

Section 1811. - PASADENA RENTAL HOUSING BOARD.

- (a) Composition. There shall be in the City of Pasadena an appointed Rental Housing Board comprised of Pasadena residents as set forth in this section. The Rental Board will consist of eleven (11) members. Seven (7) members must be Tenants, None of whom may have Material Interest in Rental Property at the time of their appointment or at any later time during their service. The City Council shall appoint one Tenant member from each of the seven (7) districts of Pasadena. The remaining four (4) Rental Board members, henceforth referred to as "at-large" members, shall be appointed by the City Council, and may reside in any district of Pasadena, may or may not be Tenants, and may or may not have Material Interest in Rental Property.

In addition, the City Council shall appoint two (2) alternate Board members, one of whom will serve as the alternate to the group of seven (7) Tenants, and the other of whom will serve as the alternate to the group of four (4) at-large members. The alternate member for the Tenant group must be a Tenant and must not have Material Interest in Rental Property at the time of their appointment or at any later time during their service. The alternate Tenant Member may reside in any district of Pasadena. The alternate member for the at-large group will be appointed, as with the other at-large members, without restrictions on district of residency within Pasadena, Tenant status, or Material Interest in Rental Property. The alternate Board Members will be permitted to attend all Board meetings, and to speak, but will not be authorized to vote unless a regular member of their corresponding group is absent from that meeting or is disqualified or recused from voting on one or more agenda items, or has resigned or been removed from the Rental Board. If any one of the Tenant Members or the Alternate Tenant Member becomes aware that they have gained Material Interest in Rental Property at any time during their service, they must resign their position on the Rental Board and notify City Council within five (5) business days. If any member resigns or is removed from the Rental Board, this will be considered a vacancy, and the member must be replaced in accordance with the procedure described in ~~Section 1810(j)~~ 1811(k). Anyone nominated to this Rental Board must be in compliance with this Article and all other local, state and federal laws regulating the provision of housing. Annually, the Rental Board shall elect one of its members to serve as chairperson.

- (b) Eligibility and Appointment. All prospective members of the Rental Board shall submit an application to the City Council. This application must include a proof of residency in whichever Pasadena district the applicant claims to reside. The application must also include the signatures of at least 25 residents of the applicant's district endorsing the appointment, collected on a form provided for this purpose by the City Clerk or designee. These signatures will be verified by the City Clerk or designee. Additionally, the application shall include a verified statement under penalty of perjury on a form provided by the City Clerk or designee of the interests and dealings of the applicant and their Extended Family in Rental Properties in the county of Los Angeles during the three (3) years immediately prior to the submission of the application. This documentation shall be made available to the public. No Extended Family member of any current member of City Council may be appointed to the Rental

Board. No Tenant residing at a property owned or managed by a Council member or any member of the Council member's Extended Family, or in which any Council member or any member of their Extended Family has any ownership stake, may be appointed to the Rental Board.

- (c) Requirement of Tenant Members: Tenant Board members, including the Alternate Tenant member, must additionally, and under penalty of perjury, provide a written affirmation of their lack of Material Interest in Rental Property at the time of their initial appointment, and once each year of their service following their initial appointment. Rental Board members shall be appointed by the City Council at a public meeting within 120 days of the effective date of this Article. In the case of initial appointments, City Council must publish a solicitation for applications within 30 days of the effective date of this article. In the case of subsequent appointments due to vacancies, City Council must publish a solicitation for applications within 30 days of the date it becomes aware of the vacancy. In the case of term limits, City Council shall publish a solicitation for applications 120 days before the end of each term. In all cases, City Council must announce their appointments within 90 days of the publication of the solicitation for applications. All solicitations must specify which position is open, and the length of each corresponding term. All forms related to the application, including the instructions for application, must be made publicly available by the City Clerk or designee by the date of each solicitation.
- (d) Term of Office. Regularly appointed Rental Board members shall serve four (4) year terms, unless they are appointed to fill unexpired terms or are designated to fill a two (2) year term on the initial Board. Those members filling unexpired terms shall serve the remaining length of the unexpired term. Members may serve no more than eight (8) consecutive years. Member terms shall be staggered. Four (4) of the tenant appointees initially appointed shall serve for four (4) years; the terms of the remaining initial tenant appointees shall be two (2) years. Two (2) of the at-large appointees initially appointed shall serve for four (4) years; the terms of the remaining initial at-large appointees shall be two (2) years. The initial term for any alternate shall be for four (4) years. The City Council will appoint members to the Board with careful alacrity, taking care to ensure there are no unfilled Board seats. Tenant members of the Board may be recalled pursuant to a petition signed by 10% of the qualified voters of the district from which the tenant was appointed. At-large members may be recalled pursuant to a petition signed by 5% of the qualified voters of the City. No vote of the electorate will be required to recall a Board member.
- (e) Powers and Duties. The Rental Board shall have the following powers and duties:
 - (1) Set allowable Rent increases at fair and equitable levels to achieve the purposes of this Article. Notwithstanding any other provision of this Article, the Rental Board shall have the authority to adopt regulations authorizing Rent increases and/or adjustments required by state or federal law.
 - (2) Establish rules and regulations for administration and enforcement of this Article.
 - (3) Determine and publicize the Annual General Adjustment pursuant to this Article.

- (4) Appoint Hearing Officers to conduct hearings on Petitions for Individual Rent Adjustment pursuant to this Article. The duties and powers of Hearing Officers are laid out in Section ~~1813(a)~~ 1814(a). Before a Hearing Officer is appointed, they must complete a verified statement of Material Interest under penalty of perjury, as described in Section ~~1810(b)~~ 1811(c). This document will be made available to the public. Additionally, a Hearing Officer will be disqualified from hearing a Petition under the same circumstances that a Board Member would be disqualified from ruling on a petition, detailed in Section ~~1810(p)~~ 1811(q). If a Hearing Officer is disqualified from hearing a Petition, the Rental Board will appoint another Officer in their place.
- (5) Delegate authority to adjudicate petitions as appropriate and act as the appellate body that reviews and adjudicates appeals on decisions made by a Hearing Officers.
- (6) Establish procedures and timelines for hearings on Petitions, including determining the timelines and procedures for appeals to the Rental Board.
- (7) Establish procedures and timelines for the withholding of Rent by a Tenant in the event that a Landlord fails to repay them excessive Rents charged, as detailed in Section 1813(e).
- (8) Issue rules and regulations for Petitions not enumerated in this Article as necessary to effectuate the purposes of this Article.
- (9) Administer oaths and affirmations and subpoena witnesses and relevant documents.
- (10) Establish a budget for the reasonable and necessary implementation of the provisions of this Article, including but not limited to the hiring of necessary staff, such as Hearing Officers, and the maintenance of a Rental Registry. The Rental Board may charge fees in an amount sufficient to support this budget.
- (11) Administer the withdrawal process for the removal of Rental Units from the rental housing market.
- (12) Hold public hearings.
- (13) Conduct studies, surveys, investigations, audits, and hearings, and obtain information to further the purposes of this Article
- (14) Make quarterly reports to the City Council on the status of Rental Units subject to this Article. Reports shall be made available to the public and include, but not be limited to: (a) a summary of the numbers of Written Notices to Cease served pursuant to this Article, including the bases upon which they were served, (b) a summary of any and all Petitions submitted to and/or decided by a Hearing Officer and/or the Rental Board pursuant to this Article, including the bases on which the Petitions were submitted and the determinations on the Petitions, (c) a summary of any and all other matters brought before the Rental Board, and (d) a summary of egregious cases and actors with numerous or frequent violations and actors engaging with the Rental Board in bad faith.

- (15) Publicize through reasonable and appropriate means the provisions of this Article, including without limitation the rights and responsibilities of Landlords and Tenants.
 - (16) Establish a schedule of penalties that may be imposed for noncompliance with this Article or with rules and regulations promulgated under this Article.
 - (17) Pursue civil remedies as provided by this Article in courts of appropriate jurisdiction.
 - (18) Intervene as an interested party in any litigation brought before a court of appropriate jurisdiction by a Landlord or Tenant with respect to Rental Units subject to this Article.
 - (19) Establish and maintain a Rental Registry. The Rental Board shall make all reasonable efforts to guarantee that appropriate contents of the Rental Registry are easily accessible to all Pasadena residents.
 - (20) Produce written notices and other public documents in English and Spanish, and shall make a reasonable effort to accommodate additional languages as requested.
 - (21) Any other duties necessary to administer and enforce this Article.
- (f) Rules and Regulations. The Rental Board shall issue and follow such rules and regulations as will further the purposes of the Article.
 - (g) Meetings. The Rental Board shall hold regularly scheduled meetings as necessary to ensure the performance of its duties under this Article. All regular and special meetings shall be called and conducted in accordance with state law.
 - (h) Quorum. Six (6) members, at least four (4) of whom must be Tenants, shall constitute a quorum for the Rental Board.
 - (i) Voting. The affirmative vote of six (6) members of the Rental Board is required for a decision, including on all motions, regulations, and orders of the Rental Board.
 - (j) Compensation. Each member of the Rental Board shall be compensated on an hourly basis for their time committed to Rental Board meetings. The chairperson of the Board will record the length of each meeting, and all Board Members in attendance will be compensated accordingly. Board Members will be compensated for a maximum of twenty (20) hours per week. The hourly rate of compensation shall be equal to 2.5 times the Pasadena minimum wage.
 - (k) Vacancies. If a vacancy occurs on the Rental Board, a person qualified to fill such vacancy shall be appointed by the City Council in accordance with the appointment schedule described in Section 1810b-1811(c) as well as the eligibility conditions described in Sections 1810a and 1810b-1811(a) and 1811(b). No vacancy shall remain unfilled for a period longer than 120 days. If the missing member is a non-alternate member of the Tenant group, their replacement must be appointed by the Councilmember representing their district. Otherwise, the replacement will be appointed by the City Council collectively. If the missing member is not an alternate,

then the alternate member of the corresponding group (Tenant or At-large) will vote in the place of the missing member until a replacement is appointed.

- (l) Financing. The Rental Board shall finance its reasonable and necessary expenses, including without limitation engaging any staff as necessary to ensure implementation of this Article, by charging Landlords an annual Rental Housing Fee as set forth herein, in amounts deemed reasonable by the Rental Board in accordance with applicable law. The Rental Board is also empowered to request and receive funding when and if necessary, from any available source, including the City of Pasadena, for its reasonable and necessary expenses.
 - (1) Rental Housing Fee. All Landlords shall pay a Rental Housing Fee on an annual basis. The first Rental Board convened after the effective date of this Article shall determine the amount of the Rental Housing Fee. The amount of the Rental Housing Fee may differ between Rental Units subject to the entirety of this Article and those that are partially exempt. The Rental Board may adjust the amount of the Rental Housing Fee at its discretion to ensure full funding of its reasonable and necessary expenses, in accordance with all applicable law.
 - (A) Pass-Through to Tenants. No portion of the Rental Housing Fee may be passed through to Tenants. The Rental Housing Fee may be claimed as an operating expense for the purpose of a Petition for Individual Rent Adjustment.
 - (2) City to Advance Initial Funds. During the initial implementation of this Article, the City shall advance all necessary funds to ensure the effective implementation of this Article, until the Rental Board has collected Rental Housing Fees sufficient to support the implementation of this Article. The City may seek reimbursement of any advanced funds from the Rental Board after the Rental Housing Fee has been collected. Reimbursement of the City shall not take precedent over the normal and reasonable operating costs of the Rental Board.
- (m) Integrity and Autonomy of Rental Board. The Rental Board shall be an integral part of the government of the City, but shall exercise its powers and duties under this Article independent from the City Council, City Manager, and City Attorney, except by request of the Rental Board. The Rental Board may request the services of the City Attorney, who shall provide them pursuant to the lawful duties of the office in Article II, Chapter 2.30 of the Pasadena City Charter. The City shall provide infrastructure support on an ongoing basis as it would with any other City department.
- (n) Board Legal Work. The Rental Board may, in its sole discretion, and without approval of the City Council, retain private attorneys to furnish legal advice or representation in particular matters, actions, or proceedings.
- (o) Conforming Regulations. If any portion of this Article is declared invalid or unenforceable by decision of a court of competent jurisdiction or rendered invalid or unenforceable by state or federal legislation, the Rental Board and not the City Council shall have authority to enact replacement regulations consistent with the intent and purpose of the invalidated provision and applicable law. Such replacement regulations shall supersede invalidated or unenforceable provisions of this Article to

the extent necessary to resolve any inconsistency. The subject matter of such replacement regulations shall be limited to the matters addressed in this Article.

- (p) Designation of Replacement Rental Board. In the event the establishment of the Rental Board under this section is adjudged to be invalid for any reason by a court of competent jurisdiction, the City Council shall designate one or more City departments, agencies, Rental Boards, or commissions to perform the duties of the Rental Board prescribed by this Article.
- (q) Conflict of Interest. Rental Board members shall not necessarily be disqualified from exercising any of their powers and duties on the grounds of a conflict of interest solely on the basis of their status as a Landlord, Property manager, realtor, developer, or Tenant, provided they meet the eligibility requirements of their respective group (Tenant or at-large). However, a Rental Board member shall be disqualified from ruling on a Petition if the Rental Board member either has Material Interest in a Rental Property involved in the Petition, or is a Tenant at that Property, or has an Extended Family member who is a Tenant at the Property, or has met any of these criteria at any time since their appointment to the Rental Board, or during the three (3) years preceding their appointment. The provisions of the Political Reform Act, California Government Code Sections 87100 et seq. shall apply.

(Sec. 1811 added by vote of the people 11-8-2022 .)