



Eviction Reduction Just Cause/ Security Deposit Limit Ordinance



City Council Direction

- Establish a local limit to the amount of a security deposit charged for unfurnished rental units to
 - 1.5x the monthly rent
- Extend just cause eviction protections to
 - Rental units that received a Building Department certificate of occupancy within the past 15 years



Ordinance Purpose

- Expensive rental market and a high percentage of cost burdened renters in Palo Alto
- Security deposit limit could reduce potential total move in costs on unfurnished units
- Extending just cause eviction protections locally creates rental market transparency, reduces likelihood of evictions, reduces financial impacts for no-fault evictions

Ordinance Overview

- Amendments to the existing PAMC Chapter 9.68, Rental Housing Stabilization, include:
 - Addition of new just cause eviction protection section
 - Addition of a new security deposit limit section
 - Other administrative changes:
 - to ensure no loss of existing local and state protections
 - to improve clarity of the topics addressed in the ordinance

Staff Recommendation

- Adopt the attached Ordinance (Attachment A) amending Palo Alto Municipal Code (PAMC) Chapter 9.68 to extend just cause eviction protections and to add a security deposit limit for unfurnished rental units in Palo Alto.



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