

# **Bond Case Briefs**

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## **MUNICIPAL ORDINANCE - CALIFORNIA**

### **Hotop v. City of San Jose**

**United States Court of Appeals, Ninth Circuit - December 7, 2020 - 982 F.3d 710 - 20 Cal. Daily Op. Serv. 12,665 - 2020 Daily Journal D.A.R. 12,969**

Owners of rent-stabilized rental housing in city brought civil rights action challenge, on constitutional grounds, the disclosure obligations imposed on them by municipal ordinance.

The United States District Court granted motion to dismiss for failure to state cause of action, and lessors appealed.

The Court of Appeals held that:

- Lessors did not adequately allege that they had reasonable expectation of privacy in information that they were required by ordinance to disclose, and did not state plausible claim to recover for municipality's alleged violation of their Fourth Amendment rights;
- Lessors did not state plausible claim for regulatory taking;
- Complaint contained only vague allegations that the ordinance affected lessors' contracts with tenants and did not state a Contracts Clause claim that was plausible on its face;
- City had rational basis for the distinctions drawn in ordinance based, inter alia, on the significant resources that it would have to expend if ordinance were expanded to include duplexes; and
- Lessors did not state a plausible substantive or procedural due process claim against municipality.