

**ORDINANCE NO. 1709**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, AMENDING CHAPTER 14.04 OF THE GARDENA MUNICIPAL CODE REGARDING RENT MEDIATION AND ARBITRATION**

**THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, DOES ORDAIN AS FOLLOWS:**

**SECTION 1.** Section 14.04.080 of the Gardena Municipal Code is hereby amended to read as follows:

**“14.04.080. Matters subject to mediation.**

The board shall provide mediation services regarding claims that rent increases greater than five percent (5%) within a twelve (12) month period are excessive or unjustified. No other matter shall be within the jurisdiction of the board.”

**SECTION 2.** Section 14.04.090 of the Gardena Municipal Code is hereby amended to read as follows:

**“14.04.090. Notification of rent increases.**

A. An owner shall provide written notice to tenants of an increase of ten percent (10%) or less of the rent charged during the twelve (12) months prior to the effective date of the increase at least thirty (30) days prior to the effective date of the increase.

B. If the proposed rent increase is greater than the amount described in paragraph A of this section, the owner shall provide written notice of the increase to tenants at least sixty (60) days prior to the effective date of the increase.

C. Notwithstanding paragraphs A or B of this section, mobile home park management shall provide homeowners written notice of any rent increase at least ninety (90) days prior to the effective date of the increase.

D. Notice of any rent increase exceeding five percent (5%) of the rent charged during the twelve (12) months prior to the effective date of the increase shall include a notice to the tenant of the right to mediation/arbitration and that the tenant has ten (10) business days following receipt of the notice to file a mediation petition in order to exercise the tenant’s rights under this ordinance.”

**SECTION 3.** Paragraph C of Section 14.04.100 of the Gardena Municipal Code is hereby amended to read as follows:

“C. The panel may require the landlord to provide specific documents and information in order to determine whether the proposed rent is reasonable and fair. If the landlord fails to submit documents and information within ten (10) business days of the mailing of the panel’s notice to provide such documents and information, the mediation hearing shall be cancelled and the notice of increase of rent shall be void for all purposes. The documents may include, but are not limited to, the following:

1. The actual operating expenses by category for the rental unit for a two-year period ending no more than four months before the proposed effective date of the increase;
2. The anticipated expenses for the rental unit for the twelve-month period of the proposed increase, including details of changes in any cost element;
3. The current and proposed rent schedule for the controlled rental unit;
4. A schedule of other fees and income from the rental unit;
5. The vacancy rate of each rental unit during the preceding two-year period;
6. The schedule of current leases for rental units affected by the proposed increase extending beyond the effective date of the increase, showing the number of leases expiring each month; and
7. The details of any other factor affecting the need for the proposed rent increase.”

**SECTION 4.** Section 14.04.100 of the Gardena Municipal Code is hereby amended by adding paragraph F thereto, which paragraph shall read as follows:

“F. If the tenant who petitioned for mediation, or the spokespersons designated pursuant to Section 14.04.110, fail to appear at the time and place of the hearing, the rent increase shall be deemed approved and shall take effect as provided in Section 14.04.210.C. If the landlord fails to appear at the time and place of the hearing, the rent increase shall be void, subject to the landlord’s issuance of a new notice of rent increase pursuant to Section 14.04.090, which shall be subject to all rent mediation and arbitration procedures set forth in this chapter.”

**SECTION 5.** Section 14.04.280 of the Gardena Municipal Code is hereby amended to read as follows:

**“14.04.280. Notice of mediation and arbitration procedures.**

The board shall prepare a booklet outlining the provisions of this chapter. Owners of residential rental units shall provide at least one booklet to the residents of each unit owned by them. New tenants shall be provided with a copy of the booklet at the time of occupancy. Notification of rent increases mailed on or after February 1, 1988, shall have no effect, and a tenant shall have a defense to any unlawful detainer action for failure to pay such increases in rent if the tenant has not been provided with a booklet as required by this section. The burden of proof in disputes as to whether a booklet has been provided shall be on the landlord. Failure to provide a booklet may also be considered by the arbitrator in determining the distribution of costs pursuant to Section 14.04.200. A tenant’s signed statement, which may be included in the rental agreement, acknowledging that the owner has provided the tenant the booklet required by this section shall constitute proof of owner’s compliance with this section.”

**SECTION 6.** Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this ordinance, or any part thereof is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portion 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 be declared unconstitutional.

**SECTION 7.** Certification. The City Clerk shall certify the passage of this ordinance and shall cause the same to be entered in the book of original ordinances of said City; shall make a minute passage and adoption thereof in the records of the meeting at which time the same is passed and adopted; and shall, within fifteen (15) days after the passage and adoption thereof, cause the same to be published as required by law, in a local weekly newspaper of general circulation and which is hereby designated for that purpose.

**PASSED, APPROVED AND ADOPTED, this \_\_\_\_ day of \_\_\_\_\_, 2008.**

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PAUL K. TANAKA, Mayor

**ATTEST:**

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MARIA ELENA MARQUEZ, City Clerk

**APPROVED AS TO FORM:**

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STEPHEN M. FISCHER, Assistant City Attorney