



**RENT STABILIZATION DEPARTMENT  
MARCH 17, 2025  
ITEM NO. 17**

REQUEST FROM THE PASADENA RENTAL HOUSING BOARD FOR THE CITY COUNCIL TO DIRECT THE CITY ATTORNEY TO PREPARE AN ORDINANCE WITHIN 60 DAYS ADOPTING ALL AVAILABLE TENANT PROTECTIONS PROVIDED IN THE ELLIS ACT (GOVERNMENT CODE SECTION 7060 ET SEQ.)





# CHARTER ARTICLE XVIII

## Rent Stabilization Department

Pasadena Charter Article XVIII (Charter) provides the following:

- Section 1806 (a)(10) provides a just cause eviction for withdrawal from the rental market permanently in accordance with California Government Code Section 7060 et. Seq. (Ellis Act).
- The Charter provides that tenants have the first right of refusal if the unit is returned to the rental market to the maximum extent provided by state law;
- The rental unit, upon return to the market, shall be the rent lawfully paid by the tenant at the time the landlord gave notice of termination of tenancy to the maximum extent permitted by state law.



# CHARTER ARTICLE XVIII

## Rent Stabilization Department

Pasadena Charter Article XVIII (Charter) provides the following:

- Section 1806 (c) states that the Board shall decide on the timeline and procedures for subsequent notification of the former tenant and return of the rental unit to the market.
- Section 1806 (d) states that within 180 days of the first Board meeting, the Board shall adopt regulations, in the manner specified in Government Code Section 7060.5, that implements all of the provisions set forth in the Ellis Act



# ELLIS ACT TENANT PROTECTIONS

## Rent Stabilization Department

Three primary areas of tenant protections:

1. A right for the displaced tenant to return to the rental unit if the unit is returned to the rental market within 10 years of the withdrawal of the unit from the market.
2. For units that are returned to the rental market within 5 years after withdrawal, the displaced tenant's rent is the rent charged prior to the withdrawal plus any allowed annual general adjustments.
3. The right of the tenant or the City to recover damages. If the rental unit is returned to the rental market within two years of withdrawal the tenant could bring an action to recover actual and exemplary damages. In addition, if the property is returned to the market within 10 years and a tenant who has requested notice of the right to return is not given notice of the right of return, the tenant may be eligible for punitive damages in an amount not to exceed six months' rent.

Additional protections include:

- If the rental units are demolished and new rental units are constructed within five (5) years of the withdrawal, the new rental units shall be subject to the local rent stabilization protections, notwithstanding Costa Hawkins.



# CHARTER ARTICLE REQUIREMENTS

## Rent Stabilization Department

- The language in Charter Article 1806 (d) evidences an intent of the voters that all available Ellis Act tenant protections be adopted in Pasadena.
- The Board is not able to adopt regulations pursuant to the Ellis Act because they are not an elected body.
- The Board requests that the City of Pasadena, who has jurisdiction, adopt an ordinance to implement all Ellis Act protections.



# Board Action

Rent Stabilization Department

- On November 7, 2024, the Board conducted a study session and considered Ellis Act protections.
- On November 21, 2024, the Board continued its conversation; and
- Adopted a Resolution PRHB-2024-23 recommending Council implement all protections.



# Board Resolution PRHB 2024-23

## Rent Stabilization Department

The Board requests that the City Council adopt all tenant protections in the Ellis Act, including:

1. A right for the displaced tenant to return to the rental unit if the rental unit is returned to the rental market within 10 years of the withdrawal of the rental unit from the market;
2. A right for a displaced tenant to return to any rental unit that is returned to the rental market within five years at the rent paid by the tenant prior to the withdrawal play any allowed annual general adjustments;
3. The right of the tenant or the City to recover damages including, if the rental unit is returned to the rental market within two years of withdrawal, the right to recover actual and exemplary damages and the right to recover an amount not to exceed six months' rent if the rental unit is returned to the rental market within ten years and is not offered to the displaced tenant who has requested notification of the right to return; and
4. The requirement that if rental units withdrawn from the rental market are demolished and new rental units constructed within five years of the withdrawal, the new rental units will be subject to Article XVIII.



# QUESTIONS/COMMENTS

Rent Stabilization Department







# Ellis Act Other Jurisdiction

Rent Stabilization Department

## ELLIS ACT – OTHER JURISDICTIONS

Peer Agency	Just Cause Eviction Protection	Right of First Refusal	Tenant Responsibilities		Returned to Rental Market Within 2 Years		Returned to Rental Market Within 5 Years		Returned to Rental Market Within 10 Years	
			Request Right to First Refusal	Respond within 30 Days of Receiving Right to First Refusal Notice	Right to First Refusal (Limited Vacancy Control)	Tenant Eligible for Actual and Punitive Damages	Right to First Refusal (Limited Vacancy Control)	Tenant Eligible for Punitive Damages if Not Notified (not to exceed 6 months' rent)	Right to First Refusal (rent at market rate)	Tenant Eligible for Punitive Damages if Not Notified (not to exceed 6 months' rent)
Alameda	✓	✓	✓	✓	✓	✓	✓	NA	NA	NA
Berkeley	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Beverly Hills	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
East Palo Alto	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Los Angeles	✓	✓	✓	✓	✓	✓	✓	✓	✓	NA
Oakland	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Richmond	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
San Francisco	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
San Jose	✓	✓	✓	✓	✓	✓	✓	NA	✓	NA
Santa Monica	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
West Hollywood	✓	✓	✓	✓	✓	✓	✓	NA	✓	✓