

## Article 8: Housing

### Division 11: Prohibition of Anti-Competitive Automated Rent Price-Fixing

(“Prohibition of Anti-Competitive Automated Rent Price-Fixing”  
added 5-22-2025 by O-21955 N.S.; effective 6-21-2025.)

#### §98.1101 Purpose and Intent

The purpose and intent of this Division is to protect San Diegans from artificially inflated rental rates and unfair rent increases by prohibiting the sale, licensing, and use of *algorithmic devices*. This Division also provides *tenants* with remedies for violations of this Division.

(“Purpose and Intent” added 5-22-2025 by O-21955 N.S.; effective 6-21-2025.)

#### §98.1102 Definitions

For purposes of this Division, defined terms appear in italics. The following definitions apply in this Division:

*Algorithmic device* means a software or product that uses or incorporates one or more algorithms to perform calculations of *nonpublic competitor data* of two or more *landlords* to advise a *landlord* on, or recommend to a *landlord*, rental rates or occupancy levels that may be achieved for a *residential rental property* in the City of San Diego. *Algorithmic device* does not include the following:

- (a) A software or product used by a *person* to publish reports regarding rental rates or occupancy levels from aggregated historical *nonpublic competitor data* that is more than 90 days old, or from information available to the general public, and does not recommend rental rates or occupancy levels for future *residential rental property leases* or renewals.
- (b) A software or product used by a *person* to establish rental rates or income limits in accordance with local, state, or federal affordable housing program guidelines.
- (c) A software or product used by a *person* conducting an appraisal that does not recommend rental rates during the runtime operation of the software or product.

*Landlord* has the same meaning as in San Diego Municipal Code section 98.0702, as may be amended.

*Lease* has the same meaning as in San Diego Municipal Code section 98.0702, as may be amended.

*Nonpublic competitor data* means information that is not available to the general public, whether the information is attributable to a specific competitor or anonymized or whether the information is derived from or otherwise provided by another *person*. *Nonpublic competitor data* includes information about actual rental rates, rental rate changes, *residential rental property* supply levels, occupancy levels, or *lease* start and end dates.

*Person* has the same meaning as in San Diego Municipal Code section 11.0210, as may be amended.

*Residential rental property* has the same meaning as in San Diego Municipal Code section 98.0702, as may be amended.

*Tenant* has the same meaning as in San Diego Municipal Code section 98.0702, as may be amended.

(“Definitions” added 5-22-2025 by O-21955 N.S.; effective 6-21-2025.)

### **§98.1103 Use and Sale of Algorithmic Devices Prohibited**

- (a) It is unlawful for a *person* to sell, license, or otherwise provide an *algorithmic device* to a *landlord*.
- (b) It is unlawful for a *landlord* to use an *algorithmic device* to set rental rates or occupancy levels for *residential rental property*.

For each month a violation of section 98.1103(b) exists or continues, and for each *residential rental property* a *landlord* uses an *algorithmic device*, it shall constitute a separate and distinct violation.

(“Use and Sale of Algorithmic Devices Prohibited” added 5-22-2025 by O-21955 N.S.; effective 6-21-2025.)

**§98.1104 Remedies**

- (a) A *tenant* may seek injunctive relief, damages, or civil penalties of up to \$1,000 per violation of this Division, in a civil action against a *landlord*. In an action brought under this Division, a prevailing *landlord* or *tenant* shall recover costs and reasonable attorney's fees. A prevailing *tenant* includes a *tenant* granted an order for injunctive relief. A *lease* provision that limits a *landlord* or *tenant* from recovering attorney's fees shall not be enforceable against a *landlord's* or *tenant's* claim for attorney's fees that arise under this Division.
- (b) The remedies under section 98.1104 are cumulative and are in addition to any other remedies in this Division or at law, statute, or ordinance.
- (c) The City may enforce this Division under Chapter 1, Article 2 of this Code, including civil and criminal remedies.

(“Remedies” added 5-22-2025 by O-21955 N.S.; effective 6-21-2025.)