



**CITY OF SOUTH PASADENA
CITY COUNCIL SPECIAL MEETING AGENDA**

**Council Chamber
1424 Mission Street, South Pasadena, CA 91030**

November 6, 2019, at 7:29 p.m.

Please note that the regularly scheduled City Council Meeting noticed to begin at 7:30 p.m. will convene after this Special Meeting adjourns.

*In order to address the City Council, please complete a Public Comment Card.
Time allotted per speaker is three minutes.
No agenda item may be taken after 11:00 p.m.*

CALL TO ORDER: Mayor Marina Khubesrian, M.D.

ROLL CALL: Councilmembers Michael A. Cacciotti, Diana Mahmud, and Richard D. Schneider, M.D.; Mayor Pro Tem Robert S. Joe; and Mayor Marina Khubesrian, M.D.

PLEDGE OF ALLEGIANCE: Mayor Pro-Tem Robert Joe

PUBLIC COMMENTS AND SUGGESTIONS

(Time limit is three minutes per person)

The City Council welcomes public input. Pursuant to Government Code Section 54954.3(a), members of the public will be provided with an opportunity to address any item described on the agenda only, at the time the matter is considered by the City Council. Members of the public may address the City Council by completing a public comment card and giving it to the Chief City Clerk prior to the meeting.

ACTION/DISCUSSION

1. Adoption of Urgency Ordinance Requiring “Just Cause” for Termination of Tenancies

Recommendation

It is recommended that the City Council approve Urgency Ordinance No. ___ Temporarily Establishing and Requiring Just-Cause for Termination of Tenancies, to be immediately effective and remain in place until January 1, 2020, when the state-wide Tenant Protection Act (AB 1482) is applicable.

ADJOURNMENT

**FUTURE CITY COUNCIL MEETINGS
(OPEN SESSION)**

November 20, 2019	Regular City Council Meeting	Cancelled	7:30 p.m.
December 4, 2019	Regular City Council Meeting	Council Chamber	7:30 p.m.
November 18, 2019	Regular City Council Meeting	Council Chamber	7:30 p.m.

PUBLIC ACCESS TO AGENDA DOCUMENTS AND BROADCASTING OF MEETINGS

Prior to meetings, City Council Meeting agenda packets are available at the following locations:

- City Clerk’s Division, City Hall, 1414 Mission Street, South Pasadena, CA 91030;
- City website: www.southpasadenaca.gov/agendas

Agenda related documents provided to the City Council are available for public inspection in the City Clerk’s Division, and on the City’s website at www.southpasadenaca.gov/agendas. During the meeting, these documents will be available for inspection as part of the “Reference Binder” kept in the rear of the City Council Chamber.

Regular meetings are broadcast live on Spectrum Channel 19 and AT&T Channel 99. Meetings are also streamed live via the internet at www.southpasadenaca.gov/agendas.

AGENDA NOTIFICATION SUBSCRIPTION

Individuals can be placed on an email notification list to receive forthcoming agendas by calling the City Clerk’s Division at (626) 403-7230.

ACCOMMODATIONS



The City of South Pasadena wishes to make all of its public meetings accessible to the public. Meeting facilities are accessible to persons with disabilities. If special assistance is needed to participate in this meeting, please contact the City Clerk's Division at (626) 403-7230. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities. Hearing assistive devices are available in the Council Chamber. Notification at least 48 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting (28 CFR 35.102-35.104 ADA Title II).

I declare under penalty of perjury that I posted this notice of agenda on the bulletin board in the courtyard of City Hall at 1414 Mission Street, South Pasadena, CA 91030, and on the City’s website as required by law.

11/05/19

/s/

Date

Maria E. Ayala
Chief City Clerk



City Council Agenda Report

ITEM NO. 1

DATE: November 6, 2019

FROM: Stephanie DeWolfe, City Manager 

PREPARED BY: Teresa L. Highsmith, City Attorney

SUBJECT: **Approve Urgency Ordinance No. ___ Temporarily Establishing and Requiring Just-Cause for Termination of Tenancies**

Recommendation

It is recommended that the City Council approve Urgency Ordinance No. ___ Temporarily Establishing and Requiring Just-Cause for Termination of Tenancies, to be immediately effective and remain in place until January 1, 2020, when the state-wide Tenant Protection Act (AB 1482) is applicable.

Executive Summary

The City Council has recently been made aware of that many tenants have received 30 or 60 day notices to terminate their tenancies in advance of the application of the new statewide Tenant Protection Act (AB 1482). The new state law will cap rent increases, require relocation payments, and further regulate evictions; as a result, many landlords throughout cities in California are terminating the tenancies of their existing tenants prior to the new law going into effect (January 1, 2020.) Although City leaders have been responding to unintended consequences of a well-intentioned State law by meeting with landlords to negotiate tenant protections in good faith and seeking support from the Housing Rights Center, the City can provide an additional tool for its tenants by adopting an Ordinance temporarily requiring “just cause” for tenancy terminations to fill the gap until the stat-wide “just cause” eviction requirements become effective on January 1, 2020.

Discussion/Analysis

The City greatly values its renter population and desires to provide support to the tenants facing evictions. The City recognized that property owners may be reacting to the passage of recent legislation (effective January 1, 2020) that would restrict annual rent increases to no more than 10 percent or less and require a landlord to provide relocation assistance for “no-fault” tenancy terminations. In order to provide support to the tenants and work with the property owners, a Council Ad Hoc Committee (Mayor Khubesian and Councilmember Cacciotti) has engaged both parties to discuss potential alternative courses of action. This effort is ongoing.

The City can also offer its tenants an additional tool to defend against “no cause” tenancy terminations by adopting a local Ordinance which limits tenancy terminations to those for “just cause,” and provides for relocation benefits for tenants whose tenancies are terminated for no

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cause. The provisions of the Urgency Ordinance are consistent with AB 1482, but are more protective in that these protections against “no cause” tenancy terminations would be effective immediately in South Pasadena and remain in place until superseded by state law on January 1, 2020. Several other cities have proposed and adopted similar ordinances to apply in their jurisdictions until January 1, 2020. For example, the City of Pasadena has recently approved such an ordinance.

The urgency Ordinance would be effective immediately for all tenancies which were in place prior to December 31, 2019 and where:

- all of the tenants have continuously and lawfully occupied the unit for 12 months; or
- where multiple tenants occupy the premises, at least one has occupied for 24 months or more; and
- the unit is not exempt from the application of the Ordinance and
- the tenant has received a 30 or 60 day notice to quit without just cause (as defined by the Ordinance) either prior to or after the effective date of the Ordinance and
- no judgment of unlawful detainer has been issued regarding the tenancy.

The City has the authority under Civil Code Section 1946.2(g)(1)(B) to adopt a local ordinance which is at least as protective as the provisions of AB 1482, as long as findings are made that the ordinance is consistent with the terms of AB 1482 and that the provisions of the local ordinance are more protective. This finding is satisfied in the Urgency Ordinance under Section 1; the provisions of the Urgency Ordinance are consistent with AB 1482, but it is more protective because it applies immediately and until superseded by AB 1482, which will occur on January 1, 2020. The City also has the authority to enact an urgency ordinance pursuant to Article XI, Section 7, of the California Constitution, and Government Code Section 36937. An Urgency Ordinance is adopted when introduced and is effective on the date stated in the urgency ordinance, without waiting 30 days.

Background

On October 8, 2019, Governor Newsom signed Assembly Bill 1482 (AB 1482, Chiu), also known as the Tenant Protection Act of 2019. AB 1482 included the following provisions:

- Prevent property owners from terminating a tenancy without just cause;
- Require property owners to provide the tenant with an opportunity to correct violations before being terminated;
- Require property owners to provide tenants with one month’s rent for relocation assistance if terminated for certain specified “no cause” reasons; and
- Prevent property owners from increasing rent over the course of any 12-month period more than five percent plus the rate of inflation, or 10 percent, whichever is lower; this restriction requires the rent in existence as of March 15, 2019 as the “base rent” of a tenant remaining in the unit after January 1, 2020 for purposes of calculating an annual rent increase.

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Because this law does not go into effect until January 1, 2020, many cities are adopting interim ordinances to apply these tenant protections until state law may take effect.

Legal Review

The City Attorney has reviewed this item.

Public Notification of Agenda Item

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website and/or notice in the *South Pasadena Review* and/or the *Pasadena Star-News*.

Attachment: Proposed Ordinance

ORDINANCE NO. _____

**AN URGENCY ORDINANCE OF THE CITY COUNCIL OF
THE CITY OF SOUTH PASADENA, CALIFORNIA,
TEMPORARILY ESTABLISHING AND REQUIRING
JUST-CAUSE FOR TERMINATION OF TENANCIES IN
THE CITY OF SOUTH PASADENA**

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

WHEREAS, Gov. Gavin Newsom, upon the passage of Assembly Bill 1482 (2019-2020) (the “Tenant Protection Act of 2019”), stated that the no-cause eviction protections contained in AB 1482 “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, since shortly after the introduction of AB 1482 in the Assembly on February 22, 2019, community members and advocates in South Pasadena have seen a dramatic rise in landlords serving no-cause 30 and 60-day notices to entire buildings, or nearly entire buildings, of long-term tenants, in deliberate attempts to evict such long-term tenants for no-cause prior to the January 1, 2020, effective date of AB 1482.

WHEREAS, the City Council finds that the service of no-fault eviction notices during the period after February 22, 2019, when AB 1482 was introduced in the Legislature, and prior to AB 1482’s effective date of January 1, 2020, has been severely and irreparably undermining the intent of the Legislature and Governor in enacting AB 1484, to protect tenants from arbitrary evictions during the State’s housing crisis. This overwhelming public-policy interest necessitates emergency action to preserve the effectiveness of AB 1482.

WHEREAS, the City Council finds that an urgency 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 January 1, 2020, effective date of AB 1482.

WHEREAS, the City Council finds that an urgency measure is necessary and essential to further the important interests of the State in passing of AB 1482, which law the City supports.

WHEREAS, tenants of many buildings in South Pasadena have recently reported the issuances of no-cause eviction notices in anticipation of the January 1, 2020, effective date of AB 1482.

WHEREAS, the eviction protections of AB 1482 do not take effect until January 1, 2020.

WHEREAS, certain aspects of public peace, health, and safety in the City are not adequately protected presently, because of the lack of regulation of evictions from

residential rental housing, 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 on January 1, 2020; and

WHEREAS, the City Council has the power to enact an urgency ordinance, not in conflict with general laws, as necessary to protect public peace, health, and safety, via exercise of the powers provided to cities in Article XI, Section 7, of the California Constitution, and in compliance with Government Code section 36937.

WHEREAS, the above-identified issues constitute a current and immediate threat to the public peace, health, and safety of the City, within the meaning of Government Code section 36937.

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 associated displacement of City residents, the City Council declares that this urgency measure is necessary to preserve the public peace, health, and safety of the community, and should be adopted, to prevent further evictions of tenants without cause prior to the January 1, 2020, effective date of the AB 1482.

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.

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 ("No Project"); and section 15061(b)(3) ("No Significant Environmental Impact").

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Emergency Finding. The City Council finds the foregoing recitals and their findings to be true and correct, and hereby incorporates such recitals and their findings into this ordinance. The City Council further finds that there is a necessity to expedite and to pass this ordinance by the powers granted the City Council under Article XI, Section 7, of the California Constitution and Government Code section 36937, given that evictions of residents, particularly low- and moderate-income residents, directly threatens the public peace, health, and safety of the City. The City further finds that the just cause eviction protections set forth in this Ordinance are more protective than those required under AB 1482, in that the protections set forth under this Ordinance are consistent with the just cause eviction protections under AB 1482, but further expand these protections to take effect

immediately and remain in place until the January 1, 2020 application of the just cause eviction protections set forth state law pursuant to AB 1482.

Section 2. Just Cause for Eviction. From the effective date of this urgency ordinance, and continuing until such time (presently understood to be January 1, 2020) as Assembly Bill 1482 (2019-2020) (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 shows the existence of “just cause“ as defined within Section 3(b), below. 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 to 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 been issued as of the effective date of this urgency ordinance.

Section 3. Scope.

(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, as described in subdivision (f), below. If any additional adult tenant has 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) At least one tenant of multiple tenants has 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 California 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 California Code of Civil Procedure.

(D) Committing waste as described in paragraph (4) of Section 1161 of the California Code of Civil Procedure.

(E) 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 California 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.

(F) Assigning or subletting the premises in violation of the tenant's lease, as described in paragraph (4) of Section 1161 of the California Code of Civil Procedure.

(G) The tenant's refusal to allow the owner to enter the residential real property as authorized by Sections 1101.5 and 1954 of the California Civil Code, and Sections 13113.7 and 17926.1 of the California Health and Safety Code.

(H) Using the premises for an unlawful purpose as described in paragraph (4) of Section 1161 of the California Code of Civil Procedure.

(I) The employee, agent, or licensee's failure to vacate after being terminated as an employee, agent, or a licensee, as described in paragraph (1) of Section 1161 of the California Code of Civil Procedure.

(J) When the tenant fails to deliver possession of the residential real property after providing the owner written notice as provided in California 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 landlord, but fails to deliver possession at the time specified in that written notice as described in paragraph (5) of Section 1161 of the California 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 the owner's 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 California 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 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 California 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 California 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 California 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 U.S. Internal Revenue Code.

(ii) A corporation.

(iii) A limited liability company in which at least one member is a corporation.

(B) The tenants have been provided written notice that the residential property is exempt from this section.

(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 California 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 California Health and Safety Code or comparable federal statutes.

(f) An owner of residential real property, with a tenancy existing prior to December 31, 2019, and subject to this section, shall provide written notice to the tenant as follows:

“South Pasadena law provides that after a tenant has continuously and lawfully occupied a property for 12 months or more, or at least one tenant of multiple tenants has continuously and lawfully occupied the property for 24 months or more, the landlord must provide a statement of cause in any notice to terminate a tenancy.”

The provision of the notice shall be subject to Section 1632 of the California Civil Code.

(g) Any waiver of the rights under this section shall be void as contrary to public policy.

(h) 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 Section 1954.51 of the California Civil Code.

(2) “Tenancy” means the lawful occupation of residential real property and includes a lease or sublease.

(i) This section shall remain in force and effect only until the effective date of the Tenant Protection Act of 2019 (presently understood to be January 1, 2020), and as of that date is repealed.

Section 4. Authority. This ordinance is enacted pursuant to Article XI, Section 7, of the California Constitution, and in compliance with Government Code section 36937.

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 section 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, or otherwise not in force or effect, such decision shall not affect the validity, force, or effect, 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 or otherwise not in force or effect.

Section 7. Repeal. This urgency ordinance shall be automatically repealed and be of no further force or effect as of the effective date of the Tenant Protection Act of 2019 (presently understood to be January 1, 2020).

Section 8. Immediate Effect. This ordinance shall take effect immediately. The City Clerk shall certify to the passage and adoption of this ordinance, and to its approval by the Mayor and the City Council, and the City Clerk shall cause the same to be published in a newspaper in the manner required by law.

PASSED, APPROVED, and ADOPTED ON this 6th day of November, 2019.

Marina Khubesrian, M.D., Mayor

ATTEST:

APPROVED AS TO FORM:

Evelyn G. Zneimer, City Clerk
(seal)

Teresa L. Highsmith, City Attorney

Date: _____

I HEREBY CERTIFY the foregoing resolution was duly adopted by the City Council of the City of South Pasadena, California, at a Special Meeting held on the 6th day of November, 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

Evelyn G. Zneimer, City Clerk
(seal)