PRHB
PASADENA RENTAL HOUSING BOARD

CITY OF PASADENA
SPECIAL MEETING AGENDA
PASADENA RENTAL HOUSING BOARD
FEBRUARY 20, 2025
6:30 P.M., or as soon thereafter as the Board may recess or adjourn its regular meeting

MEMBERS OF THE PUBLIC MAY PARTICIPATE BY FOLLOWING THE INSTRUCTIONS AT THE FOLLOWING LINK: https://us02web.zoom.us/j/89816590299

NOTE TO PUBLIC: PUBLIC COMMENT IS LIMITED TO ITEMS ON THIS SPECIAL MEETING AGENDA

NOTICE IS HEREBY GIVEN that a special meeting of the Pasadena Rental Housing Board (PRHB) will be held on Thursday, February 20, 2025, at 6:30 p.m. (or as soon thereafter as the Board may recess or adjourn its regular meeting), to discuss the following items:

1. **APPROVAL OF A MEMORANDUM FROM THE PASADENA RENTAL HOUSING BOARD SUBMITTING A RECOMMENDATION TO THE PASADENA CITY COUNCIL TO ADOPT A TEMPORARY, EMERGENCY ORDINANCE PROVIDING A DEFENSE AGAINST EVICTION FOR TENANTS FINANCIALLY IMPACTED BY THE EATON FIRE**

2. **ADOPT THE FOLLOWING RESOLUTIONS IN RESPONSE TO THE EATON FIRE:**

   A. **A RESOLUTION PROHIBITING EVICTIONS ON THE BASIS THAT TENANT HAS A PET OR ADDITIONAL OCCUPANTS IF THE TENANT IS HOUSING PETS OR ADDITIONAL OCCUPANTS TO ASSIST FIRE VICTIMS;**

   B. **A RESOLUTION EXTENDING SHORT-TERM RENTAL TO BE CONSIDERED TRANSIENT OCCUPANCIES IF THE STAY IS BEYOND 30 DAYS FOR FIRE VICTIMS; AND**

   C. **A RESOLUTION ALLOWING A TEMPORARY REDUCTION IN RENT WITHOUT IMPACTING BASE RENTS AND FUTURE RENT INCREASES.**

3. ADJOURNMENT

Ryan Bell, Chair

I HEREBY CERTIFY that this notice was posted in its entirety on the Internet at https://www.cityofpasadena.net/commissions/pasadena-rental-housing-board/ and at Pasadena City Hall in the rotunda, Council Chamber Bulletin Board Room S249, City Hall, 100 North Garfield Avenue, and a copy was distributed to Central Library for posting this 19th day of February, 2025, at 6:00 p.m., and that copies hereof were faxed or delivered to each member of the PRHB member, and to each local newspaper of general circulation, radio or television station requesting notice in writing, all of which recipients are identified on the distribution list set forth herein below.

Jaclyn Greenberg
Recording Secretary

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Spanish language translation services will be available at each meeting of the Pasadena Rental Housing Board.
Los servicios de traducción en español estarán disponibles en cada reunión de la Junta de Vivienda de Alquiler de Pasadena.

Additional language translation services are available for this meeting by calling (626)744-7999 at least 24 hours in advance.

Items on the agenda may not be called in order listed. Agendas and supporting documents are available on the Internet at https://www.cityofpasadena.net/commissions/pasadena-rental-housing-board/

*Materials related to an item on this Agenda submitted to the Pasadena Rental Housing Board **after** distribution of the agenda packet are available for public inspection in the City Clerk's Office at 100 N. Garfield Avenue, Room S-228, Pasadena, during normal business hours.*

PASADENA RENTAL HOUSING BOARD

FEBRUARY 20, 2025

ITEM 1

MEMORANDUM

CITY OF PASADENA
RENTAL HOUSING BOARD

To: Mayor and City Council

From: Pasadena Rental Housing Board, Chair Ryan Bell

Date: February 20, 2025

Re: Recommendation for Emergency Eviction Defense for Tenants Impacted by the Eaton Fire

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At its regular meeting on February 6, the Pasadena Rental Housing Board (Board) voted unanimously to recommend that the City Council adopt a temporary, emergency ordinance providing a defense against eviction for tenants financially impacted by the Eaton Fire. This defense should be available to tenants who self-certify their financial hardship under penalty of perjury. The ordinance should remain in effect for either six months or the duration of the declared emergency, whichever is longer.

This memorandum formally transmits the Board's request to the City Council for consideration and action.

PASADENA RENTAL HOUSING BOARD

FEBRUARY 20, 2025

ITEM 2

MEMORANDUM

Agenda Report

February 20, 2025

TO: Pasadena Rental Housing Board

FROM: Rent Stabilization Department

SUBJECT: **ADOPT THE FOLLOWING REGULATIONS IN RESPONSE TO THE WINDSTORM AND FIRES OF JANUARY 2025:**

1) **PROHIBITING EVICTIONS ON THE BASIS THAT TENANT HAS A PET OR ADDITIONAL OCCUPANTS IF THE TENANT IS HOUSING PETS OR ADDITIONAL OCCUPANTS TO ASSIST FIRE VICTIMS;**
2) **EXTENDING SHORT-TERM RENTAL TO BE CONSIDERED TRANSIENT OCCPANCIES IF THE STAY IS BEYOND 30 DAYS FOR FIRE VICTIMS;**
3) **ALLOWING A TEMPORARY REDUCTION IN RENT WITHOUT IMPACTING BASE RENTS AND FUTURE RENT INCREASES; AND**

ADOPT A RESOLUTION ALLOWING THE RETURN OF PRORATED REGISTRATION FEE FOR UNITS DESTROYED BY THE EATON FIRE

RECOMMENDATION:

It is recommended that the Pasadena Rental Housing Board (Board):

1. Adopt the following regulations in response to the windstorm and fires of January 2025:
    a. Prohibiting evictions on the basis that tenant has a pet or additional occupants if the tenant is housing pets or additional occupants to assist fire victims;
    b. Extending short-term rental to be considered transient occupancy if the stay is beyond 30 days for fire victims; and
    c. Allowing a temporary reduction in rent without impacting base rents and future rent increases.

2. Adopt a resolution allowing the return of prorated registration fee for units destroyed by the Eaton Fire.
3. Find that adoption of the proposed regulations and resolution would be organizational or administrative activities, and therefore not a "project" subject to the California Environmental Quality Act (CEQA) as defined by Section 21065 of the Public Resources Code and Section 15378(b) of the California Code of Regulations.

BACKGROUND:

On February 6, 2025, at its regularly scheduled meeting, the Board received a staff report to Consider Options for Potential Action in Response to the Windstorm and Fires of January 2025. The Board directed staff to return to the Board with regulations on the following options:

- Prohibiting evictions on the basis that tenant has a pet or additional occupants if the tenant is housing pets or additional occupants to assist fire victims;
- Extending short-term rental to be considered transient occupancy if the stay is beyond 30 days for fire victims; and
- Allow a temporary reduction in rent without impacting base rents and future rent increases.

The Board also requested staff to return with a Resolution allowing the return of prorated registration fee for units destroyed by the Eaton Fire.

The Board further directed staff to schedule the following items at a later date to allow the Board to more time to fully consider:

- Amend existing Chapter 4 Regulations to reduce relocation payments owned to tenants in the event of an owner move-in;
- Regulations governing repairs while a tenant remains in possession of the unit; and
- Tenant Buyout Regulations.

1. Adopt Regulations prohibiting evictions on the basis that tenant has a pet or additional occupants if the tenant is housing pets or additional occupants to assist fire victims.

The Board requested that staff return with a regulation prohibiting evictions on the basis that tenant has a pet or additional occupants if the tenant is housing pets or additional occupants to assist fire victims. The proposed amendments to the Pasadena Rental Housing Board Regulations Chapter 4: Just Cause for Eviction are provided as Attachment A.

Governor Newsom’s Executive Order N-11-25, which temporarily suspends evictions and prohibits eviction notices for lease violations related to sheltering fire victims in

Los Angeles County, does not provide protections related to sheltering pets and expires on March 8, 2025. In compliance with that Order, and to further the purpose of the Charter Amendment to "promote neighborhood and community stability" in the wake of the windstorm conditions and critical fire events affecting the City of Pasadena between January 7, 2025, and January 31, 2025 ("Eaton Fire"), and pursuant to Section F of the Rental Housing Board's Chapter 3 Regulations, this provision clarifies that for the purposes of Section 1806(a)(2) of the Charter Amendment, the presence of unauthorized occupants or pets in a Covered Rental Unit due to displacement by the Eaton Fire shall not qualify as a substantial violation of the material terms of a rental agreement until 90 days after adoption of this provision by the Rental Housing Board. Proof of displacement may include utility bills, mail, veterinarian bills, photos, social media posts, email or text messages conversations, or other documentation referencing a residential address listed as destroyed or red-tagged on structure assessment maps on the Los Angeles County or City of Pasadena websites.

2. **Short-Term Rentals**.

Governor Newsom's Executive Order N-14-25 provides, among other items, that persons displaced as a result of a fire staying in a hotel or motel in Los Angeles County will continue to be considered transient occupants even if the stay extends beyond 30 days. The Executive Order was necessary because California law defines the hiring of a dwelling unit, thus creating a landlord tenant relationship, to include transient occupants that reside in motels or hotels for longer than 30 days.

Article XVIII exempts motel and hotel units that are rented for no more than 30 days. Once a motel or hotel unit is rented for longer than 30 days, under Article XVIII, it is a Covered Rental Unit. Although the Executive Order applies to Pasadena and should be interpreted such that hotel and motel rooms rented to fire victims for more than 30 days are not considered Covered Rental Units, in an effort to protect those persons who continue to be displaced, the proposed amendments to Pasadena Rental Housing Board Regulation Chapter 9: Rental Registration, Attachment B, would continue the exemption provided by the Governor Newsom's Executive Oder N-14-15.

In compliance with that Order, and to further the purpose of the Charter Amendment to "promote neighborhood and community stability" in the wake of the windstorm conditions and critical fire events affecting the City of Pasadena between January 7, 2025, and January 31, 2025 ("Eaton Fire"), the amendment clarifies that for the purposes of Section 1804(a)(1) of the Charter Amendment, a transient occupancy remains fully exempt if the occupant was displaced by the Eaton Fire and pays a transient occupancy tax, regardless of the length of their stay. After March 8, 2025, and through May 1, 2025, units in hotels, motels, inns, tourist homes, lodging and rooming houses and boarding houses, including hotels, lodging houses, rooming houses, and boarding houses as defined in Pasadena Municipal Code Section 14.12.030 which house occupants displaced by the Eaton Fire who continue to pay a transient occupancy tax or have a written agreement permitted by Pasadena Municipal Code section 4.44.020 shall not become Covered Rental Units unless at least three of the criteria listed in Section 1803(o) apply.

3. **Regulations to allow a temporary reduction in rent without impacting base rents and future rent increases**.

   Article XVIII limits rent increases to the allowed AGA unless a petition is filed for an upward adjustment. Additionally, rent increases are limited to one increase per year. Some landlords may be willing to decrease their tenants' rents temporarily to assist with fire recovery. In order to encourage landlords to consider temporary rent decreases, the Pasadena Rental Housing Board Regulations Chapter 8: Procedures for Annual General Adjustment is amended (Attachment C) to allow landlords to not be impacted by base rents and future rent increases if they temporarily decrease the tenants' rents to assist with fire recovery.

   The amended regulation for Chapter 8: Procedures for Annual General Adjustments provides that at any time, Landlords and Tenants may enter into a Voluntary Agreement to reduce the Tenant's Rent on a Covered Rental Unit, provided such Voluntary Agreement does not change any of the other terms of the tenancy. If the Landlord and Tenant enter into a Voluntary Agreement, the Tenant's Rent may be returned to the lawful Rent for the Covered Rental Unit in effect immediately prior to the effective date of the Voluntary Agreement in accordance with the terms of any such Voluntary Agreement, and the return to the prior lawful Rent shall not be considered a rent increase pursuant to Section 1808 of Article XVIII of the Pasadena City Charter, which limits rent increases to (a) no more than the Annual General Adjustment (AGA) each year, and (b) no more than one (1) increase per twelve (12) month period.

   In the event of any such Voluntary Agreement, the AGA adopted by the Board and effective after the execution of the Voluntary Agreement shall be calculated based on the Tenant's lawful Rent for the Covered Rental Unit immediately preceding the effective date of the Voluntary Agreement. Nothing shall prohibit a Landlord who enters into a Voluntary Agreement that remains in effect for at least thirteen (13) months from taking any applicable AGAs during the term of the Voluntary Agreement after the termination or expiration of the Voluntary Agreement.

   In the event where a Landlord and Tenant have entered into a Voluntary Agreement, the Landlord shall issue a Notice of Return to Prior Rent at least thirty (30) days before the Tenant's Rent for a Covered Rental Unit is reinstated to the lawful amount that was in effect immediately preceding the effective date of the Voluntary Agreement. The Pasadena Rental Stabilization Department ("Department") shall create and provide a sample Notice of Return to Prior Rent form that Landlords may use to notify Tenants about the reinstatement of Tenant's pre-Voluntary Agreement Rent.

   Additionally, the Landlord shall file a copy of the Voluntary Agreement with the Department within seven (7) days of the execution of the Voluntary Agreement. The Landlord shall also file a copy of the Notice of Return to Prior Rent with the Department within seven (7) days of service upon the Tenant.

4. **Return Prorated Registration Fees.**

   The PRHB considered a prorated return of registration fees for the 2024-2025 fiscal year for units destroyed by the Eaton Fire. Staff had reported that there was only one property with four (4) units, however upon further review, in consideration of single-family dwellings, staff determined a total of eleven (11) units were red tagged and destroyed by the Eaton Fire.

   Each of the eleven (11) units would be eligible for a 6-month refund at the rate of $61.43 (50% of the $122.86 registration fee). This would amount to a total refund in the amount of $675.73 for all eleven (11) units. A copy of the Resolution is provided as Attachment D.

ENVIRONMENTAL ANALYSIS:

CEQA excludes from environmental review actions that are not "projects", as defined by Section 21065 of the Public Resources Code and Section 15378(b) of the California Code of Regulations. Sections 21065 and 15378(b) define a project as an action which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Section 15378 excludes from the definition of "project" organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment. If the PRHB undertakes organizational or administrative activities, such as creating or modifying regulations that further safeguard and assist those affected by the Eaton Fire, these actions would be administrative activities, and therefore would not be a "project" as defined by CEQA. Since the actions would not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

Staff estimates that the only financial impact that the Department will have will result from the refund of registration fees for the eleven (11) units that have red tagged and destroyed. This would amount to a total refund in the amount of $675.73 for all eleven (11) units and a reduction in the Department budget by $675.73. Staff estimates no further financial impacts.

ATTACHMENTS:

Attachment A- PROPOSED AMENDMENTS TO PASADENA RENTAL HOUSING BOARD REGULATIONS CHAPTER 4: JUST CAUSE FOR EVICTION

Attachment B- PROPOSED AMENDMENTS TO PASADENA RENTAL HOUSING BOARD REGULATIONS CHAPTER 9: RENTAL REGISTRATION

Attachment C- PROPOSED AMENDMENTS TO PASADENA RENTAL HOUSING BOARD REGUALTIONS CHAPTER 8: PROCEDURES FOR ANNUAL GENERAL ADJUSTMENTS

Attachment D-PROPOSED RESULTION OF THE PASADENA RENTAL HOUSING BOARD AUTHORIZING THE RENT STABILIZATION DEPARTMENT TO ISSUE A PRORATED REFUND OF THE RENTAL REGISTRY FEE FOR UNITS DESTROYED BY THE EATON FIRE

Respectfully submitted,

HELEN MORALES
Executive Director, Rent Stabilization Department

Approved by:

Allysa Martinez
Deputy City Attorney

PASADENA RENTAL HOUSING BOARD FEBRUARY 20, 2025

ITEM 2A

RESOLUTION AND ATTACHMENT A

PASADENA RENTAL HOUSING BOARD

RESOLUTION NO. RHB-2025-02

A RESOLUTION OF THE PASADENA RENTAL HOUSING BOARD ADOPTING AN AMENDMENT TO THE PASADENA RENTAL HOUSING BOARD'S CHAPTER 4 REGULATIONS RELATED TO DISPLACED OCCUPANTS AND PETS IN RESPONSE TO THE EATON FIRE

WHEREAS, windstorms of extraordinary magnitude and widespread fires began on January 7, 2025, spreading quickly throughout the City of Pasadena and surrounding communities ("the Eaton Fire"); and

WHEREAS, on January 8, 2025, in response to the Eaton Fire, the City Manager declared a Local Emergency; and

WHEREAS, on January 13, 2025, the City Council ratified the Declaration of Local Emergency; and

WHEREAS, the Eaton Fire destroyed approximately 9,400 structures in the area and damaged an additional 1,073 structures in the City of Pasadena, displacing numerous individuals from their homes ('Displaced Occupants"); and

WHEREAS, roughly 117 single-family residences, 12 multi-family units, and 3 detached ADUs in the City of Pasadena were completely destroyed or rendered unsafe for return by the Eaton Fire; and

WHEREAS, on January 17, 2025, Governor Gavin Newsom issued Executive Order N-11-25 ("Order") in response to the January 2025 windstorm and fire events throughout Los Angeles County, which included the Eaton Fire; and

WHEREAS, pursuant to that Order, in Los Angeles County, Landlords cannot utilize Paragraph 3 of Section 1161 of the Code of Civil Procedure to issue a notice of

termination of tenancy nor as the basis for an unlawful detainer action if either action is related to sheltering Displaced Occupants or pets until after March 8, 2025, or after the Order is terminated, whichever is earlier; and

WHEREAS, Governor Newson may choose not to extend the Order beyond March 8, 2025; and

WHEREAS, in light of the great loss and hardship created by the Eaton Fire in the City of Pasadena and its surrounding communities, there may be a continuing need for protections like those in the Order beyond March 8, 2025; and

WHEREAS, the purpose of Article XVIII of the City's Charter, the Pasadena Fair and Equitable Housing Charter Amendment ("Article XVIII") is to promote neighborhood and community stability, healthy housing, and affordability for renters in the City of Pasadena by regulating excessive rent increases and arbitrary evictions while ensuring landlords a fair return on their investment and guaranteeing fair protections for renters, homeowners, and businesses; and

WHEREAS, at its regular meeting on February 6, 2025, the Pasadena Rental Housing Board ("PRHB") considered potential options for responding to the Eaton Fire, including drafting of a proposed amendment to its Chapter 4: Just Cause for Eviction regulations related to Displaced Occupants and pets; and

WHEREAS, at its February 6, 2025, meeting, the PRHB directed staff to return with a proposed amendment to its Chapter 4: Just Cause for Eviction regulations related to Displaced Occupants and pets that provided protections after March 8, 2025.

NOW, THEREFORE, THE RENTAL HOUSING BOARD OF THE CITY OF PASADENA RESOLVES AS FOLLOWS: The amendment to the PRHB's Chapter 4: Just Cause for Eviction regulations related to Displaced Occupants and pets which is set forth in Exhibit A is hereby adopted.

The foregoing Resolution was regularly introduced and adopted at a Regular Meeting of the Rental Housing Board of the City of Pasadena, duly held on 20th day of February 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Ryan J. Bell
Chair, Rental Housing Board

Approved as to form:

_____
Allysa Martinez
Deputy City Attorney

PASADENA RENTAL HOUSING BOARD

FEBRUARY 20, 2025

ITEM 2A

ATTACHMENT A

PASADENA RENTAL HOUSING BOARD
REGULATIONS

CHAPTER 4: JUST CAUSE FOR EVICTION

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ARTICLE I: JUST CAUSE FOR EVICTION

A. Purpose of Just Cause for Eviction Regulations.

The purpose of this Chapter is to clarify provisions of the Pasadena Fair and Equitable Housing Charter Amendment ("Charter Amendment") concerning just cause for eviction requirements.

B. Notices of Termination of Tenancy Generally.

1. **Contents of Notice.** Any notice of termination of tenancy given to a Tenant pursuant to Charter Amendment Section 1806(a) shall conform to the requirements of California Civil Code Section 1946.1 (or successor section) and shall include all of the following:

    a. The basis for the termination with specificity, including, where applicable, the requirements of Section D.4 below or specific facts to permit determination of the date, place, witnesses and circumstances concerning the reason for the termination.

    b. That the Rental Unit is a Covered Rental Unit under the Charter Amendment; and

    c. That the Tenant may seek assistance from a Rental Housing Board housing counselor, including the phone number, if available, and email address for the Rental Housing Board.

2. **Notice of Intent to Terminate Tenancy**. The "Notice of Intent to Terminate Tenancy" that a Landlord is required to file with the Rental Housing Board pursuant Section D.1.a of the Pasadena Rental Housing Board's "Relocation Assistance Requirement" regulations does not constitute a Notice of Termination of Tenancy pursuant to and does not satisfy the requirements of California Civil Code Section 1946.1 or Charter Amendment Section 1806.

3. **Notice to Cease.** In addition to the requirements of subsection (1) of this Section B, a Landlord seeking to evict a Tenant on the basis of Charter Amendment Sections 1806(a)(2) or (a)(3) shall include a copy of the Written Notice to Cease (as defined in Charter Amendment Section 1803(cc)) that was previously issued with the notice of termination of tenancy.

4. **Filing of Notices and Complaints.** Any notice that must be provided to a Tenant or in connection with the notice of termination of tenancy pursuant to Charter Amendment Section 1806(a), including any Written Notice to Cease, shall be filed with the Rental Housing Board within three (3) days of

service upon the Tenant. Any Landlord who serves a summons or complaint for unlawful detainer (or for other action to recover possession of the Covered Rental Unit) upon a Tenant for just cause under Charter Amendment Section 1806(a) or obtains a judgment for unlawful detainer against a Tenant of a Covered Rental Unit shall also file a copy of said documents with the Rental Housing Board within seven (7) days of service upon the Tenant. Any Landlord who serves a notice to terminate a tenancy pursuant to Charter Amendment Section 1806(a) shall provide the Rental Housing Board with written notice if the Tenant vacates the Covered Rental Unit, either as a result of the notice of termination or subsequent filing of an action for unlawful detainer, no later than seven (7) days after the Tenant vacates the Covered Rental Unit.

a. **Affirmative Defense**. A Landlord's failure to comply with the requirements to file any of the required notices with the Rental Housing Board is a complete affirmative defense in unlawful detainer or other action brought by the Landlord to recover possession of the Covered Rental Unit.

C. No-Fault Just Causes Requiring Permits.

1. **Purpose.** Charter Amendment Section 1806(a)(8)(Necessary and Substantial Repairs Requiring Temporary Vacancy) permits the eviction of a Tenant where the Landlord, after having obtained "all necessary permits from the City of Pasadena," seeks in good faith to undertake substantial repairs that are necessary to bring the Covered Rental Unit into compliance with all applicable healthy and safety laws and that have been independently verified by the City to require the Tenant(s) to vacate for at least thirty (30) days. Charter Amendment Section 1806(a)(10) (Withdrawal of the Unit Permanently from Rental Market) permits an owner to evict a Tenant where the Landlord seeks to withdraw all of the Rental Units in the Property from the rental market; if demolition is the purpose of the withdrawal, then the Landlord can only evict the Tenants after having received "all needed permits from the City of Pasadena."

2. **In-Lieu Permit for Demolition.** For the purposes of Charter Amendment Section (a)(10), if the Landlord is unable to obtain "all needed permits" from the City because vacation of the building or shut off of one (1) or more utilities that require the Tenants to vacate is a prerequisite to issuance of the permit, then the Landlord shall instead submit a Request for an In-Lieu Permit to the Rent Stabilization Department, on a form provided by the Rent Stabilization Department.

a. **Request Requirements.** At a minimum, the Request for In-Lieu Permit shall include the following:

i. **Project Information**. A description of the project and the expected date by which the Property will be demolished.

ii. **Landlord Declaration.** A signed and notarized declaration by the Landlord, under penalty of perjury, that they have (i) submitted one (1) or more application(s) to the relevant City departments for "all needed permits" and (ii) intend to follow through with the demolition of the Property, on a form provided by the Rent Stabilization Department.

iii. **Verification Statement.** A signed statement from an official of the City of Pasadena's Planning & Community Development Department, or other responsible City department, on a form provided by the Rent Stabilization Department, verifying that (i) the Landlord has submitted the application(s) and received approval for the permits or plans indicated on the Request for In-Lieu Permit; (ii) that the Landlord has paid all of the fees due (as determined by the Planning & Community Development); and (iii) their Department is unable to issue a demolition permit to the Landlord prior to the vacation of the Property by all occupants and/or the shut off of one (1) or more utilities that require the Tenants to vacate the Property.

- Notwithstanding the foregoing, the Rent Stabilization Department may, in its sole discretion, waive the requirement that a Landlord submit a Verification Statement if it is able to directly obtain and verify the information that would be provided in the Verification Statement from the City of Pasadena's Planning & Community Development Department, or other responsible City department.

b. **Determination and Issuance.** The Rent Stabilization Department will review the Request for In-Lieu Permit within twenty (20) business days after receipt of the request.

i. Complete. If the information in the Request for In-Lieu Permit is complete, the Rent Stabilization Department, will issue an In-Lieu Permit, in a form authorized by the Rent Stabilization Department, within ten (10) business days after completing its review.

ii. Incomplete. If the information in the Request for In-Lieu Permit is incomplete, the Rent Stabilization Department, will inform the Landlord of the information that is missing. Upon

resubmission of the Request for In-Lieu Permit, the timeline set forth in this Section 3(b) shall restart.

c. **Satisfaction of Charter Amendment Requirement.** The In-Lieu Permit shall be sufficient to satisfy the requirements of Charter Amendment Section 1806(a)(10) and shall allow the Landlord to issue a notice of termination of tenancy in accordance with that section.

d. **Copy of Permit(s).** Regardless of the type of permit that the Landlord obtains, the Landlord seeking to terminate a tenancy or otherwise recover possession of a Covered Rental Unit based on Charter Amendment Section 1806(a)(10) shall include a copy of the permit(s) with the notice(s) of termination of tenancy served on all affected Tenant(s).

3. **Confirmation of Necessary and Substantial Repairs.** Where the Landlord seeks to terminate the tenancy or otherwise recover possession of a Covered Rental Unit on the basis of Charter Amendment Section 1806(a)(8) (Necessary and Substantial Repairs Requiring Temporary Vacancy), the responsible City Department shall also confirm that the repairs to be undertaken by the Landlord are (i) necessary to bring the Rental Unit into compliance with applicable health and safety codes and/or laws and (ii) of the type that require the Tenant to vacate the Covered Rental Unit for a period of thirty (30) days or more.

   a. **Substantial Repair Confirmation Form**. The required confirmation shall be memorialized on a form created and provided by the Rent Stabilization Department.

   b. **Copy of Permits and Confirmation.** A Landlord seeking to terminate a tenancy or otherwise recover possession of a Covered Rental Unit based on Charter Amendment Section 1806(a)(8) shall include a copy of all necessary permit(s) and a copy of the Substantial Repair Confirmation Form with the notice(s) of termination of tenancy served on all affected Tenant(s).

4. **Deadlines Directory.** All deadlines in this Section are directory, not mandatory. Any failure by the Rental Housing Board, Rent Stabilization Department, or their designees, to act in accordance with this Section C and the deadlines set forth herein shall not result in automatic issuance of an In-Lieu Petition and shall not authorize a Landlord to terminate a tenancy without receipt of all necessary or needed permits.

D. Elections for Tenants Terminated for Necessary and Substantial Repairs or Government Order.

Any Landlord that seeks to terminate a tenancy on the basis of Charter Amendment Section 1806(a)(8) or Section 1806(a)(11) shall provide the Tenant with advance notice of the Tenant's right to elect one or both of the following:

a. **Right of First Refusal**. A right of first refusal to any vacant Rental Unit owned by the Landlord at the same or lower Rent, provided that the unit is comparable or superior to the Rental Unit from which the Tenant is being displaced and is convenient for the Tenant, if such comparable or superior vacant unit exists.

    i. **Comparable Rental Unit.** For the purposes of the Right of First Refusal, the Rental Unit offered to the Tenant shall, at a minimum, be comparable to the Rental Unit from which the Tenant is being displaced. "Comparable" shall mean all of the following: (i) of the same number of bedrooms and bathrooms as the Rental Unit from which the Tenant is being displaced; (ii) the square footage of the two units varies by no more than fifteen percent (15%); (iii) within the boundaries of the City of Pasadena, or if outside of Pasadena, then no more than ten (10) miles from the Covered Rental Unit from which the Tenant is being displaced; (iv) in substantially the same or superior physical condition as the Covered Rental Unit, as confirmed by the Tenant in their sole discretion; and (v) where applicable, accommodates any special needs (on the basis of disability) of the Tenant that are currently accommodated in the Covered Rental Unit from which the Tenant is being displaced. Unit location in the building and unit amenities shall not be considered in a determination of comparability unless related to the reasonable accommodation in (v).

        - **Same School District**. In addition to the foregoing, a Tenant household that includes at least one (1) minor child may request, in its sole discretion, that the comparable unit be located within the geographical boundaries of the same public school system(s) that serves the child/ren at the time that the Tenant household is displaced. For these purposes, the Tenant may elect to waive one (1) or more of the criteria of a "comparable" unit outlined above. (For example, if the Landlord offers a unit that is 20 percent smaller than the unit from which the Tenant household is being displaced but meets all other criteria for a comparable unit and is located in the same school district, the Tenant household may elect to move to said unit and

the requirements of Charter Amendment 1806(a)(8) shall be deemed satisfied.)

ii. **No Relocation Assistance.** In the event the Tenant elects to accept an offer to move to a comparable vacant Rental Unit at the same or lower Rent, the Tenant shall not be eligible for any Relocation Assistance pursuant to Charter Amendment Section 1806(b), or any regulations promulgated pursuant to that section.

b. **Right of Return.** A right of return to reoccupy the Covered Rental Unit upon completion of the repairs (if terminating based on Charter Amendment Section 1806(a)(8)) or upon the Covered Rental Unit being found in compliance with the government order (if terminating based on Charter Amendment Section 1806(a)(11)) at the same Rent charged to the Tenant before the Tenant vacated the Covered Rental Unit to the extent allowed by law.

i. **Tenant Contact Information.** Where the Tenant elects the right to return, but does not elect the right of first refusal, it shall be the Tenant's responsibility to inform the Landlord of any changes in the Tenant's temporary address and/or contact information.

ii. **Sufficient Notice to Tenant.** Where the Tenant elects the right to return, but does not elect the right of first refusal, the Landlord shall notify the Tenant at least forty-five (45) days before the Covered Rental Unit is ready to be reoccupied. The purpose of this notification is to provide the Tenant with sufficient time to terminate their existing tenancy.

c. **Timing of Landlord's Notification.** The Landlord shall inform the Tenant of their right to elect either or both the right of first refusal and the right of return either upon submission of the Landlord's application to the City for the necessary permits or thirty (30) days prior to the issuance of the notice of termination of tenancy, whichever is earlier, provided however, if the notice of termination of tenancy is pursuant to a government order and the government order requires the Covered Rental Unit to be vacated in less than thirty (30) days, the Landlord shall give the Tenant notice of the Tenant's right to elect either or both the right of first refusal and the right of return when giving the notice of termination of tenancy.

d. **Timing of Tenant's Election.** Within thirty (30) days of receipt of the Landlord's notification of the Tenant's right to election, the Tenant shall inform the Landlord of their election(s), in writing.

E. No-Fault Just Cause: Owner Move-In.

1. Charter Amendment Section 1806(a)(9) permits the eviction of a Tenant where a Landlord seeks to recover possession of a Covered Rental Unit in good faith for the use and occupancy as a Primary Residence for themselves, or for a Qualifying Relative. The purpose of this Regulation is to clarify those circumstances whereby the usage of Charter Amendment Section 1806(a)(9) is appropriate, and to aid the courts in interpreting the provisions of Charter Amendment Section 1806(a)(9).

2. **Definitions.** Unless otherwise noted, all defined terms shall have the same definition as in Section 1803 of the Charter Amendment. In addition, the following definitions shall apply for the purposes of these Regulations:

    a. **"Natural Person."** Only a Natural Person who has at least 50 percent ownership interest in a Property shall be considered a Landlord for the purposes of Charter Amendment Section 1806(a)(9). For the purposes of Charter Amendment Section 1806(a)(9) and these Regulations, a "Natural Person" includes:

        i. A natural person who is a settlor or beneficiary of a family trust, which includes a revocable living trust or irrevocable trust in which the settlors and beneficiaries of the trust are persons who are all related to each other as sibling, spouse, domestic partner, child, parent, grandparent, or grandchild, that owns the Property and/or the Rental Unit.

        ii. A natural person that owns 50 percent or more of the equity interest of the partnership or limited liability company that owns the Property and/or Rental Unit.

        iii. Except as outlined in (i) and (ii) above, no corporation, limited liability company, partnership, limited partnership, or trust company as defined in California Financial Code Section 107 (or successor provision), real estate investment trust as defined in Section 856 of the Internal Revenue Code, or association, under any circumstance, shall be considered a Natural Person.

    b. **"Qualifying Relative."** A Qualifying Relative means the Landlord's spouse, domestic partner, child, grandchild, parent or grandparent.

3. **Number of Allowable Evictions under Charter Amendment Section 1806(a)(9).** A Landlord may, in good faith, evict a Tenant from a Covered

Rental Unit for the use and occupancy as a Primary Residence for themselves or for a Qualifying Relative; however:

a. A Landlord who occupies one of the dwelling units on the Property shall be prohibited from evicting a Tenant pursuant to Charter Amendment Section 1806(a)(9) on behalf of themselves to recover possession of any other dwelling unit on the Property.

b. Where the Qualifying Relative occupies a dwelling unit on the Property, a Landlord shall be prohibited from evicting a Tenant pursuant to Charter Amendment Section 1806(a)(9) on behalf of the same Qualifying Relative to recover possession of any other dwelling unit on the Property.

c. Where a vacancy exists on the Property and the vacant unit has the same number of bedrooms and bathrooms as the Covered Rental Unit from which the Tenant is being displaced, a Landlord shall be prohibited from evicting a Tenant pursuant to Charter Amendment Section 1806(a)(9).

d. Except in the case where a Landlord has evicted a Tenant from a primary dwelling unit or accessory dwelling unit based on Charter Amendment Section 1806(a)(9) and seeks to evict a different Tenant from the primary dwelling unit or accessory dwelling unit on the same Property based on Charter Amendment Section 1806(a)(9), a Landlord shall not seek to or recover possession of more than one (1) Covered Rental Unit on any property pursuant to Charter Amendment Section 1806(a)(9).

e. Notwithstanding paragraphs (a) through (d) of this subsection (3), a Landlord may evict a Tenant pursuant to Charter Amendment Section 1806(a)(9) on behalf of themselves or a Qualifying Relative, regardless of whether the Landlord or the same Qualifying Relative already occupies a dwelling unit on the Property, if there is a demonstrated need for a reasonable accommodation based on a qualifying disability as defined by California Government Code Section 12955.3 (or successor section).

f. Where a Landlord has served a notice of termination of tenancy pursuant to Charter Amendment Section 1806(a)(9) but a dwelling unit with the same number of bedrooms and bathrooms becomes available on the Property before the Landlord has recovered possession of the Covered Rental Unit for which the notice of termination of tenancy was issued, the Landlord shall rescind the notice of termination of tenancy and dismiss any action filed to

recover possession of the Covered Rental Unit for which the notice of termination of tenancy was issued.

g. Where the Tenant has resided in the Covered Rental Unit for at least five (5) years and is either: (i) at least sixty (60) years of age or older; (ii) disabled; and/or (iii) is certified as being terminally ill by the Tenant's treating physician, the Landlord shall be prohibited from evicting the Tenant pursuant to Charter Amendment Section 1806(a)(9).

h. Notwithstanding paragraph (g) of this subsection (3), a Landlord may evict a Tenant who qualifies for the exemption in (g) if the Landlord or the Qualifying Relative who will occupy the Rental Unit also meets the criteria for the exemption in (g) and there are no other units available on the Property.

4. **Contents of Termination Notice.** Any notice purporting to terminate a tenancy pursuant to Charter Amendment Section 1806(a)(9) shall contain the name, address and relationship to the Landlord of the person intending to occupy the Covered Rental Unit, the exemption for which the Landlord and/or Qualifying Relative qualifies pursuant to Charter Amendment Section 1806(a)(9)(F) and paragraph (g) of subsection (3) above (if applicable), and a copy of a form provided by the Rental Housing Board explaining the rights of the Tenant pursuant to Charter Amendment Section 1806(a)(9)(E) and subsection (6) below.

a. **Evidence of Family Trust, Limited Liability Company or Partnership**. In addition, if the Property and/or Covered Rental Unit is owned by family trust, or a limited liability company or partnership pursuant to Section E(2)(a)(i)-(ii) above, the notice of termination shall include a copy of the legal instrument establishing the natural person's status as a settlor or beneficiary of the family trust, or the natural person's equity interest in the limited liability company or partnership, as applicable.

b. **Owner Move-In Affidavit.** In addition to the foregoing, the Landlord shall include a copy of an Owner Move-In Affidavit, on a form created and provided by the Rental Housing Board, that declares, under penalty of perjury, that the Landlord or the Qualifying Relative intends in good faith to move into the Rental Unit within sixty (60) days after the Tenant vacates and intends to occupy the Covered Rental Unit as their Primary Residence for at least thirty-six (36) consecutive months.

c. **Right of First Refusal.** The Rental Housing Board form explaining the rights of the Tenant pursuant to Charter Amendment Section

1806(a)(9)(E) and subsection (6) below shall instruct the Tenant to indicate whether they would be interested in re-renting the Covered Rental Unit at the same Rent, if the Covered Rental Unit is reoffered for Rent by the Landlord. The Tenant shall provide the Landlord, in writing, their interest to return to the Covered Rental Unit if it is ever reoffered for Rent and shall provide the Rental Housing Board with a copy of this written notice.

5. **Good Faith Requirements.** This subsection illustrates, but does not exhaust, the factors that may be considered in determining whether the Landlord is evicting the Tenant in good faith pursuant to Charter Amendment Section 1806(a)(9).

    a. A Landlord is not acting in good faith if the Landlord or the Qualifying Relative for whom a Tenant has been evicted does not intend to move into the Covered Rental Unit within sixty (60) days of the date that the Tenant vacates the Covered Rental Unit and does not intend to thereafter occupy the Covered Rental Unit for a minimum period of thirty-six (36) consecutive months as their Primary Residence.

    b. A Landlord is not acting in good faith where proof is presented that an ownership interest was granted for the primary purpose of qualifying a person as a Landlord for the purposes of eviction pursuant to Charter Amendment Section 1806(a)(9) and these regulations.

    c. A Landlord is not acting in good faith where the Landlord has served a notice of termination of tenancy pursuant to Charter Amendment Section 1806(a)(9) and the Landlord knew or should have known that the Landlord has other vacant Rental Units in the Property from which the Tenant is being displaced or in any other residential rental property that the Landlord owns in Pasadena or the greater Los Angeles area, from the date that the notice of termination of tenancy is served until the date of judgment of unlawful detainer and does not offer each of the available vacant units to the Tenant being evicted. A vacant unit shall include, but is not limited to, any unit for which the Landlord has received notice that a Tenant intends to vacate, a rental unit where the Landlord has obtained a writ of possession-real property, and any rental unit which is being refurbished or repaired and is not currently rented or leased.

    d. The court, in making a determination regarding the presence or absence of good faith in an eviction, should consider, along with any other factors deemed relevant: whether the Tenant has

recently reported violations of Article XVIII of the Pasadena Charter, the Pasadena Rental Housing Board Regulations, and/or Pasadena Rental Housing Board orders; whether the Tenant has recently reported any violations of any applicable residential health and safety codes to the Pasadena Rental Housing Board, the Code Compliance Division of the City of Pasadena, or other responsible government agency; whether the Landlord has vacant Rental Units in other residential rental properties in the City of Pasadena; whether the Landlord has previously attempted to evict the Tenant or other Tenants pursuant to Charter Amendment Section 1806(a)(9); whether the Tenant being evicted is paying a low Rent in relation to other Rental Units on the Property; whether the eviction is an attempt to move the Tenant to a higher-priced Rental Unit; and any additional relevant information.

e. In making a determination as to whether a wrongful eviction has occurred, the court should consider a Landlord's failure to comply with any of the provisions set forth in subsection (6) below, as evidence that the Landlord did not act in good faith in evicting the Tenant pursuant to Charter Amendment Section 1806(a)(9).

6. **Post-Owner Move-In Requirements.** Charter Amendment Section 1806(a)(9)(E) provides that if the Landlord or Qualifying Relative specified on the notice of termination of tenancy fails to occupy the Covered Rental Unit within sixty (60) days after the Tenant vacates the Covered Rental Unit or fails to occupy the Covered Rental Unit as their Primary Residence for at least thirty-six (36) consecutive months, the Landlord shall (i) offer the Covered Rental Unit to the Tenant at the same Rent in effect at the time the Tenant vacated and (ii) pay to the Tenant all reasonable expenses incurred in moving to and from the Rental Unit. The purpose of this subsection (6) is to monitor compliance with the post-owner move-in requirements of Charter Amendment Section 1806(a)(9)(E).

   a. **Initial Certification.** A Landlord who evicts a Tenant pursuant to Charter Amendment Section 1806(a)(9) or where the Tenant vacates the Covered Rental Unit following a notice of termination of tenancy based on Charter Amendment Section 1806(a)(9), regardless of whether the notice is withdrawn, or other communications stating the Landlord seeks recovery of possession of the Covered Rental Unit for the purposes of moving into the Covered Rental Unit, must submit to the Rental Housing Board a completed certificate within thirty (30) days of the Tenant's vacating of the Covered Rental Unit. This certificate shall be created and provided by the Rental Housing Board and must include the amount of the Tenant's Rent for the Covered Rental Unit on the date the Tenant vacated.

b. **Certification of Primary Residence.** The Landlord or the Qualifying Relative must move into the Covered Rental Unit within sixty (60) days of the Tenant vacating the Covered Rental Unit. Within thirty (30) days of the Landlord's or the Qualifying Relative's commencement of occupancy of the Covered Rental Unit as a Primary Residence, the Landlord must file on a form created and provided by the Rental Housing Board, a Certificate of Primary Residence attesting to their occupancy of the Covered Rental Unit as their Primary Residence in addition to any evidence of occupancy as required by the form.

c. **Continued Residency Certification.** Following the Landlord or the Qualifying Relative's occupancy of the Covered Rental Unit pursuant to Charter Amendment Section 1806(a)(9), the Landlord must annually submit a Certificate of Primary Residence attesting that the Landlord or the Qualifying Relative continues to reside or not reside in the Covered Rental Unit as their Primary Residence. The Landlord or the Qualifying Relative must attach proof of residence in the Covered Rental Unit, which proof may be in the form of government-issued identification, voided checks, bank statements, credit card statements, moving expense documents, insurance policies, or utility bills addressed to the individual at their Primary Residence. This certification must be provided every twelve (12) months from the initial move-in date for thirty-six (36) months following the move-in date. If the Landlord or Qualifying Relative fails to the provide the Certificate of Primary Residence to the Rental Housing Board, fails to move into the Covered Rental Unit, or fails to occupy the Covered Rental Unit for thirty-six (36) consecutive months, the Rental Housing Board, or its designee, shall make all reasonable efforts to provide the displaced Tenant with such information and inform the displaced Tenant of their rights under Charter Amendment Section 1806(a)(9)(E).

   i. **Contact Information.** The Tenant shall inform the Landlord of their most current address or contact information so as to permit the Landlord to reoffer the Tenant the Covered Rental Unit if it ever should be offered for Rent. Tenants are strongly encouraged, but are not required, to update the Rental Housing Board of any changes to their permanent contact information.

   ii. **Change of Information.** The Rental Housing Board shall make available for access a blank change of address/contact information form that the displaced Tenant may use to keep the Rental Housing Board and the Landlord apprised of any

future changes of address or contact information. This form shall provide the Tenant with a choice, in their sole discretion, to have the Rental Housing Board provide the information therein to the Landlord and a statement that failure to update the Landlord with the most up-to-date contact information may result in forfeiture of their right of first refusal. The Rental Housing Board may facilitate an update of the change of address or contact information between the displaced Tenant and Landlord. Where the Tenant authorizes the Rental Housing Board to and Rental Housing Board chooses to facilitate an update of the displaced Tenant's change of address, the Rental Housing Board shall send the Landlord written notification of the displaced Tenant's new address. This written notification shall be sent either to the address where the Landlord performed an eviction pursuant to Charter Amendment Section 1806(a)(9), or if a Qualifying Relative is occupying the Rental Unit, then to the address provided by the Landlord in registering the Property.

iii. **Maintenance of Tenant Information.** The Landlord shall, and the Rental Housing Board may, maintain the Tenant's contact information until such time that the Tenant's right to re-rent has either vested or been extinguished. Although the Rental Housing Board may choose to maintain the contact information of the Tenant and/or may choose to facilitate an update of the displaced Tenant's contact information, it in no way assumes liability for a Landlord's failure to reoffer the Rental Unit to the displaced Tenant, as the Landlord shall have the sole responsibility of meeting their obligation to reoffer a Covered Rental Unit for Rent pursuant to Charter Amendment Section 1806(a)(9)(E) and these Regulations.

iv. **Reoffering the Rental Unit for Rent.** It shall be the sole responsibility of the Landlord to reoffer the Covered Rental Unit for Rent to the displaced Tenant if it is ever returned to the rental market. In the event that the Landlord offers the Covered Rental Unit for Rent, the Landlord shall inform the Rental Housing Board of their intent to offer the Covered Rental Unit for Rent and send the displaced Tenant a written offer to re-rent the Covered Rental Unit at no more than the same Rent the Tenant was paying at the time of service of the notice of termination. The Landlord shall provide a copy of the written offer letter to the Rental Housing Board within five (5) days from the date the Landlord sent the offer to the Tenant. If the Landlord does not have the displaced Tenant's contact information, the Landlord shall request the Rental Housing

Board provide the Landlord with the Tenant's contact information. If neither the Landlord nor the Rental Housing Board has the Tenant's contact information, the Landlord's obligation to reoffer the Covered Rental Unit for Rent shall be deemed satisfied. On the other hand, if the Rental Housing Board does have the Tenant's contact information, the Rental Housing Board shall provide that information to the Landlord on an expedited basis.

v. **Failure to Respond to Landlord's Reoffering.** The Tenant shall have thirty (30) days, plus any applicable time provided under California Code of Civil Procedure Section 1013(a), as amended, to respond in writing to the Landlord's written offer for re-renting the Covered Rental Unit. Upon responding in writing to the Landlord's offer, the Tenant shall file a copy of their written response with the Rental Housing Board. A Tenant's failure to timely respond to a Landlord's offer to re-rent the Covered Rental Unit that fully adheres to the provisions of this subsection (6), shall extinguish the Right of First Refusal.

F. Protections for Sheltering Unauthorized Occupants or Pets Displaced by Fires.

Pursuant to Executive Order N-11-25 ("Order") issued by Governor Gavin Newsom on January 17, 2025, in response to the January 2025 windstorm and fire events in Los Angeles County, Landlords cannot utilize Paragraph 3 of Section 1161 of the Code of Civil Procedure as the basis for an unlawful detainer action nor to issue a notice of termination of tenancy if either action is related to sheltering displaced occupants or pets until after March 8, 2025, or after the Order is terminated, whichever is earlier. In compliance with that Order, and to further the purpose of the Charter Amendment to "promote neighborhood and community stability" in the wake of the windstorm conditions and critical fire events affecting the City of Pasadena between January 7, 2025, and January 31, 2025 ("Eaton Fire"), and pursuant to Section F of the Rental Housing Board's Chapter 3 Regulations, this provision clarifies that for the purposes of Section 1806(a)(2) of the Charter Amendment, the presence of unauthorized occupants or pets in a Covered Rental Unit due to displacement by the Eaton Fire shall not qualify as a substantial violation of the material terms of a rental agreement until 90 days after adoption of this provision by the Rental Housing Board. Proof of displacement may include utility bills, mail, veterinarian bills, photos, social media posts, email or text messages conversations, or other documentation referencing a residential address listed as destroyed or red-tagged on structure assessment maps on the Los Angeles County or City of Pasadena websites.

[Section F Amended February XX, 2025; Effective February XX, 2025; Repealed May XX, 2025.]

G. Effective Date.

These Regulations shall go into effect immediately upon their adoption by the Rental Housing Board.

H. Partial Invalidity.

If any provision of these Regulations, or the application thereof to any person or circumstance, is held invalid, this invalidity shall not affect other provisions or applications of these Regulations that can be given effect without the invalid provision or application, and to this end, the provisions of the Regulation are declared to be severable. These Regulations shall be liberally construed to achieve the purposes of the Charter Amendment.

ARTICLE II: RELOCATION ASSSITANCE REQUIREMENTS

I. Purpose of Relocation Assistance Regulations.

The Pasadena Fair and Equitable Rent Charter Amendment ("Charter Amendment") seeks to promote neighborhood and community stability, healthy housing and affordability for Pasadena renters by regulating excessive rent increases and arbitrary evictions. The Charter Amendment prohibits a Landlord from terminating a tenancy unless the Landlord enumerates one of eleven (11) just causes, seven (7) of which are at-fault and four (4) of which are no-fault. (Charter Section 1806(a).) To further ensure community stability, the Charter Amendment requires Landlords to provide relocation assistance to Tenants who are displaced due to a no-fault eviction or an excessive rent increase that results in displacement. The purpose of these regulations is to effectuate the intent of the Charter Amendment by establishing the relocation assistance requirements and procedures for both Landlords and Tenants.

J. Definitions.

For the purposes of these regulations, these terms shall have the following meanings:

1. **Eligible Tenant Household.** A household that has been displaced from a Rental Unit based on any of the following:

    a. Necessary and Substantial Repairs Requiring Temporary Vacancy, as defined in Charter Amendment Section 1806(a)(8), except that

a Tenant that elects to accept an offer to move to a comparable vacant Rental Unit at the same or lower Rent shall not be considered an Eligible Tenant Household for the purposes of these Regulations;

b. Owner Move-In, as defined in Charter Section 1806(a)(9);

c. Withdrawal of the Unit Permanently from Rental Market, as defined in Charter Section 1806(a)(10);

d. Government Order, as defined in Charter Section 1806(a)(11); or

e. Inability to pay a Rent increase(s) in excess of five percent (5%) plus the effective Annual General Adjustment in any twelve-month period, provided that the household has informed the Landlord of their inability to pay in accordance with Section D.2.a below.

2. **Fair Market Rent.** The fair market rent shall be calculated by taking the average of the Small Area Fair Market Rents (SAFMRs) by unit bedrooms for zip codes 91101, 91102, 91103, 91104, 91105, 91106, 91107, as published annually by the United States Department of Housing and Urban Development. The Rental Housing Board shall publish the Fair Market Rent(s) annually.

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

4. **Property.** All Rental Units on a parcel or lot or contiguous parcels or contiguous lots under common ownership.

5. **Relocation Assistance.** Relocation Assistance shall mean financial assistance in the amounts set forth below:

    a. The Base Relocation Payment for the Eligible Tenant Household; and

    b. A moving expense allowance in an amount equal to that provided by Pasadena Municipal Code § 9.75.060, subd. (a), except that any Special Circumstance Household shall be entitled to the moving expense allowance for “households with dependents, disabled, or senior members,” which amount shall be adjusted annually by 100 percent of the 12-month increase in the Consumer Price Index from March to March of each year in accordance with Pasadena Municipal Code § 9.75.060, subd. (c); and

c. If applicable, an additional cash payment equivalent to three times the Fair Market Rent per Rental Unit for Special Circumstances Households.

6. **Relocation Agency.** A relocation assistance specialist, agency and/or other third-party agency hired by the Rental Housing Board and paid for by the Landlord to assist with the relocation assistance process set forth in these Regulations.

7. **Rental Unit.** Any building, structure, or part thereof, or land appurtenant thereto, or any other rental property rented or offered for rent for residential purposes, 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.

8. **Special Circumstances Household.** An Eligible Tenant Household with any of the following characteristics:

    a. At least one (1) member who is sixty (60) years of age or older;

    b. At least one (1) member who qualifies as disabled as defined by Title 42, United States Code, Section 423 or California Government Code Section 12955.3, or successor section(s);

    c. At least one (1) member who qualifies as terminally ill, as certified by the Tenant's treating physician; or

    d. At least one (1) member is a minor child (nineteen (19) years of age or under) who is legally dependent (as determined for federal income tax purposes).

9. **Tenant.** A tenant, subtenant, lessee, sublessee or any other person entitled under the terms of a Rental Housing Agreement or this Article to the use or occupancy of any Rental Unit.

K. Relocation Assistance and Services.

1. A Landlord shall be required to provide all of the following to an Eligible Tenant Household:

    a. Relocation Assistance;

    b. A full refund of a Eligible Tenant Household's security deposit, except for funds that may be necessary to repair Tenant's intentional or negligent damage, beyond ordinary wear and tear, to

a Rental Unit that is to be reoccupied, within the timelines proscribed by Civil Code Section 1950.5;

c. Unlimited access to a subscription service to a rental agency until the earlier of the Eligible Tenant Household securing alternative housing or the termination of the tenancy; and

d. Relocation advisory services of the Relocation Agency (or if the Rental Housing Board has not yet contracted with the Relocation Agency, of any relocation assistance specialist or agency of the Landlord's choosing), including extended advisory and personalized housing assistance based on the Eligible Tenant Household's preferences, housing budget, preferred location and other requirements, and providing up to five (5) rounds of referrals through analysis of available rental housing, including internet listings, contact with property management companies, available affordable housing options, including waitlist opportunities, and other leads on housing.

2. **Base Relocation Payment.** Annually, the Rental Housing Board shall publish the Base Relocation Payment schedule. The Base Relocation Payment is a cash payment in an amount to be determined by the Rental Housing Board based on a multiplier of the Fair Market Rent for a Rental Unit with the same number of bedrooms as the Rental Unit from which the Eligible Tenant Household is being displaced, based on the length of the tenancy as outlined below:

a. For tenancies from 0 years up to three years, three (3) months' Fair Market Rent;

b. For tenancies longer than three years up to 10 years, four (4) months' Fair Market Rent;

c. For tenancies longer than 10 years, five (5) months' Fair Market Rent.

L. Process for Payment and Receipt of Relocation Assistance.

1. **Process for Eligible Tenant Household Defined in Section l.1.a through d.**

a. **Notice of Intent.** A Landlord who intends to serve one or more Tenant(s) with a notice of termination of tenancy based on Charter Sections 1806(a)(8) through (11) shall file a Notice of Intent to Terminate Tenancy, on a form provided by the Rental Housing Board, with the Rental Housing Board, or its designee, at least

thirty calendar days (30) prior to the date on which the Landlord intends to serve the notice.

b. **Notification by Rental Housing Board.** The Rental Housing Board, either through its staff or through the Relocation Agency, shall mail a copy of the Notice of Intent to Terminate Tenancy, along with a copy of the Tenant Claim Form, to each Eligible Tenant Household within fifteen (15) calendar days after the Landlord's filing of the notice.

c. **Tenant Claim Form.** Each Eligible Tenant Household shall complete a Tenant Claim Form, which shall include at a minimum:

    i. Contact information for the Eligible Tenant Household;

    ii. Whether the Eligible Tenant Household paid a security deposit, and if so, the amount of said security deposit;

    iii. Whether the Eligible Tenant Household is a Special Circumstances Household; and

    iv. Where applicable, the Eligible Tenant Household's availability for an initial interview with the Relocation Agency for relocation advisory service

Failure to complete a Tenant Claim Form shall not forfeit the Eligible Tenant Household's right to Relocation Assistance, but completion of the Tenant Claim Form is necessary to ensure that the Eligible Tenant Household receives the correct amount of Relocation Assistance.

d. **Timing of Payments.**

    i. **First Payment.** The Landlord shall provide at least fifty percent (50%) of the total Relocation Assistance to the Eligible Tenant Household within ten (10) calendar days of service of the notice of termination of tenancy pursuant to Charter Amendment Sections 1806(a)(8) through (11).

    ii. **Second Payment.** The Landlord, in their sole discretion, may either:

        - Pay the remaining balance of the Relocation Assistance owed to the Eligible Tenant Household to an escrow account no later than twenty-eight (28) calendar days prior to the expiration of the written

notice of termination of tenancy, to be disbursed to the Eligible Tenant Household upon certification of vacation of the Rental Unit; or

- Pay the remaining balance of the Relocation Assistance directly to the Eligible Tenant Household no later than twenty-eight (28) calendar days prior to the expiration of the written notice of termination of tenancy.

e. **Voluntary Escrow Account.** Alternatively, the Landlord, in their sole discretion, may, at any time prior to the date on which they serve the written notice of termination of tenancy, deposit all of the Relocation Assistance into an escrow account maintained by the Relocation Agency. Should the Landlord choose to deposit all of the Relocation Assistance owed to the Eligible Tenant Household, the Relocation Agency shall disburse the funds to the Tenant as follows:

i. Fifty percent (50%) of the Relocation Assistance within ten (10) days after service of the notice of termination of tenancy by the Landlord;

ii. All or a portion of the remaining balance of the Relocation Assistance prior to vacation of the Rental Unit by the Eligible Tenant Household where the Eligible Tenant Household demonstrates relocation expenses incurred or to be incurred; and

iii. Any remaining balance of the Relocation Assistance upon certification of vacation of the Rental Unit by the Eligible Tenant Household.

2. **Process for Eligible Tenant Household Defined in Section I.1.e.**

a. **Notice of Inability to Pay Rent Increase**. Within thirty (30) calendar days of receipt of a rent increase in excess of five percent (5%) plus the effective Annual General Adjustment, a Tenant shall inform their Landlord, on a form provided by the Rental Housing Board, that they are unable to pay the rent increase and intend to relocate. The Tenant shall file a copy of the “Notice of Inability to Pay Rent Increase” with the Rental Housing Board, or its designee, within five (5) calendar days after service of the notice on the Landlord.

b. **Tenant Claim Form.** The Rental Housing Board, either through its staff or through the Relocation Agency, shall mail a copy of the Tenant Claim Form to each Eligible Tenant Household within fifteen (15) calendar days after the Tenant's filing of the Notice of Inability to Pay Rent Increase. The Tenant Claim Form shall have the same form and substance as noted in Section D.1.c.

c. **Timing of Payments.**

   i. **First Payment.** A Landlord shall provide at least fifty percent (50%) of the total Relocation Assistance to the Eligible Tenant Household within ten (10) calendar days of notification by the Rental Housing Board of the total amount of Relocation Assistance owed to the Eligible Tenant Household.

   ii. **Second Payment.** Pay the remaining balance of the Relocation Assistance directly to the Eligible Tenant Household no later than the date of vacation of the Rental Unit by the Eligible Tenant Household.

d. **Voluntary Escrow Account**. The Landlord, in their sole discretion, may deposit all of the Relocation Assistance into an escrow account maintained by the Relocation Agency. Should the Landlord choose to deposit all of the Relocation Assistance owed to the Eligible Tenant Household, the Relocation Agency shall disburse the funds to the Tenant in accordance with the payment schedule in Section D.2.c. above.

e. **Failure to Vacate.** An Eligible Tenant Household that sends a Notice of Inability to Pay Rent Increase and makes a claim for Relocation Assistance pursuant to this Section D.2 shall be required to vacate the Rental Unit within ninety (90) days of the effective date of the rent increase in excess of five percent (5%) plus the effective Annual General Adjustment. Failure to vacate the Rental Unit within that time shall result in forfeiture of the remaining balance of the Relocation Assistance and a requirement to repay fifty percent (50%) of the amount of the first payment of Relocation Assistance made by the Landlord.

M. Publication.

Except for the first schedule(s) which shall be published upon adoption of these regulations by the Rental Housing Board, the Rental Housing Board shall publish the Base Relocation Payment schedule and the moving expense allowance schedule no later than September 1 each year. The payment schedules shall be effective for the period from October 1 through September 30 of the following year.

N. Non-Waivability.

Any provision of a Rental Housing Agreement or other agreement, whether written or oral, that purports to waive a Tenant's right to Relocation Assistance or other benefits under these Regulations shall be deemed to be against public policy and shall be void.

O. Affirmative Defense.

A Landlord's failure to provide Relocation Assistance in accordance with the requirements of these Regulations shall constitute a complete defense to unlawful detainer or other action brought by the Landlord to recover possession of the Rental Unit.

P. Effective Date.

These Regulations shall go into effect immediately upon their adoption by the Rental Housing Board.

Q. Partial Invalidity.

If any provision of these Regulations, or the application thereof to any person or circumstance, is held invalid, this invalidity shall not affect other provisions or applications of these Regulations that can be given effect without the invalid provision or application, and to this end, the provisions of the Regulation are declared to be severable. These Regulations shall be liberally construed to achieve the purposes of the Charter Amendment.

PASADENA RENTAL HOUSING BOARD FEBRUARY 20, 2025

ITEM 2B

RESOLUTION AND ATTACHMENT A

PASADENA RENTAL HOUSING BOARD

RESOLUTION NO. RHB-2025-03

A RESOLUTION OF THE PASADENA RENTAL HOUSING BOARD ADOPTING AN AMENDMENT TO THE PASADENA RENTAL HOUSING BOARD'S CHAPTER 9 REGULATIONS RELATED TO TRANSIENT OCCUPANTS DISPLACED BY THE EATON FIRE

WHEREAS, windstorms of extraordinary magnitude and widespread fires began on January 7, 2025, spreading quickly throughout the City of Pasadena and surrounding communities ("the Eaton Fire"); and

WHEREAS, on January 8, 2025, in response to the Eaton Fire, the City Manager declared a Local Emergency; and

WHEREAS, on January 13, 2025, the City Council ratified the Declaration of Local Emergency; and

WHEREAS, the Eaton Fire destroyed approximately 9,400 structures in the area and damaged an additional 1,073 structures in the City of Pasadena; and

WHEREAS, roughly 117 single-family residences, 12 multi-family units, and 3 detached ADUs in the City of Pasadena were completely destroyed or rendered unsafe for return by the Eaton Fire; and

WHEREAS, on January 27, 2025, Governor Gavin Newsom issued Executive Order N-14-25 ("Order") in response to the January 2025 windstorm and fire events throughout Los Angeles County, which included the Eaton Fire; and

WHEREAS, pursuant to that Order, in Los Angeles County, a person displaced by the January 2025 windstorm and fire events, including the Eaton Fire, who occupies a hotel, motel, residence club, or other facility in Los Angeles County subject to tax

under Revenue and Taxation Code section 7280, shall be deemed to have transient occupancy status for the entire duration of their stay through March 8, 2025, notwithstanding the 30-day durational limitation in Civil Code section 1940, subdivision (b)(1), and Revenue and Taxation Code section 7280; and a city in the County may levy an occupancy tax for the full duration of such transient occupancy through March 8, 2025; and

WHEREAS, the Order terminates after March 8, 2025, and there is no option for extension; and

WHEREAS, in light of the great loss and hardship created by the Eaton Fire in the City of Pasadena and its surrounding communities, there may be a continuing need for the Order's protections beyond March 8, 2025; and

WHEREAS, the purpose of Article XVIII of the City's Charter, the Pasadena Fair and Equitable Housing Charter Amendment ("Article XVIII") is to promote neighborhood and community stability, healthy housing, and affordability for renters in the City of Pasadena by regulating excessive rent increases and arbitrary evictions while ensuring landlords a fair return on their investment and guaranteeing fair protections for renters, homeowners, and businesses; and

WHEREAS, at its regular meeting on February 6, 2025, the Pasadena Rental Housing Board ("PRHB") considered potential options for responding to the Eaton Fire, including drafting a proposed amendment to its Chapter 9: Rental Registration regulations related to transient occupants displaced by the Eaton Fire; and

WHEREAS, at its February 6, 2025, meeting, the PRHB directed staff to return with a proposed amendment to Chapter 9: Rental Registration regulations related to transient occupants displaced by the Eaton Fire.

NOW, THEREFORE, THE RENTAL HOUSING BOARD OF THE CITY OF PASADENA RESOLVES AS FOLLOWS: The amendment to the PRHB's Chapter 9: Rental Registration regulations related to transient occupants displaced by the Eaton Fire which is set forth in Exhibit A is hereby adopted.

The foregoing Resolution was regularly introduced and adopted at a Regular Meeting of the Rental Housing Board of the City of Pasadena, duly held on 20th day of February 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Ryan J. Bell
Chair, Rental Housing Board

Approved as to form:

_____
Allysa Martinez
Deputy City Attorney

PASADENA RENTAL HOUSING BOARD

FEBRUARY 20, 2025

ITEM 2B

ATTACHMENT A

PASADENA RENTAL HOUSING BOARD
REGULATIONS

CHAPTER 9: RENTAL REGISTRATION

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A. Purpose.

The purpose of this Chapter 9 of the Pasadena Rental Housing Board regulations is to enable the Rental Housing Board (the "Board")) to implement the provisions of the Fair and Equitable Housing Charter Amendment ("Charter Amendment"), particularly Section 1812 (Rental Registry) in an efficient and effective manner by creating a complete database of Covered Rental Units, providing online tools and resources for efficient, accurate, and reliable functioning of Board programs, creating database for efficient and timely collection of payments and prompt processing and analyzing of rental property data, and establishing mechanisms by which the Board may enforce and secure compliance with the Rental Registration and annual Rental Housing Fee requirements of the Charter Amendment without resorting to costly litigation.

B. Applicability.

The requirements of this Chapter 9 are applicable to all properties with Covered Rental Units. "Covered Rental Properties" are all Rental Units that are not specifically exempted under Section 1804(a) and Section 1805 of the Charter Amendment. Pursuant to the authority in Section 1812(a) of the Charter Amendment, the Board reserves the right to require additional Properties to register in the future.

C. Registration.

1. Registration Required. A Landlord must register every Covered Rental Unit within ninety (90) days after the Rental Registry becomes operative, and annually thereafter by October 31 of each year. Registration is complete only when all information required by the Board online registration database or by the Board registration forms has been provided to the Board.

2. Exempt Rental Units. A Landlord shall provide information with the annual registration, including supporting documentation, on the basis of any Rental Units being fully exempt from the Charter Amendment. A Landlord who has previously claimed an exemption in a previous annual registration period must renew their exemption during the annual registration period for as long as the Rental Unit remains exempt. In the event that a Rental Unit that was fully exempt from the Charter Amendment becomes governed by the Charter Amendment, the Landlord must update the registration for the Rental Unit with the Board within thirty (30) days after the exemption ends. Notwithstanding the above, if the residential unit is a single family home and is fully exempt from the Charter Amendment and registration because it is owner occupied and therefore does not constitute a Rental Unit the property owner shall not be required to to register the unit, claim the unit as an exempt unit or renew the exemption thereafter.

The Landlord shall submit supporting documentation for each Property or Rental Unit exemption claimed as follows:

a. **Dormitories owned by an institution of higher education**: Business License certificate.

    i. For the purposes of this section, “dormitory” means a room or rooms inhabited for the purposes of temporary residency by a tenant or tenants who are student(s) of the institution.

b. **Treatment or recovery facility**: All relevant government licensing.

c. **Asylum**: All relevant government licensing.

d. **Extended medical care facility**: All relevant medical licensing.

e. **Hospital**: All relevant medical licensing.

f. **Non-profit home for the aged**: Documentation of non-profit status.

g. **Convent**: Documentation of status as a convent.

h. **Monastery**: Documentation of status as a monastery.

i. **Property owned, operated, or managed by government authority or agency where state or federal regulations exempt property from local rent control**; Documentation (e.g., statutes, regulations) demonstrating that regulations exempt the property from local rent control.

j. **Affordable housing owned, operated or managed by not-for-profit organization pursuant to tax credit program**: Documents designating affordability restriction/deed restriction and status as a not-for-profit organization.

k. **Unit if fully owner-occupied and does not meet definition of rental unit**: Proof of homeowner’s occupancy of the unit (e.g., utility bill, photo ID, voter ID, or medical record, homeowners property tax exemption claim).

l. **Unit is vacant and unavailable for rent for the entire fiscal year and does not meet definition of rental unit**: Written explanation for why the unit is unavailable for rent.

m. **Unit is occupied rent-free (e.g., by a Qualifying Relative) and does not meet definition of rental unit**: Written explanation of why the unit is rent-free.

n. **Unit is the property owner's primary residence and the property owner shares a bathroom or kitchen with the tenant**: Proof of homeowner's occupancy of the unit (e.g., utility bill, photo ID, voter ID, or medical record, homeowners property tax exemption claim).

o. **Unit is a single family home temporarily rented for fewer than 12 months, and the temporary Tenant has been provided the required statement in writing**: Copy of lease and proof of statement provided to the Tenant.

p. **Unit is a government-subsidized unit that is exempt from municipal rent control and eviction regulations**: Documents demonstrating government program or subsidy and relevant regulations that exempt the unit from municipal rent control and eviction regulations.

3. Reregistration. A Landlord must update the registration for any Covered Rental Unit within thirty (30) days after the termination of any tenancy or the commencement of a new tenancy, including providing the new Rent when the tenancy commences.

4. Registration Amendment. A Landlord must file a registration amendment with the Board within thirty (30) days of a change in the Covered Rental Unit's ownership or management or change in the owner's or manager's contact information.

5. Change of Rent. A Landlord must file a registration amendment with the Board within thirty (30) days after the effective date of any change (increase or decrease) in the Rent for a Covered Rental Unit.

6. Continued Exemption for Transient Occupants Displaced by Fires. Pursuant to Executive Order N-14-25 ("Order") issued by Governor Gavin Newsom on January 27, 2025, in response to the January 2025 windstorm and fire events in Los Angeles County, a person displaced by those events occupying a hotel, motel, residence club, or other facility in Los Angeles County subject to tax under Revenue and Taxation Code section 7280, shall be deemed to have transient occupancy status for the entire duration of their stay through March 8, 2025, notwithstanding the 30-day durational limitation in Civil Code section 1940, subdivision (b)(1), and Revenue and Taxation Code section 7280; and a city in the County may levy an occupancy tax for the full duration of such transient occupancy through March 8, 2025. In compliance with that Order, and to further the purpose of the Charter Amendment to "promote neighborhood and community stability" in the wake of the windstorm conditions and critical

fire events affecting the City of Pasadena between January 7, 2025, and January 31, 2025 ("Eaton Fire"), this Provision clarifies that for the purposes of Section 1804(a)(1) of the Charter Amendment, a transient occupancy remains fully exempt if the occupant was displaced by the Eaton Fire and pays a transient occupancy tax, regardless of the length of their stay. After March 8, 2025, and through May 1, 2025, units in hotels, motels, inns, tourist homes, lodging and rooming houses and boarding houses, including hotels, lodging houses, rooming houses, and boarding houses as defined in Pasadena Municipal Code Section 14.12.030 which house occupants displaced by the Eaton Fire who continue to pay a transient occupancy tax or have a written agreement permitted by Pasadena Municipal Code section 4.44.020 shall not become Covered Rental Units unless at least three of the criteria listed in Section 1803(o) apply.

[Section C(6) Amended February XX, 2025; Effective February XX, 2025; Repealed May XX, 2025.]

D. Method of Registration.

Landlords may register Covered Rental Units either online via the Rental Registry or by completing and submitting registration forms prepared by the Rent Stabilization Department. All information provided by Landlords will be entered into the Rental Registry database.

E. Rental Registry Information.

In accordance with Section 1812(d) of the Charter Amendment, the Rental Registry form (whether completed online or on paper) shall collect the following information about Covered Rental Units:

1. The legal address or addresses of each property, and all associated Rental Unit numbers or addresses.

2. The legal name of the owner or ownership entity for each Property, including, but not limited to, limited partners, general partners and LLC members.

    a. For a partnership or an LLC that has five (5) or fewer partners or members, the Landlord shall be required to provide the legal names of all of the partners or members. To the extent that a partnership or an LLC has more than five (5) partners or members, the Landlord shall be required to provide the total number of partners or members for the ownership entity and the legal names of the five (5) partners or members with the greatest interest or equity in the ownership entity.

3. The name and contact information of a natural person serving as a point of contact for purposes of service or contact.

a. For the purposes of this Chapter, "natural person" means an actual person and not a business entity. (Note: this definition differs from the definition of "Natural Person' used in Section E.2.a of Chapter 4 of the PRHB Regulations for the purposes of owner move-in evictions.)

4. The number and size of each Renal Unit, including the number of bedrooms, bathrooms, and approximate square footage of the Rental Unit.

5. The beginning and end dates (if any) of all tenancies begun or terminated within the past year.

6. The amount of Rent collected over the past year for each Rental Unit during each month of occupation.

   a. For the purposes of this Section, a Landlord shall provide the current Rent for each Rental Unit, and the date and amount of the last Rent change for each Rental Unit. In addition, the Landlord shall update the registration for each Rental Unit in accordance with Section C.5 above.

7. The utilities, services and other amenities included in Rent for each Rental Unit.

F. Exemptions.

If a Landlord provides information that a Rental Unit is exempt, the Rent Stabilization Department ("Department") shall administratively verify the exemption.

1. Denial of Exemption. If it is determined that the exemption does not apply and the Rental Unit is covered by the Charter Amendment, both the Landlord and any affected Tenant(s) shall be provided with notice of the determination, including an explanation of the basis of the Department's determination. The determination shall include a copy of the Objection to Exemption Determination form, to be developed and provided by the Department. A Landlord shall have fourteen (14) business days from the date of the mailing of the notice of determination to file an objection with the Board or its designee and request a hearing before a Hearing Officer. Within forty-five (45) days of receipt of a Landlord's written objection, a hearing shall be scheduled before a Hearing Officer pursuant to the process in Chapter 6 of the PRHB Regulations.

2. Confirmation of Exemption. If it is determined that the exemption does apply and the Rental Unit is not covered by the Charter Amendment, both the Landlord and any affected Tenant(s) shall be provided with notice of the determination, including the type of exemption claimed. The determination

shall include a copy of the Objection to Exemption Determination form, to be developed and provided by the Department. Any affected Tenant(s) shall have fourteen (14) business days from the date of mailing of the notice of determination to file an objection with the Board or its designee and request a hearing before a Hearing Officer. Within forty-five (45) days of receipt of a Tenant's written objection, a hearing shall be scheduled before a Hearing Officer pursuant to the process in Chapter 6 of the PRHB Regulations. If more than one (1) affected Tenant files an objection, the Board, or its designee, may consolidate the objections in accordance with Section B of Chapter 5 of the PRHB Regulations.

3. Right to Respond to Objection. An affected Landlord or Tenant shall have the right to submit a written response to the objection at any time prior to ten (10) days before the hearing. Additionally, any affected party, or the party's proxy or representative, shall have the opportunity to participate in the hearing.

4. Program Fee. During the time that the Department, the Board, or their designee, is reviewing a claim for exemption pursuant to this Section, deadline periods for the payment of annual Rental Housing Fees for the affected Rental Units shall be suspended. If the Department, the Hearing Officer, or the Board determines that the Rental Unit is not exempt, the Landlord shall pay the annual Rental Housing Fee for the affected Rental Units within thirty (30) calendar days after the time to file an objection or an appeal expires and the Department's determination or the Hearing Officer's or Board's decision becomes final.

5. Hearing and Decision. Any hearing on an objection to an exemption determination by the Department shall be conducted in accordance with the hearing procedures outlined in Section F of Chapter 6 of the PRHB Regulations. Additionally, the Hearing Officer's decision on an objection to an exemption determination shall comply with the following requirements:

    a. The time for issuance of the Hearing Officer's decision under this Section F shall comply with the deadline in Section G.1.a. of Chapter 6 of the PRHB Regulations.

    b. The contents of the Hearing Officer's decision under this Section F shall comply with the requirements in Section G.2. of Chapter 6 of the PRHB Regulations.

    c. The Hearing Officer's decision under this Section F shall apply to any affected Tenant(s), regardless of whether the Tenant filed an objection or was included as a party to the Landlord's objection.

6. Appeal of a Hearing Officer's Decision. In accordance with Section G.1.b. of Chapter 6 of the PRHB Regulations, a Hearing Officer's decision under this Section F shall be final unless either party timely appeals in accordance with Section I of Chapter 6 of the PRHB Regulations.

G. Online Portal.

1. **[RESERVED]**

2. **[RESERVED]**

H. Substantial Compliance.

1. Proper Registration. A Property is properly registered in accordance with Section 1812 of the Charter Amendment and this Chapter 9 of the PRHB Regulations if the Landlord has:

    a. Filed with the Board completed registration statements, via the online Rental Registry or on forms provided by the Board, including all of the information required for the individual Rental Units, as outlined in Section H of this Chapter; and

    b. Paid to the Rent Stabilization Department all required annual Rental Housing Fees and penalties due for the Property.

2. Effect of Proper Registration. In designating a Property as properly registered, the Board's intent is to facilitate the Rental Registration and dissemination of information regarding the registration of Covered Rental Units. Such designation shall not be construed as the Board's certification of the lawful Base Rent for any Covered Rental Unit, current lawful Rent of any Covered Rental Unit, or any other information on the registration statement. Nothing in this Chapter 9 shall preclude the Board or any other person from challenging the accuracy of any information provided in any registration statement in the context of any proceeding or action.

3. Request for Staff Review. A Landlord who asserts that they are unable to supply the required information and/or that there is a discrepancy between the Property information in the Rental Registry database and the actual Property information may request a review of their registration status by the Rent Stabilization Department. The Department shall determine whether good cause exists to find the Landlord properly registered notwithstanding the lack of required information or that there was an error in the Property information in the Rental Registry database that required correction.

    a. The request for review shall be made on a form provided by the Department, and shall include, without limitation, a declaration under

penalty of perjury describing the Landlord's efforts to obtain the missing information or the correct Property information.

4. Substantial Compliance. A Landlord shall be found in substantial compliance with the registration and annual Rental Housing Fee payment requirements of the Charter Amendment and these Regulations when:

    a. The Landlord has made a good faith effort to comply with the Charter Amendment and these Regulations concerning registration sufficient to reasonably carry out the intent and purpose of the Charter Amendment and the Regulations;

    b. The Landlord has cured any defect in compliance in a timely manner after receiving notice of a deficiency from the Board, or its designee.

5. Pending Staff Review. If a Landlord has not completed their Rental Registration because they have submitted a request for and their registration is pending Staff Review pursuant to paragraph (3) above, the Landlord shall be considered in substantial compliance with the requirements of the Charter Amendment or these Regulations.

I. Remedies.

1. Rent Increases. Pursuant to Section 1808(e)(1) of the Charter Amendment, a Landlord who has failed to substantially comply with the requirements of the Charter Amendment and of the PRHB Regulations, including the Rental Registration requirements in this Chapter 9, may not impose a Rent increase of the Annual General Adjustment on any Covered Rental Unit.

2. Upward Adjustment of Rent Petitions. Pursuant to Section 1813(a)(1)(A), no upward adjustment of rent may be authorized by a Hearing Officer or the Board where the Landlord has continued to fail to comply, after order of the Rental Board or other authority, with any provisions of the Charter Amendment or these Regulations, including the Rental Registration requirements outlined in this Chapter 9.

3. Affirmative Defense. Pursuant to Section 1817(d) of the Charter Amendment, a Landlord's failure to substantially comply with the requirements of the Charter Amendment and of the PRHB Regulations, including the Rental Registration requirements in this Chapter 9, may be raised as an affirmative defense by a Tenant in an unlawful detainer action or other action brought by the Landlord to recover possession of the Rental Unit.

4. Noncompliance Letters.

    a. Initial Notice of Noncompliance. Upon learning of a potential violation of the Rental Registration or payment of annual Rental Housing Fees requirements of this Chapter 9, the Department shall send the Landlord an Initial Notice of Noncompliance. The Initial Notice of Noncompliance shall provide the Landlord with thirty (30) days to cure the violation.

        i. Annual Registration of Units. Except for the initial registration which shall begin on August 1, 2024, annual registration of Rental Units begins on September 1 of each year and must be completed by October 31 of each year. If a Landlord fails to complete their annual registration by the deadline in Section C.1, the Department shall send the Landlord an Initial Notice of Noncompliance on or after November 1.

        ii. Annual Rental Housing Fees. Invoices for Annual Rental Housing Fees are generated and provided to Landlords after they have submitted their completed registration and any exemptions claimed have been verified by the Department. Unless a Landlord is awaiting staff review of an exemption, the Landlord must pay their Annual Rental Housing Fees no later than thirty (30) days after an invoice has been generated for their annual Rental Housing Fees. If a Landlord fails to pay their annual Rental Housing Fees within thirty (30) days, the Department shall send the Landlord an Initial Notice of Noncompliance.

    b. Second Notice of Noncompliance. If thirty (30) days have elapsed from the date of the Initial Notice of Noncompliance and the Landlord remains in violation of the requirement(s) of this Chapter 9, the Department shall send the Landlord a Second Notice of Noncompliance and shall send a copy of the Second Notice of Noncompliance to any affected Tenant(s).

    c. Charter Amendment Information Sheet. Any copy of a Second Notice of Noncompliance that is sent to an affected Tenant shall be accompanied by a copy of the Charter Amendment Information Sheet, as prepared and published by the Board on the Rent Stabilization Department website.

5. Compliance Database.

    a. [RESERVED]

b. [RESERVED]

6. Late Fees.

a. [RESERVED]

b. [RESERVED]

c. [RESERVED]

7. Petition for Rent Withholding.

a. Any Tenant may file a petition seeking authorization from the Board to withhold rent based on their Landlord's failure to substantially comply with the Rental Registration requirements of this Chapter 9. A petition alleging that a Landlord has failed to register their Property, or a Covered Rental Unit, shall include a brief explanation of the basis for the petition, including, where applicable, a statement about why the Rental Unit does not qualify for any exemption from the Charter Amendment that is claimed by the Landlord. Proof that the petition has been served on the Landlord shall be submitted with the petition. No fee shall be charged for the filing of a Petition for Rent Withholding.

b. A copy of any Petition for Rent Withholding shall be referred to the Department, who shall thereafter investigate the basis for the petition and prepare a report stating the findings of the investigation. Such investigation may include inspection of the Property, investigation of public records and any other reasonable means of ascertaining the status of the Property.

c. A hearing on a Petition for Rent Withholding shall be scheduled and conducted before a Hearing Officer, in accordance with all of the provisions of Chapter 5 and Chapter 6 of the PRHB Regulations not in conflict with a provision of this Chapter 9.

d. No later than five (5) days prior to the date of the hearing, the Department shall mail to the parties a summary of the findings of the investigation regarding the petition and include, when appropriate, a description of the actions the Landlord must take to substantially comply with the Rental Registration requirements of this Chapter 9 and the penalties for the Landlord's continued non-compliance with the Rental Registration requirements of this Chapter 9

e. The Board may consolidate the Petitions for Rent Withholding filed by Tenant(s) occupying the same Property for the purposes of the hearing.

f. The Board, in lieu of a Tenant's Petition for Rent Withholding, may initiate the rent withholding authorization process pursuant to this Section I.8 or may continue with a proceeding initiated by a Tenant even if the Petitioner requests dismissal of the petition, fails to appear at the hearing, or otherwise fails to prosecute the Petition for Rent Withholding.

g. If the Board determines that the Landlord has substantially complied with the Rental Registration requirements of this Chapter 9 before the hearing, the petition shall be dismissed and all parties to the petition notified of the dismissal.

h. Decision.

i. Following the conclusion of the hearing, the Hearing Officer shall issue a written decision containing findings of fact and legal conclusions. If the Hearing Officer determines that the Landlord has willfully and knowingly failed to register the subject unit, the Hearing Officer shall issue an order directing the Landlord to register the Property or Rental Unit and authorizing the petitioning Tenant(s) to withhold payment of rent beginning with the next regularly scheduled rent payment after the effective date of the order, until such time as all Covered Rental Units on the Property are registered and all annual Rental Housing Fees and late charges are paid. Any rent withheld pursuant to this section shall be paid into escrow.

ii. The rent withholding order shall become effective 35 days following the date on which it is mailed to the parties by the Department unless, within that time, the Landlord substantially complies with the Rental Registration requirements of this Chapter 9 or an appeal of the Hearing Officer's decision is filed. The filing of an appeal stays the effectiveness of the rent withholding order.

iii. Notice of the Hearing Officer's decision and order shall be sent to all parties. The notice shall also state that any party aggrieved by the decision and order may appeal the decision to the full Rent Board by filing an appeal within thirty (30) days in accordance with Section I of Chapter 6 of the PRHB Regulations.

i. Upon registration of the Property or Covered Rental Unit(s) and payment of the annual Rental Housing Fees and late charges for the Property, the Landlord shall submit a request for a Compliance Hearing in accordance with Section J of Chapter 6 of the PRHB Regulations. The Hearing Officer shall issue a decision finding the landlord in compliance, dissolving the rent withholding order and ordering that monies held in escrow be disbursed according to the schedule set out below. The Hearing Officer's decision shall become effective ten (10) days after mailing unless an appeal is submitted within that time. Unless an appeal is timely submitted, the Tenant(s) shall resume regular rent payments beginning with the next regularly scheduled rent payment due after the effective date of the Hearing Officer's compliance decision. In addition, the tenant shall, within ten (10) days of notification by the Board, pay to the Landlord rent withheld that was not paid into escrow.

j. Right to Retain Withheld Rent. If the Landlord fails to register on or before the effective date of the order, the Tenant(s) may retain rent withheld pursuant to this Chapter according to the following:

    i. If the Landlord registers within sixty (60) days of the effective date of the rent withholding order, the Tenant(s) may keep fifty percent (50%) of the rent withheld pursuant to the order.

    ii. If the Landlord has not registered after sixty (60) days of the effective date of the rent withholding order, the Tenant(s) may retain one hundred percent (100%) of the rent withheld pursuant to the order until the date on which the Landlord substantially complies with the Rental Registration requirements of this Chapter 9.

k. Whenever the withholding of rent is authorized pursuant to this Chapter 9, the Hearing Officer shall order that all withheld rent be paid into an escrow account maintained by the Board pending the Landlord's compliance. The requirement that withheld rent be paid into escrow shall in no event be construed as a determination that the amount of rent demanded or charged by the Landlord is lawful. Following the Landlord's compliance, the Hearing Officer shall determine what, if any, portion of the withheld rent is due and owing the landlord and shall order that the monies held in escrow be distributed accordingly. If the Landlord has not registered within sixty (60) days of the effective date of the rent withholding order, the Hearing Officer shall order that the funds held in escrow be disbursed to the Tenant(s) and that the Tenant(s) are authorized to

continue to withhold rent until the Landlord substantially complies with the Rental Registration requirements of this Chapter 9.

8. Remedies Cumulative. The adoption of this Chapter 9 is not intended to, in any way, limit the rights of the Board, the Department or the City of Pasadena to enforce the provisions of the Charter Amendment or the PRHB Regulations through other means available to the Board, the Department or the City of Pasadena by law, statute, ordinance, or otherwise.

J. Effective Date.

The provisions of this Chapter 9 of the PRHB Regulations shall be effective beginning August 1, 2024.

K. Partial Invalidity.

If any provision of this Chapter 9 of the PRHB Regulations, or the application thereof to any person or circumstance is held invalid, this invalidity shall not affect other provisions or applications of this Chapter 9 or these Regulations that can be given effect without the invalid provision of application, and to this end, the provision of this Regulation are declared to be severable. These Regulations shall be liberally construed to achieve the purposes of the Charter Amendment.

PASADENA RENTAL HOUSING BOARD FEBRUARY 20, 2025

ITEM 2C

RESOLUTION AND ATTACHMENT A

PASADENA RENTAL HOUSING BOARD

RESOLUTION NO. RHB-2025-04

A RESOLUTION OF THE PASADENA RENTAL HOUSING BOARD ADOPTING AN AMENDMENT TO THE PASADENA RENTAL HOUSING BOARD'S CHAPTER 8 REGULATIONS RELATED TO TEMPORARY DECREASES IN RENT FOR THOSE AFFECTED BY THE EATON FIRE

WHEREAS, windstorms of extraordinary magnitude and widespread fires began on January 7, 2025, spreading quickly throughout the City of Pasadena and surrounding communities ("the Eaton Fire"); and

WHEREAS, on January 8, 2025, in response to the Eaton Fire, the City Manager declared a Local Emergency; and

WHEREAS, on January 13, 2025, the City Council ratified the Declaration of Local Emergency; and

WHEREAS, the Eaton Fire destroyed approximately 9,400 structures and damaged an additional 1,073 structures in the City of Pasadena; and

WHEREAS, roughly 117 single-family residences, 12 multi-family units, and 3 detached ADUs in the City of Pasadena were completely destroyed or rendered unsafe for return by the Eaton Fire; and

WHEREAS, in light of the great loss and hardship created by the Eaton Fire in the City of Pasadena, tenants may face difficulty affording their rental payments; and

WHEREAS, Article XVIII of the City's Charter, the Pasadena Fair and Equitable Housing Charter Amendment ("Article XVIII") limits rent increases to one annual general adjustment ("AGA"), unless a petition is filed for an upward adjustment; and

WHEREAS, some landlords may be willing to temporarily decrease their tenants' rents to assist with fire recovery; and

WHEREAS, the purpose of Article XVIII is to promote neighborhood and community stability, healthy housing, and affordability for renters in the City of Pasadena by regulating excessive rent increases and arbitrary evictions while ensuring landlords a fair return on their investment and guaranteeing fair protections for renters, homeowners, and businesses; and

WHEREAS, at its regular meeting on February 6, 2025, the Pasadena Rental Housing Board ("PRHB") considered potential options for responding to the Eaton Fire, including drafting a proposed amendment to its Chapter 8: Procedures for Annual General Adjustments regulations related to temporary decreases in rent for those affected by the Eaton Fire; and

WHEREAS, at its February 6, 2025, meeting, the PRHB directed staff to return with a proposed amendment to its Chapter 8: Procedures for Annual General Adjustments regulations related to temporary decreases in rent for those affected by the Eaton Fire which would not change base rents and future rent increases for landlords who chose to temporarily decrease tenants' rents to assist with fire recovery.

NOW, THEREFORE, THE RENTAL HOUSING BOARD OF THE CITY OF PASADENA RESOLVES AS FOLLOWS: The amendment to the Chapter 8: Procedures for Annual General Adjustments regulations related to temporary decreases in rent for those affected by the Eaton Fire, which is set forth in Exhibit A, is hereby adopted.

The foregoing Resolution was regularly introduced and adopted at a Regular Meeting of the Rental Housing Board of the City of Pasadena, duly held on 20th day of February 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Ryan J. Bell
Chair, Rental Housing Board

Approved as to form:

_____
Allysa Martinez
Deputy City Attorney

PASADENA RENTAL HOUSING BOARD

FEBRUARY 20, 2025

ITEM 2C

ATTACHMENT A

PASADENA RENTAL HOUSING BOARD
REGULATIONS

CHAPTER 8: PROCEDURES FOR ANNUAL GENERAL ADJUSTMENTS

ARTICLE I: FIRST ANNUAL GENERAL ADJUSTMENT

A. Purpose. The Pasadena Fair and Equitable Rent Charter Amendment ("Charter Amendment") guarantees that Landlords are entitled to earn a fair rate of return from a property. The Charter Amendment authorizes Landlords to seek rent increases via the Annual General Adjustment ("AGA"), as identified in Charter Section 1808(b). The Charter Amendment provides that the first Annual General Adjustment shall be adopted by the Rental Housing Board on or before September 1, 2022, and shall be effective beginning October 1, 2022. However, the effective date of the Charter Amendment was December 22, 2022, and the Rental Housing Board was appointed on April 19, 2023. The purpose of these interim regulations is to effectuate the intent of the Charter Amendment to provide eligible Landlords with an Annual General Adjustment for 2023.

B. Retroactive Authorization of First Annual General Adjustment. As adopted by Rental Housing Board resolution on June 29, 2023, the allowable first Annual General Adjustment for tenancies commencing before May 1, 2022 shall be effective for the period from December 22, 2022 through September 30, 2023. Tenancies commenced on or after May 1, 2022 are not eligible for the first Annual General Adjustment.

C. Landlord Liability. A Landlord who imposed a first Annual General Adjustment between December 22, 2022 and June 29, 2023 that was otherwise valid shall not be considered to be in violation of the Charter Amendment. Further, any payment by a Tenant of such first Annual General Adjustment that was otherwise valid shall not be considered an overpayment of Rent for which a Landlord shall be liable under the Charter Amendment.

D. Subsequent Annual General Adjustment. A Landlord who imposed a first Annual General Adjustment between December 22, 2022 and June 29, 2023 may impose, upon proper written notice, a subsequent Annual General Adjustment once twelve (12) months have elapsed from the date on which the Landlord imposed the initial Annual General Adjustment.

ARTICLE II: RENT WITHHOLDING FOR FAILURE TO ROLLBACK RENT

A. Purpose. The Pasadena Fair and Equitable Rent Charter Amendment ("Charter Amendment") seeks to promote neighborhood and community stability, healthy housing and affordability for Pasadena renters by regulating excessive rent increases. The Charter Amendment authorizes Landlords to seek rent increases

via the Annual General Adjustment ("AGA"), as identified in Charter Section 1808(b). The AGA may only be imposed on the Base Rent, which is defined as "either the Rent in effect on May 17, 2021, for those tenancies commencing on or before May 17, 2021, or the rental rate paid by the Tenant upon initial occupancy for those tenancies commencing after May 17, 2021….," by Charter Section 1803(c). As such, upon the effective date of the Charter Amendment (December 22, 2022), Landlords of Covered Rental Units were required to rollback the Rent to the Base Rent. The purpose of these interim regulations is to effectuate the intent of the Charter Amendment by providing a self-help remedy to Tenants of Covered Rental Units whose Landlords have failed to rollback the Rent in violation of the requirements of the Charter Amendment.

B. Authorization to Withhold Rent. A Tenant of a Covered Rental Unit whose Landlord has failed to roll back the Rent, in accordance with the requirements of the Charter Amendment, and who has met all the requirements of Section C below, is hereby authorized to withhold the lesser of one hundred percent (100%) of the total monthly rent or one hundred percent (100%) of the portion of the Rent that is being overcharged by their Landlord plus the total amount the Tenant has overpaid since the Effective Date of the Charter Amendment until their Landlord complies with the Rent rollback requirements.

a. **Late Fees and Penalties.** A Landlord shall not charge any late fees or penalties to a Tenant who exercises the option to withhold Rent pursuant to this Section B, so long as the Tenant has not withheld more than total amount overpaid by the Tenant since the Effective Date of the Charter Amendment.

C. Procedure for Rent Withholding.

a. **Request for Rent Rollback.** A Tenant who seeks to use the remedy provided for by these regulations shall provide their Landlord with a written "Request for Rent Rollback," on a form provided by the Rental Housing Board. The "Request for Rent Rollback" shall provide the Landlord with ten (10) calendar days to roll back the Rent as required by the Charter Amendment, to provide written notice of such Rent rollback to the Tenant and to issue a refund to the Tenant for the total amount of overcharged Rent collected since the Effective Date of the Charter Amendment. The Tenant shall serve the "Request for Rent Rollback" in accordance with any of the methods of notice authorized by the Rental Housing Agreement for the Covered Rental Unit.

b. **Notice of Rent Withholding.** If a Landlord fails to roll back the Rent for a Covered Rental Unit after the expiration of the Tenant's written Request for Rent Rollback, the Tenant shall provide the Landlord with a written "Notice of Rent Withholding," on a form provided by the Rental Housing Board. The "Notice of Rent Withholding" shall inform the Landlord of the first

month for which the Tenant intends to withhold payment of Rent. The Tenant shall serve the "Notice of Rent Withholding" in accordance with any of the methods of notice authorized by the Rental Housing Agreement for the Covered Rental Unit.

c. **Filing Required.** Within five (5) days after service of the Notice of Rent Withholding on the Landlord or within five (5) days after the first payment of Rent is withheld by the Tenant, whichever is later, the Tenant shall file with the Rental Housing Board, or its designee, a copy of the Request for Rent Rollback and a copy of the Notice of Rent Withholding. The Rental Board, or its designee, shall mail a copy of all documents filed by the Tenant with the Board to the Landlord within ten (10) days of receipt.

D. Affirmative Defense. In accordance with the authorization in Charter Amendment Section 1817(d), a Tenant who has followed the procedures set forth in these Regulations and who has not withheld more than total amount overpaid by the Tenant since the Effective Date of the Charter Amendment shall have an affirmative defense to an unlawful detainer or other action brought by the Landlord to recover possession of the Rental Unit based on the Tenant's withholding of Rent.

E. Non-Exclusive Remedy. The remedy provided for in these Regulations is not exclusive of, but rather in addition to, any remedies available pursuant to the Charter Amendment or at law, including a civil action by the Tenant for damages of excess rent.

F. Effective Date. These Regulations, including the rent withholding remedy provided for herein, shall go into effect on September 1, 2023.

G. Partial Invalidity. If any provision of these Regulations, or the application thereof to any person or circumstance, is held invalid, this invalidity shall not affect other provisions or applications of these Regulations that can be given effect without the invalid provision or application, and to this end, the provisions of the Regulation are declared to be severable. These Regulations shall be liberally construed to achieve the purposes of the Charter Amendment.

ARTICLE III: VOLUNTARY AGREEMENTS TO REDUCE RENT

A. Voluntary Agreement to Temporarily Reduce Rent Due to the Eaton Fire

1. Definitions. For the purposes of this Section A of Article III of Chapter 8, the following definitions shall apply; all other capitalized terms are defined by Article XVIII or the PRHB Regulations.

a. **Eaton Fire.** Eaton Fire refers to the windstorm conditions and critical fire events that impacted the County of Los Angeles, including the City of Pasadena, between January 7, 2025, and January 31, 2025.

b. Voluntary Agreement. Voluntary Agreement refers to any written agreement, including but not limited to, an addendum or amendment to an existing Rental Housing Agreement, entered by and between a Landlord and Tenant for the temporary reduction of Rent for a Covered Rental Unit.

2. Applicability. This Section A of Article III of Chapter 8 of the PRHB Regulations shall be applicable to any tenancy where the Tenant has experienced an economic or medical hardship related to the Eaton Fire. Before entering into a Voluntary Agreement, the Landlord may request reasonable documentation from the Tenant establishing the impact of the Eaton Fire claimed by the Tenant.

3. Voluntary Rent Reduction Authorized. At any time, Landlords and Tenants may enter into a Voluntary Agreement to reduce the Tenant's Rent on a Covered Rental Unit, provided such Voluntary Agreement does not change any of the other terms of the tenancy. If the Landlord and Tenant enter into a Voluntary Agreement, the Tenant's Rent may be returned to the lawful Rent for the Covered Rental Unit in effect immediately prior to the effective date of the Voluntary Agreement in accordance with the terms of any such Voluntary Agreement, and the return to the prior lawful Rent shall not be considered a rent increase pursuant to Section 1808 of Article XVIII of the Pasadena City Charter, which limits rent increases to (a) no more than the Annual General Adjustment (AGA) each year, and (b) no more than one (1) increase per twelve (12) month period.

   a. **Calculation of AGA**. In the event of any such Voluntary Agreement, the AGA adopted by the Board and effective after the execution of the Voluntary Agreement shall be calculated based on the Tenant's lawful Rent for the Covered Rental Unit immediately preceding the effective date of the Voluntary Agreement.

   b. **Fair Rate of Return**. Nothing shall prohibit a Landlord who enters into a Voluntary Agreement that remains in effect for at least thirteen (13) months from taking any applicable AGAs during the term of the Voluntary Agreement after the termination or expiration of the Voluntary Agreement.

4. Notice of Return to Prior Rent. Notwithstanding the foregoing, where a Landlord and Tenant have entered into a Voluntary Agreement, the Landlord shall issue a Notice of Return to Prior Rent at least thirty (30) days before the Tenant's Rent for a Covered Rental Unit is reinstated to the lawful

amount that was in effect immediately preceding the effective date of the Voluntary Agreement. The Pasadena Rental Stabilization Department ("Department") shall create and provide a sample Notice of Return to Prior Rent form that Landlords may use to notify Tenants about the reinstatement of Tenant's pre-Voluntary Agreement Rent.

5. Filing Required. In the event that a Landlord and Tenant enter into a Voluntary Agreement for the temporary reduction of Tenant's Rent for a Covered Rental Unit, Landlord shall file a copy of the Voluntary Agreement with the Department within seven (7) days of the execution of the Voluntary Agreement. Landlord shall also file a copy of the Notice of Return to Prior Rent with the Department within seven (7) days of service upon the Tenant.

6. Mediation Services. A Landlord and a Tenant who need assistance to negotiate a Voluntary Agreement should contact the Department for more information.

7. Individual Rent Adjustment Petitions Permitted. Nothing in this Section A of Article III of Chapter 8 of the PRHB Regulations is intended to prohibit a Tenant from filing a Petition for Downward Adjustment of Rent, as provided for in Section 1813 of Article XVIII and Sections G through I of Chapter 5 of the PRHB Regulations, during the effective period of the Voluntary Agreement.

8. Effective Date. This Section A of Article III of Chapter 8 of the PRHB Regulations shall become effectively immediately upon adoption by the Pasadena Rental Housing Board.