

ORDINANCE NO. 2020-_____

**AN ORDINANCE OF THE CITY OF CULVER CITY, CALIFORNIA,
AMENDING CHAPTER 15.09, *RENTAL HOUSING*, OF THE
CULVER CITY MUNICIPAL CODE TO ADD A NEW
SUBCHAPTER 15.09.200, et seq., *RENT CONTROL*.**

NOW, THEREFORE, the City Council of the City of Culver City, California, **DOES**

HEREBY ORDAIN as follows:

SECTION 1. FINDINGS. The City Council of the City of Culver City hereby finds, determines and declares that:

A. On August 12, 2019, the City Council adopted an urgency ordinance establishing interim rent control and tenant protection measures for a 12-month period (Ordinance No. 2019-011), based on the findings set forth therein; and, on June 11, 2020, extended Ordinance No. 2019-011, without amendment or modification of its terms, through October 31, 2020. Ordinance No. 2019-011 is hereinafter referred to as the Interim Rent Control Ordinance or IRCO.

B. Since the adoption of the Interim Rent Control Ordinance, rents throughout the Los Angeles County region continue to rise as market pressures, such as increasing real estate costs, lead to a decrease of the affordability and stability of the housing stock.

C. Southern California Association of Governments (SCAG) determines the Regional Housing Needs Assessment (RHNA) growth needs for each city within the SCAG region, in addition to the unincorporated areas. According to the City's 2013-2021 Housing

1 Element ("Housing Element"), based on affordable housing production requirements under
 2 RHNA, the City needs 108 additional affordable homes that would house lower-income
 3 individuals and families in order to meet current needs. The total housing growth need for the
 4 City of Culver City during the 2013-2021 planning period is 185 units, including 108 units of
 5 affordable housing distributed by income category as follows:

| 6 | Extremely Low | Very-Low | Low | Moderate | Total |
|---|---------------|----------|-----|----------|------------|
| 7 | 24 | 24 | 29 | 31 | 108 |

8
 9 The following is the percentage of the 185-unit total need that must be affordable
 10 housing, distributed by income category:

| 11 | Extremely Low | Very-Low | Low | Moderate | Total |
|----|---------------|----------|-------|----------|--------------|
| 12 | 13% | 13% | 15.7% | 41.4% | 83.1% |

13 To date, less than 50% of the required number of affordable housing units have
 14 been produced.

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 16 **D.** According to the Housing Element, approximately 43.7% of Culver City
 17 renters are "rent burdened," which is defined by the U.S. Department of Housing and Urban
 18 Development (HUD) as a renter-household spending more than 30% of its household income
 19 on rent. In addition, based on the BAE Urban Economics Long-Term Rent Control Study (BAE
 20 Study), which is being used to inform the discussion on the Culver City permanent rent control
 21 and tenant protections programs, data indicates that during the 2012-2016 period, 43% of
 22 Culver City renter households were moderately or severely cost-burdened. Furthermore,
 23 based on the BAE Study, over 80% of extremely low-income households were excessively
 24 cost-burdened.
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1 I. If renters are forced by unaffordable rental costs to relocate outside of
2 Culver City, impacts would include the economic, personal and environmental cost of longer
3 commutes to jobs in Culver City and increased difficulty for employers in Culver City to retain
4 and attract employees.

5 J. At its June 11, 2020 meeting, the City Council directed staff to return with
6 an ordinance to establish a permanent rent control program based, in part, on the protections
7 afforded under the IRCO.
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10 **SECTION 2.** Chapter 15.09, *Rental Housing*, of the Culver City Municipal Code
11 is hereby amended to add a new Subchapter 15.09.200, et seq., *Rent Control*, as follows:

12
13 ***Rent Control***

- 14 § 15.09.200 Findings and Purpose
15 § 15.09.205 Definitions
16 § 15.09.210 Exemptions
17 § 15.09.215 Permissible Rent Increases
18 § 15.09.220 Applications for Rent Adjustments
19 § 15.09.225 Capital Improvement Pass-Through Cost Recovery
20 § 15.09.230 Rent Registry
21 § 15.09.235 Tenant Petitions for Noncompliance
22 § 15.09.240 Appeal and Hearing Procedures
23 § 15.09.245 Penalties and Enforcement
24 § 15.09.250 Civil Remedies
25 § 15.09.255 Waiver Prohibited
26 § 15.09.260 Severability
27 § 15.09.265 Implementation; Rulemaking; and Subpoena Authority
28 § 15.09.270 Conflict of Provisions

24 **§ 15.09.200 FINDINGS AND PURPOSE.**

25 The City Council of the City of Culver City finds:
26

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

6 **B.** According to the Culver City Housing Element, approximately
7 43.7% of Culver City renters are "rent burdened," which is defined by the U.S.
8 Department of Housing and Urban Development (HUD) as a renter-household
9 spending more than 30% of its household income on rent. In addition, a study
10 by BAE Urban Economics indicates that during the 2012-2016 period, 43% of
11 Culver City renter households were moderately or severely cost-burdened and
12 over 80% of extremely low-income households were excessively cost-burdened.

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

19 **§ 15.09.205 DEFINITIONS.**

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

22 **A. *Capital Improvement*** shall mean the addition or replacement of
23 improvements to a Rental Unit(s) or common areas of the building housing the
24 Rental Unit(s) as specified in Section 15.09.225 of this Subchapter.

25 **B. *Code*** shall mean the Culver City Municipal Code.

26 **C. *Covered Rental Unit*** shall mean any Rental Unit that is not
27 exempt, pursuant to Section 15.09.210 of this Subchapter.

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

E. *Culver City* shall mean the City of Culver City.

F. *Director* shall mean the Community Development Director of the
City of Culver City, or his or her designee.

1 **G. Housing Division** shall mean the Housing Division of the Culver
2 City Community Development Department.

3 **H. Housing Division Guidelines** shall mean the guidelines,
4 procedures, and rules promulgated pursuant to the authority set forth in Section
5 15.09.265.

6 **I. Housing Services** shall mean all services provided by the
7 Landlord related to the use or occupancy of a Rental Unit, including, but not
8 limited to, insurance, repairs, replacement, maintenance, painting, utilities, heat,
9 water, elevator service, laundry facilities, recreational areas and/or pools,
10 janitorial service, refuse removal, furnishings, parking, storage, and security
11 services.

12 **J. Interim Rent Control Ordinance** shall mean the urgency
13 ordinance adopted by the City Council on August 12, 2019 establishing interim
14 rent control and tenant protection measures for a 12-month period (Ordinance
15 No. 2019-011), based on the findings set forth therein; and, on June 11, 2020,
16 extended, without amendment or modification of its terms, through October 31,
17 2020.

18 **K. Landlord** shall mean an owner, lessor, or sublessor who receives
19 or is entitled to receive Rent for the use and occupancy of any Rental Unit or
20 portion thereof, and the representative, agent, or successor of such owner,
21 lessor, or sublessor.

22 **L. Notice of Termination** shall mean a written notice from a Landlord
23 to a Tenant that is in the form required by State law to terminate a residential
24 Tenancy and that is served in accordance with State law.

25 **M. Percentage Change in CPI** shall mean the percentage change in
26 the annual average CPI, which is the average of the latest twelve (12) monthly
27 CPIs published before the effective date of the Rent increase minus the average
28 of the prior twelve (12) monthly CPIs (the "base CPI"), divided by the base CPI
and multiplied by 100. The Percentage Change in CPI shall be rounded to the
nearest one-quarter of one percent.

N. Rent or Rents shall mean the sum of all periodic payments and all
nonmonetary consideration demanded or received by a Landlord from a Tenant
for the use or occupancy of a Rental Unit, including Tenant's access to and use
of Housing Services. Rent includes, without limitation, the fair market value of
goods accepted, labor performed, or services rendered.

1 **O. *Rental Agreement*** shall mean a lease, sublease or other oral or
2 written agreement between the Landlord and Tenant establishing the terms and
3 conditions of the Tenancy.

4 **P. *Rental Unit*** shall mean any dwelling unit as defined in California
5 Civil Code Section 1940(c), including joint living and work quarters, located within
6 the jurisdictional boundaries of the City of Culver City and used for human
7 habitation in consideration of payment of Rent, whether or not such use is legally
8 permitted, including mobilehomes rented by the owner of the mobilehome and
9 accessory dwelling units.

10 **Q. *Responsible Person*** shall mean a person responsible for, or
11 alleged to be responsible for, a violation of this Subchapter.

12 **R. *State*** shall mean State of California.

13 **S. *Tenancy*** shall mean the legal right of a Tenant to the use or
14 occupancy of the Rental Unit.

15 **T. *Tenant*** shall mean a person entitled, by a Rental Agreement, or by
16 sufferance, or by this Code or State or federal law, to the use or occupancy of
17 any Rental Unit.

18 **§ 15.09.210 EXEMPTIONS.**

19 This Subchapter shall not apply to any dwelling units expressly exempt
20 pursuant to any provision of state or federal law, and such units shall be exempt
21 from the provisions of this Subchapter, with the exception of the requirements of
22 Section 15.09.230. The following dwelling units are also specifically exempt from
23 this Subchapter, with the exception of the requirements of Section 15.09.230:

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

B. Any dwelling unit that is alienable separate from the title to any
other dwelling unit, including single family residences, condominiums and
townhomes, but excluding (i) mobilehomes offered for rent by the owner of the
mobilehome; and (ii) a Rental Unit that is wholly contained within such separately
alienable dwelling unit. To the extent State law permits, this exemption shall be
limited to dwelling units owned by a Landlord who has no direct or indirect

1 economic interest in more than two (2) Rental Units located within or outside of
2 Culver City, and who also is not (i) a real estate investment trust, as defined in
3 Section 856 of the Internal Revenue Code; (ii) a corporation; (iii) a limited liability
4 company in which at least one member is, or is controlled by, a corporation; or
5 (iv) a partnership in which at least one partner is, or is controlled by, a
6 corporation.

7 **C.** Any dwelling unit that is a subdivided interest in a subdivision, as
8 specified in California Business and Professions Code Section 11004.5 (b), (d)
9 and (f).

10 **D.** Any dwelling unit for which the Landlord receives federal, state, or
11 local housing subsidies, including, but not limited to, federal housing assistance
12 vouchers issued under Section 8 of the United States Housing Act of 1937 line 9
13 (42 U.S.C. Sec. 1437f).

14 **§ 15.09.215 PERMISSIBLE RENT INCREASES.**

15 **A. *Applicability.*** As of October 30, 2020, no Landlord may request,
16 receive, or retain Rent for a Covered Rental Unit from an existing Tenant whose
17 tenancy began on or before October 30, 2020, in an amount that exceeds the
18 monthly Rent that was in effect on October 30, 2020, plus any Rent increase
19 authorized by this Section 15.09.215. No Landlord may request, receive, or
20 retain Rent for a Covered Rental Unit from a Tenant whose tenancy began after
21 October 30, 2020, which amount exceeds the initial monthly Rent charged for the
22 Covered Rental Unit, plus any increase authorized by this Section 15.09.215.
23 Rent increases that were instituted in compliance with the Interim Rent Control
24 Ordinance and that took effect before October 30, 2020 shall not be invalidated
25 by this Section 15.09.215.

26 **B. *Annual Permissible Rent Increases.*** On or after October 30,
27 2020, Rent for a Covered Rental Unit may be increased annually, without
28 application to the City, in an amount not to exceed the Percentage Change in
CPI, subject to the following provisions:

1. In no event shall the Rent for a Covered Rental Unit be increased more than five percent (5%) every twelve (12) months.
2. If the Percentage Change in CPI is less than two percent (2%), Rent for a Covered Rental Unit may be increased by up to two percent (2%).

1 possession of the Covered Rental Unit for use by the
2 Landlord or Landlord's relative in accordance with Section
3 15.09.320.B of this Code, the Landlord or Landlord's relative
4 must have continuously resided in the Covered Rental Unit
5 for three (3) years before vacating for this Section
6 15.09.215.D to apply.

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

a. the vacancy was the result of conduct of the Landlord or the Landlord's agent, which constituted harassment prohibited by Section 15.09.340 of this Code or other applicable law, constructive eviction, or a breach of the covenant of quiet enjoyment of the property; or

b. the vacancy was the result of an eviction of a Tenant within the first twelve (12) months of Tenant's occupancy of the Rental Unit, as set forth in Section 15.09.310.A.2 of this Code.

3. After the Landlord sets an initial Rent for such Covered Rental Unit in accordance with this Section 15.09,215.D, the Landlord may only increase the Rent in the amount authorized by Section 15.09.215.B.

E. Housing Service Adjustments. A decrease in Housing Services is considered an increase in Rent. A Tenant may petition for an adjustment in Rent based on a decrease in Housing Services under the process set forth in Section 15.09.235.

§ 15.09.220 APPLICATIONS FOR RENT ADJUSTMENTS.

A. If a Landlord desires to increase the Rent for a Covered Rental Unit in an amount greater than allowed in Section 15.09.215.B., and the Landlord contends that the limitations on Rent increases in Section 15.09.215.B. will prevent the Landlord from receiving a fair and reasonable return with respect to the operation of the property containing the Covered Rental Unit, the Landlord may file a Rent Adjustment Application with the Housing Division to request an increase in Rent beyond the amount permitted under Section 15.09.215.B.

B. The Landlord shall mail a copy of the Rent Adjustment Application by first class mail, postage prepaid, to all Tenants whose Rents are the subject of the application within five (5) calendar days after the date the application is filed with the Housing Division. Within ten (10) calendar days after the date the

1 petition is filed, the Landlord shall file a proof of service signed under penalty of
2 perjury stating that a copy of the petition was mailed to all such Tenants.

3 **C.** It shall be a rebuttable presumption that the annual net operating
4 income earned by a Landlord on June 11, 2019 and Rent increases allowed
5 under the Interim Rent Control Ordinance and Section 15.09.215, provide the
6 Landlord with a fair and reasonable return with respect to the operation of their
7 property. A Landlord shall have the burden to prove that the additional Rent
8 increase is necessary to earn a fair and reasonable return with respect to the
9 operation of their property.

10 **D.** All Rent adjustments approved by the Housing Division pursuant to
11 this Section 15.09.220 may be imposed by Landlord only after the following:

- 12 1. Landlord has provided written notice to the Tenant of the Rent
13 increase for the Covered Rental Unit in accordance with
14 California Civil Code Section 827; and
- 15 2. Landlord has registered the Covered Rental Unit pursuant to
16 Section 15.09.230 of this Subchapter.

17 **E.** Rent Adjustment Applications will be considered and determined by
18 the Director in accordance with Housing Division Guidelines; and the Director's
19 decision may be appealed to a hearing officer, in accordance with the procedures
20 set forth in Section 15.09.240.

21 **§ 15.09.225 CAPITAL IMPROVEMENT PASS-THROUGH COST RECOVERY.**

22 **A. *Pass-Through Amount.*** Fifty percent (50%) of the approved cost
23 of an eligible Capital Improvement may be passed-through to the Tenant in
24 accordance with the provisions of this Section 15.09.225.

25 **B. *Eligible Capital Improvements.*** Capital Improvements include,
26 but are not limited to:

- 27 1. The addition, but not the replacement, of the following
28 improvements to a Covered Rental Unit or common areas of the
building in which the Covered Rental Unit is located, provided
such improvement has a useful life of five (5) years or more: air
conditioning, security gates and other security items, swimming
pool, sauna or hot tub, fencing, garbage disposal, washing
machine or clothes dryer, dishwasher, major appliances, meter
conversions, children's play equipment permanently installed on

1 the premises, and other similar improvements as determined by
2 the Housing Division.

- 3 2. Substantial improvements to, but not the renovation or
4 replacement of, any structural, electrical, plumbing, or
5 mechanical system that requires a permit pursuant to State or
6 local law, such as a required seismic retrofit.
- 7 3. Abatement of hazardous materials, such as lead-based paint or
8 asbestos, in accordance with applicable federal, State, and local
9 laws.
- 10 4. Capital Improvements cannot include regular maintenance or
11 repairs from wear and tear, or be the result of a Landlord's
12 failure to perform regular maintenance and repairs.

13 **C. Application Process.** A Landlord may not pass-through approved
14 costs of Capital Improvements to Tenants in Covered Rental Units until the
15 Housing Division approves the Landlord's Pass-Through Cost Recovery
16 Application and the Landlord registers each Covered Rental Unit pursuant to
17 Section 15.09.230.

- 18 1. A Landlord must submit a Pass-Through Cost Recovery
19 Application pursuant to this Section 15.09.225 within one
20 hundred twenty (120) days of completion of an eligible Capital
21 Improvement.
- 22 2. The Landlord shall mail a copy of the Pass-Through Cost
23 Recovery Application by first class mail, postage prepaid, to all
24 Tenants whose Rents would be subject to an increase within
25 five (5) calendar days after the date the application is filed with
26 the Housing Division. Within ten (10) calendar days after the
27 date the application is filed, the Landlord shall file a proof of
28 service signed under penalty of perjury stating that a copy of the
application was mailed to all such Tenants.
3. The following shall be established by Housing Division
Guidelines:
 - a. The cost recovery calculations, amortization period and
depreciation schedules for the Capital Improvement pass-
through cost for each Covered Rental Unit;
 - b. Criteria upon which the Housing Division will evaluate a
Landlord's Pass-Through Cost Recovery Application,

1 including, but not limited to, whether the work was
2 necessary to bring the property into compliance or maintain
3 compliance with Code requirements affecting health and
4 safety; and

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

12 **4.** If the Capital Improvement benefited the entire building in
13 which the Covered Rental Units are located, the pass-
14 through costs shall be prorated among all the Tenants'
15 Rents on a square footage basis of each Covered Rental
16 Unit, but annualized in accordance with depreciation
17 schedules set forth in the Housing Division's Guidelines.

18 **5.** If the Capital Improvement inures solely to the benefit of one
19 or more of the Covered Rental Units, but to less than all of
20 the Rental Units located in the building, the pass-through
21 cost shall be annualized in accordance with depreciation
22 schedules set forth in the Housing Division's Guidelines, but
23 shall be applied and/or prorated only with respect to the
24 Covered Rental Unit or Units directly benefited.

25 **6.** No Capital Improvement pass-through cost shall be allowed
26 which exceeds three percent (3%) of Rent in place at the
27 time the Pass-Through Cost Recovery Application is filed
28 with the Housing Division. For the purposes of such
computation, the base Rent level for any time period shall
not include any previously imposed pass-through cost for
Capital Improvement. If the total amount of calculated pass-
through costs exceeds three percent (3%), the pass-
through cost amortization period may be extended beyond
the established amortization period to allow the Landlord to
recover Capital Improvement costs while not exceeding the
three percent (3%) maximum increase in Rent.

7. Pass-Through Cost Recovery Applications will be
considered and determined by the Director in accordance
with Housing Division Guidelines; and the Director's
determination may be appealed to a hearing officer in

1 accordance with the procedures set forth in Section
2 15.09.240.

3 **D. Tenant Consent.** Except where Capital Improvements are
4 required by law, any Capital Improvement to the interior of any Covered Rental
5 Unit shall only be performed with the written consent of the Tenant, which shall
6 not be unreasonably withheld, or the Landlord shall not be entitled to add to the
7 Rent the pass-through cost for such expenditure.

8 **E. No Collusion.** No Landlord shall be entitled to recover from a
9 Tenant any pass-through cost based upon any Capital Improvement expense,
10 the computation or representation of which has been inflated in collusion
11 between the landlord and a contractor or other person.

12 **F. Landlord's Collection Process.**

- 13 1. A Landlord shall provide written notice of a pass-through
14 cost to Tenants in accordance with California Civil Code
15 Section 827.
- 16 2. An approved pass-through cost is not considered Rent. The
17 approved pass-through cost should appear as a separate
18 line item on the Rent statement along with the end date of
19 the amortization period.
- 20 3. A Landlord must cease collecting the monthly pass-through
21 cost when the Landlord has recovered the total pass-
22 through costs approved by the Housing Division pursuant to
23 this Section 15.09.225.
- 24 4. If an existing Tenant who is paying a pass-through cost
25 vacates the unit, and the Landlord is authorized to set an
26 initial Rent for a Covered Rental Unit without restriction at
27 the commencement of a new Tenancy vacancy in
28 compliance with Section 15.09.215.D, then Landlord may
not collect pass-through costs from a new Tenant of the
Rental Unit, but must recover the balance of the Capital
Improvement costs through the new Rent.
5. In the event a Tenant paid pass-through costs in excess of
the amount approved by the Housing Division, or continued
payments beyond the date of expiration of the pass-
through, the Landlord shall reimburse the Tenant for the
amount of the overpayment. The Landlord may elect to
either: (a) pay the Tenant the amount of the overpayment

1 directly in one lump sum; or (b) give the Tenant a credit
2 against the Rent otherwise due from the Tenant over a
3 period not longer than six (6) months.

4 **§ 15.09.230 RENT REGISTRY.**

5 **A. Registration Required.** Upon issuance by the Housing Division of
6 a valid written Rent Registration certificate, as set forth in this Section 15.09.230,
7 no Landlord shall demand or accept Rent for a Rental Unit without first serving
8 on the Tenant, or displaying in a conspicuous place, such Rent Registration
9 certificate.

10 **B. Registration Process.**

11 **1.** A Landlord shall provide Rent amount and Tenancy
12 information for every Rental Unit on a Rent Registration form provided by
13 the Housing Division. The Rent Registration form shall be submitted by
14 July 31, 2021 and July 31 of each year thereafter. Registration is
15 complete only when all of the following information is provided: ownership
16 information; property information; year built and certificate of occupancy
17 date; number of bedrooms and bathrooms for each Rental Unit; the
18 amount of Rent in effect at the time of registration; and a description of
19 Housing Services.

20 **2.** Rental Unit Rent Registration certificates issued after August
21 12, 2019 shall expire at midnight on August 31, 2021 and if not replaced
22 with a newly issued certificate before that date, the Landlord will be
23 deemed out of compliance with this Section 15.09.230.

24 **3.** Every Rental Unit Rent Registration certificate shall be
25 updated annually, as required by Section 15.09.230.B.1, upon a new
26 Tenancy, and when there are changes in Housing Services for the
27 Covered Rental Unit.

28 **4.** A Landlord of a Rental Unit which is not registered with the
Housing Division shall provide the Housing Division, on the form approved
by the Housing Division and accompanied by supporting documentation, a
written declaration stating the facts upon which the Landlord bases a claim
of exclusion from the requirements of this Section 15.09.230. If a
Landlord fails to submit a written declaration and supporting documents by
July 31, 2021 and July 31 of each year thereafter, the Rental Unit shall be
deemed to be subject to the provisions of this Section 15.09.230. If a
Landlord declares that the Rental Unit is not subject to the registration
requirements of this Section 15.09.230 because the Rental Unit is vacant,

1 the Landlord shall provide a certification to the Housing Division declaring
2 that the Rental Unit is and shall remain vacant, and the Rental Unit shall
3 be secured against unauthorized entry.

4 **5.** For every property for which a Landlord is required to
5 procure a Rent Registration certificate pursuant to this Section 15.09.230,
6 the Landlord shall post a notice in a form provided by the Housing
7 Division, providing information about this Subchapter 15.09.200, et seq.
8 and Housing Division contact information. Notices must be posted in a
9 conspicuous location in the common area, at the entry or entries to the
10 building or units, or other similar location or locations as necessary to
11 provide Tenants a reasonable opportunity to view the notice. If there is no
12 common area or similar location, this requirement may be satisfied by
13 mailing the notice to each Tenant of the building, by certified mail, return
14 receipt requested. The notice shall be written in English and Spanish, and
15 in any other languages as required by the Housing Division.

16 **C. *Notice of Rent Information Deficiencies and Opportunity to***
17 ***Cure; Appeals; and Final Administrative Decision.***

18 **1.** The Housing Division shall provide written notification to the
19 Landlord of a failure to comply with this Section 15.09.230 and allow
20 fifteen (15) calendar days to respond. The Housing Division shall not
21 issue a Rent Registration certificate for the Rental Unit until the Landlord
22 has substantially complied by providing the rental information as required
23 by Section 15.09.230.A.

24 **2.** Any Landlord disputing the Housing Division's notification of
25 deficient registration may file a written appeal with the Director within ten
26 (10) calendar days of the date of the notice of deficiency. The Director
27 shall provide a written notice within thirty (30) calendar days of its appeal
28 decision, which shall be a final administrative decision.

D. *Registration Fee.*

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

2. A Landlord may pass-through to the Tenant fifty percent (50%)
of the initial fee for the registration of Tenant's Rental Unit (the

1 “pass-through fee”) if such Tenant continuously occupied the
2 Rental Unit during the period of August 12, 2019 through
3 October 31, 2020. The pass-through fee is not considered Rent
4 and should appear as a separate line item on the Rent
5 statement. A Landlord may collect a maximum of one-twelfth
6 (1/12) of the pass-through fee per month.

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19 **§ 15.09.235 TENANT PETITION FOR NONCOMPLIANCE.**

20 **A.** If a Tenant contends that a proposed or actual Rent increase is not
21 in compliance with this Subchapter or that there has been a Reduction in Housing
22 Services, the Tenant may file a petition with the Housing Division. The Tenant
23 shall mail a copy of the petition by first class mail, postage prepaid, to the
24 Landlord within five (5) calendar days after the date the petition is filed. Within ten
25 (10) calendar days after the date the petition is filed, the Tenant shall file a proof
26 of service signed under penalty of perjury stating that a copy of the petition was
27 mailed to the Landlord. The petition shall include a statement indicating the basis
28 on which the Tenant contends that a proposed or actual Rent increase or a
proposed or actual reduction in Housing Services is in violation of this
Subchapter, together with any evidence that the Tenant wants the Director to
consider. The Tenant shall bear the burden of proving by a preponderance of the
evidence at the hearing that the Rent increase or reduction in Housing Services is
not in compliance with this Subchapter 15.09.200, et seq.

B. Tenant Petitions for Noncompliance will be considered and
determined by the Director in accordance with Housing Division Guidelines; and
the Director’s decision may be appealed to a hearing officer, in accordance with
the procedures set forth in Section 15.09.240.

§ 15.09.240 APPEAL AND HEARING PROCEDURES.

The Director’s decision on a Rent Adjustment Application, Pass-Through
Cost Recovery Application or a Tenant Petition for Noncompliance will be given
in a notice of decision. In the case of a decision on a Rent Adjustment
Application or Pass-Through Cost Recovery Application, the Landlord shall,
within five (5) calendar days after the decision date identified in a notice of
decision that approves an increase in Rent or a pass-through of capital
improvement costs, deliver a copy of the notice to each affected Tenant. In the
case of a decision on a Tenant Petition for Noncompliance, the Director shall
serve the notice of decision on the Tenant and the Landlord concurrently. The
Director’s decision may be appealed to a hearing officer in accordance with the
following procedures:

1 **A. Appeal.** A Landlord or an affected Tenant who wishes to contest
2 the Director's decision on a Rent Adjustment Application or Pass-Through Cost
3 Recovery Application, or a Landlord or Tenant who wishes to contest the
4 Director's decision on a Tenant Petition for Noncompliance, may file a Request
5 for Appeal of the Director's decision with the Housing Division requesting a
6 hearing, which will be heard in accordance with the procedures set forth in this
7 Section 15.09.240.B.

8 **1.** Appeals shall be submitted in writing on a Request for
9 Appeal form and filed with the Housing Division within fifteen (15) calendar
10 days after the decision date identified in the notice of decision. If the filing
11 deadline falls on a weekend, holiday, or other day when City Hall is
12 officially closed, the filing deadline will extend to the following City Hall
13 business day.

14 **2.** The Request for Appeal shall specifically state the pertinent
15 facts and the basis for the appeal as required by Subsection
16 15.09.240.A.5.

17 **3.** A Landlord who files a Request for Appeal shall do the
18 following:

19 **a.** Mail a copy of the Request for Appeal by first class mail,
20 postage prepaid, to all Tenants who would be subject to
21 a Rent increase or pass-through of capital improvement
22 costs, or the Tenant who filed the Petition for
23 Noncompliance, as applicable, within five (5) calendar
24 days after the date the Request for Appeal is filed with
25 the Housing Division.

26 **b.** Within ten (10) calendar days after the date the Request
27 for Appeal is filed with the Housing Division, the
28 Landlord shall file a proof of service signed under
penalty of perjury stating that a copy of the Request for
Appeal was mailed to all such Tenants.

4. A Tenant who files a Request for Appeal shall do the
following:

a. Mail a copy of the Request for Appeal by first class mail,
postage prepaid, to the Landlord or Landlord's agent
within five (5) calendar days after the date the Request
for Appeal is filed with the Housing Division.

1 Covered Rental Units. In the case of Landlord's Request for Appeal of a
2 Tenant Petition for Noncompliance, the hearing officer shall send a copy
3 of the notice setting the date, time and place of the hearing to the Tenant
4 concurrently with sending the notice to the Landlord.

5 **4.** If the Tenant is the appealing party, the hearing officer shall
6 send a copy of the notice setting the date, time and place of the hearing to
7 the Landlord concurrently with sending the notice to the Tenant.

8 **5.** At the hearing, the appealing party shall be given the
9 opportunity to testify, call witnesses and to present evidence concerning
10 the appeal. The hearing officer may also hear testimony and consider
11 written evidence offered by the Tenants in the affected Covered Rental
12 Units and, if a Tenant is the appealing party, hear testimony and consider
13 written evidence offered by the Landlord.

14 **6.** The hearing officer may continue the hearing and request
15 additional information from the Landlord, affected Tenants, or petitioning
16 Tenant, as applicable, prior to issuing a written decision.

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

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

21 **C. *Hearing Continuance.*** The hearing officer may, in his or her
22 discretion, grant a continuance of the hearing date upon a request and a showing
23 of good cause. The request must be made in writing and be received by the
24 hearing officer at least five (5) business days prior to the hearing date. If the
25 Landlord is the party requesting an extension, the Landlord must personally
26 deliver a copy of the request to the affected Tenant(s). If a Tenant is the party
27 requesting an extension, the Tenant must personally deliver a copy of the
28 request to the Landlord or Landlord's agent. In no event shall the continuance be
longer than fifteen (15) calendar days from the originally scheduled hearing date.

D. *Hearing Officer Decision.* After considering all of the testimony
and evidence submitted at the hearing, within twenty (20) calendar days after the
conclusion of the hearing, the hearing officer shall issue a written decision
denying, affirming or modifying the Director's decision and shall adopt written
findings in support of that decision. The written decision shall be served by first-
class mail, postage prepaid on the appealing party. If the Landlord is the
appealing party and the appeal concerned a Rent Adjustment Application or
Pass-Through Cost Recovery Application, the Landlord shall post such notice in
a conspicuous place at the property containing the affected Covered Rental Units

1 and within five (5) calendar days of receipt of the written decision, the Landlord
2 shall personally deliver a copy of the written decision to each Tenant in the
3 affected Covered Rental Units. If a Tenant is the appealing party or if the
4 Landlord is the appealing party and the appeal concerned a Tenant Petition for
5 Noncompliance, the hearing officer shall serve a copy of the written decision on
6 the Landlord and the Tenant concurrently. The Hearing Officer's decision shall be
7 final, unless an administrative penalty has been assessed.

8 **E. *Judicial Review of Hearing Officer Decision.*** Any person directly
9 aggrieved by an administrative decision of a hearing officer pertaining to a
10 Request for Appeal of a Director's decision on a Rent Adjustment Application or
11 Pass-Through Cost Recovery Application, may seek judicial review in the
12 Superior Court pursuant to Government Code Section 53069.4 and/or Code of
13 Civil Procedure Sections 1094.5 and 1094.6.

14 **§ 15.09.245 PENALTIES AND ENFORCEMENT.**

15 **A. *Administrative Citations.*** The Housing Division is authorized to
16 take appropriate steps to enforce this Subchapter, including conducting
17 investigations of possible violations by a Landlord. The City, in its sole
18 discretion, may choose to enforce the provisions of this Subchapter through the
19 administrative citation process set forth in Chapter 1.02 of this Code.
20 Notwithstanding any provision in Chapter 1.02 to the contrary, each violation of
21 any provision of this Subchapter may be subject to an administrative fine of up to
22 \$1,000.

23 **B. *Administrative Appeals and Judicial Review of Administrative Citations.***

24 **1. *Administrative Appeal.*** Any person who receives an
25 administrative citation may request an administrative hearing
26 before a hearing officer in accordance with Chapter 1.02 of this
27 Code.

28 **2. *Judicial Review of Hearing Officer Decision.*** Any
Responsible Person may seek judicial review of a hearing
officer's decision pertaining to the imposition of an
administrative fine in accordance with Chapter 1.02 of this
Code.

C. *Civil Action.* The City Attorney is authorized to bring a civil action
and/or proceeding for violation of this Subchapter, or any guideline or rule
promulgated pursuant to Section 15.09.265 of this Subchapter, for civil penalties,
injunctive, declaratory and other equitable relief, restitution and reasonable

1 attorneys' fees and costs and may take such other steps as necessary to enforce
2 this Subchapter.

3 **D. Criminal Penalty.** Any person violating any of the provisions of
4 this Subchapter shall be deemed guilty of a misdemeanor, which shall be
5 punishable as provided in Chapter 1.01 of this Code.

6 **E. Separate Violation.** Each separate day, or any portion thereof,
7 during which any violation of this Subchapter occurs or continues, constitutes a
8 separate violation.

9 **F. Remedies Cumulative.**

- 10 1. The remedies, violations, and penalties set forth in this
11 Subchapter are cumulative and in addition to all other remedies,
12 violations, and penalties set forth in this Code, or in any other
13 City, County, State or federal ordinance, laws, rules or
14 regulations.
- 15 2. The City's decision to pursue or not pursue enforcement of any
16 kind shall not affect a Tenant's rights to pursue civil remedies in
17 accordance with Section 15.09.250 of this Subchapter.

18 **§ 15.09.250 CIVIL REMEDIES.**

19 Any Tenant aggrieved by a violation of this Subchapter may bring a civil
20 suit in an appropriate State or federal court. A Landlord found to be in violation
21 of this Subchapter shall be liable to the aggrieved Tenant for damages and for
22 Tenant's attorneys' fees and costs. Tenants are not required to exhaust their
23 administrative remedies under this Subchapter prior to filing suit pursuant to this
24 Section 15.09.250.

25 **§ 15.09.255 WAIVER PROHIBITED.**

26 Any waiver of rights under this Subchapter shall be void as contrary to
27 public policy.

28 **§ 15.09.260 SEVERABILITY.**

If any provision of this Subchapter or the application thereof to any person,
property, or circumstance, is held invalid, such invalidity shall not affect other
provisions or applications of this Subchapter that can be given effect without the

1 invalid provision(s) or application, and to this end, the provisions of this
2 Subchapter are declared to be severable.

3 **§ 15.09.265 IMPLEMENTATION; RULEMAKING; AND SUBPOENA**
4 **AUTHORITY.**

5 The Director is authorized to administer and enforce this Subchapter,
6 which may include promulgating guidelines, procedures, and rules consistent
7 with the provisions of this Subchapter. These Housing Division Guidelines shall
8 have the force and effect of law and may be relied upon by parties to determine
9 their rights and responsibilities under this Subchapter. In administering and
10 enforcing this Subchapter, the Director may also issue subpoenas pursuant to
11 California Government Code Section 53060.4 and may report noncompliance
12 therewith to the judge of the Superior Court.

13 **§ 15.09.270 CONFLICT OF PROVISIONS.**

14 In the event of any conflict between this Subchapter and any other
15 provision of this Code, this Subchapter shall control.

16 **SECTION 3. ENVIRONMENTAL DETERMINATION.** The City Council finds
17 that this Ordinance is not subject to the California Environmental Quality Act ("CEQA")
18 pursuant to CEQA guidelines, California Code of Regulations, Title 14, Chapter 3,
19 §15060(c)(2) [the activity will not result in a direct or reasonably foreseeable indirect physical
20 change in the environment] and §15060(c)(3) [the activity is not a project as defined in §15378]
21 because it has no potential for resulting in physical change to the environment, directly or
22 indirectly.

23 **SECTION 4. EFFECTIVE DATE.** Pursuant to Section 619 of the City Charter,
24 this Ordinance shall take effect thirty (30) days after the date of its adoption. Pursuant to
25 Sections 616 and 621 of the City Charter, prior to the expiration of fifteen (15) days after the
26 adoption, the City Clerk shall cause this Ordinance, or a summary thereof, to be published in
27
28

1 the Culver City News and shall post this Ordinance or a summary thereof in at least three
2 places within the City.

3
4 **SECTION 5. INTERIM RENT CONTROL ORDINANCE.** The Interim Rent
5 Control Ordinance, adopted pursuant to Ordinance No. 2019-011 and extended by Ordinance
6 No. 2020-011, shall hereby terminate and be of no further force and effect as of October 30,
7 2020.

8
9 **SECTION 6. SEVERABILITY.** The City Council hereby declares that, if any
10 provision, section, subsection, paragraph, sentence, phrase or word of this Interim Ordinance
11 is rendered or declared invalid or unconstitutional by any final action in a court of competent
12 jurisdiction or by reason of any preemptive legislation, then the City Council would have
13 independently adopted the remaining provisions, sections, subsections, paragraphs,
14 sentences, phrases or words of this Ordinance and as such they shall remain in full force and
15 effect.

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