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CITY OF SANTA ANA
COMMUNITY DEVELOPMENT AGENCY
20 Civic Center Plaza – M25
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www.santa-ana.org

June 30, 2023

**Notice of Allowable Rent Increase Effective September 1, 2023
Pursuant to Ordinance No. NS-3027**

Effective November 18, 2022, the City Council of the City of Santa Ana adopted Ordinance No. NS-3027, known as the Rent Stabilization and Just Cause Eviction Ordinance (“Ordinance”). The Ordinance prohibits increases in rent on certain residential real property or mobilehome spaces in the City of Santa Ana in excess of three (3) percent, or eighty (80) percent of the change in the Consumer Price Index (“CPI”), whichever is less, and more than one (1) rent increase in any twelve (12) month period. The full Ordinance can be found in English, Spanish, and Vietnamese on the City’s website at: www.santa-ana.org/renter-protections.

Allowable Rent Increase from September 1, 2023 through August 31, 2024

The Rent Stabilization and Just Cause Eviction Ordinance Section 8-3140 states that:

- (a) Increases in rent on residential real property or mobilehome spaces in the City of Santa Ana in excess of three percent (3%), or eighty (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., or the Mobilehome Residency Law codified in California Civil Code sections 798, et seq. If the change in the Consumer Price Index is negative, no rent increase is permitted. The term 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 States Consumer Price Index for all Urban Consumers in the Los Angeles-Long Beach-Anaheim Metropolitan Area published by the Bureau of Labor Statistics, not seasonally adjusted, for the most recent twelve (12) month period ending prior to the City’s calculation pursuant to subsection (b). A violation of this section occurs upon the service of notice or demand for a prohibited increase in rent.

SANTA ANA CITY COUNCIL

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(b) No later than June 30 each year, beginning with the year 2022, the City shall announce the amount of allowable rent increase based on subsection (a) herein, which shall be effective as of September 1 of that year.

This Notice provides the allowable rent increase to be used by property owners for the period beginning September 1, 2023, through August 31, 2024.

According to the United States Department of Labor's Bureau of Labor Statistics, which reports the applicable CPI, the increase in CPI from May 2022 through May 2023 was 3.18% (as indicated in Table 1). Since 80% of the change in CPI through May 2023 is 2.54%, which is less than 3%, **the allowable rent increase for the period effective September 1, 2023, through August 31, 2024, will be 2.54%.**

Table 1: Allowable Rent Increase Calculation

CPI Index - prior year (May 2022)	[A]	310.649
CPI Index - current year (May 2023)	[B]	320.514
CPI Change	$[C = (B - A) / A]$	3.18%
80% of CPI change	$[D = C \times .8]$	2.54%
Allowable Rent Increase =		
Lesser of 3% or 80% of CPI	$[E = \text{MIN}(.03, D)]$	2.54%

Applying the Allowable Rent Increase

Pursuant to Section 8-3140 of the Ordinance, only one rent increase is allowed in a 12-month period, and it cannot exceed the allowable rent increase in effect for that period.

Pursuant to Section 8-3148 of the Ordinance, no rent increase shall be effective if the property owner (a) fails to substantially comply with all provisions of the Ordinance, including, but not limited to the failure to provide notices as required, or (b) fails to maintain the residential real property or mobilehome space in compliance with California law, or (c) fails to make repairs ordered by the City or the court, or (d) fails to accurately complete the rental unit registration*.

Not all rental units are subject to the provisions of the Ordinance. Please refer to Section 8-3147 of the Ordinance to determine if your rental unit(s) may be exempt from the allowable rent increase referenced herein.

If you have any questions or concerns regarding this Notice, please contact us at (714) 667-2209 or rso@santa-ana.org.

Sincerely,

**Rent Stabilization Program
City of Santa Ana**

*[*Click here to sign up to receive updates on the Rent Stabilization and Just Cause Eviction Ordinance, including the launch of the City's Rental Registry.](#)*