

CHAPTER 5.54: JUST CAUSE EVICTIONS

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§ 5.54.010 PURPOSE AND INTENT.

The purpose of this chapter is to promote neighborhood and community stability, healthy housing, and affordability for renters in Fairfax by regulating arbitrary evictions to the greatest extent allowable under California law, while ensuring landlords a fair and reasonable return on their investment.

(Ord. 870, passed 11-2-2022)

§ 5.54.020 DEFINITIONS.

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

CREDITWORTHINESS. Any standard of determining suitability to receive credit or reliability to pay money owed, including any financial or income standard.

DISABLED. The term "disabled" shall have the same meaning as that in Cal. Gov't Code § 12955.3, as may be amended or renumbered from time to time.

DWELLING UNIT. A structure or the part of a structure that is used as a home, residence, or sleeping place by one person who maintains a household or by two or more persons who maintain a common household and as defined in California Civil Code § 1940, as may be amended from time to time.

EDUCATOR. Any person who works at a school, grade 12 or below, in Marin County as an employee or independent contractor of the school or of the governing body that has jurisdiction over the school, including, without limitation, all teachers, classroom aides, administrators, administrative staff, counselors, social workers, psychologists, school nurses, speech pathologists, custodians, security guards, cafeteria workers, community relations specialists, child welfare and attendance liaisons, and learning support consultants.

HOUSING SERVICES. Housing services include, but are not limited to, repairs, maintenance, painting, providing light, hot and cold water, elevator service, window shades and screens, storage, kitchen, bath and laundry facilities and privileges, janitor services, access to exterior doors, entry systems, and gates, utilities (unless separately metered and billed to the tenant by the utility company since the inception of the tenancy, as provided in the lease), refuse removal, furnishings, telephone, parking, the right to have a specified number of occupants or tenants, the right to have pets, utility infrastructure, and any other benefit, privilege or facility connected with the use or occupancy of any rental unit. Housing services to a rental unit shall include a proportionate part of services provided to common facilities of the building in which the rental unit is contained.

LANDLORD. An owner, lessor, sublessor or any other person entitled to receive rent for the use and occupancy of any rental unit, or an agent, representative or successor of any of the foregoing.

LODGER. A person contracting with the owner of a dwelling unit for a room or room and board within the dwelling unit personally occupied by the owner, where the owner retains a right of access to all areas of the dwelling unit occupied by the lodger and has overall control of the dwelling unit, and as defined by California Civil Code section 1946.5, as may be amended or renumbered from time to time.

PRIMARY RESIDENCE.

(1) Occupancy of a primary residence does not require that the individual be physically present in the unit at all times or continuously, but the unit must be the individual's usual place of return. Indicia of a primary residence include:

- (a) The individual carries on basic living activities at the subject premises for extended periods;
- (b) The subject premises are listed with other public agencies, including federal, state and local taxing authorities as the individual's primary residence;
- (c) Utilities are billed to and paid by the individual at the subject premises;

- (d) A homeowner's tax exemption for the individual has not been filed for a different property;
- (e) The occupant is not registered to vote at any other location;
- (f) All or most of the individual's personal possessions have been moved into the subject premises;
- (g) The subject premises are the place the individual normally returns to as their home, exclusive of military service, hospitalization, vacation, family emergency, travel necessitated by employment or education, incarceration, or other reasonable temporary periods of absence; and
- (h) Other relevant factors demonstrating a residence is the person's primary residence.

(2) In order for a housing unit to qualify as a primary residence, ownership must be held in the name of the natural person claiming primary residence and cannot be held by a limited liability corporation, limited partnership, limited liability company when at least one member is a corporation, a real estate investment trust (REIT) as defined in section 856 of the Internal Revenue Code, a private equity firm, private equity REIT, a corporation or other corporate structure. A housing unit that is owned by a living trust may qualify as a primary residence if the trust beneficiary meets the above criteria, so long as the landlord is able to provide documentation to the Town Manager of the name and address of all trust beneficiaries.

PROPERTY. All rental units on a parcel or lot or contiguous parcels or contiguous lots under common ownership.

RENT. All periodic payments and all nonmonetary consideration including, but not limited to, the fair market value of goods, labor performed or services rendered to or for the benefit of the landlord under a rental agreement, as defined in this section, concerning the use or occupancy of a rental unit and premises, including all payment and consideration demanded or paid to the landlord for parking on or near the property, utilities, pets, furniture, and subletting.

RENTAL AGREEMENT. An agreement, oral, written or implied, between a landlord and tenant for use or occupancy of a rental unit and for housing services.

RENTAL UNIT. Any building, structure, or part thereof, or land appurtenant thereto, or any other rental property rented or offered for rent for residential purposes, together with all housing services connected with use or occupancy of such property such as common areas and recreational facilities held out for use by a tenant, regardless of zoning or permitting status. A room or rooms rented separately from other rooms at the same property shall constitute a single rental unit, even if tenants share other common spaces or amenities.

SCHOOL YEAR. The first day of instruction for the Fall Semester through two weeks after the last day of instruction for the Spring Semester, as posted on the School's website for each year.

STUDENT. A person following a course of study as a school, grade 12 or below, in Marin County.

TENANT. A tenant, subtenant, lessee, sublessee or any other person entitled under the terms of a rental agreement to the use or occupancy of any rental unit.

TOWN. The Town of Fairfax, California

TOWN MANAGER. The Town Manager of the Town of Fairfax or designee.

(Ord. 870, passed 11-2-2022; Ord. 882, passed 9-6-2023)

§ 5.54.030 JUST CAUSE FOR EVICTION - PROTECTIONS.

(A) *Applicability.* Except as provided herein, the provisions of this chapter shall apply to all properties in Fairfax that are hired, rented, or leased to a household within the meaning of Cal. Civil Code § 1940, including properties that contain any of the following: (1) dwelling units which contain a separate bathroom, kitchen, and living area in a multifamily or multipurpose dwelling; (2) dwelling units in single room occupancy residential structures; (3) dwelling units owned by a limited liability company when at least one member is a corporation, a limited partnership, a real estate investment trust (REIT) as defined in Section 856 of the Internal Revenue Code, a private equity firm, a private equity REIT, a corporation or other corporate structure; or (4) units in a structure that is being used for residential uses whether or not the residential use is a conforming use permitted under the Fairfax Town Code. This definition applies to any dwelling space that is actually used for residential purposes, including live-work spaces, whether or not the residential use is legally permitted.

(B) *Exemptions.* The following rental units shall be exempt from this section, except that all exempt units must comply with the requirement of § 5.54.030(D).

(1) Rental units in hotels, motels, and inns, which are rented primarily to transient guests for a period of fewer than 30 days. This exemption does not apply (a) to a tenant who has resided at the property for more than 30 continuous days; (b) to a tenant who has entered into an agreement to lease a rental unit for 30 days or more; (c) where a landlord has violated Cal. Civil Code § 1940.1 with regard to the tenant; or (d) a rental unit used exclusively as a short-term rental as defined in Fairfax Town Code § 17.008.020.

(2) Rental units in any hospital, convent, monastery, extended medical care facility, non-profit home for the aged, or dormitory as defined in Cal. Building Code § 202 that is solely owned and operated by an accredited institution of higher education.

(3) Rental units which a government unit, agency or authority fully owns, operates and manages. This exemption applies only if applicable federal or state law or administrative regulation specifically exempt such units from municipal rent

stabilization.

(4) Any dwelling unit located in a development where the dwelling units are subject to legally binding restrictions enforceable against and/or governing such units that limit the rent to no more than an affordable rent, as such term is defined in Cal. Health & Safety Code § 50053, and as subsequently amended.

(5) Rental unit occupied by a lodger.

(6) Junior accessory dwelling unit (JADU), with or without a separate entrance, as long as the owner of the dwelling unit resides in the dwelling unit.

(7) Accessory dwelling unit (ADU), as long as the ADU is attached to an owner occupied dwelling unit.

(C) *For cause evictions.* No landlord shall take action to terminate any tenancy, including but not limited to making a demand for possession of a rental unit, threatening to terminate a tenancy verbally or in writing, serving any notice to quit or other eviction notice, bringing any action to recover possession or be granted recovery of possession of a rental unit, including by seeking the entry of an eviction judgment or by causing or permitting a writ of possession to be entered unless the landlord is able to prove the existence of one of the following grounds as stated in the termination notice on which the court action is based:

(1) *Failure to pay rent.* The tenant has failed to pay the rent to which the landlord is legally entitled under the rental agreement, this chapter, federal, state, and any other local law.

(a) In any action to recover possession of a rental unit filed under this division, it shall be a defense if the landlord impeded the tenant's effort to pay rent by refusing to accept rent paid on behalf of the tenant from a third party, or refusing to provide a W-9 form or other necessary documentation for the tenant to receive rental assistance from a government agency, non-profit organization, or other third party. Acceptance of rental payments made on behalf of the tenant by a third party shall not create a tenancy between the landlord and the third party as long as either the landlord or the tenant provide written notice that no new tenancy is intended.

(b) *COVID-19 state law preemption.* This chapter shall not apply to unlawful detainer action for nonpayment of rent originally due from March 1, 2021 through March 31, 2022, where prohibited by Cal. Code of Civil Procedure § 1179.05 or successor statute.

(2) *Breach of lease.* The tenant has continued, after written notice to cease, to substantially violate any of the written material terms of the rental agreement, except the requirement to surrender possession on proper notice as required by law. To constitute a breach of lease, the substantially violated term must be reasonable and legal and have been accepted in writing by the tenant as part of the rental agreement; and provided further that, where such term was accepted by the tenant or made part of the rental agreement subsequent to the initial creation of the tenancy, the landlord must have first notified the tenant in writing that they need not accept such terms or agree to the terms being made part of the rental agreement.

(a) Notwithstanding any lease provision to the contrary, a landlord shall not take any action to terminate a tenancy based on a tenant's sublease of the rental unit if the landlord has unreasonably withheld the right to sublease following written request by the tenant. The following requirements must be met:

1. The tenant continues to reside in the rental unit as their primary residence.

2. The sublease replaces one or more departed tenants under the rental agreement on a one-for-one basis.

3. A landlord's refusal of a subtenant must state the reason for the refusal. If the landlord fails to respond to the tenant's request to sublease in writing within 14 days of receipt of the tenant's request, the tenant's request shall be deemed approved by the landlord.

4. A landlord's reasonable refusal of the tenant's written request may not be based on the proposed additional occupant's lack of creditworthiness, if the occupant will not be legally obligated to pay some or all of the rent directly to the landlord. A landlord's reasonable refusal of the tenant's written request could be based on the ground that the total number of occupants in a rental unit exceeds the maximum number of occupants under § 503(b) of the Uniform Housing Code as incorporated by Cal. Health & Safety Code § 17922.

(b) Before endeavoring to recover possession based on the violation of a lawful obligation or covenant of tenancy regarding subletting or limits on the number of occupants in the rental unit, the landlord shall serve the tenant a written notice of the violation that provides the tenant with a minimum of 14 days' opportunity to cure the violation. The tenant may cure the violation by making a written request to add occupants referenced in § 5.54.030(C)(2)(a)2. or by using other reasonable means to cure the violation.

(c) *Protections for families.* Notwithstanding any contrary provision in this section, and pursuant to state law, a landlord shall not endeavor to recover possession of a rental unit as a result of the addition to the rental unit of a tenant's child, parent, grandchild, grandparent, brother or sister, or the spouse or domestic partner (as defined in Cal. Family Code § 297) of such relatives, or as a result of the addition of the spouse or domestic partner of a tenant, so long as the number of occupants does not exceed the maximum number of occupants as determined under § 503(b) of the Uniform Housing Code as incorporated by Cal. Health & Safety Code § 17922.

(3) *Nuisance.* The tenant has continued, after the landlord has served the tenant with a written notice to cease, to commit or expressly permit a nuisance in, or cause substantial damage to, the rental unit and, after written notice, has refused to cease damaging the premises, or has refused to either make satisfactory correction or to pay the reasonable

costs of repairing such damage over a reasonable period of time. The fact that a tenant has been arrested or convicted of a crime, been the victim of a crime, or contacted the police, in and of itself, is not evidence of nuisance for purposes of this division.

(4) *Tenant illegal activities.* Tenant has been convicted for using the dwelling unit for an illegal purpose as provided in California Civil Code section 1161, including, but not limited to, the unlawful distribution of a controlled substance as contemplated by California Civil Code section 3486, the unlawful use, manufacture, or possession of weapons and ammunition as contemplated by California Civil Code section 3485, or for a serious crime or violent felony as defined by applicable law, which occurred during the tenancy and within 1,000 feet of the dwelling unit. For purposes of this subsection, a tenant may cure the violation of another tenant in the dwelling unit by removing, and demonstrating such removal, of the offending tenant.

(5) *Threat of a violent crime.* Any statement made by a tenant, or at the tenant's request by the tenant's agent, to any person located on the premises, including the unit of the landlord or landlord's agent, threatening commission of a crime which could result in death or great bodily injury to another person, with the intent that the statement is to be understood as a threat, even if there is no intent of acting on the statement, if that statement causes the person threatened to have a reasonable fear for their safety or the safety of their family or household.

(6) *Damaging or trespassing on the property of another tenant or landlord.* Causing damage to or trespass upon the property or possessions of any other tenant or the landlord or otherwise committing waste to the dwelling unit or premises.

(7) *Failure to give access.* The tenant has continued to refuse, after the landlord has served the tenant with a written notice, to grant the landlord reasonable access to the rental unit for the purposes of showing the unit to a prospective purchaser or mortgagee or making necessary repairs or improvements required by the laws of the United States, the State of California or any subdivision thereof. To terminate a tenancy under this division, a landlord must show that written notice was provided to the tenant in compliance with Cal. Civil Code § 1954.

(8) *Temporarily vacate in order to undertake substantial repairs.* The landlord, after having obtained all necessary permits from the town, seeks in good faith to undertake substantial repairs which are necessary to bring the property into compliance with applicable codes and laws affecting the health and safety of tenants of the building or where necessary under an outstanding notice of code violations affecting the health and safety of tenants of the building, and where such repairs while the tenant resides on the premises require the tenant to temporarily vacate for at least 30 days.

(a) Where such repairs can be completed in a period of 60 or fewer days, and the tenant agrees in writing to vacate the premises during the period required to complete the repairs, the landlord may not recover possession pursuant to this division unless the tenant shall fail or refuse to vacate the premises in accordance with such agreement.

(b) Where the landlord owns any other residential rental units in the town of the same number of bedrooms or fewer, and any such unit is vacant and available at the time of service of the written notice terminating the tenancy, or at any time thereafter until the earlier of the tenant's vacating the premises or the entry of a judgment by a court of competent jurisdiction awarding possession of the premises to the landlord, the landlord shall, as a condition of obtaining possession pursuant to this division, notify the tenant in writing of the existence and address of each such vacant rental unit and offer the tenant the right, at the tenant's option, to enter into a rental agreement (to be designated as a "temporary rental agreement") for the available rental unit which the tenant may choose, at a rent not to exceed the lesser of the lawful rent which may be charged for such available rental unit or the lawful rent in effect at the time of the notice of termination of tenancy on the unit being vacated. Said rental agreement shall be for a term of the lesser of ninety days or until completion of repairs for the rental unit being vacated by tenant.

(c) A notice terminating tenancy under this division must include the following information:

1. A statement informing tenants as to their right to relocation payments under this chapter.
2. The statement, "When the needed repairs are completed on your unit, the landlord must offer you the opportunity to return to your unit with a rental agreement containing the same terms as your original one and with the same rent."
3. A description of the repairs to be completed and the approximate expected duration of the repairs.

(9) *Owner move-in.* The landlord seeks to recover possession in good faith for use and occupancy as a primary residence by the landlord or the landlord's child, parent, grandchild, grandparent, brother or sister, or spouse or domestic partner (as defined in California Family Code section 297) of such relatives, or as a result of the addition of the spouse or domestic partner of the landlord, or an individual acting as a caregiver by providing care to an individual in the household, so long as the number of occupants does not exceed the maximum number of occupants as determined under section 503(b) of the Uniform Housing Code as incorporated by the California Health & Safety Code section 17922.

(a) A landlord, as used in this division, shall only include a landlord that is a natural person who has at least a 51% recorded ownership interest in the property.

(b) No eviction may take place for an "owner move-in" if the same landlord or enumerated relative already occupies a rental unit on the property, or if a vacancy already exists on the property. Unless good cause is shown, only one specific unit per building may undergo an "owner move-in" eviction. Once a landlord has successfully recovered possession of a rental unit pursuant to this division, no other landlords may recover possession of any other rental unit at the property under the division. Any future evictions taking place at the same property under this division must be of that same rental unit. At all times, a landlord may request a reasonable accommodation if the landlord or enumerated relative is disabled and a different unit is necessary to accommodate the person's disability. A landlord who has terminated a tenancy for a rental unit under this

division may not terminate a tenancy for a tenant who subsequently reoccupies a rental unit after termination of tenancy under this division or relocates to a comparable rental unit on the same property for a period of four years commencing from the date of the latest notice to vacate.

(c) The notice terminating tenancy shall contain the name and relationship to the landlord of the person intended to occupy the rental unit.

(d) The landlord or enumerated relative must intend in good faith to move into the rental unit within 90 days after the tenant vacates and to occupy the rental unit as a primary residence for at least one year .

(e) If the landlord or relative specified on the notice terminating tenancy fails to occupy the rental unit within 90 days after the tenant vacates, the landlord shall:

1. Offer the unit to the tenant who vacated it at the same rent in effect at the time the tenant vacated; and

2. Pay to said tenant all reasonable expenses incurred in moving to and from the unit, include lease termination fees. This division does not limit any other remedies a tenant may have under this chapter or applicable law.

3. If the landlord or enumerated relative fails to occupy the rental unit within 90 days after the tenant vacates or does not occupy the rental unit as a primary residence for at least one year, the landlord shall have the burden of producing evidence that the failure to occupy did not occur in bad faith.

(f) If the landlord or relative specified on the notice terminating tenancy fails to occupy the rental unit within 90 days and the previous tenant declines to move back into the rental unit, any new tenant moving into the rental unit will have as the original base rent the rent in effect at the time the previous tenant vacated.

(g) *Eviction protection for elderly, disabled, or terminally ill tenants.* A landlord may not evict a tenant pursuant to this division if (a) the tenant has resided in the rental unit for at least three years and is either at least 65 years of age or disabled; or (b) if the tenant is certified as being terminally ill by the tenant's treating physician. For the purposes of this division, notwithstanding the above, a landlord may evict a tenant who qualifies for the exemption if the landlord or enumerated relative who will occupy the rental unit is also disabled or certified as being terminally ill by a treating physician and no other units are available at the property.

(h) Within 30 days after the effective date of a written notice of termination under this division is filed with the Town Manager, the Town Manager shall record a notice of constraints with the County Recorder identifying each rental unit on the property that is the subject of § 5.54.030(C)(9) notice to vacate, stating the nature and dates of applicable restrictions under §§ 5.54.030(C)(9)(e), 5.54.030(C)(9)(f), and 5.54.030(E), and any other restrictions per applicable regulations. If a notice of constraints is recorded but the tenant does not vacate the rental unit, the landlord may apply to the Town Manager for a rescission of the recorded notice of constraints. No further notices to the rental unit pursuant to this division are required if the constraints on the unit are rescinded.

(i) A landlord may not evict a tenant under this division if there is a comparable rental unit occupied by a tenant who moved onto the property more recently than the tenant from whom the landlord seeks to recover possession.

(10) *Withdrawal from rental market.* The landlord seeks in good faith to recover possession of all rental units on a parcel of land to permanently withdraw the units from the rental market or for demolition so long as the withdrawal is permitted by the Ellis Act (Cal. Gov't Code §§ 7060 *et seq.*). The landlord must have fulfilled all requirements of §5.54.060 of this Code and all town regulations initiating the procedure for withdrawing rental units from rent or lease, with the intention of completing the withdrawal process and going out of the rental business or demolishing. Tenants shall be entitled to a minimum of 120-day notice or 180 days in the case a tenant is at least 65 years of age or disabled. Notice times may be increased by regulations if state law allows for additional time.

(11) *Buy-out agreements.* Nothing in this chapter shall expand or limit a landlord and tenant's ability to negotiate or agree to end a tenancy voluntarily in exchange for money or other consideration. All buy-out agreements under this section must be in writing, provided in English and translated into any other language at the tenant's request, and include:

(a) A statement that the tenant has the right not to enter into a proposed buy-out agreement;

(b) A statement that the tenant may consult with an attorney of their choosing before entering into a buy-out agreement;

(c) A space for each tenant to sign and write the date upon which the landlord provided the tenant with the agreement.

(12) *Termination of temporary tenancy.* The landlord seeks in good faith to recover possession of a separately alienable rental unit for their occupancy as a primary residence. This shall apply only where the landlord has previously occupied the rental unit as their primary residence and has the right to recover possession of the unit for their occupancy as a primary residence under an existing written rental agreement for a term of no more than 12 consecutive months that was executed with the current tenants. The temporary tenant must be provided, at the inception of the tenancy, with a written statement that includes the length of the tenancy and that the tenancy may be terminated at the end of the temporary tenancy period. No relocation is required under this division.

(D) *Recovery of possession.* In any action to recover possession of a rental unit pursuant to this §5.54.030, a landlord must allege and prove that the landlord seeks to recover possession of the unit with good faith, honest intent and with no ulterior motive for the reason stated in the termination notice. If a landlord claims the rental unit is exempt from this

ordinance, the landlord must allege and prove that the unit is covered by one of the exceptions enumerated in § 5.54.030(B). Such allegations must appear in the notice of termination of tenancy. Failure to make such allegations in the notice shall be a complete defense to any unlawful detainer action.

(E) *Right of return and first right of refusal.* All tenants that are displaced based on §§5.54.030(C)(8) or (C)(9) or shall have the first right of refusal to return to the unit if it should ever be returned to the market by the landlord or successor landlord within three years. The return tenancy shall include the same terms as the original tenancy and the rent shall be the rent lawfully paid by the tenant at the time the landlord gave notice of termination on a basis listed in §§ 5.54.030(C)(8) or (C)(9) plus any lawful adjustment under § 5.55.080. All notices of termination of tenancy served under §§5.54.030(C)(8) or (C)(9) shall state the lawful rent in effect at the time of termination of tenancy. The tenant shall provide written notice of their forwarding address to the landlord upon their departure from the unit.

(F) *School year protections for educators and students.* It shall be a defense to an eviction under §§5.54.030(C)(8) or (C)(9) if a child under the age of 18 or any educator resides in the unit, the child or educator is a tenant in the unit or the child has a custodial or family relationship with a tenant in the unit, the tenant has resided in the unit for 12 months or more, and the expiration date of the notice of termination of tenancy falls during the school year.

(G) *Written warning notice requirements.* Any written warning notice as described in §§5.54.030(C)(2), (C)(3), or (C)(7) shall be served by the landlord on the tenant within a reasonable period prior to serving a notice to terminate tenancy and shall inform the tenant that a failure to cure may result in the initiation of eviction proceedings, of the right to request a reasonable accommodation for disability, and the contact number for the Town Manager. A reasonable period shall be presumed to be seven days. The notice shall also include sufficient details allowing a reasonable person to comply. The notice shall also include any information necessary to determine the date, time, place, witnesses present, and other circumstances concerning the reason for the notice.

(H) *Retaliation is barred.* Notwithstanding the above provisions, possession shall not be granted if it is determined that the eviction is knowingly in retaliation for the tenant reporting violations of this chapter, for exercising rights granted under this chapter or other law, or for forming or participating in a tenant organization.

(I) *Additional notice requirements.* In any notice purporting to terminate tenancy, the landlord shall state the cause for the termination, and in any action brought to recover possession of a rental unit, the landlord shall allege and prove compliance with this section. All notices described in §§ 5.54.030(C)(2), (C)(3), or (C)(7) shall be attached to any notices that purport to terminate a tenancy for which they correspond. The landlord shall file with the Town Manager a copy of any notice terminating tenancy within three days after serving the notice on the tenant.

(J) *Failure to comply.* Failure to comply with any requirement of this chapter or any implementing regulation may be asserted as an affirmative defense in an action brought by the landlord to recover possession of the unit. Additionally, any attempt to recover possession of a rental unit or recover of possession in violation of this chapter may render the landlord liable to the tenant in a civil action for wrongful eviction for treble damages. The tenant may seek injunctive relief, equitable relief, and money damages. In any action for equitable relief, it shall be presumed that a tenant suffers irreparable harm through violation of this chapter. A tenant or landlord prevailing in an action brought under this chapter that is not an unlawful detainer action shall recover costs and reasonable attorney fees. The statute of limitations for all remedies in this section shall be three years. The remedies under this section are cumulative, and may be used in addition to any other remedies in this chapter or at law, statute, or ordinance.

(Ord. 870, passed 11-2-2022; Ord. 882, passed 9-6-2023)

§ 5.54.040 RESERVED.

§ 5.54.050 RELOCATION.

(A) A landlord seeking to recover possession under §§5.54.030(C)(8) through (C)(10) must make relocation payments to the tenant's household of the rental unit. The amount of the relocation benefit shall be equal to two months' rent, at the rate of rent applicable at the time of the relocation. Relocation payments shall be paid at the time of the service of the notice of termination of tenancy. If the tenant fails to vacate the unit, the relocation payment must be returned to the landlord.

(B) Notwithstanding § 5.54.050(A), any tenant household that, at the time the notice of intent to withdraw rental units is filed with the town, includes a tenant who is 65 years of age or older, 17 years of age or younger, disabled, or certified as being terminally ill by the tenant's treating physician shall be entitled to receive an additional payment of one months' rent.

(C) *Short-term tenant relocation.*

(1) Where a tenant shall be displaced from their rental unit for renovation work for a period of thirty days or less, the landlord shall immediately make short-term relocation payments to the tenant as set out in division (D)(3), below, or the tenant may elect not to receive short-term relocation payments. If the tenant receives short-term relocation payments, the tenant remains obligated to pay the lawful rent in effect when the tenant vacated. If the tenant has elected not to receive short-term relocation payments, the tenant shall not be obligated to pay rent until the tenant re-occupies the rental unit.

(2) Should a tenant be displaced for a greater time than originally notified, the landlord shall pay additional short-term relocation expenses for each additional day of displacement, to be paid on a weekly basis prior to each additional week.

(3) A per diem of \$190 per day.

(4) The per diem amounts shall be adjusted yearly based on the CPI increase. The Town Manager shall publish on the

town website the new per diem amounts each year following the increase.

(D) If a landlord fails to provide relocation payments in accordance with this section, in addition to any other remedy under this chapter, or at law, the tenant may pursue a civil action for the amount of relocation payments they would have been entitled to and costs of suit. The statute of limitations for all remedies in this section shall be three years. The remedies of this section are cumulative, and may be used in addition to any other remedy available in this chapter or at law.

(E) A landlord's failure to properly allege and prove a permissible ground for eviction under §§5.54.030(C)(8) through (C)(10) is not a defense to failing to provide relocation payments when a landlord recovers the rental unit in violation of § 5.54.030. Further, where a tenant vacates a rental unit within one year of receiving a termination notice pursuant to §§ 5.54.030(C)(5) through (C)(7), the reason for vacating shall be presumed to be the termination notice.

(F) A landlord is not required to pay per diem for displacement due to an act of nature or natural disaster.

(Ord. 870, passed 11-2-2022; Ord. 882, passed 9-6-2023)

§ 5.54.060 UNITS WITHDRAWN FROM THE RENTAL MARKET PURSUANT TO THE ELLIS ACT.

The following shall apply to a unit where possession is recovered pursuant to §5.54.030(C)(10) of this chapter.

(A) *Re-rental of rental unit within two years.*

(1) If the rental unit is offered again for rent or lease for residential purposes within two years of the date the rental unit was withdrawn from rent or lease, the following provisions shall govern:

(a) The landlord of the rental unit may be liable to any tenant who was displaced from the property by that action for treble damages. Any action by a tenant pursuant to this division shall be brought within three years of the withdrawal of the rental unit from rent or lease. However, nothing in this division precludes a tenant from pursuing any alternative remedy available under the law.

(b) The town may institute a civil proceeding against any landlord who has re-offered a rental unit for rent or lease subject to this division, for exemplary damages for displacement of tenants. Any action pursuant to this division shall be brought within three years of the withdrawal of the rental unit from rent or lease.

(c) Any landlord who offers a rental unit again for rent or lease shall first offer the unit for rent or lease to the tenant displaced from that unit by the withdrawal pursuant to this chapter, if the tenant has advised the landlord in writing, within 30 days of the displacement, of the tenant's desire to consider an offer to renew the tenancy and has furnished the landlord with an address to which that offer is to be directed. That tenant or former tenant shall advise the landlord at any time during the eligibility of a change of address to which an offer is to be directed.

(2) If the landlord re-offers the rental unit for rent or lease pursuant to this division, and the tenant has advised the landlord pursuant to this division of a desire to consider an offer to renew the tenancy, then the landlord shall offer to reinstate a rental agreement or lease on terms permitted by law to that displaced tenant.

(3) This offer shall be deposited in the United States mail, by registered or certified mail with postage prepaid, addressed to the displaced tenant at the address furnished to the landlord as provided in this division, and shall describe the terms of the offer. The displaced tenant shall have 30 days from the deposit of the offer in the mail to accept the offer by personal delivery of that acceptance or by deposit of the acceptance in the United States mail by registered or certified mail with postage prepaid.

(B) *Re-rental of units within five years.*

(1) For all tenancies commenced during the time periods described below, the rental unit shall be offered and rented or leased at the lawful rent in effect at the time any notice of intent to withdraw the rental unit is filed with the Town Manager, plus annual adjustments available under § 5.55.080 of this Code.

(2) The provisions of division (B)(1) shall apply to all tenancies commenced during either of the following time periods:

(a) The five-year period after any notice of intent to withdraw the rental unit is filed with the town, whether or not the notice of intent is rescinded or the withdrawal of the rental unit is completed pursuant to the notice of intent.

(b) The five-year period after the rental unit is withdrawn.

(3) This division shall prevail over any conflicting provision of law authorizing the landlord to establish the rental rate upon the initial hiring of the rental unit.

(4) A landlord who offers a rental unit again for rent or lease within five years from the date on which it is withdrawn, and which is subject to this division, shall first offer the unit to the tenant displaced from the unit by the withdrawal, if that tenant requests the offer in writing within 30 days after the landlord has notified the town of an intention to offer the rental unit again for residential rent or lease. The landlord of the rental unit shall be liable to any tenant who was displaced by that action for failure to comply with this division, for punitive damages in an amount which does not exceed the contract rent for six months, and the payment of which shall not be construed to extinguish the landlord's obligation to comply with this division.

(C) *Demolition restrictions.* If the rental unit(s) are demolished, and new rental unit(s) are constructed on the same property, and offered for rent or lease within four years of the date the rental unit(s) were withdrawn from rent or lease, the

newly constructed rental unit(s) shall be subject to the system of regulation established in § 5.55.080 at which they would be offered on the basis of a fair and reasonable return on the newly constructed rental unit, notwithstanding any exemption from the system of regulations for newly constructed rental unit.

(D) *Applicability to successors in interest.* This section shall apply to all successors in interest, except by inheritance, of a landlord who has withdrawn rental units from rent or lease. The Town Manager shall record a notice with the county recorder which shall specifically describe the real property where the rental unit is located, the dates applicable to the constraints and the name of the landlord of record of the real property. The notice shall be indexed in the grantor-grantee index.

(E) A person who acquires title to the real property subsequent to the date upon which the rental unit thereon have been withdrawn from rent or lease, as a bona fide purchaser for value, shall not be a successor in interest for the purposes of this chapter if the notice prescribed by this section has not been recorded with the county recorder at least one day before the transfer of title.

(F) *Notice of withdrawal.* A landlord who seeks to demolish or withdraw a rental unit from the rental market under § 5.54.030(C)(10) must provide the Town Manager with a notice, that states, under penalty of perjury:

- (1) The number of rental units withdrawn;
- (2) The address or location of those rental units;
- (3) The name or names of the tenants of the rental units; and
- (4) The lawful rent applicable to each rental unit.

(G) The name or names of the tenants, the rent applicable to any residential rental unit, and the total number of rental units, is confidential information and for purposes of this chapter shall be treated as confidential information for purposes of the Information Practices Act of 1977 (Chapter 1 (commencing with section 1798) of Title 1.8 of Part 4 of Division 3 of the Cal. Civil Code).

(H) The landlord must record with the county recorder a memorandum summarizing the provisions, other than the confidential provisions, of the notice in a form which shall be prescribed by the town , and will require a certification with that notice that actions have been initiated as required by law to terminate any existing tenancies.

(I) The landlord must notify the town in writing of the intention to re-offer the rental unit for rent or lease.

(J) The date on which the rental unit is withdrawn from rent or lease for purposes of this Chapter is 120 days from the delivery in person or by first-class mail of the notice of withdrawal to the town. However, if the tenant is at least 65 years of age or disabled, and has lived in their rental unit for at least one year prior to the date of delivery of the notice of intent to withdraw, then the date of withdrawal of the rental unit of that tenant shall be extended to 180 days after the date of delivery of that notice, provided that the tenant gives written notice of their entitlement to an extension to the landlord within 60 days of the date of delivery of the notice of intent to withdraw.

(K) *Extension of tenancy for elderly or disabled tenants.* If a tenant notifies a landlord in writing within 60 days of the town receiving the notice of intent to withdraw the rental unit, the following provisions shall apply:

- (1) The tenancy shall be continued on the same terms and conditions as existed on the date of delivery to the town of the notice of intent to withdraw, subject to any adjustments otherwise available under this chapter.
- (2) No party shall be relieved of the duty to perform any obligation under the lease or rental agreement.
- (3) The landlord shall elect to extend the tenancy on any other rental unit within the rental property up to 180 days after date of delivery of the notice of intent to withdraw, subject to divisions (K)(1) and (K)(2) of this section.
- (4) Within 30 days of the notification by the tenant to the landlord of their entitlement to an extension, the landlord shall give written notice to the town manager of the claim that the tenant is entitled to stay in their rental unit for 180 days after date of delivery of the notice of intent to withdraw.
- (5) Within 90 days of date of delivery to the town of the notice of intent to withdraw, the landlord shall give written notice of the landlord's election to extend a tenancy under division (L)(3) and the revised date of withdrawal to the town and any tenant whose tenancy is extended.

(6) The date of withdrawal for the rental unit as a whole, for purposes of calculating any time-periods in this chapter, shall be the latest termination date among all tenants within the rental unit, as stated in the notices required by divisions (L) (4) and (5). A landlord's further voluntary extension of a tenancy beyond the date stated in the notices required by divisions (L)(4) and (5) shall not extend the date of withdrawal.

(L) The landlord must notify any tenant displaced pursuant to §5.54.030(C)(10) of the following:

- (1) That the town has been notified pursuant to §5.54.060(F).
- (2) That the notice to the town specified the name and the amount of rent paid by the tenant as an occupant of the rental unit.
- (3) The amount of rent the landlord specified in the notice.
- (4) Notice to the tenant of their rights under this division.

(5) Notice to the tenant of the following:

(a) If the tenant is at least 65 years of age or disabled, and has lived in their rental unit for at least one year prior to the date of delivery to the town of the notice of intent to withdraw, then tenancy shall be extended to 180 days after date of delivery to the town of the notice of intent to withdraw, provided that the tenant gives written notice of their entitlement to the landlord within 60 days of date of delivery to the town of the notice of intent to withdraw.

(b) The extended tenancy shall be continued on the same terms and conditions as existed on date of delivery to the town of the notice of intent to withdraw, subject to any adjustments otherwise available under § 5.55.080 of this Code.

(c) No party shall be relieved of the duty to perform any obligation under the lease or rental agreement during the extended tenancy.

(M) Not later than the last day of the third and sixth calendar months following the month in which notice is given to the town, and thereafter not later than December 31 of each calendar year for a period of two years, beginning with the year in which the six-month notice is given, the landlord of any property which contains or formerly contained one or more rental units which a tenant or tenants vacated pursuant to § 5.54.030(C)(10) shall notify the town, in writing, under penalty of perjury, for each such rental unit:

(1) Whether the rental unit has been demolished;

(2) If the rental unit has not been demolished, whether it is in use;

(3) If the rental unit is in use, whether that use is residential;

(4) If the rental unit is in residential use, the date the tenancy began, the name of the tenant(s), and the amount of rent charged.

(N) If a rental unit has been demolished, and one or more new units constructed on the lot, the landlord shall furnish the information required by divisions (L)(2), (3) and (4), above, for each new unit. The town shall maintain a record of the notices received under this section and all notices received under this section for each rental unit withdrawn from the rental market pursuant to § 5.54.030(C)(10).

(O) The town shall notify each person who is reported as having become a tenant in a vacated or new rental unit subject to the reporting requirements of § 5.54.060(M) that it maintains the records described in §5.54.060(L), and that the rent of the rental unit may be restricted pursuant to this chapter.

(P) The town shall maintain a register of all rental units withdrawn from rent or lease under §5.54.030(C)(10) and the rent applicable to each unit at the time of withdrawal. The town shall inform tenants displaced from units withdrawn from rent or lease at the address provided by the tenant, when the landlord notifies the town that the rental unit or replacement unit will again be offered for rent or lease within two years of the date of withdrawal.

(Q) The town may investigate whether a rental unit that was withdrawn from rent or lease has been again offered for rent or lease, and whether the landlord has complied with the provisions of this section.

(Ord. 870, passed 11-2-2022; Ord. 882, passed 9-6-2023)

§ 5.54.070 REMEDIES.

(A) *Affirmative defense.* A landlord's failure to comply with this chapter, including but not limited to the identification of an applicable cause for termination described in § 5.54.030 and delivery of a completed notice of termination in accordance with the same, shall be an affirmative defense to an unlawful detainer action by landlord.

(B) *Civil liability.* Whenever a landlord attempts to prevent a tenant from acquiring any rights under this chapter, retaliates against a tenant for the exercise of any rights under this chapter, or engages in activities prohibited under this chapter, the tenant may institute a civil proceeding for money damages or injunctive relief, or both. This section creates a private right of action to enforce all terms, rights, and obligations under this chapter. Whoever is found to have violated this chapter shall be subject to appropriate injunctive relief and shall be liable for damages, costs, and reasonable attorneys' fees, and whatever other relief the court deems appropriate. In the case of an award of damages, said award may be trebled if the trier of fact finds that the landlord acted in knowing violation, reckless disregard, or otherwise willfully failed to comply with this chapter. The court may award the defendant attorney's fees and costs as the prevailing party in cases where plaintiff's claim is deemed unreasonable, frivolous, meritless, or vexatious.

(C) *Civil actions to determine liability.* Any tenant may bring a civil action to determine the applicability of this chapter to the tenancy.

(D) *Other private rights of action.* Nothing herein shall be deemed to interfere with the right of a landlord to file an action against a tenant or non-tenant third party for the damage done to said landlord's property. Nothing herein is intended to limit the damages recoverable by any party through a private action.

(Ord. 870, passed 11-2-2022; Ord. 882, passed 9-6-2023)