



December 4, 2024

ITEM TITLE: DISCUSSION OF REGULATIONS FOR TENANT PROTECTIONS

ORIGINATING DEPARTMENT:

Mayor

EXECUTIVE SUMMARY:

The topic of local tenant protections has been ongoing in the City of Imperial Beach, particularly since the COVID-19 pandemic. In 2019, the State of California adopted the State Tenant Protection Act (“STPA”) to regulate residential tenant evictions statewide. The STPA permits local governments to adopt stricter tenant protections consistent with state law. Recently, concerns about no-fault evictions, including those for substantial remodels, have been raised during public comments at City Council meetings. It has been reported recently that some Imperial Beach residential tenants may be subject to no-fault substantial remodel evictions. At the November 6, 2024 Council meeting, a representative from the Legal Aid Society, which offers free legal services to qualifying persons, presented on the landlord tenant legal services it provides to its clients. At the November 20, 2024, City Council meeting, Mayor Aguirre requested an item for discussion at the next regular meeting. This agenda item allows for a City Council discussion of the topic of tenant protections and any associated feedback or direction to City Staff.

RECOMMENDATION:

Consider the topic and provide direction to Staff, if applicable.

OPTIONS:

- Discuss topic and provide direction to Staff.

BACKGROUND/ANALYSIS:

Background Law

State laws currently provide tenant protections through the California Tenant Protection Act of 2019 (STPA). Below is a summary of state law and the City’s authority to implement local protections.

A. The State’s Tenant Protection Act of 2019 (“STPA”) (AB1482):

The STPA in Civil Code section 1946.2 provides that a tenancy may only be terminated for Just Cause, which includes both At-Fault Just Cause and No-Fault Just Cause terminations. At-Fault Just Cause reasons for terminating a tenancy include actions by the tenants that justify termination of the tenancy. No-Fault Just Cause reasons for terminating a tenancy include situations in which the tenant is not at fault, and the termination is instead being initiated because of the landlord’s actions. For example, STPA lists removal of a rental property from the rental

market as a No-Fault Just Cause basis. (see Civil Code section 1946.2(b)(2)(B)). The additional Just Cause reasons for terminating a tenancy include the following:

“At fault” evictions include:

- Nonpayment of rent
- Breach of a material term of the lease
- Nuisance, waste, or using the unit for unlawful purposes
- Criminal activity committed on the premises or criminal activity that is directed at the owner or its agent
- Refusal to allow lawful entry
- Refusal to execute a new lease containing similar terms

“No fault” evictions include:

- Owner move-in
- Intent to demolish or substantially remodel the unit
- Withdrawal of the unit from the rental market
- The owner complying with a government order or local law that requires the tenant to leave

Landlords can only evict a tenant for one of the reasons listed above. Some of these reasons have their own specific requirements, such as those listed below per the State of California Department of Justice website (<https://oag.ca.gov/consumers/general/landlord-tenant-issues#protections>):

- **Owner Move-In:** A tenant can only be evicted for owner move-in if the owner or the owner’s spouse, domestic partner, child, grandchild, parent, or grandparent intends to move into the unit. Any landlord planning an owner move-in must act truthfully and in good faith and comply with all state and local requirements. Effective April 1, 2024, the owner or relative must move in within 90 days after the tenant leaves and live there as their primary residence for at least 12 consecutive months. Otherwise, the unit must be offered back to the tenant at the same rent and lease terms as when the tenant left, and the tenant must be reimbursed reasonable moving expenses. Also, effective April 1, 2024, the eviction notice must include the name of the person moving in, their relationship to the owner, and that the tenant may request proof of that relationship, and there must be no other similar unit already vacant on the property that the owner or relative could move in to instead.
- **Substantial Remodel:** Landlords must act truthfully and in good faith and comply with all state and local requirements when evicting a tenant to conduct a substantial remodel of a unit, as not all repairs meet the definition of “substantial remodel.” To be a “substantial remodel,” the landlord must plan to either replace or substantially modify a structural, electrical, plumbing or other system in the unit in a way that requires a permit, or to abate hazardous materials within the unit. In addition, the work must not be able to be done in a safe manner with tenants in the unit and must require a tenant to vacate the unit for at least 30 consecutive days. Cosmetic renovations do not count. Please also be aware that there may be special protections for protected groups such as senior tenants. Effective April 1, 2024, the eviction notice must include a description of the work to be done, copies of required permits, and a notice that if the substantial remodel is not commenced or completed, the tenant must be given the opportunity to re-rent the unit at the same rent and lease terms as when the tenant left.

In addition to requiring At-Fault or No-Fault Just Cause to terminate a tenancy, STPA further provides for various tenant protections, including reason specific termination notices and relocation assistance. STPA also caps rent increases for most residential tenants in California (Civil Code 1947.12). Landlords cannot raise rent more than 10% total or 5% plus the percentage

change in the cost of living – whichever is lower – over a 12-month period. If the tenants of a unit move out and new tenants move in, the landlord may choose to establish a different initial rent to charge.

The Tenant Protection Act applies to all residential rental units in the state except those specifically identified in the law. Some examples of properties not covered by the STPA include:

- Single-family homes not owned or controlled by a corporation or real estate investment trust (the Act does apply to single-family homes owned or controlled by a corporation or real estate investment trust) A single family home held in title by an LLC is exempt from the Tenant Protection Act of 2019, provided the LLC does not have a corporation as a member; meaning the opposite is true as well, if the LLC is owned by a corporation, the property is not exempt and must follow the rent increase limitations under the law.
- Units covered by a local rent control ordinance that is more protective than the Tenant Protection Act
- Units issued a certificate of occupancy within the past 15 years
- Mobile homes, unless the mobile home is owned and offered for rent by the owner or manager of a mobile home park
- Duplexes, where the owner is living in one of the units at the time the tenant moves into the other unit, but only as long as the owner continues to live there
- Housing that is restricted as affordable housing by deed, government agency agreement, or other recorded document, or that is subject to an agreement that provides housing subsidies for affordable housing
- Dorms

STPA allows local jurisdictions to create their own ordinances to provide for greater tenant protections as long as the just cause for termination of a tenancy in the local ordinance is consistent with the STPA. In instances where a local jurisdiction enacts an ordinance that is more protective than the STPA provisions, the local protections supersede the STPA.

B. Retaliatory Behavior Prohibition (Civil Code 1942.5):

State law provides protections from retaliation for tenants that have exercised a legal right against a landlord. In the event that a tenant exercises a tenant's right (including participation in an organized tenant's rights association) or reports a habitability issue to an enforcing agency, a landlord cannot terminate the tenancy, force the tenant to leave involuntarily, increase rent, or decrease any services for a specified period of time so long as the tenant has not failed to pay rent.

Local jurisdictions may adopt additional tenant anti-harassment provisions pursuant to their local police power authority.

San Diego County

Currently, only the City of San Diego and the City of Chula Vista have local tenant protection ordinances related to just cause for termination of a residential tenancy (See Attachments 1 and 2). Both ordinances provide more protection than state law, typically by increasing the amount of relocation payments. Both cities allow for substantial remodel no-fault evictions, however, they have adopted stricter definitions than state law related to what qualifies for a no-fault substantial remodel eviction. The City of Chula Vista did an evaluation of its ordinance at the City Council meeting of September 10, 2024, and reported that since the effective date in 2023, approximately

85% of the no-fault evictions in the City of Chula Vista were related to substantial remodel and demolition. The Chula Vista City Council asked staff for further evaluation of their current ordinance and a new report in February of 2025. The rest of the cities (including Imperial Beach) and the County of San Diego follow the STPA which does allow for substantial remodel no-fault evictions.

Los Angeles County

Staff did find that several cities in Los Angeles (LA) County have local just cause regulations. The City of LA has a local just cause ordinance (see Attachment 3). On October 30, 2024, the LA City Council asked its staff to bring back a short-term moratorium ordinance related to substantial remodel no-fault evictions due to complaints from residents on this topic. As of the date of preparation of this Staff Report, Staff is not aware if the LA City Council has yet acted to approve a short-term moratorium. The cities of Maywood (see Attachment 4), Alhambra, South Pasadena, and Claremont, to name a few, adopted short-term moratoriums to further study the issue of substantial remodel evictions. Since that time, at least one city (City of South Pasadena) has completely removed substantial remodel as an allowable reason for a no-fault eviction from its local regulations (see Attachment 5). Other cities have provided additional protections such as longer relocation payments for substantial remodel no-fault evictions or adopted stricter definitions for what qualifies as a substantial remodel eviction.

Local Application

The State Tenant Protection Act allows local jurisdictions to create their own ordinances to provide greater tenant protections. The City Council may consider the topic and provide direction to Staff as desired.

General discussion items may include:

- Community input and engagement
- Alignment with State Law and regional regulations
- Just cause eviction requirements (at-fault and no-fault)
- Substantial remodel
- Notification and relocation assistance requirement.
- Enforcement and remedies for tenant protections

ENVIRONMENTAL DETERMINATION:

Not a project as defined by CEQA.

ATTACHMENTS:

- ATT 1 - Chula Vista Residential Tenant Protection
- ATT 2 - San Diego Residential Tenant Protections
- ATT 3 - City of LA Just Cause for Eviction Ordinance
- ATT 4 - Maywood Urgency Ordinance Substantial Remodel
- ATT 5 - South Pasadena Just Cause for Eviction