



Urgency Ordinance for Temporary Regulation of Tenant Evictions

City Council Meeting
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Background

- Pre-existing housing shortage
- Loss of approximately 3000 residential units destroyed in the Tubbs and Nuns Canyon Fires
- Spike in rents / destabilization of rental market
- Evidence of eviction for re-rental at higher rates

Price Gouging Ordinance

- October 24, 2017, Council adopted Price Gouging Ordinance
- Tracks California Penal Code section 396
- Sets baseline rent as of October 8, 2017, immediately prior to the fires and the City's proclamation of the existence of a local emergency
- Generally limits rent increase to 10 percent

Price Gouging Ordinance (cont)

- Allows greater increase if landlord can prove that the increase in price “is directly attributable to additional costs for labor or materials used to provide the rental unit.” Price may be 10% above the cost of providing the unit.
- Restrictions apply whether same or new tenant.
- Ordinance remains in effect while City remains under federal, state or local declaration of emergency, but no later than April 18, 2018.

Temporary Regulation of Tenant Evictions

- To stabilize rental market
- To provide additional protection for residential tenants
- Temporary measure: In effect while the City remains under a Federal or State declaration of emergency

Temporary Regulation of Tenant Evictions

- For the duration of the state of emergency, residential evictions are limited to ten circumstances:
 - ✓ Nonpayment of rent
 - ✓ Repeated late payment of rent
 - ✓ Violation of obligation under the rental agreement
 - ✓ Creation of a nuisance
 - ✓ Illegal use of the rental unit

Temporary Regulation of Tenant Evictions

- Grounds for eviction (cont):
 - ✓ Refusal by tenant to renew rental agreement on same terms
 - ✓ Refusal by tenant to allow access to the unit for repair, inspection or potential sale or financing
 - ✓ Landlord's need to correct code violations
 - ✓ Withdrawal of the rental unit from the rental market
 - ✓ Intent to occupy the rental unit as primary residence by landlord, close relative or a resident manager

Questions?