

**ORDINANCE NO. 888**

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF FAIRFAX  
AMENDING CHAPTER 5.55 "RENT STABILIZATION PROGRAM" OF TITLE 5 OF THE  
FAIRFAX MUNICIPAL CODE**

The Town Council of the Town of Fairfax finds and declares that:

**WHEREAS**, on November 2, 2022, the Town Council adopted Ordinance No. 871 establishing a rent stabilization program codified at Chapter 5.55 of the Town Municipal Code, to set maximum annual rent increases and a procedure for individual rent adjustments by landlords and tenants through a petition process; and

**WHEREAS**, though effective as of December 2, 2022, the uncodified Section 5 of Ordinance No. 871 provides that the program will not be implemented until such time as the Council approves agreements to support the implementation of the petition and hearing process; and

**WHEREAS**, on September 6, 2023, the Town Council adopted Ordinance No. 882 amending the rent stabilization program to, among other provisions, increase the annual maximum rent increase from 60% to 75% of the Consumer Price index (CPI); and

**WHEREAS**, under the rent stabilization program, landlords are required to pay a Rental Housing Fee to fund enforcement of the program, which fee will be set by Council resolution; and

**WHEREAS**, no fee study has yet been completed to establish the Rental Housing Fee and the Town Council is not yet in a position to approve all agreements necessary for full implementation of the program; and

**WHEREAS**, Town staff, based on quotes from a hearing examiner, has estimated that the maximum reasonable costs of a hearing on a rent increase petition is \$1000.00, and that such cost is significantly lower than a landlord's attorney costs to defend a rent increase in a civil action; and

**WHEREAS**, the Town Council now desires to amend Chapter 5.55 to add a petition fee of \$1000 to be paid by landlords for rent increase adjustments until such time of the Rental Housing Fee is implemented.

**NOW, THEREFORE, THE TOWN COUNCIL OF THE TOWN OF FAIRFAX DOES HEREBY ORDAIN AS FOLLOWS:**

**SECTION 1. Recitals.** The recitals above are each incorporated by reference and adopted as findings of the Town Council.

**SECTION 2. Amendment.** Subsections (D) of Chapter 5.55.070 is hereby amended in its entirety to read as follows (where **underlined** text denotes additions):

"(D) **Collection of Rental Housing Fee.** All Landlords shall pay the business license fee required by the Town Code section 5.16.010, if applicable, in addition to the Rental Housing Fee. The Town may charge the Rental Housing Fee at the same time as the business license fee. The Rental Housing Fee will be set by resolution of the Town

Council. Enforcement of this Chapter shall be funded by the Rental Housing Fee. **Notwithstanding the foregoing, Landlords shall pay a fee of \$1000 to petition for a rent increase adjustment pursuant to section 5.55.080 (D) or if such petition is filed by a tenant. Landlords shall pay this fee until such time as the Rental Housing Fee is set. Should the actual costs on the hearing be less than \$1000, Landlords shall be refunded the difference between \$1000 and actual costs.**

**SECTION 3. Compliance with CEQA.** The Town Council finds that adoption of this Ordinance is exempt from the California Environmental Quality Act ("CEQA") pursuant to section 15061(b)(3) of the State CEQA Guidelines because it can be seen with certainty that there is no possibility that the adoption of the Ordinance may have a significant effect on the environment, in that this ordinance applies residential tenant protection to existing residential units in the Town of Fairfax, which is solely an administrative process resulting in no physical changes to the environment.

**SECTION 4. Severability.** If any section, subsection, subdivision, sentence, clause, phrase, or portion of this ordinance, or the application thereof to any person or place, is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remainder of this ordinance. The Town Council hereby declares that it would have adopted this ordinance, and each and every section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

**SECTION 5. Effective Date and Posting.** This Ordinance shall be effective 30 days following its adoption by the Town Council. Copies of this Ordinance shall, within fifteen days after its passage and adoption, be posted in three public places in the Town of Fairfax, to wit: 1. Bulletin Board, Town Hall Offices; Bulletin Board, Fairfax Post Office; and 3. Bulletin Board, Fairfax Women's Club.

The foregoing Ordinance was introduced at a special meeting of the Town Council on the 29<sup>th</sup> of February 2024, and duly adopted at the next regular meeting of the Town Council on the 6<sup>th</sup> day of March 2024, by the following vote, to wit:

**AYES:** Ackerman, Cutrano, Blash, Coler  
**NOES:** None  
**ABSENT:** Hellman

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Barbara Coler, Mayor

Attest:

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Christine Foster, Deputy Town Clerk