From: <u>Margaret DeMatteo</u>

To: -- City Clerk; Landlord Tenant Protections; McDonnell, Kevin; Cader-Thompson, Janice; Shribbs, John; Barnacle,

Brian; Healy, Mike; Karen Nau; Pocekay, Dennis

Cc: <u>Danly, Eric;</u> <u>Brady, Dylan;</u> <u>Flynn, Peggy</u>

Subject: Public comments previously submitted regarding 3/6 workshop on residential tenant protections and comment on

what the ordinance does NOT do Sunday, March 5, 2023 5:32:34 PM

Date: Sunday, March 5, 2023 5:3 **Attachments:** Outlook-cid f27831.png

What the Ordinance does NOT do.pdf

02.24.23 Coalition Letter for Strong Renter Protections in Petaluma.pdf

---Warning: Use caution before clicking any attachments. THIS EMAIL IS FROM OUTSIDE OUR EMAIL SYSTEM.--Hello,

Please see prior coalition comment letter on the Residential Tenancy Protection Ordinance submitted on 2/24, resubmitted for consideration at tomorrow's workshop.

Please also see flyer on what the Ordinance does NOT do, submitted regarding the workshop tomorrow.

Thank you, Margaret

Margaret DeMatteo (she/her/hers) Housing Policy Attorney



<!--[if !vml]-->OF SONOMA COUNTY<!--[endit]-->

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What Petaluma's Tenant Protection Ordinance does NOT do:

1. Prevent evictions

a. Fact: There have been 34 evictions since the County Moratorium expired and the Ordinance took effect (10/1/22 - 2/28/23) per the Superior Court of Sonoma County.

2. Prevent the sale of a rental property

a. Fact: The eviction of a tenant can be undertaken under the just cause of withdrawal from the rental market, prior to, during or after the sale of a property.

3. Control rents

- a. Fact: the only regulation of rents in Petaluma are those imposed by the state Tenant Protection Act of 2019, and by any relevant anti-price gouging laws (Penal Code 396).
- b. Fact: When a tenant is evicted for just cause, the landlord can raise the rent to whatever market rate they want, unless the tenant is being evicted for withdrawal from the rental market or owner move in. In those instances, the landlord has the legal obligation to follow through with the reason for eviction before re-renting at market rate (3 years for owner move-in, 5 for Withdrawal). This is not rent control.

4. Set eviction restrictions permanently

a. Fact: Even if adopted without a sunset date, the ordinance can always be revisited and amended.

5. Prevent buy-outs

a. Fact: Even if a unit is covered by the ordinance, a landlord is not precluded from reaching an agreement with the tenant for a move out, without serving an eviction notice. This includes where a landlord is interested in selling the property but does not want to go through with the withdrawal.









February 24, 2023

Mayor Kevin McDonnell
Vice Mayor Janice Cader Thompson
Council Member Mike Healy
Council Member Dennis Pocekay
Council Member Brian Barnacle
Council Member John Shribbs
Council Member Karen Nau
City Manager Peggy Flynn
City Attorney Eric Danly
Assistant City Attorney Dylan Brady





Sent Via Email: cityclerk@cityofpetaluma.org; landlordtenantprotections@cityofpetaluma.org;

RE: Recommendations for strengthening Petaluma Municipal Code, Chapter 6.60 Entitled, "Residential Tenancy Protections" ("Ordinance")

To the Honorable Petaluma City Council and Staff,

We are a multi-sector coalition of stakeholders in the community, including labor, climate, social justice, tenant advocates, attorneys and non-profits who believe in strong tenant protections for renters in Petaluma. The California Tenant Protection Act of 2019 (TPA) implemented the most basic state level tenant protections, to the exclusion of many renters. The TPA is riddled with loopholes, particularly as applied to Sonoma County. We commend the City of Petaluma for passing a local ordinance to close those loopholes and provide stronger protections to tenants, particularly from arbitrary evictions and retaliatory behavior.

Protection of tenants is not just about stabilizing rental housing. It is about ensuring that people who work here can also afford and feel at home here. It is about keeping Petaluma's workforce out of long commutes which exacerbate climate change and traffic congestion. It is about addressing the starkest of housing disparities in Sonoma County, which is that Black, Latinx, Native American, and mixed-race households are dramatically more likely to rent rather than own their homes. This means that Black, Indigenous and People of Color (BIPOC) residents are disproportionately vulnerable to exploitation and displacement due to predatory rent hikes, arbitrary evictions, being forced to live in uninhabitable conditions and landlord harassment and retaliation. These disparities are required to be addressed in Petaluma's housing element plan, and can be by strengthening tenant protections, not weakening them.

¹ <u>ABAG MTC Housing Needs Data Report Petaluma w toc.pdf | Powered by Box</u> ("There are 30,571 employed residents, and 32,852 jobs in Petaluma - the ratio of jobs to resident workers is 1.07; Petaluma is a net importer of workers.")

² A PORTRAIT OF CALIFORNIA 2021–2022 | REGIONAL REPORT SERIES

³ A legally adequate assessment of housing needs as required by housing element law, should identify that lower-income people, as well as many vulnerable populations, are disproportionately likely to rent rather than own their homes – and it should dig deeper into what causes those patterns and the specific needs of renters. For example, a legally adequate assessment of housing needs should examine how

We are hopeful that Petaluma will have the same permanent tenant protections that are in place in thirty other California cities and counties. We encourage Petaluma City Council to strengthen the existing residential tenancy protections after considering and implementing the following important changes.

A. Tenant Protections Should Commence on Day One of the Tenancy

In nearly all of the thirty jurisdictions in California who have enacted just cause eviction protections, those protections start at day one of the tenancy. We urge the City Council to model the large majority of just cause ordinances around the state and implement these protections on day one of a tenancy, rather than 6 months as reflected in Section 6.60.030(A). This will enhance renter stability rather than subject residents to a waiting game during which they must worry that their tenancy could be terminated for no reason. If a tenant has violated the lease, or engaged in any of the several just cause reasons for eviction, they may be evicted at any time.

B. Eliminate the "Owner's primary residence exception"

The Ordinance does not cover tenants who reside in a unit on the same property as the owner <u>until they have lived there for one year</u>, whether the property is a duplex or 15-unit building. (Section 6.60.030(B)). The Ordinance already has an owner-occupying exemption for housing where the tenant shares a bathroom or kitchen with the owner who maintains a principal residence at the property. We request that you eliminate this exemption.

C. Modify the Specific Dwelling Unit Exceptions

The Ordinance contains a lot of exceptions that are not found in the majority of just cause ordinances around the state. We strongly urge that exceptions 1-4 in the Specific Dwelling Unit Exceptions (Section 6.60.030(C)) be removed from the Ordinance. A protective just cause ordinance does not have exemptions for government-owned housing, affordable housing and units where the tenant pays part of the rent with a Section 8 voucher. Some of the most rampant tenant abuse occurs in subsidized and "affordable" housing. Further, tenants who pay rent via a voucher are a protected class and cannot be discriminated against based on source of income.

Tenants residing in accessory dwelling units for less than 1 year should not be subject to eviction for no reason. Additionally, units where the tenant is a property manager should not be explicitly exempted from protection, as they are not exempted in the CA Tenant Protection Act. Exemptions that do not exist under the less protective state law should not be added to this more protective Ordinance.

D. Modifications to Just Cause Protections

1. Breach of Rental Agreement

We urge the City to consider adding the following language to the just cause for breach to prevent a common abuse:

the dramatic increase in rents over the past ten years, combined with stagnating wages for lower-paid workers has increased overpayment for housing, led to overcrowding, driven displacement, and made it more difficult for low-income people to find homes in the community. The analysis should also consider "jobs-housing fit" – the number of low-wage jobs in the jurisdiction compared to the number of homes affordable to low-wage earners, which is woefully inadequate in Petaluma, an importer of workers.

"A tenant may not be evicted for violation of material terms that were added to the rental agreement after the initial creation of the tenancy ("additional terms"), unless the landlord first notified the tenant in writing that tenant has a right to reject the additional terms, and the tenant agreed to those additional terms thereafter in writing."

We also urge the City to model other jurisdictions language around subleasing exemptions to breach, as long as the tenant remains in the unit as their primary residence, and the number of tenants and subtenants actually occupying the unit does not exceed the number of occupants originally allowed by the rental agreement OR under CA Health and Safety Code, whichever is greater. Further detail can be found in Richmond's Ordinance.

Finally, a landlord should not recover possession of a unit as a result of the addition to the unit of a tenant's child, parent, grandchild, grandparent, brother or sister, or spouse or domestic partner of such relatives, or as a result of the addition of the spouse or domestic partner of a tenant, so long as the number of occupants does not need exceed the maximum number allowed under the CA Health & Safety Code.

2. Threat of Violent Crime

We strongly urge you to remove "Threat of violent crime" as a just cause under the ordinance as unnecessary. The just causes of tenant illegal activity, breach of rental agreement or nuisance can all include threats of violent crime. Threat of violent crime is not a just cause under the TPA, nor anywhere else that we can find. There is no reason to add just causes that do not exist under the TPA.

Further, "threat" is a subjective term. In a criminal case, the factfinder determines if a behavior amounts to a threat, upon review of the evidence...which is not something that is adjudicated in an unlawful detainer case (civil eviction lawsuit). If a tenant has made criminal threats of violence and accordingly obtained a restraining order, that evidences breach of lease, illegal activity and nuisance... three just cause grounds for eviction.

4. Permanent[ly] withdrawal from rental market (Ellis Act)

The Ellis Act implementation should match that set forth by the state. We are not aware of any other cities or counties modifying this language, and encourage the City to keep the language in line with the State.

5. Owner/Relative Move In

We urge the addition of a few provisions to make this just cause more comprehensive and stabilizing:

- The additional protections/relocation assistance provided in this Ordinance for families with school aged children, educators, seniors, or persons with disabilities, should commence on day one of those tenancies.
- -Notice terminating the tenancy must contain the name, address, and relationship to the landlord of the person intended to occupy the rental unit.
- -Once a landlord has recovered possession of a unit under the owner move-in just cause reason, no other current landlords or relatives may recover possession of any other unit in the building under the owner move-in just cause reason. Any future evictions in the same building under the owner move-in just cause reason must be of that same unit.
- -Landlord may not recover possession under the owner move-in just cause reason if they own a comparable vacant and available unit in the City or if such a unit becomes available before the tenant vacates. Evidence that a comparable unit was available within 90 days before the notice creates a presumption in tenant's favor. Petaluma's draft ordinance refers to a unit on the lot instead of in the City.
- -Landlord must offer any non-comparable unit they own to the tenant if it becomes available before they

recover possession – at a rate based on the rent the tenant is paying with an adjustment based on condition/size/other amenities of the replacement unit.

-Where a landlord has recovered possession of a unit under the owner move-in just cause reason, tenant must be given the right of first refusal to re-occupy the unit upon its next vacancy.

Finally, the Ordinance has extra protections for elderly, disabled, and catastrophically ill tenants **only** if the landlord has another unit available. No owner move-in evictions should be permitted if they have other comparable vacant units available (see above). Other jurisdictions bar owner move-in evictions altogether for elderly, disabled, and catastrophically ill long-term tenants – essentially as follows:

"Landlord may not evict tenant for owner move-in if tenant (1) has lived in the unit for at least 5 years and is either at least 62 years old or disabled; or (2) is certified as being terminally ill.

However, landlord may evict a tenant who qualifies for this exemption if landlord or relative who will occupy the unit also meets the criteria for this exemption and no other units are available."

Please consider these additions to the just cause for owner move in to make it more comprehensive and in line with other modern just cause ordinances.

6. Substantial Rehabilitation for Health and Safety

This language is strong, and would only urge that the City Council consider offering the tenant to be temporarily dispossessed a vacant unit, if any, that the landlord has available in the City.

E. Relocation Payments

The no fault just cause eviction relocation requirements under the Ordinance are barely greater than the Tenant Protection Act. The Ordinance only requires one month's rent which can be a direct payment or a rent credit. Landlords most often apply it to last month's rent, and sometimes it is a fight for the tenant to get the security deposit back as a result.

Most tenants need at least half of a direct payment at the time of service of the notice to cover moving costs, which accrue prior to the day they move out. Tenants need to secure moving services, potentially storage, and a deposit for a new rental unit well in advance of their move out date.

All other Ordinances require landlords to pay \$7,000 to \$30,000 in relocation costs. Additional relocation payments for vulnerable tenants is only half a month's rent for low income tenants, long term tenants, seniors, disabled persons, and school age children. These populations require more assistance with the moving process. We recommend these amounts are meaningfully increased to no less than \$8,000, with half at the time the notice terminating tenancy is served.

General Comments

We thank the City for the public outreach period and additional time for submission of feedback through the survey. We are concerned that many who have taken an issue with the Ordinance have not read it. Many if not all of the complaints we have heard about the ways this law would prevent a landlord from evicting, are simply not accurate. A tenant can be evicted for all of the usual ways a landlord might need to...they simply cannot be evicted for no reason.

We thank the City Council and Staff for the dedication to tenant protections and fair housing, and we are excited to see these protections in place for future Petaluma tenants!

Sincerely,

Ronit Rubinoff, Executive Director Legal Aid of Sonoma County

Margaret DeMatteo, Housing Policy Attorney Legal Aid of Sonoma County

Michael Titone, Board Member Sonoma County Tenants Union

Max Bell Alper, Executive Director North Bay Jobs with Justice

Jack Buckhorn, President North Bay Labor Council

Kirstyne Lange, President NAACP, Santa Rosa - Sonoma County Branch

CC Ciraolo, North Bay Resilience Manager Greenbelt Alliance

Dave Ransom, Chair Sonoma Valley Housing Group