#### ORDINANCE NO. 2941

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDLANDS ADDING CHAPTER 9.38 TO ARTICLE 9 OF THE REDLANDS MUNICIPAL CODE REGULATING THE TERMINATION OF RESIDENTIAL TENANCIES DUE TO DEMOLITION OR SUBSTANTIAL REMODEL AND DECLARING AN URGENCY THEREOF

WHEREAS, the California State Legislature adopted the Tenant Protection Act of 2019 (California Civil Code § 1946.2) (the "Act"), and the Act became effective by its own terms as of January 1, 2020; and

WHEREAS, the Act provides certain tenants of residential real property with just cause eviction protections under certain circumstances; and

WHEREAS, the Act provides that a local ordinance adopted after September 1, 2019, requiring just cause for termination of a residential tenancy shall supersede the Act only if the ordinance is "more protective" than the Act; and

WHEREAS, the City Council desires to adopt an ordinance with just cause termination of tenancy provisions that are more protective than the Act as it relates to no-fault just cause evictions for demolition or substantial remodel of a residential property; and,

WHEREAS, housing instability threatens the public peace, health, and safety as eviction from one's home can lead to prolonged homelessness, increased residential mobility, loss of community, strain on household finances due to the necessity of paying rental application fees and security deposits, stress and anxiety experienced by those displaced, increased commute times and traffic impacts if displaced workers cannot find affordable housing within the city in which they work, and interruption of the education of children in the home.

WHEREAS, eviction creates particular hardships for the disabled, senior citizens, and individuals and households of limited means, given the shortage of affordable housing within the City of Redlands and the region generally; and

WHEREAS, the Act permits property owners to evict tenants based on the intent to demolish or substantially remodel their residential real property with no checks and balances to ensure that property owners are appropriately relying on this basis to evict tenants; and

WHEREAS, renters facing eviction have alerted the City that some property owners may have abused this no-fault just cause ground for eviction by using it as a pretext to evict tenants. Based on similar reports, other cities in Southern California, including Long Beach, Ventura, Hermosa Beach and Duarte have adopted similar ordinances to prevent misuse of this allowable grounds for eviction; and,

WHEREAS, to ensure that property owners' intent is genuine and that tenants are not evicted earlier than necessary or when the remodel does not reasonable require vacation of the units, the City Council finds that it is in the interest of the public welfare to require residential

property owners to obtain all necessary approvals and permits to perform the proposed work before evicting tenants and to explain to the tenants why the work requires eviction; and,

WHEREAS, tenants served with "no-fault" evictions (owner move-in, substantial remodel, demolishing the rental unit, etc.) receive only one month of relocation assistance from their property owners; and,

WHEREAS, most property owners require first months' rent, last months' rent, security deposit, and application fees upon move-in and many tenants also pay for temporary storage and other moving costs; and

WHEREAS, one month of relocation assistance may not adequately cover these expenses, so relocation assistance must be strengthened to reflect the realities of the rental market and ensure that eviction is only done when the remodel actually rises to the level of "substantial remodel" or involves demolition; and,

WHEREAS, in a rental market where these tenants will not be able to find comparable housing in the City, the City Council intends that evictions based on demolition or substantial remodel be implemented only when necessary and that the tenants be given more relocation assistance to avoid homelessness and increased ability to relocate within the City of Redlands and provide the least amount of work, life, and familial disruption; and,

WHEREAS, the City finds that this Ordinance is consistent with and more protective than the Act by requiring property owners to obtain necessary permits prior to terminating a lawful residential tenancy; that the conditions for eviction are explained to the tenant in the notice of termination; and requiring a higher amount of relocation assistance to ensure that tenants can successfully relocate into comparable housing after those evictions; and,

WHEREAS, the City Council finds and declares that the adoption and implementation of this Ordinance is necessary for the immediate preservation and protection of the public peace, health, and safety as follows:

The State has extensively regulated residential evictions during the period of COVID-19 emergency to keep people in their homes during an unprecedented health pandemic. The City, State, and County are still dealing with and recovering from the devastation from COVID-19 which is compounded with a well-documented and critical housing crisis in the State. The implementation of this Ordinance on an urgency basis is necessary as the City and public, particularly the most vulnerable residents, the disabled, senior citizens, persons and households with limited income, would potentially suffer unwarranted and/or premature evictions of residential tenants, with a shortage of replacement comparable housing in the City. This Ordinance requires property owner accountability to ensure that the allowable substantive grounds for this type of eviction are met. Unless this Ordinance is immediately adopted, residential tenants in good standing will be without protections from property owners who lack a bona fide intent to substantially remodel or demolish their properties; and

WHEREAS, based on the foregoing, the City Council finds and determines that the

immediate preservation of the public peace, health and safety, and protection of life and property, require that this Ordinance be enacted as an urgency ordinance pursuant to Government Code § 36937 to take effect immediately upon adoption by four-fifths (4/5) affirmative vote of the City Council.

#### THE CITY COUNCIL OF THE CITY OF REDLANDS DOES ORDAIN AS FOLLOWS:

- Section 1. The above recitals are true and correct and are incorporated by reference herein.
- Section 2. Article 9 ("Public Peace and Welfare") is amended to add Chapter 9.38 to read as follows:

# "CHAPTER 9.38 PERMIT REQUIRED FOR NO-FAULT JUST CAUSE DEMOLITION AND/OR SUBSTANTIAL REMODELING EVICTIONS

- 9.38.010: Purpose
- 9.38.020: Definitions
- 9.38.030: Notice of Eviction Based on Intent to Demolish or Substantially Remodel Residential Real Property.
- 9.38.040: Relocation Payments
- 9.38.050: Exclusions
- 9.38.060: Application.
- 9.38.070: Enforcement and Penalties.

#### 9.38.010 PURPOSE.

This chapter protects tenants from pretextual evictions in which property owners invoke substantial renovation or demolition of a unit as "just cause" under Civil Code §§ 1946.2, 1947.12, and 1947.13 as adopted by Assembly Bill 1482 (the Tenant Protection Act of 2019, the "Act"), and as may be subsequently amended, by requiring evicting property owners show a government-approved demolition and/or remodeling permit to the tenant prior to initiating an eviction for demolition or substantial remodel of residential real property.

#### 9.38.020 **DEFINITIONS.**

The following words and phrases, whenever used in this chapter, shall be construed as defined in this section:

- (a) "Just Cause" shall have the same meaning as in Civil Code § 1946.2, as may be amended.
- (b) "Owner" shall have the same meaning as in Civil Code § 1946.2, as may be amended.
- (c) "Residential real property" shall have the same meaning as in Civil Code §

1946.2, as may be amended.

- (d) "Tenancy" shall have the same meaning as in Civil Code § 1946.2, as may be amended.
- (e) "Substantially remodel" means the replacement or substantial modification of any structural, electrical, plumbing, or mechanical system that requires a permit from a government agency, or the abatement of hazardous materials, including lead-based paint, mold, or asbestos, in accordance with applicable federal, state, and local laws, that cannot be reasonably accomplished in a safe manner with the tenant in place and that requires the tenant to vacate the residential real property for at least 30 days. Cosmetic improvements alone, including painting, decorating, and minor repairs, or other work that can be performed safely without having the residential real property vacated, do not qualify as substantial rehabilitation.

# 9.38.030 NOTICE OF EVICTION BASED ON INTENT TO DEMOLISH OR SUBSTANTIALLY REMODEL RESIDENTIAL REAL PROPERTY.

Before an owner of residential real property issues a notice to terminate a tenancy for a no-fault just cause eviction based on demolition or a substantial remodel of residential real property, the owner shall have obtained all necessary permits for the substantial remodel and/or demolition from all applicable government agencies. All termination notices for no-fault just cause eviction described in this chapter shall include a copy of all issued permits, which permits must then be in effect, and not be expired or revoked. The owner shall include reasonably detailed information in the termination notice regarding each of (i) the scope of the work, (ii) why the work cannot be reasonably accomplished in a safe manner with the tenant in place, and (iii) why the work requires the tenant to vacate for at least 30 days. These requirements are in addition to and do not supersede any other obligation the owner may have under applicable local, state, and federal law. No other legal remedies available to owners are affected by this chapter

#### 9.38.040 RELOCATION PAYMENTS.

To the extent applicable for a no-fault just cause eviction for intent to demolish or substantially remodel residential real property under California Civil Code § 1946.2(b)(2)(D), the owner must provide relocation assistance in the form of: (i) a rent waiver equal to two months of the tenant's rent that was in effect when the owner issued the notice to terminate the tenancy; or (ii) a payment of \$4,500, whichever is greater. The direct payment of \$4,500 shall be paid to the tenant in two payments. The first payment shall be two-thirds (2/3) of the rental assistance to be paid within 15 calendar days after the notice of termination is served on the tenant and the second payment shall be one-third (1/3) of the rental assistance to be paid when the tenant vacates the residential real property. The notice of termination shall state the terms of the applicable rental assistance.

#### 9.38.050 EXCLUSIONS.

The provisions of this chapter shall not apply to the types of residential real properties or residential circumstances described in California Civil Code § 1946.2(e).

#### 9.38.060 APPLICATION.

This chapter shall apply to notices of termination issued on or after the effective date of this chapter and to tenancies: (1) where the tenant remains in possession; and (2) the period of notice required for notices of termination under California Civil Code §§ 1946.1 and 1946.2 have not expired as of the effective date of this chapter.

#### 9.38.070 ENFORCEMENT AND PENALTIES.

An owner's failure to comply with this chapter shall render any notice of termination of tenancy issued void. The requirements of this chapter may be asserted by the tenant as an affirmative defense in an unlawful detainer proceeding. In addition to any other remedies available in law and equity, any owner of residential real property who intentionally violates this chapter when issuing an invalid termination notice pursuant to this chapter shall be liable in a civil action to the tenant for a civil penalty in an amount of up to \$15,000 and/or reasonable attorney's fees and costs, each as determined by the court."

### Section 3. Environmental Review.

The City Council finds and determines that the adoption of this Ordinance is exempt from the California Environmental Quality Act (CEQA) under State CEQA Guidelines § 15060(c)(2), in that the adoption of this Ordinance will not result in a direct or reasonably foreseeable indirect physical change in the environment, and is further and independently exempt from the California Environmental Quality Act under State CEQA Guidelines § 15061(b)(3), in that it can be seen with certainty there is no possibility the adoption of this Ordinance will have a significant effect on the environment.

#### Section 4. Effective Date.

This Ordinance shall be in full force and effect immediately upon adoption by a four-fifths (4/5) affirmative vote of the City Council pursuant to California Government Code § 36937.

#### Section 5. Severability.

If any section, subsection, subdivision, paragraph, sentence, clause or phrase, or portion of this Ordinance is, for any reason, held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have adopted this Ordinance and each section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance irrespective of the fact that one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional

or invalid or ineffective. To this end, the provisions of this Ordinance are declared to be severable.

## Section 6. Publication and Posting.

The Mayor shall sign this Ordinance and the City Clerk shall certify to the re-adoption of this Ordinance and shall cause it, or a summary of it, to be published once in the Redlands Daily Facts, a newspaper of general circulation within the City, and thereafter, this ordinance shall take effect in accordance with law.

Paul T. Barich, Mayor

ATTEST:

Jeanne Donaldson, City Clerk

6

I, Jeanne Donaldson, City Clerk of the City of Redlands, hereby certify that the foregoing ordinance was duly re-adopted by the City Council at a special meeting thereof held on the 4th day of August, 2022.

AYES:

Council Members Tejeda, Davis, Guzman-Lowery; Mayor Barich

NOES:

Council Member Gallagher

ABSENT:

None

ABSTAINED: None

Jeanne Donaldson, City Clerk