



Agenda Report

January 26, 2026

TO: Honorable Mayor and City Council

FROM: Rent Stabilization Department

SUBJECT: PASADENA RENTAL HOUSING BOARD AND RENT STABILIZATION DEPARTMENT ANNUAL REPORT FISCAL YEAR 2025

RECOMMENDATION:

This is a joint report of the Pasadena Rental Housing Board and the Rent Stabilization Department and is informational only.

BACKGROUND:

The Rent Stabilization Department (Department) was established to provide staff support to the Pasadena Rental Housing Board (Board) in fulfilling its responsibilities to stabilize rents for certain rental properties, provide eviction protections, and implement the additional duties outlined in Article XVIII of the Charter– The Pasadena Fair and Equitable Housing Charter Amendment Article XVIII (Article XVIII) which was approved by Pasadena voters in November 2022.

Article XVIII provides that the Board make quarterly reports to the City Council. This report reflects the data from the commencement of Article XVIII through fiscal year end 2025. The Board will return on a quarterly basis and once annually to provide the City Council with its Annual joint report with the Department.

To develop a comprehensive and informative Pasadena Rental Housing Board and Rent Stabilization Department Annual Report (Annual Report), the Department initiated an iterative, collaborative process with the Board. On October 16, 2025, the Department presented information and data for the Board's review, discussion, and feedback regarding content for the Pasadena Rental Housing Board and Rent Stabilization Department Annual Report to the City Council. In response to recommendations and requested revisions from that meeting, the Department returned to the Board on November 6, 2025, for a second review of the updated draft and again on January 15, 2026. A copy of the Annual Report is provided as Attachment A.

Annual Report

Throughout Fiscal Year 2025, the Pasadena Rental Housing Board worked diligently to establish the regulatory framework necessary to implement Article XVIII. The Board convened 50 meetings and adopted 53 resolutions to administer its duties. Additionally, at its first-ever Board retreat on July 19, 2025, the Board established its FY 2026 priorities.

The data presented in the Annual Report demonstrates the effectiveness of Pasadena's model for implementing Article XVIII—made possible through the Board's leadership, strong City support, and close collaboration across multiple departments. Despite limited staffing, stemming from the creation of a new City department and ongoing efforts to optimize efficiencies as requested by the Board, the Department has met and, in many areas, exceeded community expectations. Major accomplishments include launching the City's first Rental Registry, enforcing rent stabilization and eviction protections, and educating landlords on their obligations under Article XVIII. The Department has collected over \$10 million in registration fees to date covering the first and second registration cycles. The Department's Enforcement Division facilitated the rescission of 25 eviction notices, allowing constituents to remain housed while helping landlords avoid attorney fees with a lengthy Unlawful Detainer process. In addition, 76 rent increase notices were withdrawn to ensure full compliance with the Charter.

These achievements reflect the dedication and professionalism of Department staff. Their efforts resulted in a registration compliance rate significantly higher than those of comparable jurisdictions—an exceptional outcome for a program in its inaugural year. The first registration cycle required an all-hands-on-deck approach, and throughout both the first and second cycles, landlords consistently commended staff for their responsiveness and support.

Beyond regulatory implementation, the Board and Department have played a critical role in helping residents remain housed, particularly during emergencies such as the Eaton Fire. In response to the fire, the Board adopted several resolutions to support affected households, including:

- Issuing prorated registration fee refunds for properties destroyed in the Eaton Fire
- Amending Pasadena Rental Housing Board Chapter 4 to address displaced occupants and pets;
- Updating Pasadena Rental Housing Board Chapter 9 to address transient occupants displaced by the fire;
- Amending Pasadena Rental Housing Board Chapter 8 to permit rent reductions for those affected by the Fire; and
- Providing an affirmative defense recommendation to City Council.

The Board provided the Department with needed guidance/direction to address issues emerging from implementation in real time by amending regulations to assist staff. The Board provided decisive leadership during the local crisis responding to the needs of the community relating to the Eaton Fire. The Board focused efforts on issues identified by staff and the community, responding with flexibility to constituent input.

Department staff have facilitated rent rollbacks and reimbursements, assisted tenants and landlords who were unaware of their rights, and partnered with community-based organizations to expand outreach and education. Housing counselors have resolved disputes often preventing court filings through the Department's hearing process, which includes settlement conferences when appropriate. In partnership with the Loyola Center for Conflict Resolution, the Department has also served as a key intermediary between residents and the courts, helping to reduce pressure on an already overburdened unlawful detainer docket and saving time and resources for both landlords and tenants.

FISCAL IMPACT:

There is no fiscal impact as this report is for information only.

Respectfully submitted,



HELEN MORALES
Executive Director, Rent Stabilization
Department

Approved by:



MIGUEL MÁRQUEZ
City Manager

Attachments:

Attachment A: Pasadena Rental Housing Board and Rent Stabilization Department Annual Report Fiscal Year 2025