ORDINANCE NO. 3012

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OXNARD ADDING ARTICLE I TO CHAPTER 27 OF THE OXNARD CITY CODE ESTABLISHING JUST CAUSE EVICTIONS AND OTHER TENANT PROTECTIONS

THE CITY COUNCIL OF THE CITY OF OXNARD DOES ORDAIN AS FOLLOWS:

Section 1. The City Council of Oxnard hereby finds, determines, and declares as follows:

- A. At the City Council meetings on October 19, 2021, February 9, 2022, and April 13, 2022, the City Council discussed the City of Oxnard's ("Oxnard" or "City") ability to address just cause evictions and other tenant protections.
- B. Housing instability threatens the public peace, health, and safety as eviction from one's home can lead to prolonged homelessness; increased residential mobility; loss of community; strain on household finances due to the necessity of paying rental application fees and security deposits; stress and anxiety experienced by those displaced; increased commute times and traffic impacts if displaced workers cannot find affordable housing within the city in which they work; and interruption of the education of children in the home.
- C. Eviction creates particular hardships for individuals and households of limited means, given the shortage of affordable housing within Oxnard and the region generally.
- D. The California State Legislature adopted the Tenant Protection Act of 2019 ("AB 1482"), codified in part in California Civil Code section 1946.2 ("section 1946.2"), which became effective by its own terms on January 1, 2020, and, with certain exceptions, prohibits an owner of residential property from terminating a tenancy without just cause.
- E. Under AB 1482, landlords are required to give tenants a reason for their eviction. Just causes such as nonpayment of rent, nuisance to other tenants, damage to property, and illegal activity continue to be legal with zero relocation assistance. However, tenants served "no fault" evictions (owner move-in, substantial remodel, demolishing the rental unit, etc.) receive only one month of relocation assistance from their landlords. Most landlords require first months' rent, last months' rent, security deposit, and application fees upon move-in. Many tenants also pay for temporary storage and other moving costs. These move-in related expenses can easily surpass available savings, without which the tenant may be forced into homelessness or displacement. One month of relocation assistance may not adequately cover these expenses, so relocation assistance must be

- strengthened to reflect the realities of the rental market. A minimum of \$5,000 in relocation assistance is the minimum needed to adequately cover most relocation and move-in costs when the relocation is at no-fault of the tenant.
- F. The housing rent burden and poverty faced by many residents in Oxnard threatens the health, safety, and welfare of its residents, particularly when resulting in eviction and displacement. Studies have shown that evictions play an impactful role in the lives of low income renter households and can also contribute to poverty through disruptive effects such as job loss, adverse health effects, and negative consequences for children.
- G. Moreover, an eviction can remain on a renter's credit history for at least seven years, impacting one's ability to rent and find employment opportunities.
- H. AB 1482 provides that a local ordinance adopted after September 1, 2019, requiring just cause for termination of a residential tenancy shall supersede California Civil Code section 1946.2 only if the ordinance is "more protective" than section 1946.2.
- In accordance with California Civil Code section 1946.2(g)(1)(B), the City Council finds that the provisions of this Ordinance regulating just cause terminations or tenancies are more protective than California Civil Code section 1946.2 for the following reasons:
 - 1. The just cause for termination of a residential tenancy under this Ordinance is consistent with California Civil Code section 1946.2.
 - 2. This Ordinance provides additional tenant protections that are not prohibited by any other provisions of applicable law in that the ordinance triggers tenant protections after 30 days of tenancy, applies to tenants that are not covered by AB 1482, and requires a minimum of \$5,000 in relocation assistance.
- J. The City Council finds and determines that regulating the relations between residential landlords and tenants will increase certainty and fairness within the residential rental market in the City and thereby serve the public peace, health, and safety.
- K. Pursuant to the City's police power, as granted broadly under Article XI, section 7 of the California Constitution, the Oxnard City Council has the authority to enact and enforce ordinances and regulations for the public peace, health, and welfare of the City and its residents.
- L. The City Council hereby adopts these regulations in order to address the threats set forth below.

- 1. Housing, particularly affordable housing, is difficult to procure in this region, including in Oxnard. Evictions without just cause destabilize the housing market and can result in the loss of affordable housing;
- 2. For the preservation of the public peace, health, and safety, the City Council finds that it is necessary to adopt an ordinance regulating just cause evictions, for all of the reasons set forth in the recitals above, which are hereby incorporated by reference;
- 3. Without the imposition of this Ordinance, evictions without just cause may result in the displacement of residential tenants who would be forced to find new housing in an ever-more expensive housing market, and would significantly increase the risk of residential tenants becoming homeless; and
- 4. There is a threat to the public peace, health, and safety of the City and its community, thereby necessitating the enactment of this Ordinance in order to ensure that tenants are not turned out of their homes without just cause.
- M. The direction for this ordinance dated October 19, 2021, February 9, 2022, and April 13, 2022, shall be incorporated herein by this reference, and together with this ordinance, any amendments or supplements, and oral testimony, shall constitute the necessary findings for this ordinance.
- <u>Section 2</u>. The recitals and statements of fact set forth in the preamble to this ordinance are true and correct, constitute a substantive part of this ordinance, and are incorporated herein by this reference.
- <u>Section 3</u>. A new Chapter 27 "Tenant Protection and Rent Stabilization Ordinance" is added to the City Code.
- Section 4. A new Article 1 "Evictions and Tenant Protection" is added to Chapter 27 of the City Code to read as follows:

"Article I -- JUST CAUSE EVICTIONS AND TENANT PROTECTION

SEC. 27-1. CITATION.

This Article shall be known as the "Just Cause Eviction and Tenant Protection Ordinance."

SEC. 27-2. RESTRICTIONS ON TERMINATION OF TENANCY WITHOUT JUST CAUSE.

Notwithstanding any other law, after a tenant has continuously and lawfully occupied a residential real property for thirty (30) days, the Owner of the residential real property

shall not terminate the Tenancy without just cause, which shall be stated in the written notice to terminate Tenancy.

For purposes of this Article, "just cause" includes either at-fault just cause or no-fault just cause.

SEC. 27-3. AT-FAULT JUST CAUSE

At-Fault Just Cause includes any of the following:

- (A) Default in the payment of rent.
- (B) A breach of a material term of the lease, as described in paragraph (3) of Section 1161 of the California Code of Civil Procedure, including, but not limited to, violation of a provision of the lease after being issued a written notice to correct the violation.

A "breach of a material term" shall not include:

(1) The obligation to limit occupancy, provided that the additional occupant who joins the tenant of the residential real property thereby exceeding the limits on occupancy set forth in the lease is dependent under age 18, or a replacement tenant who moved in after an approved tenant vacated the residential real property, so long as the addition does not exceed the Uniform Housing Code.

The Owner shall have the right to approve or deny the prospective additional or replacement tenant, who is not a minor dependent child, provided that the Owner does not unreasonably withhold approval. If the Owner fails to respond to the tenant in writing with a description of the reasons for the denial of the request within a reasonable amount of time of receipt of the tenant's written request, the tenant's request shall be deemed approved by the Owner if the lease is for a period of one (1) year or less.

(2) A change in the terms of the Tenancy that is not the result of an express written agreement signed by both of the parties. An Owner is not required to obtain a tenant's written consent to a change in the terms of the Tenancy if the change in the terms of the Tenancy is authorized by this section, or if the Owner is required to change the terms of the Tenancy pursuant to federal, State, or local law. Nothing in this subsection shall exempt an Owner from providing legally required notice of a change in the terms of the Tenancy.

- (C) Maintaining, committing, or permitting the maintenance or commission of a nuisance as described in paragraph (4) of Section 1161 of the California Code of Civil Procedure.
- (D) Committing waste as described in paragraph (4) of Section 1161 of the California Code of Civil Procedure.
- (E) The tenant had a written lease that terminated on or after the effective date of this Ordinance, and after a written request or demand from the Owner, the tenant has refused to execute a written extension or renewal of the lease for an additional term of similar duration with similar provisions, provided that those terms do not violate this section or any other provision of law. If the tenant had a written lease that terminated on or after the effective date of this Ordinance, and after a written request or demand from the Owner, the tenant has refused to execute a written extension or renewal of the lease for an additional term of non-similar duration and/or with non-similar lease provisions, then the cause for eviction will be No-Fault Just Cause under City Code section 27-4 below.
- (F) Criminal activity by the tenant on the residential real property, including any common areas, or any criminal activity or criminal threat, as defined in subdivision (a) of Section 422 of the California Penal Code, on or off the residential real property, that is directed at any Owner or agent of the Owner of the residential real property or members of tenant's household or other tenants of the residential real property. This at-fault, just cause provision shall apply if the Owner has, within a reasonable time, reported the criminal activity to law enforcement. Further, at-fault, just cause eviction of a tenant under this provision shall only apply to that tenant who committed the criminal activity described herein. If a tenant is acquitted or found not guilty of the charges giving rise to eviction, or if charges are not filed against the tenant within the applicable statute of limitations period, the tenant shall be offered the right to restore the Tenancy only if the same residential real property is available.
- (G) Assigning or subletting the premises in violation of the tenant's lease, as described in paragraph (4) of Section 1161 of the California Code of Civil Procedure.

Notwithstanding any contrary provision in this section, an Owner shall not take any action to terminate a Tenancy based on a tenant's sublease of the residential real property if all the following requirements are met:

(1) The tenant requests permission from the Owner in writing to sublease the residential real property;

- (2) The tenant continues to reside in the residential real property as their primary residence;
- (3) The sublease replaces one or more departed tenants under the lease on a one-for-one basis; and
- (4) The Owner fails to respond to the tenant in writing within a reasonable amount of time of the receipt of the tenant's written request. If the Owner fails to respond to the tenant's written request, the request shall be deemed approved by the Owner if the lease is for a period of one (1) year or less. An Owner's reasonable refusal of the tenant's written request may be based on, but is not limited to, the ground that the total number of occupants in a residential real property exceeds the maximum number of occupants as determined under Section 503(b) of the Uniform Housing Code or successor provision.
- (H) The tenant's refusal to allow the Owner to enter the residential real property as authorized by Sections 1101.5 and 1954 of the California Civil Code, and Sections 13113.7 and 17926.1 of the California Health and Safety Code.
- (I) Using the premises for an unlawful purpose as described in paragraph (4) of Section 1161 of the California Code of Civil Procedure.
- (J) The employee, agent, or licensee's failure to vacate after their termination as an employee, agent, or a licensee as described in paragraph (1) of Section 1161 of the California Code of Civil Procedure.
- (K) When the tenant fails to deliver possession of the residential real property after providing the Owner written notice as provided in Section 1946 of the California Civil Code of the tenant's intention to terminate the hiring of the real property, or makes a written offer to surrender that is accepted in writing by the Owner but fails to deliver possession at the time specified in that written notice as described in paragraph (5) of Section 1161 of the California Code of Civil Procedure.

SEC. 27-4. NO-FAULT JUST CAUSE

No-Fault Just Cause includes any of the following:

(A) Intent to occupy the residential real property by the Owner or their spouse, domestic partner, children, grandchildren, parents, or grandparents.

For leases entered into on or after the effective date of this Ordinance, this subsection shall apply only if the tenant agrees, in writing, to the

termination, or if a provision of the lease allows the Owner to terminate the lease if the Owner, or their spouse, domestic partner, children, grandchildren, parents, or grandparents unilaterally decides to occupy the residential real property for a period of at least 24 months, as affirmed by the Owner in a written affidavit submitted to the city. Addition of a provision allowing the Owner to terminate the lease as described in this clause to a new or renewed rental agreement or fixed-term lease constitutes a similar lease provision for the purposes of City Code section 27-3 (E).

- (B) Withdrawal of the residential real property from the rental market under, and subject to, the provisions of the Ellis Act.
- (C) The Owner complying with an order issued by a government agency or court relating to habitability that necessitates vacating the residential real property.
 - (1) Exception. If it is determined by any government agency or court that the tenant is at fault for the condition or conditions triggering the order or need to vacate, then the tenant shall not be entitled to relocation assistance as outlined in Section 27-6(C).
- (D) Intent to demolish or to substantially remodel the residential real property.

For purposes of this Section, "substantially remodel" means the replacement or substantial modification of any structural, electrical, plumbing, or mechanical system that requires a permit from a governmental agency, or the abatement of hazardous materials, including lead-based paint, mold, or asbestos, in accordance with applicable federal, State, and local laws, that cannot be reasonably accomplished in a safe manner with the tenant in place and that requires the tenant to vacate the residential real property for at least 30 days. Cosmetic improvements alone, including painting, decorating, and minor repairs, or other work that can be performed safely without having the residential real property vacated, do not qualify as a substantial remodel.

- (1) The Owner shall provide 60 days advance written notice to the tenant of the ability to reoccupy the unit upon completion of the repairs, or if requested by the tenant, the right of first refusal to any comparable vacant rental unit which has been offered at comparable rent owned by the Owner; and
- (2) In the event the Owner seeks to rent the remodeled unit within six (6) months following the completion of the remodeling work, the evicted tenant shall have the right of first refusal to reoccupy

and rent the unit, unless the Owner provides a written waiver by the tenant of their right to reoccupy the premises pursuant to this subsection.

SEC. 27-5. JUST CAUSE CURABLE LEASE VIOLATION

Before an Owner of residential real property issues a notice to terminate a Tenancy for just cause that is a curable lease violation, the Owner shall first give notice of the violation to the tenant with an opportunity to cure the violation pursuant to paragraph (3) of Section 1161 of the California Code of Civil Procedure. If the violation is not cured within the time period set forth in the notice, a three-day notice to quit without an opportunity to cure may thereafter be served to terminate the Tenancy.

Any written notice to cease or correct must:

- (A) Be dated and served upon the tenant, pursuant to at least one of the methods authorized under California Code of Civil Procedure Section 1162, as may be amended;
- (B) Inform the tenant that failure to cure may result in the initiation of eviction proceedings;
- (C) Inform the tenant of the right to request a reasonable accommodation;
- (D) Inform the tenant of the contact number for the City; and
- (E) Include a specific statement of the reasons for the written notice to cease or correct with specific facts to help the tenant determine the date(s), place(s), witness(es), and/or circumstance(s) that support the reason(s) for the eviction.

SEC. 27-6. NO-FAULT JUST CAUSE TENANT RELOCATION ASSISTANCE

- (A) For a Tenancy for which just cause is required to terminate the Tenancy under this Article, if an Owner of residential real property issues a termination notice based on a no-fault just cause as defined in section 27-4, the Owner shall, regardless of the tenant's income, provide a direct payment to the tenant as described in paragraph C of this Section.
- (B) If an Owner issues a notice to terminate a Tenancy for no-fault just cause, the Owner shall notify the tenant of the tenant's right to relocation assistance and all other rights pursuant to this section.

- (C) The amount of relocation assistance shall be equal to (i) two months of the tenant's rent that was in effect when the owner issued the notice to terminate the tenancy, or (ii) \$5,000, whichever is greater. Any relocation assistance shall be provided within 15 calendar days of service of the notice.
 - (1) If a tenant fails to vacate after the expiration of the notice to terminate the Tenancy, the actual amount of any relocation assistance or rent waiver provided pursuant to this subdivision shall be recoverable as damages in an action to recover possession.
 - (2) The relocation assistance required by this section shall be credited against any other relocation assistance required by any other law.
- (D) An Owner's failure to strictly comply with this section shall render the notice of termination void.

SEC. 27-7. EXEMPTIONS

This Article shall not apply to the following types of residential real properties or residential circumstances:

- (A) Transient and tourist hotel occupancy as defined in subdivision (b) of Section 1940 of the California Civil Code, and properties that have obtained a City of Oxnard Short Term Vacation Rental Permit and are operating in compliance with that permit and regularly remitting the required Transit Occupancy Tax demonstrating active use as a vacation rental property.
- (B) Housing accommodations in a nonprofit hospital, religious facility, extended care facility, licensed residential care facility for the elderly, as defined in Section 1569.2 of the California Health and Safety Code, or an adult residential facility, as defined in Chapter 6 of Division 6 of Title 22 of the Manual of Policies and Procedures published by the State Department of Social Services.
- (C) Dormitories owned and operated by an institution of higher education or a kindergarten and grades 1 to 12, inclusive, school.
- (D) Housing accommodations in which the tenant shares a bathroom or kitchen facilities with the Owner who maintains their principal residence at the residential real property.
- (E) Single-family Owner-occupied residences, including a residence in which the Owner-occupant rents or leases no more than two bedrooms.

(F) A duplex in which the Owner occupied one of the units as the Owner's principal place of residence at the beginning of the Tenancy, so long as the Owner continues in occupancy.

SEC. 27-8. DEFINITIONS

For the purposes of this Article, the following definitions shall apply:

- (A) "Owner" and "residential real property" have the same meaning as those terms are defined in California Civil Code Section 1946.2.
- (B) "Tenancy" means the lawful occupation of residential real property, including Accessory Dwelling Units, or mobile home spaces that are not subject to Chapter 24, *Mobile Home Parks*, of the Oxnard City Code, and includes a lease or sublease, as such may be subject to local ordinance.

SEC. 27-9. NOTICES

(A) Notice of existence of this Chapter

The Owner shall post a notice providing information about the existence of this Chapter 27 of the City Code, including protections related to immigration or citizenship status of tenant found under California Civil Code section 1940.35 and California Code of Civil Procedure section 1161.4, as may be amended. Notice must be posted in English, Purépecha, Mixteco, Otomi, Tagalog, Zapoteco, Nahuatl, and Spanish in a conspicuous location on the property.

In addition to all other notice requirements specified elsewhere in this Article, the Owner of any residential real property is required to provide written notice to tenants of their rights under this Article as follows:

- (1) The notice required by this Article must include the following information:
 - (a) The existence and scope of this Article of the City Code; and,
 - (b) The right to relocation assistance in limited circumstances pursuant to Section 27-6.
- (2) The Owner must provide tenant with the notice upon serving any notice of change in terms of Tenancy.
- (3) The Owner must provide the notice on or before the commencement of all Tenancies initiated after the effective date of this Chapter.

(B) Notice of termination of Tenancy

When terminating a Tenancy either at-fault or no-fault, an Owner must comply with all of the following:

- (1) The Owner must serve a written notice in accordance with California Civil Code sections 1946 through 1946.5, to the tenant that states that, in addition to any information required by federal or State law, the Owner will terminate the Tenancy, and that indicates at least one atfault or no-fault just cause reason; and
- (2) The Owner has not accepted and will not accept rent or any other consideration in return for the continued use of the residential property beyond the term of the terminated Tenancy in compliance with California Civil Code sections 1945 through 1946.5; and
- (3) The Owner qualifies the termination as at-fault or no-fault just cause; and
- (4) The Owner has submitted to the city, within five (5) days after service of the notice of termination on the tenant, a true and accurate copy of the Owner's written notice of termination, and proof of such service, signed by the Owner under penalty of perjury, on the tenant. The Owner shall maintain proof of service to the city as evidence that the Owner has complied with this section.
- (5) When the Owner and tenant have entered into a written lease, the Owner must provide the notice in the language used in the lease, in addition to English. When the Owner and tenant have not entered into a written lease, the Owner must provide the notice in the language that the Owner and tenant used to negotiate the terms of the Tenancy, in addition to English.
- (C) Notice as addendum to lease or rental agreement

An Owner of residential real property subject to this Section shall provide notice to the tenant as follows:

- (1) For any Tenancy commenced or renewed on or after the effective date of this Ordinance, as an addendum to the lease or rental agreement, or as a written notice signed by the tenant, with a copy provided to the tenant.
- (2) The Owner must provide the notice in the language that the Owner and tenant used to in the lease, in addition to English.

- (3) For a Tenancy existing prior to the effective date of this Ordinance, by written notice to the tenant no later than thirty (30) days after the effective date of this Ordinance, or as an addendum to the lease or rental agreement.
- (4) The notification or lease provision shall be in no less than 12-point type, and shall include the following: "The Oxnard City Code provides that after all of the tenants have continuously and lawfully occupied the property for at least thirty (30) days, an Owner must provide a statement of cause in any notice to terminate a Tenancy. In addition, Oxnard City Code provides tenants evicted for no-fault just cause with the right to relocation payments. See Chapter 27 of the Oxnard City Code for more information."
- (5) Owners must provide the notice to tenants in writing if the application and lease are processed in writing, electronically if the application or lease are processed electronically, or both if both methods are utilized. The provision of the notice shall be subject to California Civil Code Section 1632.

SEC. 27-10. ADDITIONAL TENANT PROTECTIONS

- (A) The city manager may adopt administrative procedures and regulations to implement the provisions of this Ordinance.
- (B) Once established by the City Council, all owners with rental units shall pay the tenant protection program fee, as established by city council resolution. The tenant protection program fee is to fund the city's cost to implement and enforce the provisions of this Ordinance.
- (C) It is illegal for an Owner or representative to retaliate against a tenant for lawfully and peaceably exercising their legal rights, including but not limited to, the right to file a complaint with Code Compliance. No owner may take any action increasing any rental amount, reducing any service, causing the tenant to involuntarily quit the premises, or discriminating against the tenant because of the tenant's use of any remedy provided by this Ordinance.
- (D) Any provision of a rental housing agreement that purports to waive any provision of this Ordinance is void as against public policy.
- (E) An owner's failure to comply with any requirement of this Ordinance is an affirmative defense in an unlawful detainer or other action brought by the owner to recover possession of the rental unit.

SEC. 27-11. VIOLATIONS

- (A) It shall be unlawful for any person to violate or fail to comply with any provision of this Article. The violation of any provision of this chapter shall first be punished through the use of a civil citation, prior to prosecution as a misdemeanor, infraction, or civil injunction as provided in Oxnard City Code section 1-10.
- (B) Any person whose rights pursuant to this Ordinance have been violated shall have the right to file an action for injunctive relief and damages. Whoever is found to have violated this Ordinance shall be subject to appropriate injunctive relief and shall be liable for damages, costs, and reasonable attorney fees. Treble damages shall be awarded for willful failure to comply with the Relocation Payment obligations established by this Ordinance. Any action pursuant to this Ordinance shall be a civil matter and adjudicated through civil court.

SEC. 27-12. SUNSET

This Article shall automatically sunset on December 31, 2030."

Section 5. The City Council finds that this ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to sections 15060(c)(2), 15060(c)(3) and 15061(b)(3) of the State CEQA Guidelines because it will not result in a direct or reasonably foreseeable indirect physical change in the environment, because there is no possibility it will have a significant effect on the environment, and it is not a "project," as defined in section 15378 of the State CEQA Guidelines.

Section 6. The city manager shall, on an annual basis and at any other time that the city manager determines to be appropriate, provide a report that documents the level of landlord compliance with this chapter and other related rental housing matters. At least 60 days prior to the expiration date of this ordinance, the city manager shall provide a report to city council that addresses the status of the rental housing market, including, but not limited to, the affordability and availability of rental units.

Section 7. If any section, subsection, sentence, clause or phrase of this chapter is for any reason held by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remaining portions of this chapter. The City Council declares that it would have adopted this chapter and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared invalid.

Section 8. Within 15 days after passage, the City Clerk shall cause a summary of this ordinance to be published one time in a newspaper of general circulation published and circulated in the City. Ordinance No. $\frac{3012}{2}$ was first read on April 13, 2022, and finally adopted on $\frac{May}{3}$ rd , 2022, to become effective thirty (30) days thereafter.

Section 9. This ordinance shall become effective thirty (30) days after it is finally adopted. The foregoing Ordinance was adopted at a regular meeting of the City Council of the City of Oxnard, State of California, held on the ___3rd_____ day of ______, 2022, by the following vote:

AYES: Councilmembers Basua, Lopez, Madrigal, Perello, Teran and Zaragoza

NOES: Councilmember MacDonald

ABSENT: None.

ABSTAIN: None.

obn C. Zaragoza Mayor

ATTEST:

Rose Chaparro, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney