to stay in the accommodations for one year after the date of delivery to the Rent Board of the Notice of Intent to Withdraw.

5. Within 90 days of the date of delivery to the Rent Board of the Notice of Intent to Withdraw, the Landlord shall give written notice to the Rent Board and the affected Tenant of the Landlord's election to extend the date of withdrawal and the new date of withdrawal under Subparagraph 3.

C. Notice to the Tenants of Pending Withdrawal. Within five days of delivery to the

Department of the Notice of Intent to Withdraw with the certification required under Subsection B of this section, and a copy of the memorandum recorded by the County Recorder, the Landlord shall notify, by delivery in person, via email, or by first-class mail, each affected Tenant of the following:

1. That the Rent Board has been notified pursuant to Subsection A., including the date of the delivery to the Rent Board of the Notice of Intent to Withdraw;
2. That the Notice delivered to the Rent Board specified the name and the amount of Rent paid by the Tenant as an occupant of the accommodations;
3. The amount of Rent the Landlord specified in the notice to the Rent Board;
4. Notice to the Tenant of his or her rights under Paragraph (3) of Subdivision (b) of Government Code Section 7060.2; and
5. Notice to the Tenant stating the following:
 - (a) If the Tenant is a Qualified Tenant, and has lived in his or her accommodations for at least one year prior to the date of delivery to the Rent Board of the Notice of Intent to Withdraw, then the tenancy shall be extended to one year after the date of delivery to the Department of the Notice of Intent to Withdraw, provided that the tenant gives written notice of his or her entitlement to the landlord within 60 days of the date of delivery to the Department of the Notice of Intent to Withdraw;
 - (b) The extended Tenancy shall be continued on the same terms and conditions as existed on the date of delivery to the Rent Board of the Notice of Intent to Withdraw, subject to any adjustments otherwise available under this Title; and
 - (c) No party shall be relieved of the duty to perform any obligation under the lease or rental agreement during the extended Tenancy.

2.. Ellis Act Provisions- Notification to Rent Board of Intent of Landlord to Re-Rent Unit

A. If a Landlord desires to offer for rent or lease a Covered Rental Unit or Rental Unit/Dwelling that was the subject of a Notice of Intent to Withdraw pursuant to the provisions of Subsection 6(F) (1)(A-C), the Landlord must file with the Rent Board a Notice of Intention to Re-Rent Withdrawn Accommodations on a form prescribed by the Rent Board. This Notice must contain the following information:

1. The names and mailing addresses of all owners or Landlords of the Covered Rental Unit, or Rental Unit/Dwelling;

2. A statement that said owners or Landlords intend to re-rent the accommodations;
3. The addresses of those accommodations.

B. Except as provided in Section 6, subsection (F)(5) of this Title, the Landlord shall not offer for rent or lease any Covered Rental Unit or Rental Unit/Dwelling from which a Tenant or lessee was displaced for a period of thirty days following the filing of the Notice of Intention to Re-Rent Withdrawn Accommodations with the Rent Board.

(3). Ellis Act Provisions—Civil Penalties For Offering Units for Rent Within Two Years of Withdrawal

If a Covered Rental Unit, Rental Unit/Dwelling that was the subject of a Notice of Intent to Withdraw pursuant to the provisions of Section 6(F)(1), subsections (A)-(C) is offered for rent or lease within two years of the date of withdrawal of the Covered Rental Unit or Rental Unit/Dwelling from the rental market:

A. The Landlord shall be liable to any Tenant or lessee who was displaced from the Covered Rental Unit or Rental Unit/Dwelling for actual and exemplary damages. Any action by a Tenant or lessee pursuant to this section shall be brought within three years of withdrawal of the Covered Rental Unit or Rental Unit/Dwelling from rent or lease. Nothing in this section precludes a Tenant from pursuing any alternative remedy available under the law; and

B. The City may institute a civil proceeding against any Landlord who has again offered a Covered Rental Unit or Rental Unit/Dwelling for rent or lease subject to this section, for exemplary damages for displacement of tenants or lessees. Any action by the City pursuant to this section shall be brought within three years of the withdrawal of the rental unit from rent or lease.

4. Ellis Act Provisions—Regulation of Property on Re-Offer for Rent or Lease After Withdrawal

If a Landlord desires to offer for rent or lease a rental unit which was the subject of a Notice of Intent to Withdraw pursuant to the provisions of 6(F)(1), subsections (A)-(C), the following regulations apply:

A. If a Covered Rental Unit or Rental Unit/Dwelling that was removed from rental housing use pursuant to the provisions of 6(F)(1), subsections (A)-(C) is offered for rent or Lease during either:

1. the five-year period after the Notice of Intent to Withdraw the accommodations is filed with the Rent Board pursuant to 6(F)(1), subsections (A)-(C), whether or not the Notice of

Intent is rescinded or the withdrawal of the accommodations is completed pursuant to the Notice of Intent; or

2. the five-year period after the accommodations are withdrawn;

then the accommodations shall be offered and rented or leased at the lawful rent in effect at the time any Notice of Intent to Withdraw the accommodations was filed with the Department, plus annual adjustments available under Section 8 of this Title.

B. Subsection A. of this section shall prevail over any conflicting provision of law authorizing the Landlord to establish the rental rate upon the initial hiring of the Covered Rental Unit, Rental Unit/Dwelling.

5. Ellis Act Provisions—Re-Rental Rights of Displaced Tenants

If a Landlord desires to offer for rent or lease a rental unit that was the subject of a Notice of Intent to Withdraw pursuant to the provisions of 6(F)(1), subsections (A)-(C) the following regulations apply:

A. A Landlord who offers accommodations for rent or lease within two years from the date of withdrawal shall first offer to rent or lease each unit to the Tenant or Tenants displaced from the Covered Rental Unit or Rental Unit/Dwelling by the withdrawal, provided that the Tenant or Tenants advised the landlord in writing within 30 days of displacement of his or her desire to consider an offer to renew the tenancy, and provided the landlord with an address to which that offer is to be directed. That Tenant or Tenants may advise the Landlord at any time during the period of eligibility of a change of address to which an offer is to be directed.

If a landlord again offers accommodations for rent or lease pursuant to the provisions of this subsection, and the Tenant or lessee has advised the Landlord pursuant to this subsection of a desire to consider an offer to renew the tenancy, then the Landlord shall offer to reinstitute a rental agreement or lease on terms permitted by law to that displaced Tenant or lessee.

A Landlord who re-offers rental or lease accommodations to a previously displaced Tenant pursuant to the provisions of this subsection shall deposit the offer in the United States mail, by registered or certified mail with postage prepaid, addressed to the displaced Tenant or Tenants at the address furnished to the Landlord as provided in this subsection, and shall describe the terms of the offer. The displaced Tenant or Tenants shall have 30 days from the deposit of the offer in the mail to accept the offer by personal delivery of that acceptance, via email to the Landlord, or by deposit of the acceptance in the United States mail.

B. A Landlord who offers accommodations for rent or lease not exceeding five years from the date of withdrawal shall first offer to rent or lease each unit to the Tenant or Tenants

displaced from that accommodation by the withdrawal, provided that the Tenant or Tenants requests the offer in writing within 30 days after the Landlord has notified the Rent Board of an intention to offer the accommodations again for residential rent or lease pursuant to the requirements of Section 6(F)(2). The Landlord shall be liable to any Tenant or Tenants who were displaced by that action for failure to comply with this subsection, for punitive damages in an amount that does not exceed the contract Rent for the Covered Rental Unit or Rental Unit/Dwelling for six months.

6. Ellis Act Provisions—Rental of Replacement Units

A. Replacement Units Subject to this Title. If a building containing a Covered Rental Unit, Rental Unit/Dwelling that was the subject of a Notice of Intent to Withdraw pursuant to the provisions of 6(F), subsections (A)-(C) is demolished and rental units are constructed on the same property and offered for rent or lease within five years of the date the Covered Rental Unit, Rental Unit/Dwelling that was the subject of the Notice of Intent to Withdraw was withdrawn from rent or lease, the Landlord may establish the initial rental rate for the newly constructed rental units. The provisions of this Title and other provisions of this Title shall apply to the newly constructed rental units.

This section shall not apply to demolished buildings containing four or fewer rental units, if the Landlord of the building, whose name appears on legal title to the property, is a natural person and resided in the building for three consecutive years prior to demolition, or if the building is not yet demolished, for three consecutive years prior to filing an application for exemption. To obtain this exemption, an owner must apply to the Rent Board for exemption pursuant to the provisions of Subdivision 3. of Subsection C. of this section.

B. Exemption from the Ordinance with Replacement Affordable Units. An owner who replaces the number of demolished rental units with an equal number of affordable housing units, not to exceed 20% of the total number of newly constructed rental units, may apply to the Rent Board for an exemption of the newly constructed rental units from the provisions of this Title. The affordable housing units must be located in the newly constructed accommodations. The Rent Board shall issue an exemption where it finds all of the following to exist:

1. The Landlord executed and recorded a covenant and agreement, in a form satisfactory to the Rent Board, guaranteeing that the replacement affordable housing units, affordable for households with an income at or below 80% of Area Median Income as established by the U.S. Department of Housing and Urban Development for the Los Angeles-Long Beach-Anaheim primary metropolitan statistical area, shall remain affordable for 30 years from the date the covenant and agreement is recorded. The covenant and agreement contains provisions as required by the Department to ensure the effective administration and enforcement of this subsection.

2. The replacement affordable housing units shall be reasonably dispersed throughout the newly constructed accommodations and shall not be segregated in a portion of the accommodations dedicated to affordable housing units.

3. The replacement affordable housing units shall be comparable to the market rate units and contain, on average, the same number of bedrooms, bathrooms and square footage as the market rate units. The replacement affordable housing units shall be comparable in architectural style to the average of the market rate units.

Units that are used to qualify for a density bonus pursuant to the provisions of either California Government Code Section 65915 et seq., as may be amended, or Anaheim Municipal Code, Title 17, Land Development and Resources, Chapter 17.40, Sections 17.40.010 to 17.40.120, as may be amended, or are used to satisfy any inclusionary zoning or replacement affordable housing requirement, or are used to qualify for any other public benefit or incentive, may be used to qualify as replacement affordable housing units pursuant to the provisions of this subsection.

C. Application for Exemption from this Title.

1. **Hardship Exemption.** The Rent Board shall have the authority to grant an exemption from the provisions of this section in cases of undue financial hardship arising from detrimental reliance on the provisions of this article prior to the enactment of this section as duly established to the satisfaction of the Rent Board. A Landlord claiming hardship must file a written application for exemption with the Rent Board on forms provided by the Rent Board within 90 days of the effective date of this section, and the owner must demonstrate that the hardship existed as of the date that the ordinance enacting this section was adopted by Council.

2. **Replacement Affordable Housing Unit Exemption.** A Landlord may, at any time, apply for exemption pursuant to the provisions of Subsection B. of this section, but must do so by written application on a form provided by the Rent Board. If the Rent Board issues an exemption while there are tenants residing in rental units that are subject to the provisions of this Title, each of the units shall continue to be subject to the provisions of this Title until all tenants in a unit voluntarily vacate the unit, or have their tenancies terminated pursuant to the provisions of Section 6(D) of this Title.

3. **Owner Occupancy Exemption.** An Landlord, whose name appears on legal title to the Covered Rental Unit, Rental Unit/Dwelling, may file an application for exemption from the Title on the grounds that the Landlord is a natural person who occupied the demolished building, which consisted of four or fewer rental units, for three years prior to the demolition of the building. If the building has not yet been demolished, an owner may file an application for exemption from Section 6(F), subsection (6) on the grounds that the building to be demolished

consists of four or fewer rental units, and that the Landlord occupied the building for three consecutive years prior to filing an application for exemption. A Landlord may, at any time, apply for exemption, but must do so by written application on a form provided by the Rent Board. If the Rent Board issues an exemption while there are tenants residing in units that are subject to the provisions of this Title, each of the units shall continue to be subject to the provisions of this Title until all tenants in a unit voluntarily vacate the unit, or have their tenancies terminated pursuant to the provisions of 6(D) of this Title.

4. **Verification of Information.** Information submitted in any written application to the Department for any of the exemptions outlined in this section, will be subject to verification and approval by the Department.

D. Appeals. A Landlord who is denied an exemption from this Title for an application filed pursuant to the provisions of Subsection C. of this section may appeal the denial by requesting a hearing before the Rent Board. The appeal must be filed in writing and received by the Rent Board within 15 calendar days of the date of mailing the denial decision. The appeal must be on a form provided by the Rent Board and identify the grounds for appeal. If an appeal from a decision to deny an exemption is not received by the Rent Board within the 15 day appeal period, the decision will be final.

The Rent Board's hearing shall be held within 30 days of receiving the appeal and will follow the procedures that shall be established by the Rent Board. The Landlord may present proof at the hearing of entitlement to an exemption, and a Rent Board representative shall explain the reason for the denial of the exemption application.

The Rent Board shall issue a written decision of the appeal, and it has the authority to affirm, modify, or reverse its decision. The Rent Board may, upon a showing of good cause, or where further investigation is warranted, grant a continuance of the hearing.

E. Authority of Rent Board. The Rent Board shall be responsible for carrying out the provisions of this section and shall have the authority to promulgate and administer policies, rules, and regulations to effectuate the purposes of this section.

G. Relocation Assistance.

(1) A Landlord who seeks to recover possession in an eviction proceeding based on a no-fault reason in Sections 6(D), 6(E), or 6(F), shall provide Relocation Assistance to affected Tenant/Resident households in an amount equal to three (3) times the current Fair Market Rent for a similar Rental Unit in Orange County as determined by the U.S. Department of Housing and Urban Development. Tenant/Resident households with at least one Qualified Tenant shall be entitled to an additional payment equal to one (1) times the current Fair Market Rent for a similar Rental Unit/Dwelling as determined by HUD as part of their Relocation Assistance. To the extent permitted by law, the Relocation Assistance required herein shall be a minimum amount.

Relocation assistance amounts should reflect the true costs paid by Tenant/Resident households to leave a home, including the costs to take time off of work or school to pack up belongings and move, and the costs associated with finding a new home, including, but not limited to, a new security deposit and first and last month's rent. The best way to determine the appropriate relocation amounts is to conduct a study of the housing market. The City should adopt the relocation amounts implemented by the City of Los Angeles, a bordering jurisdiction, until it can conduct a housing study that supports higher relocation amounts for the City of Anaheim. The Rent Board may increase the amounts of Relocation Assistance pursuant to its powers under law. The Landlord shall also waive the affected Tenant's/Resident's payment for the final month of rent, in an amount equal to at least three months' worth amount of rent.

(2) The Landlord shall notify the affected Tenants of their rights under this subsection, if any, at the time of the service of any notice terminating the tenancy. The Relocation Assistance shall be paid to Tenant households who vacate a Covered Rental Unit or Rental Unit/Dwelling within the earlier of 15 calendar days of the notice from (2), or no later than the time that they vacate the Covered Rental Unit or Rental Unit/Dwelling.

(3) The Rent Board shall issue rules and regulations to effectuate this subsection including but not limited to the procedures for establishing and facilitating payment of the Relocation Assistance, including rules for determining whether a Tenant meets the criteria for a Qualified Tenant, and rules to ensure the reasonably timely payment of any applicable Relocation Assistance.

(H) **Posting of Notice.** For every Property containing Covered Rental Units subject to this Title, the Landlord shall post a notice on a form prepared and authorized by the Rent Board, providing information about the existence of this Title. Notice must be posted in a conspicuous location in the lobby of the Property, near a mailbox used by all Tenants, or in or near a public entrance to the Property. The notice shall be written in English, Spanish, Vietnamese, Korean, Chinese, Tagalog, Mandarin, Farsi, and Arabic, and in any other languages as required by the Rent Board.

(I) **Retaliation is Barred.** No Landlord may threaten to bring, or bring, an action to recover possession, cause the Tenant to quit the unit involuntarily, serve any Written Notice to Cease or notice of termination of tenancy, decrease any services or increase the Rent where the Landlord's dominant motive is retaliation against the Tenant for the Tenant's assertion or exercise of rights under this Title. Such retaliation shall be a defense to an action to recover possession, or it may serve as the basis for an affirmative action by the Tenant for actual and punitive damages and injunctive relief. A Tenant may assert retaliation affirmatively or as a defense to the Landlord's action regardless of the period of time which has elapsed between the Tenant's assertion or exercise of rights under this Title and the alleged act of retaliation. The Rent Board may address retaliation issues further in its rules and regulations consistent with the intent of this subsection to prevent unlawful retaliation. The Rent Board shall maintain records of complaints received regarding violations of this Title, and shall upon the request of the Tenant, make certified copies of the records of complaints initiated by Tenant.

(J) **Harassment is Prohibited.** No Landlord may threaten to bring, or bring, an action to recover possession, cause the Tenant to quit the unit involuntarily, serve any Written Notice to

Cease or notice of termination of tenancy, decrease any services, refuse to accept or acknowledge receipt of a Tenant's lawful Rent pursuant to this Title, or interfere with the Tenant's quiet enjoyment of the Covered Rental Unit or Rental Unit/Dwelling and common areas as part of an attempt to increase the Rent above the maximum allowable Rent permitted under this Title, either by obtaining such excessive Rent from the Tenant or by creating a vacancy and increasing the Rent to a new Tenant. Such harassment shall be a defense to an action to recover possession, or it may serve as the basis for an affirmative action by the Tenant for actual and punitive damages and injunctive relief. The Rent Board may address harassment issues further in its rules and regulations consistent with the intent of this subsection to prevent unlawful harassment.

(K) **Threats on the basis of Immigration or Citizenship Status are Prohibited.** The Landlord shall post in all common areas of the Covered Rental Unit, or Rental Unit/Dwelling a notice from the Rent Board advising all Tenants/Residents that the protections found at California Civil Code section 1940.35(a), and California Code of Civil Procedure section 1161.4, as may be amended, shall apply with equal force and effect to their Tenancies. The Landlord's violation of this provision shall function as an affirmative defense to any eviction under Section 6 of this Title.

(L) **Notice to Specify Basis for Termination.** Any notice purporting to terminate tenancy on any of the bases specified in this section must state with specificity the basis on which the Landlord seeks to terminate the tenancy.

(M) **Landlord Compliance with this Title.** In any action brought to recover possession of a Covered Rental Unit or Rental Unit/Dwelling, the Landlord shall allege compliance with this Title.

(N) **Failure to Comply.** A Landlord's failure to comply with any requirement of this section, including without limitation the failure to serve any of the required notices to the Rent Board, is a complete affirmative defense in an unlawful detainer or other action brought by the Landlord to recover possession of the Covered Rental Unit or Rental Unit/Dwelling.

SECTION 7 STABILIZATION OF RENTS

(a) **Rents Stabilized.** Upon the effective date of this Title, no Landlord shall charge Rent for Covered Rental Units/Mobilehomes/Mobilehome Park spaces in an amount that exceeds the sum of Base Rent plus any lawful Rent increases actually implemented pursuant to this Title.

(b) **Rent Increases Regulated.** No Landlord shall increase Rent for Covered Rental Units/Mobilehomes/Mobilehome Park spaces except as authorized by this Title. Rent increases shall be limited to those permitted by Section 8 (Rent Increases Pursuant to Annual General Adjustment) and Section 13 (Petition for Individual Rent Adjustment-Bases). To the extent permitted by Section 9 of this Title, a Landlord may set the initial Rent for a new tenancy pursuant to Section 9 (Initial Rents for New Tenancies).

(c) **Notice of the Existence of this Title Required at Commencement of Tenancy.** The Landlord of any Covered Rental Units/Mobilehomes/Mobilehome Park spaces 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 Landlord must give the Tenant/Mobilehome Owner/Resident a written notice in a form prescribed by the Rent Board which must include the following information:

(A) The existence and scope of this Title; and

(B) The Tenant's/Mobilehome Owner's/Resident's right to Petition and organize against certain Rent increases.

(2) The Landlord must give the initial notice to the Tenant/Mobilehome Owner/Resident in the language that the Landlord and Tenant/Resident/Mobilehome Owner used to negotiate the terms of the tenancy (i.e., English, Spanish, Vietnamese, Korean, Chinese, Tagalog, Mandarin, Farsi, Arabic.)

SECTION 8 RENT INCREASES PURSUANT TO ANNUAL RENT ADJUSTMENT

Annual General Adjustment. No later than June 30th each year, beginning with the year 2026, the Rent Board shall announce the amount of the Annual General Adjustment, which shall be effective as of September 1st of that year. The Annual General Adjustment is the percentage by which the Rent for existing tenancies in Covered Rental Units may be increased each year, subject to the limitations of this Title.

(1) The Annual General Adjustment shall be equal to eighty percent (80%) of the percentage increase in the Consumer Price Index (CPI) (All Items, All Urban Consumers for Los Angeles-Long Beach-Anaheim, California area, 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-month period ending as of March of the current year. The Annual General Adjustment shall be rounded to the nearest one-quarter of a percent. The first Annual General Adjustment shall be in accordance with Subparagraph 6 of this section.

(2) **Rent Increases Generally. Floor and Ceiling.** Subparagraph 1 of this subsection notwithstanding, a Landlord may impose an annual Rent increase for any Covered Rental Unit or Mobilehome, as allowed in this Section, only after providing at least thirty (30) days' written notice to the Tenant of the Rent Increase pursuant to California Civil Code section 827, as may be amended. A Landlord may not impose an annual Rent Increase, unless the Covered Rental Unit or Mobilehome is registered with the Rent Board and not delinquent in registration payments pursuant to Rent Board regulations. This Section shall limit annual Rent as follows:

A. If the change in CPI is three percent (3%), or higher, the annual maximum allowable Rent Increase will be equivalent to 80% of the percentage increase in CPI or three percent (3%), whichever is lower;

B. If the change in CPI is between one percent (1%) and three percent (3%), the maximum allowable Rent increase will be equal to 80% of the percentage increase in CPI.

C. If the change in CPI is negative, no rent increase is permitted.

D. Where a Tenant, Mobilehome Owner, or Resident has already paid Rent in excess of three percent (3%) above the Rent charged on January 1, 2026, the Landlord shall credit the Tenant, Mobilehome Owner, or Resident the balance of the overpayment. The Landlord may either: (a) pay the Tenant, Mobilehome Owner, or Resident the balance of the overpayment directly in one lump sum, or (b) give the Tenant, Mobilehome Owner, or Resident a credit against the Rent otherwise due from the Tenant, Mobilehome Owner, or Resident to the Landlord over a six-month period. For any Covered Rental Unit or Mobilehome where the Landlord has not increased the Rent for a particular Tenant, Mobilehome Owner, or Resident by the maximum allowable rate of three percent (3%) of the Rent charged on January 1, 2026, the Landlord may only increase the Rent for that particular Tenant, Mobilehome Owner, or Resident, following the effective date of this Ordinance by an amount that when added to the amount of any Rent increase noticed on or after January 1, 2026, does not exceed three (3%) of the monthly Rent charged on January 1, 2026, or of the initial Rent charged, if the tenancy began after January 1, 2026.

(3) **No Banking.** A Landlord who refrains from imposing an annual rent increase or any portion thereof may not accumulate said increase and impose that amount on the Tenant's/Resident's subsequent rent increase anniversary dates.

(4) **One Rent Increase Per Year.** No more than one rent increase may be imposed on a Tenant household in any twelve-month period following the effective date of the Ordinance.

(5) **Posting.** As soon as the Landlord is aware of the maximum allowable rent as posted by the Rent Board, the Landlord shall post it for each Covered Rental Unit or Rental Unit/Dwelling, or Mobilehome space.

(6) **Notice of Rent Increase Required.** Allowable rent increases pursuant to the Annual General Adjustment shall become effective only after the Landlord provides written notice to the Tenant/Resident/Mobilehome Owner in the manner prescribed by law.

(7) **Notice Required to Increase Rent or Change Other Terms of Tenancy.** As part of any notice to increase Rent or change any terms of tenancy, a Landlord must include:

A. Notice of the existence of this Article; and

B. The right to Petition against any rent increase in excess of the Annual Rent Adjustment unless such rent increase is pursuant to an approved Petition.

C. No Rent Increase shall take effect until the requirements of this subsection have been met.

(8) **Conditions Under Which Rent Increase Not Effective.** No rent increase shall be effective if the Landlord:

A. Has failed to substantially comply with all provisions of this Article and all rules and regulations promulgated by the Rent Board, including but not limited to the failure to provide notices as required by Section 9; or

B. Has failed to maintain the Rental Unit in compliance with California Civil Code Sections 1941.1 *et seq.* and California Health and Safety Code Sections 17920.3 and 17920.10; or

C. Has failed to make repairs ordered by a Hearing Officer, the Rent Board, or the City.

(9) **Notices of Rent Increase.** Landlords of Covered Rental Units and Mobilehome Parks, as defined in Section 3, subdivisions (f) and (t), under this Title, excepting those that are exempt pursuant to Rent Board regulation, or are described in Section 4, subdivision (a), and Section 5 of this Ordinance, shall file with the Rent Board within ten (10) business days after the Landlord has served a Tenant/Resident/Mobilehome Owner with a notice of a rent increase, a copy of such notice with a proof of service, including time and date of service, using, absent extraordinary circumstances, the appropriate method of filing notification to be determined by the Rent Board, via regulation. If a Landlord fails to file the notice of rent increase and corresponding proof of service with the Rent Board as provided for in this Section, the rent increase shall be deemed null and void.

(10) **Security Deposits.**

(A) Security Deposit Cannot be Increased During the Tenancy.

(B) At the inception of a Tenancy at a Covered Rental Unit, Rental Unit/Dwelling, or Mobilehome, a Landlord may set the security deposit in accordance with California Civil Code section 1950.5, *et seq.*, as amended. However, where a Landlord demands, accepts, or retains any payment as a security deposit within the meaning of California Civil Code section 1950.5, *et seq.*, as amended, the security deposit shall not be increased during the tenancy.

(C) Notwithstanding Section 10, subdivision (B) where a pet is not a service animal or assistance animal, which includes emotional support animals, and where pets prohibited or limited under the Rental Housing Agreement, a landlord may file a petition for an upward increase of the security deposit if the tenant provides written consent to the security deposit increase in exchange for being allowed to have pet or pets. If an increase in the security deposit is granted, in no event shall the total security deposit exceed the limitations provided in Civil Code Section 1950.5, *et seq.*, as amended. Nothing in this section shall abrogate any rights afforded by Local, State, or Federal law, including but not limited to, the Fair Housing Act and California Fair Employment and Housing Act.

(11) **Security Deposit as Rent Overcharges.**

(A) Section 3, subdivision (ii) defines security deposit as Rent. Where a Landlord or Park Owner has demanded, accepted, increased, or retained a security deposit, in violation of this Section, there exists a Rent Increase. A Tenant/Resident/Mobilehome Owner may file a petition for Rent overcharges with the Rent Board.

(B) California Civil Code section 1950.5 *et seq.*, as amended, establishes a Landlord's obligation to return a security deposit. Where a Landlord retains a security deposit in violation of California Civil Code section 1950.5 *et seq.*, as amended, such an act shall constitute a Rent overcharge and a Tenant may bring a petition for Rent overcharges pursuant to Sections

13 and 14, with the Rent Board.

SECTION 9 INITIAL RENTS FOR NEW TENANCIES

(a) **Setting of Initial Rents Without Restriction.** To the extent required by state law, Landlords may set the initial Rent for new Tenant without regulation by this Title.

(b) **Restrictions on Initial Rent for New Tenancies.** To the maximum extent permitted by state law, the initial Rent for new tenancies shall be subject to the restrictions of this Title. The Rent Board shall issue rules and regulations to govern the restrictions on the initial Rent for new tenancies where such restrictions are permitted by state law. However, in the case of Mobilehomes, a Park Owner is prohibited from raising Rent upon re-rental or re-lease of a Mobilehome on-site to a Prospective Mobilehome Owner/or current Mobilehome Owner. This includes Mobilehome spaces that are New Construction as defined in Civil Code section 798.7, or as exempted in accordance with Civil Code section 798.45.

(c) **Rent Increases After Setting an Initial Rent.** After the Landlord sets an initial Rent pursuant to this section, the Landlord may only increase the Rent in accordance with this Title. The Landlord may not increase Rent based on cost increases, capital improvements, or other circumstances that arose before the new Tenancy began.

SECTION 10 NOTICE OF RIGHTS UNDER THIS CHAPTER

In addition to all other notice requirements specified elsewhere in this Title, the City of Anaheim and the Landlord of any Covered Rental Unit or Rental Unit/Dwelling, is required to provide public education and written notices to Tenants/Residents/Mobilehome Owners of their rights under this Title as follows:

(a) **Contents of Notice.** The notice required by this Section must be on a form prescribed by the Rent Board and include at least the following information:

- (1) The existence and scope of this Article;
- (2) Tenant(s)/Resident(s)/Mobilehome Owner(s)' right to Petition, including a description of the bases on which a Tenant/Resident/Mobilehome Owner may file a Petition; and
- (3) Where applicable, information about the applicability of the Ellis Act to the Tenant(s)' Tenancy ; and
- (4) Tenant(s)/Resident(s)/Mobilehome Owner(s)' right to Relocation Assistance.

(b) **Notice Required for Change in Terms of Tenancy.** The Landlord must provide Tenant/Resident with the notice upon serving any notice of rent increase or any other notice of change in terms of Tenancy.

(c) **Notice Required at Commencement of New Tenancy.** The Landlord must

provide the notice on or before the commencement of all tenancies initiated after the effective date of this Article.

(d) **Public Workshops:** The City shall, at least twice per quarter, hold comprehensive trainings for the public on this article and relevant state and federal laws, with materials and presentations made available in the language (i.e., English, Spanish, Vietnamese, Korean, Chinese, Tagalog, Mandarin, Farsi, Arabic.) primarily spoken by the resident, tenant, or landlord.

(e) **Language of Notice.** The Landlord must give the notice to the Tenant/Resident or Mobilehome Owner in the language that was used to negotiate the terms of the Tenancy (i.e., English, Spanish, Vietnamese, Korean, Chinese, Tagalog, Mandarin, Farsi, Arabic.)

SECTION 11 TENANT BUYOUT NOTIFICATION PROGRAM

(a) **Purpose.** The Tenant Buyout Notification Program provides for regulation, monitoring and enforcement of voluntary vacancies of Covered Rental Units, or Rental Unit/Dwelling subject to this Title occurring pursuant to a Buyout Agreement. To promote fairness during buyout negotiations and agreements, this section requires Tenants/Residents be informed of their rights under this Title before executing a Buyout Agreement. The Rent Board may promulgate regulations to implement this section.

(b) **Disclosure Notice.** Before making a Buyout Offer, the Landlord shall provide the Tenant(s)/Resident(s) with a notice that shall be written in the primary language of the Tenant (e.g., English, Spanish, Vietnamese, Korean, Chinese, Tagalog, Mandarin, Farsi, Arabic) on a form prepared and authorized by the Rent Board, which shall be dated and signed by the Landlord and the Tenant(s).

(c) **Buyout Agreement Requirements.**

(1) Every Buyout Agreement shall be written in the primary language spoken by the Tenant/Resident (e.g., English, Spanish, Vietnamese, Korean, Chinese, Tagalog, Mandarin, Farsi, Arabic), and state in a minimum of 12-point bold type above the Tenant/Resident signature line as follows:

“You, (Tenant name), may cancel this Buyout Agreement any time up to 30 days after all parties have signed this Agreement without any obligation or penalty.”

(2) Every Buyout Agreement shall advise the Tenant that he/she/they have the right:

(A) Not to enter into a Buyout Agreement;

(B) To consult an attorney and/or the Rent Board before signing the Buyout Agreement; and

(C) To cancel the Buyout Agreement at any time up to 30 days after all parties have signed it.

(3) Every Buyout Agreement shall be signed and dated by the Landlord and Tenant.

(4) A copy of the fully executed Buyout Agreement shall be given to the Tenant.

(d) **Cancellation of Buyout Agreement.**

(5) A Tenant shall have the right to cancel a Buyout Agreement for any reason for up to 30 days after execution by the Landlord and the Tenant without any financial obligation or penalty.

(6) Whenever the notice required pursuant to this section and/or the Buyout Agreement does not conform to the requirements of this section or Rent Board Regulations, the Tenant shall have the right to cancel the Buyout Agreement through the applicable statute of limitations period.

(e) **Filing Executed Disclosure Notice and Buyout Agreement.** The Landlord shall file with the Rent Board copies of the notice required pursuant to this section signed by the Tenant and the Landlord and the Buyout Agreement within 60 days of the Buyout Agreement execution.

(f) **Affirmative Defense.** A violation of this section may be asserted as an affirmative defense in an unlawful detainer action.

(g) **Private Right of Action.** A Tenant may bring a private right of action against a Landlord who violates a provision of this section and recover damages and a penalty of \$1,000.

SECTION 12 ANAHEIM RENT BOARD

(a) **Composition.** There shall be an appointed Anaheim Rent Board comprised of City residents as set forth in this Section. The Rent Board shall consist of seven (7) members appointed by the City Council. Each member of the Anaheim Rent Board shall be a resident of the City of Anaheim at the time of appointment and during the entire tenure of service on the Commission and shall not hold any paid office or employment in the City government.

(b) **Eligibility and Appointment.** The City Council shall appoint Members to the Rent Board at a public meeting. The City Council shall make documentation regarding eligibility and appointment publicly available. Members who have lived in the City for at least thirty (30) days and who are between the ages of 16 to 70 years of age are eligible to serve as members of the Rent Board. In the case of youth who seek to apply the Rent Board, they shall be enrolled and attending school, as well as be a resident of the City of Anaheim. All prospective members under the age of 18 shall provide written proof of parental or guardian permission to qualify for appointment. Should any member cease to reside within the City of Anaheim, cease to be a student enrolled and attending a school, or exceed the age limit for their respective class of membership, his/her office shall automatically be vacated. Applicants for membership on the Rent Board shall submit an application to the City Council. The application shall include a statement under penalty of perjury of the applicant's interest and dealings in real property,

including, but not limited to, ownership, trusteeship, sale, or management, or investment in and association with partnerships, corporations, joint ventures, syndicates engaged in ownership, sale, or management of real property during the three years immediately before the applicant's application.

(c) **Initial Board Appointed.** Upon adoption of this Article, the City Council shall empanel a seven (7) member Rent Board, with each Councilmember appointing one Rent Board member.

(d) **Term of Office.** Rent Board members shall serve terms of four (4) years. Rent Board members shall serve a maximum of two full terms, provided that where a member of the City Council is replaced either via an duly noticed and held election, or due to removal, the newly elected or replacement City Council member shall either retain the existing Rent Board member for his or her district, or appoint another Rent Board Member to serve out the remainder of the term of the Rent Board member he or she replaces.

(e) **Training for Incoming Anaheim Rent Board Members.** The City Manager, City Attorney, Code Enforcement, and Housing and Community Development shall together prepare, for incoming Rent Board members, a comprehensive training and review of this ordinance in addition to relevant state and federal laws. The training will be administered by Housing and Community Development.

(f) **Vacancies.** If a vacancy occurs on the Rent Board, a person qualified to fill such a vacancy shall be appointed by the City Council in accordance with this Title.

(g) **Powers and Duties.** The Rent Board shall have the following powers and duties:

(1) Set Rents at fair and equitable levels to achieve the purposes of this Title. Notwithstanding any other provision of this Title, the Rent Board shall have the authority to adopt regulations authorizing Rent increases and/or adjustments required by state or federal law.

(2) Establish rules and regulations for administration and enforcement of this Title, including rules and regulations for absenteeism and recommendations to the City Council for removal from the Rent Board, if warranted.

(3) Determine and publicize the Annual General Adjustment pursuant to this Title.

(4) Establish qualifications and provide training for Hearing Officers who will conduct hearings on matters arising from disputes concerning the provisions of this Title.

(5) Appoint Hearing Officers to conduct hearings on Petitions for Individual Rent Adjustment pursuant to this Title.

(6) Adjudicate Petitions pursuant to this Title and issue decisions with orders

for appropriate relief pursuant to this Title.

(7) Establish procedures and timelines for hearings on Petitions, including determining the timelines and procedures for appeals to the Rent Board.

(8) Administer oaths and affirmations and subpoena witnesses and relevant documents.

(9) Establish a budget for the reasonable and necessary implementation of the provisions of this Title, including without limitation the hiring of necessary staff, and charge fees as set forth herein in an amount sufficient to support that budget. The budget may include expenditures to advance the policies herein.

(10) Hold public hearings and receive public comment.

(11) Conduct studies, surveys, investigations, and hearings, and obtain information to further the purposes of this Title.

(12) Report annually to the City Council on the status of Rental Units subject to this Title. Reports shall be made available to the public and include, but not be limited to: (a) a summary of the numbers of Written Notices to Cease served pursuant to this Title, including the bases upon which they were served, (b) a summary of any and all Petitions submitted to and/or decided by a Hearing Officer and/or the Rent Board pursuant to this Title, including the bases on which the Petitions were submitted and the determinations on the Petitions, (c) a summary of all evictions pursuant to Section 6(a)(10), and (d) Buyout Agreements pursuant to Section 11.

(13) Publicize through reasonable and appropriate means the provisions of this Title, including without limitation the rights and responsibilities of Landlords and Tenants/Residents, and where applicable, Mobilehome Owners.

(14) Establish a schedule of penalties that may be imposed for noncompliance with this Title or with rules and regulations promulgated under this Title.

(15) Pursue civil remedies as provided by this Title in courts of appropriate jurisdiction.

(16) Intervene as an interested party in any litigation brought before a court of appropriate jurisdiction by a Landlord or Tenant with respect to Rental Units subject to this Title.

(17) Any other duties necessary to administer and enforce this Title.

(h) **Rules and Regulations.** The Rent Board shall issue and follow such rules and regulations as will further the purposes of the Title.

(i) **Meetings.** The Rent Board shall hold regularly scheduled meetings as necessary to ensure the performance of its duties under this Title. All regular and special meetings shall be

called and conducted in accordance with state law.

(j) **Quorum**. A majority of the total number of Rent Board Members shall constitute a quorum for the Rent Board.

(k) **Voting**. The affirmative vote of four (4) Rent Board Members of the Rent Board is required for a decision, including on all motions, regulations, and orders of the Rent Board.

(l) **Compensation**. Notwithstanding Title 1, Administration of the Anaheim Municipal Code, each Rent Board Member shall serve without compensation, but shall be reimbursed for travel and subsistence expenses incurred in the performance of their duties while away from the City of Anaheim in accordance with Council policy and to the extent that appropriations for such compensation and travel allowance have been provided by the City Council. The City Council may, provide financial compensation for serving as a member on the Rent Board, if the council amends the Anaheim City Charter and/or Municipal Code.

(m) **Financing**. The Rent Board shall finance its reasonable and necessary expenses, including without limitation and engage any staff as necessary to ensure implementation of this Title. The Rent Board shall accomplish this by charging Landlords an annual Rental Housing Fee as set forth herein, in amounts deemed reasonable by the Rent Board in accordance with applicable law, which shall not exceed the reasonable expenses for financing the Rent Board, as approved and authorized by the City Council. The Rent Board is also empowered to request and receive funding when and if necessary from any available source including the City for its reasonable and necessary expenses.

(1) **Rental Housing Fee**. All Landlords shall pay a Rental Housing Fee on an annual basis. The first Rent Board convened after the effective date of this Title shall determine the amount of the Rental Housing Fee. The amount of the Rental Housing Fee may differ between Covered Rental Units or Rental Units/Dwelling subject to the entirety of this Title and those that are partially exempt. Following a duly noticed public hearing, the Rent Board may adjust the amount of the Rental Housing Fee to ensure full funding of its reasonable and necessary expenses, in accordance with all applicable law.

(2) **City to Advance Initial Funds**. During the initial implementation of this Title, the City shall advance all necessary funds to ensure the effective implementation of this Title, until the Rent Board has collected Rental Housing Fees sufficient to support the implementation of this Title. The City may seek a reimbursement of any advanced funds from the Rent Board after the Rental Housing Fee has been collected.

(n) **Registration**. Within thirty (30) days, after the initial Rent Board meeting, the Rent Board shall require the registration of a Covered Rental Unit/Mobilehome, which shall be re-registered annually, at all times deemed appropriate by the Rent Board. The initial registration shall include the Rent in effect on January 1, 2026, the date of the adoption of the Ordinance codified in this Title, the address of the Covered Rental Unit/Mobilehome, the name and address of the Landlord, the housing services provided to the Covered Rental Unit/Mobilehome, and any other information deemed relevant by the Rent Board. If the Landlord has willfully and

knowingly failed to register a Covered Rental Unit/Mobilehome, the Rent Board may authorize the Tenant/ Mobilehome Owner/ Resident of such a nonregistered Covered Rental Unit/Mobilehome to withhold all or a portion of the Rent for the Covered Rental Unit/Mobilehome until the Covered Rental Unit/Mobilehome is properly registered. After a Covered Rental Unit/Mobilehome is properly registered, the Rent Board and/or a hearing examiner shall determine what portion of the withheld Rent is owed to the Landlord for the period when the Covered Rental Unit/Mobilehome was not properly registered. Whether or not the Rent Board allows such withholding, no Landlord who has failed to register properly shall at any time increase rents for Covered Rental Units/Mobilehomes until such spaces are properly registered.

(o) **Integrity and Autonomy of Rent Board.** The Rent Board shall be an integral part of the government of the City, but shall exercise its powers and duties under this Title independent from the City Council, City Manager, and City Attorney, except by request of the City Council. The Rent Board may request the services of the City Attorney, who shall provide them pursuant to the lawful duties of the office in Article VII, Section 703 of the Anaheim City Charter and Municipal Code.

(p) **Conforming Regulations.** If a court of competent jurisdiction declares as invalid or unenforceable any portion of this Title, or state or federal legislation renders any portion of this Title invalid or unenforceable, the Rent 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 Title to the extent necessary to resolve any inconsistency. The subject matter of such replacement regulations shall be limited to the matters addressed in this Title.

(q) **Designation of Replacement Rent Board.** In the event the establishment of the Rent Board under this section is determined to be invalid for any reason by a court of competent jurisdiction, the City Council shall designate one or more agencies, departments, Rent Boards, or commissions, including but not limited to, the Community Redevelopment and Housing Commission within the City of Anaheim, to perform the duties of the Rent Board prescribed by this Title.

(r) **Conflict of Interest.** The Rent Board shall not necessarily disqualify elected Rent Board Members from exercising any of their powers and duties on the grounds of a conflict of interest solely based on their status as a Landlord, realtor, developer, or Tenant, Resident, or Mobilehome Owner. However, the Rent Board shall disqualify a Member from ruling on a Petition either if the Rent Board Member is the Landlord of the Property or a Tenant, Resident, or Mobilehome Owner residing in the Property that is involved in the Petition. The provisions of the Political Reform Act, California Government Code Sections 87100 *et seq.*, as well as the Conflict of Interest Provisions under Anaheim Municipal Code, Title 1, Administration, Title 1.04,, Section 1.04.999 , shall also apply.

(s) **Interim Authority for Implementation.** During the time from the effective date of this Title until the election of the Rent Board Members and establishment of the Rent Board,

the City Council shall enforce the terms of this Title, assuming the powers and duties of the Rent Board on an interim basis and making available public guidance to those affected by its provisions.

SECTION 13 PETITIONS FOR INDIVIDUAL RENT ADJUSTMENT-BASES

A Landlord or a Tenant/Mobilehome Owner/Resident may file a Petition with the Rent Board seeking adjustment, either upward or downward, of the Rent for any given tenancy in accordance with the standards set forth in this section, and using the procedures set forth in Section 14 herein and implementing regulations. A Petition shall be on a form provided by the Rent Board and, if made by the Landlord, shall include a declaration by the Landlord that the Covered Rental Unit, or Mobilehome Park, if applicable, complies with all requirements of this Title.

(a) Petition for Upward Adjustment – Fair Return. To effectuate the purposes of this Title and the requirements of law, a Landlord may file a Petition for an upward adjustment of the Rent to ensure a Fair Return. It is the intent of this Title that individual upward adjustments in Rent be granted only when the Landlord demonstrates that such adjustments are necessary to provide the Landlord with a Fair Return. The Rent Board may promulgate regulations to review Petitions filed pursuant to this subsection in accordance with law and the purposes of this Title.

(1) Prerequisites. No upward adjustment of Rent shall be authorized by a Hearing Officer or the Rent Board under this subsection if the Landlord:

(A) Has continued to fail to comply, after order of the Rent Board or other authority, with any provisions of this Title or orders or regulations issued thereunder; or

(B) Has failed to maintain the Covered Rental Unit/Mobilehome Park in compliance with California Civil Code Sections 798 et seq., 1941.1 et seq. and California Health and Safety Code Sections 17920.3 and 17920.10, as may be amended.

(b) Fair Return Standard.

(1) Presumption of Fair Base Year Net Operating Income. It shall be presumed that the net operating income received by the Landlord in the base year provided a fair return.

(2) Fair Return. A Landlord has the right to obtain a net operating income equal to the base year net operating income adjusted by eighty percent (80%) of the Consumer Price Index (CPI), as defined in Section 8(a)(1) herein, since the base year. It shall be presumed this standard provides a fair return. The Base Year CPI shall be the annual CPI for calendar year 2016. The “current year” CPI shall be the annual CPI for calendar year preceding the calendar year the application is filed.

(3) Base Year.

(A) For the purposes of making fair return determinations pursuant to this section, the base year means the 2016 calendar year.

(B) In the event that a determination of the allowable Rent is made pursuant to this section, if a subsequent petition is filed, the base year shall be the year that was considered as the “current year” in the prior petition.

(4) Adjustment of Base Year Net Operating Income. The Rent Board will grant an adjustment of the Base Year, if the Landlord can demonstrate no fair return in the Base Year as set forth Subsection b(1) of this section based on at least one of the following findings:

(A) **Exceptional Expenses in the Base Year.** The Landlord’s operating expenses in the base year were unusually high or low in comparison to other years. In such instances, adjustments may be made in calculating operating expenses so the base year operating expenses reflect average expenses for the Covered Rental Unit/Mobilehome Park over a reasonable period. The following factors shall be considered in making such a finding:

- (i) Extraordinary amounts were expended for necessary maintenance and repairs.
- (ii) Maintenance and repair was below accepted standards to cause significant deterioration in the quality of services provided.
- (iii) Other expenses were unreasonably high or low notwithstanding the application of prudent business practices.

(B) **Exceptional Circumstances in the Base Year.** The gross income during the base year was disproportionately low due to exceptional circumstances. In such instances, adjustments may be made in calculating base year gross rental income consistent with the purposes of this Title. The following factors shall be considered in making such a finding:

- (i) If the gross income during the base year was lower than it might have been because some residents were charged reduced Rent.
- (ii) If the gross income during the base year was significantly lower than normal because of the destruction of the premises and/or temporary eviction for construction or repairs.
- (iii) The pattern of Rent increases in the years prior to the base year and whether those increases reflected increases in the CPI.
- (iv) Base period Rents were disproportionately low in comparison to

the base period Rents of other Rental Units in the City.

(v) Other exceptional circumstances.

(5) Calculation of Net Operating Income.

(A) **Net Operating Income.** Net operating income shall be calculated by subtracting operating expenses from gross rental income.

(B) Gross Rental Income.

(i) Gross rental income shall include:

(I) Gross rents calculated as gross rental income at one hundred percent occupancy, adjusted for uncollected Rents due to vacancy and bad debts to the extent such vacancies or bad debt are beyond the control of the Landlord. Uncollected Rents in excess of three percent (3%) of gross rent shall be presumed to be unreasonable unless established otherwise by the Landlord and shall not be included in computing gross income.

(II) All other income or consideration received or receivable in connection with the use or occupancy of the Rental Unit, except as provided in Clause (ii) of this section.

(ii) Gross rental income shall not include:

(I) Utility Charges for charges for sub-metered gas, electricity or water.

(II) Charges for refuse disposal, sewer service, and, or other services which are either provided and solely on a cost pass-through basis and/or are regulated by state or local law.

(III) Charges for laundry services.

(IV) Storage charges.

(6) Operating Expenses.

(A) **Included in Operating Expenses.** Operating expenses shall include the following:

(i) Reasonable costs of operation and maintenance.

(ii) Management Expenses. It shall be presumed that management expenses have increased by the percentage increase in Rents or the CPI, whichever is greater, between the base year and the current year unless the level of management services has either increased or decreased significantly between the base year and the current year.

(iii) Utility Costs. Utility Costs except utility where the consideration of the income associated with the provision of the utility service is regulated by state law and consideration of the costs associated with the provision of the utility service is preempted by state law.

(iv) Real Property Taxes. Property taxes are an allowable expense, subject to the limitation that property taxes attributable to an assessment in a year other than the base year or current year shall not be considered in calculating base year and/or current year operating expenses.

(v) License and registration fees. License and registration fees required by law to the extent these expenses are not otherwise paid or reimbursed by Tenants.

(vi) Landlord-performed labor. Landlord-performed labor compensated at reasonable hourly rates. However, no landlord-performed labor shall be included as an operating expense unless the Landlord submits documentation showing the date, time, and nature of the work performed. There shall be a maximum allowed under this provision of five percent (5%) of gross income unless the Landlord shows greater services were performed for the benefit of the residents.

(vii) Costs of Capital Replacements. Costs of capital replacements plus an interest allowance to cover the amortization of those costs where all of the following conditions are met:

(I) The costs, less any insurance proceeds or other applicable recovery, are averaged on a per unit basis for each Rental Unit actually benefited by the improvement.

(II) The costs are amortized over a period of not less than thirty-six months.

(III) The costs do not include any additional costs incurred for property damage or deterioration that result from any unreasonable delay in undertaking or completing any repair or improvement.

(IV) The costs do not include costs incurred to bring the Covered Rental Unit/Mobilehome Park into compliance with a provision of the Anaheim Municipal Code or state law where the original installation of the improvement did not comply with code requirements.

(V) At the end of the amortization period, the allowable monthly Rent is decreased by any amount it was increased because of the application of this provision.

(VI) The amortization period shall be in conformance with a schedule adopted by the Rent Board unless it is determined that an alternate period is justified based on the evidence presented in the hearing.

(viii) Legal Expenses. Attorneys' fees and costs incurred in connection with successful good faith attempts to recover Rents owing, successful good faith unlawful detainer actions not in derogation of applicable law, and legal expenses necessarily incurred in dealings with respect

to the normal operation of the Property. Reasonable fees, expenses, and other costs incurred in the course of successfully pursuing rights under or in relationship to this Title and regulations adopted pursuant to the Title including costs incurred in the course of pursuing successful Petitions. Said expenses shall be amortized over a five-year period, unless the Rent Board concludes that a different period is more reasonable.

Allowable legal expenses which are of a nature that does not recur annually shall be amortized over a reasonable period of time. At the end of the amortization period, the allowable monthly Rent shall be decreased by any amount it was increased because of the application of this provision.

(ix) Interest Allowance for Expenses that are Amortized. An interest allowance shall be allowed on the cost of amortized expenses; the allowance shall be the interest rate on the cost of the amortized expense equal to the “average rate” for thirty-year fixed rate on home mortgages plus two percent. The “average rate” shall be the rate Freddie Mac last published in its weekly Primary Mortgage Market Survey (PMMS) as of the date of the initial submission of the petition. In the event that this rate is no longer published, the Rent Board shall designate by regulations an index that is most comparable to the PMMS index, which shall be used.

(B) **Exclusions from Operating Expenses.** Operating expenses shall not include the following:

- (i) Mortgage principal or interest payments or other debt service costs.
- (ii) Any penalties, fees or interest assessed or awarded for violation of any provision of this chapter or of any other provision of law.
- (iii) Land lease expenses.
- (iv) Political contributions and payments to organizations that are substantially devoted to legislative lobbying purposes.
- (v) Depreciation.
- (vi) Any expenses for which the Landlord has been reimbursed by any utility rebate or discount, Security Deposit, insurance settlement, judgment for damages, settlement or any other method or device.
- (vii) Unreasonable increases in expenses since the base year.
- (viii) Expenses associated with the provision of master-metered gas and electricity services.
- (ix) Expenses which are attributable to unreasonable delays in performing necessary maintenance or repair work or the failure to complete necessary replacements (e.g., a roof replacement may be a reasonable expense, but if water damage occurred as a result of unreasonable delays in repairing or replacing the roof, it would not be reasonable to pass through

the cost of repairing the water damage).

(C) **Adjustments to Operating Expenses.** Base year and/or current operating expenses may be averaged with other expense levels for other years or amortized or adjusted by the CPI or may otherwise be adjusted, in order to establish an expense amount for that item which most reasonably serves the objectives of obtaining a reasonable comparison of base year and current year expenses. Grounds for such adjustments include, but are not limited to:

- (i) An expense item for a particular year that is not representative.
- (ii) The base year expense is not a reasonable projection of average past expenditures for that item in the years immediately preceding or following the base year.
- (iii) The current year expense is not a reasonable projection of expenditures for that item in recent years or of future expenditures for that item.
- (iv) A particular expense exceeds the normal industry or other comparable standard for the area, the Landlord shall bear the burden of proving the reasonableness of the expense. To the extent that it is found that the expense is unreasonable it may be adjusted to reflect the normal industry standard.
- (v) A base year expense is exceptionally low by industry standards and/or on an inflation adjusted basis is exceptionally low relative to current year expenses although the level or type of service has not changed significantly.
- (vi) An increase in maintenance or management expenses is disproportionate to the percentage increase in the CPI, while the level of services has not changed significantly and/or is not justified by special circumstances.

(6) **Rent Increases for Periods Preceding Date that a Landlord Implemented Rent Increases Pursuant to this Section.** In the event that the period for determining the allowable Rent increase pursuant to this section exceeds 120 days, the Landlord may recover increases that would have been permitted if the Rent increase decision had been made within 120 days. The allowance for these increases may be amortized or may be factored into the prospective allowable increase in order to avoid undue hardship on the Tenant.

(7) **Assurance of a Fair Return.** It shall be presumed that the MNOI standard provides a fair return. Nothing in this Title shall preclude the Rent Board or Hearing Officer from granting an increase that is necessary in order to meet constitutional fair return requirements.

(8) **Effective Date of Individual Rent Adjustment.** Rent increases authorized pursuant to this subsection shall become effective only after the Landlord provides the Tenant written notice of such Rent increase pursuant to state law.

(c) Petition for Downward Adjustment – Failure to Maintain Habitable Premises.

(1) Failure to maintain a Covered Rental Unit, or Rental Unit/Dwelling, or Mobilehome Park or common area in a Mobilehome Park in compliance with governing health and safety and building codes, including, but not limited to, California Civil Code Sections 798 *et seq.*, 1941.1, *et seq.*, and California Health and Safety Code Sections 17920.3 and 17920.10, constitutes an increase in Rent. A Tenant/Mobilehome Owner/Resident may file a Petition with the Rent Board to adjust the Rent downward based on a loss in rental value attributable to the Landlord's failure to maintain the Rental Unit in habitable condition.

(2) A Petition filed by a Tenant/Mobilehome Owner/Resident under this subsection must specify the conditions alleged to constitute the failure to maintain the Covered Rental Unit, Rental Unit/Dwelling, or Mobilehome Park in habitable condition. The Petition must also demonstrate that the Tenant/Mobilehome Owner/Resident provided the Landlord with reasonable notice and opportunity to correct the conditions that form the basis for the Petition.

(d) Petition for Downward Adjustment – Decrease in Housing Services or Maintenance. A decrease in Housing Services, Service Reduction, or maintenance, or deterioration of a Covered Rental Unit, Rental Unit/Dwelling, or Mobilehome Park beyond ordinary wear and tear, without a corresponding reduction in Rent, is an increase in Rent. A Tenant/Mobilehome Owner/Resident may file a Petition to adjust the Rent downward based on a loss in rental value attributable to a decrease in Housing Services or maintenance or deterioration of the Covered Rental Unit/Mobilehome Park. The Petition must specify the circumstances alleged to constitute a decrease in Housing Services or maintenance, and demonstrate that the Landlord was provided with reasonable notice and an opportunity to correct in like manner to Petitions filed pursuant to Subsection (c)(2) herein.

(e) Petition for Downward Adjustment – Unlawful Rent. If a Landlord demands or retains Rent in excess of the lawful Rent pursuant to this Title, a Tenant/Mobilehome Owner/Resident may file a Petition to adjust the Rent to its lawful level. If the Rent Board grants such a Petition, the Landlord shall be ordered to return any excessive Rent charged to the Tenant/Mobilehome Owner/Resident in violation of this Title.

**SECTION 14 PETITIONS FOR INDIVIDUAL RENT ADJUSTMENT-
PROCEDURES**

The Rent Board shall promulgate regulations regarding procedures for Petitions filed under this Title. The resulting regulations and the provisions of this section shall govern the Petitions brought under this section.

(a) **Hearing Officer.** A Hearing Officer appointed by the Rent Board shall conduct a hearing to act upon the Petition, and shall have the power to administer oaths and affirmations, and to render a final decision on the merits of the Petition, subject to the provisions of this Title.

(b) **Notice**. The Rent Board shall notify the Landlord, if the Tenant/Mobilehome Owner/Resident, or the Tenant/Mobilehome Owner/Resident filed the Petition, if the Petition was filed by the Landlord, of the receipt of such a Petition and provide a copy thereof.

(c) **Time of Hearing**. Each party to a Petition shall receive sufficient advance notice of the bases, theories, and relevant documents to be presented by the other party(ies), and of the time, date, and place of any hearing regarding the Petition.

(d) **Developing the Record**. The Hearing Officer may require either party to a Petition to provide any books, records, and papers deemed pertinent. If the Hearing Officer finds good cause to believe that a building or other inspection would assist in resolving the issues raised by the Petition, the Hearing Officer may conduct an inspection and/or request the City to conduct an inspection. The Tenant/Mobilehome Owner/Resident may request the Hearing Officer to order such an inspection prior to the date of the hearing. All documents required under this subsection shall be made available to the parties involved prior to the hearing. The parties to the hearing may be present during the inspection.

(e) **Open Hearings**. All hearings conducted pursuant to this section shall be open to the public unless prohibited by state or federal law.

(f) **Right of Assistance**. All parties to a hearing conducted pursuant to this section may have assistance in presenting evidence and developing their position from attorneys, legal workers, or any other persons designated by said parties.

(g) **Hearing Record**. The Rent Board shall make available for inspection and copying any official record that shall constitute the exclusive record for decision on the issues at the hearing. The record of the hearing, or any part of one, shall be obtainable for the reasonable cost of copying, without cost. All hearings shall be audio or video recorded, as ordered by the Hearing Officer, and any party to the Petition may receive a copy of the recording upon payment of a reasonable cost.

(h) **Quantum of Proof and Notice of Decision**. No Petition for Individual Rent Adjustment, whether upward or downward, shall be granted unless supported by the preponderance of the evidence submitted prior to and at the hearing. All parties to a hearing shall be sent a notice of the decision and a copy of the findings of fact and law upon which said decision is based. At the same time, parties to the proceeding shall also be notified of their right to appeal to the Rent Board and/or to judicial review.

(i) **Consolidation**. Whether submitted by a Landlord or Tenant/Mobilehome Owner/Resident, all Petitions pertaining to Covered Rental Units, Rental Unit/Dwelling, or Mobilehomes at the same Property/Mobilehome Park may be consolidated for hearing upon a showing of good cause.

(j) **Appeal**. Any person aggrieved by the decision of the Hearing Officer may appeal to the full Rent Board for review within 30 days of the Hearing Officer's decision. On appeal, the Rent Board shall affirm, reverse, or modify the decision of the Hearing Officer. The decision

on appeal shall be based on the hearing record, and the Rent Board may hear and/or find facts in addition to those presented to the Hearing Officer.

(k) **Finality of Decision.** The decision of the Hearing Officer shall be the final decision of the Rent Board, unless an aggrieved party has timely sought an appeal to the Rent Board. The decision of the Rent Board on appeal shall be final unless an aggrieved party has timely sought judicial review pursuant to law.

(l) **Time for Decision.** The Rent Board shall make a final decision on any Petition within a reasonable time. Decisions decreasing Rent shall remain in effect until the Landlord has corrected the defect warranting the decrease. The Rent Board shall by regulation, establish procedures for making prompt compliance determinations.

(m) **Fair Return Guaranteed.** The Rent Board shall not apply any provision of this Title to prohibit the Rent Board from granting an Individual Rent Adjustment that the Landlord demonstrates to be necessary to provide the Landlord with a fair return.

SECTION 15 REGULATION OF LEASES IN MOBILEHOME PARKS (INAPPLICABLE TO COVERED RENTAL UNITS, RENTAL UNITS OR DWELLING UNITS)

State law, including the Mobilehome Residency Law at California Civil Code Section 798, *et seq.*, governs many aspects of agreements to rent Mobilehomes. This section supplements the provisions of the State Mobilehome Residency Law.

A. Every Mobilehome Owner/Legal Owner and every Prospective Mobilehome Owner in a Mobilehome Park subject to the provisions of this Title shall have the option to reject a Rental Agreement offered for the lease of a Mobilehome, and to reject a Rental Agreement offered for the lease of the site of the Mobilehome, and shall be entitled to accept a Rental Agreement for a term of 12 months or less, including a month-to-month agreement, pursuant to the provisions of state law and Subsection C of this Section.

B. Neither a Mobilehome Owner/Legal Owner nor a Prospective Mobilehome Owner shall be required to sign a lease or Rental Agreement that is exempt from the provisions of this Title. Neither a Mobilehome Owner nor a Prospective Mobilehome Owner shall be required to sign a Rental Agreement in excess of 12 months.

C. A Prospective Mobilehome Owner who rejects an offered Rental Agreement in excess of 12 months duration shall be entitled instead to accept a Rental Agreement for a term of 12 months or less from the date the offered Rental Agreement was to have begun. Where the Prospective Mobilehome Owner elects to have a Rental Agreement for a term of 12 months or less, including a month-to-month Rental Agreement, the Rental Agreement shall contain the same rental charges, terms and conditions as the rejected Rental Agreement during the first 12 months, except for options, if any, contained in the offered Rental Agreement to extend or renew the Rental Agreement.

D. Before any Rental Agreement in excess of 12 months is executed by a Prospective Mobilehome Owner, the Prospective Mobilehome Owner shall: (i) be offered the option of a Rental Agreement for a term of 12 months or less; and (ii) be informed both orally and in writing that a lease or Rental Agreement in excess of 12 months shall not be subject to the terms and provisions of this Title.

E. A notice, which conforms to the following language and printed in at least 12-point boldface type if the Rental Agreement is printed, or in capital letters if the Rental Agreement is typed, shall be presented to the Prospective Mobilehome Owner at the time of presentation of a Rental Agreement creating a Tenancy with a term greater than twelve months:

IMPORTANT NOTICE TO PROSPECTIVE MOBILEHOME OWNER REGARDING THE PROPOSED RENTAL AGREEMENT FOR _____. PLEASE TAKE NOTICE THAT THIS RENTAL AGREEMENT CREATES A TENANCY WITH A TERM IN EXCESS OF 12 MONTHS. BY SIGNING THIS RENTAL AGREEMENT, YOU ARE EXEMPTING THIS TENANCY FROM THE PROVISIONS OF THE ORDINANCE OF THE CITY OF ANAHEIM FOR THE TERM OF THIS RENTAL AGREEMENT. THE ORDINANCE ANAHEIM MUNICIPAL CODE CHAPTER XX, ARTICLE X) AND THE STATE MOBILEHOME RESIDENCY LAW (CALIFORNIA CIVIL CODE SECTION 798, *et seq.*) GIVE YOU CERTAIN RIGHTS, INCLUDING THE RIGHT TO A TENANCY OF 12 MONTHS OR LESS THAT IS NOT EXEMPT FROM THE PROVISIONS OF THE ORDINANCE. BEFORE SIGNING THIS RENTAL AGREEMENT, YOU MAY WANT TO SEE A LAWYER. IF YOU SIGN THE RENTAL AGREEMENT, YOU MAY CANCEL THE RENTAL AGREEMENT BY NOTIFYING THE PARK MANAGEMENT IN WRITING OF THE CANCELLATION WITHIN 72 HOURS OF YOUR EXECUTION OF THE AGREEMENT. IT IS UNLAWFUL FOR A MOBILEHOME PARKOWNER OR ANY AGENT OR REPRESENTATIVE OF THE OWNER TO DISCRIMINATE OR RETALIATE AGAINST YOU BECAUSE OF THE EXERCISE OF ANY RIGHTS YOU MAY HAVE UNDER THE ORDINANCE OF THE CITY OF ANAHEIM, OR BECAUSE OF YOUR CHOICE TO ENTER INTO A RENTAL AGREEMENT THAT IS SUBJECT TO THE PROVISIONS OF THAT ORDINANCE.

F. The Notice described in Subsection E. of this Section shall contain a place for the Prospective Mobilehome Owner to acknowledge receipt of the notice and shall contain an acknowledgment signed under penalty of perjury by the person offering the Rental Agreement that the notice has been given to the Prospective Mobilehome Owner in accordance with the previous subsection. A copy of the notice executed by the person offering the rental agreement shall be provided to the Prospective Mobilehome Owner.

G. A Prospective Mobilehome Owner may cancel a Mobilehome rental agreement by notifying Management of the Park in writing of the cancellation within 72 hours of the execution of the agreement.

H. Vacancy Control. A Park Owner is prohibited from raising Rent upon re-rental or re-lease of a Mobilehome on-site to a Prospective Mobilehome Owner/or current Mobilehome Owner. This includes Mobilehome spaces that are New Construction as defined in Civil Code

section 798.7 or exempted in accordance with Civil Code section 798.45.

I. Prospective Mobilehome Owner rights. Any person who is a Prospective Mobilehome Owner as defined in Section 3, subdivision (ee), must be offered the option of renting a Mobilehome space in a manner that will permit the Prospective Mobilehome Owner to receive the benefits of this Title which includes, but it not limited to, rental of a Mobilehome space on a month-to-month basis, and a new base Rent as set forth in Subsection (H) of this Section. Such a person cannot be denied the option of a tenancy of twelve months or less in duration. The Park Owner/Management shall inform the Prospective Mobilehome Owner of their options under this clause.

Protections Regarding Mobilehome Park Change of Use

J. **Application and Relocation Impact Report.** Before the Change of Use of a Mobilehome Park, the Park Owner shall file with the Rent Board an application to convert the Mobilehome Park. After the application has been submitted, the Park Owner shall submit within 15 calendar days of filing the application for Change of Use, the Mobilehome Owner/Resident questionnaires from the affected Mobilehome Park, and a relocation impact report (RIR). The application for the Change of Use must be made simultaneously with any applications necessary to facilitate the intended future use (e.g., subdivision, demolition, and zoning change.) The Park Owner's application for Change of Use shall also comply with California Government Code sections 66427.4 and 65863.7, as may be amended. The Park Owner shall file this application on a form provided by the Rent Board. The Park Owner may not post any notice or any other indicators of any proposed Change of Use of the Mobilehome Park until and unless (1) the Planning Commission has approved the Park Owner's application for Change of Use and (2) the Park Owner has signed and filed the certificate accepting the conditions of approval adopted by the Planning Commission.

K. **Mobilehome Owner/Legal Owner Questionnaire.** A confidential Mobilehome Owner/Resident Questionnaire shall be sent to each Mobilehome Owner/Legal Owner of the Mobilehome Park on a form provided to the Park Owner as soon as the application for Change of Use has been filed. The form shall require the following information for each Mobilehome space in the Mobilehome Park:

1. The registered Mobilehome Owner and Legal Owner of the Mobilehome;
2. The identity, ages, number, and any mental or physical disability or special needs of the Mobilehome Owner/Legal Owner occupying the Mobilehome;
3. The date of manufacture of the Mobilehome, the name of the manufacturer, the size of the Mobilehome, the number of bedrooms in the Mobilehome, any special amenities in the Mobilehome, including but not limited to, equipment needed because of the medical condition, age, or disability of any Mobilehome Owner/Resident in the Mobilehome;
4. Any improvements or renovations to the Mobilehome or improvements to the Mobilehome space made by the current Mobilehome Owner/Resident, including but not limited to, a new roof, porches, patios, awnings, pop-out rooms, recreational equipment, barbecue

equipment, landscaping, etc., whether such improvements are moveable and the costs of such improvements;

5. The purchase price paid by the current Mobilehome Owner/Legal Owner of the Mobilehome and the amount and terms of any remaining mortgage or loan on the home;

6. Any special circumstances that would limit the area to which the Mobilehome Owner/Legal Owner is able to relocate; and

7. Whether the residents receive any means-tested local, state, or federal government benefit or qualify as extremely low-, very-low, or low- income persons or families under the standards issued by Section 50093 of the California Health and Safety Code, as may be amended, or other comparable federal statute or regulation.

The questionnaire shall be kept separately from the rest of the application materials and shall not be included in the RIR sent to each Mobilehome Owner/Resident and shall not be included in the RIR sent to each Mobilehome Owner/Legal Owner. The identity of each Mobilehome Owner/Resident and his or her responses shall be kept confidential and used only to determine the amount of relocation assistance to be provided to a particular Mobilehome Owner/Legal Owner. If the Park Owner fails to submit questionnaires containing sufficient information, the Rent Board may seek the information directly from the residents.

L. Contents of the RIR.

The RIR shall include the following information:

1. A description of any proposed new use for the site;
2. A proposed timetable for the Change of Use of the Mobilehome Park;
3. A legal description of the Mobilehome Park slated for Change of Use;
4. The number of spaces in the Mobilehome Park slated for Change of Use; and
5. For each space in the Mobilehome Park slated for Change of Use, which shall be kept confidential by the City of Anaheim:
 - a. The size, number of bedrooms, manufacturer and date of manufacture of the Mobilehome on the space.
 - b. The names and ages of the Mobilehome Owner/Resident/Legal Owner/Occupants of the Mobilehome and their length of residency in the Mobilehome Park;
 - c. Any special needs or disabilities of the Mobilehome Owner/Resident/Legal Owner/Occupant and related special equipment, modifications or improvements to the Mobilehome known to the Park Owner;
 - d. The value that the Mobilehome would have if the Mobilehome Park were not being closed, the depreciated replacement value of the Mobilehome and its value if it is to be removed from the Mobilehome Park and cannot be relocated to a space in a Comparable Mobilehome Park. The values of the Mobilehome may be determined by appraisals by a qualified appraiser mutually agreed upon by the affected Mobilehome Owner/Legal Owner/Residents/Occupants and the Park Owner from a list of appraisers to be supplied by the Rent Board. The cost of the appraisals shall be paid by the Park Owner;
 - e. Any improvements to the Mobilehome, including but not limited to, patios, porches, pop-out rooms and any recent major improvements to the Mobilehome, including, but

not limited to, a new roof or new siding;

f. Any information available to the Park Owner concerning any disability/disabilities or special needs of the Mobilehome Owners/Residents/Legal Owners;

g. Two sets of mailing labels for both the Mobilehome Owner/Residents/Legal Owners of each Mobilehome.

h. The purchase price paid for the Mobilehome Park by the Park Owner and any amount incurred to make capital improvements to the Mobilehome Park.

i. An appraisal of the Mobilehome Park if continued in use as a Mobilehome Park and an appraisal of the Mobilehome Park if used for the highest and best use permitted by the zoning of the site or any new zoning being requested by the Park Owner, subject to the approval of the Rent Board, and shall be paid by the Park Owner.

j. Whether the Park Owner has offered to sell the Mobilehome Park to the Mobilehome Owners/Residents/Legal Owners and the terms of any such offer(s).

k. The purchase price of comparable Mobilehomes in Comparable Mobilehome Parks.

l. The cost of Comparable Housing, including the purchase of comparable condominiums and comparable Mobilehomes in a Comparable Mobilehome Park and the cost of moving into a comparable apartment, including such items as first and last month's rent, security deposits and higher rent or mortgage payments at Comparable Housing.

m. A list of comparable Parks within a 35 mile radius and for each such Park, the space rents and the qualifications for residence in each Park (e.g., age restrictions, whether pets are allowed, whether the Park has any vacant space and will accept homes being relocated, and if so, any restrictions, such as size or age, on the relocated homes that would be accepted.)

n. Estimates from two moving companies approved by the Rent Board, and qualified to move Mobilehomes on public streets and highways, of the cost of moving each Mobilehome in the Mobilehome Park, including the cost of permits and tearing down and setting up the Mobilehome at the new location, including the cost of any upgrades to comply with applicable building, plumbing, electrical and health and safety codes and the cost of moving any improvements, including, but not limited to, patios, porches and pop-out rooms.

o. Proposed measures to mitigate the adverse impacts of the Mobilehome Park Conversion on the Mobilehome Owners/Residents/Legal Owners/Residents/Occupants of the Mobilehome Park. The proposed measures shall sufficiently provide a realistic opportunity to relocate displaced residents to a comparable Mobilehome Park or Comparable Housing, as well as properly compensate the Mobilehome Owners/Residents/Occupants of the Mobilehome Park, if their home is not being moved.

p. Identification of a relocation assistance specialist to assist the Mobilehome Owners/Residents/Legal Owners/Occupants in finding and moving to relocation spaces and Comparable Housing, The relocation specialist shall be mutually selected by the affected Mobilehome Owners/Residents/Legal Owners/Occupants and the Park Owner, subject to approval by the Rent Board and shall be paid by the Park Owner. The identification of a relocation assistance specialist shall include proposed measures to ensure that the Change of Use does not result in the unmitigated reduction of the affordable housing stock in the City of Anaheim.

M. Hearing Procedures.

1. An application shall be deemed complete within 30 days unless written notice is given

from the Planning Commission specifying the information that must be supplied to make the application complete. This information supplied to the Planning Commission may come from individual residents or residents' association of the affected Mobilehome Park.

2. The Planning Commission, at a duly noticed public hearing, shall set hearing on an application within 60 days of the date the Planning Commission deems the application to be complete.

3. 30 days before hearing, the Park Owner must verify to the Planning Commission that the Mobilehome Owner/Legal Owner of the Mobilehomes in the Mobilehome Park have been given the required notice of the application.

4. A copy of the RIR must be provided to residents at least 30 days before the hearing.

5. At least 30 days mailed notice of the hearing on the application shall be given to each affected Mobilehome Owner/Legal Owner.

6. The application shall be heard by the Planning Commission for the City of Anaheim. The Park Owner shall pay all appropriate fees associated with the application as set by the Planning Commission.

7. The Planning Commission shall approve the application only if the mitigation measures proposed by the Park Owner are adequate to mitigate the adverse impacts on the displaced Mobilehome Owner/Legal Owners, and the Planning Commission shall condition its approval of the application on compensation for lost homes that is sufficient enough to relocate to a comparable Mobilehome Park or Comparable Housing, including, but not limited to, the following, provided that such conditions do not exceed the reasonable costs of relocation:

a. For Mobilehome Owners/Legal Owners whose Mobilehomes can be relocated to a space in a Comparable Mobilehome Park:

(1) The cost of physically relocating the Mobilehome within 35 miles of the Mobilehome Park that is closing.

(2) The cost of moving the personal property of the Mobilehome Owner/Legal Owner in the Mobilehome.

(3) The cost of staying overnight in a motel for the number of nights required to move and set up the Mobilehome in the new Park.

(4) The costs incurred to move into the new Park, such as first and last month's rent and security deposits.

(5) For those Mobilehome Owners/Legal Owners who qualify as extremely low-, very-low, or low-income, as defined by California Health and Safety Code section 50093, as may be amended, or other comparable federal statute or regulation, or who are receiving a means-tested local, state, or federal benefit, a lump sum based on consideration of the difference between

higher rent at the new park for one year and the Mobilehome Park that is closing.

(6) For those Mobilehome Owners/Legal Owners who are disabled, a lump sum based on consideration of the cost of obtaining any assistance necessary to move, such as help with packing or other physical tasks that the Mobilehome Owner/Resident cannot do without assistance and to offset the cost of replacing any special equipment that cannot be moved and is used because of the Mobilehome Owner's/Resident's disability.

b. For Mobilehome Owners/Legal Owner whose Mobilehomes cannot be relocated to a space in a Comparable Park:

(1) A lump sum based on consideration of the cost of moving to and purchasing or renting Comparable Housing, including but not limited to, the cost of purchasing a comparable Mobilehome in a Comparable Mobilehome Park, the cost of moving personal property from the Mobilehome in the closing Mobilehome Park to Comparable Housing, payment of first and last month's rent and any security deposit at the Comparable Housing, the loss of investment in the Mobilehome that cannot be relocated and any remaining loan payments that must be made even though the Mobilehome Owner/Legal Owner cannot continue to live in the Mobilehome.

(2) If the Mobilehome Owner/Legal Owner is disabled, an additional sum towards the cost of obtaining any assistance needed to enable the Mobilehome Owner/Legal Owner to move.

(3) If the Mobilehome Owner/Legal Owner are low-income persons or a low-income family as defined by Section 50093 of the California Health and Safety Code, as may be amended, or other comparable federal statute or regulation, or who are receiving a means-tested local, state, or federal benefit, an additional sum to partially offset any higher rent at the Comparable Housing during the first year at the new location.

c. Acceptance of Conditions Required. The Planning Commission's approval of a Change of Use application shall not be valid and effective until the Park Owner has filed a certificate of acceptance of the conditions of approval with the Planning Commission. A Park Owner is exempt or may modify mitigation measures if such measures would deprive the Park Owner of its property use or economic value.

d. Appeals. Any aggrieved person may appeal the Planning Commission's decision to approve or deny a Change of Use application to the City Council by filing a written notice of appeal with the City Clerk within 30 days of the date the Hearing Officer's decision becomes final. The appeal shall be in the form specified by the City Council and shall be accompanied by a filing fee specified in the municipal fee schedule.

N. Relocation Notice.

No Mobilehome Owner/Legal Owner shall be required to remove his or her Mobilehome and no Resident shall be required to vacate a Mobilehome until all of the following has occurred:

(A) The Park Owner has given the six months' notice of closure required by California Civil Code section 798.56;

(B) That six (6) month period has elapsed;

- (C) The Planning Commission has issued a decision approving the closure is final; and
- (D) The Park Owner has provided the relocation assistance required by the authorized City of Anaheim official as a condition of Change of Use.

O. Expiration and Extension of Approval of Change of Use.

Change of Use approvals shall expire one (1) year after the date they are issued. The City Council, or its designee, may upon request, grant extensions of time based on a showing that good faith progress has been made toward fulfilling the conditions of approval or some intervening event not the fault of the Park Owner has prevented timely compliance with the conditions of approval.

P. Provisions to Prevent Evictions Before Determination of Relocation Assistance.

1. Any Mobilehome Owner/Legal Owner already renting a space in the Mobilehome Park on the date the Park Owner files an application for Conversion is filed shall be eligible for relocation assistance.

2. No Park Owner shall require any Mobilehome Owner/Legal Owner to waive his or her rights to relocation assistance as a condition of renting a space in the Mobilehome Park, except when the Mobilehome Owner/Legal Owner moves into the Mobilehome Park after the date the Conversion application is filed. Any such waiver will only be valid if the Park Owner completes the Conversion process within the first year.

3. Mobilehome Owners/Legal Owners eligible for relocation assistance shall be entitled to the assistance required by the Rent Board as a condition of Change of Use even if they vacate from the Mobilehome Park before the Rent Board's final determination concerning required relocation assistance.

SECTION 16 JUDICIAL REVIEW

A Landlord or Tenant aggrieved by any action or decision of the Rent Board may seek judicial review in Superior Court within the State of California regarding this Title and its implementing regulations. No action or decision by the Rent Board shall go into effect until any statutory period for such review has expired.

SECTION 17 NON-WAIVERABILITY

Any provision of a Rental Housing Agreement, whether oral or written, which purports to waive any provision of this Title established for the benefit of the Tenant, shall be deemed to be against public policy and shall be void.

SECTION 18 REMEDIES

In addition to any other remedies provided by law, Landlords, Tenants/Mobilehome Owners/Residents covered by this Title shall have the following remedies for violations of this Title.

- (a) **Landlord's Demand for or Retention of Excessive Rent.** When a Landlord

demands, accepts, receives, or retains any payment or payments in excess of the lawful Rent pursuant to this Title and the regulations promulgated hereunder, including in violation of the provisions ensuring compliance with habitability standards and maintenance of Housing Services, the Tenant/Mobilehome Owner/Resident may file a Petition pursuant to Sections 13 and 14 (Petitions and Procedures for Individual Rent Adjustments) or file a civil suit against the Landlord. A Landlord who demands, accepts, receives, or retains any payment of Rent in excess of the lawful Rent shall be liable to the Tenant in the amount by which the payment or payments have exceeded the lawful Rent. In such a case, the Rent shall be adjusted to reflect the lawful Rent pursuant to this Title and its implementing regulations.

(b) **Civil Remedies.** A Tenant/Mobilehome Owner/Resident may bring a civil suit in the courts of the state alleging that a Landlord has violated any of the provisions of this Title or the regulations promulgated hereunder, including that the Landlord has demanded, accepted, received, or retained a payment or payments in excess of the lawful Rent. In a civil suit, a Landlord found to violate this Title shall be liable to the Tenant/Mobilehome Owner/Resident for all actual damages, including but not limited to the damages described in Subsection (a) herein. A prevailing Tenant/Mobilehome Owner/Resident in a civil action brought to enforce this Title shall be awarded reasonable attorney's fees and costs as determined by the court. Additionally, upon a showing that the Landlord has acted willfully or with oppression, fraud, or malice, the Tenant/Mobilehome Owner/Resident shall be awarded treble damages. No administrative remedy need be exhausted prior to filing suit pursuant to this subsection.

(c) **Additional Relief for Landlord's Violation of Eviction Rules.** If it is shown that the event which the Landlord claims as grounds to recover possession under Section 6(G) is not initiated within two (2) months after the Tenant/Mobilehome Owner/Resident vacates the Rental Unit or if applicable, the Mobilehome, or it is shown that the Landlord's claim was false or in bad faith, the Tenant/Mobilehome Owner/Resident shall be entitled to regain possession of the Rental Unit at the same Rent that was lawfully in effect when the Tenant/Homeowner/Resident vacated, in addition to the relief described in Subsection (b) herein.

(d) **Defense to Action to Recover Possession.** A Landlord's failure to comply with any of the provisions of this Title or regulations promulgated hereunder may be raised as an affirmative defense in an unlawful detainer or other action brought by the Landlord to recover possession of the Rental Unit, or if applicable, the Mobilehome. Any and all violations of this Title by the Landlord shall constitute such an affirmative defense, including but not limited to the demand or retention of payment in excess of the lawful Rent, failure to serve any of the notices required pursuant to this Title on the Tenant/Mobilehome Owner/Resident, or the Rent Board, or failure to conform such notices to the requirements of this Title, failure to pay the Rental Housing Fee, failure to pay any required Relocation Assistance, and a decrease in Housing Services, Service Reduction, or maintenance without a corresponding reduction in Rent. It is the intent of this Title to construe this subsection to the broadest extent permissible under the law to ensure maximum compliance with this Title and avoid unlawful evictions.

(e) **Rent Board or City Attorney Enforcement Action.** If the Tenant/Mobilehome Owner/Resident fails to bring a civil or administrative action to enforce the

Tenant's/Mobilehome Owner's/Resident's rights under this Title, the Rent Board or the City Attorney may bring such an action or settle the claim on the Tenant's/Mobilehome Owner's/Resident's behalf. If the Rent Board or City Attorney brings such an action, the Tenant/Mobilehome Owner/Resident shall be provided the right to opt in or out of the action. In the case of an opt-in, the Tenant/Mobilehome Owner/Resident on whose behalf the Rent Board acted is barred from bringing a separate action against the Landlord in regard to the same violation, and the Rent Board or City Attorney shall be entitled to recuperate the costs it incurred from any monetary recovery from the Landlord, with the remainder to go to the Tenant/Mobilehome Owner/Resident against whom the violation has been committed. In the case of an opt-out, the Tenant/Mobilehome Owner/Resident shall retain all rights relating to his or her right to private action. The Rent Board or City Attorney may take other such enforcement action as necessary to ensure compliance with this Title.

(f) **Remedies Not Exclusive.** The remedies available in this Title are not exclusive and may be used cumulatively with any other remedies in this Title or otherwise available at law.

(g) **Jurisdiction.** The appropriate court in the jurisdiction in which the Rental Unit is located shall have jurisdiction over all actions brought under this Title.

SECTION 19 INJUNCTIVE AND OTHER CIVIL RELIEF

The Rent Board, Tenant(s), Mobilehome Owner(s), Resident(s), and Landlords of Rental Units or Mobilehomes may seek relief from the appropriate court in the appropriate jurisdiction where the affected Rental Unit is located to enforce any provision of this Title or its implementing regulations or to restrain or enjoin any violation of this Title and of the rules, regulations, orders, and decisions of the Rent Board.

SECTION 20 SEVERABILITY

If any provision of this Title or application thereof to any person or circumstances is held invalid, this invalidity shall not affect other provisions or applications of this Title that can be given effect without the invalid provision or application, and to this end, the provisions of this Title are declared to be severable. This Title shall be liberally construed to achieve the purposes of this Title and to preserve its validity.

SECTION 21 CONFLICTING CHARTER PROVISIONS

This Title is not intended to revise, repeal, or supersede any other provisions of the Anaheim City Municipal Code and Charter regarding matters not addressed herein. As such, this Title shall have the effect of amending the Anaheim City Municipal Code and Charter as necessary for the Rent Board to exercise its authority and fulfill its responsibilities as specifically identified herein, but this Title shall not otherwise amend the Anaheim City Municipal Code and Charter with respect to the powers and limitations of other boards and commissions.

SECTION 22 CODIFICATION

The City Clerk and the City Attorney shall take all necessary steps to ensure the proper and efficient codification of this Title into the Anaheim City Municipal Code and Charter.

This authority shall include making any necessary revisions to the numbering and revising or substituting any references herein to other provisions of the Anaheim Municipal Code or State law, and similar non-substantive items. In exercising this authority, the City Clerk and City Attorney shall not alter the substantive provisions of this Title, nor take any action that contradicts the express terms and purpose of this Title.

SECTION 23 DUTY TO DEFEND

The City Attorney shall take all steps necessary to zealously defend against any legal challenges to the validity of this Title. If the City Attorney is unable or unwilling to defend, an interested third party may intervene to defend. Any third party that defends this Title shall be entitled to court awarded attorney’s fees and costs.

SECTION 24 MAJORITY APPROVAL, EFFECTIVE DATE, EXECUTION

This Ordinance shall be effective only if approved by a majority of the voters voting thereon and shall go into effect ten (10) days after the vote is declared by the City Council. The Mayor and City Clerk are hereby authorized to execute this Ordinance to give evidence of its adoption by the voters.

NOTICE OF INTENT TO CIRCULATE PETITION

The following persons hereby give Notice of their intent to circulate the petition within the City of Anaheim (City) to establish an ordinance that enacts rent control, a Rent Board, and just cause for eviction requirements. They provide the following statement of reasons of proposed action as contemplated in the petition:

Currently, the City has no limit on the maximum allowable rent increases for residential units in the City, and there are no tenancy termination restrictions. Therefore, an ordinance is proposed in the City to establish rent control, a rent board, and just cause eviction requirements. The measure would also protect owners who reside in mobilehome parks and include anti-conversion protections.

This measure proposes to amend the City's Municipal Code to add a new ordinance that would set a maximum allowable rent increase charged on rent-controlled units in the City. The measure would also prohibit landlords from terminating tenancies for reasons that are not specifically listed in the proposed ordinance. Additionally, the ordinance restricts landlords from ending a tenancy when the tenant is not at fault for the eviction, subject to a few exemptions, such as owner move-in. In the case of these "no-fault" evictions, landlords must pay relocation benefits to the displaced tenants. Certain rental units would be either fully or partially exempt from regulation under this measure, including single-family homes (unless owned by a corporation), condominiums, and duplexes (unless owner-occupied.)

The measure would set the base rent for covered rental units, which would be set at the rent as of January 1, 2026. For tenancies after this date, the base rent would be the rent charged upon initial occupancy. Landlords are permitted to annually increase the rent, though the annual increase would be capped at three percent or 80% of the CPI, whichever is lower. The measure would require landlords to credit tenants who paid rent in excess of the three percent increase above the rent charged on January 1, 2026, by either: (a) paying the tenant the balance of the overpayment directly in one lump sum, or (b) giving the tenant a credit against the rent due from the tenant to the landlord over a six-month period.

Should the landlord pay a tenant to vacate from his/her unit, the landlord must provide the tenant with a notice detailing the tenants' rights under this measure and file a copy of the buyout agreement with the Rent Board, which will manage the implementation and administration of this measure. The Rent Board will consist of seven members, who the City Council shall appoint, following a public meeting. The Rent Board will establish regulations, determine the allowable rent adjustment, hear individual rent adjustment petitions, and go to court to enforce the measure. The Rent Board would exercise its powers and duties independently from the City Council, City Attorney, and District Attorney, except by request.

Landlords cannot retaliate or harass their tenants for reporting violations of the measure, exercising tenants' rights, or participating in tenant organizations.