

**URGENCY ORDINANCE NO. 19-07-U**

**AN URGENCY ORDINANCE OF THE CITY OF MAYWOOD  
ESTABLISHING INTERIM RENT CONTROL MEASURES, INCLUDING  
BUT NOT LIMITED TO, A PROHIBITION OF RENT INCREASES ABOVE  
3 PERCENT WITHIN A 12-MONTH PERIOD**

**THE CITY COUNCIL OF THE CITY OF MAYWOOD DOES ORDAIN AS  
FOLLOWS:**

**Section 1. Findings and Intent.**

A. The City of Maywood ("City") is a general law city incorporated under the laws of the State of California.

B. Pursuant to its police power, the City may enact and enforce laws within its boundaries which promote the public health, morals, safety, or general welfare of the community, and are not in conflict with general laws.

C. It has come to the City's attention that rents throughout the Los Angeles County area are continuing to rise as real estate costs rise, which is leading to a decrease in affordability for many and potential homelessness.

D. The City Council has considered these rising rent costs and requires additional time to create an ordinance that would address both Tenant and Landlord concerns.

E. This urgency ordinance is intended to temporarily stabilize rent increases for tenants while still allowing a maximum 3 percent rent increase for Landlords while the City further studies the issue to come up with a permanent rent control program.

F. Unless this ordinance takes effect immediately as provided herein, there is a high likelihood that residential renters will be subject to economic hardship and potential displacement that may lead to homelessness to the detriment of the public health, safety and welfare.

G. For all these reasons, *inter alia*, the City Council finds there is a current and immediate threat to the public health, safety and welfare and that increases in rent for certain residential tenancies would result in that threat to the public health, safety or welfare absent implementation of the restrictions contained in this ordinance. Accordingly, there is an urgent need for the immediate preservation of the public peace, health, and safety to enact this ordinance on an urgency basis.

**Section 2. Definitions.** For the purposes of this urgency ordinance, the following definitions shall apply:

A. "Base Rent" means the monthly Rent that was in effect on November 13, 2019.

B. "Covered Rental Unit(s)" means any dwelling units as defined in California Civil Code section 1940, subsection (c), including joint living and work quarters used or occupied in consideration of payment of Rent. This definition applies to any dwelling space that is actually used for residential purposes, whether or not the residential use is legally permitted, including live-work spaces, mobile homes rented by the owner of a mobile home to a Tenant, and accessory dwelling units. For purposes of compliance with this ordinance, Covered Rental Unit does not include:

1. Any dwelling unit in which the Landlord or any member of his/her immediate family occupies one of the dwelling units on the property containing the Rental Unit and it is necessary for the Landlord or any member of his/her immediate family to use either a bathroom or kitchen facility common with the tenant;

2. A dwelling unit which is alienable separate from the title to any other dwelling unit or which is a subdivided interest in a subdivision, as specified in subdivision (b), (d), or (f) of Section 11004.5 of the Business and Professions Code;

3. A dwelling unit for which a certificate of occupancy was issued after February 1, 1995; or

4. Any other dwelling unit exempt under the Costa-Hawkins Rental Housing Act (California Civil Code Section 1954.52) or any other applicable state or federal law.

C. "Hearing Officer" means the person designated by the City Manager to conduct a review hearing under Section 6 of this ordinance.

D. "Housing Services" means all services provided by the Landlord related to the use or occupancy of a Covered Rental Unit, including but not limited to, insurance, repairs, replacement, maintenance, painting, utilities, heat, water, elevator service, laundry facilities, recreational areas and/or pools, Janitorial service, refuse removal, furnishings, parking, storage, and security services.

E. "Landlord" means an owner, lessor, or sublessor who receives or is entitled to receive Rent of the use and occupancy of any Covered Rental Unit or portion thereof, and the representative, agent, or successor of such owner, lessor, or sublessor. For purposes of this ordinance, a Landlord does not include an individual whose primary residence is the same Covered Rental Unit as the Tenant.

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

G. "Responsible Person" is a person responsible for, or alleged to be responsible for, a violation of this ordinance

H. "Tenant" means a person entitled, by written or oral agreement, or by sufferance, to the use or occupancy of any Covered Rental Unit.

### **Section 3. Rent Increases.**

A. As of the effective date of this ordinance, and until January 1, 2020, no Landlord in the City of Maywood may request, receive, or retain Rent for a Covered Rental Unit from an existing Tenant whose tenancy began before or on November 13, 2019, at an amount that exceeds the monthly Rent that was in effect on November 13, 2019, plus any Rent increase authorized by this Section. Until January 1, 2020, no Landlord may request, receive, or retain Rent for a Covered Rental Unit from a Tenant whose tenancy began after November 13, 2019, at an amount that exceeds the initial monthly Rent charged for the Covered Rental Unit, plus any increase authorized by this Section. A decrease in Housing Services is considered an increase in Rent. A Tenant may petition for an adjustment in rent based on a decrease in Housing Services under the process set forth in Section 6 of this ordinance.

B. While this ordinance is in effect, the monthly Rent charged for a Covered Rental Unit that is continuously occupied by the same Tenant may be increased no more than three percent (3%) in any 12-month period. For any Covered Rental Unit in which Rent for the Tenant household has been increased more than three percent (3%) since November 13, 2019, Rent for that particular Tenant household shall be capped at the Rent as of November 13, 2019, plus three percent (3%) for the twelve (12) months following the effective date of the Rent increase.

C. In the event that a Tenant household has already paid Rent in excess of an three percent (3%) increase over their November 5, 2019 rent, the Landlord shall credit the Tenant for the balance of the overpayment. The Landlord may elect to either: (a) pay the Tenant the balance of the overpayment directly in one lump sum, or (b) give the Tenant a credit against the Rent otherwise due from the Tenant to the Landlord over a six-month period. In the event the Landlord elects to pay the Tenant in one lump sum, the payment shall be due on or before the next Rent payment is due from the Tenant to the Landlord after the effective date of this ordinance. In the event the landlord elects to give the Tenant a credit over a six-month period, the credit shall be granted beginning the first date a Rent payment is due from the Tenant to the Landlord after the effective date of this ordinance. Any payment or credit under this subsection shall be enforceable notwithstanding the expiration of this ordinance.

D. For any Covered Rental Unit in which Rent for a particular Tenant household has not been increased by three percent (3%) of the Rent charged on November 13, 2019, the Rent for that particular Tenant household may only be increased following the effective date of this ordinance by an amount that, when added to the amount of any Rent increase noticed on or after November 13, 2019, does not exceed three percent (3%) of the monthly Rent charged on November 13, 2019, or of the initial rent charged if the tenancy began after November 13, 2019.

**Section 4. Exceptions and Exemptions.** The following are exempt from this ordinance:

A. Rooms or accommodations in hotels provided that such accommodations are not occupied by the same tenant for thirty (30) or more days.

B. Housing accommodates in a hospital, convent, monastery, church, religious facility, extended care facility, asylum, non-profit home for the aged;

C. Dormitories owned and operated by an institution of higher education, or a high school or elementary school; and

D. Rental units that are temporary housing or drug counseling requiring intake, case management or counseling as part of the occupation, and an occupancy agreement.

This ordinance does not regulate the initial Rent at which a Covered Rental Unit is offered.

**Section 5. Enforcement.** In any action by a Landlord to recover possession of a Covered Rental Unit, the Tenant may raise as an affirmative defense any violation or noncompliance with the provisions of this ordinance.

**Section 6. Petition for Relief.**

A. Petition Process. If a Landlord desires to increase the rent for a Covered Rental Unit in an amount greater than allowed in Section 3 of this ordinance, and the Landlord contends that the limitations on Rent increases in Section 3 will prevent the Landlord from receiving a fair and reasonable return with respect to the operation of the property containing the Covered Rental Unit, the Landlord may file a petition with the City Clerk requesting a hearing, which will be heard by a Hearing Officer appointed by the City Manager. The Landlord shall mail a copy of the petition by first class mail, postage prepaid, to all Tenants whose Rents are the subject of the petition within five (5) calendar days after the date the petition is filed. Within ten (10) calendar days after the date the petition is filed, the Landlord shall file a proof of service signed under penalty of perjury stating that a copy of the petition was mailed to all such Tenants. The petition shall include a statement indicating the basis on which the Landlord contends that the limitations of this ordinance on Rent increases will prevent the Landlord from receiving a fair and reasonable return, together with any evidence that the Landlord wants the Hearing Officer

to consider. The Landlord shall bear the burden of proving by a preponderance of the evidence at the hearing that because of the implementation of this ordinance, the Landlord is unable to obtain a fair and reasonable return.

B. Hearing Process.

1. A hearing before the Hearing Officer shall be set for a date no sooner than fifteen (15) days and no later than sixty (60) days after receipt of the request and proof of service on any request complying with the requirements of this Section 6, unless the Hearing Officer determines that good cause exists for an extension of time. The Hearing Officer shall send written notice to the Landlord and the Tenant of the date, time, and place set for the hearing. Upon receipt, the Landlord shall post such notice in a conspicuous place at the affected property including the Covered Rental Units that are the subject of the petition. Such notice shall be placed on a written instrument that is at least eleven (11) inches in width and seventeen (17) inches in length, and shall be placed not less than four (4) feet above ground level in the common area, at the entry or entries to the building or units, or other similar location or locations as necessary to provide Tenants a reasonable opportunity to view the notice and be advised of the hearing. Within five (5) calendar days of receipt of the notice of hearing, the Landlord shall personally deliver a copy of the notice to each Tenant in the affected Covered Rental Units.

2. At the hearing the Landlord shall be given the opportunity to testify, call witnesses, and to present evidence concerning the petition. The Hearing Officer shall then hear testimony from the Tenants in the affected Covered Rental Units. The Hearing Officer may continue the hearing and request additional information from the Landlord or Tenants prior to issuing a written decision. The Hearing Officer shall have the power to issue orders to keep order and decorum during the hearing. All hearings conducted by the Hearing Officer shall be open to the public.

3. The Hearing Officer may, in his or her discretion, grant a continuance of the hearing date upon a request and a showing of good cause by the Landlord or Tenant. The request must be made in writing and be received by the Hearing Officer at least five (5) business days prior to the hearing date. In the instance of a Landlord's continuance request, the Landlord must personally deliver a copy of the request to the affected Tenant(s). In the instance of a Tenant's continuance request, the Tenant must personally deliver a copy of the request to the Landlord. In no event shall the continuance be longer than fifteen (15) calendar days from the originally scheduled hearing date.

4. The cost of the hearing, including but not limited to a Hearing Officer's fee, shall be borne by the petitioner.

C. Evaluation of Petitions. In evaluating the petitions from a Landlord or Tenant, the Hearing Officer shall consider all relevant factors that may potentially impact a Landlord's ability to obtain a fair and reasonable return and shall consider the basis for the calculation of any increase in Rent. Relevant factors may include, but are not limited to, changes in costs to the Landlord attributable to increased utility rates, property taxes,

insurance, advertising, variable mortgage interest rates, governmental assessments and fees, incidental services, employee costs, normal repair and maintenance, upgrading and addition of amenities or services, rent rolls, financial statements, expert analysis, and relevant studies.

D. Hearing Officer Decision. After considering all of the testimony and evidence submitted at the hearing, within twenty (20) calendar days after the conclusion of the hearing, the Hearing Officer shall issue a written decision denying, affirming or modifying the petition and shall adopt written findings in support of that decision. The written decision shall be served by first-class mail, postage prepaid on the Landlord and any Tenants in the affected Covered Rental Unit. The Hearing Officer's decision shall be final.

E. Judicial Review of Hearing Officer Decision. Any person directly aggrieved by an administrative decision of a Hearing Officer pertaining to a Petition for Relief from the ordinance may seek judicial review in the Superior Court pursuant to Government Code Section 53069.4 and/or Code of Civil Procedure Sections 1094.5 and 1094.6.

F. Timing of Petitions and Hearing. Any petition that is timely filed before the expiration of this ordinance may continue to be adjudicated. Relief may be granted retroactively to the date the petition was filed.

#### **Section 7. Inconsistent Provisions.**

A. Nothing in this ordinance shall be interpreted as limiting, repealing, or superseding any provision of Chapter 17 of Title 8 of the Maywood Municipal Code. To the extent that any provision of this ordinance conflicts with a provision of Chapter 17 of Title 8 of the Maywood Municipal Code, Chapter 17 shall apply.

B. Aside from subsection A of this Section 7 of this ordinance, any provision of the Maywood Municipal Code or appendices thereto that conflicts with the provisions of this ordinance, to the extent of such conflict and no further, is hereby repealed or modified to the extent necessary to implement the provisions of this ordinance and the City Clerk shall make any necessary changes to the Maywood Municipal Code for internal consistency.

#### **Section 8. Severability.**

If any section, subsection, sentence, clause, or phrase of this ordinance, or any part thereof, is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof, irrespective of the fact that any one or more section, subsection, subdivision, paragraph, sentence, clause, or phrase would be subsequently declared invalid or unconstitutional.

**Section 9. Sunset Date.** This ordinance shall expire by its own terms after December 31, 2019.

**Section 10. Compliance with California Environmental Quality Act.** The City Council finds that Ordinance No. 900-U is not subject to the California Environmental Quality Act pursuant to Section 15060(c)(2), constituting an activity that will not result in a direct or reasonably foreseeable indirect physical change in the environment, and pursuant to Section 15060(c)(3) constituting an activity that is not a project as defined in Section 15378.

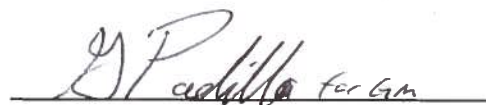
**Section 11. Effective Date.** This Ordinance is an urgency ordinance for the immediate preservation of the public peace, health, and safety within the meaning of Government Code Section 36937(b); and therefore shall be passed immediately upon its introduction and shall become effective immediately upon its adoption.

**Section 12. Certification and Publication.** The City Clerk shall certify to the adoption of this Ordinance and shall cause the same to be published or posted in the manner prescribed by law.

PASSED, APPROVED AND ADOPTED this 13th day of November, 2019.

  
Eduardo De La Riva, Mayor

ATTEST:

  
Gerardo Mayagoitia, City Clerk

APPROVED AS TO FORM:

  
Roxanne Diaz, City Attorney

I, Gerardo Mayagoitia, City Clerk of the City of Maywood, do hereby certify that the foregoing Urgency Ordinance was adopted at a regular meeting of the City Council of the City of Maywood held on the 13th day of November, 2019 by the following vote:

AYES: Marquez, Alvarez, Medina, Lara, De La Riva

NOES:

ABSTAINED:

ABSENT:

  
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Gerardo Mayagoitia, City Clerk