

April 17, 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
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RE: City Council Agenda Item 10- Support for stronger Just Cause Protections

To Petaluma City Council and Staff,

Challenging systemic racism requires ensuring systemic equality. It requires supporting Black communities against the housing crisis. Black residents are disproportionately renters and disproportionately impacted by evictions.

Discrimination by landlords in Sonoma county is at endemic levels, the highest in the region. Fair Housing Advocates of Northern CA audits to test for race and source of income (SOI) discrimination. Sonoma County tests revealed the most evidence (compared with Marin and Solano) of both race discrimination (62.5%) and source of income discrimination (87.50%); with 92.31% revealing some evidence of either or both. Only 7.69% of the housing providers tested in Sonoma County did not discriminate!

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. 1 of every 2 renters in Sonoma County spends more than 30% of their income on rent. 13% of homeless County residents identified as Black or African American despite making up only 1.5 percent of the County's population. Sonoma County's Black residents have lower levels of well-being than the state generally, with a lifespan 10 years shorter than other racial and ethnic groups! 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. 2 This means that Black, Indigenous and People of Color (BIPOC) residents are disproportionately vulnerable to exploitation and

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

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.³ Let's make Sonoma County a place where the Black community can find and retain stable and affordable housing!

There is a stark and urgent need for this ordinance. 47% of Petaluma renters are cost-burdened (spending 30% of their income on housing) and 23% are severely cost-burdened, paying more than 50% of their income on housing. 4 County-wide, 40% of all renters are cost-burdened compared with only 25% of homeowners. 5 Families with young children are more susceptible to severe cost-burden, twice as likely to be severely cost-burdened as all other households. 6

Please Strengthen the Ordinance by making the following improvements:

• Breach of Rental Agreement

The term "material," is critical as it ensures that a tenant cannot be evicted for minor lease violations. However, the Petaluma Ordinance lacks that specificity even though it is in the TPA. We strongly urge the City Council to use the term "material" breach of the lease, to prevent a common abuse for trivial breach.

Additionally, this provision should not allow eviction for breach of terms unilaterally imposed after the initial lease terms were agreed to.

Finally, please make sure families cannot be evicted for breach because of the addition of a family member, as this amounts to unlawful discrimination based on family status.

• Prohibited Assignment, Subletting.

Please add safety nets create stability in an expensive housing market where some tenants must sublease in order to afford rent. Additionally, as discussed above, it protects families from being discriminated against based on their family status, including the size of their families.

• Ellis Act

The Ellis Act loophole might be the largest that exists in the TPA. Please read Ellis Act Loophole Puts CA's Eviction Protections at Risk - Beyond Chron. While we recognize the Council's attempt to retain some level of protection, it is critical to add more teeth to this just cause to discourage fraudulent Ellis Act evictions. Aside from returning the original language, we recommend at least that the Council increase the amount of time a tenant has the right to re-rent. After all, it is supposed to be a permanent withdrawal from the rental market and six months does not reflect that.

We also recommend the Council <u>increase the notice given to tenants to 120 days</u>, and one year if the tenant <u>asserts their senior or disabled status and has lived there for at least one year</u>.

• Owner Move In

This just cause needs several additional layers to prevent abuse.⁷ Below are some provisions from other

³ See ABAG MTC Housing Needs Data Report Petaluma w toc.pdf | Powered by Box)

⁴ Appendix+A+-+Needs+Assessment+(08-28-22).pdf (squarespace.com)

⁵ 2023 0322-Making-the-Rent-The-Human-Price-of-Housing-Cost-Burden.pdf (generationhousing.org)</sup>

⁶ Id.

⁷ Investigative Unit Reporting Spurs Government Hearing on Fraudulent Evictions – NBC Bay Area; Despite Numerous Potentially Wrongful "Owner Move-In" Evictions, San Francisco Fails to Prosecute a Single Landlord Over Past Decade – NBC Bay Area

jurisdictions that implement such protections:

- No eviction may take place for an "owner move-in" if the same Landlord or relative already occupies a unit on the property, or if a vacancy already exists on the property. At all times a Landlord may request a reasonable accommodation if the Landlord or enumerated relative is Disabled and another unit in Richmond is necessary to accommodate the person's disability. <u>City of Richmond</u>
- Once a landlord has recovered possession of a unit under owner/relative move-in just cause, no other current landlords or relatives may recover possession of any other unit in the building under an owner/relative move-in just cause reason. Any future evictions in the same building under an owner move-in eviction must be of that same unit. (Examples: See Oakland just cause ordinance; San Francisco)
- 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. (See Berkeley Ordinance)
- 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, at least within the first three years. (See Berkeley Ordinance; San Francisco Ordinance)
- 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. (San Francisco Ordinance)

Please fully consider the impact of stabilizing the housing of educators and school-aged children during the school year, and do not allow owner/relative move-ins during that time. The lasting impact of evictions on children is well documented. Though some schools may extend through the summer, the majority of Petaluma schools recognize a unified schedule with the final day being June 9th this year. Berkeley and San Francisco (among others) have had no problem implementing this protection for many years, surviving judicial scrutiny. Yhe language of the ordinance can be worded in a way that still allows a landlord to recover possession as long as the tenancy is NOT terminated during the regular school year. For instance, the City can say: "If the tenant provides notice to the landlord that the household includes an educator or school aged child, the notice of termination of tenancy cannot expire during the school year, as published by Petaluma City Schools for the Traditional School Year, which ends on June 9th this year. See Petaluma City Schools / Calendar.

• Substantial Rehabilitation for Health and Safety

This just cause, which has been whittled down to what the most basic provisions of the TPA provide, has resulted in the unjust displacement of tenants across the state, commonly referred to now as "reno-viction." Please make it clear that eviction for substantial renovation will not displace the occupant permanently, and that they will be returned to their home when renovations are complete. Do not let Petaluma become like Santa Barbara where corporate out of state landlord are attempting mass eviction of 100's of tenants for "substantial" remodels. Please close the "reno-viction" loophole!

⁸ Landlords using 'reno-viction' loophole in AB 1482 to force tenants out (foxla.com); Leucadia tenants speak out against controversial 'renoviction' practice (thecoastnews.com);

⁹ Santa Barbara County to Hold Special Meeting Thursday on Tenant Protections - The Santa Barbara Independent

Conclusion

We thank the City Council and Staff and urges retention of the loophole closures and improvements in this Ordinance, specifically 1) day 1 protection; 2) Subsidized housing included; 3) Narrow exception for small property owners; 4) Language Justice codified; 5) Violence against women act protections acknowledged; 6) Relocation increased to 250% of rent or \$11k whichever is less, paid up front not as last month's rent credit; 7) Failure to comply with ordinance is an affirmative defense to UD; 8) Tenant who prevails in a wrongful eviction due to LL non-compliance is entitled to attorney's fees and costs; 9) Civil liability for retaliation with damages, costs and attorney's fees; 10) City has a right to enforce and 11) Deletion of the sunset! Thank you.

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 important changes demanded by tenants, former tenants and stakeholders in Petaluma.

Sincerely,

Kirstyne Lange

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