

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA AMENDING THE SANTA BARBARA MUNICIPAL CODE BY AMENDING SECTIONS 26.50.010, 26.50.03040, 26.50.040, 26.50.060, AND 26.50.070 ~~AND BY ADDING SECTION 26.50.080~~ RELATING TO JUST CAUSE EVICTION; BY ADDING SECTION 26.50.055 TO PROVIDE A TENANT RIGHT OF FIRST REFUSAL TO RE-RENT FOLLOWING A NO-FAULT JUST CAUSE EVICTION; BY ADDING SECTION 26.50.075 RELATING TO OCCUPANCY FOLLOWING A SUBSTANTIAL REMODEL, AND BY ADDING CHAPTER 26.60 RELATING TO PROTECTION OF TENANTS FROM HARASSMENT

THE CITY COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN AS FOLLOWS:

SECTION 1. Findings and Determinations. The City Council finds and determines as follows:

- A. Safe, decent, and sanitary housing is a human necessity and right.
- B. The City Council reaffirms its General Plan Housing Element goal, first stated in 2005, of “ensuring affordable housing opportunities for all economic levels in the community, while protecting the character of established neighborhoods.” (2015 Housing Element, p.57.) The City Council also recognizes that providing a wide range of housing options is important to maintain an economically viable and socially diverse population, and to retain and house the City’s local workforce. The City’s General Plan Housing Element identifies renter-occupied housing units as comprising nearly 60% of the housing available in the City. (2015 Housing Element, p.26.) The Housing Element also documents that given local housing costs, nearly 44% of all households and almost 50% of renters are overpaying for housing. (2015 Housing Element, p.50.) Both the total percentage of City renters and the percentage of renters overpaying for housing are

higher than statewide averages. Therefore, the City Council desires to establish reasonable protections for City residents living in rental housing that recognize the important role that rental housing plays in the provision of affordable housing.

C. The Tenant Protection Act of 2019 (Stats. 2019, ch. 597; AB 1482) established statewide just cause eviction and relocation assistance protections for residential tenants, but also authorized cities to enact more protective local regulations which supersede state law. In 2020, the City Council adopted Ordinance No. 5979 to establish local regulations that were more protective than the provisions of Civil Code Section 1946.2 as it existed at that time. The Legislature has amended Civil Code Section 1946.2 to provide additional tenant protections by the adoption of SB 567 in 2023 (Stats. 2023, ch. 290.) The amendments to Chapter 26.50 made by this ordinance provide greater protections than under Civil Code Section 1946.2. The City Council makes this binding finding because this Ordinance provides higher relocation assistance amounts than state law. In addition, this Ordinance provides additional tenant protections by making permanent the temporary protections provided under Civil Code Section 1946.2, which would otherwise sunset in 2030.

SECTION 2. Section 26.50.010 of Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended to read as follows:

26.50.010 Just Cause for Residential Evictions.

A. The owner of a rental unit shall not terminate the tenancy of a qualified tenant unless the owner is able to prove just cause, which must be stated in full in the notice of termination notice.

B. Just cause includes at-fault just cause or no-fault just cause as defined in Section 26.50.070.

C. Just cause also includes at-fault just cause as defined in Civil Code Section 1946.2 (b)(1) and no-fault just cause as defined in Civil Code Section 1946.2(b)(2) as adopted by Section 2 of Chapter 290 of 2023 California Statutes.

D. If there is a conflict in a definition of just cause under Subsection B and Subsection C the definition under Subsection C will be applied unless the definition under Subsection B is more protective of tenant rights.

E. Termination of tenancy includes any attempt by an owner to recover possession of a rental unit, including any attempt to recover possession of the rental property for expiration of a lease, choosing not or failing to offer a renewal of a lease, or recovery of possession through a court proceeding. This Subsection is declarative of existing law.

SECTION 3. Subsection I of Section 26.50.030 of Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended to read as follows:

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. This exception does not apply to tenancies assisted by Section 8 Housing Choice Vouchers where the housing is not otherwise restricted by deed, regulatory restriction

contained in an agreement with a government agency, or recorded document or agreement requiring the owner to offer housing at below market rent.

SECTION 4. Section 26.50.040 of Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended to read as follows:

26.50.040 Just Cause Eviction 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 shall be accompanied by a supplemental notice informing each qualified tenant of their right to and the dollar denominated 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.

D. A written notice to terminate tenancy based upon a no-fault just cause eviction shall be accompanied by a supplemental notice informing each qualified tenant of the right of first refusal under Section 26.50.055. The notice shall advise the tenant of the owner's contact information and of the tenant's obligation to provide the tenant's contact information to owner.

E. In addition to the requirements of this Section, a written notice of termination must contain all of the information required by Civil Code Section 1946.2 as adopted by Section 2 of Chapter 290 of 2023 California Statutes.

SECTION 5. Section 26.50.060 of Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended to read as follows :

26.50.060 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 render the notice void and 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. Failure by an owner to plead and prove compliance with this Chapter shall be a defense to any unlawful detainer action.

E. Any violation of this chapter shall entitle the aggrieved tenant to actual damages according to proof and costs and attorney's fees.

F. 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.

G. An owner who attempts to terminate a tenancy in material violation of this Chapter shall be liable to the tenant in a civil action for all the following:

1. Actual damages.

2. In the court's discretion, reasonable attorney's fees and costs.

3. Upon a showing that the owner has acted willfully or with oppression, fraud, or malice, up to three times the actual damages. An award may also be entered for punitive damages for the benefit of the tenant against the owner.

SECTION 6. Section 26.50.070 of Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended to read as follows:

26.50.070 Definitions.

A. EARLY TENANT ALERT NOTICE. An additional written notice of no-fault just cause termination of a tenancy provided at least 60 days before the notice of termination required by Section 26.50.040 A.

B. JUST CAUSE. At-fault just cause and no-fault just cause, as follows:

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 the effective date of this chapter, and after a written offer from the owner, the tenant has refused to execute a written extension or renewal of the lease for an additional term of the same duration and with similar other terms, provided that those terms do not violate this chapter or any other provision of law.

f. 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.

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 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.

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 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 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 is any of the following:

a. 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 if a provision of the lease allows the owner to terminate the lease when the owner, or their spouse, domestic partner, children, grandchildren, parents, or grandparents, unilaterally decides to occupy the rental unit: for a minimum of 12 continuous months as that person's primary residence. This Subsection does not apply if the intended occupant occupies a rental unit on the property or if a vacancy of a similar unit already exists at the property. The written notice terminating a tenancy for a just cause pursuant to this subparagraph shall contain the name or names and relationship to the owner of the intended occupant. The written notice shall additionally include notification that the tenant may request proof that the intended occupant is an owner or related to the owner. The proof shall be provided upon request and may include an operating agreement and other non-public documents. This subsection applies only if the intended occupant moves into the rental unit within 90 days after the tenant vacates and occupies the residential unit as a primary residence for at least 12 consecutive months. If the intended occupant fails to occupy the rental unit within 90 days after the tenant vacates or fails to occupy the rental unit as their primary residence for at least 12 consecutive months, the owner shall offer the unit to the tenant

who vacated it at the same rent and lease terms in effect at the time the tenant vacated and shall reimburse the tenant for reasonable moving expenses incurred in excess of any relocation assistance that was paid to the tenant in connection with the written notice. However, if the intended occupant moves into the rental unit within 90 days after the tenant vacates but dies before having occupied the rental unit as a primary residence for 12 months, this will not be considered a failure to comply with this section or a material violation of this section by the owner.

b. The owner seeks in good faith to recover possession to permanently withdraw the rental unit from the rental market. The notice of termination must be filed with the Community Development Department when it is given to the tenant and must specify the intended use of the unit and the lot on which the rental unit is located.

c. The owner seeks in good faith to comply with any of the following:

i. An order issued by a government agency or court relating to habitability that necessitates vacating the rental unit.

ii. An order issued by a government agency or court to vacate the rental unit.

iii. A local ordinance that expressly requires vacating the rental unit.

d. 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:

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~~i. Given the tenants an early tenant alert notice advising the tenants of the owner's intent to terminate the lease in reliance on this subsection.~~

iii. Obtained all permits necessary to carry out the demolition or substantial remodel from the applicable governmental agencies.

~~ii. For a proposed substantial remodel, obtained a written opinion supported by a detailed explanation and signed under penalty of perjury from an independent construction expert, who holds a current and valid California Contractors State License Board license with classifications in A, B, or B-2, as applicable to the proposed work, stating that the work cannot be reasonably accomplished in a safe manner with the tenant in place and that the proposed work requires the tenant to vacate the rental unit for at least consecutive 30 days. The person preparing the report may not be the owner, the licensed contractor retained to perform the work, or otherwise be financially interested in the work other than payment for preparation of the report. The report must be filed concurrently with the building permit application for the proposed work.~~

iii. 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 residential real property for at least 30 consecutive days. The copy and notice shall be contained in or served concurrently with the notice of termination required by Section 26.50.040.

~~viii~~. Filed with the Community Development Department a copy of the written opinion signed under penalty of perjury from the construction expert and the documents served on the tenant under subsection 2.d.iii.

C. OWNER. An owner as defined in Civil Code Section 1954.51. For purposes of Subsection B. 2. a. of this Section, owner also has the meaning defined in Civil Code Section 1946.2 (ab)(2)(A)(viii)(II).

D. QUALIFIED TENANT. A tenant who has continuously and lawfully occupied or had the legal right to occupy a rental unit for 12 months.

E. RENT. The total consideration charged or received by an owner in exchange for the use or occupancy of a rental unit.

F. RENTAL UNIT. 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), together with all housing services connected with use or occupancy of such property, such as common areas and recreational facilities held out for use by the tenant.

G. SUBSTANTIALLY REMODEL. 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 consecutive days. Substantial remodeling does not include cosmetic improvements, including painting and decorating, minor repairs, routine maintenance, or other work that can be

performed safely without having the rental unit vacated. For purposes of this Subsection, a tenant is not required to vacate a rental unit on any days where a tenant could continue living in the rental unit without violating health, safety, and habitability codes and laws.

H. 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.

SECTION 7. Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended by adding Section 26.50.055 to read as follows:

26.50.055 Right to Re-rent Following No-Fault Just Cause Eviction.

A. The provisions of this Section are additional to the rights to re-rent provided to tenants under subsections (b)(2)(A)(vi) and (b)(2)(D)(iv) of Civil Code Section 1946.2 as adopted by Section 2 of Chapter 290 of 2023 California Statutes.

B. A qualified tenant subject to a no-fault just cause termination of tenancy shall have a right of first refusal to re-rent the rental unit or a comparable new rental unit at the same property for a period of two years following the termination of tenancy, provided that the tenant has kept the owner notified of the tenant's contact information according to the notice provided under Section 26.50.040 CD.

C. An owner seeking to rent a unit to which a person has a right of first refusal to re-rent under subsection B. shall:

1. Have given the supplemental notice required by Section 26.50.040

D.

2. Offer each qualified tenant having a right of first refusal with respect to a unit a rental agreement in compliance with Section 26.40.010 of this Code. The offer

shall be in the form of a written lease and shall remain open for acceptance for a period of not less than 30 days.

~~3. For a re-rental following a no-fault just cause termination of tenancy on grounds of a substantial remodel of the unit, establish the rental price for the unit at no more than gross rental rate charged for the unit at the time of the notice of termination of tenancy plus 5 percent plus the change in the cost of living, or 10 percent, whichever is lower, of the gross rental rate charged for the unit at the time of the notice of termination of tenancy. For purposes of this paragraph, a no-fault just cause termination of tenancy shall be deemed for all purposes to be a temporary interruption of the tenant's rights to the unit and the exercise of the right of first refusal to be a continuation of the pre-existing lease subject to the rent increase authorized by this paragraph.~~

~~43. For a tenancy not subject to paragraph 3, e~~Establish the rental price in accordance with Civil Code § 1954.53 when applicable.

SECTION 8. Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended by adding Section 26.50.075 to read as follows:

26.50.075 Completion of Substantial Remodel Work.

An owner who has recovered possession of a rental unit for purposes of substantial remodel must not re-rent the unit until all permitted work has been completed and the Chief Building Official or his or her authorized representative has inspected the work and confirmed in writing that the permitted work has been completed.

~~SECTION 9. Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended by adding Section 26.50.080 to read as follows:~~

~~**26.50.080 Additional Limitation on No-Fault Just Cause Eviction for Demolition or Substantial Remodel.**~~

~~An owner who acquires property having five or more rental units shall not commence a no-fault just cause eviction of any qualified tenant to demolish or substantially remodel a unit for a period of one year following the owner's acquisition of the property.~~

SECTION ~~409~~. Title 26 of the Santa Barbara Municipal Code is amended by adding Chapter 26.60 to read as follows:

Chapter 26.60 Protection of Tenants

26.60.010 Tenant protections

26.60.020 Civil Enforcement

26.60.010 Tenant Protections.

A. It is a violation of this Section for an owner or the owner's agent, contractor, subcontractor, or employee, to willfully engage in, aid, or incite a course of conduct that adversely affects a tenant's use or enjoyment of a rental unit, housing opportunity, or housing-related services or facilities, that serves no lawful purpose, and includes but is not limited to the following:

1. Reducing or eliminating housing services required by a lease, contract, or law, including the elimination of parking if provided in the tenant's lease or contract, or access to common areas or amenities, except as necessary to comply with court order or local or state law, or to lawfully create an accessory dwelling unit or additional housing.

2. Failing to perform and timely complete necessary repairs and maintenance required by local or state law.

3. Failing to exercise due diligence in completing repairs and maintenance once undertaken or failing to follow appropriate industry repair, containment or remediation protocols designed to minimize exposure to noise, dust, lead paint, mold, asbestos, or other building materials with potentially harmful health impacts.

4. Abusing the owner's right of access into a rental housing unit as established and limited by California Civil Code Section 1954, including entering or photographing portions of a rental unit that are beyond the scope of lawful entry or inspection.

5. Threatening a tenant, by word or gesture, with physical harm.

6. Misrepresenting to a tenant that the tenant is required to vacate a rental unit or enticing a tenant to vacate a rental unit through intentional misrepresentation or the concealment or omission of a material fact. This includes misrepresenting a tenant's rights under Chapters 26.40 and 26.50 of this Code.

7. Offering payments or other inducements to a tenant to vacate more than once in any six months, after the tenant has notified the owner in writing that the Tenant does not desire to receive further offers of payments or other inducements to vacate

8. Threatening to report a tenant or other person known to the owner to be associated with a tenant to any local, state, or federal agency on the basis of their perceived or actual immigration status. The prohibition shall not be construed as preventing communication with such agencies regarding an alleged immigration violation.

9. Inquiring as to the immigration or citizenship status of a tenant, prospective tenant additional tenant, occupant, or prospective additional occupant of a

rental unit, or requiring any of these people to make any statement, representation, or certification concerning their immigration or citizenship status.

10. Refusing to acknowledge or accept receipt of lawful rent payments as set forth in a lease agreement or as established by the usual practices of the parties or applicable law.

11. Engaging in activity prohibited by federal, state, or local housing anti-discrimination laws.

12. Retaliating, threatening, or interfering with tenant organizing activities, including forming or participating in tenant associations and unions.

13. Retaliating, threatening, or interfering with a tenant's right to petition the government for redress of grievances.

14. Interfering with a tenant's right to privacy. This includes, but is not limited to: video or audio recording that captures the interior of a tenant's bedroom, bathroom, changing room, fitting room, dressing room, or the interior of any other area in which the occupant has a reasonable expectation of privacy with the intent to invade the privacy of a person or persons inside, entering or photographing portions of a Rental Unit that are beyond the scope of a lawful entry or inspection, unreasonable inquiry into a Tenant's relationship status or criminal history, and unreasonable restrictions on or inquiry into overnight guests.

B. An owner or an owner's agent, contractor, subcontractor, or employee, in the course of the leasing or offering to lease a rental unit, is prohibited from requesting information that violates a Tenant's right to privacy, including but not limited to residence or citizenship status or social security number, except as required by law or, in the case

of a social security number, for the purpose of obtaining information for the qualifications for a tenancy, or not release such information except as required or authorized by law. This includes a refusal to accept equivalent alternatives to information or documentation that does not concern immigration or citizenship status, e.g., an Individual Taxpayer Identification Number (ITIN).

C. An owner or an owner's agent, contractor, subcontractor, or employee is prohibited from retaliating against a tenant because of the tenant's exercise of rights under this Section or Chapter 26.40 or 26.50 of this Code.

D. Nothing in this Section shall be construed as to prevent an owner or an owner's agent, contractor, subcontractor, or employee from lawfully exercising the owner's rights under Chapter 26.40 or 26.50 of this Code.

E. As used in this Chapter, owner has the same meaning as defined in Section 26.50.070 and includes landlord as defined in Section 26.40.030 of this Code.

26.60.020 Civil Enforcement.

A. An aggrieved tenant under this Chapter may institute civil proceedings as provided by law against an owner or an owner's agent, contractor, subcontractor, or employee alleged to have violated the provisions of this Chapter, regardless whether the rental unit remains occupied or has been vacated due to the alleged violation.

B. A tenant prevailing in court may be awarded:

1. Actual damages or a minimum amount of \$1000 per violation, whichever is greater.

2. In the court's discretion, reasonable attorney's fees and costs.

3. Upon a showing that the owner has acted with oppression, fraud, or malice, up to three times the actual damages. An award may also be entered for punitive damages for the benefit of the tenant against the owner.

C. The court may impose civil penalties up to \$10,000 per violation, tenant relocation, and other appropriate relief.

D. Injunctive relief and any other remedy provided by law.

SECTION ~~41~~10. The provisions of this Ordinance shall apply to proceedings to terminate a tenancy or recover possession of a unit that have not been fully completed before the effective date of this Ordinance. If a final judgment awarding possession of a unit has not been entered or the owner has not otherwise lawfully obtained possession of a unit under Chapter 26.50 of the Santa Barbara Municipal Code as it existed before the effective date of this Ordinance, then the owner must comply with the provisions of this Ordinance, including giving a new notice of termination, before termination of the tenancy or recovery of possession of a unit.

SECTION ~~42~~11. Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Chapter or any part hereof is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this Chapter of any part hereof. The City Council declares that it would have passed each section, subsection, paragraph, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional.

SECTION ~~43~~12. The City Council finds that, on the basis of the whole record and exercising its independent judgment, this Ordinance is not subject to environmental review pursuant to the State Guidelines for Implementation of the California Environmental Quality Act Sections 15060(c)(3) pertaining to activities that will not result in a direct or reasonably foreseeable indirect change to the environment and 15061 (b)(3) because this Ordinance has no potential for resulting in physical change to the environment directly or indirectly in that it merely regulates existing physical development.