November 14, 2019

FOR IMMEDIATE RELEASE

Redondo Beach Mayor and City Council Respond to Surge in Evictions and Rent Increases

REDONDO BEACH, Calif.:

On November 12, 2019, the Redondo Beach City Council unanimously passed an urgency ordinance to temporarily prohibit no-fault evictions and to impose rental rate limits through December 31, 2019 for residential real property built prior to January 1, 2005.

On October 8, 2019, Assembly Bill 1482 (“AB 1482”), known as the Tenant Protections Act of 2019, was signed by Governor Newsom and chaptered into law. Effective January 1, 2020, AB 1482 will prohibit evictions without “just cause” and owners of residential rental property from increasing rents each year more than 5% plus CPI or 10%, whichever is lower.

Due to the fact that AB 1482 is not effective until January 1, 2020, landlords could seek to evict tenants without cause and implement rental rate increases that would not otherwise be possible after January 1, 2020.

The Mayor and City Council members of the City of Redondo Beach have received many complaints regarding no-fault evictions and significant rental rate increases in the weeks since the Governor signed AB1482. In an effort to protect the approximately 14,090 households in Redondo Beach from no-fault evictions and significant rental rate increases prior to AB 1482’s effective date, the urgency ordinance was passed and is effective immediately.

An owner’s failure to comply with any requirements in the urgency ordinance can be used by a tenant as an affirmative defense in an unlawful detainer action or other action brought by the owner to recover possession of the rental unit.

If residents need housing assistance, they can contact the Housing Rights Center at 1-800-477-5977. Residents with questions regarding AB 1482, can call the AB 1482 hotline at 1-888-428-7615.
ORDINANCE NO. O-3197-19

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
REDONDO BEACH, CALIFORNIA, ADOPTED AS AN
URGENCY MEASURE, AMENDING THE REDONDO BEACH
MUNICIPAL CODE TO ADD A NEW CHAPTER 36 OF TITLE
4 TO TEMPORARILY PROHIBIT NO-FAULT EVICTIONS
AND RENTAL RATE LIMITS THROUGH DECEMBER 31,
2019, FOR RESIDENTIAL REAL PROPERTY BUILT PRIOR
TO JANUARY 1, 2005

WHEREAS, the City of Redondo beach is experiencing a crisis of homelessness
and displacement of renters at unprecedented levels; and

WHEREAS, Assembly Bill 1482 ("AB 1482"), the Tenant Protection Act of 2019, was
approved by the Governor and chaptered by the Secretary of State on October 8, 2019.
AB 1482 added Sections 1946.2, 1947.12, and 1947.13 of the California Civil Code,
effective beginning January 1, 2020, which prohibit evictions without "just cause" and
owners of residential rental property from increasing rents each year more than 5 percent
plus the percentage change in the cost of living or 10 percent, whichever is lower; and

WHEREAS, AB 1482 was passed to address a key cause of California's affordable
housing crisis by preventing rent gouging and arbitrary evictions and will in fact provide
renter protection to approximately 14,000 households in Redondo Beach; and

WHEREAS, in advance of the implementation of AB 1482, no-fault eviction notices
and threats of eviction have surged; and

WHEREAS, the City of Redondo Beach wishes to protect renters of residential real
property from no-fault evictions through December 31, 2019, in advance of AB 1482's
effective date, to prevent further homelessness and displacement; and

WHEREAS, the City Council has received tenant testimonials that landlords are
significantly increasing rents prior to the end of 2019, in an attempt to evict tenants before
the Tenant Protection Act of 2019 becomes effective. Recent rent increases above 10%
have been documented; and

WHEREAS, the City Council finds and declares that the adoption of this Ordinance
is required for the immediate protection of the public peace, health and safety and its
urgency is hereby declared for the following reasons: the City of Redondo Beach would
suffer potentially irreversible displacement of tenants resulting from no-fault evictions
during the period before AB 1482 becomes effective.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDONDO
BEACH, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

ORDINANCE NO. O-3197-19
URGENCY ORDINANCE TEMP PROHIBIT NO-FAULT EVICTIONS AND RENTAL RATE LIMITS
SECTION 1. AMENDMENT OF CODE. Chapter 36 is hereby added to Title 4 of the Redondo Beach Municipal Code to read as follows:

"Title 4, Chapter 36 Just Cause Eviction Protection.

TEMPORARY PROHIBITION ON NO-FAULT EVICTIONS

4-36.01 PURPOSE.

On October 8, 2019, Assembly Bill 1482 ("AB 1482") the Tenant Protections Act of 2019, was passed to address a component of California’s affordable housing crisis by preventing rent gouging and arbitrary evictions. AB 1482 becomes effective on January 1, 2020.

The City of Redondo Beach is experiencing a housing affordability crisis, which is driving homelessness and displacement of residents, to an unprecedented scale. The City of Redondo Beach Housing Element indicates that 39.1% of the City's renters are rent burdened, paying over 30% of their income on rent and approximately 58.8% of elderly renters are considered cost burdened.

Rapidly escalating real estate values provide an incentive to landlords to evict long-term, lower-income tenants, without cause, to raise rents and attract wealthier tenants, before AB 1482 becomes effective. City of Redondo Beach tenants have already reported experiencing a surge of no-fault eviction notices and threats of eviction. Therefore, it is imperative that the City implement temporary strategies to keep people housed.

This chapter will temporarily prohibit no-fault evictions and rental rate limits through December 31, 2019, for residential real property that will be covered by AB 1482 beginning on January 1, 2020.

4-36.02 DEFINITIONS.

The following words and phrases, whenever used in this chapter, shall be construed as defined in this section.

Owner. The term "owner" is any person, acting as principal or through an agent, offering residential real property for rent, and includes a predecessor in interest to the owner.

Residential real property. The ‘residential real property” is any dwelling or unit that is intended or used for human habitation.

4-36.03 PROHIBITION ON EVICTIONS.

A. Through December 31, 2019, the owner of residential rental property shall not terminate a lawful tenancy without at-fault just cause, unless the termination is required to
comply with an order issued by a government agency or court necessitating vacating the residential real property or to comport with due process, federal, or state law, which shall be stated in the written notice of termination of tenancy. This prohibition shall also apply to an owner's action that constitutes constructive eviction under California law. An owner's failure to comply with this chapter shall render any notice of termination of tenancy invalid. This chapter may be asserted as an affirmative defense in an unlawful detainer action. An owner's failure to comply with this chapter does not constitute a criminal offense.

B. At-fault just cause is the following:

1. Default in the payment of rent.

2. 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 a lease after being issued a written notice to correct the violation.

3. Maintaining, committing, or permitting the maintenance of commission of a nuisance as described in paragraph (4) of Section 1161 of the California Code of Civil Procedure.

4. 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 against the owner of the residential real property.

5. 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.

6. 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.

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

8. 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.

9. 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 a the time specified in that written notice.
as described in paragraph (5) of Section 1161 of the California Code of Civil Procedure.

C. This chapter shall not apply to any of the following residential real property of residential circumstances:

1. Transient and tourist hotel occupancy as defined in subdivision (b) of Section 1940 of the California Civil Code.

2. 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 Division 6 of Title 22 of the Manual of Policies and Procedures published by the State Department of Social Services.

3. Dormitories owned and operated by an institution of higher education or a kindergarten and grades 1 to 12, inclusive, school.

4. Housing accommodations in which the tenant shares bathroom or kitchen facilities with the owner who maintains their principal residence at the residential real property.

5. 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 accessary dwelling unit or a junior accessory dwelling unit.

6. 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.

7. Housing that has been issued a certificate of occupancy within the previous 15 years.

8. Residential real property that is alienable separate from the title to any other dwelling unit, provided that 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.

9. 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 of comparable federal statutes.

4-36.04 APPLICATION.

This chapter shall apply to tenancies where the tenant remains in possession and the period of notice required under California Civil Code section 1946.1 has not expired.

4-36.05 RENTAL RATE LIMITS

A. Subject to subdivision (B), an owner of residential real property shall not increase the gross rental rate for a dwelling or a unit more than 5 percent plus the percentage change in the cost of living, or 10 percent, whichever is lower, of the lowest gross rental rate charged for that dwelling or unit at any time during the 12 months prior to the effective date of the increase. In determining the lowest gross rental amount pursuant to this section, any rent discounts, incentives, concessions, or credits offered by the owner of the such unit of residential real property and accepted by the tenant shall be excluded. The gross per-month rental rate and any owner-offered discounts, incentives, concessions, or credits shall be separately listed and identified in the lease or rental agreement or any amendments to an existing lease or rental agreement.

B. For a new tenancy in which no tenant from the prior tenancy remains in lawful possession of the residential real property, the owner may establish the initial rental rate not subject to subdivision (A). Subdivision (A) is only applicable to subsequent increases after that initial rental rate has been established.

C. A tenant of residential real property subject to this section shall not enter into a sublease that results in a total rent for the premises that exceeds the allowable rental rate authorized by subdivision (A). Nothing in this subdivision authorizes a tenant to sublet or assign the tenant's interest where otherwise prohibited.

D. This section shall not apply to the following residential real properties:

1. 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.
2. Dormitories constructed and maintained in connection with any higher education institution within the state for use and occupancy by students in attendance at the institution.

3. Housing that has been issued a certificate of occupancy within 15 years from January 1, 2020.

4. Residential real property that is alienable separate from the title to any other dwelling unit or is a subdivided interest in a subdivision as specified in subdivision (b), (d), or (f) of Section 11004.5 of the Business and Professions Code.

5. 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.

E. An owner shall provide notice of any increase in rental rate, pursuant to subdivision (A), to each tenant in accordance with Section 827.

F. For the purpose of this section, the following definitions shall apply:

1. "Owner" and "residential real property" shall have the same meaning as those terms are defined in Section 1954.51.

2. "Tenancy" means the lawful occupation of residential real property and includes a lease or sublease.

3. "Percentage change in the cost of living" means the percentage change from April 1 of the prior year to April 1 of the current year in the regional Consumer Price Index for the region where the residential real property is located, as published by the United States Bureau of Labor Statistics. If a regional index is not available, the California Consumer Price Index for All Urban Consumers for all items, as determined by the Department of Industrial Relations, shall apply.

G. This section shall apply to all rent increase subject to subdivision (A) effective on or after November 12, 2019. This section shall become operative November 12, 2019. In the event that an owner has sent any rent increase notice on or after September 14, 2019, to increase the rent on or after November 12, 2019, the increase rent may not be by more than the amount permissible under subdivision (A) and the rental rate increase will be deemed to be the rental rate increase permitted by subdivision (A).

H. Any waiver of the rights under this section shall be void as contrary to public policy.
SECTION 2. This Ordinance is adopted as an urgency measure pursuant to Redondo Beach City Charter Section 9.11 and Government Code Section 36937(b) and (e). The City Council hereby finds that there is a current and immediate threat to the public health, safety and welfare resulting from the surge of eviction notices and threats of eviction of Redondo Beach renters prior to the effective date AB 1482. That without the imposition of this Ordinance, Redondo Beach renters will continue to be displaced. That there is a current and immediate threat to the public health, safety, and welfare of the City and its residents, which necessitates the immediate enactment of this urgency ordinance in order to ensure that renters are protected.

SECTION 3. INCONSISTENT PROVISIONS. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 4. SEVERABILITY. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance, and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 5. PUBLICATION AND EFFECTIVE DATE. The City Clerk shall certify to the passage and adoption of this Ordinance, and shall make a minute of the passage and adoption thereof in the records and proceedings of the City Council at which the same is passed and adopted. The Ordinance shall be published by one insertion in the Easy Reader, the official newspaper of said City, and the same shall go into effect and be in full force and operation immediately.

PASSED, APPROVED, AND ADOPTED this 12th day of November, 2019.

William C. Brand, Mayor

Michael W. Webb, City Attorney

Eleanor Manzano, CMC, City Clerk
STATE OF CALIFORNIA )
COUNTY OF LOS ANGELES )ss
CITY OF REONDO BEACH )

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that the foregoing Ordinance No. O-3197-19 was introduced and adopted at a regular meeting of the City Council held on the day of 12th day of November, 2019 by the following vote:

AYES: NEHRENHEIM, LOEWENSTEIN, HORVATH, GRAN, EMDEE

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

[Signature]
Eleanor Manzano, CMC
City Clerk