# CORRESPONDENCE

### RECEIVED





October 30, 2019

Dear Members of the Pasadena City Council and Pasadena Mayor Terry Tornek,

The Pasadena Tenants Union and the Pasadena Tenants Justice Coalition present the eviction moratorium ordinances passed by two additional cities of California; Daly City and Redwood. We are not alone in recognizing the current crisis of unjust evictions affecting tenant throughout the state. These ordinances, along with the Los Angeles city ordinance and the draft prepared by the Pasadena Tenants Union for our city, protect tenants from losing their homes as we approach the holiday season. The people of Pasadena are in desperate need of bold leadership.

The Pasadena Tenants Union and Pasadena Tenants Justice Coalition call upon the city council and mayor to pass an eviction moratorium on Monday, November 4 as an emergency ordinance. This moratorium must protect tenants through January 1, 2020, when California state law AB 1482 goes into effect. This moratorium must also invalidate all 60 day notices to vacate without just cause, as outlined in the proposed ordinance presented by the Pasadena Tenants Union to city council during public comment on Monday, October 28, 2019.

Be brave and lead.

Thank you,

Pasadena Tenants Union

Pasadena Tenants Justice Coalition

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DALY CITY ADOPTING AN UNCODIFIED ORDINANCE TO IMMEDIATELY IMPLEMENT THE TENANT PROTECTION ACT OF 2019 (AB 1482) TO PROVIDE JUST CAUSE EVICTION PROTECTIONS IN THE CITY OF DALY CITY UNTIL DECEMBER 31, 2019

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF DALY CITY DOES ORDAIN AS FOLLOWS:

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; and

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

WHEREAS, the "Tenant Protection Act of 2019" (Assembly Bill 1482) was approved by the Legislature on September 11, 2019 and signed by the Governor on October 8, 2019;

WHEREAS, effective January 1, 2020 the "Tenant Protection Act of 2019" will provide limits on rent increases and eviction protections to approximately 8 million tenants in the State of California, thousands of whom live in the City of Daly City; and

WHEREAS, the City of Daly City currently does not regulate the reasons for evictions from residential rental housing; and

WHEREAS, Legal And Society of San Mateo County (LASSMC), a nonprofit agency funded by the City of Daly City to provide counseling and advocacy to low-income tenants, routinely collects and reports data to City staff regarding eviction activity in the City; and

WHEREAS, LASSMC has reported a more than 200% increase in the number of "no cause" notices of termination reported to the agency by Daly City tenants in the 30 days since the September 11, 2019 passage of the Tenant Protection Act of 2019; at least 15 Daly City tenant households have reported to LASSMC receipt of a 60-day notice of termination without cause, in contrast to the typical average rate of 4.9 households per month; and

WHEREAS, increased reports of at least 10 "no cause" eviction notices have been made to community organizers with Faith In Action; and

WHEREAS, the notices of termination without cause served upon these tenants are of the type that would be impermissible in many instances under the just cause for eviction protections

of the Tenant Protection Act of 2019, but the notices are due to expire prior to the January 1, 2020 effective date of the new protections; and

WHEREAS, data collected by LASSMC from eviction activity reported to the agency by tenants in Daly City show that families with children are disproportionately represented in the population of tenants who are served with no cause terminations of tenancy; in the past 20 months, 43 out of 100 such termination notices were served to households with children (43%), but only 28.6% of households in Daly City are families with children, according to the 2010 Census; and

WHEREAS, extensive research studies on the impacts of eviction have demonstrated tenants facing eviction are more likely to report poor health, high blood pressure, depression, anxiety, and psychological distress; in particular, children who experience displacement from their home are likely to suffer academic setbacks, mental health issues, and emotional problems; and

WHEREAS, certain aspects of public peace, health, and safety are not adequately protected due to the current lack of regulation of the reason for evictions from residential rental housing in the City of Daly City; and

WHEREAS, in light of the numerous concerns noted herein, including, but not limited to, the current and immediate threat to the public peace, health, and safety of the City's residents and the adverse impacts that would result from no cause evictions within the City and displacement of City residents, the City Council declares this urgency measure is necessary to preserve the public peace, health, and safety of the community by adopting this urgency ordinance in order to prevent further evictions of tenants without cause prior to the effective date of the Tenant Protection Act of 2019; and

WHEREAS, there is a risk that landlords could seek to evict tenants on rent increases would apply to all rent increases on or after March 15, 2019, but the prohibitions on evictions without just cause would not into effect until January 1, 2020; and

WHEREAS, there is a risk that landlords could seek to evict tenants without just cause during the period before AB 1482 goes into effect in order to implement rent increases that would not otherwise be possible, and the City desires to prohibit such eviction without just cause during such period; and

WHEREAS, the City Council finds and determines that regulating the relations between residential landlords and tenants will increase certainty and fairness within the residential rental market in the City and thereby serve the public peace, health and safety; and

WHEREAS, staff discussions, testimony, and documentary evidence presented in a public forum support the basis of the findings and actions set forth in this ordinance; and

WHEREAS, for reasons set forth above, this ordinance is declared by the City Council to be necessary for immediate preservation of the public peace, health, and safety, and the recitals above taken together constitute the City Council's statements of the reasons constituting such necessity and urgency; and

WHEREAS, adoption of this ordinance is exempt from review under the California Environmental Quality Act (CEQA) pursuant to the following, each a separate and independent basis: CEQA Guideline Section 15183 (Action Consistent with the General Plan and Zoning); Section 15378; and Section 15061(b)(3) (No Significant Environmental Impact);

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF DALY CITY DOES HEREBY ORDAIN AS FOLLOWS:

**SECTION 1.** The City Council finds and determines the foregoing recitals to be true and correct and hereby incorporates them into this ordinance.

**SECTION 2.** Without the imposition of this Urgency Ordinance, evictions without just cause may result in the displacement of residential tenants who would be forced to find new housing in a rapidly expensive housing market before a non-urgency ordinance or AB 1482 would become effective and would significantly increase the risk of residential tenants becoming homeless.

<u>SECTION 3</u>. There is a current and immediate threat to public peace, health and safety of the City and its community due in part to the adoption of AB 1482 which increases the risk of evictions without just cause prior to the effective date of such bill, thereby necessitating the immediate enactment of this Urgency Ordinance in order to ensure that tenants are not turned out of their homes without just cause.

**SECTION 4.** Urgent Need - Based on the foregoing recitals and findings, all of which are deemed true and correct, this ordinance is urgently needed for the immediate preservation of the public peace, health, and safety. This Urgency Ordinance shall take effect immediately upon adoption in accordance with the provisions set forth in Government Code Section 36937.

SECTION 5. Notwithstanding any other law, after a tenant has continuously and lawfully occupied a residential real property for 12 months, the owner of the residential real property shall not terminate the tenancy without just cause, which shall be stated in the written notice to terminate tenancy. If any additional adult tenants are added to the lease before an existing tenant has continuously and lawfully occupied the residential real property for 24 months, then this subdivision shall only apply if either of the following are satisfied:

- 1) All of the tenants have continuously and lawfully occupied the residential real property for 12 months or more.
- 2) One or more tenants have continuously and lawfully occupied the residential real property for 24 months or more.
  - a. For purposes of this section, "just cause" includes either of the following:
    - i. At-fault just cause, which is any of the following:
      - 1. Default in the payment of rent.
      - 2. A breach of a material term of the lease, as described in paragraph (3) of Section 1161 of the Code of Civil Procedure, including, but not limited to, violation of a provision of the lease after being issued a written notice to correct the violation.

- 3. Maintaining, committing, or permitting the maintenance or commission of a nuisance as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.
- 4. Committing waste as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.
- 5. The tenant had a written lease that terminated on or after January 1, 2020, and after a written request or demand from the owner, the tenant has refused to execute a written extension or renewal of the lease for an additional term of similar duration with similar provisions, provided that those terms do not violate this section or any other provision of law.
- 6. Criminal activity by the tenant on the residential real property, including any common areas, or any criminal activity or criminal threat, as defined in subdivision (a) of Section 422 of the Penal Code, on or off the residential real property, that is directed at any owner or agent of the owner of the residential real property.
- 7. Assigning or subletting the premises in violation of the tenant's lease, as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.
- 8. The tenant's refusal to allow the owner to enter the residential real property as authorized by Sections 1101.5 and 1954 of this code, and Sections 13113.7 and 17926.1 of the Health and Safety Code.
- 9. Using the premises for an unlawful purpose as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.
- 10. The employee, agent, or licensee's failure to vacate after their termination as an employee, agent, or a licensee as described in paragraph (1) of Section 1161 of the Code of Civil Procedure.
- 11. When the tenant fails to deliver possession of the residential real property after providing the owner written notice as provided in Section 1946 of the tenant's intention to terminate the hiring of the real property, or makes a written offer to surrender that is accepted in writing by the landlord, but fails to deliver possession at the time specified in that written notice as described in paragraph (5) of Section 1161 of the Code of Civil Procedure.

#### ii. No-fault just cause, which includes any of the following:

- 1. Intent to occupy the residential real property by the owner or their spouse, domestic partner, children, grandchildren, parents, or grandparents.
- 2. For leases entered into on or after July 1, 2020, clause (i) shall apply only if the tenant agrees, in writing, to the termination, or if a provision of the lease allows the owner to terminate the lease if the owner, or their spouse, domestic partner, children, grandchildren,

parents, or grandparents, unilaterally decides to occupy the residential real property. Addition of a provision allowing the owner to terminate the lease as described in this clause to a new or renewed rental agreement or fixed-term lease constitutes a similar provision for the purposes of subparagraph (E) of paragraph (1).

- 3. Withdrawal of the residential real property from the rental market.
- 4. The owner complying with any of the following:
  - a. An order issued by a government agency or court relating to habitability that necessitates vacating the residential real property.
  - b. An order issued by a government agency or court to vacate the residential real property.
  - c. A local ordinance that necessitates vacating the residential real property.
  - d. If it is determined by any government agency or court that the tenant is at fault for the condition or conditions triggering the order or need to vacate under clause (i), the tenant shall not be entitled to relocation assistance as outlined in paragraph (3) of subdivision (d).
- 5. Intent to demolish or to substantially remodel the residential real property.
  - a. For purposes of this subparagraph, "substantially remodel" means the replacement or substantial modification of any structural, electrical, plumbing, or mechanical system that requires a permit from a governmental 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.
  - b. Before an owner of residential real property issues a notice to terminate a tenancy for just cause that is a curable lease violation, the owner shall first give notice of the violation to the tenant with an opportunity to cure the violation pursuant to paragraph (3) of Section 1161 of the Code of Civil Procedure. If the violation is not cured within the time period set forth in the notice, a three-day notice to quit

without an opportunity to cure may thereafter be served to terminate the tenancy.

- iii. For a tenancy for which just cause is required to terminate the tenancy under subdivision (a), if an owner of residential real property issues a termination notice based on a no-fault just cause described in paragraph (2) of subdivision (b), the owner shall, regardless of the tenant's income, at the owner's option, do one of the following:
  - 1. Assist the tenant to relocate by providing a direct payment to the tenant as described in paragraph (iii).
  - 2. Waive in writing the payment of rent for the final month of the tenancy, prior to the rent becoming due.
  - 3. If an owner issues a notice to terminate a tenancy for no-fault just cause, the owner shall notify the tenant of the tenant's right to relocation assistance or rent waiver pursuant to this section. If the owner elects to waive the rent for the final month of the tenancy as provided in subparagraph (B) of paragraph (1), the notice shall state the amount of rent waived and that no rent is due for the final month of the tenancy.
- iv. The amount of relocation assistance or rent waiver shall be equal to one month of the tenant's rent that was in effect when the owner issued the notice to terminate the tenancy. Any relocation assistance shall be provided within 15 calendar days of service of the notice.
- b. If a tenant fails to vacate after the expiration of the notice to terminate the tenancy, the actual amount of any relocation assistance or rent waiver provided pursuant to this subdivision shall be recoverable as damages in an action to recover possession.
- c. The relocation assistance or rent waiver required by this subdivision shall be credited against any other relocation assistance required by any other law.
- d. An owner's failure to strictly comply with this subdivision shall render the notice of termination void.
- e. This section shall not apply to the following types of residential real properties or residential circumstances:
  - i. Transient and tourist hotel occupancy as defined in subdivision (b) of Section 1940 of the California Civil Code.
  - ii. Housing accommodations in a nonprofit hospital, religious facility, extended care facility, licensed residential care facility for the elderly, as defined in Civil Code Section 1569.2 of the Health and Safety Code, or an adult residential facility, as defined in Chapter 6 of Division 6 of Title 22 of the Manual of Policies and Procedures published by the State Department of Social Services.

- iii. Dormitories owned and operated by an institution of higher education or a kindergarten and grades 1 to 12, inclusive, school.
- iv. Housing accommodations in which the tenant shares bathroom or kitchen facilities with the owner who maintains their principal residence at the residential real property.
- v. Single-family owner-occupied residences, including a residence in which the owner-occupant rents or leases no more than two units or bedrooms, including, but not limited to, an accessory dwelling unit or a junior accessory dwelling unit.
- vi. A duplex in which the owner occupied one of the units as the owner's principal place of residence at the beginning of the tenancy, so long as the owner continues in occupancy.
- vii. Housing that has been issued a certificate of occupancy within the previous 15 years.
- viii. Residential real property that is alienable separate from the title to any other dwelling unit, provided that both of the following apply:
- ix. The owner is not any of the following:
  - 1. A real estate investment trust, as defined in Section 856 of the Internal Revenue Code.
  - 2. A corporation.
  - 3. A limited liability company in which at least one member is a corporation
- f. The tenants have been provided written notice that the residential property is exempt from this section using the following statement: "This property is not subject to the rent limits imposed by Section 1947.12 of the Civil Code and is not subject to the just cause requirements of Section 1946.2 of the Civil Code. This property meets the requirements of Sections 1947.12 (d)(5) and 1946.2 (e)(8) of the Civil Code and the owner is not any of the following: (1) a real estate investment trust, as defined by Section 856 of the Internal Revenue Code; (2) a corporation; or (3) a limited liability company in which at least one member is a corporation."
  - i. For a tenancy existing before October 28, 2019, the notice required under clause may, but is not required to, be provided in the rental agreement.
  - ii. For any tenancy commenced or renewed on or after July 1, 2020, the notice required under clause (i) must be provided in the rental agreement.
  - iii. Addition of a provision containing the notice required under clause (i) to any new or renewed rental agreement or fixed-term lease constitutes a similar provision for the purposes of subparagraph (E) of paragraph (1) of subdivision (b).

- g. Housing restricted by deed, regulatory restriction contained in an agreement with a government agency, or other recorded document as affordable housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code, or subject to an agreement that provides housing subsidies for affordable housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code or comparable federal statutes.
- h. An owner of residential real property subject to this section shall provide notice to the tenant as follows:
  - i. For any tenancy commenced or renewed on or after July 1, 2020, as an addendum to the lease or rental agreement, or as a written notice signed by the tenant, with a copy provided to the tenant.
  - ii. For a tenancy existing prior to July 1, 2020, by written notice to the tenant no later than August 1, 2020, or as an addendum to the lease or rental agreement.
  - iii. The notification or lease provision shall be in no less than 12-point type, and shall include the following:

"California law limits the amount your rent can be increased. See Section 1947.12 of the Civil Code for more information. California law also provides that after all of the tenants have continuously and lawfully occupied the property for 12 months or more or at least one of the tenants has continuously and lawfully occupied the property for 24 months or more, a landlord must provide a statement of cause in any notice to terminate a tenancy. See Section 1946.2 of the Civil Code for more information."

The provision of the notice shall be subject to Civil Code Section 1632. "From effective date of this urgency ordinance and continuing until such time as the Tenant Protection Act of 2019 becomes effective, no landlord shall be entitled to recover possession of a rental unit covered by the terms of this ordinance unless said landlord has served a prior notice stating "just cause," and proven the existence of "just cause" as defined below (section 3), while this urgency is in effect.

SECTION 6. Effective Date. This Ordinance is hereby declared to be an urgency Ordinance and is adopted under the provisions of the Government Code of the State of California, Section 36937, subsection (b) thereof, and is to take effect immediately. This Ordinance shall remain in effect until Civil Code Section 1946.2, as enacted by AB 1482 becomes effective. On the day that Civil Code Section 1946.2 becomes effective, this Ordinance shall be repealed and shall be of no further force and effect.

SECTION 7. Severability. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Daly City declares that it would have adopted each section, subsection, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more sections, subsections, clauses, phrases or portions be declared invalid or unconstitutional.

**SECTION 8.** Environmental Assessment. The City Council of the City of Daly City finds and determines that the implementation of measures described in this Chapter is in furtherance police powers of the City of Daly City, and that these purposes are exempt from the provisions of the California Environmental Quality Act (CEQA); Chapter 3 (commencing with Section 21100) of Division 13 of the Public Resources Code, as provided in categorical exemption Classes 1, 4, 5, 7, 8, 9, and or 21 of the CEQA Guidelines (Title 14, *California Code of Regulations*, Sections 15301-15329).

**SECTION 8. Publication.** The Mayor shall sign this ordinance and the City Clerk shall attest and certify to the passage and adoption of it, and within fifteen (15) days, publish once in a newspaper of general circulation circulated within the City of Daly City. The City Clerk shall post at City Hall a copy of the full text of this Ordinance in accordance with Government Code Section 65858 and 75090.

The foregoing urgency ordinance was introduced and duly adopted by a four-fifths vote of the							
City Council o	f the City of Daly City at a special n	neeting of the City Council, held on the					
day of							
	, 2019, by the foll	owing vote:					
	AYES, Councilmembers:						
	NOES, Councilmembers:						
	Absent, Councilmembers:						
		CITY CLERK OF THE CITY OF DALY CITY					
APPROVED:							
MAYOR OF T	THE CITY OF DAI V CITY						

ORDINANCE NO.	O	RDI	NAN	CE	NO.		
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AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDWOOD CITY APPROVING JUST CAUSE EVICTION PROTECTIONS AND RENTAL RATE LIMITS EFFECTIVE IMMEDIATELY UNTIL DECEMBER 31, 2019

WHEREAS, the "Tenant Protection Act of 2019" (Assembly Bill ["AB"] 1482) was approved by the California Legislature on September 11, 2019 and signed by the Governor on October 8, 2019; and

WHEREAS, effective January 1, 2020 the Tenant Protection Act of 2019 codified as California Civil Code sections 1946.2 (Just Cause Eviction) and 1947.12 (Rent Caps) will provide eviction protections and limits on rent increases in the State of California; and

WHEREAS, the City Council, pursuant to its police powers, has broad authority to maintain public peace, health, and safety of its community and preserving the quality of life for its residents; 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; and

WHEREAS, eviction creates particular hardships for individuals and households of limited means, given the shortage of housing, particularly affordable housing, within the City of Redwood City and the San Francisco Bay Area region generally; and

WHEREAS, the City Council has received public testimony that tenants were unwilling to register complaints against their landlords over unsuitable living conditions based on a fear of being evicted without just cause; and

WHEREAS, the City Council has received tenant testimonials that landlords are significantly increasing rents prior to the end of 2019, in an attempt to evict tenants during a brief window ahead of the Tenant Protection Act of 2019 becoming effective. Recent rent increases ranging from 12% to 32% have been documented; and

WHEREAS, as AB 1482 does not go into effect until January 1, 2020, landlords could seek to evict tenants without cause in order to implement rent increases that would not otherwise be possible after the effective date; and

**WHEREAS**, the City desires to prohibit such exorbitant rental rate increases as well as evictions without just cause during this transition period; and

WHEREAS, the City Council finds and determines that regulating the relations between residential landlords and tenants will increase certainty and fairness within the residential rental market in the City and thereby serve the public peace, health, and safety; and

WHEREAS, Government Code section 36937(b) authorizes the adoption of an urgency ordinance to protect the public peace, health or safety, where there is a declaration of the facts constituting the urgency and the ordinance is adopted by four-fifths of the Council; and

WHEREAS, this urgency ordinance would essentially establish the rental protections that will go into effect on January 1, 2020 under AB 1482 immediately within the City of Redwood City to (1) prohibit an owner of residential property (with specific exceptions) from terminating a tenancy without just cause, and (2) prohibit an owner of residential property from annually increasing rent more than 5% plus the percentage change in the cost of living (which amounts to a total of 9% for the City of Redwood City); and

WHEREAS, an urgency ordinance that is effective immediately is necessary to avoid the immediate threat to public peace, health, and safety as failure to adopt this urgency ordinance could result in the displacement of the City's residents and community members.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF REDWOOD CITY DOES ORDAIN AS FOLLOWS:

<u>SECTION 1</u>. Incorporation of Recitals. The City Council hereby finds that all of the foregoing recitals and the staff report presented herewith are true and correct and are hereby incorporated and adopted as findings of the City Council as if fully set forth herein.

<u>SECTION 2</u>. Findings. The City Council hereby finds, determines and declares that this urgency ordinance adopted pursuant to California Government Code Section 36937 is necessary because:

- A. Housing, particularly affordable housing, is difficult to procure in the San Francisco Bay Area and in Redwood City. The rental increases and evictions without just cause occurring in advance of the effectiveness of AB 1482 destabilize the housing market and can result in the loss of affordable housing.
- B. For the immediate preservation of the public peace, health and safety, the City Council finds that it is necessary to adopt an ordinance regulating rental rate increase and just cause evictions, for all of the reasons set forth in the recitals above, which are hereby incorporated by reference.
- C. Without the imposition of this urgency ordinance, rental rate increases and evictions without just cause may result in the displacement of residential tenants who would be forced to find new housing in an ever-more expensive housing market before a non- urgency ordinance or AB 1482 would become effective, and would significantly increase the risk of residential tenants becoming homeless.
- D. There is a current and immediate threat to the public peace, health, and safety of the City and its community due in part to the adoption of AB 1482 which increases the risk of tenant displacement prior to the effective date of the bill, thereby necessitating the immediate enactment of this urgency ordinance in order to ensure that tenants are not turned out of their homes without just cause.

<u>SECTION 3</u>. **Urgent Need.** Based on the foregoing recitals and findings, all of which are deemed true and correct, this ordinance is urgently needed for the immediate preservation of the public peace, health, and safety. This urgency ordinance shall take effect immediately upon adoption in accordance with the provisions set forth in Government Code Section 36937.

<u>SECTION 4</u>. Just Cause Eviction Protections. The City Council of the City of Redwood City hereby adopts the Just Cause Eviction Protections provided in <u>Exhibit A</u>, attached hereto and incorporated by reference.

<u>SECTION 5</u>. Rent Rate Limit Provisions. The City Council of the City of Redwood City hereby adopts the Rental Rate Limit Provisions provided in <u>Exhibit B</u>, attached hereto and incorporated by reference.

<u>SECTION 6</u>. Enforcement An owner's failure to comply with any requirement of this ordinance is a complete affirmative defense in an unlawful detainer or other action brought by the owner to recover possession of the rental unit. A Tenant may bring a civil suit in the courts of the state alleging that an owner has violated any of the provisions of this ordinance including that the owner has demanded, accepted, received, or retained a payment or payments in excess of Rental Rate Limit Provisions.

<u>SECTION 7</u>. Effectiveness of Ordinance. This urgency ordinance shall remain in effect until December 31, 2019. On January 1, 2020, this ordinance shall be repealed and shall be of no further force and effect.

<u>SECTION 8</u>. Compliance with CEQA. The City Council finds that the adoption and implementation of this urgency ordinance are exempt from the provisions of the California Environmental Quality Act ("CEQA") under CEQA Guidelines Section 15061(b)(3) in that the City Council finds there is no possibility that the implementation of this ordinance may have significant effects on the environment. The ordinance would apply residential tenant protection measures to existing residential units in Redwood City, which is solely an administrative process resulting in no physical changes to the environment.

<u>SECTION 9</u>. Severability. The City Council hereby declares every section, paragraph, sentence, cause and phrase is severable. If any section, paragraph, sentence, clause or phrase of this ordinance is for any reason found to be invalid or unconstitutional, such invalidity, or unconstitutionality shall not affect the validity or constitutionality of the remaining sections, paragraphs, sentences, clauses or phrases.

**SECTION 10**. **Publication**. The City Clerk is directed to cause this ordinance to be published in the manner required by law.

THE FOREGOING URGENCY ORDINANCE was introduced and adopted, effective immediately, at a regular meeting of the City Council of the City of Redwood City held on October 28, 2019, by the following vote:

### Exhibit A JUST CAUSE EVICTION PROTECTIONS

These just cause eviction protections of the urgency ordinance shall be known as the "Just Cause Eviction Protections."

- (a) Notwithstanding any other law, after a tenant has continuously and lawfully occupied a residential real property for 12 months, the owner of the residential real property shall not terminate the tenancy without just cause, which shall be stated in the written notice to terminate tenancy. If any additional adult tenants are added to the lease before an existing tenant has continuously and lawfully occupied the residential real property for 24 months, then this subdivision shall only apply if either of the following are satisfied:
  - (1) All of the tenants have continuously and lawfully occupied the residential real property for 12 months or more.
  - (2) One or more tenants have continuously and lawfully occupied the residential real property for 24 months or more.
- (b) For purposes of this section, "just cause" includes either of the following:
  - (1) At-fault just cause, which is any of the following:
    - (A) Default in the payment of rent.
    - (B) A breach of a material term of the lease, as described in paragraph (3) of Section 1161 of the Code of Civil Procedure, including, but not limited to, violation of a provision of the lease after being issued a written notice to correct the violation.
    - (C) Maintaining, committing, or permitting the maintenance or commission of a nuisance as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.
    - (D) Committing waste as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.
    - (E) The tenant had a written lease that terminated on or after October 29, 2019, and after a written request or demand from the owner, the tenant has refused to execute a written extension or renewal of the lease for an

- additional term of similar duration with similar provisions, provided that those terms do not violate this section or any other provision of law.
- (F) Criminal activity by the tenant on the residential real property, including any common areas, or any criminal activity or criminal threat, as defined in subdivision (a) of Section 422 of the Penal Code, on or off the residential real property that is directed at any owner or agent of the owner of the residential real property.
- (G)Assigning or subletting the premises in violation of the tenant's lease, as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.
- (H) The tenant's refusal to allow the owner to enter the residential real property as authorized by Sections 1101.5 and 1954 of the Civil Code, and Sections 13113.7 and 17926.1 of the Health and Safety Code.
- (I) Using the premises for an unlawful purpose as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.
- (J) The employee, agent, or licensee's failure to vacate after their termination as an employee, agent, or a licensee as described in paragraph (1) of Section 1161 of the Code of Civil Procedure.
- (K) When the tenant fails to deliver possession of the residential real property after providing the owner written notice as provided in Section 1946 of the Civil Code of the tenant's intention to terminate the hiring of the real property, or makes a written offer to surrender that is accepted in writing by the landlord, but fails to deliver possession at the time specified in that written notice as described in paragraph (5) of Section 1161 of the Code of Civil Procedure.
- (2) No-fault just cause, which includes any of the following:
  - (A) Intent to occupy the residential real property by the owner or their spouse, domestic partner, children, grandchildren, parents, or grandparents.
  - (B) Withdrawal of the residential real property from the rental market.
  - (C) (i) The owner complying with any of the following:
    - (I) An order issued by a government agency or court relating to habitability that necessitates vacating the residential real property.

- (II) An order issued by a government agency or court to vacate the residential real property.
- (III) A local ordinance that necessitates vacating the residential real property.
- (ii) If it is determined by any government agency or court that the tenant is at fault for the condition or conditions triggering the order or need to vacate under clause (i), the tenant shall not be entitled to relocation assistance as outlined in paragraph (3) of subdivision (d).
- (D) (i) Intent to demolish or to substantially remodel the residential real property.
  - (ii) For purposes of this subparagraph, "substantially remodel" means the replacement or substantial modification of any structural, electrical, plumbing, or mechanical system that requires a permit from a governmental 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.
- (c) Before an owner of residential real property issues a notice to terminate a tenancy for just cause that is a curable lease violation, the owner shall first give notice of the violation to the tenant with an opportunity to cure the violation pursuant to paragraph (3) of Section 1161 of the Code of Civil Procedure. If the violation is not cured within the time period set forth in the notice, a three-day notice to quit without an opportunity to cure may thereafter be served to terminate the tenancy.
- (d) (1) For a tenancy for which just cause is required to terminate the tenancy under subdivision (a), if an owner of residential real property issues a termination notice based on a no-fault just cause described in paragraph (2) of subdivision (b), the owner shall, regardless of the tenant's income, at the owner's option, do one of the following:
  - (A) Assist the tenant to relocate by providing a direct payment to the tenant as described in paragraph (3), below.

- (B) Waive in writing the payment of rent for the final month of the tenancy, prior to the rent becoming due.
- (2) If an owner issues a notice to terminate a tenancy for no-fault just cause, the owner shall notify the tenant of the tenant's right to relocation assistance or rent waiver pursuant to this section. If the owner elects to waive the rent for the final month of the tenancy as provided in subparagraph (B) of paragraph (1), the notice shall state the amount of rent waived and that no rent is due for the final month of the tenancy.
- (3) (A) The amount of relocation assistance or rent waiver shall be equal to one month of the tenant's rent that was in effect when the owner issued the notice to terminate the tenancy. Any relocation assistance shall be provided within 15 calendar days of service of the notice.
  - (B) If a tenant fails to vacate after the expiration of the notice to terminate the tenancy, the actual amount of any relocation assistance or rent waiver provided pursuant to this subdivision shall be recoverable as damages in an action to recover possession.
  - (C) The relocation assistance or rent waiver required by this subdivision shall be credited against any other relocation assistance required by any other law.
- (4) An owner's failure to strictly comply with this subdivision shall render the notice of termination void.
- (e) This section shall not apply to the following types of residential real properties or residential circumstances:
  - (1) Transient and tourist hotel occupancy as defined in subdivision (b) of Section 1940 of the Civil Code.
  - (2) Housing accommodations in a nonprofit hospital, religious facility, extended care facility, licensed residential care facility for the elderly, as defined in Section 1569.2 of the Health and Safety Code, or an adult residential facility, as defined in Chapter 6 of Division 6 of Title 22 of the Manual of Policies and Procedures published by the State Department of Social Services.
  - (3) Dormitories owned and operated by an institution of higher education or a kindergarten and grades 1 to 12, inclusive, school.

- (4) Housing accommodations in which the tenant shares bathroom or kitchen facilities with the owner who maintains their principal residence at the residential real property.
- (5) Single-family owner-occupied residences, including a residence in which the owner-occupant rents or leases no more than two units or bedrooms, including, but not limited to, an accessory dwelling unit or a junior accessory dwelling unit.
- (6) A duplex in which the owner occupied one of the units as the owner's principal place of residence at the beginning of the tenancy, so long as the owner continues in occupancy.
- (7) Housing that has been issued a certificate of occupancy within the previous 15 years.
- (8) Residential real property that is alienable separate from the title to any other dwelling unit, provided that the following applies:
  - (A) The owner is not any of the following:
    - (i) A real estate investment trust, as defined in Section 856 of the Internal Revenue Code.
    - (ii) A corporation.
    - (iii) A limited liability company in which at least one member is a corporation.
- (9) Housing restricted by deed, regulatory restriction contained in an agreement with a government agency, or other recorded document as affordable housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code, or subject to an agreement that provides housing subsidies for affordable housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code or comparable federal statutes.
- (f) Redwood City Municipal Code Chapter 42 (Relocation Assistance) requires the payment of relocation assistance to displaced eligible residential households, as specified in Chapter 42. In the event that a tenant is eligible for a relocation assistance payment or rent waiver under these Just Cause Eviction Protections and the Relocation Assistance Ordinance, the requirement that results in the greater financial benefit for the tenant shall govern.

- (g) Any waiver of the rights under this ordinance shall be void as contrary to public policy.
- (h) For the purposes of Just Cause Eviction Protections, the following definitions shall apply:
  - (1) "Owner" and "residential real property" have the same meaning as those terms are defined in Civil Code Section 1954.51.
  - (2) "Tenancy" means the lawful occupation of residential real property and includes a lease or sublease.

### Exhibit B RENTAL RATE LIMIT PROVISIONS

These rent cap provisions of the urgency ordinance shall be known as the "Rental Rate Limit Provisions."

- (a) Subject to subdivision (b), an owner of residential real property shall not increase the gross rental rate for a dwelling or a unit more than 9 percent of the gross rental rate charged for that dwelling or unit prior to the effective date of these Rental Rate Limit Provisions. In determining the gross rental amount pursuant to this section, any rent discounts, incentives, concessions, or credits offered by the owner of such unit of residential real property and accepted by the tenant shall be excluded. The gross per-month rental rate and any owner-offered discounts, incentives, concessions, or credits shall be separately listed and identified in the lease or rental agreement or any amendments to an existing lease or rental agreement.
- (b) For a new tenancy in which no tenant from the prior tenancy remains in lawful possession of the residential real property, the owner may establish the initial rental rate not subject to subdivision (a). Subdivision (a) is only applicable to subsequent increases after that initial rental rate has been established.
- (c) A tenant of residential real property subject to this section shall not enter into a sublease that results in a total rent for the premises that exceeds the allowable rental rate authorized by subdivision (a). Nothing in this subdivision authorizes a tenant to sublet or assign the tenant's interest where otherwise prohibited.
- (d) This section shall not apply to the following residential real properties:
  - (1) Housing restricted by deed, regulatory restriction contained in an agreement with a government agency, or other recorded document as affordable housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code, or subject to an agreement that provides housing subsidies for affordable housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code or comparable federal statutes.
  - (2) Dormitories constructed and maintained in connection with any higher education institution within the state for use and occupancy by students in attendance at the institution.
  - (3) Housing that has been issued a certificate of occupancy after February 1, 1995.

- (4) Residential real property that is alienable separate from the title to any other dwelling unit or is a subdivided interest in a subdivision as specified in subdivision (b), (d), or (f) of Section 11004.5 of the Business and Professions Code.
- (5) A duplex in which the owner occupied one of the units as the owner's principal place of residence at the beginning of the tenancy, so long as the owner continues in occupancy.
- (e) An owner shall provide notice of any increase in the rental rate, pursuant to subdivision (a), to each tenant in accordance with Section 827.
- (f) For the purposes of these Rental Rate Limit Provisions, the following definitions shall apply:
  - (1) "Owner" and "residential real property" shall have the same meaning as those terms are defined in Section 1954.51.
  - (2) "Tenancy" means the lawful occupation of residential real property and includes a lease or sublease.
- (g) (1) This ordinance shall apply to all rent increases subject to subdivision (a) effective on or after October 29, 2019. This section shall become operative October 29, 2019.
  - (2) In the event that an owner has sent any rent increase notice on or after September 1, 2019 to increase the rent effective on or after October 29, 2019, the increased rent may not be by more than the amount permissible under subdivision (a) and the rental rate increase will be deemed to be the rental rate increase permitted by subdivision (a).
- (h) Any waiver of the rights under this ordinance shall be void as contrary to public policy.

#### ORDINANCE NO.

## AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PASADENA TEMPORARILY ESTABLISHING JUST CAUSE EVICTIONS IN THE CITY OF PASADENA

WHEREAS, the City of Pasadena is a Charter City; and

WHEREAS, the City of Pasadena has adopted procedures for the adoption of ordinances, including urgency ordinances; and

WHEREAS, Section 510 of the City Charter authorizes the City Council to introduce and adopt an ordinance or motion it declares to be necessary as an emergency measure to preserve the public peace, health, and safety at one and the same meeting if passed by at least 6 affirmative votes; and

WHEREAS, California Government Code Section 65858 sets forth a separate procedure for zoning urgency ordinances, and this procedure does not apply to this urgency ordinance because it is not a zoning regulation; and

WHEREAS, the City of Pasadena currently does not regulate the reasons for evictions from residential rental housing; and

WHEREAS, Governor Newsom upon the passage of AB 1482 (Chiu) identified that the eviction protections contained in AB 1482 (Chiu) Tenant Protection Act of 2019 "will help families afford to keep a roof over their heads, and... will provide California with important new tools to combat our state's broader housing and affordability crisis."

WHEREAS, Governor Newsom upon the signing of AB 1482 (Chiu) Tenant Protection Act of 2019 remarked stated that "[o]ne essential tool to combatting [the housing affordability crisis] is protecting renters from price-gouging and evictions."

WHEREAS, community members, tenant associations, and advocates have seen a dramatic rise in landlords serving no-cause 60-day notices to entire buildings of long-term tenants in a deliberate attempt to evict such long-term tenants for no-cause prior to the effective date of AB 1482 (Chiu).

WHEREAS, Dennis Block, prominent eviction attorney, who appeared at the AAGLA Conference at the Pasadena Convention Center on October 2, 2019 publically advised property owners to serve 60 day-notices en masse to tenants in anticipation of AB 1482. This event was advertised on Pasadena City's Housing Department website, and was still an active link as of October 26, 2019.

WHEREAS, the Council finds that the City's affordable housing crisis is exacerbated by no-cause evictions.

WHEREAS, the Council finds that the service of no-fault eviction notices during the period after March 15, 2019, and prior to the effective date of January 1, 2020, severely and irreparably undermines the intent of the City in supporting AB 1482 (Chiu) Tenant Protection Act of 2019, as well as the intent of the legislature and Governor, to protect tenants from arbitrary evictions during the state's housing crisis. This overwhelming public policy interest necessities emergency action to preserve the effectiveness of AB 1482 (Chiu) Tenant Protection Act of 2019.

WHEREAS, the Council finds that an emergency measure is necessary and essential to prevent the irreparable injury tenants would suffer due to the service of no-fault eviction notices prior to the effective date of AB 1482 (Chiu) Tenant Protection Act of 2019.

WHEREAS, the Council finds that an emergency measure is necessary and essential to further the overwhelming interest of the State in passing, and the City in supporting, AB 1482 (Chiu) Tenant Protection Act of 2019.

WHEREAS, PTU and allied organizations have heard from at least 100 members of the community who reported the issuance of no cause eviction notices in anticipation of the January 1, 2020 effective date of AB 1482 Tenant Protection Act of 2019; and

WHEREAS, the Pasadena Unified School District has closed 3 elementary schools and one middle school in fall 2019 as a result of low enrollment numbers that are a direct result of the high cost of housing in Pasadena.

WHEREAS, the eviction protections of AB 1482 are not retroactive, and do not take effect until January 1, 2020; and

WHEREAS, certain aspects of public peace, health, and safety are not adequately protected due to the lack of regulation of evictions from residential rental housing in Pasadena, and it is in the interest of the City, of owners and residents of rental units, and of the community as a whole to protect affordable housing within the City, including, but not limited to, requiring just cause to evict tenants by this ordinance until AB 1482 becomes effective; and

WHEREAS, in light of the numerous concerns noted herein, including, but not limited to, the current and immediate threat to the public peace, health, and safety of the City's residents and the adverse impacts that would result from no cause evictions within the City and displacement of City residents, the City Council declares this emergency measure is necessary to preserve the public peace, health, and safety of the community by adopting this urgency ordinance in order to prevent further evictions of tenants without cause prior to the effective date of the AB 1482(Chiu) Tenant Protection Act of 2019; and

WHEREAS, for reasons set forth above, this ordinance is declared by the City Council to be necessary for immediate preservation of the public peace, health, and safety, and the recitals above taken together constitute the City Council's statements of the reasons constituting such necessity and urgency; and

WHEREAS, adoption of this ordinance is exempt from review under the California Environmental Quality Act (CEQA) pursuant to the following, each a separate and independent basis: CEQA Guideline Section 15183 (Action Consistent with the General Plan and Zoning); Section 15378; and Section 15061(b)(3) (No Significant Environmental Impact);

NOW, THEREFORE, THE PEOPLE OF THE CITY OF PASADENA ORDAIN AS FOLLOWS:

Section 1. Emergency Finding. The City Council finds the foregoing recitals to be true and correct and hereby incorporates such findings into this ordinance. The City Council further finds that there is a necessity to expedite and pass this ordinance by the powers given to the City Council under Section 510 of the City Charter due to rapidly escalating rents that, through the displacement of low and moderate income residents directly, threaten the welfare and public health of the City.

Section 2. Just Cause for Eviction. From the effective date of this urgency ordinance and continuing until such time as the Tenant Protection Act of 2019 (AB 1482) becomes effective, no landlord shall be entitled to recover possession of a rental unit covered by the terms of this ordinance unless said landlord shows the existence of "just cause" as defined within Section 3(b) below while this urgency ordinance is in effect. The provisions of this urgency ordinance shall apply to all residential rental units not specified below to be exempt, including where a notice to vacate or quit any such rental unit has been served prior to, as of, or after the effective date of this urgency ordinance but where an unlawful detainer judgment has not yet been issued as of the effective date of this urgency ordinance.

Section 3. Scope of Ordinance.(a) Notwithstanding any other law, if a tenant has continuously and lawfully occupied a residential real property for 12 months, the owner of the residential real property shall not terminate the tenancy without just cause, which shall be stated in the written notice to terminate tenancy. If any additional adult tenants have been added to the lease before an existing tenant had continuously and lawfully occupied the residential real property for 24 months, then this subdivision shall only apply if either of the following are satisfied:

- (1) All of the tenants have continuously and lawfully occupied the residential real property for 12 months or more.
- (2) One or more tenants have continuously and lawfully occupied the residential real property for 24 months or more.
- (b) For purposes of this section, "just cause" includes either of the following:

- (1) At-fault just cause, which is any of the following:
- (A) Default in the payment of rent.
- (B) A breach of a material term of the lease, as described in paragraph (3) of Section 1161 of the Code of Civil Procedure, including, but not limited to, violation of a provision of the lease after being issued a written notice to correct the violation.
- (C) Maintaining, committing, or permitting the maintenance or commission of a nuisance as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.
- (D) Committing waste as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.
- (E) The tenant had a written lease that terminated on or after January 1, 2020, and after a written request or demand from the owner, the tenant has refused to execute a written extension or renewal of the lease for an additional term of similar duration with similar provisions, provided that those terms do not violate this section or any other provision of law.
- (F) Criminal activity by the tenant on the residential real property, including any common areas, or any criminal activity or criminal threat, as defined in subdivision (a) of Section 422 of the Penal Code, on or off the residential real property, that is directed at any owner or agent of the owner of the residential real property.
- (G) Assigning or subletting the premises in violation of the tenant's lease, as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.
- (H) The tenant's refusal to allow the owner to enter the residential real property as authorized by Sections 1101.5 and 1954 of this code, and Sections 13113.7 and 17926.1 of the Health and Safety Code.
- (I) Using the premises for an unlawful purpose as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.
- (J) The employee, agent, or licensee's failure to vacate after their termination as an employee, agent, or a licensee as described in paragraph (1) of Section 1161 of the Code of Civil Procedure.
- (K) When the tenant fails to deliver possession of the residential real property after providing the owner written notice as provided in Section 1946 of the tenant's intention to terminate the hiring of the real property, or makes a written offer to surrender that is accepted in writing by the landlord, but fails to deliver possession at the time specified in that written notice as described in paragraph (5) of Section 1161 of the Code of Civil Procedure.
- (2) No-fault just cause, which includes any of the following:

- (A) (i) Intent to occupy the residential real property by the owner or their spouse, domestic partner, children, grandchildren, parents, or grandparents.
- (ii) For leases entered into on or after July 1, 2020, clause (i) shall apply only if the tenant agrees, in writing, to the termination, or if a provision of the lease allows the owner to terminate the lease if the owner, or their spouse, domestic partner, children, grandchildren, parents, or grandparents, unilaterally decides to occupy the residential real property. Addition of a provision allowing the owner to terminate the lease as described in this clause to a new or renewed rental agreement or fixed-term lease constitutes a similar provision for the purposes of subparagraph (E) of paragraph (1).
- (B) Withdrawal of the residential real property from the rental market.
- (C) (i) The owner complying with any of the following:
- (I) An order issued by a government agency or court relating to habitability that necessitates vacating the residential real property.
- (II) An order issued by a government agency or court to vacate the residential real property.
- (III) A local ordinance that necessitates vacating the residential real property.
- (ii) If it is determined by any government agency or court that the tenant is at fault for the condition or conditions triggering the order or need to vacate under clause (i), the tenant shall not be entitled to relocation assistance as outlined in paragraph (3) of subdivision (d).
- (D) (i) Intent to demolish or to substantially remodel the residential real property. (ii) For purposes of this subparagraph, "substantially remodel" means the replacement or substantial modification of any structural, electrical, plumbing, or mechanical system that requires a permit from a governmental 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.
- (c) Before an owner of residential real property issues a notice to terminate a tenancy for just cause that is a <u>curable lease violation</u>, the owner shall first give notice of the violation to the tenant with an opportunity to cure the violation pursuant to paragraph (3) of Section 1161 of the Code of Civil Procedure. If the violation is not cured within the time period set forth in the notice, a three-day notice to quit without an opportunity to cure may thereafter be served to terminate the tenancy.
- (d) (1) For a tenancy for which just cause is required to terminate the tenancy under subdivision (a), if an owner of residential real property issues a termination notice based on a no-fault just cause described in paragraph (2) of subdivision (b), the

owner shall, regardless of the tenant's income, at the owner's option, do one of the following:

- (A) Assist the tenant to relocate by providing a direct payment to the tenant as described in paragraph (3).
- (B) Waive in writing the payment of rent for the final month of the tenancy, prior to the rent becoming due.
- (2) If an owner issues a notice to terminate a tenancy for no-fault just cause, the owner shall notify the tenant of the tenant's right to relocation assistance or rent waiver pursuant to this section. If the owner elects to waive the rent for the final month of the tenancy as provided in subparagraph (B) of paragraph (1), the notice shall state the amount of rent waived and that no rent is due for the final month of the tenancy.
- (3) (A) The amount of relocation assistance or rent waiver shall be equal to two and one-half (2½) months fair market rents as established by the U.S. Department of Housing and Urban Development ("HUD") for a rental unit of a similar size. In addition to the relocation allowance, landlord shall also pay a moving expense allowance in the amount of \$1,306.00 for adult households or \$3,935.00 for households with dependents, disabled, or senior members. Any relocation assistance shall be provided within 15 calendar days of service of the notice.
- (B) If a tenant fails to vacate after the expiration of the notice to terminate the tenancy, the actual amount of any relocation assistance or rent waiver provided pursuant to this subdivision shall be recoverable as damages in an action to recover possession.
- (C) The relocation assistance or rent waiver required by this subdivision shall be credited against any other relocation assistance required by any other law.(4) An owner's failure to strictly comply with this subdivision shall render the notice of termination void.
- (e) This section shall not apply to the following types of residential real properties or residential circumstances:
- (1) Transient and tourist hotel occupancy as defined in subdivision (b) of Section 1940.
- (2) Housing accommodations in a nonprofit hospital, religious facility, extended care facility, licensed residential care facility for the elderly, as defined in Section 1569.2 of the Health and Safety Code, or an adult residential facility, as defined in Chapter 6 of Division 6 of Title 22 of the Manual of Policies and Procedures published by the State Department of Social Services.
- (3) Dormitories owned and operated by an institution of higher education or a kindergarten and grades 1 to 12, inclusive, school.

- (4) Housing accommodations in which the tenant shares bathroom or kitchen facilities with the owner who maintains their principal residence at the residential real property.
- (5) Single-family owner-occupied residences, including a residence in which the owner-occupant rents or leases no more than two units or bedrooms, including, but not limited to, an accessory dwelling unit or a junior accessory dwelling unit.
- (6) A duplex in which the owner occupied one of the units as the owner's principal place of residence at the beginning of the tenancy, so long as the owner continues in occupancy.
- (7) Housing that has been issued a certificate of occupancy within the previous 15 years.
- (8) Residential real property that is alienable separate from the title to any other dwelling unit, provided that both of the following apply:
- (A) The owner is not any of the following:
- (i) A real estate investment trust, as defined in Section 856 of the Internal Revenue Code.
- (ii) A corporation.
- (iii) A limited liability company in which at least one member is a corporation.
- (B) (i) The tenants have been provided written notice that the residential property is exempt from this section using the following statement:
- "This property is not subject to the rent limits imposed by Section 1947.12 of the Civil Code and is not subject to the just cause requirements of Section 1946.2 of the Civil Code. This property meets the requirements of Sections 1947.12 (d)(5) and 1946.2 (e)(8) of the Civil Code and the owner is not any of the following: (1) a real estate investment trust, as defined by Section 856 of the Internal Revenue Code; (2) a corporation; or (3) a limited liability company in which at least one member is a corporation."
- (ii) For a tenancy existing before July 1, 2020, the notice required under clause (i) may, but is not required to, be provided in the rental agreement.
- (iii) For any tenancy commenced or renewed on or after July 1, 2020, the notice required under clause (i) must be provided in the rental agreement.
- (iv) Addition of a provision containing the notice required under clause (i) to any new or renewed rental agreement or fixed-term lease constitutes a similar provision for the purposes of subparagraph (E) of paragraph (1) of subdivision (b).
- (9) Housing restricted by deed, regulatory restriction contained in an agreement with a government agency, or other recorded document as affordable housing for

persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code, or subject to an agreement that provides housing subsidies for affordable housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code or comparable federal statutes.

- (f) Any waiver of the rights under this section shall be void as contrary to public policy.
- (g) For the purposes of this section, the following definitions shall apply:
- (1) "Owner" and "residential real property" have the same meaning as those terms are defined in Government Code section 1954.51.
- (2) "Tenancy" means the lawful occupation of residential real property and includes a lease or sublease.

Section 4. Authority. This Ordinance is enacted pursuant to the City of Pasadena general city powers, Article 510 of the Charter of the City of Pasadena and Article XI of the California Constitution.

Section 5. CEQA. The City Council hereby finds and determines that this Ordinance is not subject to the requirements of the California Environmental Quality Act (CEQA) pursuant to CEQA Guideline 15183 (Action Consistent with General Plan and Zoning); Section 15378 (No Project) and Section 15061(b)(3) (No Significant Environmental Impact).

Section 6. Severability. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid.

Section 8. Effective Date. Pursuant to Section 510 of the Pasadena City Charter, as an urgency ordinance, this Ordinance becomes effective immediately upon its adoption by 6 affirmative votes of the City Council.