



**CITY OF SOUTH PASADENA  
PLANNING COMMISSION  
SPECIAL MEETING AGENDA**

**Tuesday, January 12, 2021 at 7:30 p.m.**

*South Pasadena Planning Commission Statement of Civility*

*As your appointed governing board we will treat each other, members of the public, and city employees with patience, civility and courtesy as a model of the same behavior we wish to reflect in South Pasadena for the conduct of all city business and community participation. The decisions made tonight will be for the benefit of the South Pasadena community and not for personal gain.*

***NOTICE ON PUBLIC PARTICIPATION & ACCESSIBILITY***

Pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, the special meetings of the Planning Commission will be conducted remotely and held by video conference. The meeting will be broadcast live on the City's Planning Commission website and can be viewed by [clicking here](#).

Please be advised that pursuant to the Executive Order, and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, the Council Chambers will not be open for the meeting. Commission members will be participating remotely and will not be physically present in the Council Chambers.

The Planning Commission welcomes public input. If you would like to comment on an agenda item, members of the public may submit their comments in writing for the Planning Commission consideration, by emailing comments or questions to [PlanningComments@southpasadenaca.gov](mailto:PlanningComments@southpasadenaca.gov) or by calling (626) 403-7720 and leaving a **3-minute** voicemail message to be played during the meeting. Public comments must be received by **12:00 p.m. on Tuesday, January 12, 2021** to ensure adequate time to compile and post. Please provide: 1) your name; and 2) agenda item for the comments/questions. All comments/questions received will be distributed to the Commission for consideration and will also be posted on the City's website prior to the meeting.

**CALL TO ORDER:** Chair Janet Braun

**ROLL CALL:** Laura Dahl, Commissioner, Richard Tom, Commissioner, Lisa Padilla, Secretary, John Lesak, Vice-Chair and Janet Braun, Chair

**COUNCIL LIAISON:** Diana Mahmud, Mayor, Council Liaison

**STAFF PRESENT:**

Teresa L. Highsmith, City Attorney  
Joanna Hankamer, Planning & Community Dev. Director  
Kanika Kith, Planning Manager  
Elizabeth Bar-El, AICP, Interim Manager of Long Range  
Planning & Economic Development  
Malinda Lim, Associate Planner

**APPROVAL OF AGENDA**

Majority vote of the Commission to proceed with Commission business.

**DISCLOSURE OF SITE VISITS AND EX-PARTE CONTACTS**

Disclosure by Commissioners of site visits and ex-parte contact for items on the agenda.

**PUBLIC COMMENTS AND SUGGESTIONS**

(Time limit is three minutes per person)

If you wish to address the Planning Commission on items not on the agenda and within the subject-matter jurisdiction of the Planning Commission, members of the public may submit their comments in writing to [PlanningComments@southpasadenaca.gov](mailto:PlanningComments@southpasadenaca.gov) or by calling (626) 403-7720 and leaving a 3-minute voicemail message to be played during the meeting. Public comments must be received **by 12:00 p.m. on Tuesday, January 12, 2021** to ensure adequate time to compile and post. Please make sure to indicate: 1) your name; and 2) stating it is for general public comments/suggestions.

The public should be aware that the Planning Commission may not discuss details or vote on non-agenda items. Your concerns may be referred to staff or placed on a future agenda.

**PUBLIC HEARING**

1. **807 Rollin St., Project No. 2341-HDP/DRX/VAR/TRP – Hillside Development Permit, Design Review, Variance and Tree Permit to allow the construction of a 3,411 square-foot, multi-level home with an attached 538 square-foot garage on an undeveloped site (Continued)**

Recommendation

Approve, subject to conditions of approval.

2. **Tenant Protection Ordinance**

Recommendation

Provide a recommendation to City Council.

**DISCUSSION**

**3. Inclusionary Housing Ordinance Update**

Recommendation

1. Receive and file this update.
2. Recommend that staff and the housing element consultant team confer with HCD regarding a RHNA approach using the inclusionary/density bonus strategy to develop the housing element's suitable sites inventory.

**ADMINISTRATION**

**4. Comments from City Council Liaison**

**5. Comments from Planning Commissioners**

**6. Comments from Staff**

**ADJOURNMENT**

**7. Adjourn to the Special Planning Commission meeting scheduled for January 26, 2021.**

**PUBLIC ACCESS TO AGENDA DOCUMENTS AND BROADCASTING OF MEETINGS**

Planning Commission meeting agenda packets are available online at the City website: <https://www.southpasadenaca.gov/government/boards-commissions/test-planning-commission-agendas-minutes-copy>

Agenda related documents provided to the Planning Commission are available for public review on the City's website. Additional documents, when presented to Planning Commission, will also be uploaded and available on the City's website. The meeting will be broadcast live on the City's website via Zoom, and a recording of the meeting will be available on the website within 48 hours of adjournment.

**AGENDA NOTIFICATION SUBSCRIPTION**

Individuals can be placed on an email notification list to receive forthcoming agendas by emailing [CityClerk@southpasadenaca.gov](mailto:CityClerk@southpasadenaca.gov) or calling the City Clerk's Division at (626) 403-7230.

**ACCOMMODATIONS**



The City of South Pasadena wishes to make all of its public meetings accessible to the public. If special assistance is needed to participate in this meeting, please contact the City Clerk's Division at (626) 403-7230. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities. Notification at least 48 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting (28 CFR 35.102-35.104 ADA Title II).

*I declare under penalty of perjury that I posted this notice of agenda on the bulletin board in the courtyard of City Hall at 1414 Mission Street, South Pasadena, CA 91030, and on the City's website as required by law.*

01-07-21

Date

Elaine Serrano,  
Administrative Secretary



## Planning Commission Agenda Report

ITEM NO. 1

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**DATE:** January 12, 2021

**TO:** Planning Commission

**FROM:** Joanna Hankamer, Director of Planning and Community Development  
Kanika Kith, Planning Manager

**PREPARED BY:** Jennifer Williams, Planning Consultant

**SUBJECT:** **Project No. 2341-HDP/DRX/VAR/TRP (Continued) – Hillside Development Permit, Design Review, Variance, and Tree Removal Permit to allow the construction of a 3,411 square-foot, multi-level home with an attached 538 square-foot garage on an undeveloped site located at 807 Rollin Street (APN: 5314-017-901)**

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### Recommendation

It is recommended that the Planning Commission adopt a resolution approving Project No. 2341-HDP/DRX/VAR/TRP, a Hillside Development Permit, Design Review, Variance, and Tree Removal Permit for 807 Rollin Street, subject to conditions of approval.

### Background

Originally noticed for the Planning Commission meeting on December 8, 2020, the project was continued to the special Planning Commission meeting on December 15, 2020. Due to a lack of quorum with the recusal of Commissioners Dahl and Padilla, the project was continued again to the January 12, 2020 Planning Commission meeting.

The staff report from the December 15<sup>th</sup> Planning Commission meeting is attached for your review.

### Attachment

1. Staff Report for the December 15, 2020 Meeting ([Click Here](#))

**ATTACHMENT 1**

Staff Report for December 15, 2020

[\(Click Here\)](#)



## Planning Commission Agenda Report

ITEM NO. 2

**DATE:** January 12, 2021

**TO:** Planning Commission

**FROM:** Joanna Hankamer, Director of Planning and Community Development

**PREPARED BY:** Joanna Hankamer, Director of Planning and Community Development

**SUBJECT:** **Urgency Ordinance for Tenant Protections Requiring Building Permits and Scope of Work Prior to No-Fault Just Cause Terminations of Tenancy for Substantial Remodel**

### **Recommendation**

It is recommended that the Planning Commission review and make a recommendation to City Council to adopt an Urgency Ordinance for Tenant Protections Requiring Building Permits and Scope of Work Prior to No-Fault Just Cause Termination of Tenancy for Substantial Remodel and to replace the current Moratorium on No-Fault Just Cause Terminations with the ordinance.

### **Discussion/Analysis**

On October 8, 2019, Governor Newsom signed Assembly Bill 1482 (AB 1482, Chiu), also known as the Tenant Protection Act of 2019. AB 1482 included the following provisions:

- Prevent property owners from terminating a tenancy without just cause;
- Require property owners to provide the tenant with an opportunity to correct violations before being terminated;
- Require property owners to provide tenants relocation assistance limited to one month's rent, if residency is terminated for certain specified "no cause" reasons, which include the ability of the owner to perform substantial rehabilitation on a unit, or to take it off the market entirely for occupancy by the owner or owner's family; and
- Prevent property owners from increasing rent over the course of any 12-month period more than five percent plus the rate of inflation, or 10 percent, whichever is lower; this restriction requires the rent in existence as of March 1, 2019 as the "base rent" of a tenant remaining in the unit after January 1, 2020 for purposes of calculating an annual rent increase.

### *Planning Commission Discussions*

On December 15, 2020, at a special meeting of the Planning Commission the commission supported an extension of the moratorium for no-fault just cause evictions due to substantial remodel but requested that the moratorium be replaced as soon as possible with an urgency ordinance to make tenant protections permanent. The commission agreed that a provision

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Urgency Ordinance for Tenant Protections  
No-Fault Just Cause Termination for Substantial Remodels

requiring property owners to provide building permits and scope for substantial remodel prior to owners serving notices to terminate a tenant's occupancy made sense as a first step towards increasing tenant protections. The Planning Commission also agreed that relocation assistance should be included in a local tenant protections ordinance, but that more outreach and study may be needed to determine appropriate relocation assistance for South Pasadena and its rental market; that rates could be tied to need and length of tenancy; and that consideration should be given to the time and resources required to relocate, especially for seniors and those with special needs.

Planning Commissioners supported the building permit requirement as an important life safety measure and acknowledged that other communities had successfully integrated a building permit requirement into their local ordinances. The draft ordinance (see Attachment 1) includes the definition of "substantial remodel" and prior to notice of termination of tenancy requires that the tenant be provided with copies of the building permit(s) and a written detailed account of the scope of work, why the work cannot be reasonably accomplished in a safe manner with the tenant in place, and why the work cannot be completed within 30 days.

Commissioners appreciated the outreach that had been conducted to date, including the November 5th community meeting conducted by the Housing Rights Center, although it was not well-attended, and the one-on-one sessions that staff continues to conduct with interested property owners and tenants. Commissioners reiterated the need for continued education, including educational flyers, to be available to both property owners and tenants regarding responsibilities of property owners, tenant rights, when a building permit is needed, and the benefits of building permits and pre-planning for both tenants and property owners. Commissioners also supported the concept of an occupancy inspection program for the city, to be developed at a future date.

The December 15, 2020 Planning Commission discussion of Tenant Protections had been continued from November 17 and 19, 2020. On November 17, 2020, the Planning Commission received verbal public comments and voted 5-0 to continue the discussion of this item to November 19, 2020. On November 19, 2020, the Planning Commission voted 3-0 to continue the discussion of this item to this meeting because the Chair and Vice Chair were not able to attend the meeting. The item was first presented on October 13, 2020, when the Planning Commission received 6 written and 14 verbal public comments requesting the adoption of an urgency ordinance to provide tenant protections from evictions. The Planning Commission found the item to be a priority and requested that staff conduct additional outreach with both tenant and landlord groups and bring the item back to the Commission for further.

### *City Council Discussions*

On December 16, 2020 the City Council extended the moratorium on just cause evictions for substantial remodels without first obtaining building permits and providing notice of same to the tenant. See Attachment 2 for the City Council staff report and Attachment 3 for public comments submitted for the December 16th Council item. The Council directed that staff bifurcate the issues of 1) adopting a permanent ordinance to prohibit substantial remodel/demolition just cause evictions without prior building permits and appropriate notice and 2) enhancing relocation assistance beyond what is required under AB 1482; Council



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Urgency Ordinance for Tenant Protections  
No-Fault Just Cause Termination for Substantial Remodels

provided direction to staff to bring back a permanent ordinance as soon as possible in order to repeal the moratorium and to proceed with further study the relocation assistance issue with the Planning Commission.

**Next Steps:**

1. January 20, 2021 – City Council to consider the Draft Urgency Ordinance for Tenant Protections Requiring Building Permits and Scope of Work Prior to No-Fault Just Cause Terminations of Tenancy for Substantial Remodel
2. January 25, 2021 (date to be confirmed) – Community Workshop on Housing, including Tenant Protections, Occupancy Inspection Program, and Inclusionary Housing
3. January/February 2021 – develop educational flyers regarding Tenant Protections
4. April/May 2021 – Planning Commission and City Council to consider additional tenant protections including relocation assistance

**Attachments:**

1. Draft Urgency Ordinance
2. City Council Staff Report for December 16, 2020
3. Public Comments from December 16, 2020

**ATTACHMENT 1**  
Draft Urgency Ordinance

ORDINANCE NO. \_\_\_\_\_

**AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, ADDING ARTICLE IX (“JUST CAUSE FOR EVICTION”) TO TITLE 17 (“HEALTH AND SANITATION”) OF THE SOUTH PASADENA MUNICIPAL CODE, ESTABLISHING AND REQUIRING JUST-CAUSE FOR TERMINATION OF TENANCIES IN THE CITY OF SOUTH PASADENA AND REPEALING THE MORATORIUM SET FORTH IN ORDINANCE \_\_\_\_\_**

**WHEREAS**, effective January 1, 2020, Assembly Bill 1482 (2019-2020, the “Tenant Protection Act of 2019”), established state-wide just cause eviction protections intended to “help families afford to keep a roof over their heads, and...will provide California with important new tools to combat our state’s broader housing and affordability crisis.”

**WHEREAS**, the eviction protections of AB 1482 allow for a “no fault” just cause eviction of a tenant where the property owner intends to demolish or remodel the unit requiring the tenant to vacate for a minimum of 30 days; and

**WHEREAS**, tenants of residential real property in South Pasadena have recently reported that the evictions for alleged purposes of substantial remodelling have been served by property owners who have not substantiated the eviction with building permits or other appropriate notice, thereby taking advantage of an unintended loophole for property owners to make unwarranted claims that they are conducting substantial remodels to issue no-fault eviction notices; and

**WHEREAS**, in response to these concerns, on November 4, 2020 the City Council adopted a temporary moratorium on evictions for purposes of “substantial remodelling” or demolition of the unit, to immediately prevent harm to tenants evicted under the any unsubstantiated “substantial remodel” and to prevent the immediate harm to the City in the loss of a dwelling unit in the case of intended demolition; and

**WHEREAS**, on December 16, 2020, the City Council extended the temporary moratorium to allow for further study of the two issues of 1) “substantial remodelling” procedures and 2) the concerns that the existing one month of relocation benefits required under AB 1482 may be inadequate to address the harm caused by certain no-fault, just cause evictions and directed staff to consider bifurcating the two issues; and

**WHEREAS**, the City Council finds that an urgency measure is necessary and essential to prevent the irreparable injury tenants would suffer due to the unintended loophole in AB 1482 for unsubstantiated “substantial remodels” or demolitions; and

**WHEREAS**, the City Council desires to adopt an urgency ordinance to establish no-fault termination of tenancy provisions that are more protective than Civil Code Section 1946.2, to include additional procedures to justify an intended “substantial remodel,” or

demolition, including the requirement to obtain permits prior to issuing a Notice of Termination, and

**WHEREAS**, the City Council finds that an urgency measure is necessary and essential to prevent the irreparable injury tenants would suffer due to the service of no-fault eviction notices for substantial remodel or unit demolition without these further protections; and

**WHEREAS**, the City Council finds that an urgency measure is necessary and essential to further the important interests of the State in passing of AB 1482, which law the City supports; and

**WHEREAS**, the City Council has the power to enact an urgency ordinance, not in conflict with general laws, as necessary to protect public peace, health, and safety, via exercise of the powers provided to cities in Article XI, Section 7, of the California Constitution, and in compliance with Government Code section 36937; and

**WHEREAS**, the above-identified issues constitute a current and immediate threat to the public peace, health, and safety of the City, within the meaning of Government Code section 36937; and

**WHEREAS**, in light of the numerous concerns noted herein, including, but not limited to, the current and immediate threat to the public peace, health, and safety of the City's residents, and the adverse impacts that would result from no-cause evictions within the City and associated displacement of City residents due to "substantial remodel" without these additional procedural protections, the City Council declares that this urgency measure is necessary to preserve the public peace, health, and safety of the community, and should be adopted, to prevent further evictions of tenants without substantiation of a "substantial remodel" no-fault, just-cause eviction; and

**WHEREAS**, for reasons set forth above, this ordinance is declared by the City Council to be necessary for immediate preservation of the public peace, health, and safety, and the recitals above taken together constitute the City Council's statements of the reasons constituting such necessity and urgency; and

**WHEREAS**, adoption of this ordinance is exempt from review under the California Environmental Quality Act ("CEQA") pursuant to the following, each a separate and independent basis: CEQA Guideline section 15183 ("Action Consistent with the General Plan and Zoning"); section 15378 ("No Project"); and section 15061(b)(3) ("No Significant Environmental Impact").

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:**

**Section 1.** Emergency Finding. The City Council finds the foregoing recitals and their findings to be true and correct, and hereby incorporates such recitals and their findings into this ordinance. The City Council further finds that there is a necessity to expedite and to pass this ordinance by the powers granted the City Council under Article XI, Section 7, of the

California Constitution and Government Code section 36937, given that evictions of residents, particularly low- and moderate-income residents, directly threatens the public peace, health, and safety of the City. The City further finds that the just cause eviction protections set forth in this Ordinance are more protective than those required under AB 1482, in that the protections set forth under this Ordinance are consistent with the just cause eviction protections under AB 1482, but further expand these protections to take effect immediately.

**Section 2. Just Cause for Eviction.** From the effective date of this urgency ordinance, no landlord shall be entitled to recover possession of a rental unit covered by the terms of this ordinance unless said landlord shows the existence of “just cause“ as defined within Section 3(b), below. The provisions of this urgency ordinance shall apply to all residential rental units not specified below to be exempt, including where a notice to vacate or to quit any such rental unit has been served prior to, as of, or after the effective date of this urgency ordinance, but where an unlawful detainer judgment has not been issued as of the effective date of this urgency ordinance.

**Section 3.** Article IX (“Just Cause for Eviction”) is added to Title 17 (“Health and Sanitation”) of the South Pasadena Municipal Code to read as follows:

**17.95 Just cause for eviction.**

(a) Notwithstanding any other law, if a tenant has continuously and lawfully occupied a residential real property for 12 months, 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, as described in subdivision (f), below. If any additional adult tenant has been added to the lease before an existing tenant had continuously and lawfully occupied the residential real property for 24 months, then this subdivision shall only apply if either of the following are satisfied:

(1) All of the tenants have continuously and lawfully occupied the residential real property for 12 months or more.

(2) At least one tenant of multiple tenants has continuously and lawfully occupied the residential real property for 24 months or more.

(b) For purposes of this section, “just cause” includes either of the following:

(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 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.

(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) 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.

(F) 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.

(G) 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.

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

(I) The employee, agent, or licensee's failure to vacate after being terminated as an employee, agent, or a licensee, as described in paragraph (1) of Section 1161 of the California Code of Civil Procedure.

(J) When the tenant fails to deliver possession of the residential real property after providing the owner written notice as provided in California 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 California Code of Civil Procedure.

(2) No-fault just cause, which includes any of the following:

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

(B) Withdrawal of the residential real property from the rental market.

(C) (i) The owner complying with any of the following:

(I) An order issued by a government agency or court relating to habitability that necessitates vacating the residential real property.

(II) An order issued by a government agency or court to vacate the residential real property.

(III) A local ordinance that necessitates vacating the residential real property.

(ii) 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 under clause (i), the tenant shall not be entitled to relocation assistance as outlined in paragraph (3) of subdivision (d).

(D) (i) Intent to demolish or to substantially remodel the residential real property.

(ii) For purposes of this subparagraph, “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 substantial rehabilitation. No shall “just cause” eviction for “substantial remodel” or demolition shall be effective unless building permits were first secured from the City of South Pasadena, and the tenant was provided with copies of the building permit(s) and a written detailed account of the scope of work, why the work cannot be reasonably accomplished in a safe manner with the tenant in place, and why the work cannot be completed within 30 days.

(c) 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.

(d) (1) For a tenancy for which just cause is required to terminate the tenancy under subdivision (a), if an owner of residential real property issues a termination notice based on a no-fault just cause described in paragraph (2) of subdivision (b), the owner shall, regardless of the tenant’s income, at the owner’s option, do one of the following:

(A) Assist the tenant to relocate by providing a direct payment to the tenant as described in paragraph (3).

(B) Waive in writing the payment of rent for the final month of the tenancy, prior to the rent becoming due.

(2) 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 or rent waiver pursuant to this section. If the owner elects to waive the rent for the final month of the tenancy as provided in subparagraph (B) of paragraph (1), the notice shall state the amount of rent waived and that no rent is due for the final month of the tenancy.

(3) (A) The amount of relocation assistance or rent waiver shall be equal to one month of the tenant’s rent that was in effect when the owner issued the notice to terminate the tenancy. Any relocation assistance shall be provided within 15 calendar days of service of the notice.

(B) 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.

(C) The relocation assistance or rent waiver required by this subdivision shall be credited against any other relocation assistance required by any other law.

(4) An owner's failure to strictly comply with this subdivision shall render the notice of termination void.

(e) This section shall not apply to the following types of residential real properties or 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 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 California 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 accessory 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 both of the following apply:

(A) The owner is not any of the following:

(i) A real estate investment trust, as defined in Section 856 of the U.S. Internal Revenue Code.

(ii) A corporation.

(iii) A limited liability company in which at least one member is a corporation.

(B) The tenants have been provided written notice that the residential property is exempt from this section.

(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 California 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 California Health and Safety Code or comparable federal statutes.



(f) An owner of residential real property, with a tenancy existing prior to December 31, 2019, and subject to this section, shall provide written notice to the tenant as follows:

“South Pasadena law provides that after a tenant has continuously and lawfully occupied a property for 12 months or more, or at least one tenant of multiple tenants has continuously and lawfully occupied the property for 24 months or more, the landlord must provide a statement of cause in any notice to terminate a tenancy.”

The provision of the notice shall be subject to Section 1632 of the California Civil Code.

(g) Any waiver of the rights under this section shall be void as contrary to public policy.

(h) For the purposes of this section, the following definitions shall apply:

(1) “Owner” and “residential real property” have the same meaning as those terms are defined in Section 1954.51 of the California Civil Code.

(2) “Tenancy” means the lawful occupation of residential real property and includes a lease or sublease.

**Section 4. Authority.** This ordinance is enacted pursuant to Article XI, Section 7, of the California Constitution, and in compliance with Government Code section 36937.

**Section 5. CEQA.** The City Council hereby finds and determines that this ordinance is not subject to the requirements of the California Environmental Quality Act (“CEQA”), pursuant to CEQA Guideline section 15183 (“Action Consistent with General Plan and Zoning”); section 15378 (“No Project”), and section 15061(b)(3) (“No Significant Environmental Impact”).

**Section 6. Severability.** If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held by a court of competent jurisdiction to be invalid, or otherwise not in force or effect, such decision shall not affect the validity, force, or effect, of the remaining portions of this ordinance. The City Council declares that it would have adopted 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 otherwise not in force or effect.

**Section 7. Repeal.** Ordinance No. \_\_, Extending An Interim Moratorium on Evictions of Residential Tenancies Due to Substantial Remodeling or Demolition of the Unit in the City of South Pasadena is repealed with the passage of this Ordinance.

**Section 8. Immediate Effect.** This ordinance shall take effect immediately. The City Clerk shall certify to the passage and adoption of this ordinance, and to its approval by the Mayor and the City Council, and the City Clerk shall cause the same to be published in a newspaper in the manner required by law.

**PASSED, APPROVED, and ADOPTED ON this 20th day of January, 2021.**

\_\_\_\_\_  
Diana Mahmud, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Maria Ayala, City Clerk  
Attorney (seal)

\_\_\_\_\_  
Teresa L. Highsmith, City

**I HEREBY CERTIFY** the foregoing resolution was duly adopted by the City Council of the City of South Pasadena, California, at a regular meeting held on the 20<sup>th</sup> day of January 2021 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAINED:**

\_\_\_\_\_  
Maria Ayala, City Clerk  
(seal)

**ATTACHMENT 2**  
December 16, 2020 City Council  
Tenant Protections Staff Report



## City Council Agenda Report

ITEM NO. \_\_\_\_\_

**DATE:** December 16, 2020

**FROM:** Sean Joyce, Interim City Manager

**PREPARED BY:** Joanna Hankamer, Director of Planning and Community Development  
Lucy Demirjian, Assistant to the City Manager

**SUBJECT:** **Continued Public Hearing for Discussion of Additional Tenant Protections; Adoption of Ordinance Extending the 45-day Moratorium on Evictions for Substantial Remodels without building permits for an Additional 10 Months and 15 Days**

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### Recommendation

It is recommended that the City Council:

1. Continue the Public Hearing (opened on November 18) and provide direction to staff on additional tenant protections; and
2. Adopt an Ordinance to extend the 45-day moratorium on evictions for substantial remodels without building permits for an additional 10 months and 15 days, or until City Council repeals or replaces the Ordinance.

### Commission Review and Recommendation

On October 13, 2020, the Planning Commission received 6 written and 14 verbal public comments requesting the adoption of an urgency ordinance to provide tenant protections from evictions. The Planning Commission found the item to be a priority and requested that staff bring this item back to the Commission for further discussion after additional outreach with both tenant and landlord groups. The Planning Commission held special meetings on November 17 and 19, 2020 for this purpose. The item will continue to be discussed at a special Planning Commission meeting on December 15, 2020.

### Discussion/Analysis

On November 4, 2020, the City Council approved an urgency ordinance establishing a 45-day moratorium on evictions due to substantial remodels without building permits as an interim measure and directed staff to further study the issue. On November 18, 2020, the City Council conducted a public hearing to receive initial findings from staff and continued the hearing to December 16, 2020, to allow staff to conduct further stakeholder outreach. Staff recommends extending the current term of the moratorium on substantial remodel evictions without building permits until November 3, 2021, to allow staff to further study the issues, conduct additional stakeholder outreach, and allow for Planning Commission review. The City Council can repeal

## Ordinance Extending Moratorium on Evictions for Substantial Remodels

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and/or replace the moratorium at any time before this date. The City Council may also provide direction to staff on the development of an ordinance to replace the moratorium.

### Substantial Remodels

On January 1, 2020, the California Tenant Protection Act of 2019 (AB 1482) established an annual rent increase cap of 5% plus inflation or 10%, whichever is lower, and prohibits evictions without just cause. However, AB 1482 allows owners to issue no-fault termination of tenancies for the following reasons:

- Intent to occupy the residential real property by the owner;
- Withdrawal of the residential real property from the rental market;
- An order issued by a government agency; or
- Intent to demolish or to substantially remodel the residential real property.

The limited definition of “substantial remodel” as outlined by state law (CA Civil Code § 1946.2); includes:

“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 substantial rehabilitation.”

The City has the authority under Civil Code Section 1946.2(g)(1)(B) to adopt a local ordinance, as long as findings are made that the ordinance is consistent with the terms of AB 1482 and that the provisions of the local ordinance are more protective in the areas of (i) further limits to the reasons for just cause eviction, (ii) higher relocation assistance amounts or (iii) additional tenant protections not prohibited by other provisions of law. The cities of Inglewood, Long Beach, Los Angeles and the County of Los Angeles have adopted local ordinances that include additional requirements to address this loophole.

### Tenant Relocation Fees

On November 18, 2020, the City Council received a report from staff for consideration of additional relocation assistance above and beyond those established in AB 1482. The City Council directed staff to conduct stakeholder outreach on additional relocation assistance and further study additional tenant protections including moving allowance, utility deposit allowance, and penalties for noncompliance. The City Council further requested review by the Planning Commission before a recommendation is brought back for Council consideration.

AB 1482 establishes that tenants evicted as a result of no-fault just cause are entitled to relocation assistance or rent waiver equal to “one month of the tenant’s rent that was in effect when the owner issued the notice to terminate the tenancy. Any relocation assistance shall be provided within 15 calendar days of service of the notice.” The cities of Pasadena, Glendale,

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Burbank, Los Angeles, and West Hollywood have established tenant relocation programs that extend beyond the protections offered by AB 1482. Many smaller cities in the San Gabriel Valley do not have additional relocation assistance beyond what is required under AB 1482.

### Stakeholder Outreach

Staff met with various groups representing both tenants and property owners to better understand their concerns.

### *Tenant Concerns*

Tenants have expressed concerns that AB 1482 does not explicitly require owners to: (1) obtain the necessary permits associated with the substantial remodel prior to serving a Notice of Termination; or (2) include information in the Notice of Termination regarding the type and scope of work to be performed. Tenants want the information provided to include reasons why the work cannot be completed with the tenant in place or why the work cannot be completed within 30 days. Tenant representatives posited that the substantial remodel provision in AB 1482 has created an unintended loophole for property owners to make claims that they are conducting substantial remodels as a justification to evict no-fault tenants. Staff recommends more outreach, including a proposed public workshop in January, be conducted to solicit more feedback from tenants.

### *Landlord Concerns*

Landlords were concerned that the proposed permit requirements would create undue hardships on property owners who are already suffering from deferred rent. Landlords and property managers said that it is inconvenient to both landlords and tenants for a landlord or property manager to access an occupied unit prior to determining the scope of work; that work is done sequentially by tradespeople rather than coordinated by a contractor or an architect; that landlords often renovate just one unit at a time; and that the scope of work for a project is unknown at the start and sometimes requires that walls be opened and building systems explored before a permit is obtained. Representatives also noted that many landlords have other jobs and tight budgets; and that they do only the work required to maintain the unit, which is many times less than was anticipated. Landlords noted some tenants obstruct landlords or managers from accessing the unit, either by changing the appointment at the last minute, or ignoring requests in the first place. Landlords argued that pursuing permits prior to having the unit vacated and explored by a variety of tradespeople is inconvenient, inefficient, and cumbersome compared to the way they approach the work; and some landlords were concerned about short lifespans of permits. One landlord who owns more than 600 units in a variety of building sizes (primarily of 12-15 units) dispersed throughout different cities, said that he would comply with whatever rules are in place, but would rather defer payment for permit until after the unit is vacated.

Landlords typically felt that the permit requirements were punitive and heavy-handed when considering the scope of the issue; and disagreed with any increased relocation assistance because such assistance would equate to giving a tenant money back for time already lived in the unit; and would like to see high-earning tenants disqualified for relocation assistance. However, landlords were in agreement that bad actors should be penalized for abusing the substantial renovation provision of the law. Suggested alternatives included more education and

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enforcement, exemption for smaller property owners, and harsher penalties for property owners who abuse the current law.

Landlord representative groups did not see the need for more restrictions and cited existing and pending legislation in response to the COVID-19 that protect tenants against certain no-fault just cause evictions. AB 3088, which is set to expire on February 1, 2021, provides protections for tenants against 60 days just cause eviction notices during the state of emergency, and prohibits a “no fault, just cause” eviction in retaliation for a tenant’s complaint to the local jurisdiction regarding bed bugs or other habitability reasons.

### *Enforcement*

Regarding enforcement of the substantial remodel provision in AB 1482, tenants want enforcement to occur prior to having to vacate a unit; and landlords prefer for enforcement to occur months after a unit is vacated - in the form of high penalties for landlords who do not substantially renovate a unit after having it vacated. Both tenants and landlords suggested that the City would enforce the laws, but acknowledged that doing so would require proactive and reactive enforcement.

### *Areas of Agreement*

There were some areas of agreement between tenants and landlords. All were in agreement that additional education and outreach efforts were required on current laws related to housing, tenant rights, and landlord responsibilities. After conducting initial stakeholder meetings, staff believes that more education is also needed regarding what constitutes a substantial remodel, when permits are required or not, and the benefit to landlords of obtaining a permit prior to having a unit vacated.

### *Misconceptions*

In conducting stakeholder outreach, staff noted some misconceptions that could be problematic for both tenants and landlords regarding existing laws, when a permit is required, what constitutes a substantial remodel, and the benefits of having a permit to clarify the scope. For landlords, there seems to be an inconsistent understanding of what requires a permit. For example, some landlords said they need a unit to be vacant in order to do exploratory demolition to determine the scope of a remodel; however, a permit is required prior to any demolition. It is also clear that some landlords are proceeding, and sometimes completing work in a unit without obtaining the required permits. It is important to note that many of the City’s code enforcement cases are due to unpermitted construction; and some of the violators do not realize what work requires a permit. Furthermore, in South Pasadena, most changes to the exterior of a building require discretionary planning approvals which can take between 2 weeks and 6 months or more, depending on the proposed revisions and whether the building is historic. Given the misconceptions expressed in the stakeholder outreach and the prevalence of unpermitted construction in code enforcement cases, it is clear that public education is needed regarding what scope of work requires a permit.

Another misconception is regarding current law. AB 1482 already prohibits some of the preferred practices that many landlords discussed. For example, many landlords, property

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managers, and representatives focused on the inconvenience of trying to determine the scope of work while a tenant is in place; however, under AB 1482, evicting a tenant prior to determining the scope of work (and therefore whether or not it is substantial) is illegal. As well, evicting a tenant for work that could have been completed with the tenant in place and under 30 days, regardless of how inconvenient for the landlord, is illegal under AB 1482. Alternatively, if the landlord had assessed the scope of work and obtained a permit before having the unit vacated, the landlord would know whether the scope is substantial and therefore not be at risk of illegally evicting a tenant.

The benefits of a permit to a tenant includes protection from being evicted unnecessarily and that the burden of proof is placed with the landlord. While permits are perceived by landlords as punitive or heavy handed, there are several benefits to obtaining a permit prior to having a unit vacated. A permit proving substantial renovation could protect the landlord from a frivolous lawsuit, or from illegally evicting a tenant if the scope is not substantial; would allow the landlord to collect rent while preparing for the permit (which is required prior to demolition or construction anyway); would allow the landlord to commence demolition or construction as soon as the tenant vacates; and would allow the landlord to schedule and sequence the work more efficiently. A building permit is valid for 1 year, and is automatically extended with each inspection; therefore, the permit is not at risk of expiring before the work can be completed. However, based on stakeholder outreach conducted thus far and longstanding remodeling practices, more outreach and education is needed to make landlords aware of their existing responsibilities, to provide guidance on how to determine if the scope of work is substantial, and to provide guidance on how obtain permits efficiently with a tenant in place.

### *Occupancy Inspection Program*

As one of the housing programs that was proposed during a series of 2019 housing workshops, a future Occupancy Inspection Program is anticipated to provide an inventory and the condition of the city's housing stock through mandatory periodic inspections of housing units. Within the next few months, the Planning Commission is scheduled to consider program elements, including enforcement of code compliance for unpermitted construction, for example. The relationship between AB 1482, including any potential additional local restrictions, and the Occupancy Inspection Program is unknown at this time but will be considered as the program is developed

### **Background**

On October 8, 2019, Governor Newsom signed AB 1482, also known as the Tenant Protection Act of 2019. AB 1482 included the following provisions:

- Prevent property owners from terminating a tenancy without just cause;
- Require property owners to provide the tenant with an opportunity to correct violations before being terminated;
- Require property owners to provide tenants relocation assistance limited to one month's rent, if residency is terminated for certain specified "no cause" reasons, which include the ability of the owner to perform substantial rehabilitation on a unit, or to take it off the market entirely for occupancy by the owner or owner's family; and



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- Prevent property owners from increasing rent over the course of any 12-month period more than five percent plus the rate of inflation, or 10 percent, whichever is lower; this restriction requires the rent in existence as of March 1, 2019 as the “base rent” of a tenant remaining in the unit after January 1, 2020 for purposes of calculating an annual rent increase.

In October 2019, Council learned of several tenants facing unexpected eviction or rent increases, likely resulting from the new State law which prompted many landlords to increase rent or evict tenants prior to the new law going into effect. In response, the City Council adopted an urgency ordinance (Ordinance No. 2334) to temporarily establish just cause for termination of tenancies until the state law became effective.

As part of ongoing efforts to address concerns related to housing and tenant protections the City hosted a series of workshops in Fall 2019 regarding housing initiatives; including tenant protections (relocation assistance program and occupancy inspection program); Accessory Dwelling Units; and Inclusionary Housing. The City continues to provide education and information on fair housing laws for landlords and tenants through the Housing Right Center.

On November 4, 2020, the City Council approved an urgency ordinance establishing a 45-day moratorium on evictions due to substantial remodels as an interim measure and directed staff to further study the issue and develop an ordinance establishing procedures and requirements to provide additional protections. The City Council also directed staff to bring back options for additional relocation assistance, beyond what is available under state law.

On November 18, 2020, the City Council opened a public hearing to receive initial findings from staff on additional tenant protections and continued the public hearing to December 16, 2020, to allow staff to conduct further stakeholder outreach.

### **Next Steps**

1. Staff will conduct additional stakeholder outreach on both the substantial remodel issue as well as additional relocation assistance, including a community workshop.
2. Staff will develop a recommendation for a future City Council meeting after review by the Planning Commission and additional stakeholder meetings, and in advance of the expiration of the moratorium.

### **Legal Review**

The City Attorney has reviewed this item.

### **Fiscal Impact**

There is no fiscal impact with the adoption of an ordinance extending the moratorium. Staff time will be necessary in studying the issue, conducting stakeholder outreach, and developing recommendations.

Ordinance Extending Moratorium on Evictions for Substantial Remodels

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### **Public Notification of Agenda Item**

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website and/or notice in the *South Pasadena Review* and/or the *Pasadena Star-News*.

### **Attachments**

1. Ordinance extending 45-day moratorium on evictions for substantial remodels

**ATTACHMENT 3**

December 16, 2020 City Council Meeting  
Tenant Protections Public Comments

**Regular City Council Meeting**  
**E-mail Public Comment 12/16/2020**

**AGENDA ITEM NO. 18**

Continued Public Hearing for Discussion of Additional  
Tenant Protections; Adoption of Ordinance Extending  
the 45-day Moratorium on Evictions for Substantial  
Remodels without building permits for an Additional  
10 Months and 15 Days

1. Rian Barrett
2. Deborah Lutz
3. Danielle Peretz
4. John Srebalus
5. Ella Hushagen
6. Elisabeth Eilers
7. Tom Eilers
8. Matt Buck
9. Helen Tran

**From:** Rian Barrett <[REDACTED]>  
**Sent:** Monday, December 14, 2020 2:34 PM  
**To:** City Council Public Comment <ccpubliccomment@southpasadenaca.gov>  
**Subject:** City Council Agenda Item #18

**CAUTION:** This email originated from outside of the City of South Pasadena. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Mayor and City Council Members:

The Pasadena-Foothills Association of Realtors (of which South Pasadena is a part) believe the current discussions around requirements for building permits before a notice of tenancy termination and the other tenant-centric measures are premature, hastily-conceived and solutions for which there is no evidence of a problem.

The original proposal to require building permits in hand before a notice to terminate tenancy can be given was prompted by one building owner who may have acted illegally. Current law (SB 3088) prohibits such notice for substantial renovation (thoroughly and properly defined in the state statute) except in instances of need for health and safety. This law is in effect until Feb. 1, 2021 and is currently being debated for extension in the state legislature.

The likely unintended consequence of a requirement to obtain building permits before a substantial remodel is that small 'mom and pop' owners will simply not initiate a remodel or just give up and sell their properties to larger corporate owners. This only helps to hasten the deterioration of the housing stock in the community or drives the small owners out of business and their properties in the hands of larger, usually less sympathetic landlords. Either consequence is not in the best interest of the tenants nor the community.

Other tenant protections such as payment of relocation fees and just cause evictions are also provided in state legislation -- also in discussion for extensions at the state level. A very small group of the city's tenants is agitating for change at a time when their state legislators have already protected them.

It is clear that education to both tenants and those that provide them housing is necessary so that all stakeholders understand what is legal, what protections exist, and what housing providers may or may not do.

It is not in the city's best interest to extend a moratorium on housing renovation for almost year. If you must, approve an extension for six more months, and use that time to continue outreach to all stakeholders, initiate a real dialogue between city decision makers and those stakeholders. There is no crisis that causes immediate and rash action that will impact the quality of the city's housing stock for years to come. The COVID crisis has, understandably, made real dialogue impossible. The city's requirement to either write or record a message doesn't allow for back and forth questions and answers, with an understanding of all sides before decision making. We urge you to slow this down, allow the state legislature to extend existing protections, and allow housing providers, when legally able to do so, to renovate their properties and insure the quality housing you expect for your city.

Sincerely,

Rian Barrett

Rian Barrett

Member Outreach and Leadership Development Manager

Pasadena-Foothills Association of REALTORS®

1070 E. Green St. #100, Pasadena, CA 91106-2433

P: 626.795.2455

C: 916.248.0159

**From:** Deborah Lutz <[REDACTED]>  
**Sent:** Monday, December 14, 2020 3:00 PM  
**To:** City Council Public Comment <ccpubliccomment@southpasadenaca.gov>  
**Subject:** Agenda Item #18 Moratorium on Evictions for Substantial Remodel

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Dear Council,

I support a fair and healthy housing market within our city.

I oppose the staff recommendation to extend the moratorium for another 10 1/2 months.

This is an unnecessary extension due to the fact that current law (SB 3099) already prohibits such notice for substantial renovations (thoroughly and properly defined in the state statute) except in instances of need for health and safety. This law is in effect until Feb 1, 2021 and is currently being debated for extension in the state legislature.

No evidence has been presented by staff that this is a wide spread problem or that even one example of a specific violation of this law has occurred.

If any landlord in South Pasadena violates this law there are already prescribed remedies. City Council does not need to make a hasty decision without additional stakeholder input and allowing adequate time for new council members to understand more about this issue. A 10 1/2 month extension is unnecessary and unfairly burdensome to landlords.

It is not in the city's best interest to extend a moratorium on housing renovations for almost a year. If any extension is necessary then 30-60 days is sufficient as we see what extensions are granted at the state level.

Please do not make regulations so burdensome that only "well capitalized" real estate investment firms can operate in the South Pasadena housing market. Long term mom and pop housing providers are the same type of small business owners that make South Pasadena a desirable place to live.

Please do not vote to extend the moratorium for another 10 1/2 months.

--

Deborah Lutz

**From:** Danielle Peretz <[REDACTED]>  
**Sent:** Tuesday, December 15, 2020 1:15 PM  
**To:** Diana Mahmud <dmahmud@southpasadenaca.gov>; Michael Cacciotti <mcacciotti@southpasadenaca.gov>; Evelyn Zneimer <ezneimer@southpasadenaca.gov>; Jack Donovan <jdonovan@southpasadenaca.gov>; CCO <cco@southpasadenaca.gov>; City Council Public Comment <ccpubliccomment@southpasadenaca.gov>  
**Cc:** Daniel Yukelson <[REDACTED]>  
**Subject:** [BULK] December 16th South Pasadena City Council Meeting - Agenda Item 18  
**Importance:** Low

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Good Afternoon, Hon. Mayor Diana Mahmud and Members of the South Pasadena City Council;

Attached for your review is a letter submitted by the Apartment Association of Greater Los Angeles (AAGLA or Association) regarding agenda item 18, scheduled for discussion at the December 16<sup>th</sup> City Council Meeting.

Thank you for your time and consideration.



**Danielle Leidner-Peretz**

**Director, Government Affairs & External Relations**

**Apartment Association of Greater Los Angeles**

**621 South Westmoreland Avenue**

**Los Angeles, California 90005**

**t: 213/384-4131, ext 309 | f: 888/384-4131 | [danielle@aagla.org](mailto:danielle@aagla.org)**

**[www.AAGLA.org](http://www.AAGLA.org)**

**[Twitter](#)**

**[Facebook](#)**

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# AAGLA

*“Great Apartments Start Here!”*

Danielle Leidner-Peretz  
Director, Government Affairs &  
External Relations  
danielle@aagla.org  
213.384.4131; Ext. 309

December 15, 2020

**Via Electronic Mail**

Hon. Mayor Diana Mahmud and  
Members of the South Pasadena City Council  
1414 Mission Street  
South Pasadena, California 91030

**Re:** Continued Public Hearing – Discussion of Additional Tenant Protections; Adoption of Ordinance Extending the 45-day Moratorium on Evictions for Substantial Remodels without Building Permits for an Additional 10 Months and 15 days (Agenda Item 18)

---

Dear Hon. Mayor Diana Mahmud and Members of the South Pasadena City Council;

At the December 16<sup>th</sup> City Council meeting, the Council will consider extension of the current 45-day moratorium on evictions for substantial remodels pursuant to Assembly Bill 1482 to November 3, 2021 and discuss the issue of relocation assistance. A majority of the Council, three of the five members, are newly elected members who had not been involved in prior discussions or voted for the initial interim urgency ordinance. The Apartment Association of Greater Los Angeles (AAGLA or Association) urges the new City Council to thoughtfully deliberate these matters, engage in a meaningful dialogue with key stakeholders and not hastily extend the interim ordinance that will be potentially detrimental to the City’s affordable and aging housing supply.

On November 4<sup>th</sup>, the previous City Council adopted an urgency ordinance establishing a 45-day moratorium on evictions for substantial remodel unless the owner first secured building permits, provided copies of such permits to the renter with an explanation of why the work cannot be accomplished in a safe manner with the renter in place and why the work cannot be completed within 30 days. The rationale provided for instituting the moratorium was to address a perceived loophole under State law whereby owners may serve no-fault evictions for substantial remodel and then not undertake such renovations. To date, no data has been provided demonstrating that such an issue exists in the City of South Pasadena to warrant the urgency ordinance or the extension thereof.

Of equal importance, Assembly Bill 3088, “the Tenant, Homeowner, and Small Landlord Relief and Stabilization Act of 2020”, precludes no-fault terminations for substantial remodels through February 1, 2021 unless necessary to comply with health and safety requirements. Accordingly, there is no urgent need to extend the moratorium, as such tenancy terminations are generally prohibited at this time. Moreover, notwithstanding the current prohibitions in Assembly Bill 3088, under Assembly Bill 1482, if an owner fails to comply with the State law’s provisions, the no-fault termination is rendered void and the owner may also be subject to punitive damages. The owner may also be

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subject to litigation initiated by his or her renters. These existing renter protections serve to discourage the likelihood that an owner would issue a baseless notice with no intention to renovate the property.

The current 45-day moratorium fails to account for the various factors and information needed to procure a permit. Requiring issuance of permits prior to serving a tenancy termination will make the permit application process extremely onerous and, therefore, disincentivizing owners from considering moving forward with what are often necessary renovations and upgrades. These requirements are particularly problematic and challenging for the City’s small, “Mom and Pop” rental housing providers, who have chosen to make an investment in their community by providing much needed affordable housing. Such burdensome local regulations will make it difficult, if not insurmountable, for these small owners who generally have limited financial resources to rehabilitate and upgrade their building, and as a result, such renovations will not be undertaken, allowing for further deterioration of the City’s affordable and aging housing supply. These unnecessary regulations often have the opposite result intended and could potentially compel many small owners to exit the rental housing industry resulting in the further depletion of much needed affordable housing.

The City’s Staff report highlighted consensus among stakeholders relative to the provision of additional education and outreach. The Association has always been supportive of education and community outreach to facilitate renters and rental housing providers understanding of their rights and responsibilities. As current State Law under Assembly Bill 1482 provides a clear definition of what constitutes a “substantial remodel” and Assembly Bill 3088 delineates the current limited permissible tenancy terminations, providing community workshops and other educational opportunities will ensure that all stakeholders are properly informed. We also recommend that such education and outreach be inclusive of information relative to the City’s permitting process and requirements.

Regarding the “misconceptions” set forth in the Staff report, an important clarification needs to be made, rental housing providers are knowledgeable of the definition of substantial remodel and whether the remodel being contemplated is within the permissible parameters of the state law prior to the issuance of a tenancy termination notice. It is the extent of the substantial remodel which is often best determined upon further review.

State law has effectively balanced the objectives of providing renter protections while recognizing the vital importance of upgrading the State’s rapidly aging housing stock. Given the State Law provisions, lack of urgency, and the new composition of the City Council, we urge the new Council to take pause to obtain a comprehensive understanding of the relevant state laws, current city permit process and possible ways to improve the tracking of permits issued prior to any extension of the moratorium. Notwithstanding, if the Council seeks to extend the urgency ordinance, we urge the City Council to limit such extension to no more than six months. Moreover, we ask that the City Council first determine the scope and extent of the substantial remodel issue and whether any further action is needed prior to consideration of other matters.

AAGLA urges the Council to consider the issues raised in this letter. We appreciate the stakeholder engagement that has occurred and ask that the dialogue continue prior to the extension of the urgency ordinance. Moreover, we urge the City Council to seek ways to incentivize

# AAGLA

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rehabilitation and investment in the City’s housing. Renters and rental housing providers, through no fault of their own, have been experiencing severe financial hardships due to the COVID-19 pandemic. As you look to the future and the post-pandemic period, it is paramount that the City Council recognize the impacts of the actions taken today, seek ways to prevent future economic instability and facilitate the rebound ahead.

Thank you for your time and consideration of these matters. If you have any questions, please call me at (213) 384-4131; Ext. 309 or contact me via electronic mail at [danielle@aagla.org](mailto:danielle@aagla.org).

Very truly yours,

*Danielle Leidner-Peretz*

Danielle Leidner-Peretz

**From:** John Srebalus <[REDACTED]>  
**Sent:** Wednesday, December 16, 2020 9:58 AM  
**To:** City Council Public Comment <ccpubliccomment@southpasadenaca.gov>  
**Subject:** Public Comment, 12/16/20, Open Session Agenda Item #18

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Hello,

Attached please find public comment for the aforementioned agenda item.

Regards,  
John Srebalus



December 9, 2020

Mayor Diana Mahmud  
Councilmembers Michael Cacciotti, Jack Donovan, Jon Primuth, Evelyn Zneimer  
City of South Pasadena  
1414 Mission Street  
South Pasadena, CA 91030

VIA EMAIL: [mcacciotti@southpasadenaca.gov](mailto:mcacciotti@southpasadenaca.gov), [jdonovan@southpasadenaca.gov](mailto:jdonovan@southpasadenaca.gov),  
[jprimuth@southpasadenaca.gov](mailto:jprimuth@southpasadenaca.gov), [ezneimer@southpasadenaca.gov](mailto:ezneimer@southpasadenaca.gov)

**Re: Proposed Urgency Ordinance: Substantial Remodel Evictions**

Dear Mme. Mayor and Councilmembers:

I am writing to respond to recent public comments from the Apartment Association of Greater Los Angeles (AAGLA) and the Pasadena-Foothills Association of Realtors (PFAR) in opposition to the proposed urgency ordinance protecting South Pasadena tenants from pretextual evictions under the substantial remodel provision of AB 1482. For convenience I'll refer to these terminations of tenancy by their common name: "renovictions."

These groups want you to believe that tenants are already protected against renovictions under AB 3088. This is not true. They rely on added CCP Section 1179.03.5(a)(3)(ii)(II), which provides:

[T]ermination of a tenancy based on intent to demolish or to substantially remodel the residential real property shall be permitted if necessary to maintain compliance with the requirements of Section 1941.1 of the Civil Code, Section 17920.3 *or* 17920.10 of the Health and Safety Code, *or* any other applicable law governing the habitability of residential rental units.  
(Emphasis added.)

The apartment associations are falsely claiming that evictions by this name are somehow less ripe for abuse because they will involve different words on a tenant's Notice to Vacate, none of which are required to be substantiated under AB 1482 or AB 3088. CCP 1179 gives property owners *more* leeway to evict tenants. Now the entire property may be deemed untenable for lacking effective weatherproofing or banisters in "good repair." (Civil Code 1941.1(a))

At least COVID-neutral AB 1482 requires that qualifying work undertaken for health and safety compliance be substantial and take longer than 30 days to complete. Doubting the City wants to continually chase state COVID protections with local fixer legislation, I welcome the February sunseting of this dangerous provision. The habitability codes didn't hold the eviction hammer until AB 3088 handed it to them.

But these distinctions don't matter as long as owners can execute a one-page termination while having no intention of performing the qualifying work they claim. Handshake deals ended when *Little House on the Prairie* rolled its last credits. The apartment associations no longer get to argue that their membership wouldn't engage in such deception. It is happening. It just happened right here at 2028 and 2038 Meridian. It happens so often there's a word for it. Renoviction.

In her letter, AAGLA's Ms. Leidner-Peretz claims that under AB 1482, "if an owner fails to comply with the state law's provisions, the no-fault termination is rendered void." Who is doing the rendering? The tenant will be gone long before any permits need be contemplated, let alone executed. With what keys will the tenant inspect the eligibility of the remodeling? How many tenants will have read AB 1482, be equipped and available to navigate the legal system and receive documents in discovery that will hopefully reveal the first thing about the true basis for their eviction?

PFAR's Ms. Olhasso, before forecasting costly permit delays and expirations already dispelled by Planning Director Hankamer in City Council session, states, "Any apartment owner evicting tenants at this time should be notified by your City Attorney of his violation." This shows a lack of understanding of how things work in our city and other parts of the real world.

Evictions hide in plain sight. Thankfully the South Pasadena Tenants Union has had some years to earn a place on people's radar. Often the first to hear from tenants in distress, we would love to route these situations to a city enforcer, but things are as they are. Given current resources, the most sensible and effective thing we can do is put a fair process at the *front* end of a termination of tenancy. Let's deter bad actors; preserve affordable housing whenever possible; and provide city staff a window into the repairs, remodels and rehabs dotting the landscape.

I get it. The associations want to minimize hurdles for their members. I could do without the hurdle of attaching pay stubs to my rental application. But I suppose there's a certain dignity in being able to say, "Here, let me show you."

And people's homes are at stake.

Sincerely,  
/S/ John Srebalus





Item No. 2

(714) 634-1500  
19300 S. Hamilton Ave. Suite 285  
Gardena, CA 90248

## 60-DAY NOTICE OF TERMINATION OF TENANCY

To: [REDACTED]  
AND ALL OTHER TENANTS IN POSSESSION OF 2028 Meridian Ave Apt D South Pasadena, CA 91030

YOU ARE HEREBY NOTIFIED that effective SIXTY (60) DAYS from the service upon you of this notice you will be required to quit and surrender possession of the premises.

This is intended as a final SIXTY (60) DAY notice to quit, for the purpose of terminating your tenancy.

YOUR FAILURE TO SURRENDER POSSESSION OF THE PREMISES WILL RESULT IN LEGAL PROCEEDINGS WHICH WILL BE INSTITUTED AGAINST YOU TO RECOVER POSSESSION OF THE PREMISES, DAMAGES, AND COST OF SUIT.

**Reason: Landlord intends to substantially remodel the residential property.**

**Pursuant to Civil Code 1946.2 (d) (1)(A)(2): you have the right to relocation assistance or a rent waiver. The owner of the property has elected to waive the rent for a month of your tenancy in the amount of \$1,450 Accordingly, no rent is due for the final month of your tenancy.**

**Month Free: October 8th - November 8th**

**Rent From October 1st- October 7th will be prorated and due on October 1st. Payment must be made via money order.**

**Pursuant to Civil Code 1946.2 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 shall be recoverable as damages in an action to recover possession.**

**All waivers of rent and/or relocation assistance will be credited against any additional assistance offers presented by Landlord and accepted by Tenant.**

### Note:

Penal Code section 594 read: "Any persons who willfully or maliciously destroys or damages any real or Personal Property not their own will be punished by Fine or Imprisonment or both."

Civil Code 1946.1 "State law permits former tenants to reclaim abandoned personal property left at the former address of the tenant, subject to certain conditions. You may or may not be able to reclaim property without incurring additional costs, depending on the cost of storing the property and the length of time before it is reclaimed. In general, these costs will be lower the sooner you contact your former landlord after being notified that the property belonging to you was left behind after you moved out."

Owner: Wood Huts LLC  
LANDLORD/AGENT  
Date: 09/08/2020

**From:** Ella Hushagen <[REDACTED]>  
**Sent:** Wednesday, December 16, 2020 11:35 AM  
**To:** City Council Public Comment <ccpubliccomment@southpasadenaca.gov>  
**Cc:** Helen Tran <[REDACTED]>; John Srebalus <[REDACTED]>; Anne Bagasao <[REDACTED]>  
**Subject:** Public comment 12/16/20 open session agenda item 18

**CAUTION:** This email originated from outside of the City of South Pasadena. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Please include the attached comment, signed by 72 people, in the agenda packet for tonight's city council meeting, open session, agenda item 18.

Thanks!

Ella



December 16, 2020

**General Public Comment Re: Agenda Item 18, demand for a local ordinance to protect tenants.**

The undersigned ask the City Council to pass a straightforward, modest measure to stem the tide of evictions without further delay.

Under existing law, landlords can evict tenants under the pretense of “substantial remodeling” without proof that any remodeling will actually be performed, much less that remodeling will be substantial. The proposed ordinance builds on state law by requiring landlords to obtain all necessary permits in advance of issuing an eviction notice, and describe in the eviction notice the nature of the remodel and why it cannot be performed in under 30 days.

Strengthening renter protections to prevent erosion of affordable housing stock and gamesmanship by landlords enjoys broad support in South Pasadena. The South Pasadena Tenants Union, the Housing Rights Center, and the Legal Aid Foundation of Los Angeles all support passage of the ordinance. It has been a month since the Council continued this item to seek stakeholder input. The stakeholders have now had ample opportunity to weigh in.

Yet, rather than taking swift action to adopt the proposed ordinance, city staff have recommended extending the current moratorium on renoevictions for more than 10 months in an apparent capitulation to the landlord lobby.

From the staff memo, it is clear that landlords have been hard at work at City Hall. Their complaints about the ordinance lack merit. Units do not have to be vacant in order to assess whether permitting will be required to remodel them. With notice to tenants, landlords have the right to bring in contractors, architects and engineers to occupied units to evaluate what work needs to be done. Property owners cannot start demolition before obtaining permits—regardless of the scope of work contemplated.

The landlord lobby spuriously complains that landlords cannot shoulder additional relocation costs during the current economic downturn. But the proposed ordinance does not increase relocation assistance. It is a simple procedural requirement that landlords undertake due diligence regarding planned remodeling before evicting a tenant.

The property owners transparently seek to avoid enforcement altogether by advocating for back-end financial penalties in lieu of requiring front-end permits prior to eviction. The vast majority of tenants opt to move out and avoid litigation when served an eviction notice. It is exceedingly unlikely that an unrepresented tenant will obtain discovery about the nature of the remodeling her landlord ultimately undertook in the unit she was forced to vacate. Landlords are advocating for penalties in lieu of prospective permitting because they know, in reality, such penalties will never touch them.

We are looking to our City Council for bold leadership. You know many of us. We are your friends and neighbors. We are asking for your vote on behalf of every neighbor we stand to lose

if the city does not enhance tenant protections. A crushing wave of evictions is anticipated for early 2021. Further delay is not warranted.

Please direct staff to come back with a substantial remodeling ordinance modeled after Long Beach's ordinance, and vote on its passage at the first City Council meeting of 2021.

Sincerely,

1. Sean Abajian
2. Alexander Aquino-Kaljakin
3. Ahilan Arulanantham
4. Anne Bagasao
5. Dr. Paula Bagasao
6. Matthew Barbato
7. Kerrie Barbato
8. David Beadle
9. Chris Becker
10. Jeremy Becker
11. Robin Becker
12. Felicie Borredon
13. Laurent Borredon
14. Tony Butka
15. Anny Celsi
16. Grace Dennis
17. Frederick Eberhardt
18. Alan Ehrlich
19. Justin Ehrlich
20. Stephanie Ehrlich
21. Owen Ellickson
22. Sarah Erlich
23. Richard Fannan
24. Tzung-lin Fu
25. Noel Garcia
26. Rachel Hamilton
27. Michelle Hammond
28. William Hoadley-Brill
29. Laboni Hoq
30. Matthew Hubbard
31. Mariana Huerta Jones
32. Che Hurley
33. Ella Hushagen
34. Fahren James
35. Amy Davis Jones
36. William Kelly
37. Afshin Ketabi
38. Mieke Kramer
39. Helga Kuhn
40. Caitlin Lainoff
41. Emilia Lomeli
42. Sofia Lopez
43. Jan Marshall
44. Richard Marshall
45. Linda McDermott
46. Jenny Muninnopmas
47. Adam Murray
48. Joanne Nuckols
49. Victoria Patterson
50. FJ Pratt
51. Myron Dean Quon
52. Minoli Ratnatunga
53. Zahir Robb
54. Aliza Rood
55. Lisa Rosenberg
56. Shari Sakamoto
57. Andrea Seigel
58. Allie Schreiner
59. Delaine Shane
60. Alexandra Shannon
61. Sean Singleton
62. Alison Smith
63. John Srebalus
64. Levi Srebalus
65. Jim Tavares
66. Katie Telser
67. Andrew Terhune
68. Cassandra Terhune
69. Judith Trout
70. Amy Turk
71. Helen Tran
72. Jean Yu

From: Elisabeth Eilers <[REDACTED]>  
Sent: Wednesday, December 16, 2020 11:46 AM  
To: City Council Public Comment <ccpubliccomment@southpasadenaca.gov>  
Subject: Open session Item 18

CAUTION: This email originated from outside of the City of South Pasadena. Do not click links or open attachments unless you recognize the sender and know the content is safe.

From Elisabeth EILERS  
[REDACTED]

Dear City Council members,

Famous anthropologist Margaret Mead measured civilization by the extent by which we care for the vulnerable among us.

Item 18 addresses this matter as you reflect on the complex issue of owner versus tenant rights.

As you well know the lack of affordable housing coupled with income inequality has not just our small town but our nation and planet in a crisis. I wonder if Margaret Mead would call us civilized were she to see the vast number of unhoused people on the streets and living in their cars (if they are fortunate enough to have one).

I urge you to pass the measure to stop all evictions of tenants for unsubstantiated renovations for at least 10 months but preferably permanently as the housing crisis will not resolve in 10 months as you well know. Just where could evicted tenants move were they to be evicted without true cause?

There is a way to balance owner and renter rights and, when in doubt, let us be civilized, as per Margaret Mead, and place human beings lives above profit gain.

I know these are very difficult and complex decisions. May wisdom, heart and moral integrity lead you. When in doubt ask: how would Margaret Mead vote? How would John Lewis vote? How would your hero vote on this measure?

Thank you for your service to all of us residents of So Pasadena!

**From:** Tom Eilers <[REDACTED]>  
**Sent:** Wednesday, December 16, 2020 12:40 PM  
**To:** City Council Public Comment <ccpubliccomment@southpasadenaca.gov>  
**Subject:** Please vote yes on Open Session Item 18 on Dec 16.

**CAUTION:** This email originated from outside of the City of South Pasadena. Do not click links or open attachments unless you recognize the sender and know the content is safe.

I have been both a renter and landlord during my life. Normally I oppose regulations, but a yes vote on Item 18 seems so humane, especially during covid. We need to protect those who have a small voice, and few options.

Tom Eilers



California Apartment Association  
Los Angeles County  
515 S. Flower Street, 18<sup>th</sup> Fl.  
Los Angeles, CA 90071

December 15, 2020

Mayor Mahmud & City Council  
City of South Pasadena  
VIA Email

**Re: 3<sup>rd</sup> Discussion on 45-day Moratorium for Substantial Remodels**

Dear Honorable Mayor and City Council:

The California Apartment Association (CAA) represents more than 50,000 members including local housing providers, operators, and suppliers along with business owners and real estate industry experts who are involved with a range of rental properties from those that offer single-family residences to large apartment communities.

AB 1482 is landmark legislation which creates statewide prohibitions on rent gouging and for cause lease terminations. There is no "loophole" in the legislation. The substantial remodel provisions are designed to encourage healthy and improved housing stock.

We urge you to consider the following as you discuss extending the moratorium for substantial remodel.

- At this time, due to COVID-19 any type of lease termination due to substantial remodel is prohibited. There is already a statewide moratorium in this regard.
- The goal of the previous City Council was to review substantial remodel protocols and further assist in preventing illegal activity. We respectfully ask that the new City Council recognize this is solely an issue of "city permit accountability." Further directed actions on this item should remain narrowly focused on this issue.
- CAA appreciates the opportunity to provide feedback on the issue. Although not referenced in the report, many cities have a digital permit tracking system. This would not only help staff track projects of all sorts, but also make permits easily available for public access. A simple system would create further accountability beyond AB 1482.
- We do take issue with the "misconceptions" noted in the report. Owners do understand the general scope of the work needed for the substantial rehabilitation but often are unable to ascertain the detailed extent without intrusive and extensive review.

On behalf of our members, we ask that if you do decide to extend the local moratorium on substantial remodels, please do so for no more than 6 months. We look forward to continuing the conversation with City Council and staff. Please do not hesitate to contact us with any questions and thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Matthew Buck', is written over a faint, light-colored signature line.

Matthew Buck  
California Apartment Association  
951.809.4423

**From:** Helen Tran <[REDACTED]>  
**Sent:** Wednesday, December 16, 2020 3:41 PM  
**To:** City Council Public Comment <ccpubliccomment@southpasadenaca.gov>  
**Cc:** Ella Hushagen <[REDACTED]>; John Srebalus <[REDACTED]>; Anne Bagasao <[REDACTED]>; Michael Cacciotti <mcacciotti@southpasadenaca.gov>; Diana Mahmud <dmahmud@southpasadenaca.gov>; Evelyn Zneimer <ezneimer@southpasadenaca.gov>; Jack Donovan <jdonovan@southpasadenaca.gov>; Jon Primuth <jprimuth@southpasadenaca.gov>  
**Subject:** Public Comment, 12/16/20 Open Session, Agenda 18, Tenant Protections

**CAUTION:** This email originated from outside of the City of South Pasadena. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear City Clerk,

Please see attached for comments from the South Pasadena Tenants Union for Agenda Item 18.

Thanks,

Helen





December 16, 2020

Mayor Diana Mahmud  
Councilmember Michael Cacciotti  
Councilmember Jack Donovan  
Councilmember Jon Primuth  
Councilmember Evelyn Zneimer

Re: Public Comment, Agenda Item 18, Additional Tenant Protections

Dear Mayor Mahmud and Councilmembers,

I write on behalf of the South Pasadena Tenants Union to ask for an amendment to the December 16, 2020, City Council Agenda Report regarding additional tenant protections for evictions based on substantial remodels. The report summarizes conversations that staff had “with various groups representing both tenants and property owners to better understand their concerns.” (Report, p. 3.) The South Pasadena Tenants Union was one of the groups representing tenants. We met with city staff on November 24. Because the concerns we expressed at that meeting have not been completely represented in the report, we request the City Council direct city staff to amend the report to include the points that we raise here.

**Requiring landlords to show permits for substantial remodels prior to proceeding with an eviction provides more fairness in the eviction process for tenants.**

During our meeting with city staff, we discussed the benefits to tenants in requiring landlords to show permits for substantial remodels prior to proceeding with evictions. This includes, as city staff mention, “protection from being evicted unnecessarily and that the burden of proof is placed with the landlord.” (Report, p. 5.) Unfortunately, the analysis of how the ordinance would protect tenants ends here. The memo, instead, focuses this part of the discussion on benefits to landlords, such as “protect[ing]” a landlord “from illegally evicting a tenant if the scope [of renovation] is not substantial.” (Report, p. 5.)

The main purpose of this ordinance to *protect tenants* gets lost in the report’s lengthier discussion of how the ordinance protects landlords. When a landlord issues a notice of termination to a tenant, whether the reason for termination is valid or not, this starts the eviction process in which the tenant must proactively defend the eviction. Under current law, without more protective measures in place, a landlord may merely claim that a unit is undergoing substantial renovation without actually proving it. Many tenants move out upon receiving a notice, without the means to secure legal representation or without wanting to go through the emotional labor of defending their right to live in their home.

After a notice expires and the tenant does not move out, a landlord may then file an unlawful detainer complaint in court. At this point, the landlord still does not have to show that the substantial renovation will in fact occur. This burden of proof is placed on the tenant to request formal discovery from the landlord or landlord’s attorney, such as filing requests for production of documents and deposing the



landlord. Without legal representation, tenants are unlikely to engage in these legal transactions and arguments for discovery.<sup>1</sup>

On balance, tenants bear more of the consequences and costs of evictions than landlords. Many times, landlords profit significantly after an eviction by raising rent on their units. Requiring landlords to be more transparent with renovations is one small yet meaningful action that the city can take to increase procedural fairness.

### **Punitive measures against bad landlords are not a substitute for the ordinance.**

The City Council Agenda Report states that “landlords were in agreement that bad actors should be penalized for abusing the substantial renovation provision of the law. Suggested alternatives included more education and enforcement, exemption for smaller property owners, and harsher penalties for property owners under current law.” (Report, p. 3–4.)

We provided feedback to city staff that harsher penalties against landlords are not a substitute for a protective ordinance because penalty amounts may still fall well below what landlords expect to profit from increased rent after evictions. In contrast, the consequences of evictions are lifelong for tenants, who usually experience higher housing costs upon moving. The median rent in South Pasadena is already \$1,802.<sup>2</sup> Removing more tenants under the pretext of substantial renovations would make South Pasadena an even more unaffordable place to live for many low- to moderate-income individuals. An increase in evictions would further contribute to the statewide affordable housing crisis.

**City staff have not provided substantial justification as to why they have suddenly changed their support of the ordinance and now recommend to delay a vote on the ordinance.**

In a November 17, 2020, memorandum to the Planning Commission, city staff represented that they will be recommending to the City Council to “provide additional protections beyond those outlined in AB 1482.” (Memo, p. 2). Specifically, these protections would be an ordinance to (1) “[r]equire owners to obtain all necessary permits for a substantial remodel prior to issuing a notice of termination; and (2) “[r]equire owners to include copies of all issued permits and include reasonably detailed information regarding the scope of work why the work cannot be reasonably accomplished in a safe manner with the tenant in place, and why the work cannot be completed within 30 days.” (Memo, p. 2.) As explained, “[t]he one-year duration of a City issued building permit offers sufficient time for landlords to commence construction after showing proof of a building permit for a substantial remodel.” (Memo, p. 2.) And furthermore, “because a building permit is extended for one (1) year beyond each building inspection, there would be no need for a landlord to apply to extend a permit [unless other circumstances exist].” (Memo, p. 2–3.)

In the current report submitted for this council meeting, city staff are now recommending to extend the eviction moratorium for substantial remodels up to 10 months and 15 days. (Report, p. 1.) During this time, staff suggests it will conduct additional outreach to landlords to make them “aware of their

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<sup>1</sup> “The average default rate across these four counties was approximately 40%. Put simply, in these counties, two in every five tenants defaulted in their cases, which means they had a judgment entered against them and they lost their home without ever presenting their side of the story or engaging in the legal system.” Report to the California State Legislature for the Sargent Shriver Civil Counsel Act Evaluation, p. 9 (June 2020), [https://www.courts.ca.gov/documents/Shriver-Legislative-Report\\_June-30-2020.pdf](https://www.courts.ca.gov/documents/Shriver-Legislative-Report_June-30-2020.pdf).

<sup>2</sup> <https://www.census.gov/quickfacts/fact/table/southpasadenacitycalifornia/IPE120219>



existing responsibilities, to provide guidance on how to determine if the scope of work is substantial, and to provide guidance on how obtain permits efficiently with a tenant in place.” (Report, p. 5.) All this education does not prevent pretextual evictions based on substantial remodels. Without the ordinance to close the substantial remodel loophole, tenants would still have incomplete information about the details of renovations in defending their evictions and landlords stand to gain significantly from rent hikes.

For these reasons, we are not in agreement with landlord groups that “that additional education and outreach efforts [are] required on current laws related to housing, tenant rights, and landlord responsibilities” (Report, p. 4) for the purpose of further considering the merits of the ordinance or delaying a vote on the ordinance. We believe the merits of the ordinance are clear. Education on existing tenant rights and landlord responsibilities can occur after the ordinance is passed.

Thank you for your consideration of this matter.

Sincerely,

Helen Tran  
South Pasadena Tenants Union



## Planning Commission Agenda Report

ITEM NO. 3

**DATE:** January 12, 2021

**TO:** Planning Commission

**FROM:** Joanna Hankamer, Director of Planning and Community Development

**PREPARED BY:** Elizabeth Bar-El, AICP, Interim Manager of Long Range Planning and Economic Development

**SUBJECT:** **Inclusionary Housing Ordinance & Density Bonus Update**

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### **Recommendation**

It is recommended that the Commission:

1. Receive and file this update.
2. Recommend that staff and the housing element consultant team confer with HCD regarding a RHNA approach using the inclusionary/density bonus strategy to develop the housing element's suitable sites inventory.

### **Background**

On December 15, 2020, the Planning Commission held a study session to receive a presentation from staff and guide preparation of an inclusionary housing ordinance and potential amendments to the Code's density bonus provisions in support of improving the process and quality of affordable housing. Staff is developing these proposals for Commission and Council consideration to support implementation of State requirements to adopt a Housing Element by the end of 2021. The Housing Element requires State certification that the City's plan provides adequate sites and housing policies to facilitate construction of market rate and affordable units as required by the City's Regional Housing Needs Assessment (RHNA) allocation. Adopting an inclusionary housing policy, for the City generally and potentially with incentives for some specific sites that have greater development potential, is emerging as a key policy tool to achieve these units and comply with the RHNA.

Commissioners provided input to staff on their positions in regard to a number of program elements that are typically included in Inclusionary Housing ordinances, including:

- Priorities regarding minimum project size applicability (number of units for onsite/offsite; number of units for in-lieu fee)
- Priorities for percentage requirement per income level (units to provide, potentially tiered based on affordability level and project size)
- Alternative compliance possibilities

- In-lieu fee
- Off-site housing provision
- Land dedication
- Offering potential design tools (height, height calculations, architectural appurtenances/projections, setbacks, stepbacks, etc.) and/or other incentives to guide use of State Density Bonus Law provisions
- Priorities for unit size, site distribution, design and other details
- Whether to allow inclusionary units for sale or rental only
- Length of covenant for maintaining affordability

The Planning Commission appointed a low-income housing sub-committee (Commissioners Tom and Dahl) to work with staff on further developing the ordinance. Commissioner Padilla was also appointed as an alternate and will join the sub-committee once the Council appoints a new Planning Commissioner to replace outgoing Commissioner Tom.

Concurrent with the sub-committee's work, staff and the Placeworks consultant team have continued to analyze suitable sites to develop a Suitable Sites Inventory (SSI) based on the RHNA allocation. The team has looked citywide, with particular focus on opportunity sites discussed with the Commission at previous meetings. The Commissioners provided comments on scenarios that were presented at the December 15<sup>th</sup> meeting using density alternatives that could be adopted in the Downtown Specific Plan and General Plan, with an assumption that the City will adopt an inclusionary housing requirement. The consultants have suggested that the City is now in a position to consult with the State Department of Housing & Community Development (HCD) on the approach and preliminary resulting numbers.

### **Sub-committee Progress**

The sub-committee held two meetings on December 21 and December 23, reviewing draft ordinance provisions and refining proposals related to the applicability and provisions of the ordinance. The group reviewed examples that may be appropriate for South Pasadena, requesting additional input and staff research. The sub-committee expressed that they would like to see some additional community outreach, both to developers with recent multi-family development experience in the city and region, and to the community.

The sub-committee has focused on drafting provisions that favor on-site inclusion of units, while providing alternatives as required by State law. Potentially, it may be beneficial for the City to allow smaller projects to comply with the ordinance through payment of in-lieu fees, and the Commission has expressed concerns about the City's capacity to run such a program. In December, staff met with the administrators of the San Gabriel Valley Affordable Housing Trust Fund, a newly established regional collaborative for building affordable housing, of which the City is a member, in order to determine whether the Trust Fund could be a viable partner to utilize affordable housing in-lieu fees for building affordable housing units in the City and region. The initial indication is that this may be a good option although additional research is pending.

Staff continues to refine the draft ordinance. The Sub-committee's next meeting is scheduled for January 12, 2021. Staff also plans to use the opportunity of an upcoming Housing Workshop

focused on tenant protections to provide the community with information about the inclusionary housing ordinance process.

### **Update on Housing Element Suitable Sites Inventory**

With progress toward bringing the Inclusionary Housing Ordinance forward for recommendation and adoption, staff and Placeworks have made progress in identifying sites with capacity for housing development, both market-rate and affordable levels. The suitable sites inventory must comprise adequate sites as determined by HCD. Preliminary discussions have confirmed that the City's approach of adopting inclusionary housing requirements, coupled with existing State Density Bonus laws, has potential to achieve RHNA compliance, provided there are sufficient sites that are zoned, or can be re-zoned to accommodate the additional units.

Staff will provide a presentation at the hearing and requests the Commission's confirmation that it supports taking the next steps in seeking HCD's review to advise whether the draft SSI and associated policies might form an acceptable housing plan in compliance with the RHNA.

### **Next Steps**

Staff is on schedule as discussed at the December 12 study session as follows:

1. January 26, 2021 - Special Meeting for recommendations to the City Council
2. February 2021 - First reading and introduction of Inclusionary Housing Ordinance by City Council
3. February/March 2021 - Second Reading and Adoption of Inclusionary Housing Ordinance by City Council

### **Legal Review**

The City Attorney has reviewed this item.

### **Fiscal Impact**

There is no fiscal impact.

### **Public Notification of Agenda Item**

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website and/or notice in the South Pasadena Review and/or the Pasadena Star-News.