

April 14, 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

> RE: April 17, 2023 City Council Agenda Item #10 Petaluma Municipal Code, Chapter 6.60 Entitled, "Residential Tenancy Protections" ("Ordinance")

Dear City Council and Staff:

The North Bay Labor Council again supports passage of the Residential Tenancy Protections Ordinance in Petaluma, currently agendized to come before Petaluma City Council on April 17, 2023. We represent over 70,000 working people and some 70 union affiliates across the North Bay, including teachers, healthcare workers, grocery workers, and public employees in Petaluma.

The renters most likely to be impacted by this ordinance are low wage workers. Many are the "essential" workers who kept us all going during the pandemic. These are the workers who put themselves and their families at risk when the rest of us were sheltering in place. At the very least, these people deserve the kind of protection that keeps them and their families, safe in their homes.

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 Petaluma where the majority of rental units are housed within single family homes (exempt from TPA protections). We commend the City of Petaluma for passing a local ordinance to close many of those loopholes and provide stronger protections to tenants, particularly from arbitrary evictions and retaliatory behavior, from day one of a tenancy. We commend the City for recognizing that enforcement of this Ordinance requires a private right of action that provides for attorney's fees and costs to the prevailing party.

The widening gap between housing costs and local wages is making it increasingly untenable for working people, including members of our union affiliates, who live in Petaluma. City Council has an opportunity to lead both Sonoma County and the wider North Bay in responding to its housing crisis by strengthening just cause eviction protections.

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.¹ County-wide, 40% of all renters

¹ Appendix+A+-+Needs+Assessment+(08-28-22).pdf (squarespace.com)

are cost-burdened compared with only 25% of homeowners.² Families with young children are more susceptible to severe costburden, twice as likely to be severely cost-burdened as all other households.³ The most recent U.S. Census data indicates that between 1980 and 2020, inflation adjusted wages marginally increased for the bottom 60% of workers in the County by just 8%. For the bottom 20%, during that same period, wages dropped by nearly 3%, while wages for the top 10% increased by more than 35%. Between 2000 and 2020, gross annual rents climbed 28%, but renter incomes grew by just 10%.

It is clear that working people in Petaluma are struggling simply to make ends meet, put food on the table, and keep a roof over their heads. We can do better for our essential workforce, for the people who teach our children, take care of our seniors, stock our grocery stores, and keep the town itself running. The largest sector in Petaluma is Health and Education, making up 33% of the workforce. Working renters deserve the dignity and respect of real housing security so that they can continue to serve our community, our children and seniors.

At the March 6th City Council meeting, the private right of action that provides for damages and attorney's fees was apparently on the chopping block. A private right of action is a well-established principle in Petaluma. The Living Wage Ordinance has a strong private right of action in Chapter 8.36.110 of the Municipal Code, and the Minimum Wage Ordinance at Chapter 8.35.070(B). The private right of action is necessary for enforcement, to prevent landlords from disregarding the rules. You have to give tenants a leg to stand on in court for them to be able to assert their rights against retaliation and wrongful eviction. Please do not remove that standing from this ordinance.

<u>Protection of tenants is not just about stabilizing rental housing</u>. 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, Latino, Native American, and mixed-race households are dramatically more likely to rent rather than own their homes.⁴ 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 endure landlord harassment and retaliation.⁵

Specifically, we would urge the City to use the Ellis Act implementation 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. Please consider adding a safety net to the just cause for owner move in to make it less ripe for abuse and in line with other modern just cause ordinances. We strongly urge you to put back the teacher and school-aged children protections to prevent displacement during the school year when a landlord attempts an owner/relative move-in eviction, as Berkeley, San Francisco and many other jurisdictions have for years. Finally, please make it clear that this Ordinance closes the "reno-viction" loophole by allowing a tenant to return to their unit once it is made safe and habitable, as you had more clearly in the first version of this Ordinance.

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 these critical changes.

We urge you to stand in solidarity with working families by strengthening and passing the Ordinance.

Respectfully,

Jack Buckhorn Executive Director

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Maddy Hirshfield Political Director

² <u>2023</u> <u>0322-Making-the-Rent-The-Human-Price-of-Housing-Cost-Burden.pdf (generationhousing.org)</u>

³ Id.

⁴ A PORTRAIT OF CALIFORNIA 2021–2022 | REGIONAL REPORT SERIES