

[Council Introduction Draft Showing Changes from Current Code 10/08/2026]

Ordinance No.

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA AMENDING THE SANTA BARBARA MUNICIPAL CODE BY AMENDMENT OF SECTIONS 26.50.020, 26.50.030, 26.50.055, 26.50.070 AND 26.50.100 AND ADDITION OF SECTIONS 26.50.071, 26.50.072, 26.50.110, 26.50.120, 26.50.130, AND 26.50.140 RELATING TO JUST CAUSE FOR RESIDENTIAL EVICTIONS

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

Section 1.

Section 26.50.030 of Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended by the addition of Subsection D, which section as amended reads as follows:

26.50.020 Relocation Assistance Payments for No-Fault Just Cause Evictions.

A. The owner of a rental unit who issues a termination notice based upon no-fault just cause shall make a relocation assistance payment to each qualified tenant in an amount established by resolution of the City Council, or one month's rent plus one dollar, whichever is greater.

B. When more than one qualified tenant occupies a rental unit, the owner shall divide the relocation assistance payment equally among the qualified tenants and make the divided relocation assistance payment to each qualified tenant.

C. Any relocation assistance or rent waiver required by State law shall be credited against the relocation assistance payment required by this chapter, but only to the extent such credit is required by State law.

[New Language] D. If a person is eligible to receive displacement assistance under Chapter 28.89 or Chapter 30.190 of this Code and relocation assistance under this Section, the owner shall pay the greater of the assistance amounts for which the person is eligible. [End New Language]

Section 2.

Section 26.50.030 of Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended by the deletion of Subsections F, G, and H, which section as amended reads as follows:

26.50.030 Applicability.

This chapter applies to all rental units except:

- A. Transient and tourist hotel occupancy as defined in Civil Code Section 1940(b).
- 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 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 bathroom or kitchen facilities with the owner who maintains their principal residence at the rental unit.
- E. Single-family owner-occupied residences, including a residence in which the owner-occupant rents or leases no more than two units or bedrooms, including, but not limited to, an accessory dwelling unit or a junior accessory dwelling unit.
- [Deleted] F. A property containing two separate dwelling units within a single structure 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, and neither unit is an accessory dwelling unit or a junior accessory dwelling unit.
- G. Housing that has been issued a certificate of occupancy within the previous 15 years.
- H. A rental unit that is alienable separate from the title to any other dwelling unit, provided that both of the following apply:
 - 1. The owner is not any of the following:

a. A real estate investment trust, as defined in Section 856 of the Internal Revenue Code.

b. A corporation.

c. A limited liability company in which at least one member is a corporation.

2. a. The tenants have been provided written notice that the residential property is exempt from this section using the following statement:

"This property is not subject to the rent limits imposed by Section 1947.12 of the Civil Code and is not subject to the just cause requirements of Section 1946.2 of the Civil Code. This property meets the requirements of Sections 1947.12(d)(5) and 1946.2(e)(8) of the Civil Code and the owner is not any of the following: (1) a real estate investment trust, as defined by Section 856 of the Internal Revenue Code; (2) a corporation; or (3) a limited liability company in which at least one member is a corporation."

b. For a tenancy existing before the effective date of this chapter, the notice required under subsection (H)(2)(a) of this section may, but is not required to, be provided in the rental agreement.

c. For any tenancy commenced or renewed on or after the effective date of this chapter, the notice required under subparagraph a. must be provided in the rental agreement.

d. Addition of a provision containing the notice required under subsection (H)(2)(a) to any new or renewed rental agreement or fixed-term lease constitutes similar other terms for the purposes of Section 26.50.070(B)(1)(e). [End Deleted]

[Deleted] I [End Deleted] [New Language] F [End New Language]. Housing restricted by deed, regulatory restriction contained in an agreement with a government agency, or other recorded document as affordable housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code, or subject to an agreement that provides housing subsidies for affordable housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code or comparable federal statutes. This exception does not apply to tenancies assisted by Section 8 Housing

Choice Vouchers where the housing is not otherwise restricted by deed, regulatory restriction contained in an agreement with a government agency, or recorded document or agreement requiring the owner to offer housing at below market rent.

Section 3.

Section 26.50.055 of Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended by amendment of Subsection C. 3, the addition of new Subsection C. 4, and the renumbering and amendment of existing Subsection C.4. to C.5, which as amended read as follows:

26.50.055 Right to Re-Rent Following No-Fault Just Cause Eviction.

A. The provisions of this section are additional to the rights to re-rent provided to tenants under 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.

B. A qualified tenant subject to a no-fault just cause termination of tenancy shall have a right of first refusal to re-rent the rental unit or a comparable new rental unit at the same property for a period of two years following the termination of tenancy, provided that the tenant has kept the owner notified of the tenant's contact information according to the notice provided under Section 26.50.040(D).

C. An owner seeking to rent a unit to which a person has a right of first refusal to re-rent under subsection (B) shall:

1. Have given the supplemental notice required by Section 26.50.040(D).
2. Offer each qualified tenant having a right of first refusal with respect to a unit a rental agreement in compliance with Section 26.40.010 of this Code. The offer shall be in the form of a written lease and shall remain open for acceptance for a period of not less than 30 days.

3. For a re-rental following a no-fault just cause termination of tenancy on the grounds of a substantial remodel of the unit [New Language] [that is not subject to Chapter 26.90 of this Code](#) [End New Language], establish the rental price for the unit at no more than gross rental rate charged for the unit at the time of the notice of termination of tenancy plus

five percent plus the change in the cost of living, or 10%, whichever is lower, of the gross rental rate charged for the unit at the time of the notice of termination of tenancy. For purposes of this paragraph, a no-fault just cause termination of tenancy shall be deemed for all purposes to be a temporary interruption of the tenant's rights to the unit and the exercise of the right of first refusal to be a continuation of the pre-existing lease subject to the rent increase authorized by this paragraph. The change in cost of living means the percentage change, for the year in which the substantial remodel occurs, in the California Consumer Price Index for All Urban Consumers for All Items (CPI-U) as published by the California Department of Industrial Relations, unless the United States Bureau of Labor Statistics publishes a CPI-U for a metropolitan area that includes Santa Barbara County, in which case the CPI-U published by the Bureau of Labor Statistics will be used.

[New Language]4. For a re-rental following a no-fault just cause termination of tenancy on the grounds of a substantial remodel of the unit that is subject to Chapter 26.90 of this Code, establish the rental price for the unit at no more than gross rental rate charged for the unit at the time of the notice of termination of tenancy plus any increases approved under Chapter 26.90.[End New Language]

[Deleted] 4 [End Deleted] [New Language] 5 [End New Language]. For a tenancy not subject to subsection [Deleted] (c)(3) [End Deleted] [New Language] C.3. or C.4 [End New Language], establish the rental price in accordance with Civil Code Section 1954.53 when applicable [New Language] or in accordance with Section 26.50.100 (D) or (E) when applicable. [End New Language]

Section 4.

Section 26.50.070 of Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended to replace the word “landlord” with the word “owner” in paragraph 1.k. of the definition of Just Cause, the number 12 with the number 36 in paragraph 2.a. of the definition of Just Cause and the words “Community Development Department” with the words “City Administrator’s Office, Office of Housing and Community Vitality” in paragraphs 2. b. and d. iv. of the definition of Just Cause, and to remove the words “to totally demolish or” from

paragraph 2. d. and “demolish or” from paragraph 2.d. i. of the definition of Just Cause, and add paragraph 2.d, which definition 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 [Deleted] **landlord** [End Deleted][New language] **owner** [End New Language] 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 [Deleted] **12** [New Language] **36** [End New Language] 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 [Deleted] **12** [End Deleted] [New Language] **36** [End New Language] 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 [Deleted] 12 [End Deleted] [New Language] 36 [End New Language] 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 [Deleted] 12 [End Deleted] [New Language] 36 [End New Language] 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 [Deleted] Community Development Department [End Deleted] [New Language] City Administrator's Office, Office of Housing and Community Vitality [End New Language] 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 [Deleted] to totally demolish or [End Deleted] to substantially remodel the rental unit, provided the owner has done all of the following:

i. Obtained all permits necessary to carry out the [Deleted] demolition or [End Deleted] substantial remodel from the applicable governmental agencies [New

Language] and an approval of a capital improvement plan under Section 26.90.100. [End New Language]

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 [Deleted] **Community Development Department** [End Deleted] [New Language] **City Administrator's Office, Office of Housing and Community Vitality** [End New Language] 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 5.

Section 26.50.070 of Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended to add a new definition of primary residence, which definition reads as follows:

[New Language] **Primary residence.** Primary residence means a housing unit that is an individual's usual place of return. Occupancy of a primary residence does not require an individual to be physically present in the unit at all times or continuously. For a housing unit

to qualify as a primary residence of an owner, ownership must be held by the natural person claiming primary residence and cannot be held by a limited liability company, limited partnership, or other corporate structure. A housing unit owned by a living trust may qualify as a primary residence if the trust beneficiary meets the above criteria, so long as the owner provides documentation to the City of the name and address of all trust beneficiaries. Factors that indicate primary residence include:

1. The individual carries on basic living activities at the residence for extended periods;
2. The residence is listed with other public agencies, including federal, state, and local taxing authorities as the individual's primary residence;
3. Utilities are billed to and paid by the individual at the residence;
4. A homeowner's tax exemption for the individual has not been filed for a different property;
5. The individual is not registered to vote at any other location;
6. All or most of the individual's personal possessions have been moved into the residence;
7. The residence is the place the individual normally returns to as their home, exclusive of military service, hospitalization, vacation, family emergency, travel necessitated by employment or education, incarceration, or other reasonable temporary periods of absence;
8. The residence is considered the person's domicile under California law;
9. Other relevant factors illustrating primary residence. [End New Language]

Section 6.

Section 26.50.070 of Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended to correct the Civil Code reference 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 [Deleted] 1946.2(a)(2)(viii)(II) [End Deleted] [New Language] 1946.2(b)(2)(A)(viii)(II).
[End New Language]

Section 7.

Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended to add Section 26.50.071 to read as follows:

[New Language] **26.50.071. Substantive Limitations on At-fault Just Cause Evictions**

A. The following substantive limitations apply to at-fault just cause evictions under Section 26.50.070 for default in the payment of rent:

1. Rent may be in default only if the owner is entitled to payment of the rent amount under the rental agreement executed by the owner and tenant and applicable law. Rent is not in default as to any amount that a tenant has lawfully withheld for the owner's breach of the rental agreement, failure to provide a habitable rental unit, or failure to perform any obligation imposed on the owner under applicable law.

2. An owner shall not evict a tenant for default in the payment of rent unless the amount of rent past due and unpaid is equivalent to one full month's rent under the rental agreement executed by the tenant and owner.

3. In any action to recover possession of a rental unit under Section 26.50.070 for default in the payment of rent, it shall be a defense that the owner impeded the tenant's effort to pay rent by refusing to accept rent that a third party paid on behalf of the tenant, refusing to provide a W-9 form or other necessary documentation for the tenant to receive rental assistance from a government agency, non-profit organization, or other third party, or denied access to any payment method authorized at or immediately prior to the time of the issuance of any notice to pay rent or quit.

B. The following substantive limitations apply to at-fault just cause evictions under Section 26.50.070 for breach of a material term of the lease:

1. The material term breached must be lawful, reasonable, and plainly stated in the rental agreement signed by the tenant. When a material term is added to a rental agreement after the initial creation of the tenancy the owner must inform the tenant in writing

that acceptance of the new term is not mandatory for continuation of the tenancy unless the new term is required by law. If the new term is required by law, the owner must notify the tenant in writing of the specific legal requirement mandating the new or changed term.

2. To establish a substantial violation of a material term of the tenancy, the owner must demonstrate all of the following:

a. that the violation caused substantial actual injury to the owner or to other residents;

b. that the tenant's conduct was unreasonable; and

c. the term complies with paragraph 1 of this Subsection.

3. Before commencing to evict a tenant for breach of a material term of rental agreement, the owner must serve the tenant a written notice of the violation, demand that the violation be cured, and give the tenant a reasonable opportunity to cure the violation. The written notice must inform the tenant that a failure to cure may result in the initiation of eviction proceedings. The written notice must contain a brief statement of the facts upon which the owner is relying and sufficient details of the violation to allow the tenant to reasonably comply with the demand to cure.

C. The fact that a tenant has been arrested not on the property, convicted of a crime in the past, been the victim of a crime, or contacted the police or other emergency services, in and of itself, is not evidence of nuisance for purposes of an eviction under Section 26.50.070 for maintaining, committing, or permitting the maintenance or commission of a nuisance. Conduct that is the result of the status of a tenant as a victim of domestic violence, sexual assault, stalking, human trafficking, elder abuse, or another crime against the tenant shall not be evidence of a nuisance under Section 26.50.070 unless the conduct is by the tenant and would otherwise constitute a nuisance under applicable law.

D. Before commencing to evict a tenant for committing waste as described in paragraph (4) of Section 1161 of the Code of Civil Procedure, an owner must serve the tenant a written notice of the conditions alleged to constitute waste, demand that the tenant cure the condition, and give the tenant a reasonable opportunity to cure the violation. A tenant may

cure the condition by ceasing the conduct giving rise to the condition and restoring the property to a habitable condition or paying the owner the reasonable cost of restoring the property to a habitable condition as agreed by the tenant and owner.

E. Nothing in this Section shall be construed to alter the procedure for filing an action for recovering possession of a rental unit under Part 3, Title 3, Chapter 4 of the California Code of Civil Procedure. [End New Language]

Section 8.

Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended to add Section 26.50.072 to read as follows:

[New Language] **26.50.072. Substantive Limitations on No-fault Just Cause Evictions**

A. The following substantive limitations apply to no-fault just cause evictions under Section 26.50.070 for use and occupancy of a rental unit by the owner or their spouse, domestic partner, children, grandchildren, parents, or grandparents (collectively referred to as “owner’s use” in this Subdivision).

1. Once an owner has recovered possession of a rental unit for owner’s use, the owner may not recover possession of any other rental unit on the property for the same purpose. This subsection does not prevent an owner in good faith from permanently withdrawing rental units from the rental market.

2. It shall be a complete defense to an action to recover possession for owner’s use if the action would result in any of the following during a school year:

- a. The displacement from the unit of a child under the age of 18;
- b. The displacement from the unit of a tenant that has a custodial or family relationship with a child under the age of 18 and the child lives with the tenant on a regular basis at least part time during the school year; or
- c. The displacement of a tenant who is a teacher or administrator employed by public or private, elementary, middle, or high school, junior college, college, or university. School year means a period of approximately 9 – 10 months, generally between the

period from mid-August to mid-June. The tenant shall have the burden of producing evidence of the applicable school year and of the application of this defense.

B. Before commencing to evict a tenant to substantially remodel a rental unit, the owner shall comply with the requirements for a capital improvement plan under Section 26.50.110 of this Code.

C. Nothing in this Section shall be construed to alter the procedure for filing an action for recovering possession of a rental unit under Part 3, Title 3, Chapter 4 of the California Code of Civil Procedure. [End New Language]

Section 9.

Section 26.50.100 of Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended to add subsections D and E 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 [New Language] or to comply with the requirements of subsection D. [End New Language]

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. [New Language] This subsection does not apply to property subject to subsection E. [End New Language]

[New Language] D. This subsection applies to rental units subject to Chapter 26.90 of this Code. The owner of a rental unit subject to Chapter 26.90 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, Office of Housing and Community Vitality 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 the 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 Chapter 26.90.

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.

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

E. This subsection applies to rental units subject to Chapter 26.90 of this Code.

1. For all tenancies commenced during either (a) the five-year period after any notice of intent to withdraw the rental unit is filed with the City, whether or not the notice of intent is rescinded or the withdrawal of the accommodations is completed pursuant to the notice of intent or (b) the five-year period after the rental unit is withdrawn from the rental market, the rental unit shall be offered and rented or leased at the lawful rent in effect at the time any notice of intent to withdraw the accommodations is filed with the City, plus annual adjustments available under Section 26.90.040. This paragraph shall prevail over any conflicting provision of law authorizing the owner to establish the rental rate upon the initial hiring of the accommodations.

2. If a rental unit is offered again for rent or lease for residential purposes within two years of the date the rental unit was withdrawn from the rental market, the following shall apply:

a. The owner of the rental unit shall be liable to any tenant who was displaced from the property by that action for actual and punitive damages. Any action by a tenant pursuant to this paragraph shall be brought within three years of the withdrawal of the rental unit from rent or lease. However, nothing in this paragraph precludes a tenant from pursuing any alternative remedy available under the law.

b. The City Attorney may institute a civil proceeding against the owner for punitive damages for displacement of tenants in violation of this paragraph. Any action pursuant to this paragraph shall be brought within three years of the withdrawal of the Rental Unit from rent or lease.

c. Any owner who offers a rental unit for rent or lease shall first offer the unit for rent or lease to any tenant displaced from that unit by the withdrawal pursuant to this chapter, if the tenant has advised the owner in writing within 30 days of the displacement of the tenant's desire to consider an offer to renew the tenancy and has furnished the owner with an address to which that offer is to be directed. The tenant or former tenant may advise the owner at any time during the eligibility of a change of address to which an offer is to be directed. If the tenant has advised the owner pursuant to this subdivision of a desire to consider an offer to renew the tenancy, then the owner shall offer to reinstitute a rental agreement or lease on terms permitted by law, including this subsection to that displaced tenant. This offer shall be deposited in the United States mail, by registered or certified mail with postage prepaid, addressed to the displaced tenant the address furnished to the owner as provided in this subdivision, and shall describe the terms of the offer. The displaced tenant shall have 30 days from the deposit of the offer in the mail to accept the offer by personal delivery of that acceptance or by deposit of the acceptance in the United States mail by registered or certified mail with postage prepaid.

3. An owner who offers a rental unit again for rent or lease within 10 years from the date on which it is withdrawn shall first offer the unit to any tenant displaced from that unit by the withdrawal, if that tenant requests the offer in writing within 30 days after the owner has notified the City of an intention to offer the rental unit again for residential rent or lease. The owner of the rental unit shall be liable to any tenant who was displaced by that action for failure to comply with this paragraph, for punitive damages in an amount which does not exceed the contract rent for six months, and the payment of which shall not be construed to extinguish the owner's obligation to comply with this Subsection.

4. When one or more rental units are demolished, any newly constructed rental unit on the same property offered for rent within five years of the date the demolished rental unit or units were withdrawn from the rental market, the newly constructed rental unit or units shall be offered at the rent that was paid at the time the prior tenancy was terminated, notwithstanding any conflicting provision of law authorizing the owner to establish the rental

rate upon the initial hiring of rental units, and thereafter subject to the provisions of Chapter 26.90 notwithstanding any exemption in that Chapter for newly constructed rental units. [End New Language]

Section 10.

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:

[New Language] **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 must be in writing and 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 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. [End New Language]

Section 11.

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:

[New Language] **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 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. [End New Language]

Section 12.

Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended by the addition of Section 26.50.130 to read as follows:

[New Language] **26.50.130 Notices to Tenants**

Whenever this Chapter or applicable law requires that an owner give notice to a tenant or prospective tenant, the notice shall be given in writing in English and Spanish or such other language as landlord knows or reasonably should know that the tenant understands. [End New Language]

Section 13.

Chapter 26.50 of Title 26 of the Santa Barbara Municipal Code is amended by the addition of Section 26.50.140 to read as follows

[New Language] **Section 26.50.140 Temporary Relocation Benefits for Tenants Displaced Because of Maintenance, Repairs, or Capital Improvements**

A. Whenever work for maintenance, repairs, or capital improvements will not result in eviction of a tenant under this Chapter, but will result in displacement of a tenant from a rental unit for fewer than thirty days, the owner must provide written notice to the tenants of the time and dates of the work and comply with the following requirements:

1. The tenant shall be immediately entitled to short-term relocation payments from the landlord as stated in paragraph 3. The tenant may choose not to receive short-term relocation payments. If the tenant receives short-term relocation payments, the tenant remains obligated to pay to the landlord the lawful rent in effect when the tenant vacates. If the tenant chooses not to receive short-term relocation payments, the tenant shall not be obligated to pay any rent until the tenant reoccupies the rental unit.

2. Should a tenant be displaced for a greater time than stated in the landlord's written notice to the tenant, the landlord must pay additional short-term relocation expenses for each additional day of displacement, to be paid weekly in advance.

3. The landlord must pay the tenant the following for each day of displacement:

- a. Hotel or motel accommodations: \$150.00 per household;
- b. Meal expenses: \$30.00 per occupant.

The dollar amounts specified in this paragraph shall adjust annually at the rate of increase in the consumer price index. The City Administrator's Office, Office of Housing and Community Vitality is directed to publish the new short-term relocation payment amounts each year.

B. Nothing in this Section shall prevent a tenant from seeking a reasonable accommodation for disability from a landlord or impact a tenant's legal right to disability accommodations during renovations.

C. Temporary disruption of major systems during the hours from 8:00 a.m. to 5:00 p.m., Monday through Friday, without requiring the relocation of tenants.

D. Temporary relocation of a tenant is required whenever it is reasonably foreseeable that maintenance, repairs, or capital improvement will cause a tenant to be exposed to toxic or hazardous materials, including, but not limited to, lead-based paint and asbestos.

E. This Section does not apply to work performed in compliance with a capital improvement plan approved under Section 26.90.100 of this Code. [End New Language]

Section 14.

If any Section, subsection, subdivision, paragraph, sentence, clause or phrase of this Chapter or any part hereof is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this Chapter or any part hereof. The City Council declares that it would have passed each Section, subsection, paragraph, sentence, clause or phrase hereof, irrespective of the fact that any one or more Sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional.

Section 15.

The City Council finds that, on the basis of the whole record and by exercising its independent judgment, this Ordinance is not subject to environmental review pursuant to the State Guidelines for Implementation of the California Environmental Quality Act Sections 15060(c)(3) pertaining to activities that will not result in a direct or reasonably foreseeable indirect change to the environment and Section 15061 (b)(3) because this Ordinance has no potential for resulting in physical change to the environment directly or indirectly as it merely regulates existing physical development.