

ORDINANCE NO.

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA AMENDING THE SANTA BARBARA MUNICIPAL CODE BY AMENDMENT OF SECTIONS 26.50.070 AND 26.50.100 AND ADDITION OF SECTIONS 26.50.110 AND 26.50.120 RELATING TO JUST CAUSE FOR RESIDENTIAL EVICTIONS

THE CITY COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN AS FOLLOWS:

SECTION 1. Section 26.50.070 of Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended to replace the words "Community Development Department" with the words "City Administrator's Office, Office of Housing and Community Vitality" in paragraph 2. b. of the definition of Just Cause, which definition and as amended reads as follows:

Just Cause. At-fault just cause and no-fault just cause, as follows:

1. At-fault just cause, which is 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 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.
 - c. Maintaining, committing, or permitting the maintenance or commission of a nuisance as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.

d. Committing waste as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.

e. The tenant had a written lease that terminated on or after the effective date of this chapter, and after a written offer from the owner, the tenant has refused to execute a written extension or renewal of the lease for an additional term of the same duration and with similar other terms, provided that those terms do not violate this chapter or any other provision of law.

f. Criminal activity by the tenant on the rental unit, including any common areas, or any criminal activity or criminal threat, as defined in subdivision (a) of Section 422 of the Penal Code, on or off the rental unit, that is directed at any owner or agent of the owner of the rental unit; provided that criminal activity or criminal threat directed at a tenant who is a victim of domestic violence shall not be the basis for at-fault or no-fault just cause eviction of the tenant who is a victim of domestic violence.

g. Assigning or subletting the premises in violation of the tenant's lease, as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.

h. The tenant's refusal to allow the owner to enter the rental unit as authorized by Sections 1101.5 and 1954 of the Civil Code, and Sections 13113.7 and 17926.1 of the Health and Safety Code.

i. Using the premises for an unlawful purpose as described in paragraph (4) of Section 1161 of the 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 Code of Civil Procedure.

k. When the tenant fails to deliver possession of the rental unit after providing the owner written notice as provided in Civil Code Section 1946 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 landlord, but fails to deliver possession at the time specified in that written notice as described in paragraph (5) of Section 1161 of the Code of Civil Procedure.

2. No-fault just cause is any of the following:

a. The owner seeks in good faith to recover possession of the rental unit for use and occupancy by the owner or their spouse, domestic partner, children, grandchildren, parents, or grandparents if a provision of the lease allows the owner to terminate the lease when the owner, or their spouse, domestic partner, children, grandchildren, parents, or grandparents, unilaterally decides to occupy the rental unit for a minimum of 12 continuous months as that person's primary residence. This subsection does not apply if the intended occupant occupies a rental unit on the property or if a vacancy of a similar unit already exists at the property. The written notice terminating a tenancy for a just cause pursuant to this subparagraph shall contain the name or names and relationship to the owner of the intended occupant. The written notice shall additionally include notification that the tenant may request proof that the intended occupant is an owner or related to the owner. The proof shall be provided upon request and may include an operating agreement and other non-public documents. This subsection applies only if the intended occupant moves into the rental unit within 90 days after the tenant vacates and occupies the residential unit as a primary residence for at least 12 consecutive months. If the intended occupant fails to occupy the rental unit within

90 days after the tenant vacates or fails to occupy the rental unit as their primary residence for at least 12 consecutive months, the owner shall offer the unit to the tenant who vacated it at the same rent and lease terms in effect at the time the tenant vacated and shall reimburse the tenant for reasonable moving expenses incurred in excess of any relocation assistance that was paid to the tenant in connection with the written notice. However, if the intended occupant moves into the rental unit within 90 days after the tenant vacates but dies before having occupied the rental unit as a primary residence for 12 months, this will not be considered a failure to comply with this section or a material violation of this section by the owner.

b. The owner seeks in good faith to recover possession to permanently withdraw the rental unit from the rental market. The notice of termination must be filed with the City Administrator’s Office, Office of Housing and Community Vitality when it is given to the tenant and must specify the intended use of the unit and the lot on which the rental unit is located.

c. The owner seeks in good faith to comply with any of the following:

i. An order issued by a government agency or court relating to habitability that necessitates vacating the rental unit.

ii. An order issued by a government agency or court to vacate the rental unit.

iii. A local ordinance that expressly requires vacating the rental unit.

d. The owner seeks in good faith to recover possession to totally demolish or to substantially remodel the rental unit, provided the owner has done all of the following:

i. Obtained all permits necessary to carry out the demolition or substantial remodel from the applicable governmental agencies.

ii. For a proposed substantial remodel, obtained a written opinion supported by a detailed explanation and signed under penalty of perjury from an independent construction expert, who holds a current and valid California Contractors State License Board license with classifications in A, B, or B-2, as applicable to the proposed work, stating that the work cannot be reasonably accomplished in a safe manner with the tenant in place and that the proposed work requires the tenant to vacate the rental unit for at least consecutive 30 days. The person preparing the report may not be the owner, the licensed contractor retained to perform the work, or otherwise be financially interested in the work other than payment for preparation of the report. The report must be filed concurrently with the building permit application for the proposed work.

iii. Served the tenants with a copy of the permits along with a written notice stating the reason for the termination, the type and scope of work to be performed, why the work cannot be reasonably accomplished in a safe manner with the tenant in place, and why the work requires the tenant to vacate the residential real property for at least 30 consecutive days. The copy and notice shall be contained in or served concurrently with the notice of termination required by Section 26.50.040.

iv. Filed with the Community Development Department a copy of the written opinion signed under penalty of perjury from the construction expert and the documents served on the tenant under subsection 2.d.iii.

SECTION 2. Section 26.50.070 of Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended to correct reference to Civil Code Section 1946.2(a)(2)(viii)(II) in the definition of Owner, which definition as amended reads as follows:

Owner. An owner as defined in Civil Code Section 1954.51. For purposes of subsection (2)(a) under the definition for "just cause" above, owner also has the meaning defined in Civil Code Section 1946.2(b)(2)(A)(viii)(II).

SECTION 3. Section 26.50.100 of Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended to add subsection D and as amended reads as follows:

26.50.100. Additional Requirements and Limitations Applicable to Just Cause Evictions to Permanently Remove a Rental Unit from the Rental Market.

A. This Section applies to no-fault just cause evictions to recover possession to permanently withdraw a rental unit from the rental market.

B. An owner shall not withdraw from the rental market less than all of the rental units from a property. Notices of termination shall be given concurrently to all tenants, provided, however, that eviction dates stated in the notices may vary to coincide with the termination dates of leases or rental agreements of affected tenants or to comply with the requirements of subsection D.

C. Property that has been withdrawn from the rental market pursuant to this Chapter may not be used for residential rent purposes for a period of 5 years following the date of the last eviction under subsection B.

D. This subsection applies to rental units subject to any City ordinance controlling or establishing or system of control on the price at which the rental unit is

offered for rent or lease. The owner of a rental unit subject to any City ordinance controlling or establishing a system of control on the on the price at which the rental unit is offered for rent or lease must comply with the following additional requirements:

1. When the owner gives notice of termination under subdivision B, the owner must also file a separate statement, under penalty of perjury, of the number of rental units on the property, the street address and unit designation of the rental units, the name or names of the tenants of each rental unit according to address and unit designation, and the rent applicable to each rental unit according to address and unit designation. The statement must be filed with the City Administrator's Office, Housing and Homeless Services Division on the same day that notice is given to the tenants. The statement shall be separate from the notice of termination and shall be treated as confidential information by the City for purposes of the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code). The City shall, to the extent required by the preceding sentence, be considered an "agency," as defined by subdivision (d) of Section 1798.3 of the Civil Code.

2. If a tenant is at least 62 years of age or disabled, and has lived in their rental unit for at least one year prior to the date of delivery to the City of the notice of termination, then the date of termination for the rental unit shall be extended to one year after the date of delivery to the City of that notice and the supplemental statement required by paragraph 1 of this subsection, provided that the tenant or lessee gives written notice of their entitlement to an extension to the owner within 60 days of the date of delivery to the City of the notice of termination. In that situation, the following provisions shall apply:

a. The tenancy shall be continued on the same terms and conditions as existed on the date of delivery to the City of the notice of termination, subject to any adjustments otherwise available under the City ordinance controlling or establishing a system of control system of control on the on the price at which the rental unit is offered for rent or lease

b. No party shall be relieved of the duty to perform any obligation under the lease or rental agreement.

c. The owner may elect to extend the tenancy on any other unit on the property to coincide with the termination date of the rental unit extended under this paragraph 2, subject to subparagraphs a. and b.

d. Within 30 days of the notification by the tenant to the owner of their entitlement to an extension, the owner shall give written notice to the City of the claim that the tenant is entitled to stay in their accommodations or unit within the accommodations for one year after date of delivery to the City of the notice of termination.

3. The notice of termination to a tenant of a rental unit subject to this subsection shall contain a statement of the rights and responsibilities under paragraph 2 of this subsection.

SECTION 4. Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended by the addition of Section 26.50.110 to read as follows:

**26.50.110 Disclosure of Rights to Tenants Before and After Sale of Rental Units
Subject to Chapter 26.50**

A. Before property containing rental units subject to this Chapter may be sold, the owner/seller shall disclose to tenants of the property the rights of tenants during and after the sale of the property. This disclosure shall be in writing and shall include:

1. A statement in bold type of at least 12 points that tenants cannot be evicted or asked to move solely because a property is being sold or solely because a new owner has purchased the property.

2. A statement that in bold type of at least 12 points that eviction of any qualified tenants of the property at the time of the sale remain may be evicted only for just cause as provided in Chapter 26,50 of this Code.

3. A statement in bold type of at least 12 points that the rental agreements of tenants cannot be materially changed solely because a property is being sold or solely because a new owner has purchased that property.

4. A statement that the owner's right to show units to prospective buyers is governed by California Civil Code section 1954, including a statement that tenants must receive notice as provided by Section 1954, and a statement that a showing must be conducted during normal business hours unless the tenant consents to an entry at another time.

5. A statement that tenants are not required to complete or sign any estoppel certificates or estoppel agreements, except as required by law or by that tenant's rental agreement. The statement shall further inform tenants that tenant rights may be affected by an estoppel certificate or agreement and that the tenants should seek legal advice before completing or signing an estoppel certificate or agreement.

B, Within 30 days of acquiring title to rental units subject to this Chapter, the new purchaser/owner shall disclose to tenants of the property the rights of tenants following this sale of the property. This disclosure shall be in writing and shall include:

1. A statement in bold type of at least 12 points that tenants cannot be evicted or asked to move solely because a new owner has purchased that property.

2. A statement in bold type of at least 12 points that the rental agreements of tenants cannot be materially changed solely because a new owner has purchased that property.

3. A statement that in bold type of at least 12 points that eviction of any qualified tenants of the property at the time of the sale remain may be evicted only for just cause as provided in Chapter 26,50 of this Code.

SECTION 4. Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended by the addition of Section 26.50.120 to read as follows:

26.50.120 Recordation of Notice of Restriction on Real Property

A. Upon eviction of a tenant for a no-fault just cause eviction for which the tenant has a right of first refusal to re-rent under Section 26.50.055 or subsections (b)(2)(A)(vi) and (b)(2)(D)(iv) of Civil Code Section 1946.2 as adopted by Section 2 of Chapter 290 of 2023 California Statutes, the owner shall record a notice of the with the county recorder that specifically describes the real property where the rental unit or units are located, the dates applicable to the right of first refusal, and the name of the owner of record of the real property. The notice shall be indexed in the grantor-grantee index.

B. Upon receipt of notice of termination for withdrawal of property from the rental market, the City Administrator, Office of Housing and Community Vitality, is authorized and directed to file a notice with the county recorder that specifically describes the real property where the rental unit or units are located, the restriction on use of the real property for residential rental purposes under Section 26.50.100, subsection C, the duration of the restriction on use, and the name of the owner of record of the real property. The notice shall be indexed in the grantor-grantee index.