



**CITY COUNCIL AGENDA
REGULAR MEETING
CITY OF HALF MOON BAY**

TUESDAY, MARCH 19, 2024

**HYBRID MEETING (SEE NEXT PAGE)
ADCOCK COMMUNITY CENTER
535 KELLY AVENUE
HALF MOON BAY, CA 94019**

**Joaquin Jimenez, Mayor
Harvey Rarback, Vice Mayor
Robert Brownstone, Councilmember
Deborah Penrose, Councilmember
Debbie Ruddock, Councilmember**

7:00 PM

This agenda contains a brief description of each item to be considered. Those wishing to address the City Council on any matter not listed on the agenda, but within the jurisdiction of the City Council to resolve, may come forward to the podium during the Public Forum portion of the agenda and will have a maximum of three minutes to discuss their item. Comments on City Manager Updates and Consent Calendar items should be made during the Public Forum section of the agenda. Those wishing to speak on a Business or Public Hearing matter will be called forward at the appropriate time during that item's consideration.

Please Note: Anyone wishing to present materials to the City Council, please submit seven copies to the City Clerk.

Copies of written documentation relating to each item of business on the agenda are on file in the Office of the City Clerk at City Hall where they are available for public inspection. If requested, the agenda shall be available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132.) Information may be obtained by calling 650-726-8271.

In compliance with the Americans with Disabilities Act, special assistance for participation in this meeting can be obtained by contacting the City Clerk's Office at 650-726-8271. A 48-hour notification will enable the City to make reasonable accommodations to ensure accessibility to this meeting (28 CFR 35.102-35.104 ADA Title II).

<http://hmbcity.com/>

**Wi-Fi: HMB Public
Password: Recreation1**

HYBRID MEETING PARTICIPATION PROTOCOLS

*This meeting will be held in-person and via Zoom for public participation. Remote participation is provided as a supplemental way to provide public comment, but this method does not always work. The public is encouraged to attend in person to ensure full participation. Public comments may be made in-person or remotely via Zoom, and interpretation will be available. All Councilmembers and staff will participate in person. During any public comment portions, attendees may use the “raise your hand” feature and will be called upon and unmuted when it is their turn to speak. The meeting will also be streamed on Channel 27, on pacificcoast.tv, and on Facebook at www.facebook.com/cityofhalfmoonbay. Please click to join the webinar: <https://us06web.zoom.us/j/87674804231> or join by phone at 669-900-9128, using Webinar ID 876-7480-4231. If joining by phone, use *9 to raise your hand, *6 to mute and unmute.*

ROLL CALL / PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

PROCLAMATIONS AND PRESENTATIONS

MAYOR'S ANNOUNCEMENTS OF COMMUNITY ACTIVITIES AND COMMUNITY SERVICE

REPORT OUT FROM RECENT CLOSED SESSION MEETINGS

CITY MANAGER UPDATES TO COUNCIL

PUBLIC FORUM

1. CONSENT CALENDAR

1.A WAIVE READING OF RESOLUTIONS AND ORDINANCES

1.B WARRANTS FOR THE MONTH OF JANUARY 2024

Staff Recommendation: Accept the warrants list for the month of January 2024.

[STAFF REPORT](#)

[ATTACHMENT 1](#)

1.C 2023 HOUSING ELEMENT ANNUAL PROGRESS REPORT

Staff Recommendation: Confirm receipt of the 2023 Housing Element Annual Progress Report.

[STAFF REPORT](#)

[ATTACHMENT 1](#)

2. ORDINANCES AND PUBLIC HEARINGS

None.

3. RESOLUTIONS AND STAFF REPORTS

3.A RESOLUTION IN OPPOSITION OF INITIATIVE NO. 21-0042A1, THE TAXPAYER PROTECTION AND GOVERNMENT ACCOUNTABILITY ACT, ON THE NOVEMBER 5, 2024 STATEWIDE BALLOT

Staff Recommendation: Receive a presentation from Seth Miller, League of California Cities Peninsula Division Public Affairs Manager, on the “Taxpayer Protection and Government Accountability Act” and adopt a resolution in opposition to the initiative.

[STAFF REPORT](#)

[RESOLUTION](#)

3.B OPTIONS FOR AMENDING MEASURE D

Staff Recommendation: Receive a presentation and provide direction to staff regarding the process for amending Measure D to exempt or partially exempt accessory dwelling units (ADUs) and related options to further affordable housing production.

[STAFF REPORT](#)

[ATTACHMENT 1](#)

3.C WORK SESSION ON TENANT PROTECTIONS

Staff Recommendation: Receive a staff presentation, take public comment, and provide direction to staff regarding: 1) the draft new Chapter 6.06 titled “Residential Rental Stabilization”; 2) the draft new Chapter 6.08 titled “Tenant Protections”; 3) amending Chapter 6.02 titled “Housing Definitions” to incorporate new defined terms from draft Chapter 6.06 and 6.08; and 4) affirm commitment to proceed with the adoption of a rent stabilization/control ordinance and enhanced tenant protections ordinance.

[STAFF REPORT](#)

[ATTACHMENT 1](#)

[ATTACHMENT 2](#)

[ATTACHMENT 3](#)

COMMISSION / COMMITTEE UPDATES

FOR FUTURE DISCUSSION / POSSIBLE AGENDA ITEMS

CITY COUNCIL REPORTS

ADJOURNMENT

BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

AGENDA REPORT

For meeting of: **March 19, 2024**

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

From: Lisa Lopez Rossi, Administrative Services Director

TITLE: **WARRANTS FOR THE MONTH OF JANUARY 2024**

RECOMMENDATION:

Accept the warrants list for the month of January 2024.

STRATEGIC ELEMENT:

This recommendation supports the Fiscal Sustainability and Inclusive Governance Element.

DISCUSSION:

During this month, the City processed 6 check runs. The table below outlines each check run and their individual totals:

Check Run Date	Amount
January 04	1,374,224
January 08	5,653
January 11	377,385
January 18	231,475
January 25	976,404
January 29	5,653
TOTAL	2,970,794

The City processed payments related to 10 capital improvement projects, in a total amount of \$523,659. These include Highway 1 Safety - North, Poplar Complete Street, Carter Park, Eastside Parallel Trail Expansion, Corporate Yard Improvements, Climate Action And Adaptation, Downtown Streetscape, Urban Forest Management Program, Coastal Bluff Program, and Seymour Ditch Erosion

Staff is also including a list of all payments above \$30,000 processed during this reporting period, as listed in the table below.

OVER \$30,000				
Check #	Payee	Check Date	Amount	Description
53975	EL CENTRO DE LIBERTAD	1/4/2024	\$31,654	CARES PROGRAM OPERATOR
53988	SAN MATEO COUNTY SHERIFF OFFICE	1/4/2024	\$1,260,304	SHERIFF PATROL SERVICES
54020	HALF MOON BAY GRADING & PAVING INC.	1/11/2024	\$43,000	CONSTRUCTION FOR TRAFFIC CALMING - PHASE 1
54022	HMB COASTSIDE CHAMBER OF COMMERCE	1/11/2024	\$45,666	BID REMITTANCE [PASS THROUGH FROM HOTELS]
54046	SHUTE MIHALY & WEINBERGER LLP	1/11/2024	\$101,552	CITY ATTORNEY AND VARIOUS LITIGATION
54075	Mercy Housing California 110, LP	1/18/2024	\$106,788	555 KELLY PROJECT
54087	4LEAF INC.	1/25/2024	\$155,687	BUILDING AND ENGINEERING INSPECTION
54100	SEWER AUTHORITY MID-COASTSIDE	1/25/2024	\$397,632	OPERATIONS AND MAINTENANCE BUDGET
54102	WICKMAN DEVELOPMENT AND CONSTRUCTION	1/25/2024	\$252,459	CARTER PARK IMPROVEMENTS
54105	ABOLMOLUKI, BAHRAM	1/25/2024	\$114,150	LICENSE EASEMENT
54370	WELLS FARGO	1/4/2024	\$31,358	CITY WIDE SMALL PURCHASES ON BUSINESS CREDIT CARDS

ATTACHMENTS:

Check Disbursement List by Check Date

Report Criteria:

Report type: Summary

Check Number	Payee	Check Issue Date	Amount	Description
53716	TOWNSEND PUBLIC AFFAIRS INC.	01/04/2024	5,000.00-	TOWNSEND PUBLIC AFFAIRS
53772	OCEAN SHORE PRINTING	01/18/2024	49.94-	BUSINESS CARDS - Service Press, Inc.
53773	OCEAN SHORE PRINTING CO	01/18/2024	70.39-	BUSINESS CARDS - Service Press, Inc.
53795	Julie Ron	01/04/2024	200.00-	DEPOSIT REFUND
53802	SEWER AUTHORITY MID-COASTSIDE	01/04/2024	397,631.91-	FY 23-24 COLLECTIONS
53822	GRANICUS LLC	01/04/2024	1,564.85-	GRANICUS SERVICE
53952	MALCOLM C SMITH	01/11/2024	770.00-	COMMUNICATIONS CONSULTANT SERVICE
53964	Summer Burlison	01/25/2024	150.00-	REFUND NOV & DEC'23 BLDG ATTENDANT FEES
53969	AT&T	01/04/2024	435.73	NOV'23 PHONE SERVICE
53970	Britta Cheng	01/04/2024	302.50	MUSIC TOGETHER CLASS REGISTRATION REFUND WINTER '2
53971	Cabrillo Unified Teacher's Association	01/04/2024	200.00	DEPOSIT REFUND OAK ROOM 11/13/23 JULIE RON
53972	Carmen Ronquillo	01/04/2024	500.00	DEPOSIT REFUND GRAND OAK & KITCHEN MINUS HARD LIQ
53973	CINZIA MUZZI	01/04/2024	500.00	DEPOSIT REFUND TRAIN DEPOT 12/17/23
53974	ECS IMAGING INC.	01/04/2024	18,950.00	2024 ANNUAL RENEWAL - LICENSE & STORAGE FEE
53975	EL CENTRO DE LIBERTAD	01/04/2024	31,654.00	CARES PROGRAM
53976	GRANICUS	01/04/2024	1,564.85	JAN'24, GRANICUS SERVICE
53977	GRANICUS LLC	01/04/2024	1,564.85	GRANICUS SERVICE
53978	HMB COASTSIDE CHAMBER OF COMMERCE	01/04/2024	10,750.00	Provide daily operation and facility oversight via Opportunit
53979	Jazmin Negrete	01/04/2024	500.00	DEPOSIT REFUND TRAIN DEPOT 12/26/23
53980	MARIK ENTERPRISES, LLC	01/04/2024	130.00	PRE-EMPLOYMENT REPORT MARGARET GEIGER
53981	MARK THOMAS & CO. INC.	01/04/2024	608.02	CHANGE ORDER 2,HWY 1 N SAFETY & OP IMPROVEMENTS
53982	PACIFIC GAS & ELECTRIC	01/04/2024	8,814.85	401 SEYMOUR ST
53983	PG&E	01/04/2024	1,194.12	COMMUNITY CENTER
53984	PRESIDIO SYSTEMS INC.	01/04/2024	1,100.00	CCTV SEPT'23
53985	QUADIENT LEASING USA, INC.	01/04/2024	657.79	LEASE PMT 18-JAN-24 to 17-APR-24
53986	RingCentral Inc	01/04/2024	2,302.91	PHONE SERVICES JAN '24
53987	SAN MATEO COUNTY CITY MANAGERS ASSOC.	01/04/2024	500.00	2024 SMCCMA MEMBERSHIP DUES
53988	SAN MATEO COUNTY SHERIFF OFFICE	01/04/2024	1,260,304.00	FY 23-24 UAAL CREDIT

Check Number	Payee	Check Issue Date	Amount	Description
53989	SAN MATEO POLICE CHIEFS & SHERIFF ASSOC.	01/04/2024	1,000.00	2024 ASSOCIATION MEMBERSHIP DUES
53990	SEWER AUTHORITY MID-COASTSIDE	01/04/2024	397,631.91	FY 23-24 COLLECTIONS
53991	TOWNSEND PUBLIC AFFAIRS INC.	01/04/2024	5,000.00	TOWNSEND PUBLIC AFFAIRS
53992	ZONES, LLC	01/04/2024	1,096.94	CLOUD SUBSCRIPTIONS 12/19/23 - 01/19/24
53993	KATHY OLER	01/08/2024	2,293.47	JAN'24 RENT
53994	SCOTT MCVICKER	01/08/2024	3,360.00	JAN '24 RENT
53995	A CABALLERO PRODUCTIONS	01/11/2024	2,950.00	STAGE RENTAL 01/21/2024
53996	ACC BUSINESS	01/11/2024	780.91	INTERNET SERVICE
53997	ARAMARK	01/11/2024	1,280.48	MAINT SUPPLIES
53998	ASSOCIATION OF BAY AREA GOVERNMENTS	01/11/2024	818.51	FY'23 True-Up
53999	AT&T	01/11/2024	922.97	PHONE SERVICE
54000	Avelina Zavala	01/11/2024	500.00	DEPOSIT REFUND TRAIN DEPOT 1/6/24
54001	BAY AREA GEOTECHNICAL GROUP INC	01/11/2024	220.00	GEOTECHNICAL INSPECTION SERVICES FOR CORP YARD IMP
54002	BIG CREEK LUMBER	01/11/2024	4,101.90	MAINT SUPPLIES
54003	BIKE WORKS HMB	01/11/2024	4,921.82	Pedal for a purpose
54004	BLEYLE ELEVATOR, INC	01/11/2024	190.00	MAINT SERVICE #179638
54005	BRYAN LOPEZ	01/11/2024	1,148.13	STUDENT LOAN REIMBURSEMENT
54006	CAPITAL ONE TRADE CREDIT	01/11/2024	6,494.68	MAINT SUPPLIES
54007	CASELLE INC.	01/11/2024	3,695.00	FEB'24 SUPPORT & MAINTENANCE
54008	CAZADORO CONSTRUCTION INC.	01/11/2024	10.00	BALANCE OWED FROM CHECK #53850
54009	CITY OF BURLINGAME	01/11/2024	15,610.08	OCT'23 BID
54010	CIVICPLUS	01/11/2024	9,999.62	BUILDING INSPECTION REQUEST MODULE
54011	CLEARLITE TROPHIES	01/11/2024	118.94	DEC'23 SERVICE PLAQUE
54012	COASTSIDE PRINTERS	01/11/2024	885.94	NO PARKING SIGNS
54013	COLUMN SOFTWARE PBC	01/11/2024	1,782.00	OTHER NOTICE
54014	CORODATA RECORDS MANAGEMENT INC	01/11/2024	752.21	DEC'23 RECORDS MANAGEMENT
54015	DKS ASSOCIATES	01/11/2024	16,366.25	555 Kelly Ave. Intersection Warrant and Queuing Analysis
54016	ELECTRIC MD	01/11/2024	2,090.00	MAINT SERVICE
54017	Eric Chow	01/11/2024	10.00	PARKING REFUND 1/7/24
54018	FLYERS ENERGY, LLC	01/11/2024	4,187.63	DEC'23 FUEL
54019	GOVERNMENT FINANCE OFFICERS ASSOCIATIO	01/11/2024	460.00	CERTIFICATE OF ACHIEVEMENT REVIEW FEE

Check Number	Payee	Check Issue Date	Amount	Description
54020	HALF MOON BAY GRADING & PAVING INC.	01/11/2024	43,000.00	CONSTRUCTION FOR POPLAR STREET TRAFFICE CALMING- P
54021	HDL SOFTWARE LLC	01/11/2024	4,646.89	NOV'23 TOT MANAGEMENT
54022	HMB COASTSIDE CHAMBER OF COMMERCE	01/11/2024	45,665.52	OCT'23 BID (OOC)
54023	HOME DEPOT CREDIT SERVICES	01/11/2024	1,038.51	MAINT SUPPLIES
54024	IMPEC GROUP INC.	01/11/2024	18,085.00	FY 23-24 JANITORIAL CONTRACT
54025	INTEGRAL CONSULTING INC.	01/11/2024	8,158.01	PREPARATION OF THE CLIMATE ADAPTION PLAN(CIP 1002)
54026	KONICA MINOLTA	01/11/2024	2,275.21	DEC'23 COPIER AND LEASE
54027	KONICA MINOLTA BUSINESS SOLUTIONS	01/11/2024	352.31	4TH Q'23 MAINT AGREEMENT
54028	LOCKWORKS UNLIMITED INC	01/11/2024	570.00	Galaxy Cloud Concierge Service/Badging Client Licensing
54029	MAKE IT MAIN STREET	01/11/2024	4,875.00	2023 MAKE IT MAIN STREET EVENT
54030	MALCOLM C SMITH	01/11/2024	1,265.00	COMMUNICATIONS CONSULTANT SERVICE
54031	Marilyn Brandfass	01/11/2024	300.00	DEPOSIT REFUND LIBRARY COMMUNITY ROOM B 1/7/24
54032	MIRACLE PLAYSYSTEMS	01/11/2024	175.53	HAGS EQUIPMENT PARTS
54033	NORCAL CITY HUMAN RESOURCES DIRECTORS	01/11/2024	200.00	SPRING CONFERENCE 2024 REGISTRATION
54034	ODP BUSINESS SOLUTIONS, LLC	01/11/2024	98.43	ADMIN OFFICE SUPPLIES
54035	PARKEON INC	01/11/2024	269.15	DEC'23 MAINT SERVICE
54036	PENINSULA MUNICIPAL ENGINEERING INC.	01/11/2024	20,475.00	EASTSIDE PARALLEL TRAIL
54037	PLAN JPA	01/11/2024	6,813.45	DEC'23 GENERAL LIABILITY CLAIMS
54038	PRINCETON WELDING	01/11/2024	800.00	MAINT SERVICE
54039	PUBLIC PARKING ASSOCIATES INC	01/11/2024	395.00	MAINT SERVICE
54040	QUADIENT LEASING USA, INC.	01/11/2024	493.65	LEASE PMT 29-Oct-23 ZTo 28-Jan-24
54041	Renaissance Entrepreneurship Center	01/11/2024	703.58	Consultant to provide small business development and entr
54042	REPUBLIC SERVICES #925	01/11/2024	87.87	DEC'23 WASTE REMOVAL
54043	ROBERT HALF	01/11/2024	4,791.60	PERRY, SCOTT 12/22/2023
54044	SAN MATEO COUNTY ENVIRONMENTAL HEALTH	01/11/2024	856.08	HEALTH INSPECTION/PELICAN POINT
54045	Service Press Inc.	01/11/2024	191.14	CITY COUNCIL OFFICE SUPPLIES
54046	SHUTE MIHALY & WEINBERGER LLP	01/11/2024	101,551.89	HMB.SAM NOV
54047	SUBURBAN PROPANE LP	01/11/2024	854.98	PROPANE
54048	THE HOME DEPOT PRO	01/11/2024	1,414.60	MAINT SUPPLIES
54049	TULLY CONSULTING GROUP	01/11/2024	2,875.00	SWPPP SERVICES FOR POPLAR STREET TRAFFIC CALMING &
54050	TURBO DATA SYSTEMS	01/11/2024	633.57	CITATION PROCESSING

Check Number	Payee	Check Issue Date	Amount	Description
54051	V. W. HOUSEN & ASSOCIATES INC.	01/11/2024	8,850.00	FY 23-24 WASTERWATER COLLECTION
54052	WEST COAST ARBORISTS INC	01/11/2024	13,743.30	WEST COAST ARBORISTS FY 23-24 CONTRACT
54053	WESTERN EXTERMINATOR COMPANY	01/11/2024	1,352.65	DEC'23 EXTERMINATOR SERVICES
54055	4LEAF INC.	01/18/2024	17,685.66	New PSA for Public Works inspection services, FY 23-24
54056	ARAMARK	01/18/2024	320.12	JAN'24 MAINT SUPPLIES PUBLIC LIBRARY
54057	BECKER GRAPHICS	01/18/2024	46.20	INSTRUCTOR PAYMENT- ZUMBA DEC'23
54058	BIG BELLY SOLAR LLC	01/18/2024	6,517.50	CONNECT BUYOUT-GAIN ON SALE
54059	CLEAN WATER FUND	01/18/2024	10,000.00	DISPOSABLE FOODWARE OUTREACH
54060	COASTSIDE COUNTY WATER DISTRICT	01/18/2024	8,735.58	501 MAIN ST
54061	Douglas Nelson	01/18/2024	200.00	DEPOSIT REFUND CR. A 12/21/23
54062	ELS ARCHITECTURE & URBAN DESIGN	01/18/2024	13,071.93	CHANGE ORDER 2 AMANDMENT 6 TO PSA FOR DESIGN SER
54063	Ernest Azevedo	01/18/2024	200.00	HR MEMBERSHIP AFM/ICMA
54064	GLADWELL GOVERNMENTAL SERVICES INC	01/18/2024	700.00	FY '23-'24 RECORDS RETENTION LEGAL REVIEW, UPDATE &
54065	GRIFFIN STRUCTURES INC.	01/18/2024	17,445.00	CARTER PARK RENOVATION PROJECT
54066	HALF MOON BAY BUILDING & GARDEN	01/18/2024	136.15	JAN'24 MAINTENANCE SUPPLIES
54067	HUE & CRY SECURITY SYSTEMS INC.	01/18/2024	221.77	FEB'24 SECURITY SERVICE
54068	JANET E STONE	01/18/2024	4,000.00	CONSULTANT SUPPORT FOR AFFORDABLE HOUSING AT 555/
54069	Jeff Patovisti	01/18/2024	200.00	CLASS REFUND BEG. BASIC DOG TRAINING
54070	Jose Villalobos	01/18/2024	500.00	MUSIC 1 YEAR REMEMBRANCE CEREMONY
54071	Livi Love LLC	01/18/2024	450.00	SOUND BATH 1 YEAR REMEMBRANCE CEREMONY
54072	LORAL LANDSCAPING INC.	01/18/2024	4,160.00	JAN'24 LANDSCAPE MAINTENANCE
54073	MARK THOMAS & CO. INC.	01/18/2024	19,547.66	PO for Amendment 5 to the PSA for sewer collections syste
54074	MAZE & ASSOCIATES	01/18/2024	885.00	AUDIT SERVICES year end 06/30/23
54075	Mercy Housing California 110, LP	01/18/2024	106,787.63	555 Kelly ARPA Draw #2
54076	M-GROUP	01/18/2024	5,587.50	NEW PO REQUEST FOR M-GROUP
54077	MITEL	01/18/2024	2,874.05	SHERIFF SUBSTATION PHONE SERVICE
54078	OCEAN SHORE PRINTING	01/18/2024	49.94	BUSINESS CARDS - Service Press, Inc.
54079	Sara Mack	01/18/2024	200.00	CLASS REFUND MINDFULNESS
54080	Service Press Inc.	01/18/2024	70.39	BUSINESS CARDS - Service Press, Inc.
54081	SOL ECOLOGY INC	01/18/2024	2,019.09	PDP-22-069 BIOLOGICAL RESOURCES
54082	Soraya Orumchian	01/18/2024	300.00	DEPOSIT REFUND GRAND OAK 10/10/23

Check Number	Payee	Check Issue Date	Amount	Description
54083	SWCA INCORPORATED	01/18/2024	699.00	PDP-23-066 2804 CHAMPS ELYSEE
54084	TOWNSEND PUBLIC AFFAIRS, INC	01/18/2024	5,000.00	DEC'23 CONSULTING SERVICES
54085	WATER QUALITY CONTROL BOARD	01/18/2024	2,985.00	WASTE DISCHARGE PERMIT APPLICATION
54087	4LEAF INC.	01/25/2024	155,686.77	New PSA for Public Works inspection services, FY 23-24
54088	AT&T MOBILITY	01/25/2024	695.07	JAN'24 PHONE SERVICE
54089	BAY AREA GEOTECHNICAL GROUP INC	01/25/2024	2,720.00	CARTER PARK IMPROVEMENTS PROJECT
54090	BFI OF CALIFORNIA - 4278A	01/25/2024	525.00	GREEN WASTE MULCH
54091	BIKE WORKS HMB	01/25/2024	4,570.73	Pedal for a purpose - Meagan Castro
54092	Calvin Lu	01/25/2024	500.00	DEPOSIT REFUND - KITCHEN
54093	DRYCO CONSTRUCTION	01/25/2024	27,007.68	RETENTION, MAIN STREET SAFETY IMPROVEMENTS RPOJEC
54094	Guisela Figueroa	01/25/2024	500.00	DEPOSIT REFUND - TRAIN DEPOT 1/14/24
54095	Jonathan Woo	01/25/2024	183.95	REIMBURSEMENT - CARTER PARK PATH EASEMENT
54096	JOYA CUNHA	01/25/2024	2,000.00	CARTER PARK IMPROVEMENTS
54097	Maresha Leeds	01/25/2024	200.00	CLASS REFUND
54098	SAN MATEO COUNTY PLANNING & BUILDING D	01/25/2024	150.00	REFUND NOV & DEC'23 BLDG ATTENDANT FEES
54099	SAN MATEO RESOURCE CONSERVATION DISTRICT	01/25/2024	1,043.60	PROJECT '7/1/23-9/30/23
54100	SEWER AUTHORITY MID-COASTSIDE	01/25/2024	397,631.91	FY 23-24 COLLECTIONS
54101	THE GRAPHIC WORKS	01/25/2024	27.19	STICKERS
54102	WICKMAN DEVELOPMENT AND CONSTRUCTION	01/25/2024	252,459.06	CATER PARK (THROUGH CHANGE ORDER 13)
54103	William Duff Architects Inc	01/25/2024	16,427.63	PROVIDE ARCHITECTURAL SERVICES FOR OOC
54104	Winsor Kinkade	01/25/2024	75.00	DEPOSIT REFUND - TRAIN DEPOT - MINUS FEE FOR LOST KE
54105	ABOLMOLUKI, BAHRAM	01/25/2024	114,150.00	LICENSE EASEMENT
54106	KATHY OLER	01/29/2024	2,293.47	FEB'24 TEMPORARY CITY PARKING LOT RENTAL
54107	SCOTT MCVICKER	01/29/2024	3,360.00	FEB '24 RENT ANNEX
54370	WELLS FARGO	01/04/2024	31,358.34	RECONCILING ITEMS PRIOR PERIOD
Grand Totals:				
146			2,970,794.41	

Report Criteria:

Report type: Summary

BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

AGENDA REPORT

For meeting of: **March 19, 2024**

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

FROM: Jill Ekas, Assistant to the City Manager

TITLE: **2023 HOUSING ELEMENT ANNUAL PROGRESS REPORT**

RECOMMENDATION:

Confirm receipt of the 2023 Housing Element Annual Progress Report.

FISCAL IMPACT:

There is no fiscal impact associated with receiving this report.

STRATEGIC ELEMENT:

This action supports the Healthy Communities and Public Safety and Inclusive Governance Elements of the Strategic Plan.

BACKGROUND:

Pursuant to Government Code Section 65400, each city and county is required to prepare a Housing Element Annual Progress Report (APR) on the status of implementation of the jurisdiction's housing element. The APR must be prepared using forms and definitions adopted by the California Department of Housing and Community Development (HCD). The APR is meant to serve as a tool for implementing a jurisdiction's Housing Element.

Housing elements must be updated on an eight-year cycle as provided for by the regional planning oversight of the Association of Bay Area Government's compliance with SB 375 the Sustainable Communities and Climate Protection Act. Without this structure, housing elements must be updated on five-year cycles. 2023 is the first year of "Cycle 6" housing elements (2023 – 2031) for the Bay Area; therefore, this is the first report for the City's Cycle 6 Housing Element. Also note that recent legislation (SB 477) requires more detailed reporting than in past years, beginning with the 2023 APR.

DISCUSSION:

Half Moon Bay's Cycle 6 Housing Element is pending adoption having been submitted to HCD last summer. Staff is currently completing revisions to the draft element and its associated environmental review. In advance of certification, jurisdictions have been advised to prepare

their APR's according to the Regional Housing Needs Allocations (RHNA's) and programs in their draft elements. If modifications to the City's draft Cycle 6 Housing Element are made during the forthcoming adoption hearings or as a result of HCD's certification review, this APR can be revised to conform to the final version of the Cycle 6 Housing Element.

Half Moon Bay's 2023 APR is attached. Tables A and A2 list the permit status for housing units that contribute to fulfilling the City's RHNA. To ensure accountability for housing production, each site is identified by its assessor's parcel number, and all milestones occurring in 2023 are indicated by date including submittal for planning entitlements, approval of planning entitlements, issuance of building permits, and issuance of certificates of occupancy/final inspections. The report also tracks affordability and whether units are deed-restricted to specified affordability levels. The report acknowledges if sites are considered to be infill or not and also tracks applications seeking to use new streamlining requirements. At this time, sites within the Coastal Zone are exempt from these streamlining requirements and thus the City, being located entirely within the Coastal Zone, has not had any sites subject to those regulations. However, State legislation passed in 2023 (SB 423, which extended and expanded SB 35) will make streamlining for affordable housing projects applicable to the Coastal Zone starting January 1, 2025.¹ SB 423 extends the provisions of SB 35 to the year 2036, which would have otherwise sunset in 2026; therefore, this State law will affect Half Moon Bay during this period.

Progress on Housing Element program implementation is summarized in Table D of the APR. The program titles, objectives, and timelines come from the draft Cycle 6 Housing Element submitted to HCD last summer, including revisions submitted to HCD that had been prepared by City staff in response to HCD's input received during collaboration meetings.

For 2023, numerous programs are already in development (e.g. the rental registry ordinance) and numerous housing proposals are moving through the entitlement process (e.g. 555 Kelly Avenue and 880 Stone Pine Road). Accessory dwelling unit (ADU) production also continues to be strong. This has been an especially active period for the City that will lead to housing production and new supportive programs in alignment with the City Council's multi-year priority for affordable housing.

The APR was presented to the Planning Commission at its meeting on March 12, 2024, and will be submitted to HCD by April 1, 2024.

ATTACHMENT:

2023 Housing Element Annual Report

¹ Senate Bill 423: [Bill Text - SB-423 Land use: streamlined housing approvals: multifamily housing developments. \(ca.gov\)](#)

Please Start Here

General Information	
Jurisdiction Name	Half Moon Bay
Reporting Calendar Year	2023
Contact Information	
First Name	Scott
Last Name	Phillips
Title	Senior Planner
Email	sphillips@hmbcity.com
Phone	6507268299
Mailing Address	
Street Address	501 Main Street
City	Half Moon Bay
Zipcode	94019

Optional: Click here to import last year's data. This is best used when the workbook is new and empty. You will be prompted to pick an old workbook to import from. Project and program data will be copied exactly how it was entered in last year's form and must be updated. If a project is no longer has any reportable activity, you may delete the project by selecting a cell in the row and typing ctrl + d.

[Click here to download APR Instructions](#)

Click here to add rows to a table. If you add too many rows, you may select a cell in the row you wish to remove and type ctrl + d.

Optional: This runs a macro which checks to ensure all required fields are filled out. The macro will create two files saved in the same directory this APR file is saved in. One file will be a copy of the APR with highlighted cells which require information. The other file will be list of the problematic cells, along with a description of the nature of the error.

Optional: Save before running. This copies data on Table A2, and creates another workbook with the table split across 4 tabs, each of which can fit onto a single page for easier printing. Running this macro will remove the comments on the column headers, which contain the instructions. Do not save the APR file after running in order to preserve comments once it is reopened.

Optional: This macro identifies dates entered that occurred outside of the reporting year. RHNA credit is only given for building permits issued during the reporting year.

Link to the online system: <https://apr.hcd.ca.gov/APR/login.do>

Toggles formatting that turns cells green/yellow/red based on data validation rules.

Submittal Instructions

Please save your file as Jurisdictionname2023 (no spaces). Example: the city of San Luis Obispo would save their file as SanLuisObispo2023

Housing Element Annual Progress Reports (APRs) forms and tables must be submitted to HCD and the Governor's Office of Planning and Research (OPR) on or before April 1 of each year for the prior calendar year; submit separate reports directly to both HCD and OPR pursuant to Government Code section 65400. There are two options for submitting APRs:

1. Online Annual Progress Reporting System - Please see the link to the online system to the left. This allows you to upload the completed APR form into directly into HCD's database limiting the risk of errors. If you would like to use the online system, email APR@hcd.ca.gov and HCD will send you the login information for your jurisdiction. *Please note: Using the online system only provides the information to HCD. The APR must still be submitted to OPR. Their email address is opr.apr@opr.ca.gov.*

2. Email - If you prefer to submit via email, you can complete the excel Annual Progress Report forms and submit to HCD at APR@hcd.ca.gov and to OPR at opr.apr@opr.ca.gov. Please send the Excel workbook, not a scanned or PDF copy of the tables.

Jurisdiction	Half Moon Bay	
Reporting Year	2023	(Jan. 1 - Dec. 31)
Housing Element Planning Period	6th Cycle	01/31/2023 - 01/31/2031

Building Permits Issued by Affordability Summary		
Income Level		Current Year
Very Low	Deed Restricted	0
	Non-Deed Restricted	4
Low	Deed Restricted	0
	Non-Deed Restricted	14
Moderate	Deed Restricted	1
	Non-Deed Restricted	5
Above Moderate		9
Total Units		33

Note: Units serving extremely low-income households are included in the very low-income permitted units totals

Units by Structure Type	Entitled	Permitted	Completed
Single-family Attached	0	0	0
Single-family Detached	4	3	10
2 to 4 units per structure	0	0	1
5+ units per structure	0	10	0
Accessory Dwelling Unit	8	14	8
Mobile/Manufactured Home	0	6	0
Total	12	33	19

Infill Housing Developments and Infill Units Permitted	# of Projects	Units
Indicated as Infill	13	18
Not Indicated as Infill	0	0

Housing Applications Summary	
Total Housing Applications Submitted:	28
Number of Proposed Units in All Applications Received:	161
Total Housing Units Approved:	15
Total Housing Units Disapproved:	0

Use of SB 35 Streamlining Provisions - Applications	
Number of SB 35 Streamlining Applications	0
Number of SB 35 Streamlining Applications Approved	0

Units Constructed - SB 35 Streamlining Permits			
Income	Rental	Ownership	Total
Very Low	0	0	0
Low	0	0	0
Moderate	0	0	0
Above Moderate	0	0	0
Total	0	0	0

Streamlining Provisions Used - Permitted Units	# of Projects	Units
SB 9 (2021) - Duplex in SF Zone	0	0
SB 9 (2021) - Residential Lot Split	0	0
AB 2011 (2022)	0	0
SB 6 (2022)	0	0
SB 35 (2017)	0	0

Ministerial and Discretionary Applications	# of Applications	Units
Ministerial	0	0
Discretionary	28	161

Density Bonus Applications and Units Permitted	
Number of Applications Submitted Requesting a Density Bonus	0
Number of Units in Applications Submitted Requesting a Density Bonus	0
Number of Projects Permitted with a Density Bonus	0
Number of Units in Projects Permitted with a Density Bonus	0

Housing Element Programs Implemented and Sites Rezoned	Count
Programs Implemented	46
Sites Rezoned to Accommodate the RHNA	0

Jurisdiction	Half Moon Bay	
Reporting Year	2023	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	01/31/2023 - 01/31/2031

ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

Note: "+" indicates an optional field
Cells in grey contain auto-calculation formulas

Table A Housing Development Applications Submitted

Project Identifier					Unit Types		Date Application Submitted	Proposed Units - Affordability by Household Incomes								Total Approved Units by Project	Total Disapproved Units by Project	Streamlining	Density Based Application
1					2	3	4	5							6	7	8	9	10
Prior APN*	Current APN	Street Address	Project Name*	Local Jurisdiction Tracking ID	Unit Category (SFA,SFD,2 to 4,5+,ADU,MH)	Tenure R=Renter O=Owner	Date Application Submitted (see instructions)	Very Low-Income Deed Restricted	Very Low-Income Non Deed Restricted	Low-Income Deed Restricted	Low-Income Non Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non Deed Restricted	Above Moderate-Income	Total PROPOSED Units by Project	Total APPROVED Units by project	Total DISAPPROVED Units by Project	Please select streamlining provision/s the application was submitted pursuant to.	Did the housing development application seek incentives or concessions pursuant to Government Code section 65915?
Summary Row: Start Data Entry Below								86	0	4	42	0	22	7	161	15	0		
	056-163-080	300 Main Street	Zaballa House Conversion	PDP-23-014	5+	R	2/21/2023				10				10	10			No
	056-175-080	727 Miramontes Street	ADU	PDP-23-017	ADU	R	3/16/2023						1		1				No
	064-271-290	601 Poplar Street	SFD	PDP-23-025	SFD	O	4/26/2023							1	1				No
	064-271-290	601 B Poplar Street	ADU	PDP-23-025	ADU	R	4/26/2023						1		1				No
	064-222-250	316 Grove Street	SFD	PDP-23-026	SFD	O	5/2/2023							1	1				No
	064-222-250	316 B Grove Street	ADU	PDP-23-026	ADU	R	5/2/2023						1		1				No
	056-141-400	486 Pine Avenue	ADU X2	PDP-23-028	ADU	R	5/2/2023						2		2				No
	056-141-400	601 Silver Avenue	ADU	PDP-23-029	ADU	R	6/6/2023						1		1	1			No
	056-071-250	149 Kelly Avenue	SFD	PDP-23-031	SFD	O	4/28/2023							1	1				No
	056-071-250	149 B Kelly Avenue	ADU	PDP-23-031	ADU	R	4/28/2023						1	1	1				No
	056-150-200, 05	555 Kelly Avenue	Multifamily	PDP-23-034	5+	R	10/23/2023	40		3					40				
	066-082-050	2411 Cabrillo Highway	MH	PDP-23-035	MH	R	5/3/2023								3				No
	056-260-180	880 Stone Pine Road	Multifamily	PDP-23-090	5+	R	11/30/2023	46		1					47				No
	064-201-260	315 Poplar Street	ADU	PDP-23-046	ADU	R	7/11/2023						1		1				No
	048-116-170	2905 Alameda Avenue	ADU	PDP-23-047	ADU	R	6/16/2023						1		1	1			No
	048-362-120	160 Keel Court	ADU	PDP-23-051	ADU	R	6/22/2023						1		1				No
	056-310-190, 05	249 San Mateo Road	Hilltop Mobile Home	PDP-23-055	MH	R	8/30/2023				32				32				
	064-252-250	460 Grove Street	ADU	PDP-23-057	ADU	R	7/17/2023						1		1	1			No
	056-135-170	361 Granelli Avenue	SFD	PDP-23-062	SFD	O	8/8/2023							1	1				No
	056-135-170	361 Granelli Avenue	ADU	PDP-23-062	ADU	R	8/8/2023							1	1				No
	048-111-090	2806 Alameda Avenue	SFD	PDP-23-064	SFD	O	8/18/2023							1	1				No
	048-111-090	2806 B Alameda Avenue	ADU	PDP-23-064	ADU	R	8/18/2023						1		1				No
	056-135-080	340 Central Avenue	SFD	PDP-23-065	SFD	O	8/21/2023							1	1				No
	056-135-080	340 B Central Avenue	ADU	PDP-23-065	ADU	R	8/21/2023						1		1				No
	064-211-080	235 Grove Street	ADU	PDP-23-073	SFD	O	9/7/2023							1	1				No
	064-211-080	235 B Grove Street	ADU	PDP-23-073	ADU	R	9/7/2023							1	1				No
	056-210-370, 056-210-380	700-704 Monte Vista Lane		PDP-23-077	5+	R	10/12/2023						6		6				No
	056-113-100	648 Alsace Loraine	ADU	PDP-23-079	ADU	R	10/30/2023							1	1				No
															0				
															0				
															0				
															0				
															0				
															0				

20

Jurisdiction	Half Moon Bay	
Reporting Year	2023	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	01/31/2023 - 01/31/2031

ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

This table is auto-populated once you enter your jurisdiction name and current year data. Past year information comes from previous APRs.
Please contact HCD if your data is different than the material supplied here

Table B														
Regional Housing Needs Allocation Progress														
Permitted Units Issued by Affordability														
		1		2									3	4
Income Level		RHNA Allocation by Income Level	Projection Period - 06/30/2022-01/30/2023	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Very Low	Deed Restricted	181	-	-	-	-	-	-	-	-	-	-	4	177
	Non-Deed Restricted		-	4	-	-	-	-	-	-	-	-		
Low	Deed Restricted	104	-	-	-	-	-	-	-	-	-	-	14	90
	Non-Deed Restricted		-	14	-	-	-	-	-	-	-	-		
Moderate	Deed Restricted	54	-	1	-	-	-	-	-	-	-	-	24	30
	Non-Deed Restricted		18	5	-	-	-	-	-	-	-	-		
Above Moderate		141	8	9	-	-	-	-	-	-	-	-	17	124
Total RHNA		480												
Total Units			26	33	-	-	-	-	-	-	-	-	59	421
Progress toward extremely low-income housing need, as determined pursuant to Government Code 65583(a)(1).														
		5 Extremely low-income Need		2023	2024	2025	2026	2027	2028	2029	2030	2031	6 Total Units to Date	7 Total Units Remaining
Extremely Low-Income Units*		91		-	-	-	-	-	-	-	-	-	-	91

*Extremely low-income housing need determined pursuant to Government Code 65583(a)(1). Value in Section 5 is default value, assumed to be half of the very low-income RHNA. May be overwritten.

Please Note: Table B does not currently contain data from Table F or Table F2 for prior years. You may login to the APR system to see Table B that contains this data.

Note: units serving extremely low-income households are included in the very low-income RHNA progress and must be reported as very low-income units in section 7 of Table A2. They must also be reported in the extremely low-income category (section 13) in Table A2 to be counted as progress toward meeting the extremely low-income housing need determined pursuant to Government Code 65583(a)(1).

Please note: For the last year of the 5th cycle, Table B will only include units that were permitted during the portion of the year that was in the 5th cycle. For the first year of the 6th cycle, Table B will only include units that were permitted since the start of the planning period. Projection Period units are in a separate column.

Please note: The APR form can only display data for one planning period. To view progress for a different planning period, you may login to HCD's online APR system, or contact HCD staff at apr@hcd.ca.gov.

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

Jurisdiction		Half Moon Bay	
Reporting Year		2023	(Jan. 1 - Dec. 31)
Table D			
Program Implementation Status pursuant to GC Section 65583			
Housing Programs Progress Report Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.			
1	2	3	4
Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
1-1 Provision of Adequate Sites	City Council adoption of zoning amendments and submittal to the California Coastal Commission for certification.	Mid-2025	This program will be implemented during the Cycle 6 Housing Element as shown in column 3.
1-2 Missing Middle Housing Development Standards	City Council adoption of zoning amendments and submittal to the California Coastal Commission for certification.	Mid-2025	This program will be implemented during the Cycle 6 Housing Element as shown in column 3.
1-3 Below Market Rate (BMR) Housing Ordinance	City Council adoption of zoning amendments and submittal to the California Coastal Commission for certification.	Mid-2025	This program will be implemented during the Cycle 6 Housing Element as shown in column 3.
1-4 Residential Density Bonus Ordinance	City Council adoption of zoning amendments and submittal to the California Coastal Commission for certification.	Mid-2025	This program will be implemented during the Cycle 6 Housing Element as shown in column 3.

1-5 Accessory Dwelling Units (ADUs)	Development of 14 ADUs/year or 112 ADUs for the Cycle 6 planning period according to Housing Element affordability assumptions; updates to the ADU Ordinance as required.	Annual monitoring of ADU production; Biannual monitoring of ADU affordability; ordinance updates per HCD's review and changes to State ADU law	In 2023, the City issued building permits for 12 ADUs, near the annual averaged needed to meet the objective during Cycle 6. A significant number of ADUs are in the development pipeline via applications for Measure D allocations, administrative Coastal Development Permits, and/or building permits. Achieving the objective of 112 ADUs over the eight-year Cycle 6 Housing Element will be tracked annually and the City anticipates that it will be met.
1-6 Small Lot Development	Development of substandard or severely substandard lots with single-family homes (and ADUs if they can be accommodated) on 2 lots per/year or 16 lots for the Cycle 6 planning period.	Annual monitoring of small lot development	In 2023, the City issued building permits for 2 substandard single-family lots for the development of one single-family home and one ADU on each site for a total of 4 units, meeting the program objective. Staff will continue to monitor annually.
1-7 Diverse Housing Types	Evaluate and update the Zoning Ordinance as needed to allow for additional housing types	Mid-2026	This program will be implemented during the Cycle 6 Housing Element as shown in column 3.
1-8 Diverse and Healthy Neighborhoods	Maintain population and housing diversity in Town Center; establish diversity in new neighborhoods developed on larger sites	Ongoing evaluation of Town Center and large site development	The Affordable Senior Farmworker Housing Development at 555 Kelly Avenue, located within the Town Center, received predevelopment funding commitments from the City and San Mateo County in 2023. This project's 40 affordable units and the ground floor Farmworker Resource Center will promote the goals of this program with entitlements expected in 2024.
1-9 SB 9 Lot Splits	Identification of areas where SB 9 lots splits could be made consistent with the certified LCP subject to zoning code amendments or establishment of an SB 9 overlay; zoning amendment to follow subject to Coastal Commission certification.	Mid-2026	This program will be implemented during the Cycle 6 Housing Element as shown in column 3.
2-1 Housing Rehabilitation	Provide funding to Senior Coastsiders or another appropriate service agency(ies) for repairs of six homes per year with senior, disabled, or special needs residents.	Annual funding allocation through the City's CSFA grant allocation process	Senior Coastsiders was awarded funding in July 2023 to continue the home repair program.

2-2 Preservation of At-Risk Units	No conversion of at-risk units	Annual monitoring and preservation actions, including but not limited to negotiations with property owners.	The City discovered 5 below market rate (BMR) ownership units at 250 Pilarcitos Avenue approved by the Coastal Commission in 1993, prior to the City having a certified LCLUP. The accompanying deed restrictions require the units to be sold to moderate-income households. These units were not included in any previous Housing Elements; there was likely a tracking error by the City and/or Coastal Commission in the 90s that ultimately went unreported and was therefore unknown by subsequent staff. In 2024, the City will perform educational outreach to the owners to ensure they are familiar with their responsibilities. The original deed restriction guarantees affordability in perpetuity, and these units will be added to the City's affordable inventory moving forward.
2-3 Replacement Unit Requirements	Review and identify ordinance amendments to provide clarity to the public regarding Government Code Section 66300(d). Evaluate residential development proposals for consistency with Government Code section 65915(c)(3) and Government Code section 66300(d).	Mid-2026	This program will be implemented during the Cycle 6 Housing Element as shown in column 3.
2-4 Mobile Home Park Affordability Protections	Update the Mobile Home Park Conversion Ordinance and add provisions to maintain affordability	Mid-2025	This program will be implemented during the Cycle 6 Housing Element as shown in column 3.
2-5 Short-Term Vacation Rental Monitoring	No new conversion of homes to full-time short-term vacation rentals; no new use of ADUs as short-term rentals.	On-going, aligned to the annual registration process for each short-term rental	Half Moon Bay's STR Ordinance became effective in August 2023. 20 operators having STRs that were in good standing before ordinance adoption have registered under the ordinance; operators of 6 properties previously used as STRs have decided to not come in under the new STR ordinance, and instead have converted their residential units to full-time rental housing. City staff conducts ongoing monitoring to make sure ADUs are not being converted to STR use. No conversions of homes to full-time STR use have been identified through routine auditing.

3-1 Senior and Disabled Housing	Provide priority processing to the 555 Kelly Avenue project (Pipeline Project AJ), which is focused on at least 40 units of senior farmworker housing with an expected application submittal in 2023; prioritize all subsequent projects that meet similar senior and disabled housing criteria.	End-2024 completion of entitlement review for 555 Kelly Avenue; ongoing for other program related projects	The City has worked with the development team of the 555 Kelly Avenue project to streamline review, including through a CEQA exemption and density bonus provisions. Funding for predevelopment activities was approved in 2023 and the project is on schedule with entitlements expected in 2024.
3-2 Special Needs Housing Coordination and Referrals	Ensure all Half Moon Bay and surrounding Coastsides residents have access to supportive housing resources through active City outreach and promotion.	On-going	City staff participated in various community events and partnered with various agencies identified in this program. Staff continue to refer hundreds of community members to services providers. The Community Service Financial Assistance program (CSFA) awarded \$300,000 to 9 organizations in support of these services in July 2023.
3-3 Home Sharing and Cooperative Housing	Ensure increased and widespread affordability through the use of existing housing stock. Facilitate at least one HIP Housing or other service agency match per year with a target of 10 matches over Cycle 6.	Monitor annually; achieve at least one match by 2025	This program will be implemented during the Cycle 6 Housing Element as shown in column 3.
3-4 Housing for Essential Workers	Biannual outreach to WHO property owners; City adoption of zoning amendments to include employee housing, followed by submittal to the California Coastal Commission for certification.	On-going collaboration with affordable housing developers; annual outreach to WHO property owners	The 555 Kelly Avenue project is utilizing the Workforce Housing Overlay (WHO) to develop affordable housing on City-owned land. Funding for predevelopment activities was approved in 2023 and the project is on schedule with entitlements expected in 2024. The 880 Stone Pine project is being developed on City-owned land in the Public Facilities land use designation that allows for agricultural land uses. The City in its LCLUP and the Coastal Commission recognize that housing for agricultural workers is an agricultural land use. The development will create a new neighborhood ("Stone Pine Cove") with 46 units of farmworker housing and 1 manager's unit.
3-5 Large and Multi-Generational Households	Increase availability of large family units, preferably with 3 or more bedrooms, and affordable to lower-income households.	Mid-2025	The City issued an Emergency Coastal Development Permit for 880 Stone Pine Road ("Stone Pine Cove"), including 46 units for farmworker households and one manager's unit. 13 units will have three bedrooms. The City also issued building permits for 12 ADUs which supports multi-generational households.

3-6 Childcare	At least one affordable housing development with on-site childcare in planning or under construction	Cycle 6	City staff will work with market-rate and affordable housing developers, especially for larger sites, to include childcare in their projects. None were pending in 2023.
3-7 Emergency Shelters, Transitional Housing, Supportive Housing, and Low Barrier Navigation Centers	Updated Zoning Ordinance; collaboration with service agencies seeking to develop emergency and transitional housing types.	Mid-2025; and ongoing as State law changes	This program will be implemented during the Cycle 6 Housing Element as shown in column 3.
3-8 Emergency Housing Demand	Participate in the San Mateo County biannual homeless count; between count periods, closely monitor the housing needs of sheltered and unsheltered populations.	Ongoing	Two city staff members participated in the most recent biannual homeless count. San Mateo County is expected to release updated numbers for all jurisdictions in Summer 2024. Staff continues to assess the needs of local unhoused individuals and families, connecting them to resources and housing opportunities.
3-9 Group Homes	Updated Zoning Ordinance	Mid-2025; and ongoing as State law changes	This program will be implemented during the Cycle 6 Housing Element as shown in column 3.
4-1 Equal Housing Opportunity	Maintenance of a complaints log with a summary of each complaint and related actions to be included in an annual report in conjunction with Program 4-8, Affordable Housing Resources.	Annual report, and ongoing	The City referred an estimated 30-40 residents to appropriate service providers, including legal aid organizations in 2023. Staff have begun a more detailed log and will report back in future APRs with more exact figures.
4-2 Nondiscrimination Clauses	Continued inclusion of nondiscrimination clauses in documents as applicable; consideration of a Municipal Code ordinance update.	Ongoing	This program will be ongoing throughout the Cycle 6 Housing Element as shown in column 3.
4-3 Multilingual Housing Information Access	Annual updates	Ongoing and anytime a new ordinance or housing related resources are made available	The City's weekly Enews is published in English and Spanish and announces updates and referral information. All City Council and Planning Commission meetings offer Spanish interpretation, including the November 2023 City Council study session about tenant protection measures.

4-4 Residential Renter Security Measures Ordinance	Biannual review of the Residential Renter Security Measures Ordinance and updates as needed to address tenant needs; landlord outreach and education program administered at least twice during Cycle 6	Ordinance Mid-2025, landlord outreach at least twice during Cycle 6	In November 2023 City Council held a study session and considered the draft Tenant Protections Work Plan. Council directed staff to return with recommendations for various ordinances. HCD can expect various updates on this item in the 2024 APR.
4-5 Tenant Relocation Assistance Ordinance	Develop a Tenant Relocation Assistance Ordinance	Mid-2025	This program will be implemented during the Cycle 6 Housing Element as shown in column 3.
4-6 Increased Funding for Affordable Housing	Increase and stabilize the Affordable Housing Fund to improve the City's ability to support and leverage affordable housing development as outlined in Program 4-7.	At least twice a year	The City applied for State earmark budget requests as a result of the January 23, 2023 mass shooting to assist in the development of farmworker housing. State Senator Josh Becker awarded the City with \$2 million and State Assemblymember Marc Berman secured \$1.25 million in 2023 that are earmarked for the 555 Kelly Avenue and 880 Stone Pine Road ("Stone Pine Cove") farmworker housing developments. The City is grateful for these contributions.
4-7 Affordable Housing Fund Management and Use	Implement and periodically update the Affordable Housing Fund Allocation Guidelines.	Annual review of fund balance and Guidelines with City Council	Staff have continued to provide the City Council with periodic updates of the Affordable Housing Fund. In 2023, the City Council approved \$1 million of predevelopment funding support of the 555 Kelly Avenue project.
4-8 Public and Quasi-Public Owned Lands to be used for Affordable Housing	555 Kelly Avenue, City-owned: Entitlements by July 2025 for 40 units affordable to very low- and lower-income households; 880 Stone Pine Road, City-owned: Entitlements by January 2025 for 45 units affordable to lower-income households; Housing Opportunity Site 2 - 498 Kelly Avenue, CUSD-owned: Entitlements dependent on funding, potentially in 2024 or 2025 for 60 units affordable to faculty and staff.	At least one project entitled by 2025; at least two projects entitled during Cycle 6	The City issued an Emergency Coastal Development Permit for the 880 Stone Pine Road project ("Stone Pine Cove" with 47 units) in December 2023. This development is a response to the mass shooting in January 2023 wherein 19 households were displaced. This permit expedites the establishment of long-term permanent housing for farmworkers. Entitlements for 555 Kelly Avenue are expected in 2024.

4-9 Reduce Affordable Housing Development Costs	Establish administrative and/or City Council approval for specific incentive levels including discounted development fees for development projects containing affordable units.	Mid-2026	City staff continue to work with developers on a case-by-case basis regarding possible fee waivers relevant to various housing proposals. The City initiated a fee study in 2023, which is anticipated to be completed in 2024. It will update permit and development impact fees and will assist the City in its consideration of fee waivers.
5-1 Energy Conservation and Efficiency	5 units retrofitted units/year eliminating gas power appliances; can be in conjunction with housing rehabilitation loans	Ongoing	The City awarded \$50,000 to Senior Coastsider in 2023 for program-related work. Reporting information is expected to be available in 2024 and Table F will be updated accordingly.
5-2 Water Conservation	5 units retrofitted units/year with low water use fixtures; can be in conjunction with housing rehabilitation loans	Ongoing	The City awarded \$50,000 to Senior Coastsider in 2023 for program-related work. Reporting information is expected to be available in 2024 and Table F will be updated accordingly.
5-3 Low VMT Development	Reduced city-wide average VMT from development of Housing Opportunity Sites	Cycle 6 and beyond	The City conducted an environmental review of the Cycle 6 Housing Element (an initial study/mitigated negative declaration). It assessed VMT of the Housing Element buildout including the Housing Opportunity Sites. It concluded that city-wide VMT will be reduced with buildout of the Housing Element sites, predominately because most of the sites are located within the Town Center where services are readily accessible, as well as on sites where housing will be provided proximate to employment. VMT for specific projects will be assessed as required pursuant to CEQA.
5-4 Stormwater Management and Low-Impact Design	Well-managed stormwater run-off from new residential development	Ongoing	The City issued an Emergency Coastal Development Permit for 880 Stone Pine Road ("Stone Pine Cove"), including 46 units for farmworker households and one manager's unit. The project site plan includes engineered bioswales to manage stormwater run-off in this potentially sensitive location near Pilarcitos Creek. Stormwater management will continue to be reviewed on a site-by-site basis for future housing projects.
5-5 Hazard Avoidance and Environmental Protection	Early review to identify hazard and environmental resource planning requirements for residential development proposals	Ongoing	880 Stone Pine ("Cypress Cove"), the Creekside Subdivision, and the Hilltop Mobile Home Park site are located on sites with potential hazards. For each, applicable studies were completed prior to site planning which will result in hazard avoidance.

6-1 Housing Element Annual Progress Report	Annual Progress Report submitted to HCD	Annual submit by April 1, unless otherwise specified	Following presentation to the Planning Commission and City Council, the City will submit the 2023 Annual Progress Report to HCD by April 1, 2024.
6-2 Affordable Housing Portfolio Management	Address actions on an as-needed basis	Ongoing	Affordable units to be completed during Cycle 6 are in progress. As new units reach the construction phase and/or certificate of occupancy, staff will evaluate elements of this program.
6-3 Rental Registry	Rental registry, updated bi-annually	Mid-2026	In November 2023 City Council held a study session and considered the draft Tenant Protections Work Plan. Council directed staff to return with recommendations for various ordinances. HCD can expect various updates on this item in the 2024 APR.
6-4 Removal of Constraints	Initially as a subset of zoning amendments associated with Programs 1-1 and 1-2; annual monitoring to identify if subsequent updates are necessary	Mid-2024 for initial updates; ongoing thereafter	In 2023, the City initiated the preparation of CEQA exemptions for two housing projects. Evidence related to biological resources, circulation, and/or other environmental categories was completed to qualify the projects for these exemptions. The exemptions are further enabled by the updated Local Coastal Land Use Plan.
6-5 Priority Water Connections for Affordable Housing	Updated water service allocation procedures	Every five years in alignment with the Urban Water Management Plan update	This program will be addressed with the Coastside County Water District's (CCWD's) 2025 Urban Water Management Plan update.
6-6 Work with Non-Profits and Regional Partners	To work collaboratively with non-profits and regional partners	Cycle 6	The City continues to work collaboratively with non-profit and regional partners on various activities. Most notable for 2023, the City and County worked with Abode Services, Coastside Hope, ALAS, and various other organization to provide temporary housing to displaced farmworker households as a result of the mass shooting in January 2023. These efforts are ongoing until permanent housing is developed at 880 Stone Pine.
6-7 Increase Capacity for Housing Program Management	To evaluate the capacity of housing program management and to ensure delivery of goals, policies, and programs.	Cycle 6	This program is budget-dependent. In 2023, staff from other City departments supported the housing function to temporarily expand capacity which specifically supported work on tenant protection measures and processing of the 880 Stone Pine Road ("Stone Pine Cove") Emergency Coastal Development Permit.

General Comments			

Jurisdiction	Half Moon Bay	
Reporting Period	2023	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	01/31/2023 - 01/31/2031

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

Table F									
Units Rehabilitated, Preserved and Acquired for Alternative Adequate Sites pursuant to Government Code section 65583.1(c)									
Please note this table is optional: The jurisdiction can use this table to report units that have been substantially rehabilitated, converted from non-affordable to affordable by acquisition, and preserved, including mobilehome park preservation, consistent with the standards set forth in Government Code section 65583.1, subdivision (c). Please note, motel, hotel, hostel rooms or other structures that are converted from non-residential to residential units pursuant to Government Code section 65583.1(c)(1)(D) are considered net-new housing units and must be reported in Table A2 and not reported in Table F.									
Activity Type	Units that Do Not Count Towards RHNA ⁺ Listed for Informational Purposes Only				Units that Count Towards RHNA ⁺ Note - Because the statutory requirements severely limit what can be counted, please contact HCD at apr@hcd.ca.gov and we will unlock the form which enable you to populate these fields.				The description should adequately document how each unit complies with subsection (c) of Government Code Section 65583.1 ⁺ . For detailed reporting requirements, see the chcklist here :
	Extremely Low-Income ⁺	Very Low-Income ⁺	Low-Income ⁺	TOTAL UNITS ⁺	Extremely Low-Income ⁺	Very Low-Income ⁺	Low-Income ⁺	TOTAL UNITS ⁺	
Rehabilitation Activity									
Preservation of Units At-Risk									
Acquisition of Residential Units									
Mobilehome Park Preservation									
Total Units by Income									

[illegible]

Jurisdiction	Half Moon Bay	
Reporting Period	2023	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	01/31/2023 - 01/31/2031

NOTE: STUDENT HOUSING WITH DENSITY BONUS ONLY. This table only needs to be completed if there were student housing projects WITH a density bonus approved pursuant to Government Code 65915(b)(1)(F)

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

Not
Cells in g

Table J												
Student housing development for lower income students for which was granted a density bonus pursuant to subparagraph (F) of paragraph (1) of subdivision (b) of Section 65915												
Project Identifier				Project Type	Date	Units (Beds/Student Capacity) Approved						
1				2	3	4						
APN	Street Address	Project Name*	Local Jurisdiction Tracking ID*	Unit Category (SH - Student Housing)	Date	Very Low- Income Deed Restricted	Very Low- Income Non Deed Restricted	Low- Income Deed Restricted	Low- Income Non Deed Restricted	Moderate- Income Deed Restricted	Moderate- Income Non Deed Restricted	Above Moderate- Income
Summary Row: Start Data Entry Below												

Jurisdiction	Half Moon Bay
Reporting Period	2023 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle 01/31/2023 - 01/31/2031

ANNUAL ELEMENT PROGRESS REPORT

Table K	
Tenant Preference Policy	
Local governments are required to inform HCD about any local tenant preference ordinance the local government maintains when the jurisdiction submits their annual progress report on housing approvals and production, per Government Code 7061 (SB 649, 2022, Cortese). Effective January 1, 2023, local governments adopting a tenant preference are required to create a webpage on their internet website containing authorizing local ordinance and supporting materials, no more than 90 days after the ordinance becomes operational.	

Does the Jurisdiction have a local tenant preference policy?	No	
If the jurisdiction has a local tenant preference policy, provide a link to the jurisdiction's webpage on their internet website containing authorizing local ordinance and supporting materials.		
Notes		

Jurisdiction	Half Moon Bay
Reporting Year	2023 (Jan. 1 - Dec. 31)

ANNUAL ELEMENT PROGRESS REPORT
Local Early Action Planning (LEAP) Reporting
(CCR Title 25 §6202)

Please update the status of the proposed uses listed in the entity's application for funding and the corresponding impact on housing within the region or jurisdiction, as applicable, categorized based on the eligible uses specified in Section 50515.02 or 50515.03, as applicable.

Total Award Amount	\$ 65,000.00	Total award amount is auto-populated based on amounts entered in rows 15-26.
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Task	\$ Amount Awarded	\$ Cumulative Reimbursement Requested	Task Status	Other Funding	Notes
1. Develop strategies to expand site capacity	\$15,000.00	\$0.00	In progress	Local General Fund	The City will seek an amendment to the scope of the LEAP grant to cover the cost of environmental review for the 880 Stone Pine Road ("Stone Pine Cove") project. This includes over \$65,000 of environmental consultant work.
2. Define update work plan	\$11,000.00	\$0.00	In progress	Local General Fund	
3. Rezoning/updating development standards	\$4,000.00	\$0.00	In progress	Local General Fund	
4. Complete Housing Element update	\$35,000.00	\$0.00	In progress	Local General Fund	

Summary of entitlements, building permits, and certificates of occupancy (auto-populated from Table A2)

Completed Entitlement Issued by Affordability Summary		
Income Level		Current Year
Very Low	Deed Restricted	0
	Non-Deed Restricted	2
Low	Deed Restricted	0
	Non-Deed Restricted	3
Moderate	Deed Restricted	0
	Non-Deed Restricted	3
Above Moderate		4
Total Units		12

Building Permits Issued by Affordability Summary		
Income Level		Current Year
Very Low	Deed Restricted	0
	Non-Deed Restricted	4
Low	Deed Restricted	0
	Non-Deed Restricted	14
Moderate	Deed Restricted	1
	Non-Deed Restricted	5
Above Moderate		9
Total Units		33

Certificate of Occupancy Issued by Affordability Summary		
Income Level		Current Year
Very Low	Deed Restricted	0
	Non-Deed Restricted	3
Low	Deed Restricted	0
	Non-Deed Restricted	3
Moderate	Deed Restricted	0
	Non-Deed Restricted	3
Above Moderate		10
Total Units		19

BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

AGENDA REPORT

For meeting of: **March 19, 2024**

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

FROM: Jessica Blair, Communications Director / City Clerk

TITLE: **RESOLUTION IN OPPOSITION OF INITIATIVE NO. 21-0042A1, THE TAXPAYER PROTECTION AND GOVERNMENT ACCOUNTABILITY ACT, ON THE NOVEMBER 5, 2024 STATEWIDE BALLOT**

RECOMMENDATION:

Receive a presentation from Seth Miller, League of California Cities Peninsula Division Public Affairs Manager, on the “Taxpayer Protection and Government Accountability Act” and adopt a resolution in opposition to the initiative.

FISCAL IMPACT:

There is no fiscal impact associated with this action.

DISCUSSION:

On Jan. 4, 2022, the California Business Roundtable filed the “Taxpayer Protection and Government Accountability Act” or AG# 21-0042A1. On February 1, 2023, the measure qualified for the November 5, 2024, statewide ballot.

The League of California Cities, along with a broad coalition of local governments, labor and public safety leaders, infrastructure advocates, and businesses, strongly opposes this initiative. Local government revenue-raising authority is currently substantially restricted by state statute and constitutional provisions, including the voter approved provisions of Proposition 13 of 1978, Proposition 218 of 1996, and Proposition 26 of 2010. The Taxpayer Protection and Government Accountability Act adds and expands restrictions on voters and local government tax and fee authority.

The Taxpayer Protection and Government Accountability Act would revise the California Constitution with provisions that limit voters’ authority and input, adopt new and stricter rules for raising taxes and fees, and may make it more difficult to impose fines and penalties for violation of state and local laws. The measure puts billions of local government tax and fee revenues at risk statewide with related core public service impacts. The measure could have significant negative impacts on Half Moon Bay’s operations and core service delivery. The

proposed constitutional initiative is sponsored by the California Business Roundtable, an association representing California's wealthiest corporations.

MAJOR PROVISIONS

Fees and Charges¹:

- Except for licensing and other regulatory fees, fees and charges may not exceed the "actual cost" of providing the product or service for which the fee is charged. "Actual cost" is the "minimum amount necessary." The burden to prove the fee or charge does not exceed "actual cost" is changed to "clear and convincing" evidence.
- Requires fees and charges paid for the use of local and state government property and the amount paid to purchase or rent government property to be "reasonable." These fees and charges are currently allowed to be market-based. Whether the amount is "reasonable" (introducing a new legal standard aiming to force below market fee and charge amounts) must be proved by "clear and convincing evidence."² The standard may significantly reduce the amount large companies (e.g., oil, utilities, gas, railroads, garbage/refuse, cable, and other corporations) will pay for the use of local public property.
- Prohibits fees on new development based on vehicle miles traveled.

Taxes³:

- Taxes and fees adopted after Jan. 1, 2022, that do not comply with the new rules, are void unless reenacted⁴.
- Invalidates *Upland* decision that allows a majority of local voters to pass special taxes. The measure specifies that taxes proposed by the initiative are subject to the same rules as taxes placed on the ballot by a city council.
- Expressly prohibits local advisory measures which allow local voters to express a preference for how local general tax dollars should be spent.⁵
- Requires voter approval to expand existing taxes (e.g., Utility, Transient Occupancy) to new territory (e.g., annexations) or to expand the tax base (e.g., new utility service)
- New taxes can only be imposed for a specific time period.
- City charters may not be amended to include a tax or fee.
- All state taxes require majority voter approval.

Fines and Penalties⁶:

- May require voter approval of fines, penalties, and levies for corporations and property owners that violate state and local laws unless a new, undefined adjudicatory process is used to impose the fines and penalties.

¹ Initiative No. 21-0042A1 (pgs.4-6; Section 1 (a)-(j))

² Initiative No. 21-0042A1 (pg.5; (3))

³ Initiative No. 21-0042A1 (pgs.4-6; Section 1 (a)-(j))

⁴ Initiative No. 21-0042A1 (pg.7; Section 6 (Sec. 2)(g))

⁵ Initiative No. 21-0042A1 (pg.6 (3))

⁶ Initiative No. 21-0042A1 (pg. 5 (4))

Fees and Taxes

Local governments levy a variety of fees and other charges to provide core public services.

Major examples of affected fees and charges are:

- Nuisance abatement charges, such as for weed, rubbish, and general nuisance abatement to fund community safety, code enforcement, and neighborhood cleanup programs.
- Commercial franchise fees.
- Emergency response fees, such as in connection with DUI.
- Advanced Life Support (ALS) transport charges.
- Document processing and duplication fees.
- Transit fees, tolls, parking fees, and public airport and harbor use fees.
- Facility use charges, fees for parks and recreation services, garbage disposal tipping fees.

Virtually every city, county, and special district must regularly (e.g., annually) adopt increases to fee rates and charges and revise rate schedules to accommodate new users and activities. Most of these would be subject to new standards and limitations under threat of legal challenge. Based on the current volume of fees and charges imposed by local agencies, including council-adopted increases to simply accommodate inflation, Cal Cities estimates the amount of local government fee and charge revenue at risk is approximately \$2 billion per year including those adopted since January 1, 2022. Over ten years, \$20 billion of local government fee and charge revenues will be at heightened legal peril.

Hundreds of local tax measures were approved in 2022⁷ that likely do not comply with the provisions of the initiative. Nearly \$2 billion of annual revenues from these voter-approved measures will cease a year after the effective date of the measure, reducing the local public services funded by these measures, unless the tax is re-submitted for voter approval.

Reductions on local government tax revenues have impacts on core services and infrastructure including fire and emergency response, law enforcement, streets and roads, drinking water, sewer sanitation, parks, libraries, affordable housing, homelessness prevention, and mental health services.

Fines and Penalties

Under existing law, cities are required to provide due process before imposing a penalty or fine for violation of its municipal code:

1. A local agency must adopt administrative procedures that govern imposing fines and penalties, including providing a reasonable period of time for a person responsible for a continuing violation to correct or remedy the violation [Gov't Code 53069.4].
2. Notice must be given to the violating party before imposing the penalty; and give the party an opportunity to be heard and present any facts or arguments [*Merco Construction Engineers v. Los Angeles Unified School District* (1969) 274 CA 2d 154, 166].

⁷ <http://www.californiacityfinance.com/Votes2211final.pdf>

3. The fine may not be "excessive" [U.S. Constitution amendments VIII and XIV]. The initiative converts administratively-imposed fines and penalties into taxes unless a new, undefined, and ambiguous "adjudicatory due process" is followed. This provision may put at risk authority to impose fines and penalties for violations of state and local law.

The Taxpayer Protection and Government Accountability Act aims to redefine "taxes" to potentially include certain city fees, enforce these taxes under stricter two-thirds voter approval requirements, and apply these changes retroactively to January 1, 2022. If passed, the City might see traditional fees, like franchise fees, classified as taxes, constraining revenue sources. The act's passage could lead to significant negative impacts on the City, including reduced revenue and increased legal costs, as cities navigate the new definitions and compliance requirements. Locally, many of the City's fees could be challenged and would need to go through an arduous process to be changed in the future.

ATTACHMENTS:

1. Resolution
2. [Full text of Ballot Initiative](#)

Resolution No. C-2024-__

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HALF MOON BAY
IN OPPOSITION OF INITIATIVE NO. 21-0042A1, THE TAXPAYER PROTECTION AND
GOVERNMENT ACCOUNTABILITY ACT, ON THE NOVEMBER 5, 2024 STATEWIDE BALLOT**

WHEREAS, an association representing California’s wealthiest corporations is spending tens of millions of dollars to promote a deceptive ballot measure currently eligible for the November 2024 statewide ballot; and

WHEREAS, the measure creates constitutional loopholes that allow corporations to pay far less than their fair share for the impacts they have on our communities, which could force residents and taxpayers to pay more to maintain services; and

WHEREAS, the measure threatens billions of dollars every year in local government funding for services like fire and emergency response, law enforcement, affordable housing, services to support homeless residents, mental health services, and more; and

WHEREAS, the measure is an attack on voters’ rights, containing undemocratic provisions that would make it more difficult for local voters to pass measures to fund services, provisions that retroactively cancel measures recently passed by voters, and provisions that prevent voters from passing advisory measures that provide direction on how they want their local tax dollars spent; and

WHEREAS, the measure contains intentionally restrictive language that will encourage hundreds of frivolous lawsuits against cities and local governments – costing taxpayers many millions and stopping investments in vital local services; and

WHEREAS, the measure would make it much more difficult for state and local regulators to issue fines and levies on corporations that violate laws intended to protect our environment, public health and safety, and our neighborhoods; and

WHEREAS, the measure is opposed by hundreds of local governments, teachers, firefighters, working families and local elected officials.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Half Moon Bay hereby opposes Initiative #21-0042A1 and will join the “Stop the Taxpayer Deception Act” coalition, a growing coalition of public safety, education, labor, local government, and infrastructure groups throughout the state. We direct staff to email a copy of this adopted resolution to the League of California Cities at BallotMeasures@calcities.org.

I, the undersigned, hereby certify that the foregoing Resolution was duly passed and adopted on the 19th day of March, 2024 by the City Council of Half Moon Bay by the following vote:

AYES, Councilmembers:

NOES, Councilmembers:

ABSENT, Councilmembers:

ABSTAIN, Councilmembers:

ATTEST:

APPROVED:

Maggie Rodriguez, Assistant City Clerk

Joaquin Jimenez, Mayor

BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

AGENDA REPORT

For meeting of: **March 19, 2024**

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

FROM: Catherine Engberg, City Attorney
Jill Ekas, Assistant to the City Manager

TITLE: **OPTIONS FOR AMENDING MEASURE D**

RECOMMENDATION:

Receive a presentation and provide direction to staff regarding the process for amending Measure D to exempt or partially exempt accessory dwelling units (ADUs) and related options to further affordable housing production.

FISCAL IMPACT:

There is no fiscal impact associated with this update. If staff is directed to place a measure on the November 5, 2024 ballot, there would be an additional roughly \$10,000 added to the elections cost.

STRATEGIC ELEMENT:

This action supports the *Healthy Communities and Public Safety, Inclusive Governance, and Infrastructure and Environment* Elements of the Strategic Plan.

BACKGROUND:

At the City Council's January 17, 2024, meeting, a Future Item was requested for staff to bring back a discussion of amending Measure D to exempt ADUs. This item provides background related to the City's voter-approved Residential Growth Limitations Ordinance (Measure D), which has been certified by the Coastal Commission and is part of the City's Local Coastal Program (LCP). As a general matter, in California, any change to a voter-approved ballot measure requires subsequent voter approval. In addition, in Half Moon Bay, which is fully within the coastal zone, any change to the City's certified LCP requires Coastal Commission certification.

This report presents a menu of options for amending Measure D and, for each option, explains whether or not voter approval is required. All options would require Coastal Commission certification.

History of Measure D

In 1991, the voters of Half Moon Bay passed a residential growth limitation initiative titled Measure A. This initiative limited new residential units to 3% of the population growth rate annually. In 1999, the city's voters passed Measure D which amended the residential growth cap to a 1% population increase annually, which can be increased by an additional 0.5% for units in a designated Downtown Area. (The full text of Measure D, including the map of the Downtown Area, is included for reference as Attachment 1.) Reasons cited for reducing the population growth rate included concerns that residential taxes would not cover the cost of basic services, traffic impacts on Highways 1 and 92, and other critical infrastructure limitations including water supply and sewer capacity.

In 2001 and 2002, the City Council approved amendments to the LCLUP, the Subdivision Ordinance (Chapter 17.06 Residential Dwelling Unit Allocation System), and the Zoning Ordinance (Chapter 18.04 Residential Growth Limitations) which reduced the number of annual allocations that could be issued consistent with Measure D. The measure went into effect in 2009 after an extensive review by the California Coastal Commission to certify it as an amendment to the LCP. Thus, although Measure D was passed in 1999, it was not effective until 2009.

Residential growth is limited to, in any particular year, the number of dwelling units that would result in an increase of 1% of the city's population as of January 1 of that year. The current year's US Census data is used to calculate the average number of persons per household (PPH) to convert the allowed population growth to a specific number of units. The number of dwelling units may be increased by another 0.5% in the Downtown Area at the discretion of the City Council. Council has approved this increase every year since 2009; and thus, in practice, Measure D accommodates 1.5% annual population growth.

The following are exempt from the Residential Growth Limitations Ordinance:

- Replacement of existing dwelling units on a one-for-one basis
- Density bonus units associated with the provision of low- and moderate-income housing as required by State law

ADUs are currently required to obtain a Measure D certificate. The City previously sought to exempt ADUs in the Cycle 5 Housing Element through Program 2-3 which intended to revise the Zoning Code to clarify that ADUs are not subject to Measure D. The City sought certification from the Coastal Commission but did not seek voter approval of the proposed change. The July 2014 Coastal Commission Staff Report¹ at pages 25-26 recommended against the exemption for ADUs, noting that:

Exempting all second dwelling units from the residential growth limitations laid out in Section 9.4 of the LUP would allow second dwelling units to be built without that growth limitation check and increase the population in Half Moon Bay beyond the 1% limit chosen

¹ The July 2014 California Coastal Commission staff report is available at: <https://documents.coastal.ca.gov/reports/2014/7/F7a-7-2014.pdf>.

by the voters, inconsistent with policies in Section 9.4 of the LUP. The City's proposed change would thus result in the IP being inconsistent with the growth allocation policies that are clearly laid out in the LUP. Absent an LUP amendment to address this discrepancy, this change is inconsistent with the LUP and cannot be effectuated through an implementation plan amendment.

Finally, second dwelling units must remain subject to residential growth allocations to assure that the phased growth requirements in the City of Half Moon Bay apply to all new residential developments. As stated above, the City has water infrastructure constraints since increases in water supply must come from the Crystal Springs reservoir, an uncertain supply due to SFPUC's authority to limit supply during times of drought. Further, as conditioned by the Commission, Crystal Springs water from the CCWD must first serve priority uses before allocating to any nonpriority use (See A-1-HMB-99-20 and A-2-SMC-99-63 approved December 10, 2003). Further, recent traffic analyses performed for the purpose [of] preparing the City's General Plan Circulation Element demonstrate that many intersections (including the intersection Highways 1 and 92) operate at below LUP-designated acceptable levels of service (E and F).

The Coastal Commission report further reasoned that while State ADU law applies to local ordinances, LCPs are not "solely a matter of local law but embody state policy." Thus, because the City's growth control measures were incorporated into its LCP to protect coastal resources, maintain coastal access, and preserve infrastructure capacity consistent with the obligations of the California Coastal Act, Coastal Commission staff determined that population growth associated with the development of ADUs must continue to be regulated within the construct of Measure D. Upon receiving the adverse staff recommendation, the City withdrew its request to exempt ADUs.

Measure D was reaffirmed by the City and the Coastal Commission as part of the City's 2020 Local Coastal Land Use Plan Update. The LUP Update also contemplates a potential update to the Measure D ordinance to prioritize affordable housing. These policies include:

2-16. Residential Growth Management. *Provide for compatible and orderly residential growth at a managed pace and ensure that future development is consistent with the city's growth management standards. Measure D (Residential Growth Limitation Ordinance) added the following provisions to the Land Use Plan and they may not be amended or repealed except by a majority vote of the people of Half Moon Bay as follows:*

- a. The number of dwelling units which the City may authorize each calendar year may not exceed the number of units which would result in a growth of 1 percent in the City's population as of January 1 of that year. In determining the number of permissible units, the City shall use the most recent United States Census figures for Half Moon Bay to calculate the average number of persons per household.*

- b. The number of dwelling units authorized each year under subsection a. may be increased by 50 percent for additional dwelling units in the Downtown Area.*
- c. Applications for new units from areas of the City outside the Downtown Area have priority for one-half of the units authorized under subsection a. If fewer applications are received, the remainder of these units may be authorized in the Downtown Area.*
- d. Subject to subsections b. and c., the city shall allocate permissible dwelling units among applications under the existing allocation system in the Municipal Code, to the extent feasible, and subsequent modifications by the City Council.*
- e. The limitations in the Section shall not apply to replacement of existing dwelling units on a one-for-one basis, nor shall it apply to density bonuses for the provision of low and moderate income housing to the extent required by State law.*
- f. The Downtown Area is the area designated as the Downtown Half Moon Bay Redevelopment Survey Area in City Resolution No. C-91-98, November 3, 1998.*

2-17. Residential Growth Management Administration. *Update the Measure D implementation regulations in the IP to prioritize housing that is affordable and sustainable, and located within the Town Center and/or Workforce Housing Overlay designation.*

In recent years, the State Legislature has begun to limit local governments' ability to adopt new growth limits, in an effort to increase the amount of affordable housing. See, e.g., Gov't Code section 66300(b)(1)(D) (prohibiting local governments from adopting new provisions limiting the number of housing units, or land use approvals necessary for developing housing, that can be issued each year).

Measure D Allocation Process and Challenges

As ADUs have gained in popularity, the City's Measure D allocation process has become more challenging. Chapter 17.06 of the Municipal Code establishes the methodology for determining the annual maximum number of residential dwelling unit allocations, or "Measure D Certificates." The calculations are reviewed and authorized annually by City Council every December for the next calendar year.

Measure D allows for the transfer of unused Downtown Measure D allocations. Municipal Code section 17.06.120.F (Distribution of residential dwelling unit allocations) provides for reallocation of Downtown base allocations in September as follows:

If the maximum number of residential dwelling unit allocations has not been applied for by September 1st, any unused base allocations granted for the downtown area as provided in Section 17.06.020 may be transferred to projects located outside of the downtown area. Additional allocations granted for the downtown area as provided in Section 17.06.020 shall not be transferred to projects located outside the boundaries of the downtown area.

The Council is not obligated to approve transfers; however, if it chooses to do so, transfers must be approved by resolution based on findings. The procedure intended to provide flexibility for years in which all Measure D allocations outside Downtown have been issued when base allocations for inside Downtown remain.

In recent years, primarily due to increased ADU production, the number of applications for Measure D allocations has exceeded the number that are available. The ADU Ordinance was updated in 2018 and subsequently in 2022 to align with changing State law for ADUs which facilitates ADU production. Before these updates, the City was seeing only about three ADU applications per year. Both ordinance updates stimulated ADU production with 2020 being the first year that the impact of ADUs on Measure D allocations became evident. The following table summarizes Measure D allocations with respect to ADUs from 2020 – 2023, as well as staff’s best estimates for 2024 for which the process is not yet complete.

Year	Total # Measure D Allocations Available	# ADUs Applying for Allocations		# ADUs Receiving Allocations		# Units (All Types) Receiving Allocations	# Units (All Types) Not Receiving Allocations	# Units (All Types) Not Receiving Allocations, multiple years
		ADU Only	ADU with SF Home or Multi-Family	ADU Only	ADU with SF Home or Multi-Family			
2020	69	30	4	24	4	46	7	0
2021	66	29	12	26	8	44	18	0
2022	69	15	12	12	7	68	18	4
2023	67	11	11	11	9	67	6	6
2024 To Date	63	14	13	Pending	Pending	Pending	Pending, likely 26	Pending, likely 6

Note: In years with unused allocations, these were either Downtown “base” or “bonus” allocations. Downtown base allocations can be transferred to sites outside downtown at Council’s discretion; bonus allocations cannot be transferred. For those years, if Council opted to not transfer available base allocations and/or if only bonus allocations remained, some projects did not receive allocations because there were not enough available outside Downtown.

Every year since 2020, applications received by January 31 for Measure D allocations available for outside the Downtown area have exceeded the number available. Staff has had to carefully review these applications and rank them, subject to Planning Commission ratification. For each of these years, some applicants did not receive allocations, and some of these applicants have

not received allocations for several years. Most of these applications were for single-family homes, some were for single-family homes with ADUs, and a few were for ADUs without other development. ADUs and projects including ADUs, most typically new single-family homes with ADUs, tend to rank higher than single-family homes without ADUs.

If the City did not have to require allocations for ADUs, or if only a portion of an allocation were required for ADUs, all applications would have received allocations. Staff is currently working through the 2024 applications. Due to a large affordable housing project outside Downtown and the high volume of ADUs included in this year's applications, many applicants will not receive allocations. The ranking of the applications will be brought to the Planning Commission for ratification in April.

DISCUSSION:

Staff has developed the following potential options for amending Measure D to accommodate ADUs and further affordable housing production. For all options that require voter approval, staff also recommends amending Measure D's map (which may only be changed by a vote of the people) to adjust the boundary of Downtown, such as to align with the Town Center boundary as defined in the Land Use Plan. All options would require Coastal Commission certification.

	Alternative	Voter approval	Comments
1	Exempt ADUs and amend the Map	Yes	
2	Require one-half allocation for ADUs and/or provide an exemption for Junior ADUs (JADUs). This option would not involve a Map amendment unless it was determined that voter approval is required.	Depends on data showing that ADUs/JADUs generate less population	This would be consistent with the certified LCLUP and sewer rate analysis wherein ADUs were modeled as one-half of a single-family home based on their occupancy and infrastructure demands.
3	Exempt ADUs, amend the Map, and exempt deed restricted affordable units (low- and very low-income)	Yes	A variation of this option would be to only exempt 100 percent affordable projects
4	Exempt mobile homes in addition to the unit types listed in #3, above.	Yes	

Next Steps

If the Council were interested in Option 2 (one-half allocation for ADUs), staff would confirm whether the data supports a conclusion that no voter approval is required. This option could also include a variant wherein junior ADUs (JADUs) would be exempt. The justification is that JADUs do not involve new development. Instead, they are located within existing portions of residential units which are modestly reconfigured to establish separation, although they can share a bathroom with the primary residence. In that case, staff would prepare an ordinance for review and recommendation by the Planning Commission, consideration by the Council, and certification by the Coastal Commission.

All other options require voter approval. Staff would prepare an ordinance for City Council consideration of placement on the November 2024 ballot. If adopted, it would be forwarded to the Coastal Commission for certification.

Staff recognizes that Coastal Commission staff may have the same concerns as raised in the July 2014 staff report. However, the City's LUP Update has since recognized the need to amend Measure D to accommodate affordable housing. In addition, the Coastal Commission has become more amendable to accommodating affordable housing and for protecting housing stock throughout the Coastal Zone as evidenced in its certification of Half Moon Bay's Short-Term Rental Ordinance. The Department of Housing and Community Development (HCD) has also advised the City that applying Measure D to ADUs is of great concern. This is an issue included in HCD's review letter of the City's draft Cycle 6 Housing Element. Staff would closely coordinate with Coastal Commission staff throughout the process to help ensure a positive recommendation for certification.

ATTACHMENT:

Measure D – Full Text

CITY OF HALF MOON BAY

MEASURE D

Shall the Ordinance amending the Residential Growth Limitation Ordinance be adopted?

FULL ORDINANCE

RESIDENTIAL GROWTH LIMITATIONS

The people of the City of Half Moon Bay do ordain as follows:

SECTION 1: PURPOSES

The purposes of this ballot measure are to protect the public health, safety and welfare of the residents of Half Moon Bay; to provide for development which is orderly, sustainable, and fiscally responsible; to respond to the worsening traffic situation; and to protect the City's unique scenic and rural coastal character by managing the rate, location, and density of residential development.

SECTION 2: FINDINGS

- (a) Accelerated population growth: According to the California Department of Finance's January 1998 population estimates, Half Moon Bay's residential population grew 22% during a six-year period, making Half Moon Bay the fastest growing jurisdiction in San Mateo County. Statistics show an average population growth of 0.9% for San Mateo County in 1998, compared to the 3% maximum annual growth now permitted by the City of Half Moon Bay Local Coastal Program/Land Use Plan.
- (b) Services: Property taxes generated by residential development in the City do not cover the cost of basic services for that development. Projected residential development, combined with limits on public works and finances, creates a public health and safety crisis for residents.
- (c) Traffic: State Highways 1 and 92 experience prolonged gridlock. According to the 1997 Traffic Modeling Study conducted by the San Mateo County City and County Association of Governments, these highways experience Level of Service F, the worst ("speed approaches zero"), for several hours each day. The study projects Highways 1 and 92 to have the highest volume/capacity ratios in the County when current growth projections are achieved. No highway capacity improvements are planned by Caltrans.
- (d) Jobs-Housing Imbalance: Half Moon Bay's main role within the region has been commuter housing, and the Coastside is the only area within San Mateo County that will add more housing than jobs through 2020. This situation exacerbates congestion on Highways 1 and 92.
- (e) Water: Half Moon Bay's future water supply depends on the ability to get more water from the Crystal Springs Pipeline. This is a precarious situation since in times of water shortage San Francisco has the right to restrict this supply.
- (f) Schools: The recent assessment bond study conducted by the Cabrillo Unified School District reports that State maximum school fees on new residential development cover only about one-third of school facility costs. With a general state limit of about \$1.90 per square foot for new houses (with exceptions only for fees which may be negotiated for projects requiring special legislative approvals), that translates into a school district loss of \$3.80 per square foot, or \$9,500 for a 2,500 square-foot house.
- (g) Character: Mounting growth pressures endanger Half Moon Bay's remaining open spaces. Development densities currently allowed for several large, undeveloped tracts in the City threaten the community's character with destruction of important coastal, rural, and hillside views.

SECTION 3: ANNUAL LIMITS ON NEW DWELLING UNITS

- (1) The Local Coastal Program and Land Use Plan of the City of Half Moon Bay, Chapter 9, Section 9.4, is amended to read as follows:

Section 9.4 Residential Growth Limitations

- (a) The number of dwelling units which the City may authorize each calendar year may not exceed the number of units which would result in a growth of one percent (1%) in the City's population as of January 1 of that year. In determining the number of permissible units, the City shall use the most recent United States Census figures for Half Moon Bay to calculate the average number of persons per household.
- (b) The number of dwelling units authorized each year under subsection (a) may be increased by fifty percent (50%) for additional dwelling units in the Downtown Area.
- (c) Applications for new units from areas of the City outside the Downtown Area shall have priority for one-half (1/2) of the units authorized under subsection (a). If fewer applications are received, the remainder of these units may be authorized in the Downtown Area.
- (d) Subject to subsections (b) and (c), the City shall allocate permissible dwelling units among applications under the existing allocation system in the Municipal Code, to the extent feasible, and subsequent modifications by the City Council.
- (e) The limitations in this Section shall not apply to replacement of existing dwelling units on a one-for-one basis, nor shall it apply to density bonuses for the provision of low and moderate income housing to the extent required by State law.
- (f) The Downtown Area is the area designated as the Downtown Half Moon Bay Redevelopment Survey Area in City Resolution No. C-91-98, November 3, 1998.

- (2) The Zoning Code of the City, Section 18.04.010, is amended to read as follows:

Section 18.04.010: Maximum Number of New Dwellings

- A. The number of dwelling units which the City may authorize to be built each calendar year shall not exceed the number of units which would result in a growth of one percent (1%) in the City's population as of January 1 of that year. In determining the number of permissible units, the City shall use the most recent U.S. Census figures for Half Moon Bay to calculate the average number of persons per household.
- B. The number of dwelling units authorized each year under subsection A. may be increased by fifty percent (50%) for additional dwelling units in the Downtown Area.
- C. Applications for new units from areas of the City outside the Downtown Area shall have priority for one-half of the units authorized under subsection A. If fewer applications are received, the remainder of these units may be authorized in the Downtown Area.
- D. Subject to subsections B. and C., the City shall allocate permissible dwelling units among applications on the basis of the existing allocation system in Municipal Code Section 1730 or a subsequently modified allocation system.

CITY OF HALF MOON BAY

E. The "Downtown Area" is the area designated as the Downtown Half Moon Bay Redevelopment Survey Area in City Resolution No. C-91-98, November 3, 1998.

- (3) Section 18.04.030 of the Zoning Code is amended to read:

Section 18.04.030: Exempt Developments

The limitations in Section 18.04.010 shall not apply to:

- A. Replacement of existing dwelling units on a one-for-one basis.
- B. Density bonuses for the provision of low and moderate income housing as required by State law.

SECTION 4: OPEN SPACE RESERVE PRESERVATION.

- (1) Section 18.11.020 2 b of the Zoning Code is amended to read as follows:

2b. Single-Family. On lands in the Open Space Reserve Districts (as demarcated on the City's Land Use Plan Map on May 15, 1999), one dwelling is permitted on each 50 acres of land, subject to the approval of a Use Permit in each case. North of Highway 92, and south of Highway 92 above the one hundred and thirty (130) foot elevation line, two or more dwellings on a parcel or contiguous parcels in common ownership on May 15, 1999, shall be clustered on contiguous lots or parcels, not to exceed one acre each, as near as possible to existing development, to minimize harmful impact on natural and visual resources.

- (2) The numbers in the Table B, Section 18.11.025 of the Zoning Code shall be changed to comply with Section 18.11.020 2b as amended by this Section.

- (3) Section 18.11.035 of the Zoning Code is amended by adding at the end:

Provided further, Open Space Reserve lands (as demarcated on the City's Land Use Plan Map on May 15, 1999) north of Highway 92, and south of Highway 92 above the one hundred and thirty (130) foot elevation line, may not be approved for development, except as authorized by Section 18.11.020 2b, as amended by this Section, or as "allowed by Zoning" without a use permit under Section 18.11.015 (Table A) on May 15, 1999, or except to the extent approved by the voters of Half Moon Bay at a regularly scheduled election.

SECTION 5: ANNEXATIONS

Any land annexed to the City after May 15, 1999 shall be subject to the same zoning and other prohibitions, restrictions and conditions on use or development as applied to the land on May 15, 1999 under County jurisdiction, except as approved by a majority of the voters of the City.

SECTION 6: DUTIES OF CITY OFFICIALS

It is the intent of the people of Half Moon Bay that the provisions of this initiative ordinance be carried out in full good faith and diligently by the City Council and other officials of the City.

SECTION 7: GENERAL PLAN CONSISTENCY.

If any provision in the General Plan, zoning ordinance or other ordinances or resolutions of the City of Half Moon Bay is inconsistent with this ordinance, that provision is superseded and nullified to the extent, but only to the extent, that it is inconsistent. The population, housing and job projections in the General Plan, including but not limited to citywide totals and allocations to areas and to income levels, are amended to be consistent with this ordinance. Accordingly, City officials shall make necessary calculations and change the numbers in the Plan.

SECTION 8: CONSISTENCY WITH FEDERAL AND STATE LAW.

The provisions of this ordinance are not applicable to the extent, but only to

the extent, that it is judicially determined that they would violate the constitution or law of the United States or the State of California. The provisions shall not be applied to deprive any person of constitutional or other legal rights. To the extent that a provision or provisions of this ordinance are not applicable because of this section, then the minimum development required by law which is most consistent with the provisions and purposes of this proposed ordinance shall be permitted by the City Council.

SECTION 9: EFFECTIVE DATES.

This ordinance shall become effective according to statute, except if all of the General Plan amendments allowed by law during the year in which the ordinance is enacted have been made, the provisions of the ordinance shall be operative on January 1 of the following year.

SECTION 10: AMENDMENT.

This ordinance shall not be amended or repealed except by a majority vote of the people of Half Moon Bay.

SECTION 11: SEVERABILITY.

If any provision or application of this ordinance is held to be invalid, the invalidation shall not affect the validity of any other provision or the application of any provision. The voters of Half Moon Bay expressly declare that this ordinance and each section, sentence, clause and phrase hereof would have been prepared, adopted, and approved irrespective of the fact that one or more other sections, sentences, clauses or phrases is declared unconstitutional or otherwise violative of law.

IMPARTIAL ANALYSIS OF MEASURE D

"In 1991, the people of Half Moon Bay adopted Measure A. Measure A amended the General Plan and Zoning Ordinance to limit the construction of new dwelling units to a number which would limit annual population growth to no more than three percent. Measure A also provides limited exceptions. Measure A also required the City Council to adopt an Allocation System. After adoption, the Measure was approved by the California Coastal Commission and is part of the City's Local Coastal Program. This proposed measure would, if adopted by the people and approved by the Coastal Commission, amend provisions of the City's land use regulations including some of the provisions of Measure A.

This measure limits construction of new dwelling units to a number which will result in population growth of no more than one percent annually. It permits the amount of annually permitted dwelling units to increase by fifty percent in the "Downtown Area." The "Downtown Area" is that area approved as a redevelopment survey area by the City in November 1998.

Measure A required the adoption of an Allocation System to implement its provisions. This measure provides that that allocation system, or a subsequently modified one, would be used to allocate each year's authorized units. The measure modifies the allocation system so that priority for one-half of the dwelling units authorized each year would go to new units built outside the Downtown Area; if fewer applications are received than necessary to satisfy this priority, remaining unused priority units can be authorized in the Downtown Area.

The maximum annual residential growth limit would not apply to one-for-one replacement of existing dwellings, nor would it apply to bonus dwellings authorized by state law as a result of the construction of low and moderate income housing.

The measure would also adopt new zoning regulations pertaining to all Open Space Reserve (OSR) zoned parcels north of Highway 92, and those located above the 130 foot elevation line south of Highway 92. The new

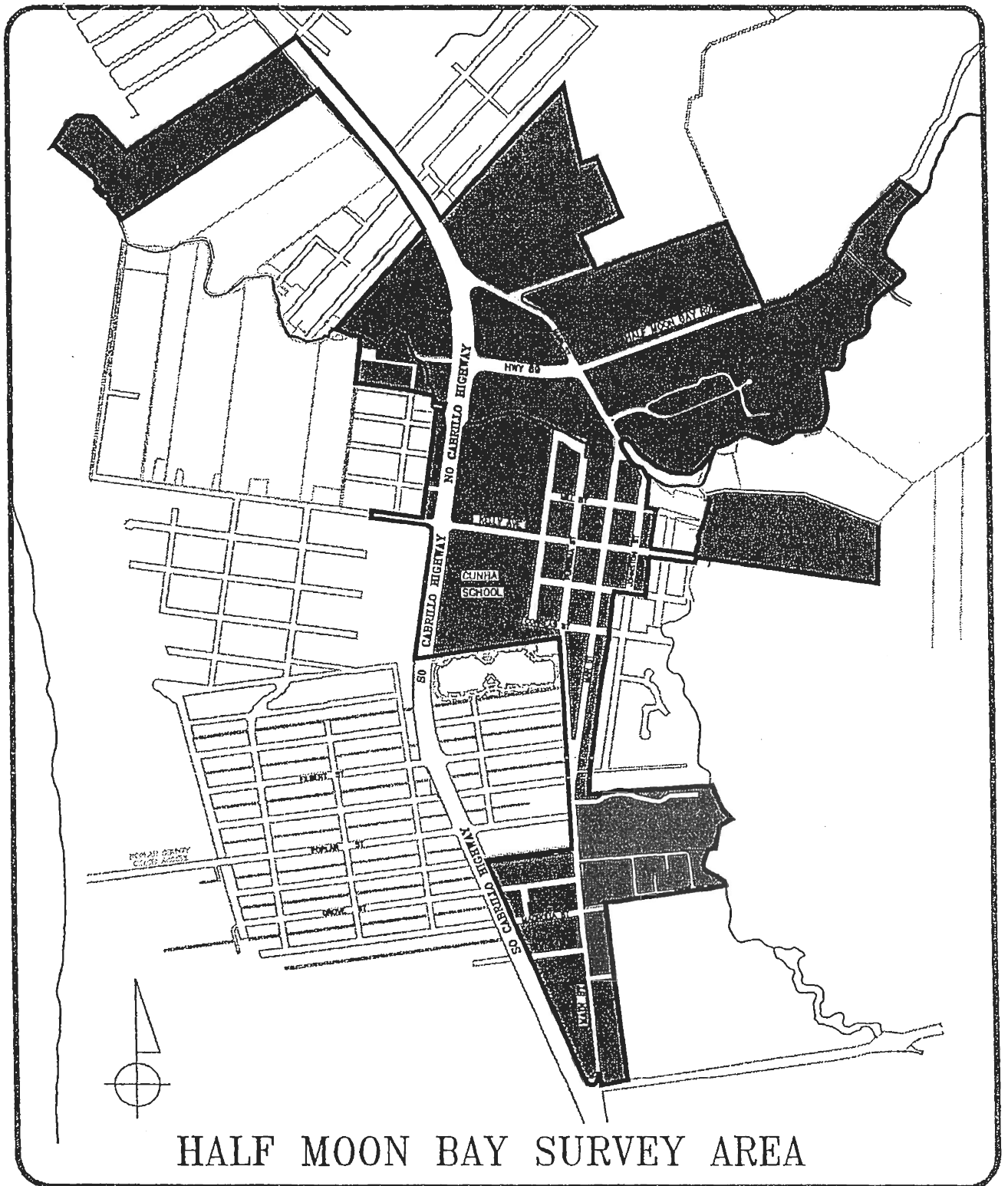


Figure 1: Downtown Half Moon Bay Redevelopment Survey Area,
City Resolution No. C-91-98

BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

AGENDA REPORT

For meeting of: **March 19, 2024**

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

FROM: John Doughty, Assistant City Manager
Mike Noce, Housing Coordinator

TITLE: **WORK SESSION ON TENANT PROTECTIONS**

RECOMMENDATION:

Receive a staff presentation, take public comment, and provide direction to staff regarding: 1) the draft new Chapter 6.06 titled “Residential Rental Stabilization”; 2) the draft new Chapter 6.08 titled “Tenant Protections”; 3) amending Chapter 6.02 titled “Housing Definitions” to incorporate new defined terms from draft Chapter 6.06 and 6.08; and 4) affirm commitment to proceed with the adoption of a rent stabilization/control ordinance and enhanced tenant protections ordinance.

FISCAL IMPACT:

There is no fiscal impact. Staff are requesting the City Council hold a study session and provide direction regarding the draft ordinances and next steps in the establishment of “rent control” and other tenant protections. Upon authorization to proceed with preparation of final draft ordinances, staff will provide anticipated fiscal impacts.

STRATEGIC ELEMENTS:

This action supports all Strategic Plan Elements including *Infrastructure and Environment*, *Healthy Communities and Public Safety*, *Fiscal Sustainability*, and *Inclusive Governance*.

OVERVIEW/BACKGROUND:

The Half Moon Bay City Council has identified affordable housing as a multi-year City priority. The City Council has specifically cited their desire to help facilitate development of new multi-family rental development affordable to extremely low-, very low-, and low-income households. To that end, the City Council adopted, and the Coastal Commission certified, a new Local Coastal Land Use Plan (LCLUP), which reduced the constraints to preserving existing affordable housing and created new affordable housing land use opportunities. This work has been followed by the preparation of the Cycle 6 (2023-2031) Housing Element which identifies various affordable housing opportunity sites and policy initiatives to protect and create new housing throughout the City in alignment with the LCLUP. During Cycle 6, the City is required to demonstrate housing production capacity beyond the regional housing needs allocation (RHNA)

assigned to the City of 480 housing units. The production of housing units, especially units for lower-income households, is a vital component of supporting the local community with stable housing options. The [Draft Housing Element](#) is nearing completion and available on the City website for public viewing. The items being discussed in this report reflect many of the implementation programs contained in the Draft Housing Element.

Included in the Housing Element's development pipeline, the City solicited and selected a developer (Mercy Housing/ALAS) for the City-owned 555 Kelly Avenue property, which is planned to bring 40 units of affordable senior farmworker housing. This project has an estimated development cost of approximately \$34 million. Additionally, the City and County of San Mateo filed a joint application for affordable housing at 880 Stone Pine Road. In December the City issued an Emergency Coastal Development Permit for Stone Pine Cove, an estimated \$15 Million project to produce 47 modular units on approximately 5 acres of City-owned land. The County is circulating bid documents for site improvements and preparing to award a contract for the purchase of all 47 units.

As mentioned previously, the Draft Housing Element outlines numerous other housing projects that are on the horizon. One significant characteristic of the City's housing pipeline is that new units often take multiple years to plan, permit, and construct. Unfortunately, this means there will be a delay between the time that a project is conceived, and it is constructed and occupied. Predevelopment such as architectural design, engineering, financing, and entitlements often spans 1-3 years with construction adding an additional 1-2 years, with timelines sometimes increasing for large multi-family developments. Due to this multi-year process to develop additional housing units, with a focus on affordable housing development, the need to introduce mechanisms that protect existing rental housing stock and renters (particularly lower-income renters) is a strategy the City Council has directed staff to initiate.

On November 7, 2023, the City Council held a work session on tenant protections. This meeting provided an opportunity for staff to present potential opportunities to assist renters within the City of Half Moon Bay ([Staff Report](#)). The work session was an opportunity for landlords and tenants to provide their observations and recommendations. Following community input and City Council discussion, staff was directed to immediately initiate work on: 1) a rental registration ordinance; 2) a rent control ordinance; 3) an enhanced tenant protections and relocation assistance ordinance; and 4) a code enforcement related relocation assistance ordinance. Staff recommended and the City Council affirmed that the residential rental registration program represented critical foundational support to the development and success of the overall tenant protections program.

On February 6, 2024, the City Council adopted an ordinance establishing a residential rental registration program. The Council also adopted a resolution establishing an annual registration fee. Additionally, the City Council authorized use of City affordable housing funds to cover initial start-up costs of the registration program. Staff is proceeding with implementation of the program. The registration portal is set to go live at 12:01 AM, June 1, 2024.

Also on February 6, the City Council adopted a new Chapter 6.10, re-codifying the landlord and tenant dispute resolution processes, noticing requirements for landlords, tenant remedies, and prohibitions on retaliatory evictions based upon a tenant exercising rights derived under Chapter 6.10. New Chapter 6.10 expands the 12-month lease term option to all rental units in the City.

The City has provided updates to the community on the registration program via the City Homepage and Enews. The City has also made the community aware of the upcoming work session via Enews and the City's Homepage.

DISCUSSION:

The City Council directed staff to begin preparation of ordinances to establish rent control in the City and to provide enhanced protection for all renters. Staff previously indicated that we would plan to return in March or April to present draft ordinances and solicit input from the City Council and community. The two principal items for work session discussion and policy direction are Draft Chapter 6.06 (Residential Rental Stabilization) and Draft Chapter 6.08 (Tenant Protections) which are included as Attachments B and C, respectively to the report. The draft chapters, further detailed below, are intended to help frame the input and discussion regarding these policy matters. The attachments include revisions to Chapter 6.02 (Definitions), which includes many defined terms from Draft Chapters 6.06 and 6.08. The draft ordinances reflect the collaboration of Staff and the City Attorney's Office.

This report provides a cursory review of the draft chapters. Staff will be making a detailed presentation on March 19th. This report and materials will be made available to the community on the City's webpage at hmbcity.com/housing.

Residential Rent Stabilization (Draft--New Chapter 6.06)

The purpose of this Chapter is to adopt regulations establishing a rent stabilization/control program that governs the annual maximum rent adjustments that a landlords may seek. The state's Costa-Hawkins Act allows the City to limit annual rent adjustments on rental units (duplexes, triplexes, fourplexes and multi-family) built before 1995. As previously discussed, the City cannot limit rent adjustments on single detached or attached family homes, or rental units built after 1995. Table 1 is illustrative of these limitations.

Table 1: Costa Hawkins Act (CHA) Rent Control Applicability by Dwelling Unit Type and Age

Dwelling Unit Characteristics	Rent Control	
	Allowed	Not Allowed
Condominiums, townhomes, and single-family homes		X
Duplexes, Triplexes, Fourplexes and other Multi-family buildings post-1995		X
Duplexes, Triplexes, Fourplexes and Multi-family buildings pre-1995	X	
Mobile Home Space Rents*		X

**Mobile home space rent control is not covered under Costa-Hawkins Act.*

Note: A landlord of a rent stabilized unit is permitted to set the base rent at the (current) market rent upon change of tenancy. In only rare instances involving a subtenancy, would the existing rent of stabilized unit rent of a stabilized unit decrease, this ordinance primarily limits the amount of future increases.

At the November 7, 2023, work session, the City Council directed staff to prepare a rent stabilization/control ordinance. Further, the Council directed that the ordinance establish the City as the administrative and enforcement entity for rent control. The draft ordinance reflects this approach. As drafted, Chapter 6.06 authorizes, upon adoption, the City Manager or their designee (as Administrator) to administer the program. Chapter 6.06 also authorizes the use of a Hearing Officer to adjudicate both landlord and tenant petitions. The ordinance does not include the creation of a Rent Stabilization Board (see below for more information). The Administrator will be responsible for managing staff and budget resources, creating administrative policies and procedures, confirming the eligible units, communicating with affected landlords and tenants, and establishing contracts with a mediator(s), hearing officer(s) and legal aid, as well as other administrative duties. As previously noted, the program will require the allocation of upfront funding and staff resources. Much of the ongoing costs are likely to be covered by fees.

The draft ordinance includes provisions for transmittal of notices and other information in English as well as the language requested by the tenant.

Based on data derived from the Housing Element preparation, staff believes that draft Chapter 6.06 would apply to up to 400 rental units in the City. As previously noted, the City Council adopted a Residential Rental Registration program which will help document rents and tenancy and identify residential units that may be rent regulated under the Costa Hawkins Act.

Policy Issues

The work session will likely raise many questions. Staff has identified a few major policy questions which would be helpful to answer in advance of bringing an ordinance for introduction. These are as follows:

Annual Rental Adjustment. Staff is recommending the Council consider tying annual rent adjustments to the lesser of three percent, or eighty percent of the change in the consumer price index (CPI). Eighty percent of CPI is common, but some jurisdictions have chosen sixty percent. Since 2012, the annual rental adjustment would have been less than three percent under the recommended formula for all but one year (2022). Ultimately, annual adjustments are about balancing reasonable return on investment for landlords while providing tenants the ability to anticipate and budget for annual rental adjustments.

Question: What percentage of CPI does the City Council wish to include in the ordinance?

Staff recommendation: This is purely a policy decision of the City Council. Eighty percent is common, but sixty percent has begun to appear in some ordinances.

Limits to Rent Charges Under Subtenancy. Staff is recommending draft Chapter 6.06 include limits to the amount of rent cumulatively charged (to subtenants) in a rent stabilized unit. This provision is being considered in direct response to community feedback shared with the City Council and staff of extreme rent increases being issued by a master tenant to one or more subtenants. Subtenants have reported 10-30% rent increases; therefore, indicating potential price gauging by a master tenant, an action that landlords or owners may be unaware of.

Question: Should the ordinance include a limit on cumulative rental charges to subtenants of a rent stabilized unit?

Staff recommendation: Staff recommends retaining the provision to limit the total rental charges on a rent stabilized unit to that permitted by the City under Chapter 6.06.

Capital Improvement Petition. Staff is recommending draft Chapter 6.08 include provisions for a petition by the landlord for rental adjustments based upon significant and unanticipated capital costs. This provision is common, but not universal. One of the basic arguments against rent control is that it serves as a deterrent to capital maintenance. The petition provides a transparent, objective evaluation by a Hearing Officer with notice to tenants.

Question: Should the ordinance include a Capital Improvement Petition process?

Staff recommendation: Staff recommends retaining the provision to encourage continued capital maintenance of rental units. As written, tenant(s) have the right to contest under a distinct petition process.

Rent Stabilization Board. Draft Chapter 6.06 delegates administration to City staff and the resolution of disputes to Voluntary Mediation and/or a Hearing Officer. It is not uncommon for local agencies to create a Board of some form to assist in oversight of the program. Boards are typically found in cities with large numbers of stabilized units and those with staffing capacity (or the economy of scale to meet staffing capacity).

Question: Should the ordinance include establishing a Rent Stabilization Board? If yes, should the City Council serve as the Rent Stabilization Board?

Staff recommendation: Staff recommends retaining the ordinance “as is”. The City’s program does not warrant the additional cost and oversight by a Rental Stabilization Board. The Hearing Officer provides sufficient objectivity to the dispute resolution process. As currently written, the City Council would serve as the appeal body for the Hearing Officer decisions. This structure is a commonly used practice by cities. The City Council can serve as the appeal body without establishing themselves as the Rent Stabilization Board.

Voluntary Mediation and funding. Draft Chapter 6.06 includes provisions for Voluntary Mediation at the City’s expense. Voluntary mediation provides an alternative dispute resolution option as an alternative to time consuming and often expensive appeals and litigation where

often the issue is far more about communication than material issues. Unless directed otherwise, staff will plan to incorporate mediation costs into the overall rent stabilization fee structure.

Question: Should the ordinance include a Voluntary Mediation provision? Should the cost be built into the Rent Stabilization fee structure?

Staff recommendation: Staff recommends retaining the provision to encourage landlords and tenants to come together to resolve issues. Staff further recommends that the voluntary mediation be part of the administrative costs of the program included in the fee charged to landlords of rent stabilized units.

Tenant Protections (Draft --New Chapter 6.08)

Research indicates that the establishment of additional eviction protections is considered a necessary complement to rent control/stabilization. The basis for the enhanced protections is that, under rent stabilization, there are financial incentives (market rate adjustments) to evict. Chapter 6.08, as drafted, would apply to virtually all residential rental units in the City. This is a policy question further discussed below.

Under State law, there are two categories of “Just Cause” for eviction: “At-Fault” causes and “No-Fault” causes. Generally, a tenant is At-Fault when they violate the terms of the lease or prevailing law, which is often cited in the lease. The following represent typical “At-Fault” reasons for eviction:

- Non-payment of rent
- Breach of a material term of the rental agreement that has not been corrected after written notice under Cal. Code Civ Proc. §1161(3) (requiring the landlord to serve an additional 3-day notice to quit after the cure period is passed)
- Maintaining or committing a nuisance as described in CCP §1161(4)
- Maintaining or committing waste as described in CCP §1161(4)
- Termination of the rental agreement without renewal (i.e. the tenant refuses to sign a written extension or renewal after written request or demand from the owner)
- Criminal activity by the tenant
- Unapproved subtenant
- The tenant has refused to give the landlord access to the unit as permitted by law
- Illegal use of the unit
- Failure to vacate after termination of employment or agency as described in CCP §1161(1)
- Failure to deliver possession after the tenant provides written notice of intent to vacate or makes a written offer of surrender that is accepted by the landlord

The Draft does not preclude a landlord from pursuing an “at fault” eviction under State law. The draft includes additional provisions for an “at fault” eviction not included under existing State

law, such as a requirement that notice of termination be provided in the Designated Primary Language of the tenant.

A No-Fault eviction takes place when a tenant is evicted for allowable reasons that are beyond the control of the tenant. These circumstances are fully enumerated in Draft Chapter 6.08. Draft Chapter 6.08 seeks to also provide enhanced protections for tenants under “no fault” evictions proceedings including expanded noticing to tenants and the City. The Draft Chapter also includes assistance to a tenant where a landlord seeks to terminate tenancy under a no fault just cause eviction (see below for additional information and policy question). One of the most common no fault just cause evictions occurs when a landlord chooses to remove the unit from the rental stock (e.g. to move back into the unit or to allow family member(s) to move into the unit). This type of eviction also occurs when a landlord chooses to initiate major renovations to a unit.

The draft also prohibits retaliatory evictions and includes safeguards against harassment. Anti-harassment provisions include, but are not limited to, prohibitions on withholding utilities and other services, failure to perform/complete repairs, and abusing access rights or intimidating a tenant (which includes threatening to make a report to the United States Department of Homeland Security).

Policy Issues

The work session will likely raise many questions regarding enhanced tenant protections. Staff has identified two major policy questions which would be helpful to answer in advance of bringing an ordinance for introduction. These are as follows:

Applicability of Enhanced Tenant Protections. Draft Chapter 6.08 would apply enhanced tenant protections to virtually all rental units in the City including single family homes, ADUs and subtenancies. The draft exempts homesharing where the unit is owner occupied. The draft also currently applies the same protections to deed restricted units as non-deed restricted units. Many cities choose to apply tenant protections solely to those units/tenants subject to rent stabilization; those cities also tend to have many thousands of units under rent stabilization. Question: Should enhanced tenant protections apply widely to residential rental units?

Staff recommendation: Staff recommends retaining the ordinance “as is”. The enhanced protections would provide little benefit if not applied broadly in Half Moon Bay. The Tenant Protections provisions were drafted to reflect many of the concerns and issues identified by current tenants in Half Moon Bay.

Relocation Assistance. Draft Chapter 6.08 includes assistance equal to three months of rent for tenants evicted under a no fault just cause action. The Draft includes the option of three months of rent waiver or payment equal to three months of rent.

Question: Is three months of relocation assistance the correct amount?

Staff recommendation: This is purely a policy decision of the City Council. Staff chose to recommend three months of assistance after finding this to be a common practice and appears to be reasonably linked to costs associated with the first month of rent, a deposit and moving. As a point of reference, the Tenant Protection Act of 2019 includes a one-month relocation assistance provision.

Housing Related Definitions (Existing Chapter 6.02)

The City Council previously adopted new Chapter 6.02 of the Half Moon Bay Municipal Code titled "Housing Definitions". The purpose of this chapter was to consolidate defined housing related terms. Amendments to Chapter 6.02 will be needed should the City Council proceed with adoption of Chapter 6.06, 6.08 or both. Attachment A includes newly defined terms contained in the two previously discussed Draft Chapters.

CONCLUSION:

City Council members indicated previously that rent control and enhanced tenant protections represent a moral imperative. Proposed new Chapters 6.06 and 6.08 are supportive of City housing goals as reflected in the certified and soon to be certified Housing Element. Further, the provisions serve to protect the health, safety, and welfare of Half Moon Bay residents who rent or lease residential properties.

NEXT STEPS:

Next steps will be dependent upon the direction provided to staff at the work session. If policy direction is clear and we are directed to proceed with the ordinance, staff can return to the City Council within 45 days. Staff would simultaneously begin work on a draft budget and a Resolution establishing user fee(s) for the program(s).

ATTACHMENTS:

1. Attachment A to Ordinance (Revised Chapter 6.02--Definitions)
2. Attachment B to Ordinance (New Chapter 6.06--Residential Rental Stabilization)
3. Attachment C to Ordinance (New Chapter 6.08--Tenant Protections)

ATTACHMENT A

TITLE 6 – HOUSING

CHAPTER 6.02 – Housing Definitions

Section 6.02.010 – Purpose and applicability

The purpose of this Chapter is to ensure precision in the interpretation and implementation of housing related regulations through clear and concise definitions of terms. The meaning and construction of words and phrases defined in this chapter shall apply throughout Title 6, except as may be otherwise and more specifically defined in this Title or where the context clearly indicates a different meaning or construction.

Section 6.02.020 – Definitions

- A. **Accessory Dwelling Unit (ADU)** shall have the same meaning as set forth in Title 18 of the Half Moon Bay Municipal Code.
- B. **Annual Allowable Rent Adjustment** means the limit on the Maximum Allowable Rent increase, which a Landlord may charge on any Rental Unit each year.
- C. **Administrator** refers to the City Manager or their designee.
- D. **Base Rent** means the rent charged to a Stabilized Rental Unit on the effective day of the ordinance creating Chapter 6.06 of the Municipal Code.
- E. **Capital Improvement** means an improvement, addition or major repair to a Rental Unit that was paid for and completed after the effective date of Chapter 6.06, provided such new improvement, addition or major repair has a useful life of five (5) years or more and that is required to be amortized over the useful life of the improvement, such as: structural, electrical, plumbing, or mechanism system, roofing, carpeting, draperies, stuccoing the outside of a building, air conditioning, security gates, swimming pool, sauna or hot tub, fencing, children's play equipment permanently installed, the complete exterior painting of a building, and other similar improvements as defined under the straight line depreciation provisions of the Internal Revenue Code and the regulations which may be issued by the Administrator. Capital Improvement does not include normal or routine maintenance, repair, replacements, and/or deterioration resulting from an unreasonable delay in the undertaking of completion or after a Notice of Violation by a government agency ordering repairs.

- F. Capital Improvement Petition** means a written petition seeking an increase in rent due to a Capital Improvement to a Stabilized Unit.
- G. City** means the City of Half Moon Bay.
- H. Consumer Price Index** means, at the time of the adjustment calculation completed by the City pursuant to subsection (b), the percentage increase in the United State Consumer Price Index for all Urban Consumers, San Francisco-Oakland-Hayward region, or any successor designation of that index that may later be adopted by the U.S. Bureau of Labor Statistics) as reported and published by the U.S. Department of Labor, Bureau of Labor Statistics, for the 12-month period ending as of March of the current year.
- I. Costa-Hawkins Act** refers to the Costa-Hawkins Rental Housing Act of 1995, as may be amended.
- J. Designated Representative** may include City staff and/or a Party or organization contracted by the City to provide the necessary services to implement the procedures contained in Chapter 6.06.
- K. Fair Return Petition** means a formal request for consideration of a rent increase in excess of the standard annual rent adjustment due to extenuating and unique circumstances to the Residential Rental Property.
- L. Hearing Officer** means a person who has been appointed by the Administrator to perform the duties set forth in this Title.
- M. Housing Services** means those services provided and associated with the use or occupancy of a Residential Rental Unit including, but not limited to, insurance, repairs, replacement, maintenance, effective waterproofing and weather protection, painting, providing light, heat, hot and cold water, elevator service, window shades and screens, laundry facilities and privileges, janitorial services, utilities that are paid by the Landlord, refuse removal, allowing pets, telephone, parking, storage, the right to have a specified number of Tenants or occupants, computer technologies, entertainment technologies, including cable or satellite television services, and any other benefits, privileges or facilities connected with the use or occupancy of such Rental Unit including a proportionate share of the services provided to common facilities of the building in which such Residential Rental Unit is located and/or of the property on which such Residential Rental Unit is located.
- N. Landlord** means an owner, lessor, or sublessor who receives or is entitled to receive Rent for the use and occupancy of any Residential Rental Unit or portion thereof, and includes any legal entity or other individuals, employees, agents, contractors, and subcontractors that comprise or represent the Landlord.

- O. Lease** means a written contract or oral agreement used to make a legal agreement governing the occupancy of the rental unit between landlord and tenant.
- P. Maximum Allowable Rent** means the maximum rent which may be legally charged on any Stabilized Rental Unit covered by Chapter 6.06.
- Q. Mediation Agreement** means a settlement agreement between a Landlord and Tenant derived through voluntary mediation.
- R. Net Operating Income** means the net revenue received by the Landlord after paying the normal Operating Expenses (gross revenue less normal operating expenses).
- S. Operating Expenses** means the costs of normal operations, including, but not limited to, management, taxes, insurance, maintenance, repairs and other recurring costs.
- T. Owner** means any owner of record, corporation, limited liability company, or other corporate or business entity, or separate entities in which any shareholder, partner, member, or family member of an investor in the entity owns ten percent (10%) or more of the interest in the rental unit.
- U. Primary or Principal Residence** means the residence which is the individuals usual place of residence which is held in the name of the natural person claiming Primary Residence and cannot be held by a limited liability corporation, limited partnership or other corporate structure. Indicia of Primary Residence include:
- (1) The individual carries on basic living activities at the subject premises for extended periods;
 - (2) The subject premises are listed with other public agencies, including Federal, State and local taxing authorities as the individual's primary residence;
 - (3) Utilities are billed to and paid by the individual at the subject premises;
 - (4) A homeowner's tax exemption for the individual has not been filed for a different property;
 - (5) The occupant is not registered to vote at any other location;

(6) All or most of the individual's personal possessions have been moved into the subject premises;

(7) The subject premises are the place the individual normally returns to as their home, exclusive of military service, hospitalization, vacation, family emergency, travel necessitated by employment or education, incarceration, or other reasonable temporary periods of absence;

(8) Other relevant factors demonstrating a residence is the person's Primary

- V. Rent** means compensation paid by a Tenant at fixed intervals to a Landlord for the possession and use of a Residential Rental Unit or portion thereof as defined by the rental agreement between the Landlord and the 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 the Residential Rental Unit.
- W. Rent Increase** means any additional Rent demanded of or paid by a Tenant for a Rental Unit, including any reduction in Housing Services without a corresponding reduction in the amount demanded or paid for Rent; or a pro rata increase in costs of Housing Services apportioned to a Rental Unit.
- X. Rent Stabilization Fee** means a fee imposed upon each unit subject to rent stabilization to cover costs of administering the program.
- Y. Residential Rental Real Property** means the Residential Rental Unit along with associated common areas including parking lots, parks, offices, community rooms and laundry facilities.
- Z. Residential Rental Registry Fee** means the fee set by resolution of the City Council and paid by a Landlord to register each Residential Rental Unit.
- AA. Residential Rental Registry Information** means the information required to be submitted to the City pursuant to Chapter 6.06.
- BB. Residential Rental Unit** means a habitable structure or portion thereof (as defined in Title 18), offered for Rent and used as a place of permanent or customary and usual abode of a Tenant. Residential Rental Units include a single-family residence, an accessory dwelling unit, a mobile or manufactured home, a building, a group of buildings, or a portion of a building including a specific room used and/or designed as dwellings. A Residential Rental Unit shall not include:
1. A building, structure or unit not intended for human habitation or lacking

appropriate permits and improvements required for human habitation. This includes unpermitted conversions of garages, sheds, or other accessory structures for human habitation.

2. Transient housing accommodations including hotels, motels, bed and breakfast inns, recreational vehicles within or outside a park, and short-term vacation rentals as found in Title 18 of the Half Moon Bay Municipal Code.
3. Group residential, supportive housing, transitional housing, and similar congregate uses as may be defined in Title 18 of the Half Moon Bay Municipal Code.
4. Dormitories owned and operated by an institution of higher education or a kindergarten and grades 1 to 12, inclusive, school.

CC. Stabilized Unit refers to any Residential Rental Unit in the City of Half Moon Bay subject to rent stabilization under this ordinance and the Costa-Hawkins Rental Housing Act. This definition applies to any dwelling space that is actually used for residential purposes, including live-work spaces, whether or not the residential use is legally permitted.

DD. Tenancy means the right or entitlement of a Tenant to use or occupy a Rental Unit, including a Mobilehome or Mobilehome Space in a Mobilehome Park.

EE. Tenant means any renter, tenant, subtenant, lessee or sublessee of a Residential Rental Unit, or any group of renters, tenants, subtenants, lessees, or sublessees of a Residential Rental Unit, or any other person entitled to the use of occupancy of all or a portion of such Residential Rental Unit, or any successor of any of the foregoing.

FF. Tenant Petition means a written petition seeking to reduce an increase in rent sought by a Landlord under a Capital Improvement Petition or Fair Return Petition.

ATTACHMENT B

TITLE 6 – HOUSING

CHAPTER 6.06 – Residential Rent Stabilization

Section 6.06.010 – Findings and Purpose

A. Findings.

The City Council finds and declares as follows:

- 1.** The City has a substantial government interest in regulating annual rent increases and improving relationships between Landlords and Tenants in order to increase certainty, stability, and fairness within the residential rental market.
- 2.** The City finds that this Ordinance is intended to be implemented in conjunction with the registration of Residential Rental Units.
- 3.** The Ordinance codified in this Title is being adopted pursuant to the State of California's Costa-Hawkins Act and the City's police power authority to protect the public health, safety, and welfare.

B. Purpose.

The purpose of this Chapter is to adopt regulations governing the annual maximum rent adjustment that a Landlord may seek from a Tenant of a Rent Stabilized Unit.

Section 6.06.020 – Rent Stabilization.

A. Authority and Duties. The Administrator or City Council shall have the following authority and duties under this Chapter:

- 1.** Establish a Base Rent pursuant to this Chapter.
- 2.** Make adjustments in the Rent increase and decreases in accordance with this Chapter.
- 3.** Set Rents at fair and equitable levels in order to achieve the intent of this Chapter.
- 4.** Issue orders, rules and regulations, conduct hearings and charge fees as set forth below.
- 5.** Make such studies, surveys and investigations, conduct such hearings, and obtain such information as is necessary to carry out required duties.

6. Report annually to the City Council on the status of rental housing covered by this Chapter. This shall include a summary of the numbers of notices served, the basis upon which they were served, the amount of the rent increases and the addresses for which they were served. A searchable database will be created so that service of notice may be determined as well as the summaries. A Rent increase, termination, or change in terms of tenancy is not valid if not served on the Administrator.
 7. Administer and assign the right to administer oaths and affirmations and subpoena witnesses.
 8. Establish rules and regulations for deducting penalties and settling civil claims.
 9. Seek authorization from the City Council to seek administrative remedies or injunctive and other civil relief under section 6-06.170.
 10. Charge and collect the Rental Stabilization Fee, including penalties for late payments.
 11. Make available on a contract basis legal assistance services for low-income residents of Half Moon Bay related to evictions and petitions, hearings and appeals.
 12. Collect and/or receive copies of notices of termination of tenancy, Rent increase, and changes in terms of tenancy.
 13. Any other duties necessary to administer and enforce this Chapter.
- B. Rules and Regulations.** The City Council may issue such rules and regulations, including those which are contained in this Chapter as will further the purposes of the Chapter. The City Council shall publicize its rules and regulations prior to promulgation on the City's website.
- C. Community Education.** The Administrator may publicize this Chapter along with other housing programs contained in Title 6 so that all residents of Half Moon Bay may have the opportunity to become informed about their legal rights and duties under this Chapter. The Administrator shall prepare a brochure which fully describes the legal rights and duties of Landlords and Tenants under this Chapter. The brochure will be available to the public, and each Tenant of a Rental Unit shall receive a copy of the brochure from their Landlord. Landlords shall provide the brochure at the commencement of the tenancy and with each notice of Rent increase. This brochure will be made available for download from the City's website and/or other appropriate technology. Information about the Rent Stabilization Ordinance may be made available in other languages as

requested by the community.

D. Collection of Rental Stabilization Fee. Landlords shall pay the Rental Stabilization Fee as established by resolution of the City Council.

E. Reporting and Fee Payment Requirements.

- 1.** No later than September 1, 2024 and each September 1 thereafter, all Landlords shall file a copy of all rental increase notices, change of terms of tenancy and tenancy termination notices with the Administrator. Landlords choosing not to increase rents for the next year shall file a written notice with the Administrator. Such filing shall be concurrent with the filing of the notice with Tenant(s). Proof of service with time and date of service of notice to Tenant(s) shall be included with notice filed with the Administrator in either circumstance.
- 2.** If it is determined that a Landlord has willfully and knowingly failed to properly report, as described above, any rental increase notices, change of terms of tenancy or tenancy termination, or pay the Rental Stabilization Fee, the Administrator may authorize the Tenant of such a non-reporting or fee-paid Unit to withhold all or a portion of the Rent for the Rental Unit until such time as the Rental Stabilization Fee is paid or notice filed. After a notice is properly filed or fee paid, the Administrator shall determine what portion, if any, of the withheld Rent is owed to the Landlord for the period in which the notice was not properly filed or fee paid. Whether or not the Administrator allows such withholding, no Landlord who has failed to properly report or pay the fee shall at any time increase Rents for a Stabilized Unit until such fee or notice is reported.
- 3.** A landlord's failure to pay the fee or timely file a copy of a notice before the filing of an unlawful detainer lawsuit is a complete defense to an unlawful detainer.

Section 6.06.030 – Applicability

A. Applicability. Except as provided herein, the provisions of this Chapter shall apply to all properties in Half Moon Bay that are hired, rented, or leased to a household within the meaning of Cal. Civil Code section 1940, which shall be referred to as Stabilized Unit(s), including properties that contain any of the following:

- 1.** Dwelling Units which contain a separate bathroom, kitchen, and living area in a multifamily or multipurpose dwelling;

2. Dwelling Units in single room occupancy residential structures; or
3. Units in a structure that is being used for residential uses whether or not the residential use is a conforming use permitted under the Municipal Code.

B. Exemptions. The following Residential Rental Units shall be exempt from the provisions of this Chapter:

1. A Rental unit exempt pursuant to the Costa-Hawkins Rental Housing Act (Cal. Civil Code §§ 1954.50 through 1954.535), including but not limited to:
 - (a) a unit that has a certificate of occupancy issued after February 1, 1995
 - (b) a unit that is alienable separate from the title to any other dwelling unit, including single-family residences, condominiums, and townhomes.
2. Any subtenancy or similar arrangement within an exempt Residential Rental Unit.
3. Transient rental units in hotels, motels and inns, which are rented to guests for a period of fewer than thirty (30) days. This exemption does not apply (a) to a Tenant who has resided at the Property for more than thirty continuous days, (b) a Tenant who has entered into an agreement to lease a Rental Unit for 30 days or more, (c) where a Landlord has violated California Civil Code 1940.1 with regard to the Tenant, or (d) to a Residential Rental Unit that is a registered or grandfathered short-term vacation rental, as defined in Chapter 18.02 of the Half Moon Bay Municipal Code, with a Certificate of Occupancy issued prior to February 1, 1995.
4. Rental units in any hospital, convent, monastery, extended medical care facility, non-profit home for the aged, or dormitory as defined in California Building Code section 202 that is solely owned and operated by an accredited institution of higher education.
5. Rental units which a government unit, agency or authority fully owns, operates and manages. This exemption applies only if applicable federal or state law or administrative regulation specifically exempt such units from municipal rent stabilization.
6. Any Residential Rental Unit located in a development where the dwelling units are subject to legally binding restrictions enforceable against and/or

governing such units that limit the Rent to no more than an affordable Rent, as such term is defined in Cal. Health & Safety Code section 50053 and as subsequently amended.

Section 6.06.040 – Establishment of Base Rent

Beginning on the effective date of the ordinance creating Chapter 6.06, no Landlord shall charge Rent for any Stabilized Unit in an amount greater than the Rent in effect for that unit on the effective date except for increases expressly allowed under this Chapter. The Rent in effect on the effective date is the Base Rent. If there was no Rent in effect on the effective date, the Base Rent shall be the Rent that was charged prior to the effective date. For tenancies commencing after the adoption of this Chapter, the Base Rent is the initial rental rate in effect on the date the tenancy commences. As used in this subsection, the term “initial rental rate” means only the amount of Rent actually paid by the Tenant for the initial term of the tenancy. The Base Rent is the reference point from which the Maximum Allowable Rent shall be adjusted upward or downward in accordance with this Chapter.

Section 6.06.050 – Standard Annual Rent Adjustments.

- A.** Increases in Rent on Residential Real Property in the City of Half Moon Bay in excess of three percent (3%), or eighty percent (80%) of the change in the Consumer Price Index, whichever is less, and more than one Rent Increase in any twelve (12) month period, are prohibited, unless expressly exempt under the Costa- Hawkins Rental Housing Act codified in *California Civil Code* section 1954.50, et seq. If the change in the Consumer Price Index is negative, no Rent Increase is permitted. A violation of this section occurs upon the service of notice or demand for a prohibited increase in Rent.
- B.** No later than August 1 each year, beginning with the year 2024, the City shall announce the allowable percentage increase in Rent based on subsection (a) herein, which shall be effective as of December 1 of that year.
- C.** No later than August 15 each year, the Landlord shall post, in a conspicuous place on the Residential Rental Real Property, the percentage Rent increase for the affected Stabilized Units.

6.06.060 – Reasonable Rate of Return.

This Chapter allows for an Annual Allowable Rent Adjustment of up to three percent (3%), or eighty (80%) of the change in the Consumer Price Index, whichever is less. A Consumer Price Index-based increase is found and determined to provide a just and reasonable return on an Owner’s property, and has been adopted to encourage good management, reward efficiency, and discourage the flight of capital, as well as to be commensurate with returns on comparable investments, but not so high as to defeat the purpose of curtailing

excessive Rent and Rent increases.

Section 6.06.070 – Limits to Rent Charges Under Subtenancy

Where a Stabilized Unit is being rented and subsequently subleased either in whole or by room, the cumulative monthly Rent charged may not exceed the authorized monthly rent of the Stabilized Unit.

Section 6.06.080 – Fair Return Petition for Rent Increase.

- A.** A Landlord may submit a Fair Return Petition to the Administrator in accordance with the procedures set forth in this Chapter requesting a Rent Increase in excess of that provided in this chapter in order to obtain a fair and reasonable return on the Residential Rental Unit.
- B.** Standard of Review. All relevant factors shall be considered when evaluating a Fair Return Petition, including, but not limited to, the following:
 - 1.** Changes in the Consumer Price Index;
 - 2.** The Rent lawfully charged for comparable Residential Rental Units in the City;
 - 3.** The length of time since the last determination on a Fair Return Petition, or the last Rent Increase if no previous Fair Return Petition has been made;
 - 4.** The completion of any rehabilitation work related to the Residential Rental Unit, and the cost thereof, including materials, labor, construction interest, permit fees, and other items deemed appropriate;
 - 5.** Changes in property taxes or other taxes related to the Residential Rental Unit;
 - 6.** In the event of subtenancy, changes in the Rent paid by the Landlord for the lease of the Residential Rental Unit;
 - 7.** Changes in the utility charges for the Rental Unit paid by the Landlord, and the extent, if any, of reimbursement from the Tenants;
 - 8.** Changes in reasonable Operating Expenses;
 - 9.** Changes in Net Operating Income;
 - 10.** The need for repairs caused by circumstances other than ordinary wear and tear;

11. The amount and quality of Housing Services provided by the Landlord to the Tenant(s);
12. Compliance with any existing Rental Agreement lawfully entered into between the Landlord and Tenant(s); and
13. Landlord's substantial compliance with Title 6, including this Chapter, as well as applicable housing, health and safety codes.

Section 6.06.090 – Capital Improvement Petition

- A. Effective July 1, 2025, a Landlord may submit a Capital Improvement Petition to the Administrator in accordance with the procedures set forth in this Chapter requesting a pass-through cost to the Tenants to cover expenses incurred by the Landlord to complete Capital Improvements for the Rental Unit pursuant to the following provisions:
1. The Capital Improvement was paid for and completed after the effective date of the Ordinance creating Chapter 6.06;
 2. The Capital Improvement was paid for and completed prior to the filing of the Capital Improvement Petition;
 3. A Capital Improvement Petition must be initiated by the Landlord within two (2) years of completion of the Capital Improvement;
 4. A Capital Improvement Petition shall not apply to Rental Units or new Tenants whose initial Rent was established after the Landlord completed the Capital Improvement;
 5. The Landlord may not require a Tenant to pay any amount of any cost that is attributable to any period of time that the Tenant was not entitled to use and occupy the Rental Unit;
 6. The Landlord may not require a Tenant to pay more than the Tenant's share of the cost attributable to that Tenant's Rental Unit that is permitted to be passed through to the Tenant;
 7. If the Capital Improvement inures solely to the benefit of one or more of the Rental Units, but to less than all, the surcharge shall be so annualized, but shall be applied and/or prorated only with respect to the one or more Rental Units actually so benefited;
 8. Equipment otherwise eligible as a Capital Improvement will not be considered if a "use fee" is charged (i.e. – coin operated washer and

dryers); and,

9. Pass through costs for Capital Improvements shall not be considered Rent and shall not be increased when Rent Increases, nor shall they be considered Rent for purposes of calculating a Rent Increase.

B. Calculating Capital Improvements. Any Capital Improvement pass- through cost must be calculated according to the following:

1. Capital Improvement costs must be amortized over the useful life of the Capital Improvement, not to exceed ten percent (10%) of the current Rent; for the purposes of such computation, the current Rent for any time period shall not include any Capital Improvement pass-through amounts;
2. For mixed-use structures and Landlord-occupied Rental Units, only the percent of residential square footage will be applied in the calculations;
3. If a unit is occupied by an agent of the Landlord, this unit must be included when determining the average costs per Rental Unit; and,
4. If the Landlord is reimbursed for Capital Improvements (i.e. – insurance, court-awarded damages, subsidies, etc.), such reimbursement must be deducted from the Capital Improvements before costs are amortized and allocated among all the Residential Rental Units.

C. Standard of review. All relevant factors shall be considered when evaluating a Capital Improvement Petition, including the following:

1. Capital Improvement completed;
2. Landlord's Petition made within two (2) years of completion of Capital Improvement;
3. Distinguished from ordinary repair or maintenance;
4. For the primary benefit, use, and enjoyment of the Tenant;
5. Permanently fixed in place or relatively immobile and appropriated to the use of the Rental Unit;
6. No "use fee" or other charge imposed on Tenants for its use; and,
7. Cost-factored and amortized.

Section 6.06.100 – Tenant Petition

- A.** Effective July 1, 2025, a Tenant may submit a Petition to the Administrator in accordance with the procedures set forth in this Chapter on one (1) or more of the following grounds:
 - 1.** To request review of a Rent Increase in excess of the maximum allowed Rent Increase;
 - 2.** To request a reduction in Rent based on decreased Housing Services;
 - 3.** To request a reduction in Rent based on failure of the Landlord to maintain a habitable premises, including health, safety, fire, or building code violations;
 - 4.** To contest a Capital Improvement cost as an unauthorized or excessive pass through; or,
 - 5.** For any other violation of this Chapter by the Landlord.
- B.** Filing schedule for Tenant Petition. Where applicable, a Tenant filing a Tenant Petition under this Chapter shall do so within the following time limits:
 - 1.** Tenant receiving a notice of Rent Increase shall have thirty (30) days after service of such notice to file a Petition for review of Rent;
 - 2.** In instances where notice is not provided as required, the Tenant shall file a Petition for review of Rent within thirty (30) days after Tenant knew of the alleged failure to comply with the requirements of this Chapter; and,
 - 3.** For any other violation(s) of this Chapter by the Landlord, the Tenant shall file a Petition within one hundred and eighty (180) days of the alleged violation(s).
- C.** Standard of Review. All relevant factors shall be considered when evaluating a Tenant Petition, including the following:
 - 1.** Landlord allows violations of this Article or other applicable state and local statutes to persist;
 - 2.** Any reduction of Housing Services, living space, or amenities;
 - 3.** Substantial deterioration of the Rental Unit other than as a result of ordinary wear and tear;

4. Landlord's failure to provide adequate Housing Services;
 5. Tenant provided Landlord with reasonable notice and opportunity to correct the conditions that provide the basis for the petition; and,
 6. Landlord failed to comply substantially with this Section or applicable housing, health and safety codes.
- D. Restoration of Rent Decrease. Where a Rent decrease has been ordered pursuant to this Chapter due to a decrease in Housing Services or failure to maintain habitability, the amount of Rent decreased (return of excess Rent) may be restored in accordance with procedures set out in the regulations when the former Housing Services or maintenance levels are reinstated.

Section 6.06.110 – Petition Process

A Landlord or a Tenant may file petitions with the Administrator, as provided in this Chapter. For purposes of this petition process, the Landlord and each Tenant of a Rental Unit that is the subject of a Petition shall be a "party" to the petition. The Administrator shall promulgate regulations regarding procedures for Petitions filed under this Chapter. Petitions shall be governed by such regulations and by the provisions of this Chapter. Petitions shall be available in the language that the Owner and Tenant used to negotiate the terms of the Tenancy (e.g., Spanish, Chinese), as well as English.

- A. Filing Petition. Upon the filing of a Petition, the Administrator shall notify the petitioner of the acceptance or denial of the Petition based on the completeness of the submission. The Administrator shall not assess the merits of the Petition and shall only refuse acceptance of a Petition that does not include required information or documentation or comply with the requirements of this Division.
- B. Filing Fee. Fees for the filing of any Petition shall be established by City Council resolution.
- C. Prior Petition. Notwithstanding any other provision of this Chapter, no Petition shall proceed if a decision has been made with regard to a prior Petition based on the same or substantially the same grounds within the previous one hundred and eighty (180) days.
- D. No Landlord Petition or upward adjustment of Rent shall be authorized under this Chapter if the Landlord:
 1. Has continued to fail to comply, after order of the Administrator, with any provisions of this Article and/or orders or regulations issued thereunder by the Administrator or,

2. Has failed to bring the Rental Unit into compliance with the implied warranty of habitability.
- E. Notice of Petition. As soon as possible after acceptance of a Petition, the Administrator shall provide written notice to the Landlord, if the Petition was filed by the Tenant, or the Tenant, if the Petition was filed by the Landlord, of the receipt of such a Petition. The written notice shall inform the parties of the Petition process, the right to respond, and include a copy of the completed Petition and supportive documents. Any response submitted by the responding party will be made available to the petitioning party.
- F. Hearing Officer. An impartial Hearing Officer appointed by the Administrator shall conduct a hearing to act upon the Petition. The Hearing Officer has the following powers:
 1. To make a determination on a Petition; and
 2. Any other powers delegated to the Hearing Officer by the Administrator consistent with this Chapter.
- G. Time of Hearing. Each accepted Petition shall be scheduled for a hearing by the Hearing Officer on a date not more than sixty (60) calendar days from the date the Administrator deems the Petition submitted and complete. With agreement of the parties, the Hearing Officer may hold the hearing beyond the sixty (60) calendar days. The Administrator shall, no less than ten (10) days prior, notify all parties as to the time, date, and place of the hearing. With consent of all parties, the hearing may be conducted virtually and recorded.
- H. Consolidation. All Landlord Petitions pertaining to Tenant(s) in the same building shall be consolidated for hearing, and all Petitions filed by Tenants occupying the same building shall be consolidated for hearing, unless the Administrator or Hearing Officer finds good cause not to consolidate such Petitions.
- I. Right of Assistance. All parties to a hearing may have assistance in presenting evidence and developing their position from attorneys, legal workers, or any other persons designated by said parties.
- J. Rules of Evidence. Formal rules of evidence shall not be applicable to hearings on Petitions. At such a hearing, the parties may offer any documents, testimony, written declarations, or other evidence that, in the opinion of the Hearing Officer, is credible and relevant to the Petition. The Hearing Officer may consider the results of inspections of the property in question and the results of any other investigations conducted by or at the request of the Hearing Officer or Administrator. Evidence unduly repetitious, lacking credibility, or irrelevant

evidence shall be excluded upon order by the Hearing Officer.

- K.** Evidence. Any party may appear and offer such documents, testimony, written declarations, or other evidence as may be pertinent to the proceeding. The Hearing Officer may require either party to a Petition to provide any books, records, or papers deemed pertinent, in addition to that information contained in the Petition and Rental Registry. The Hearing Officer may request the City to conduct a current building inspection if the Hearing Officer finds good cause to believe the information does not reflect the current condition of the Residential Rental Unit. All documents required under this section shall be made available to the parties involved prior to the hearing. In cases where information filed in a Petition or in additional submissions filed at the request of the Hearing Officer is inadequate or false, no action shall be taken on said Petition until the deficiency is remedied.
- L.** Quantum of Proof. The party who files the Petition shall have the burden of proof. No Petition shall be granted unless supported by the preponderance of the evidence submitted at the hearing.
- M.** Notice of Decision. The Hearing Officer shall make their determination on the merits of the Petition and shall provide a written statement of decision, including findings upon which the determination is based within thirty (30) calendar days. The Hearing Officer's decision on a Petition may be reasonably conditioned in any manner necessary to effectuate the purposes of this Chapter.
- N.** Hearing Record. The record of the hearing shall include: the Petition; all exhibits, papers, and documents required to be filed or accepted into evidence during the proceedings; a list of participants present; a summary of all testimony accepted in the proceedings; a statement of all materials officially noticed; all recommended decisions, orders and/or rulings; all final decisions, orders and/or rulings; and the reasons for each final decision, order and/or ruling. All hearings shall be recorded.
- O.** Appeal. Any person aggrieved by the decisions of the Hearing Officer may appeal to the City Council. An appeal to the City Council shall be filed no later than ten (10) calendar days after receipt of the notice of the decision of the Hearing Officer. On appeal, the City Council shall affirm, reverse, or modify the decision of the Hearing Officer. Unless the City Council elects to conduct a de novo hearing, City Council review of the Hearing Officer's decision shall be based on the hearing record without holding a new hearing. The City Council may consider additional evidence for good cause, including evidence which did not exist at the time of the hearing or which could not be discovered using due diligence by a party.
- P.** Finality of Decision. The decision of the Hearing Officer shall be final decision if

no timely appeal is made to the City Council. The decision of the Hearing Officer shall not be stayed pending appeal; however, in the event that the City Council on appeal reverses or modifies the decision of the Hearing Officer, the City Council shall order the appropriate party to make retroactive payments, as applicable, to restore the parties to the position they would have occupied had the Hearing Officer's decision been the same as that of the City Council.

Section 6.06.120 – Voluntary Mediation

- A.** Voluntary mediation services shall be provided by the City. Upon request, the Administrator shall appoint a Mediator and set a date for a mediation no later than thirty (30) days after the acceptance of the subject Petition, unless the Administrator determines that additional time is required under the circumstances. The Administrator shall notify the Landlord and Tenant(s) in writing of the date, time, and place of the mediation hearing at least ten (10) days prior to the mediation. This notice shall be served either in person or through first class (ordinary mail) or electronic correspondence.
- B.** It is the intent and purpose of mediation to provide a process in which Mediators may assist disputants in reaching a voluntary agreement. Accordingly, except as otherwise expressly provided herein, there shall be no penalty or disability, either civil or criminal, for failure to participate in the mediation process, and there shall be no penalty, either civil or criminal, for failure to reach agreement with a disputant in the mediation process.
- C.** Mediation is a voluntary collaborative process wherein the Landlord and Tenant(s) who have a disagreement can develop options, consider alternatives, and develop a consensual agreement. The role of the Mediator is to facilitate open communication to resolve a dispute in a non-adversarial and confidential manner.
- D.** If the Landlord and Tenant agree to a resolution, the Mediator may assist the parties in preparing a written settlement agreement "Mediations Agreement" for the signature of the Landlord and the Tenant(s), provided that in doing so the Mediator confines the assistance to stating the settlement as determined by the parties. Such Mediation Agreement shall constitute a legally enforceable contract.
- E.** Should the parties fail to agree to a resolution, or the Mediator determines that the parties have reached an impasse, the Mediator may refer the Petition back to the administrator to continue the Petition review process detailed in this Chapter.
- F.** All documents and results related to mediations and facilitations held pursuant

to this Section shall be kept confidential and shall be inadmissible as evidence in any subsequent administrative or judicial proceeding.

- G.** The Mediator and/or Administrator shall provide documentation and translation services in the language that the Landlord and Tenant used to negotiate the terms of the Tenancy (e.g., Spanish and Chinese), as well as English.

Section 6.06.120 – Rent Increase Ineffective

No Rent Increase shall be effective if the Landlord:

- A.** Fails to substantially comply with all provisions of this Chapter, including but not limited to the failure to provide notices as required; or
- B.** Fails to maintain the Residential Real Property in compliance with California Civil Code Sections 1941.1 et seq. and California Health and Safety Code sections 17920.3 and 17920.10; or
- C.** Fails to make repairs ordered by the City or court of competent jurisdiction.

Section 6.06.130 -- Residential Rental Registration

No Rent Increase shall take effect for any Residential Rental Unit that has not been registered by the Landlord pursuant to Chapter 6.04 of the Half Moon Bay Municipal Code.

Section 6.06.140 – Notice Requirements

- A.** A Landlord of any Residential Real Property subject to this provision shall, on or before the date of commencement of a Tenancy, give the Tenant a written notice in a form prescribed by the City which must include the following information:
 - 1.** The existence and scope of this Chapter 6.06 of the Half Moon Bay Municipal Code; and
 - 2.** The Tenant's right to respond to any Fair Return or Capital Improvement Petition filed with the City by the Owner pursuant to this Division.
- B.** As part of any notice to increase Rent, a Landlord must include:
 - 1.** Notice of the existence of Chapter 6.06 of the Half Moon Bay Municipal Code; and

- 2. The Tenant's right to respond to any Fair Return or Capital Improvement Petition filed with the City by the Owner pursuant to this Chapter.
- 3. No Rent Increase shall take effect until the requirements of this Chapter have been met.
- C. The Landlord must give notices to the Tenant in the language that the Landlord and Tenant used to negotiate the terms of the Tenancy (e.g. Spanish or Chinese) as well as English.
- D. Any notices or documents required to be provided from a Landlord to a Tenant by this Chapter or any other federal, state, or local law, including, but not limited to, Notice of Rent Increase and Notice of Eviction, shall be provided to the City through the Rental Registry portal.

Section 6.06.150 – Education and Outreach

The Administrator shall have the authority to contract with community-based organizations to assist in the education and outreach related to this Title and Chapter.

Section 6.06.160 – Judicial Review

Any decision of the City Council shall be final unless judicial review is sought in a court of competent jurisdiction within thirty (30) days of the date of the decision. The decision shall take effect immediately unless provided otherwise in the decision, regardless of whether a party seeks judicial review.

Section 6-06.170 – Enforcement

- A. Any person violating a provision or failing to comply with any of the requirements of this Chapter or Chapter 6.08 shall be deemed guilty of a misdemeanor or an infraction and may be subject to the penalties prescribed in Title 4 of the Half Moon Bay Municipal Code.
- B. In addition to an administrative remedy or penalties available to the City, in law or equity, the City may enforce the terms of this Article through the administrative citation procedures provided in Chapter 4.16 (Administrative Enforcement) of the Half Moon Bay Municipal Code.
- C. The City Attorney may bring a civil action to seek redress for any violation(s) under this Chapter or Chapter 6.08 on behalf of the City. In any such relief, the City shall recover all civil penalties provided in Title 4 of the Half Moon Bay Municipal Code and any other relief the court deems proper.
- D. Injunctive Relief. Any person who commits an act, proposes to commit an act, or engages in any pattern and practice that violates this Chapter or Chapter 6.08, or

the policies, procedures, regulations, rules, orders and decisions of the Administrator, may be enjoined therefrom by any court of competent jurisdiction. An action for injunction under this section may be brought by any aggrieved person, including the City and People of the State of California. No administrative remedy need be exhausted prior to filing an action for injunctive relief pursuant to this section.

- E.** Affirmative Defense. A Landlord's failure to comply with any requirement of this Chapter or Chapter 6.08 may be asserted as a complete affirmative defense in an unlawful detainer or any other action brought by the Landlord to recover possession of the Residential Rental Unit. Additionally, any attempt to recover possession of a Residential Rental Unit in violation of this Chapter or Chapter 6.08 shall render the Landlord liable to the Tenant for damages in a civil action for wrongful eviction. The prevailing party in an action for wrongful eviction shall recover costs and reasonable attorneys' fees.
- F.** Non-Exclusive. The remedies provided in this Article are not exclusive, and nothing in this Article shall preclude any person from seeking any other remedies, penalties or procedures provided by law, nor is exhaustion of remedies under this section a prerequisite to the assertion of any other such right.

ATTACHMENT C

TITLE 6 – HOUSING

CHAPTER 6.08 – Tenant Protections

Section 6.08.010 – Findings and Purpose

A. Findings.

The City Council finds and declares as follows:

- 1.** The City has a substantial government interest in regulating the relationship between Landlords and Tenants in order to increase certainty, stability, and fairness within the rental market.
- 2.** The just cause for termination of a residential tenancy under this Chapter is consistent with Civil Code section 1946.2; and
- 3.** This Chapter, and Chapter 6.06 “Residential Rental Stabilization” (which is being adopted concurrently), are more protective than Civil Code section 1946.2, by further limiting the reasons for termination of a residential tenancy, providing for relocation assistance, and providing additional tenant protections that are not prohibited by any other provision of law.
- 4.** The Ordinance codified in this Title is being adopted pursuant to the City's police power authority to protect the public health, safety, and welfare.

B. Purpose.

The purpose of this Chapter is to is to promote neighborhood and community stability, healthy housing, and affordability for renters in Half Moon Bay by regulating arbitrary evictions to the greatest extent allowable under California law, while ensuring Landlords a fair and reasonable return on their investment.

Section 6.08.020 -- Just Cause Evictions

Restrictions on termination of tenancy without just cause.

- A.** After a Tenant has continuously and lawfully occupied a Residential Rental Unit for thirty (30) days, the Landlord shall not terminate the tenancy without just cause, which shall be stated in the written notice to terminate tenancy.
- 1.** The Landlord shall post a notice on a form prescribed by the City, providing information about the existence of this Chapter of the Half Moon Bay

Municipal Code, including protections related to immigration or citizenship status of Tenant found under Civil Code section 1940.35 and Code of Civil Procedure section 1161.4, as may be amended. Notice must be posted in a conspicuous location on the Residential Real Property. The notice shall be written in the Designated Primary Language and English, if the Designated Primary Language is not English.

- 2.** In addition to all other notice requirements specified elsewhere in this Chapter, the Landlord of any Residential Rental Unit, is required to provide written notice to Tenants of their rights under this Chapter as follows:
 - (a)** The notice required by this Chapter must be on a form prescribed by the City and include the following information:
 - (i)** The existence and scope of this Chapter of the Half Moon Bay Municipal Code; and
 - (ii)** The right to relocation assistance in limited circumstances pursuant to subsection (D)(2) herein.
 - (b)** The Landlord must provide Tenant with the notice upon serving any notice of change in terms of Tenancy.
 - (c)** The Landlord must provide the notice on or before the commencement of all Tenancies initiated after the effective date of this Chapter.
- B.** For purposes of this section, "just cause" includes either of the following:
- 1.** At-fault just cause, which is any of the following:
 - (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. A "breach of a material term" shall not include:
 - (i)** The obligation to limit occupancy, provided that the additional occupant who joins the Tenant of the Residential Rental Unit thereby exceeding the limits on occupancy set forth in the lease is:
 - (A)** A dependent under age eighteen (18); or

- (B) A replacement Tenant who moved in after an approved Tenant vacated the Residential Real Property, so long as the addition does not exceed the Uniform Housing Code.
 - 1) The Landlord shall have the right to approve or deny the prospective additional or replacement Tenant, who is not a minor dependent child, provided that the Landlord does not unreasonably withhold approval. If the Landlord fails to respond to the Tenant in writing with a description of the reason for the denial of the request within a reasonable amount of time of receipt of the Tenant's written request, the Tenant's request shall be deemed approved by the Landlord if the lease is for a period of one (1) year or less.
 - 2) A change in the terms of the Tenancy that is not the result of an express written agreement signed by both of the parties. A Landlord is not required to obtain Tenant(s) written consent to a change in the terms of the Tenancy if the change in the terms of the Tenancy is authorized by this section, or if the Landlord is required to change the terms of the Tenancy pursuant to federal, state, or local law. Nothing in this subsection shall exempt a Landlord from providing legally required notice of a change in the terms of the Tenancy.
- (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 the effective date of this Chapter, and after a written request or demand from the Landlord, 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 Rental Real Property, that is directed at any Landlord or agent of the Landlord of the Residential Real Property or members of Tenant's household or other Tenants of the Residential Real Property. This at-fault, just cause provision shall apply if the Landlord has, within a reasonable time, reported the criminal activity to law enforcement. Further, at-fault, just cause eviction of a Tenant under this provision shall only apply to that Tenant who committed the criminal activity described herein. If a Tenant is acquitted or found not guilty of the charges giving rise to eviction, or if charges are not filed against the Tenant within the applicable statute of limitations period, the Tenant shall be offered the right to restore the Tenancy only if the same Residential Real Property is available.
- (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.
- (i)** Notwithstanding any contrary provision in this section, a Landlord shall not take any action to terminate a Tenancy based on a Tenant's sublease of the Residential Rental Unit if all the following requirements are met:

 - (A)** The Tenant requests permission from the Landlord in writing to sublease the Residential Rental Unit;
 - (B)** The Tenant continues to reside in the Residential Rental Unit as their primary residence;
 - (C)** The sublease replaces one (1) or more departed Tenants under the lease on a one-for-one basis; and
 - (D)** The Landlord fails to respond to the Tenant in writing within fourteen (14) days of the receipt of the Tenant's written request. If the Landlord fails to respond to the Tenant's written request, the request shall be deemed approved by the Landlord if the lease is for a period of one (1) year or less. A Landlord's reasonable refusal of the Tenant's written

request may be based on, but is not limited to, the ground that the total number of occupants in a Residential Real Property exceeds the maximum number of occupants as determined under Section 503(b) of the Uniform Housing Code or successor provision.

- (E) The Tenant's refusal to allow the Landlord to enter the Residential Rental Unit as authorized by Sections 1101.5 and 1954 of the Civil Code, and Sections 13113.7 and 17926.1 of the Health and Safety Code.
- (F) Using the premises for an unlawful purpose as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.
- (G) 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.
- (H) When the Tenant fails to deliver possession of the Residential Real Property after providing the Landlord written notice as provided in Section 1946 of the Civil Code 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 Landlord 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.

2. No-fault just cause, which includes any of the following:

- (a)** Intent to occupy the Residential Rental Unit by the Landlord or their spouse, domestic partner, children, grandchildren, parents, or grandparents.
- (i)** For leases entered into on or after the effective date of this Chapter, this subsection shall apply only if the Tenant agrees, in writing, to the termination, or if a provision of the lease allows the Landlord to terminate the lease if the Landlord, or their spouse, domestic partner, children, grandchildren, parents, or grandparents unilaterally decides to occupy the Residential Rental Unit for a period of at least twenty- four (24) months, as affirmed by the Landlord in a

written affidavit submitted to the City. Addition of a provision allowing the Landlord 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 subparagraph (E) of paragraph (1).

- (b)** Withdrawal of the Residential Rental Unit from the rental market for an anticipated period of at least twenty-four (24) months, as affirmed by the Landlord in a written affidavit submitted to the City.
- (c)** The Landlord 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.

 - (A)** 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 clause (i), the Tenant shall not be entitled to relocation assistance as outlined in paragraph (3) of subdivision (D).
- (d)** Intent to demolish or to substantially remodel the Residential Real Property.

 - (i)** The Landlord shall provide advance notice to the Tenant of the ability to reoccupy the unit upon completion of the repairs, or if requested by the Tenant, the right of first refusal to any comparable vacant Rental Unit which has been offered at comparable Rent owned by the Landlord; and
 - (ii)** In the event the Landlord seeks to rent the remodeled unit within six (6) months following the completion of the remodeling work, the evicted Tenant shall have the right of first refusal to reoccupy and rent the unit, unless the

Landlord provides a written waiver by the Tenant of their right to reoccupy the premises pursuant to this subsection.

- (iii) For purposes of this subparagraph, "substantially remodel" means the replacement or substantial modification of any structural, electrical, plumbing, or mechanical system that requires a permit from a governmental agency, or the abatement of hazardous materials, including lead-based paint, mold, or asbestos, in accordance with applicable federal, State, and local laws, that cannot be reasonably accomplished in a safe manner with the Tenant in place and that requires the Tenant to vacate the Residential Real Property for at least thirty (30) days. 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 a substantial remodel.

- C. Before a Landlord issues a notice to terminate a Tenancy for just cause that is a curable lease violation, the Landlord 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.

- 1. Any written notice to cease or correct must:

- (a) Be dated and served upon the Tenant, pursuant to at least one (1) of the methods authorized under California Code of Civil Procedure Section 1162, as may be amended;
- (b) Inform the Tenant that failure to cure may result in the initiation of eviction proceedings;
- (c) Inform the Tenant of the right to request a reasonable accommodation;
- (d) Inform the Tenant of the contact number and email address of the Administrator; and
- (e) Include a specific statement of the reasons for the written notice to cease or correct with specific facts to help the Tenant determine the date(s), place(s), witness(es), and circumstance(s) that support the reason(s) for the eviction.

D.

- 1.** For a Tenancy for which just cause is required to terminate the Tenancy under subdivision (A), if a Landlord of a Residential Rental Unit issues a termination notice based on a no-fault just cause described in paragraph (2) of subdivision (B), the Landlord shall, at their option, do one (1) of the following:

 - (a)** Assist the Tenant to relocate by providing a direct payment to the Tenant in the amount equal to three (3) months rent as described below; or
 - (b)** Waive in writing the payment of Rent for the final three (3) months of the Tenancy.
- 2.** If a Landlord issues a notice to terminate a Tenancy for no-fault just cause, the Landlord shall notify the Tenant of their right to relocation assistance or Rent waiver and all other rights pursuant to this section. If the Landlord elects to waive the Rent for the final three (3) month of the Tenancy as provided in subparagraph (b) of paragraph (1), the notice shall state the amount of Rent waived and that no Rent is due for the final three (3) months of the Tenancy.
- 3.**

 - (a)** The amount of relocation assistance shall be equal to three (3) months of the Tenant's Rent that was in effect when the Landlord issued the notice to terminate the Tenancy. Any relocation assistance shall be provided within fifteen (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 section shall be credited against any other relocation assistance required by any other law.
- 4.** A Landlord's failure to strictly comply with this section shall render the notice of termination void.
- E.** 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 Section 1940 of the Civil Code.
 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 California Code of Regulations.
 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 and kitchen facilities with the owner who also maintains the home as their Primary Residence.
- F.** A Landlord of a Residential Rental Unit subject to this section shall provide notice to the Tenant as follows:
1. For any Tenancy commenced or renewed on or after the effective date of this Chapter, 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. For a Tenancy existing prior to the effective date of this Ordinance, by written notice to the Tenant no later than thirty (30) days after the effective date of this Chapter, 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: "The Half Moon Bay Municipal Code provides that after all of the Tenants have continuously and lawfully occupied the property for at least thirty (30) days, a Landlord must provide a statement of cause in any notice to terminate a Tenancy. See Chapter 6.08 of the Half Moon Bay Municipal Code for more information."
- G.** It shall be a defense to an action for possession of a Residential Rental Unit under this section if a trier of fact determines that:
1. Both of the following provisions apply:
 - (a) The Tenant or Tenant's household member is a victim of an act or acts that constitute domestic violence, elder or dependent adult abuse, sexual assault, human trafficking, or stalking if the domestic violence, elder or dependent adult abuse, sexual assault, human

trafficking, or stalking has been documented by one (1) of the following:

- (i) A temporary restraining order, emergency protective order, or protective order issued within the last one hundred eighty (180) days pursuant to law that protects the Tenant or a household member from domestic violence, elder or dependent adult abuse, sexual assault, human trafficking, or stalking; or
- (ii) The Tenant or a member of their household has filed a police report within the previous one hundred eighty (180) days alleging that they are a victim of domestic violence, elder or dependent adult abuse, sexual assault, human trafficking, or stalking.

- (b) The notice to vacate is substantially based upon the act or acts constituting domestic violence, elder or dependent adult abuse, sexual assault, human trafficking, or stalking against the Tenant or their household member, including, but not limited to, an action for possession based on complaints of noise, disturbances, or repeated presence of police.

2. Notwithstanding this Section, a Landlord may terminate the Tenancy if:

- (a) The Tenant or the person protected by a court order or who filed a police report allows the person against whom the protective order has been issued or who was named in the police report as committing an act of domestic violence, elder or dependent adult abuse, sexual assault, human trafficking, or stalking, to visit the rental property; or
- (b) The Landlord reasonably believes the presence of the person against whom the protective order has been issued or who was named in the police report as having committed an act of domestic violence, elder or dependent adult abuse, sexual assault, human trafficking, or stalking poses a physical threat to other Tenants, guests, invitees, or to a Tenant's right to quiet enjoyment and the Landlord previously gave the Tenant a three (3) day written notice to cease and correct this violation.

3. The provisions of this Chapter shall not supersede any other applicable state laws relating to victims of an act of domestic violence, sexual assault, stalking, human trafficking, abuse of an elder or a dependent adult, or of

other specified crimes, as provided for in Civil Code section 1946.7 and Code of Civil Procedure sections 1161.3 and 1174.27.

- H. It shall be a defense to a no fault just cause action for possession of a Residential Rental Unit under this Chapter if a person under the age of twenty-one (21) is a resident of the subject Rental Unit, or has a custodial or family relationship with a Tenant in the subject Rental Unit, and who is registered and actively attending any level of school during a specified school term.
- I. Any waiver of the rights under this section shall be void as contrary to public policy.

Section 6.08.030– Notice of Termination of Tenancy.

- A. When terminating a Tenancy either at-fault or no-fault, a Landlord must comply with each of the following:
 - 1. The Landlord must serve a written notice in accordance with Civil Code sections 1946 through 1946.5, to the Tenant that states that, in addition to any information required by federal or State law, the Landlord will terminate the Tenancy, and that indicates at least one at-fault or no-fault just cause reason as provided in section 6.08.02 (b); and
 - 2. The Landlord has not accepted and will not accept Rent or any other consideration in return for the continued use of the Residential Rental Property beyond the term of the terminated Tenancy in compliance with Civil Code sections 1945 through 1946.5; and
 - 3. The Landlord qualifies the termination as at-fault or no-fault just cause, as specified in section 6.08.02(b); and
 - 4. The Landlord has submitted to the City, within five (5) days after service of the notice of termination on the Tenant, a true and accurate copy of the Landlord’s written notice of termination, and proof of such service, signed under penalty of perjury, on the Tenant, through the City’s Rental Registry portal. The Landlord shall maintain proof of service to the City as evidence that the Landlord has complied with this section.
 - 5. The Landlord must provide the notice in the language that the Landlord and Tenant used to negotiate the terms of the Tenancy, in addition to English.

Section 6.08.040 – Retaliatory Eviction and Anti-Harassment.

- A. Retaliatory Eviction.

1. If the main intent of the Landlord in terminating a Tenancy or refusing to renew a Tenancy is retaliatory in nature, and if the Tenant is not in default as to the payment of Rent, then the Landlord may not terminate the Tenancy or refuse to renew the Tenancy or cause the Tenant to quit involuntarily.
 2. A Tenant may assert retaliation affirmatively or as a defense to the Landlord's action regardless of the period of time which has elapsed between the Tenant's assertion or exercise of rights under this Chapter and the alleged act of retaliation.
 3. Retaliation against a Tenant because of the Tenant's exercise of rights under this Chapter is prohibited. Retaliation seeking to vacate a Stabilized Unit to establish a new Stabilized Rent is also prohibited. Retaliation claims may only be brought in court and may not be addressed administratively. A court may consider the protections afforded by this Chapter in evaluating a claim of retaliation.
- B. Anti-Harassment.** No Landlord, or any person, acting as a principal or agent, offering a Residential Rental Unit for rent, or any contractor, subcontractor or employee of the Landlord shall, with respect to a Residential Rental Unit under any Lease or other Tenancy or estate at will, however created, do any of the following:
1. Interrupt, terminate, or fail to provide Housing Services required by Lease or by federal, state, county, or local housing, health, or safety laws, or threaten to do so, or violate or threaten to violate Civil Code section 789.3.
 - (a) 'Interrupt, terminate, or fail to provide Housing Services' in this provision does not include interruptions, terminations, or failure to provide Housing Services resulting from interruptions, outages, or terminations caused by events or actions outside of the Landlord's control, such as utility outages caused by natural disaster. Further, this provision does not include stoppages, outages, terminations, and interruptions properly noticed to Tenants as required by a signed Lease or rental agreement.
 2. Take any of the following actions in bad faith:
 - (a) Fail to perform repairs and maintenance required by Lease or by federal, state, or local laws;
 - (b) Fail to exercise due diligence in completing repairs and maintenance once commenced;

- (c) Fail to follow appropriate industry repair, containment, or remediation protocols designed to minimize exposure to noise, dust, lead, paint, mold, asbestos, or other building materials with potentially harmful health impacts;
 - (d) Conduct elective renovation or construction of unit for the purpose of harassing a Tenant;
 - (e) Refuse to acknowledge or accept receipt of a Tenant's lawful Rent payment as set forth in a Rental Agreement, by usual practice of the parties, or in a notice to pay Rent or quit;
 - (f) Refuse to cash or process a check or other form of acceptable payment for over thirty (30) days after it is tendered;
 - (g) Fail to maintain a current address for delivery of payments;
 - (h) Violate a Tenant's right to privacy without limitation, by requesting information regarding residence or citizenship status, protected class status, or social security number, except as required by law or in the case of a social security number, for the purpose of obtaining information for the qualifications for a Tenancy;
 - (i) Release information protected by the Tenant's right to privacy except as required or authorized by law; or
 - (j) Request or demand an unreasonable amount of information from Tenant in response to a request for reasonable accommodation.
3. Abuse the right of access into Residential Real Property as established by Civil Code section 1954 or other applicable law. This includes entries for inspections that are not related to necessary repairs or services; entries excessive in number; entries that improperly target certain Tenants or are used to collect evidence against the occupant or otherwise beyond the scope of an otherwise lawful entry; entries or demands for entry at times outside of normal business hours, unless for health and safety reasons or if the Tenant agrees otherwise; entries contrary to a Tenant's reasonable request to change the date or time of entry; photographing or otherwise recording portions of a Rental Unit that are beyond the scope of lawful entry or inspection; and misrepresenting the reasons for accessing Residential Real Property.
4. Influence or attempt to influence a Tenant to vacate Residential Real Property through fraud, misrepresentation, intimidation or coercion, which

shall include threatening to report a Tenant to the United State Department of Homeland Security.

5. Threaten the Tenant, by word or gesture, with physical harm, or abuse Tenant with words, either orally or in writing, which are offensive and inherently likely to provoke an immediate violent reaction. This includes words used during in-person conversations, through social media postings or messages, or other communications.
6. Violate any law which prohibits discrimination based on race, gender, sexual preference, sexual orientation, ethnic background, nationality, religion, age, parenthood, marriage, pregnancy, disability, human immunodeficiency virus (HIV)/ acquired immune deficiency syndrome (AIDS), occupancy by a minor child, or source of income.
7. Take action to terminate any Tenancy, including service of any notice to quit or other eviction notice, or bring any action to recover possession of a Rental Unit based upon facts which the Landlord has no reasonable cause to believe to be true or upon a legal theory which is untenable under the facts known to the Landlord. No Landlord shall be liable under this subsection for bringing an action to recover possession unless and until the Tenant has obtained a favorable termination of that action.
8. Remove from the Rental Unit personal property, furnishings, or any other items without the prior written consent of the Tenant, except when done pursuant to enforcement of a legal termination of Tenancy.
9. Provide false written or verbal information regarding any federal, State, County, or local Tenant protections, including mischaracterizing the nature or effect of a notice to quit or other eviction notice. False information includes, without limitation, requesting or demanding a Tenant:
 - (a) Sign a new Rental Agreement not in the Tenant's Designated Primary Language if:
 - (i) Rental Agreement negotiations were conducted in the Tenant's Designated Primary Language;
 - (ii) The existing Rental Agreement is in the Tenant's Designated Primary Language; or
 - (iii) Landlord is otherwise aware that the new Rental Agreement is not in Tenant's Designated Primary Language.

- (b)** Enter into a Rent repayment plan if the Landlord states, misrepresents, suggests, or implies, that the Tenant should or must do so to take advantage of Tenant protection laws that do not in fact require such plans.
- 10.** Offer payments to:
 - (a)** A Tenant to vacate more than once in six (6) months, after the Tenant has notified the Landlord in writing that the Tenant does not desire to receive further offers of payments to vacate;
 - (b)** Attempt to coerce Tenant to vacate accompanied with threats or intimidation. This shall not include settlement offers in pending eviction actions made in good faith and not accompanied with threats or intimidation.
- 11.** Communicate with Tenant in a language other than Tenant's Designated Primary Language for the purpose of intimidating, confusing, deceiving, or annoying Tenant.
- 12.** Interfere with a Tenant's right to quiet use and enjoyment of a Rental Unit as that right is defined by law.
- 13.** Commit repeated acts or omissions of such significance as to substantially interfere with or disturb the comfort, repose, peace, or quiet of any person lawfully entitled to occupancy of such Rental Unit and that cause, are likely to cause, or are intended to cause any person lawfully entitled to occupancy of a Rental Unit to vacate such Rental Unit or to surrender or waive any rights in relation to such occupancy.
- 14.** Remove a housing service for the purpose of causing the Tenant to vacate the Residential Real Property (i.e., taking away a parking space knowing that a Tenant cannot find alternative parking and must move.)
- 15.** Interfere with the right of Tenant(s) to organize and engage in concerted activities with other tenants for the purpose of mutual aid and protection; provide property access to Tenant organizers, advocates, or representatives working with or on behalf of Tenants living at a property; convene Tenant or Tenant organization meetings in an appropriate space accessible to Tenants under the terms of their Lease; or distribute and post literature informing other Tenants of their rights and of opportunities to involve themselves in their project in common areas, including lobby areas and bulletin boards.
- 16.** Threatening or intimidating a Tenant based on their immigration or citizenship status or otherwise disclosing a Tenant's immigration or citizenship status in

violation of California Civil Code section 1940.35(a) and California Code of Civil Procedure section 1161.4, as may be amended.