EXHIBIT A

Amendment to Newark Municipal Code to Add Chapter 5.45

CHAPTER 5.45 RESIDENTIAL LANDLORD AND TENANT RELATIONS

§ 5.45.010 Purpose.

The purposes of this chapter are to regulate relations between residential landlords and tenants and to protect tenants from arbitrary, discriminatory, or retaliatory evictions. This legislation is designed to preserve the public peace, health and safety, and advance the housing policies of the City.

§ 5.45.020 Definitions.

For purposes of this chapter, each of the following terms is defined as follows:

"*Landlord*" means any person, partnership, corporation, or other business entity offering for rent or lease any residential property in the City. "Landlord" shall include the agent or representative of the landlord, provided that such agent or representative shall have full authority to answer for the landlord and enter into binding agreements on the landlord's behalf.

"*Notice of termination*" means a written notice that includes all of the components identified in Section 5.45.060.

"*Owner-occupied residence*" means a single dwelling unit in which an individual retains no less than a fifty percent ownership interest in the individual unit and resides in that unit as his or her permanent residence no less than ten months of any calendar year.

"*Rental unit*" or “residential real property” means any unit in any real property, regardless of zoning status, including the land appurtenant thereto, that is rented or available for rent for residential use or occupancy (regardless of whether the unit is also used for other 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 the tenant. A rental unit includes a single-family home.

"*Tenant*" means any person having the legal responsibility for the payment of rent for residential property in the City. "Tenant" shall include the agent or representative of the tenant, provided that such agent or representative shall have full authority to answer for the tenant and enter into binding agreements on the tenant's behalf.

§ 5.45.030 Applicability.

A. The provisions of this chapter shall apply to all rental units within the City where a notice to vacate/quit any such rental unit has been served after May 1, 2026.

B. The provisions of this chapter may not be waived, and any term of any lease, contract, or other agreement which purports to waive or limit a tenant's substantive or procedural rights under this chapter are contrary to public policy, unenforceable, and void.

§ 5.45.040 Cause for Termination.

A. No landlord may terminate a residential tenancy of a rental unit, recover possession of a rental unit or otherwise endeavor to recover possession of a rental unit in the City that has been continuously and lawfully occupied by a tenant for 12 months or more unless the landlord can demonstrate all of the following:

1. That the landlord possesses a valid business license pursuant to Chapter 5.04 of this Code and has properly registered the rental unit pursuant to Section 5.45.090 below; and

2. That the landlord has provided the tenant with a notice of tenant rights in accordance with Section 5.45.070; and

3. That the landlord served a notice of termination pursuant to Section 5.45.060; and

4. That the landlord has not accepted and will not accept rent or any other consideration in return for the continued use of the rental unit beyond the term of the terminated tenancy in compliance with California Civil Code Sections 1945, 1946 and 1946.1; and

5. The existence of one of the following “at fault just cause” grounds for termination:

a. Default in the payment of rent.

b. A breach of a material term of the lease, as described in paragraph (3) of Section 1161 of the Code of Civil Procedure, including, but not limited to, violation of a provision of the lease after being issued a written notice to correct the violation.

c. Maintaining, committing, or permitting the maintenance or commission of a nuisance as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.

d. Committing waste as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.

e. The tenant had a written lease that terminated on or after January 1, 2020, or January 1, 2022, if the lease is for a tenancy in a mobilehome, and after a written request or demand from the owner, the tenant has refused to execute a written extension or renewal of the lease for an additional term of similar duration with similar provisions, provided that those terms do not violate this section or any other provision of law.

f. Criminal activity by the tenant on the residential real property, including any common areas, or any criminal activity or criminal threat, as defined in subdivision (a) of Section 422 of the Penal Code, on or off the residential real property, that is directed at any owner or agent of the owner of the residential real property.

g. Assigning or subletting the premises in violation of the tenant's lease, as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.

h. The tenant's refusal to allow the owner to enter the residential real property as authorized by California Civil Code Sections 1101.5 and 1954, and Sections 13113.7 and 17926.1 of the Health and Safety Code.

i. Using the premises for an unlawful purpose as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.

j. The employee, agent, or licensee's failure to vacate after their termination as an employee, agent, or a licensee as described in paragraph (1) of Section 1161 of the Code of Civil Procedure.

k. When the tenant fails to deliver possession of the residential real property after providing the owner written notice as provided in California Civil Code Section 1946 of the tenant's intention to terminate the hiring of the real property, or makes a written offer to surrender that is accepted in writing by the owner, but fails to deliver possession at the time specified in that written notice as described in paragraph (5) of Section 1161 of the Code of Civil Procedure; or

6. The existence of one of the following "no fault just cause" grounds for termination:

a.

i. Intent to occupy the residential real property by the owner or the owner's spouse, domestic partner, children, grandchildren, parents, or grandparents for a minimum of 12 continuous months as that person's primary residence.

ii. For leases entered into on or after July 1, 2020, or July 1, 2022, if the lease is for a tenancy in a mobilehome, subsection (i) shall apply only if the tenant agrees, in writing, to the termination, or if a provision of the lease allows the owner to terminate the lease if the owner, or the owner's spouse, domestic partner, children, grandchildren, parents, or grandparents, unilaterally decides to occupy the residential real property. Addition of a provision allowing the owner to terminate the lease as described in this clause to a new or renewed rental agreement or fixed-

term lease constitutes a similar provision for the purposes of subsection (5)(e) above.

iii. This subsection does not apply if the intended occupant occupies a rental unit on the property or if a vacancy of a similar unit already exists at the property.

iv. The written notice terminating a tenancy for a just cause pursuant to this subparagraph shall contain the name or names and relationship to the owner of the intended occupant. The written notice shall additionally include notification that the tenant may request proof that the intended occupant is an owner or related to the owner as defined in subsection (a)(viii)(II) below. The proof shall be provided upon request and may include an operating agreement and other non-public documents.

v. Subsection (a)(i) applies only if the intended occupant moves into the rental unit within 90 days after the tenant vacates and occupies the rental unit as a primary residence for at least 12 consecutive months.

vi.

I. If the intended occupant fails to occupy the rental unit within 90 days after the tenant vacates or fails to occupy the rental unit as their primary residence for at least 12 consecutive months, the owner shall offer the unit to the tenant who vacated it at the same rent and lease terms in effect at the time the tenant vacated and shall reimburse the tenant for reasonable moving expenses incurred in excess of any relocation assistance that was paid to the tenant in connection with the written notice.

II. If the intended occupant moves into the rental unit within 90 days after the tenant vacates, but dies before having occupied the rental unit as a primary residence for 12 months, as required by above, this will not be considered a failure to comply with this section or a material violation of this section by the owner.

vii. For a new tenancy commenced during the time periods described in subsection (a)(v) above, the accommodations shall be offered and rented or leased at the lawful rent in effect at the time any notice of termination of tenancy is served.

viii. As used in this subsection:

I. “Intended occupant” means the owner of the residential real property or the owner’s spouse, domestic partner, child,

grandchild, parent, or grandparent, as described in subsection (a)(i) above.

II. "Owner" means any of the following:

ia. An owner who is a natural person that has at least a 25-percent recorded ownership interest in the property.

ib. An owner who is a natural person who has any recorded ownership interest in the property if 100 percent of the recorded ownership is divided among owners who are related to each other as sibling, spouse, domestic partner, child, parent, grandparent, or grandchild.

ic. An owner who is a natural person whose recorded interest in the property is owned through a limited liability company or partnership.

III. For purposes of subsection (a)(viii)(II) above, "natural person" includes any of the following:

ia. A natural person who is a settlor or beneficiary of a family trust.

ib. If the property is owned by a limited liability company or partnership, a natural person who is a beneficial owner with at least a 25-percent ownership interest in the property.

IV. "Family trust" means a revocable living trust or irrevocable trust in which the settlors and beneficiaries of the trust are persons who are related to each other as sibling, spouse, domestic partner, child, parent, grandparent, or grandchild.

V. "Beneficial owner" means a natural person or family trust for whom, directly or indirectly and through any contract arrangement, understanding, relationship, or otherwise, and any of the following applies:

ia. The natural person exercises substantial control over a partnership or limited liability company.

ib. The natural person owns 25 percent or more of the equity interest of a partnership or limited liability company.

ic. The natural person receives substantial economic benefits from the assets of a partnership.

b. Withdrawal of the residential real property from the rental market.

c.

i. The owner complying with any of the following:

I. An order issued by a government agency or court relating to habitability that necessitates vacating the residential real property.

II. An order issued by a government agency or court to vacate the residential real property.

III. A local ordinance that necessitates vacating the residential real property.

ii. If it is determined by any government agency or court that the tenant is at fault for the condition or conditions triggering the order or need to vacate under subsection (i) above, the tenant shall not be entitled to relocation assistance as outlined in this Chapter.

d.

i. Intent to demolish or to substantially remodel the residential real property.

ii. For purposes of this subparagraph, "substantially remodel" means either of the following that cannot be reasonably accomplished in a safe manner that allows the tenant to remain living in the place and that requires the tenant to vacate the residential real property for at least 30 consecutive days:

I. The replacement or substantial modification of any structural, electrical, plumbing, or mechanical system that requires a permit from a governmental agency.

II. The abatement of hazardous materials, including lead-based paint, mold, or asbestos, in accordance with applicable federal, state, and local laws.

iii. For purposes of this subsection, a tenant is not required to vacate the residential real property on any days where a tenant could continue living in the residential real property without violating health, safety, and habitability codes and laws. Cosmetic improvements alone, including painting, decorating, and minor repairs, or other work that can be performed safely without having the residential real property vacated, do not qualify as substantial remodel.

iv. A written notice terminating a tenancy for a just cause pursuant to this subsection shall include all of the following information:

I. A statement informing the tenant of the owner's intent to demolish the property or substantially remodel the rental unit property.

II. The following statement:

"If the substantial remodel of your unit or demolition of the property as described in this notice of termination is not commenced or completed, the owner must offer you the opportunity to re-rent your unit with a rental agreement containing the same terms as your most recent rental agreement with the owner at the rental rate that was in effect at the time you vacated. You must notify the owner within thirty (30) days of receipt of the offer to re-rent of your acceptance or rejection of the offer, and, if accepted, you must reoccupy the unit within thirty (30) days of notifying the owner of your acceptance of the offer."

III. A description of the substantial remodel to be completed, the approximate expected duration of the substantial remodel, or if the property is to be demolished, the expected date by which the property will be demolished, together with one of the following:

ia. A copy of the permit or permits required to undertake the substantial remodel or demolition.

ib. Only if a notice is issued pursuant to subclause (II) of clause (ii) and the remodel does not require any permit, a copy of the signed contract with the contractor hired by the owner to complete the substantial remodel, that reasonably details the work that will be undertaken to abate the hazardous materials as described in subclause (II) of clause (ii).

IV. A notification that if the tenant is interested in reoccupying the rental unit following the substantial remodel, the tenant shall inform the owner of the tenant's interest in reoccupying the rental unit following the substantial remodel and provide to the owner the tenant's address, telephone number, and email address.

B. Before an owner of residential real property issues a notice to terminate a tenancy for just cause that is a curable lease violation, the owner shall first give notice of the violation to the

tenant with an opportunity to cure the violation pursuant to paragraph (3) of Section 1161 of the Code of Civil Procedure. If the violation is not cured within the time period set forth in the notice, a three-day notice to quit without an opportunity to cure may thereafter be served to terminate the tenancy.

C.

1. For a tenancy for which just cause is required to terminate the tenancy under subsection 5.45.040(A) above, if an owner of residential real property issues a termination notice based on a no-fault just cause described in subsection (A)(6) above, the owner shall, regardless of the tenant's income, at the owner's option, do one of the following:

a. Assist the tenant to relocate by providing a direct payment to the tenant as described in subsection 3 below.

b. Waive in writing the payment of rent for the final month of the tenancy, prior to the rent becoming due and provide direct payment to the tenant for an additional month of the tenant's rent as described in subsection 3 below.

2. If an owner issues a notice to terminate a tenancy for no-fault just cause, the owner shall notify the tenant in the written termination notice of the tenant's right to relocation assistance or rent waiver pursuant to this subsection. If the owner elects to waive the rent for the final month of the tenancy as provided in subsection (C)(1)(b) above, the notice shall state the amount of rent waived and that no rent is due for the final month of the tenancy.

3.

a. The amount of relocation assistance or rent waiver shall be equal to two months of the tenant's rent that was in effect when the owner issued the notice to terminate the tenancy. Any relocation assistance shall be provided within 15 calendar days of service of the notice.

b. If a tenant fails to vacate after the expiration of the notice to terminate the tenancy, the actual amount of any relocation assistance or rent waiver provided pursuant to this subdivision shall be recoverable as damages in an action to recover possession.

c. The relocation assistance or rent waiver required by this subdivision shall be credited against any other relocation assistance required by any other law.

4. An owner's failure to strictly comply with this subdivision shall render the notice of termination void.

EXHIBIT A

D. This section shall not apply to the following types of residential real properties or residential circumstances:

1. Transient and tourist hotel occupancy as defined in subdivision (b) of Civil Code Section 1940.

2. Housing accommodations in a nonprofit hospital, religious facility, extended care facility, licensed residential care facility for the elderly, as defined in Section 1569.2 of the Health and Safety Code, or an adult residential facility, as defined in Chapter 6 of Division 6 of Title 22 of the Manual of Policies and Procedures published by the State Department of Social Services.

3. Dormitories owned and operated by an institution of higher education or a kindergarten and grades 1 to 12, inclusive, school.

4. Housing accommodations in which the tenant shares bathroom or kitchen facilities with the owner who maintains their principal residence at the residential real property.

5. Single-family owner-occupied residences , including both of the following:

a. A residence in which the owner-occupant rents or leases no more than two units or bedrooms, including, but not limited to, an accessory dwelling unit or a junior accessory dwelling unit.

b. A mobilehome.

6. A property containing two separate dwelling units within a single structure in which the owner occupied one of the units as the owner's principal place of residence at the beginning of the tenancy, so long as the owner continues in occupancy, and neither unit is an accessory dwelling unit or a junior accessory dwelling unit.

7. Housing that has been issued a certificate of occupancy within the previous 15 years, unless the housing is a mobilehome.

8. Residential real property, including a mobilehome, that is alienable separate from the title to any other dwelling unit, provided that both of the following apply:

a. The owner is not any of the following:

i. A real estate investment trust, as defined in Section 856 of the Internal Revenue Code.

ii. A corporation.

iii. A limited liability company in which at least one member is a corporation.

iv. Management of a mobilehome park, as defined in Section 798.2.

b.

i. The tenants have been provided written notice that the residential property is exempt from this section using the following statement:

"This property is not subject to the rent limits imposed by Section 1947.12 of the Civil Code and is not subject to the just cause requirements of Section 1946.2 of the Civil Code. This property meets the requirements of Sections 1947.12 (d)(5) and 1946.2 (e)(8) of the Civil Code and the owner is not any of the following: (1) a real estate investment trust, as defined by Section 856 of the Internal Revenue Code; (2) a corporation; or (3) a limited liability company in which at least one member is a corporation."

ii.

I. Except as provided in subsection II, for a tenancy existing before July 1, 2020, the notice required under subsection i may, but is not required to, be provided in the rental agreement.

II. For a tenancy in a mobilehome existing before July 1, 2022, the notice required under subsection i may, but is not required to, be provided in the rental agreement.

iii.

I. Except as provided in subsection II, for any tenancy commenced or renewed on or after July 1, 2020, the notice required under subsection i must be provided in the rental agreement.

II. For any tenancy in a mobilehome commenced or renewed on or after July 1, 2022, the notice required under subsection i shall be provided in the rental agreement.

iv. Addition of a provision containing the notice required under subsection i to any new or renewed rental agreement or fixed-term lease constitutes a similar provision for the purposes of subsection (5)(e) above.

9. Housing restricted by deed, regulatory restriction contained in an agreement with a government agency, or other recorded document as affordable housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code, or subject to an agreement that provides housing subsidies for affordable housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code or comparable federal statutes.

10. Rental units in a nonprofit facility that has the primary purpose of providing short term treatment, assistance, or therapy for alcohol, drug, or other substance abuse and the

housing is provided incident to the recovery program, and where the client has been informed in writing of the temporary or transitional nature of the housing at its inception.

11. Housing units owned by any government unit, agency, or authority, including, but not limited to, any division or department of a local, State, or Federal government.as otherwise provided in this chapter.

E. An owner of residential real property subject to this section shall provide notice to the tenant as follows:

1.

a. Except as provided in subsection b. below, for any tenancy commenced or renewed on or after July 1, 2020, as an addendum to the lease or rental agreement, or as a written notice signed by the tenant, with a copy provided to the tenant.

b. For a tenancy in a mobilehome commenced or renewed on or after July 1, 2022, as an addendum to the lease or rental agreement, or as a written notice signed by the tenant, with a copy provided to the tenant.

2.

a. Except as provided in subsection b. below, for a tenancy existing prior to July 1, 2020, by written notice to the tenant no later than August 1, 2020, or as an addendum to the lease or rental agreement.

b. For a tenancy in a mobilehome existing prior to July 1, 2022, by written notice to the tenant no later than August 1, 2022, or as an addendum to the lease or rental agreement.

3. The notification or lease provision shall be in no less than 12-point type, and shall include the following:

"California law limits the amount your rent can be increased. See Section 1947.12 of the Civil Code for more information. California law also provides that after all of the tenants have continuously and lawfully occupied the property for 12 months or more or at least one of the tenants has continuously and lawfully occupied the property for 24 months or more, a landlord must provide a statement of cause in any notice to terminate a tenancy. See Section 1946.2 of the Civil Code and Newark Municipal Code Chapter 5.45 for more information."

The notification or lease provision shall be subject to Civil Code Section 1632.

F. An owner's failure to comply with any provision of this section shall render the written termination notice void.

G.

1. An owner who attempts to recover possession of a rental unit in material violation of this section shall be liable to the tenant in a civil action for all of the following:

a. Actual damages.

b. In the court's discretion, reasonable attorney's fees and costs.

c. Upon a showing that the owner has acted willfully or with oppression, fraud, or malice, up to three times the actual damages. An award may also be entered for punitive damages for the benefit of the tenant against the owner.

2. The city attorney may seek injunctive relief based on violations of this section.

H. Any waiver of the rights under this section shall be void as contrary to public policy.

I. For the purposes of this section, the following definitions shall apply:

1. "Owner" includes any person, acting as principal or through an agent, having the right to offer residential real property for rent, and includes a predecessor in interest to the owner.

2. "Residential real property" means any dwelling or unit that is intended for human habitation, including any dwelling or unit in a mobilehome park.

3. "Tenancy" means the lawful occupation of residential real property and includes a lease or sublease.

J. This section shall not apply to a homeowner of a mobilehome, as defined in Civil Code Section 798.9.

K. This section 5.45.050 shall not apply to the types of residential properties and circumstances identified in Civil Code Section 1946.2(e) except that it shall apply to a tenant that leases the entirety of a rental unit that is a single family residence. Should Civil Code Section 1946.2(e) be repealed, the residential properties and circumstances identified as of the effective date of this Chapter shall continue to apply.

§ 5.45.050 Anti-Harassment and Other Prohibited Activities.

A. No landlord may do any of the following in bad faith, with ulterior motive, or without honest intent:

1. Interrupt, fail to provide, or threaten to interrupt or fail to provide any housing services under the rental agreement, including, but not limited to, utility services and other amenities and services agreed to by contract;

2. Fail to perform, or threaten to not perform, repairs or maintenance required by contract or by State, County, or local housing, health, or safety laws;

3. Fail to exercise due diligence to complete repairs and maintenance once undertaken, including the failure to follow industry-appropriate safety standards and protocols;

4. Abuse or otherwise improperly use landlord's right to access the property;

5. Remove personal property of the tenant(s) from the rental unit;

6. Influence or attempt to influence the tenant(s) to vacate the unit by means of fraud, intimidation, or coercion (including, but not limited to, threats based on immigration status);

7. Offer payment or any other consideration, in return for the tenant(s) vacating the unit, more often than once every six months;

8. Threaten the tenant(s) by word or gesture with physical harm;

9. Interfere with the tenant(s) right to quiet use and enjoyment of the rental unit;

10. Refuse to accept or acknowledge receipt of lawful rent from the tenant(s);

11. Refuse to cash a rent check for over thirty days;

12. Interfere with a tenant's right to privacy, including but not limited to: (1) Requesting information regarding residence or citizenship status, protected class status, or Social Security number (except for, in the case of a Social Security number, for purposes of obtaining information for the qualifications for a tenancy), or refusing to accept equivalent alternatives to such information or documentation that does not concern immigration or citizenship status, e.g. an Individual Taxpayer Identification Number (ITIN); (2) Releasing such information except as required or authorized by law or in violation of applicable State and/or Federal law; or (3) Requesting information regarding a tenant's relationship status in violation of state or Federal law;

13. Request information that violates the tenant(s) right to privacy;

14. Other repeated acts or omissions of such significance as to substantially interfere with or disturb the tenant(s) comfort, repose, peace, or quiet enjoyment, and that cause, are likely to cause, or are intended to cause the tenant(s) to vacate the unit; or

15. Retaliate against the tenant(s) for the tenant(s) exercise of rights under this chapter or State or Federal law.

16. Interfere with the right of tenants to do any of the following: Organize as tenants and engage in concerted activities with other tenants for the purpose of mutual aid and protection including concerns regarding repairs and maintenance, rent amounts or rent

increases, evictions, discrimination, or harassment, regardless of whether the tenants share the same landlord or management company; convene tenant or tenant organization meetings in an appropriate space accessible to tenants under the terms of their rental housing agreement(s); contact other tenants and offer such tenants literature informing them of their rights and opportunities to involve themselves in tenant organizing/tenant union activities; distribute and post such literature on bulletin boards or other areas that the owner has designated for tenant use or free speech activities; and/or exercise their rights under California Civil Code Section 1942.6, and/or providing access to tenant organizers, advocates, or representatives working with or on behalf of tenants living at the property.

B. Nothing in this section prohibits the lawful eviction of a tenant by appropriate legal means.

C. A landlord's violation of this section shall be an affirmative defense to an eviction.

§ 5.45.060 Notice of Termination.

A. In order terminate a residential tenancy of a rental unit or otherwise endeavor to recover possession of a rental unit, a landlord must send the tenant a notice of termination that contains the reason for termination of the tenancy in accordance with Section 5.45.040(E). This requirement is in addition to any other notice requirements imposed by local, State or Federal law. The landlord must also file the notice of termination with the Community Development Department in a form prescribed by the City. Failure to file notice the notice of termination with the Community Development Department shall be an affirmative defense to an eviction.

B. A landlord who has sent a notice of termination in accordance with Section 5.45.040(E) must notify the Community Development Department of the status of the residential tenancy within 60 days of sending the tenant a notice of termination.

§ 5.45.070 Notice of Tenant Rights

A. Landlords must provide to each tenant in a rental unit a notice of tenant rights under this chapter in the three predominant languages spoken in the City. Each notice shall include a proof of service. The City shall provide notices for landlord use. The use of the City provided forms shall be prima facie evidence that the landlord has provided the proper notice. The notice shall contain the information and be in substantially the same form as follows:

The City of Newark regulates the relationship between most landlords and tenants within the City. Generally, a landlord may only terminate your tenancy for specific reasons, which are set forth in Chapter 5.45 of the Newark Municipal Code. Examples of such reasons include, but are not limited to, a failure to pay rent on time as agreed to in the rental contract. In addition to State and Federal Laws, Chapter 5.45 of the Newark Municipal Code creates

certain rights for landlords and tenants. Visit the City of Newark website for more information.

B. Landlords must provide tenants with the notice of tenant rights in accordance with subsection A of this section in the following circumstances:

1. No later than July 1, 2026;

2. When entering a lease or rental agreement;

3. When renewing a lease or rental agreement;

4. With a notice of termination;

5. At such times as required by the City of Newark, which may include, but is not limited to, when this chapter is significantly amended.

§ 5.45.080 Civil Remedies.

A. Whenever a landlord 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, including general and/or punitive damages, or injunctive relief, or both. This section creates a private right of action to enforce all terms, rights, and obligations under this chapter.

B. Any tenant who receives a notice of termination may bring a civil action against the landlord to contest the validity of each necessary component and pre-condition for service of the notice of termination as required by this chapter and to request injunctive relief to halt the termination of tenancy.

1. A landlord's inability to demonstrate compliance with any individual component of or pre-condition to serve a notice of termination as required by this chapter will invalidate, nullify, and avoid the effect of a notice of termination. If a notice of termination is invalidated, the tenant(s) will be entitled to costs and reasonable attorney fees incurred to invalidate the notice of termination.

2. If a landlord can demonstrate compliance with each pre-condition to serve the notice of termination to the tenant(s) by a preponderance of the evidence, the notice of termination will be deemed valid and the landlord is entitled to costs and reasonable attorney fees incurred to defend the notice of termination.

C. Any tenant may bring a civil action to determine the applicability of this chapter to the tenancy, including, but not limited to, a determination of whether the dwelling unit is a rental unit.

D. The city attorney may seek injunctive relief based on violations of this section.

EXHIBIT A

§ 5.45.090 Property Registration and Fees.

A. A landlord shall register each rental unit within the City. The registration shall be on forms provided by the City and shall include the name and mailing address of the owner or owners of the rental unit as well as any other information deemed necessary by the City.

B. For the sole purpose of reimbursing the City for the reasonable costs of maintaining property registration records and related administrative systems required by this chapter, the landlord of each rental unit shall pay a fee in an amount to be set by the City for each rental unit.

EXHIBIT A

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Amendment to Newark Municipal Code to Add Chapter 5.50

CHAPTER 5.50 Rent Review

§ 5.50.010 Short Title.

This Chapter shall be known as the “Rent Review Ordinance.”

§ 5.50.020 Definitions.

For purposes of this chapter, each of the following terms is defined as follows:

"*Base rent*" means the rent paid to the landlord for occupancy of the residential property required to be paid by the tenant to the landlord in the month immediately preceding the effective date of the rent increase. Base rent excludes pass-through costs and ancillary costs paid separately to the landlord for parking, storage, utilities, water, garbage or any other similar fee or charge associated with a residential property.

"*City*" means the City of Newark.

"*City Manager*" means the City Manager of the City of Newark, or their designated representative.

"*Director*" means the Director of the Community Development Department of the City of Newark, or their designated representative. A designated representative may include a party or organization contracted by the City to provide the necessary services to implement the procedures contained in this chapter.

"*Council*" means the City Council of the City of Newark.

“*Hotel*” shall have the same definition as provided in Newark Municipal Code Chapter 3.16.

"*Landlord*" means any person, partnership, corporation, or other business entity offering for rent or lease any residential property in the City. "Landlord" shall include the agent or representative of the landlord, provided that such agent or representative shall have full authority to answer for the landlord and enter into binding agreements on the landlord's behalf.

"*Party*" means a person who participates in the rent review program of this chapter or their agent or representative.

"*Rent*" means a fixed periodic compensation paid by a tenant at fixed intervals to a landlord for the possession and use of residential property as defined by the rental agreement between the landlord and tenant. Rent excludes pass-through costs and ancillary costs paid separately to the

landlord for parking, storage, utilities, water, garbage, or any other fee or charge associated with a residential property.

"*Rent increase*" means any upward adjustment of the rent from the base rent amount.

"*Rent review officer*" means the officer designated by the Director to conduct mediation pursuant to Section 5.50.040(E).

"*Residential property*" means any housing unit offered for rent or lease in the City. Mobile homes are subject to this chapter only if a tenant rents the mobile housing unit itself. Residential property shall exclude any housing unit that is subject to a recorded regulatory agreement that requires that the housing unit be rented to a tenant at specified income levels as defined by the regulatory agreement, hotels, and junior accessory dwelling units as defined by state law.

"*Tenant*" means any person having the legal responsibility for the payment of rent for residential property in the City. "Tenant" shall include the agent or representative of the tenant, provided that such agent or representative shall have full authority to answer for the tenant and enter into binding agreements on the tenant's behalf.

§ 5.50.030 Notice of Availability of Rent Review.

A. Notice of Availability of Rent Review Required. In addition to the notice of a rent increase required by Civil Code Section 827(b), and at the time when a landlord provides notice of any rent increase, the landlord shall also provide notice of the availability of the rent review procedure established by this chapter. The notice of availability of rent review required by subsection C of this section shall be provided by the landlord at the time when a landlord provides notice of any rent increase in the three predominant languages spoken in the City. The City Manager or designee shall determine the predominant languages spoken in the City and shall ensure that copies of the notice of availability of rent review required by subsection C of this section are made available to landlords by the City in those three languages. Any rent increase accomplished in violation of this chapter shall be void, and no landlord may take any action to enforce such an invalid rent increase. Any rent increase in violation of this chapter shall operate as an affirmative defense to an unlawful detainer action based on failure to pay any illegal rent increase. Any tenant required to pay an illegal rent increase may recover all illegal rent increase amounts actually paid by the tenant. If a landlord fails to properly notice a tenant pursuant to this chapter, the landlord must re-notice the tenant in accordance with this section prior to demanding or accepting any increase in rent.

B. Contents of Notice. All notices of the availability of rent review shall be in writing, shall provide the name, address and phone number of the landlord and shall be personally delivered to the tenant or mailed to the tenant at the address of the tenant's residential property. Service by mail shall be presumed complete within five calendar days of mailing. This presumption may be rebutted by the tenant.

C. Text of Notice. In addition to all other information provided in the notice of the availability of rent review required by this chapter, each such notice, which may be modified by the City Manager to reflect any changes in the law, shall substantively state:

NOTICE: Under Civil Code Section 827(b) a landlord must provide a tenant with at least 30 days' notice prior to a rent increase of 10% or less and at least 90 days' notice of a rent increase of greater than 10%. Under Chapter 5.50 of the Newark Municipal Code, a landlord must, at the same time as a notice of a rent increase, provide this notice of the City's rent review procedure, before demanding or accepting any increase in rent. You are encouraged to contact the owner or manager of your rental unit to discuss the rent increase. However, if you have received notice of a rent increase that: 1) will increase your rent more than 5% above the base rent you paid last month; or 2) follows one or more prior rent increases within the past year where the combined rent increases are more than 5% than the base rent paid prior to the first rent increase over the past year, you may request rent review, which includes conciliation and mediation, of your rent increase. Such a request must be submitted in writing within 15 calendar days of your receiving notice of the rent increase or post marked within 15 calendar days of receipt if mailed. You must submit a copy of the notice of rent increase at the same time you submit the rent review request. To request review of your rent increase, please contact the Community Development Department of the City of Newark, 37101 Newark Blvd., Newark, CA 94560. Under Civil Code Section 1942.5, it is illegal for a landlord to retaliate against a tenant for lawfully and peaceably exercising their legal rights.

§ 5.50.040 Rent Review.

A. Request for Rent Review. A tenant may seek rent review when the proposed rent increase: (1) raises the rent to an amount more than five percent than the base rent; or (2) follows a prior rent increase or rent increases imposed within the previous twelve-month period where the combined rent increases are more than five percent than the base rent paid prior to the first rent increase of the twelve-month period. The tenant seeking rent review must submit the request in writing to the Director and the request must be received by the Director or their designee, or post marked (if submitted by mail), within fifteen calendar days of the tenant's receipt of the notice of rent increase. The request must include a copy of the landlord's notice of rent increase.

B. Conciliation and Mediation. The rent review shall consist of conciliation pursuant to subsection D of this section and, if required, mediation pursuant to subsection E of this section. After determining that a proposed rent increase meets the criteria for initiation of rent review set forth in subsection A of this section, the Director shall attempt to contact the landlord to initiate conciliation procedures pursuant to paragraph (D)(1) of this section within three business days.

C. Impact on Rent Increase. A request for rent review shall not delay the effective date of a rent increase. If appropriate, the parties may enter into a mutual private agreement to delay the effective date of a rent increase or reach any other agreement to effectively reimburse rent increases paid by the tenant.

D. Conciliation.

1. Duration of Conciliation. After the Director contacts the landlord pursuant to subsection B of this section, the Director shall provide the landlord with a copy of the tenant's rent review request form and the landlord shall respond to acknowledge the rent review request either orally or in writing within ten business days. Failure of the landlord to respond to the Director within ten business days, absent a finding of good cause by the Director, shall void the rent increase. Good cause for failure to respond shall include, but not be limited to, illness, unanticipated absence from the office, emergency situations, and other similar circumstances. The Director shall attempt conciliation, which may include peer-to-peer counseling, of the rent increase for a period not to exceed ten business days following acknowledgement of the rent review request by the landlord.

2. Participation. The landlord and tenant shall participate in conciliation and shall provide relevant information, exchange proposals, reasonably consider proposals by opposite parties and engage in discussion(s) regarding the rent increase and issues related to the rent increase. One or more tenants affected by a common rent increase may simultaneously participate in the same conciliation proceeding with consent of the landlord.

3. Failure to Participate. Failure of the tenant to participate in conciliation of the rent increase at issue shall bar the tenant from seeking mediation pursuant to subsection E of this section and shall bar the tenant from seeking any further remedies under this chapter for such rent increase. Failure of the landlord to participate in conciliation shall void the rent increase.

4. Agreement During Conciliation. If the parties agree to a resolution during conciliation, they may formalize the agreement in a standard form signed by both parties. The City shall not be a party to such an agreement, nor shall the City assume any responsibility for enforcement of its terms.

5. Failure to Resolve. If the parties do not resolve the rent dispute during conciliation, the Director shall inform the parties that the conciliation process is concluded and the tenant shall be entitled to seek mediation, pursuant to Section subsection E of this section, within five business days. Failure of the tenant to seek mediation shall bar the tenant from pursuing any further remedies under this chapter for the rent increase at issue.

E. Mediation.

1. Notice and Date. Upon request for mediation, the mediation shall be scheduled and held before the rent review officer within sixty calendar days of the Director's receipt of the rent review request, or as soon thereafter as the mediation may be scheduled. The City Manager shall establish a specified date and time each month for mediations to be held. The City Manager may schedule a special mediation date and time in addition to the established mediation date and time, if the City Manager determines, in their discretion, that a special mediation is appropriate for a particular rent review. The Director shall provide the landlord and the tenant notice of the mediation date and location at least ten calendar days prior to the mediation.

2. Factors. The rent review officer will afford the landlord and the tenant an opportunity to explain their respective positions at the mediation of a rent dispute. After hearing from both parties, and taking into consideration such factors as the hardship to the tenant, the frequency and amount of prior rent increases, the landlord's mortgage payments and other costs associated with owning and maintaining the property, the landlord's interest in earning a reasonable rate of return, and any other factors that may assist the rent review officer in determining a fair resolution to the dispute, the rent review officer will make a recommendation to the parties for the resolution of their dispute. One or more tenants affected by a common rent increase may elect to simultaneously participate in the same mediation proceeding with consent of the landlord.

3. Agreement. If the parties agree to a resolution proposed by the rent review officer they may formalize the agreement in a standard form signed by both parties. Neither the City nor the rent review officer shall be a party to such an agreement, nor shall the City or rent review officer assume any responsibility for enforcement of its terms.

4. Failure to Appear. If the tenant requesting rent review appears at a mediation, but the landlord who has been given notice of the mediation as required by paragraph 1 of this subsection fails to appear before the rent review officer without good cause, the rent increase shall be void, and the landlord may not take any action to enforce such an invalid rent increase. If a tenant who has been given proper notice of rent review as required by paragraph 1 of this subsection fails to appear for the mediation without good cause, or if both the tenant and landlord fail to appear without good cause, the rent review officer shall dismiss the case and the tenant will be barred from subsequently challenging such increase pursuant to this chapter. Good cause for failure to appear shall include, but not be limited to, illness, death, vehicle malfunction, and other similar circumstances. If either party fails to appear for good cause, the mediation shall be rescheduled as soon as reasonably possible.

F. Retaliatory Eviction. Commencement of eviction proceedings against a tenant for exercising their rights under this chapter shall be considered a retaliatory eviction. Under

Civil Code Section 1942.5, it is illegal for a landlord to retaliate against a tenant for lawfully and peaceably exercising their legal rights.

§ 5.50.050 Miscellaneous.

A. Annual Review. The Director shall annually prepare a report to the Council assessing the effectiveness of the rent review program established under this chapter and recommending changes as may be appropriate.

B. Property Registration and Fees.

1. A landlord shall register each residential property within the City. The registration shall be on forms provided by the City and shall include the name and mailing address of the owner or owners of the residential property as well as any other information deemed necessary by the City.

2. For the sole purpose of reimbursing the City for the reasonable costs of implementing this chapter, including costs associated with conciliation and mediation, the landlord of each residential shall pay a fee in an amount to be set by the City for each residential property.

C. Operative Date. This chapter shall be operative May 1, 2026.