

ORDINANCE NO. 770

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CARPINTERIA, CALIFORNIA, ADDING CHAPTER 7.04 (“JUST CAUSE FOR TERMINATION OF RESIDENTIAL TENANCY”) TO A NEW TITLE 7 (“HOUSING REGULATIONS”) OF THE CARPINTERIA MUNICIPAL CODE

WHEREAS, pursuant to the City of Carpinteria's (“City”) police power, as granted broadly under Article XI, Section 7 of the California Constitution, the City Council has the authority to enact and enforce ordinances and regulations for public health, safety, and welfare; and

WHEREAS, there is a housing shortage in the City and the greater South Coast of Santa Barbara County, particularly for middle-, moderate-, low-, and very low-income households, with respective vacancy rates of 3% and less than 3%;¹ and

WHEREAS, since April 2020, apartment rents in the City have risen 30%;² and

WHEREAS, because housing, particularly affordable housing, is difficult to procure in the City, evictions without just cause can destabilize the housing market and result in the loss of affordable housing; and

WHEREAS, housing instability threatens the public peace, health and safety as eviction can undermine the housing market by increasing residential mobility and the loss of affordable housing; increase the risk of prolonged homelessness; displace members of the community; strain household finances due to rental deposits; increase commute times and create traffic impacts if tenants cannot find local housing of comparable affordability; and disrupt the education of impacted children; and

WHEREAS, eviction creates particular hardships for individuals with limited means, given the shortage of local affordable rental housing options; and

WHEREAS, recent high profile headlines highlighting mass termination of tenancies at apartment complexes, comprising of hundreds of units each, in Isla Vista within Santa Barbara County and Los Angeles have drawn attention to an urgent need to protect tenants at a time of scarce rental inventory and low vacancy rates in the City and County; and

¹ Source: 2020 census data that reports 191 rental housing units were vacant, which equates ~3% of the City's estimated housing units in the City. See also Santa Barbara South Coast Chamber of Commerce (Dashboard April 2023) at <https://sbscchamber.com/wp-content/uploads/2023/05/Data-Dashboard-April-2023.pdf>

² California Economic Forecast, The 2023 Carpinteria Valley Economic Profile (September 2023), pg. 21. 25666944.11

WHEREAS, City staff have received anonymous inquiries regarding City regulations surrounding remodels and upgrades to multi-unit rental properties that may permanently displace residential tenants within the City; and

WHEREAS, on May 8, 2023, the City Council received a report on anti-displacement regulatory options for potential inclusion in the Carpinteria Municipal Code (“CMC”) and adopted Resolution No. 6235 initiating amendments to the City's Local Coastal Program and CMC related to such measures; and

WHEREAS, a just cause for termination of residential tenancy ordinance amending the CMC was one such measure identified in Resolution No. 6235;

WHEREAS, the Tenant Protection Act of 2019 (Assembly Bill [“AB”] 1482) established statewide just cause eviction protections and rent stabilization for residential tenants, but also authorized cities to enact more protective local regulations that supersede state law; and

WHEREAS, the City wishes to provide stronger tenant protections citywide than what is provided in state law, including AB 1482, and enact local regulations to protect renters from displacement and homelessness and to promote housing and neighborhood stability; and

WHEREAS, City regulations are intended to provide additional tenant protections beyond state law requirement by making permanent the temporary protections provided under AB 1482, which would otherwise sunset in 2030; and

WHEREAS, absent City regulations, owners may terminate the tenancy of residential tenants under state law, including AB 1482, without oversight by the City; and

WHEREAS, City regulations enacted by this Ordinance are more protective than the provisions of AB 1482 because the City regulations provide additional tenant protections and specific requirements for the exercise of no-fault just cause terminations of residential tenancies; and

WHEREAS, the City Council finds and determines that regulating the relationship between residential landlords and tenants will increase certainty and fairness in the residential rental market, and be consistent with the stricter tenant protections that exist in neighboring localities;

WHEREAS, said tenant protective measures are in line with the City's General Plan policies that support affordable housing, including, but not limited to, Program 1 (Adequate Sites to Accommodate Regional Housing Needs), Program 5 (Affordable Rental Housing Development Assistance), and Program 17 (Affirmatively Furthering Fair Housing) in the City's recently adopted Housing Element; and,

WHEREAS, said tenant protective measures are also consistent with existing City regulations aimed at preserving rental stock and affordable housing, such as CMC Chapter 14.74, which limits the conversions of rental apartments into condominiums,

Chapters 5.75 and 5.76, enacting procedures for the closure of mobilehome parks and notification to mobilehome tenants about the City's rent stabilization program, and Chapters 14.47 and 14.52, which regulate short term rentals and homestays to prevent the proliferation of short term rentals that would displace longer term rental arrangements.

NOW THEREFORE, THE CITY COUNCIL HERBY ORDAINS AS FOLLOWS:

SECTION 1. Recitals Incorporated. The above recitals are incorporated herein and are each relied upon independently by the City Council in its adoption of this Ordinance.

SECTION 2. Declaration of Urgency. Based on the findings contained in the foregoing recitals, which are deemed true and correct, this ordinance is urgently needed for the preservation of the public peace, health or safety. This Urgency Ordinance shall take effect immediately upon adoption in accordance with the provisions set forth in Government Code section 36937.

SECTION 3. Amendment of the CMC. Chapter 7.04 ("Just Cause for Residential Evictions") is hereby added to a new Title 7 ("Housing Regulations") of the Carpinteria Municipal Code to read as follows:

"TITLE 7 –HOUSING REGULATIONS

Chapter 7.04 - JUST CAUSE FOR TERMINATION OF RESIDENTIAL TENANCY

7.04.010 – Purpose.

Housing instability can lead to increased residential mobility and commute times, loss of community, interrupted education of children, financial strain and prolonged homelessness. New rental housing, particularly affordable housing, is difficult to procure not only in the City but the broader South Coast of Santa Barbara County. The purpose of this ordinance is to enact stronger tenant protections than those established in state law for the termination of residential tenancies. Regulating relations between residential landlord and tenants is intended to increase certainty and fairness within the residential rental market in the City and thereby serve the public health, safety and welfare.

7.04.020 – Applicability.

This Chapter applies to all rental units except:

- A. Transient and tourist hotel occupancy as defined in Civil Code Section 1940(b).
- B. 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.

- C. Dormitories owned and operated by an institution of higher education or a kindergarten and grades 1 to 12, inclusive, school.
- D. Housing accommodations in which the tenant shares bathroom or kitchen facilities with the owner who maintains their principal residence at the rental unit.
- E. Single-family owner-occupied residences, including both of the following: 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; or a mobilehome.
- F. A property containing two separate dwelling units within a single structure 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, and neither unit is an accessory dwelling unit or a junior accessory dwelling unit.
- G. Housing that has been issued a certificate of occupancy within the previous 15 years, unless the housing is a mobilehome.
- H. Rental unit, including a mobilehome, that is alienable separate from the title to any other dwelling unit, provided that both of the following apply:
 - 1. 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.
 - (iv) Management of a mobilehome park, as defined in Civil Code 798.2.
 - 2.
 - (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 the effective date of this Chapter, the notice required under subsection H.2.i of this section may, but is not required to, be provided in the rental agreement.

- (iii) For any tenancy commenced or renewed on or after the effective date of this Chapter, the notice required under subsection H.2.i. must be provided in the rental agreement.
 - (iv) Addition of a provision containing the notice required under subsection H.2.i to any new or renewed rental agreement or fixed-term lease constitutes similar other terms for the purposes of Section 7.04.030.B.1.v.
- I. 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.

7.04.030 – Definitions.

As used in this Chapter, the following terms have the meanings set forth in this Section:

- A. Early Tenant Alert Notice means the written notice of no-fault just cause termination of a tenancy of a qualified tenant described in section 7.04.060.B that is provided at least 60 days before the date of termination of tenancy.
- B. Just Cause. At-fault just cause and no-fault just cause, are defined as follows:
 - 1. At-Fault Just Cause means any of the following:
 - (i) Default in the payment of rent.
 - (ii) 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.
 - (iii) 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.
 - (iv) Committing waste as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.
 - (v) The tenant had a written lease that terminated on or after January 1, 2020, or January 1, 2022, if the lease is for a tenancy in a mobilehome, 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.

- (vi) Criminal activity by the tenant on the rental unit, 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 rental unit, that is directed at any owner or agent of the owner of the rental unit; provided that criminal activity or criminal threat directed at a tenant who is a victim of domestic violence shall not be the basis for at-fault or no-fault just cause eviction of the tenant who is a victim of domestic violence.
- (vii) 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.
- (vii) The tenant's refusal to allow the owner to enter the rental unit 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.
- (viii) Using the premises for an unlawful purpose as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.
- (ix) 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.
- (x) When the tenant fails to deliver possession of the rental unit after providing the owner written notice as provided in Civil Code 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 owner, 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 means any of the following:

- (i) The owner seeks in good faith to recover possession of the rental unit for use and occupancy by the owner or their spouse, domestic partner, children, grandchildren, parents, or grandparents. For leases entered into on or after July 1, 2020, or July 1, 2022, if the lease is for a tenancy in a mobilehome, 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 rental unit.

- (ii) The owner seeks in good faith to recover possession to permanently withdraw the rental unit from the rental market in accordance with applicable state law.
 - (iii) The owner seeks in good faith to comply with any of the following:
 - a. An order issued by a government agency or court relating to habitability that necessitates vacating the rental unit.
 - b. An order issued by a government agency or court to vacate the rental unit.
 - c. A local ordinance that expressly requires vacating the rental unit.
 - (iv) The owner seeks in good faith to recover possession to totally demolish or to substantially remodel the rental unit, provided the owner has done all of the following:
 - a. Given the tenants an early tenant alert notice advising the tenants of the owner's intent to terminate the tenancy in reliance on this subsection.
 - b. Obtained all permits necessary to carry out the demolition or substantial remodel from applicable governmental agencies.
 - c. Served the tenants with a copy of the permits along with a written notice stating the reason for the termination, the type and scope of work to be performed, why the work cannot be reasonably accomplished in a safe manner with the tenant in place, and why the work requires the tenant to vacate the rental unit for at least 30 days. The copy and notice shall be contained in or served concurrently with the notice to terminate tenancy required by Section 7.04.060.
 - d. Filed with the Community Development Department, a copy of the documents served on the tenant.
- C. Owner means an owner as defined in Civil Code Section 1954.51.
- D. Qualified Tenant means a tenant who has continuously and lawfully occupied a rental unit for 12 months or who otherwise qualifies as a tenant meriting just cause eviction protection under Civil Code Section 1946.2, Subdivision (a).
- E. Relocation Assistance Payment means the amount established by resolution of the City Council, or one month's rent that was in effect when the owner issued the notice to terminate tenancy plus one dollar, whichever is greater, that is due to qualified tenants in a no-fault just cause eviction action. See Sections 7.04.050 and 7.04.070.
- F. Rent means the total consideration charged or received by an owner in exchange for the use or occupancy of a rental unit.

- G. Rental Unit means any unit in any real property, regardless of zoning status, including the land appurtenant thereto, that is rented or available for rent for residential use or occupancy (regardless of whether the unit is also used for other purposes) except as provided in Section 7.04.020.
- H. 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 rental unit for at least 30 days. Substantial remodeling does not include cosmetic improvements, including painting, decorating, minor repairs, routine maintenance, or other work that can be performed safely without having the rental unit vacated .
- I. Tenant. Any renter, tenant, subtenant, lessee, or sublessee, or person entitled by written or oral agreement to occupy a rental unit, or any successor of any of the foregoing.”
- J. Termination of Residential Tenancy means for purposes of this Chapter only, a termination of residential tenancy either with at-fault or no-fault just cause. The term is generally synonymous with eviction.”

7.04.040 - Just cause for termination of residential tenancy.

- A. The owner of a rental unit shall not engage in a termination of residential tenancy of a qualified tenant without just cause stated in full in the notice to terminate tenancy.
- B. Just cause includes at-fault just cause or no-fault just cause as defined in Section 7.04.030.

7.04.050 - Relocation assistance payments for no-fault just cause termination of residential tenancy.

- A. The owner of a rental unit who issues a notice to terminate tenancy based upon no-fault just cause shall make a relocation assistance payment to each qualified tenant in an amount established by resolution of the City Council, or one month's rent that was in effect when the owner issued the notice to terminate tenancy plus one dollar, whichever is greater.
- B. When more than one qualified tenant occupies a rental unit, the owner shall divide the relocation assistance payment equally among the qualified tenants and make the divided relocation assistance payment to each qualified tenant.
- C. Any relocation assistance or rent waiver required by State law shall be credited against the relocation assistance payment required by this chapter, but only to the extent such credit is required by State law.

7.04.060 - Just cause termination of residential tenancy notice requirements.

- A. The written notice to terminate tenancy shall state in full the facts and circumstances constituting the at-fault just cause or no-fault just cause for termination.
- B. A written notice to terminate tenancy based upon no-fault just cause must be provided at least 60 days before the date of termination through an early tenant alert notice and must inform each qualified tenant of their right to and the amount of a relocation assistance payment required by this Chapter.
- C. Before the owner of a rental unit 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 each qualified 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.

7.04.070 - Relocation assistance payment requirements.

- A. The owner of a rental unit who issues a notice to terminate tenancy based upon no-fault just cause shall make the relocation assistance payment required by this Chapter to each qualified tenant within 15 calendar days after service of the notice.
- B. The owner of a rental unit who issues an early tenant alert notice may elect to make one-half of the relocation assistance payment required by this Chapter to each qualified tenant within 15 calendar days after service of said notice, and the remaining one-half of the relocation assistance payment to each qualified tenant no later than the time that qualified tenant surrenders possession of the rental unit.
- C. If a qualified tenant fails to vacate after the expiration of the notice to terminate tenancy, the actual amount of any relocation assistance paid to the qualified tenant shall be recoverable as damages from that qualified tenant.
- D. A qualified tenant is not entitled to relocation assistance if any government agency or court determines that the tenant is at-fault for the condition or conditions triggering an eviction order or need to vacate for reasons listed, but not limited to, those in Section 7.04.030.B.1.

7.04.080 - Remedies.

- A. Failure to provide each of the notices required by this chapter shall be a defense to any unlawful detainer action.
- B. Failure to include all required information in the notices required by this chapter shall be a defense to any unlawful detainer action.
- C. Failure to make a relocation assistance payment in a timely manner shall be a defense to any unlawful detainer action.
- D. Any violation of this chapter shall entitle the aggrieved tenant to actual damages according to proof and costs and attorney's fees.
- E. A tenant may seek injunctive relief on his or her own behalf and on behalf of other affected tenants to enjoin the owner's violation of this Chapter.

- F. Remedies provided in this section are in addition to any other existing legal remedies and not intended to be exclusive.
- G. The City Attorney is authorized to enforce this Chapter through administrative, civil, or criminal action. The City Attorney is further authorized to bring actions for injunctive relief on behalf of the City. The City Attorney shall seek recovery of costs, expenses, and attorney's fees as allowed by law.

SECTION 4. Effective Date and Termination. This Urgency Ordinance shall become effective immediately pursuant to Government Code Section 36937 and shall continue until it is terminated by the City Council.

SECTION 5. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this Urgency Ordinance. The City Council hereby declares that it would have passed this Urgency 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 6. CEQA Exemption. The City Council finds that this Urgency Ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to Title 14 of the California Code of Regulations, CEQA Guidelines sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a "project" as defined in section 153 78). This Urgency Ordinance has no potential for resulting in physical change to the environment, either directly or indirectly, in that it merely regulate existing physical development.

PASSED, APPROVED, AND ADOPTED this 11th day of September, 2023, by the following vote:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

Mayor, City of Carpinteria

ATTEST:

Brian C. Barrett, CMC, CPMC
City Clerk, City of Carpinteria

I hereby certify that the foregoing Ordinance was duly and regularly introduced and adopted at a regular meeting of the City Council of the City of Carpinteria held this 11th day of September, 2023.

Brian C. Barrett, CMC, CPMC
City Clerk, City of Carpinteria

APPROVED AS TO FORM:

Jena Acos, on behalf of Brownstein
Hyatt Farber Schreck, LLP, acting as
City Attorney of the City of Carpinteria