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memorandum

To

Mountain View Rental Housing Committee

From

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Annual Update on Relevant Legislation and Case Law in California

In 2025, the California State Legislature adopted several bills affecting landlord-tenant law. The Legislature also adopted changes to the Brown Act which govern the RHC meetings. In addition, there were a handful of decisions coming out of California courts relating to landlord-tenant law and tenant protections.

A. 2025 Legislative Updates

1. SB 707 Amendments to the Brown Act.

SB 707 makes significant changes to the Brown Act which regulates public meetings. Many of these changes do not impact the RHC since it is not considered an "eligible legislative body." Eligible legislative bodies, which would include the Mountain View City Council, have additional requirements regarding translation of agendas, requirements that all meetings of the eligible legislative body provide an opportunity for remote participation by the public, and facilitating interpretation of meetings, among other requirements. These requirements become applicable to eligible legislative bodies July 1, 2026.

SB 707 makes other revisions that are applicable to the RHC, including that all members of legislative bodies receive a copy of the Brown Act annually. Remote attendance at meetings by members of the RHC continues to be allowed under certain circumstances but some of the rules regarding remote attendance have changed. The revised Brown Act continues to allow remote attendance if the agenda for the meeting is posted at the place where the member participating remotely is located and that location is open to the public.

Just Cause Remote Attendance

The amendments to the Brown Act change the grounds for members of the RHC to participate remotely if the RHC member is not attending from a place that is public or cannot post the agenda. SB 707 collapses the grounds for attending remotely to one category considered to be "just cause" whereas previously members could attend remotely for just causes or emergencies. Just causes for attending a meeting remotely are:

- Childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse or domestic partner;
- A contagious illness that prevents the member from attending in person;
- A need related to a physical or mental condition;
- Travel while on official business for the City or another state or local agency;
- An immunocompromised child, parent, grandparent, grandchild, sibling, spouse or domestic partner that requires that the member participate remotely;
- A physical or family medical emergency that prevents the member from attending in person; or
- Military service obligation.

If a member intends to participate remotely for a just cause, the member is to notify the chair as soon as possible, which can be at the start of the meeting, of the need to attend remotely and provided a general description of the circumstances relating to the need to appear remotely. The member does not need to disclose medical information. The member participating remotely must participate using both audio and visual technology.

Members can participate in meetings remotely for a just cause no more often than twice per year if the legislative body meets once per month. For legislative bodies that meet more often, members can participate more often remotely.

The provisions of the Brown Act that allow remote participation for just cause are effective until January 1, 2030, unless there are subsequent amendments to the statute.

SB 707 also contains a provision that allows a member to participate in a meeting remotely as a reasonable accommodation if the member has a disability, without any limitation on the number of times the member can participate remotely.

In all instances where a member participates remotely, at least a quorum of the legislative body must attend the meeting in person. The minutes of any meeting in which a member

of the legislative body participates remotely must note that the member participated remotely.

Meeting Conduct with Option for Public to Participate Remotely

Because the RHC is not an eligible legislative body it does not have to provide an option for members of the public to participate remotely but if it does allow remote participation, SB 707 requires that the agenda for the meeting include the instructions for how the public can participate remotely. If there is disruption of the technology that allows for remote participation by the public, the legislative body cannot take any further action on the agenda until public access is restored.

The legislative body has to allow members to make comments in real time so cannot limit comments to written comments and must allow a reasonable amount of time per agenda item to allow members of the public to participate. SB 707 does not define what is a reasonable amount of time.

Finally, SB 707 makes explicit that the rules in the Brown Act that allow for the removal of a member of the public who is disruptive apply to members of the public participating remotely.

SB 707 covers a variety of other subjects, many of which are not applicable to the RHC.

2. AB 246

AB 246, or the Social Security Tenant Protection Act of 2025, authorizes tenants to assert "Social Security hardship" as an affirmative defense to an unlawful detainer (eviction) based on the nonpayment of rent. "Social Security hardship" refers to a loss of income due to an interruption in the payment of Social Security benefits due to the action or inaction of the federal government.

To assert the affirmative defense, the tenant must provide evidence that (1) the tenant's Social Security benefits were terminated, delayed, or reduced through no fault of the tenant and (2) the Social Security hardship prevented the tenant from paying the rent that is the subject of the unlawful detainer action.

If the tenant successfully provides evidence to establish both conditions, then the court is required to stay (i.e., pause) the unlawful detainer case until the earlier of: (a) 14 days after the tenant's Social Security benefits are restored, or (b) 6 months after the stay is issued.

The tenant's successful assertion of this affirmative defense does not relieve them of the obligation to pay the rent owed. Rather, within 14 days of the restoration of their Social Security benefits, the tenant must either pay all past due rent to the landlord or enter a payment plan with the landlord. Once the tenant repays the back rent or enters into payment

plan, the court must either dismiss the unlawful detainer action or set aside judgment against all defendants in the case.

3. AB 414

AB 414 makes amendments to existing California law regarding security deposits (codified at Civil Code Section 1950.5).

At the end of a tenancy, a landlord must return the remaining balance of a tenant's security deposit by personal delivery or by check made payable to the tenant and mailed by first-class mail, posted prepaid. However, if the tenant paid their security deposit or made rent payments to the landlord electronically, then the landlord must return the balance of the tenant's security deposit electronically to the bank account or other financial institution designated by the tenant in writing, or by any other electronic or virtual method available to the landlord (e.g., Venmo, Zelle, PayPal) if agreed to in writing by the tenant. To implement this requirement, the landlord must inform the tenant, within a reasonable time after notification of either party's intention to terminate the tenancy or before the end of the lease term, of the tenant's right to receive the security electronically.

Additionally, landlords and tenants may now enter a mutual agreement (either at the commencement of a tenancy or at any time during the tenancy) that the required itemized statement of charges against the tenancy's security deposit will be provided by the landlord to the tenant either by email or by first class mail, postage prepaid.

Finally, where there are multiple adult tenants on the lease, the landlord must return the remainder of the security deposit by check made payable to all of the adult tenants and provide the itemized statement to any one of the adult tenants chosen by the landlord. Alternatively, the landlord may enter into a mutual agreement with all of the adult tenants either at the commencement of the tenancy or at any time during the tenancy that specifies how the remainder of the security deposit will be returned to the tenants. For each adult tenant, this includes the allocation percentage, the method of delivery, and whether the landlord will spend them a copy of the itemized statement.

4. AB 628

AB 628 amends California landlord-tenant law (Civil Code Section 1941.1) regarding the landlord's duties to provide a habitable or tenantable rental unit. Specifically, landlords now have an affirmative duty to provide both of the following:

- A stove that is maintained in good working order and capable of safely generating heat for cooking; and

- A refrigerator that is maintained in good working order and capable of safety storing heat.

A stove or refrigerator that is subject to recall by the manufacturer or a public entity is not considered to be "in good working order." The landlord must repair or replace a recalled stove or refrigerator within 30 days of receiving notice of the recall.
Alternatively, at the time of signing of the lease, a landlord and a tenant may mutually agree that the tenant will provide and maintain their own refrigerator. However, even if the landlord and tenant enter into such agreement, the tenant may later elect to have the landlord provide and maintain a refrigerator. To exercise this option, the tenant must provide the landlord with 30 days' written notice that they want the landlord to provide and maintain a refrigerator. The landlord must install a refrigerator in good working order in the unit at the end of the 30-day notice period.

These provisions apply only to leases that are entered, amended, or extended on or after January 1, 2026.

5. AB 456

AB 456 makes changes to the Mobile Home Residency Law impacting the sales process of mobile homes that will remain in the park. These changes include that if the management of the park fails or refuses to give a homeowner a written summary of repairs and improvements that are required to the mobile home or accessory structures within 15 business days following a request for such information, management is deemed to have waived the right to require the repairs.

If management fails to notify a seller and prospective purchaser of a mobile home of acceptance or rejection of the prospective purchaser's application within 15 business days of receipt of a complete application, the prospective purchaser is deemed to be approved. Additionally, if management has failed or refused to timely notify the occupant of a mobile home of acceptance or rejection of a tenancy application, management may not be able to claim the occupant is an unlawful occupant if other conditions are met.

Mobile homeowners selling a mobile home are now required to provide management of the park the Manufactured Home and Mobilehome Transfer Disclosure Statement that is required to be provided to prospective purchasers.

6. AB 806

Mobile home park management may not prohibit a resident from installing, upgrading, replacing or using a cooling system in the mobile home. Management is prohibited from charging any fees for the installation of a cooling system, requiring that the homeowner use a specific type of cooling system, claiming a rebate in connection with the homeowner's installation of a cooling system or requiring a homeowner to remove a cooling system.

7. AB 299

Until January 1, 2031, AB 299 codifies, at Civil Code Section 1954.071, Governor Newsom's executive order suspending establishment of tenancies in hotels, motels, and short-term rentals during proclaimed emergency/disaster.

Under normal circumstances, California law provides that an individual who occupies a room in a hotel, motel, or other short-term lodgings for 30 or more days establishes a tenancy and is entitled to the protections of landlord-tenant law. AB 299 creates a limited exception to this rule.

A guest residing in lodging will not be considered a tenant (i.e., person who hires pursuant to Civil Code Section 1940) and will not have their occupancy constitute a new tenancy for the purposes of Code of Civil Procedure Section 1161 until they have resided in the lodging for 270 days, if the following conditions are met:

- They are residing in the lodging because of a disaster that substantially damaged, destroyed, or otherwise made uninhabitable their prior housing. "Disaster" means any event or circumstance that results in a federal major disaster declaration approved by the U.S. President, or a state of emergency proclaimed by the Governor;

- At the time of check-in for a stay that would result in the guest residing in the lodging for more than 30 consecutive dates, the lodging believes the guest is subject to the prior requirement and provides the guest with physical or electronic notice as specified in the statute; and

- After providing the above-mentioned required notice, the lodging also provides the guest with a confirmation form that allows them to select whether they are residing in the lodging due to a disaster.

    - If the guest fails or refuses to complete the confirmation form, the lodging may rely on other reasonable information to determinate whether the guest is subject to the 270-day rule and may limit the duration or the stay or refuse to provide the guest accommodations.

For any guest who is subject to the 270-day rule and has resided in the lodging for more than 30 days, the lodging operator must provide at least 72 hours' notice before requiring the guest to vacate the lodging, except that the lodging is not required to provide said notice if the guest has failed to pay any room charges, fees, expenses, or other amounts, or has interfered with the quiet enjoyment of other guests, or the lodging has reasonable grounds to believe that the guest has damaged, is damaging or will damage the lodging or other property or that the guest poses a risk of harm to other guests, employees, or others lawfully lodging on the property.

8. SB 610

SB 610 addresses the impacts on tenancies, including mobile home park tenancies, of disasters that make the rental unit or space uninhabitable. If a tenancy is terminated as a result of a disaster, the landlord or park owner is required to return to the tenant any prepaid rent within 21 days of the date that the rental unit or space is damaged or destroyed. During any time that a tenant cannot occupy a unit or a space due to a mandatory evacuation order, rent is abated.

Apartment landlords are now required to remove any debris caused by a disaster and mitigate the hazards arising from the disaster, including but not limited to, the presence of mold, smoke, smoke residue, smoke odor, ash, asbestos and water damage in a timely manner. The landlord is required to comply with all protocols issued by government officials and to provide the tenant with copies upon request of all studies, reports or tests conducted. Until the debris, including ash, sludge or runoff, is determined not to contain toxic substances by a local public health official, the presence of the debris is presumed to make the rental unit untenantable. Unless the tenancy is lawfully terminated, the tenancy remains in effect and the tenant has the right to return to the rental unit or the space.

If a mobile home park is damaged or destroyed as a result of a disaster, as part of the closure impact report that is required by State law, the park owner must obtain a technical service report from the California Department of Housing and Community Development that identifies the conditions within the park. As part of a closure impact report, currently the park owner is required to obtain an appraisal of the in-place value of the mobile home and pay the mobile homeowner that value if the mobile home cannot be moved. SB 610 removes this requirement if the closure is due to damage or destruction as a result of a disaster.

A disaster is defined as a natural or manmade emergency that is declared a disaster by the U.S. President or the Governor.

9. AB 1414

AB 1414 provides that for any tenancy that is commenced, renewed, or continued on a month-to-month or other periodic basis on or after January 1, 2026, the landlord (or their agency) must allow the tenant to opt out of any subscription from a third-party internet service provider to provide service for wired internet, cellular, or satellite service that is offered in connection with the tenancy. If the landlord (or their agent) fails to provide this option, the tenant may deduct the cost of the subscription to the third-party internet service provider from the rent. No landlord (or their agent) shall retaliate against a tenant for exercising their right to opt out of the subscription.

10. AB 391

AB 391 changes the method for delivery of notices and disclosures to mobile homeowners and residents to require that annual disclosures be provided to both the mobile homeowner

and the resident. Additionally, AB 391 contains a process by which mobile homeowners and residents can consent to receive the disclosures and notices by electronic mail and to revoke that consent.

11. SB 525

SB 525 makes manufactured homes eligible for the California FAIR Plan basic property insurance on the same terms as provided for other types of properties.

12. AB 863

AB 863 directs the Judicial Council to create for mandatory use a single summons form for unlawful detainer actions in English, Spanish, Chinese, Tagalog, Vietnamese, and Koren. The Judicial Council must provide this form by January 1, 2027, and publish the form on its website.

B. 2025 Case Law Updates

1. *California Apartment Association et al. vs. City of Pasadena* (2025) _____ Cal.App.5th

In November 2022, the voters of the City of Pasadena approved a voter-initiated charter amendment to the City of Pasadena Charter adopting Rent Control. The California Apartment Association challenged the charter amendment on a variety of grounds including (1) that the ballot measure was not a charter amendment but rather an impermissible charter revision, (2) that the composition of the Pasadena Rental Housing Board violated the California Constitution by conditioning the right to hold office on a property qualification, (3) that the requirement that seven of the eleven Rental Housing Board members be tenants violated landlords' equal protection rights, (4) that a provision of the Charter Amendment that required landlords of non-rent stabilized units to pay relocation benefits to tenants who move as a result of rent increases exceeding the specified threshold is preempted by Costa Hawkins; and (5) that a requirement that landlords give tenants a notice to cease prior to commencing certain at-fault evictions was preempted by state law.

The trial court found in favor of the City on most of the challenges brought by CAA but did make some reformations of the Charter Amendment to address conflicts with state law. On appeal, the Appellate Court ruled as follows:

- The Charter Amendment was not an impermissible Charter revision and thus was validly presented to the voters. Charter amendments can be initiated by a voter initiative, but charter revisions can only be proposed by the legislative body. The Court dismissed all of the CAA arguments that the charter amendment constituted a sweeping change to the way the City conducted business finding that although the charter amendment was long and contained

numerous provisions, it was limited to a single subject matter so did not rise to the level of a charter revision.

- The composition of the Pasadena Rental Housing board did not violate the California Constitution by conditioning the right to hold office based on a property qualification. The CAA argued that the Pasadena Charter Amendment, which required that at least 7 members of the Rental Housing Committee be tenants, constituted a property qualification for purposes of holding office. The Court held that the constitutional prohibition on a property qualification is a prohibition on conditioning the ability to hold office on ownership of property. The Pasadena Charter Amendment prohibits ownership of property rather than requires ownership.

- The composition of the Pasadena Rental Housing Board did not violate landlords' equal protection by requiring that 7 of the 11 board members be tenants. The Court applied what is called the rational basis test to the board composition finding that there was a rational basis for the unbalanced board, including that a majority of Pasadena residents are tenants who face greater risks and consequences of housing instability. The unbalanced board ensured that tenants were represented roughly commensurate with their share of the population. Additionally, findings in the Charter Amendment that the City Council has historically been overrepresented by landlords further supported the Court's decision.

- The Court found that the Charter Amendment provision that required a landlord to pay relocation assistance to a tenant who moved as a result of receiving a rent increase that was greater than 5% plus the annual general adjustment to be preempted by Costa Hawkins. The Court's decision on the preemption issue rested on the fact that the Court did not find that the relocation requirement was an eviction protection, which are explicitly not preempted by Costa Hawkins, but rather acted to constrain a landlord's ability to set the rent at any amount the landlord chooses for units that are prohibited from being rent controlled by local government, including units that receive a certificate of occupancy after February 1, 1995 and units separately alienable from any other unit. The Court found that the relocation provision frustrated the purpose of Costa Hawkins.

- The Court also found that the requirements in the Charter Amendment that require that a landlord give a notice to cease before commencing legal proceedings against the tenant in some evictions to be preempted by state eviction laws.

The Court of Appeal upheld the Charter Amendment but reformed it to remove the two provisions that were found to be preempted by State law.

2. *CP VI Admirals Cove, LLC. Vs. City of Alameda* (2025) 113 Cal.App.5th 1167

The owner of former U.S. Navy housing argued that the housing was not subject to the City of Alameda Rent Control Ordinance because the rental units were substantially rehabilitated in 2020 at which time a new certificate of occupancy was issued. Costa Hawkins exempts from local rent control any units for which a certificate of occupancy was issued after February 1, 1995. The owner also argued that the rental units were not part of the residential housing market prior to February 1, 1995 because they were restricted to members of the U.S. Navy. The Court found that the rental units were not exempt under Costa Hawkins because the units were used for residential use prior to February 1, 1995. The Court followed prior cases that have held that the exemption in Costa Hawkins for rental units that received a certificate of occupancy after February 1, 1995 applies to rental units that received a certificate of occupancy for residential use after that date or in other words if the property was used for residential use prior to February 1, 1995, it is not exempt from Costa Hawkins. Since the rental units were eligible for residential occupancy prior to February 1, 1995, the units were not exempt from the City's Rent Stabilization Ordinance.

3. *Anaheim Mobile Estates, LLC v. State of California* (2025) 113 Cal.App.5th 602

In 2021, the California State Legislature enacted Civil Code Section 798.30.5, which generally provides that a mobilehome park operator, who owns a mobilehome park "located within and governed by the jurisdictions of two or more incorporated cities" may not "increase the gross rental rate for a tenancy ... more than 3 percent plus the percentage change in the cost of living, or 5 percent, whichever is lower, of the lowest gross rental rate charged for a tenancy at any time during the 12 months prior to the effective date of the increase." Section 798.30.5, which went into effect on January 1, 2022, further provides if the same homeowner maintains a tenancy in the park over any 12-month period, then the gross rental rate for their tenancy may not be increased more than two increments in that 12-month period.

The owner of a mobilehome park within and governed by the cities of Anaheim and Stanton filed suit against the State of California alleging that Section 798.30.5 is facially unconstitutional because it lacks a "fair return rent adjustment mechanism." The trial court agreed with the mobilehome park owner, granting its motion for judgment on the pleadings and entering judgment against the State.

On appeal by the State, the appellate court reversed the trial court's holding and upheld Section 798.30.5 as constitutional. In doing so, the appellate court explained that contrary to the park owner's assertions, the controlling precedents – *Birkenfeld v. City of Berkeley* (1976) 17 Cal.3d 129; *Calfarm Ins. Co. v. Deukmejian* (1989) 48 Cal.3d 805; *Kavanau v. Santa Monica Rent Control Bd.* (1997) 16 Cal.4th 761; and *Galland v. City of Clovis* (2001) 24 Cal.4th 1003 – **do not** stand for the proposition that a rent control law *must* have an fair

return rent adjustment mechanism in order to be constitutional. Rather, these cases hold that such a mechanism "may be necessary to remedy a constitutionally infirm rent control law." Since the park owner had not demonstrated that Section 798.30.5 was "confiscatory in all cases or in the majority of cases" then they also had not demonstrated the need for a fair return rent adjustment mechanism.

4. *Eshagian v. Cepeda* (2005) 122 Cal.App.5th 433

This case involved a tenant's appeal of a trial court's decision entering judgment for a landlord in an unlawful detainer action based on the tenant's non-payment of rent.

Among other things, the tenant appealed the trial court's decision on the basis that the three-day notice upon which the unlawful detainer action was based failed to strictly comply with the statutory requirements of California law. In vacating the trial court's decision and entering judgment for the tenant, the appellate court reinforced the rule that a three-day notice must strictly comply with the statutorily mandated notice requirements.

The appellate court concluded that the three-day notice to pay or quit failed to strictly comply with the statutory requirements for the following three reasons:

- For one, even though the notice was titled "3 Day Notice to Pay or Quit," it did not expressly state that the landlord would repossess the premises if the tenant did not pay the rent owed prior to the expiration of the three-day notice period. The mere use of the words "pay or quit" in the title was not sufficient to "clearly, positively, and unequivocally" place the tenant on notice that he was facing imminent eviction;

- Second, the notice did not state when the notice period commenced or ended, and did not inform the tenant that the three-day period excluded weekends and judicial holidays; and

- Finally, the notice did not provide the clear address where rent could be paid by the tenant. The address listed on the notice was the address of the rental unit where the tenant resided. By stating that the tenant could pay the rent to the landlord at the rental unit between 8:00 a.m. and 9:00 p.m., the notice did not meet the Legislature's stated purpose "to avoid confusion and 'protect both landlords and tenants alike, by setting forth clear rules for payment to whom and where.'"