



## Additional Documents Distributed for the City Council Meeting of June 13, 2023

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02.	PUBLIC COMMENT – ITEM NO. 3	Brian Abernathy	Email to Council
03.	INTRODUCTION AND FIRST READING OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA AMENDING ARTICLE X (“JUST CAUSE FOR EVICTION”) TO TITLE 17 (“HEALTH AND	Angelica Frausto-Lupo	Memo for Clarification

	SANITATION”) OF THE SOUTH PASADENA MUNICIPAL CODE		
03.	INTRODUCTION AND FIRST READING OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA AMENDING ARTICLE X (“JUST CAUSE FOR EVICTION”) TO TITLE 17 (“HEALTH AND SANITATION”) OF THE SOUTH PASADENA MUNICIPAL CODE	Angelica Frausto-Lupo	PowerPoint



**California Apartment Association**  
4401 Atlantic Ave. Suite 200  
Long Beach, CA 90807

June 13, 2023

Mayor Primuth & City Council  
City of South Pasadena  
VIA Email

**Re: Just Cause Ordinance Amendment**

Dear Mayor Primuth and Council Members:

The California Apartment Association (CAA) represents ethical, law-abiding housing providers 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. Our members provide a majority of the obtainable housing throughout Los Angeles County.

**On behalf of CAA, I strongly urge the City Council to vote “no” on amending South Pasadena’s Just Cause ordinance.** The council should engage in more research as it reviews this important issue.

- A study should be conducted to analyze the added costs to a major renovation and review its economic impact on affordability of the city’s aging housing stock.
- The city’s report highlights jurisdictions that are known to have flawed housing policy. A review of these cities and their programs should be studied to determine their effectiveness.
  - As recently as May 2023, the Culver City council discussed their strict rehabilitation procedures and expressed a need to possibly ease their restrictions.
  - In 2016, The City of West Hollywood commissioned a study seeking innovative ways to encourage owners to re-invest in necessary capital improvements and rehabilitation to maintain and upgrade essential building systems. The city has similar provisions to which South Pasadena is now considering.
  - The city of Los Angeles’ Substantial Renovation Program should be reviewed in depth. It is underutilized due to its bureaucratic and costly nature and is a deterrent to updating housing stock. It simply does not work as intended.

This action will discourage owners from making necessary property upgrades due to severely increased rehabilitation costs. Over 70% of the city’s housing stock was built prior to 1970. These types of hardships being placed on housing providers are affecting all residents and is leading to even more expensive and lesser-quality housing. Our members are not in the eviction business. They help house South Pasadena.

I appreciate the city including CAA and the rental housing industry in this discussion. Please oppose the amendments to the “Just Cause” ordinance and continue researching these specific housing concerns.

Sincerely,

Matthew Buck  
Vice President of Public Affairs  
California Apartment Association

A.D. - 3

**From:** [Michael Thurman](#)  
**To:** [City Council Public Comment](#)  
**Cc:** [Granville & Dianne Thurman](#); [Jack Donovan](#); [Janet Braun](#); [Jon Primuth](#); [Michael Cacciotti - Personal](#)  
**Subject:** Written Public Comments re: Special Meeting - July 13, 2023  
**Date:** Tuesday, June 13, 2023 6:06:33 AM  
**Attachments:** [M. Thurman comment letter.6.13.23.pdf](#)

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**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 see my attached letter for tonight's meeting.

Thank you,

Mike Thurman

Michael A. Thurman  
THURMAN LEGAL  
1055 East Colorado Blvd., 5<sup>th</sup> Floor  
Pasadena, CA 91106  
(626) 399-6205 (Direct)  
(626) 380-4880 (Facsimile)  
[michael@thurmanlegal.com](mailto:michael@thurmanlegal.com)

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**Via Email**

June 13, 2023

Mayor Jon Primuth  
Mayor Pro Tem Evelyn G. Zneimer  
Councilmember Jack Donovan  
Councilmember Michael A. Cacciotti  
Councilmember Janet Braun

City of South Pasadena  
1424 Mission Street  
South Pasadena, California 91030

Dear Members of the Council:

“Given the ***imminent threat of eviction facing South Pasadena tenants based on a property owner’s stated intent*** to ‘substantially remodel’ in accordance with the City’s existing Just Cause for Eviction Ordinance, staff believes that the City must adopt an [Emergency] ordinance that amends the existing Just Cause for Eviction Ordinance to limit the permanent displacement of tenants from their rental units.”

City Council Agenda Report, June 13, 2023 (Emphasis added.)

Without any supporting evidence, the Staff has based its recommendation to amend our existing ordinance on its claim that a landlord’s mere “stated intent” to remodel their property is sufficient to evict a tenant. That claim is flat-out wrong - the current ordinance plainly prohibits “phony remodel evictions” and instead provides extensive tenant protections against such abuses.

More importantly, the Staff report cites to no examples – not a single one – of any such bogus evictions that have occurred in South Pasadena. This proposal arises from ***a single set of complaints*** made about ***one South Pasadena property***. Moreover, the Staff has made ***no findings*** that the landlord in that case failed to comply with the requirements that are built into the existing law. Nor has the Staff make any finding that the existing law is unclear in any respect.

Instead, the Staff has suggested changes to an effective law, which was expressly written to prevent bogus evictions, and replace it with a law that would ensure that the costs of vital and substantial landlord renovations - validated by City-issued building permits - will be increased dramatically. These proposed provisions would impose extensive financial obligations ***on the vast majority of SP landlords*** to provide tenants with “better than existing” accommodations, including paying a multiple of the tenant’s monthly rent obligation, and cash reimbursements for moving and other expenses claimed by tenants.

As proposed, these costs will hit our own town residents the hardest. Activist newcomers argue that longtime resident property owners – the “good” landlords – will somehow not be impacted by these proposed changes. However, there’s no exemption for longtime residents or for “Mom and Pop” landlords. In fact, the Staff failed even to consider how many locally-owned properties would be affected by the proposal nor did it comply with the Council’s direction to investigate local “Mom and Pop” ownership in the context of South Pasadena’s residents. Rather than evaluate how many small local property owners would be affected by these changes, the Staff focused only on how **other jurisdictions** have defined such ownership. That tells us nothing of the fallout that would be felt by good people here in South Pasadena.

How many of the 65% of the properties we are talking about here - with four or fewer units - belong to folks like my parents, who spent their lives as South Pasadena students, teachers and parents, raising three kids and three grandchildren in this town. While others loudly proclaim that “we all know” that the vast majority of SP properties are owned by Big Corporate Landlords, where’s any support for that claim? What study has been done on that issue by the Staff, as they were charged by the Council? And what steps have been taken to protect the “good” landlords, even if it were shown that any abuses have actually occurred at the hands of “bad” landlords?

And by the way, why the mad rush to amend this ordinance? Who doesn’t want the questions raised above to be answered? As far as I can tell, it is only those who want to use an isolated set of unsubstantiated claims about a single landlord to justify a process that would heap extensive and unsustainable costs on landlords who are just trying to keep up our City’s residences, which easily average more than 50 years in age, without any consideration of who those people are.

If these proposed changes are truly intended to reign in some demonstrated abuses that are actually occurring in our community – which have not to date been shown to exist – they must be crafted to protect all of our residents rather than respond knee-jerkedly to an “emergency” crisis claimed by a loud few.

Please require Staff to take the time to assess what’s actually going on here – and who and what the effects of the proposed changes would be - before implementing untested new rules from other large cities that have very little in common with our Hometown.

Very truly yours,

A handwritten signature in black ink that reads "Michael A. Thurman". The signature is fluid and cursive, with a long horizontal line extending from the end of the name.

Mike Thurman

2025 Fletcher Avenue  
South Pasadena, California 91030

**From:** [Ed Elsner](#)  
**To:** [City Council Public Comment](#)  
**Subject:** Public Comment -- Item 3, City Council Special Meeting, June 13, 2023  
**Date:** Tuesday, June 13, 2023 9:30:28 AM

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**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.

Mayor Primuth and City Councilmembers Braun, Cacciotti, Donovan, and Zneimer,

I'm writing in support of the proposed ordinance amending the City's Just Cause for Eviction ordinance to remove "substantial remodel" as a no-fault, just-cause reason for termination of tenancy and to provide for tenant protections for "necessary and substantial repairs."

Here are a couple suggestions for sections 17.106(f)(5)(A) and (B) relating to temporary relocation benefits and comparable temporary housing:

- 17.106(f)(5)(A): The daily rate for temporary relocation benefits should be standardized and should reflect market conditions. If the temporary relocation benefits are calculated based on the tenant's actual rental rate, which varies from tenant to tenant, this would put a heavier burden on lower-income tenants who are paying lower rent. The proposed ordinance could instead incorporate the federal per diem rates set and published annually by the U.S. General Services Administration (the County of Los Angeles temporary relocation amounts are based on the federal per diem rates):

[https://www.gsa.gov/travel/plan-book/per-diem-rates/per-diem-rates-results?action=perdiems\\_report&fiscal\\_year=2023&state=CA&city=&zip=91030](https://www.gsa.gov/travel/plan-book/per-diem-rates/per-diem-rates-results?action=perdiems_report&fiscal_year=2023&state=CA&city=&zip=91030)

- 17.106(f)(5)(B): As written, if the owner exercises the comparable housing option where the tenant is relocated to another building, the tenant could arguably be required to temporarily relocate anywhere. There should be an express geographic limitation so that the tenant will remain in or in close proximity to the South Pasadena community. This is especially important for families with children in South Pasadena schools.

Last, the 30-day notification required by section 17.106(f)(4)(I) when the tenant remains in the rental unit during repair should include, in addition to the description of the nature of the work, a description of the habitability impacts of the work (e.g. noise, utility interruptions, restricted access to portions of the rental unit) and the proposed mitigation measures required by section 17.106(f)(4)(A). As written, the proposed ordinance requires the landlord to provide this information only when the

tenant must temporarily vacate the rental unit (see section 17.106(f)(2)), which will not always be the case. Where the tenant remains in the rental unit during repairs, the landlord should also provide information about the items listed at section 17.106(f)(4)(B) through (H) (e.g., protection of personal property, alternative parking) as applicable. It's important not only for the landlord to have a plan to address the listed items, but also to communicate the plan to the tenant ahead of time so the tenant knows what to expect. This will also give the landlord and tenant time to troubleshoot any issues before the repairs begin.

Thank you for your consideration of this comment.

Ed Elsner  
1708 Milan Ave.



**From:** [Janet Gagnon](#)  
**To:** [Jon Primuth](#); [Evelyn Zneimer](#); [Jack Donovan](#); [Michael Cacciotti](#); [Janet Braun](#); [City Council Public Comment](#)  
**Cc:** [Daniel Yukelson](#); [Max C. Sherman](#); [Martin Makaryan](#)  
**Subject:** Tonight's City Council Meeting - Exclusion of Substantial Remodels from Just Cause Ordinance (Agenda Item 3)  
**Date:** Tuesday, June 13, 2023 10:12:05 AM  
**Attachments:** [image001.png](#)  
[South Pasadena Comment Letter-06122023-Final.pdf](#)

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Dear Honorable Mayor Primuth and Members of the South Pasadena City Council.

Attached please find the comprehensive formal comment letter from the Apartment Association of Greater Los Angeles (AAGLA) for your review and consideration. AAGLA is strongly opposed to the proposed draft ordinance as it would completely **prevent** small mom-and-pop owners from conducting substantial remodels, even for health and safety reasons, as it requires extremely exorbitant temporary relocation fees to be paid by them. This will cause **more** long-time mom-and-pop owners to go out of business resulting in more “new” owners, most likely development corporations, that are the ones causing the substantial increases in rent and relocations. Please help us keep existing mom-and-pop owners in South Pasadena by rejecting this ordinance or modifying it to exclude them from it or greatly reduce relocation fees for them.

We would also greatly appreciate the opportunity to be involved in all discussions being held by City staff with other parties on this and other rental housing issues. We were purposefully excluded from the June 1<sup>st</sup> meeting despite having spoken at the May 17<sup>th</sup> City Council meeting as well as submitting formal written comments. We represent nearly 10,000 rental housing providers with the vast majority being mom-and-pop owners across Los Angeles County, including South Pasadena. Our members are the ones most drastically impacted by this ordinance and we are their LOCAL trade association. As such AAGLA deserves to be at the table with all other stakeholder organizations. Due to our exclusion and the extremely short notice given for the Community meeting held last night, we would urge the City Council to suspend this item until the Council and staff have had the opportunity to discuss this issue further with ALL key stakeholders as well as the broader community.

Thank you for your consideration.

Sincerely,

Janet M. Gagnon



**Janet M. Gagnon, Esq.**  
**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 | [janet@aagla.org](mailto:janet@aagla.org)**  
**[www.aagla.org](http://www.aagla.org)**





*“Great Apartments Start Here!”*

Janet M. Gagnon  
Director, Government Affairs & External  
Relations  
janet@aagla.org  
213.384.4131; Ext. 309

June 13, 2023

**Via Electronic Mail**

Hon. Mayor Jon Primuth, and the  
Members of the South Pasadena City Council  
1424 Mission Street  
Pasadena, California 91030

Re: Introduction and First Reading of an Ordinance of the City Council of the City of South Pasadena, California, Amending Article X (“Just Cause for Eviction”) to Title 17 (“Health and Sanitation”) of the South Pasadena Municipal Code (Agenda Item 3)

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Dear Hon. Mayor Primuth and Members of the South Pasadena City Council:

At the City Council meeting on Tuesday, June 13<sup>th</sup>, the Council will consider adoption of a further modified Just Cause ordinance that would completely eliminate undertaking a substantial remodel as a cause for No-Fault tenancy termination (Agenda Item 3). The Apartment Association of Greater Los Angeles (AAGLA) is opposed to this complete ban on substantial remodels as it will only lead to the destruction of existing naturally occurring affordable rental housing in South Pasadena.

**In stark contrast to the false claims made in the staff report supporting the draft ordinance, “striking a balance between the interests of tenants and property owners,” it is a completely one-sided attempt to lock owners out of the ability to conduct any substantial remodels, including for health and safety, and is particularly harmful to existing independent, mom-and-pop owners.** By prohibiting substantial remodels, the proposed ordinance will force **more** mom-and-pop owners out of business resulting in new properties being built in their place in the form of luxury apartments or condominiums **not** subject to existing state law or local ordinances, including renter protections. While staff acknowledges, “South Pasadena’s tight rental market with a shortage of units with rents affordable to households with moderate and lower incomes” and that the current relocations are being caused by “new” owners and not existing mom-and-pop owners, they completely fail to recognize that such a policy will only fuel the sale of more naturally occurring, affordable rental properties to new owners – the same ones drastically increasing rents and causing relocations.

It is shocking that while staff provided significant information on what a few other cities are doing (and notable **NOT** the majority), they provided no basic economical analysis of the rental housing market in South Pasadena. Anyone who has taken an “Economics 101” course knows that any owner (such as independent, moms-and-pops, corporate owner or foreign investor) cannot stay in business if they are unable to maintain their property to modern living standards by conducting substantial renovations and charging current market rates. As they would no longer be “competitive” in the market due to this policy, mom-and-pops will be forced to either sell their property immediately to receive the highest price for it based on its current condition or allow it to continue to fall farther and farther behind in modern living standards. In either case, the existing mom-and-pop owner will eventually be forced to sell to a developer with the entire

building being demolished and replaced resulting in all renters being relocated at the time of demolition versus the handful needing relocation for a substantial remodel, which commonly occurs on a unit-by-unit basis. **By adopting this policy, the Council would be displacing many more existing South Pasadena renters.**

What makes this draft ordinance even more egregious is that it inflicts far more harm onto the existing independent, mom-and-pop owners providing the naturally occurring affordable rental housing than on large corporate owners who have substantially more financial resources. **By charging DOUBLE the daily pro rata rent rental rate of the tenant's unit as a "temporary relocation fee" to be paid by the owner to the renter regardless of the type of property owner (mom-and-pop, corporations, foreign conglomerate). NO other jurisdiction mentioned in the staff report is charging this abusively high rate as temporary relocation fees.** Also, Claremont, Glendale and Pomona all still allow substantial remodels. Yet, Pasadena's new restrictions were adopted by ballot measure and **NOT** Council action. As a result of the currently proposed relocation fees, mom-and-pop owners will be effectively prevented from conducting any type of renovations including those needed for health and safety. This injustice could be easily rectified by excluding mom-and-pop owners from the ordinance entirely as has recently been done by Claremont for owners with 9 or fewer units (as noted in the staff report).

It should also be noted that the June 1<sup>st</sup> meeting was an exercise in extreme bias by City staff as AAGLA was purposefully excluded from the meeting despite the fact that **AAGLA is the LOCAL trade association for rental housing providers throughout Los Angeles County, including South Pasadena.** In addition, more than 80% of our members are independent, mom-and-pop rental housing owners with fewer than 20 units. We have existed for more than 105 years, since 1917, and are in no way affiliated with the California Apartment Association (CAA). In fact, we have our **own** state level association, namely the California Rental Housing Association (CalRHA).

Further, AAGLA submitted formal written comments to the entire City Council in advance of the May 17<sup>th</sup> City Council meeting and attended the meeting providing public comments, including recommending the mediation program that was further researched by staff. Yet City staff purposefully chose to exclude AAGLA while inviting "stakeholders representing the California Apartment Association, Pasadena-Foothills Association of Realtors, South Pasadena Tenants Union, Care First South Pasadena, and Abundant Housing LA engaged in a policy-focused discussion." To their June 1<sup>st</sup> meeting. By this purposeful omission, it seems clear that City staff did **not** want to hear from representatives for independent, mom-and-pop owners who would be most directly and substantially harmed by this proposed policy.

Despite staff's blatant attempts to silence AAGLA's voice on behalf of our members, we hereby request that the Council reject the further revised Just Cause ordinance as devastating mom-and-pop owners and fueling the additional loss of the most affordable rental housing in South Pasadena. If the Council does proceed, we ask that mom-and-pop owners with fewer than 20 units be excluded from the ordinance entirely or at least pay substantially reduced relocation fees, so that they can continue to stay in business and maintain ownership of their properties. We also request that AAGLA be specifically invited to any future rental housing meetings held by City staff.

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 [janet@aagla.org](mailto:janet@aagla.org).

Very truly yours,

*Janet M. Gagnon*



# AAGLA

*"Great Apartments Start Here!"*

Janet M. Gagnon, Esq.

**From:** [Deborah Lutz](#)  
**To:** [primuth@southpasadenaca.gov](mailto:primuth@southpasadenaca.gov); [ezneimer](#); [Michael Cacciotti](#); [Jack Donovan](#); [Janet Braun](#); [Armine Chaparyan](#); [City Council Public Comment](#)  
**Subject:** Vote to Extend the Substantial Renovation Eviction Moratorium for 6 months  
**Date:** Tuesday, June 13, 2023 10:27:10 AM

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**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 Council Members,

I urge you to Extend the moratorium for 6 months while Staff and Council Members can gather more information rather than approve the staff recommendation at this time.

Housing providers are essential service providers in our community. We support the extension of the moratorium.

**We Need More time to consider several issues regarding tenant protections as it relates to the Housing Element. Housing Providers and Property Managers support extending the substantial renovation eviction moratorium for 6 months to allow for a more in depth study and stakeholder input.**

We support "temporary relocation" formula.

During last night's zoom meeting Tenants, Housing Providers and Staff mentioned this process has been rushed by the nature of City Council meeting dates.

Staff needs to better analyze and understand the financial impacts of how Property Insurance requirements are changing, increasing rates significantly and requiring capital improvements in order to obtain insurance.

Other Capital improvements such as pending earthquake retrofit requirements are also financial constraints that need to be taken into consideration.

What has the city of South Pasadena done to assist the few residents that have been displaced for substantial renovations? Claremont created a 1 million dollar fund and Burbank allocated \$600,000 from their general fund to address lower income displacement assistance.

If the long term goal is to maintain housing affordability and quality housing stock then a more comprehensive plan needs to be ironed out. Extending the temporary

moratorium allows for this to happen in a thoughtful way with the expectation of better long term results for stakeholders on all sides (tenants, city, housing providers).

Housing Providers are demonstrating a willingness to collaborate on a viable solution. A permanent decision at this time about substantial renovation is premature and will result in significant unintended consequences.

Please vote to extend the moratorium rather than approve it.

--

Deborah Lutz  
[dlutz70@gmail.com](mailto:dlutz70@gmail.com)

**From:** [Phil Rowland](#)  
**To:** [City Council Public Comment](#)  
**Subject:** RENTERS PROTECTIONS / OWNER MOVE IN  
**Date:** Tuesday, June 13, 2023 10:46:33 AM

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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.

Tuesday, June 13 2023

I must plead with this council to also address a second loophole being used to evict tenants. This being "owner move in"...so far the focus has been on renovation evictions. An owner move in eviction is no less devastating, and should be equally as important!

Pasadena has included the exemption clause from the Ellis Act which reads as follows:

/ Which Pasadena Tenants are Protected from an Owner Move-In Eviction?

A landlord may not perform an owner move-in eviction or relative move-in on the following Pasadena tenants:

A Pasadena tenant that has resided in their unit for at least five (5) years and is either:

At least sixty (60) years or older;

Disabled; or,

Is certified as terminally ill by the Pasadena tenant's treating physician. Pasadena City Charter § 1806(9)(F). /

In my case I meet all three of these exemptions. There should be protections for people who are in special circumstances.

In addition if I may offer the following considerations:

: Eliminate or put restrictions on "no fault evictions"

: Strongly consider the complications caused by being forced to move...some people can no longer afford to remain in SP and may have to move a distance away...taking them away from their Drs., work, schools, family or needed services...this type of uprooting can be extremely hard. People are already stretching beyond their means to keep their "homes"...a move almost surely means a higher rent rate!

: Those who are still forced to move must receive adequate compensation. People's budgets are NOT prepared for the cost of a move.

: 30, 60, or even 90 days notice is not enough time in today's rental climate. This kind of thing is happening everywhere and it is nearly impossible to find a new place at an affordable rate. How do people keep their work schedule, parental obligations etc...and still have time to search for new housing?...This is quite nearly asking the impossible, not to mention the stress and pressure. Tenants are not trash to be thrown out when it is convenient ..please make the rental agreement work both ways...if owners chose to get into this business...they should be obligated to treat tenants humanely!

Housing is a basic human need and should not be traded like a commodity. Property "investment" companies have become predatory...where is the line?

Thank You  
Philip and Tracy Rowland  
South Pasadena





**From:** [Greg Anderson](#)  
**To:** [City Council Public Comment](#)  
**Subject:** SO PAS JUST CAUSE - THE ISSUES REQUIRE FURTHER STUDY  
**Date:** Tuesday, June 13, 2023 12:48:54 PM

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**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 am a rental housing provider in South Pasadena and Pasadena, and maintain tenant occupied buildings originally constructed in the 1920's in both cities. I am also the developer and a principal in other local market rate rental properties and a principal in the development, management and ownership of approximately 1700 veteran and workforce rental units located in five states including California.

I respectfully request your consideration of the comments below and my belief that it is premature for the South Pasadena City Council to take action on the draft just cause eviction amendments.

***What trajectory for South Pasadena's aging rental housing stock does the Council want?***

A fundamental big picture question the City Council should very carefully consider and answer before taking any action affecting 10,613 rental units in South Pasadena is, *what condition and direction for South Pasadena's 50-100-year-old rental housing stock do we really want?*

Will additional regulatory controls encourage or discourage maintenance and improvements including substantial remodels? Do we want well-maintained and improved rental housing inclusive of upgrades and remodeling, or the opposite?

Lost in the current discussion is the basic fact that maintaining quality residential rental housing, particularly the aging rental housing in South Pasadena, requires *continuous capital investment* and the availability of *real estate financing*. If the impact of regulatory controls is to discourage lifeblood capital investment and institutional lending then the Council will be legislating an assured declining trajectory for the condition, quality and possibly safety of the city's rental housing.

If "*substantially remodel*" is removed as a "*no-fault just cause*", continuation of the tenancy at the prior rent is required and there is no increased rent for return on the additional investment or for debt service of a loan to pay for the improvements, then the **economic reality** of this Council action is that substantial remodels inclusive of basic systems replacements and upgrades in South Pasadena rental housing will simply not happen.

***Has the justification for regulatory restrictions on 10,613 rental units been sufficiently established?***

The justification for the proposed just cause amendment controlling 10,613 rental units appears to be primarily based on tenants in four units at 1313 Huntington Drive receiving 60-day notices of termination of tenancy for "substantial remodel" of their units.

Was the situation in 1313 Huntington Drive specifically reviewed by City Staff, was the property owner contacted and interviewed, and were the four units in question inspected and evaluated? Was the overall financial situation of each tenant reviewed? Was the current rent amount, length of tenancy and period of time since the last rent increase(s) considered?

Before extensive restrictions on all rental units in South Pasadena are imposed, the

City Council should have a complete understanding of the above and to certainly communicate and discuss its findings with the high majority of South Pasadena property owners that are not bad actors but would now be subject to blanket regulation.

***Consider the entire financial situation of fixed income tenants.***

There is no doubt that rising prices for *everything* resulting from inflation has a serious impact on fixed income individuals. The issue is not just the cost of rental housing, it is the rising cost for everything across the board inclusive of food, clothing, transportation, medical and health care, for fixed income residents of South Pasadena.

If the justification for regulatory controls on 10,613 rental units (and the unintended consequences thereof) is the financial impact of rent increases on what appears to be a small number of South Pasadena fixed income individuals, then shouldn't we first comprehensively identify these individuals and consider specific solutions for those that are at-risk before imposing regulations on the entire housing stock?

**Conclusion**

In conclusion, the Council should clearly define and articulate its perceived responsibility and objectives for South Pasadena rental housing. My sincerely belief is that the best approach is a dual focus of 1) solutions for the verified financial situations of impacted South Pasadena tenants and 2) avoiding unnecessary regulations and controls and the unintended consequences to our rental housing stock that will inevitably result. The above aspects require careful further evaluation before the Council takes action.

Sincerely,

Greg Anderson

**From:** [Rian Barrett](#)  
**To:** [City Council Public Comment](#)  
**Subject:** Agenda Item 3 Public Comment  
**Date:** Tuesday, June 13, 2023 1:05:16 PM  
**Attachments:** [image001.png](#)  
[S. Pasadena Just Cause E.M. 6.13.23 final.pdf](#)

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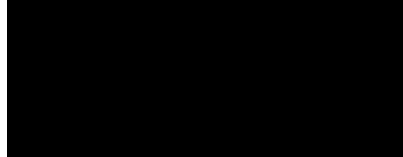
**CAUTION:** This email originated from outside of the City of South Pasadena. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Good afternoon all,  
Please find the attached public comment for tonight's meeting.

Thank you,  
Rian Barrett



**Rian Barrett**  
Vice President, Staff/ Government Affairs  
Director





June 13, 2023

Mayor and City Councilmembers  
City of South Pasadena  
Delivered Via Email  
RE: Agenda Item 3

Dear Members of the South Pasadena City Council:

The Pasadena-Foothills REALTORS® appreciate being involved in the recent stakeholder conversations surrounding the newly implemented Just Cause for Eviction moratorium in South Pasadena. Last night, we took part in another Town Hall related to this issue which included community stakeholders and city officials. The conversation was extremely concerning for a multitude of reasons.

- **City staff admitted they rushed the issue.** We urge the council to instruct staff to take the needed time to develop a Just Cause Eviction ordinance (JCO) for the city. We ask that you not support this measure without looking at the totality of the circumstances. Extend the moratorium if you must. It is imperative that city staff provide an honest and complete ordinance for council review.
- **Economic impacts to the real estate market.** As presented, the proposed JCO does not discuss the full economic impact this will have on the housing market. This ordinance restricts private property rights. It will slow, if not *halt*, real estate transactions in the city. South Pasadena's housing industry will be negatively impacted if you are unable to complete transactions and owners are unable to lawfully move into units they rightfully own.

As presented, the JCO chips away at each property owner's rights in South Pasadena. **By creating ordinances like this, you deter the type of housing providers we want to invest in South Pasadena.** We want housing providers that will support and work with our tenants. Why would any property owner want to rent in such a restrictive market?

The current eviction moratorium ensures there are no *Just Cause, No-Fault Evictions* in the city. We implore the council to direct staff to fully research the issue and not cherry pick solutions from neighboring cities. We understand that there are considerable pressures from tenants' groups in the area, but what is currently in place will protect tenants from any unscrupulous landlords. Please oppose the proposed JCO and continue to study a reasonable and fair approach for this issue.

Thank you for your honest consideration of this matter.

**Pasadena-Foothills REALTORS®**

**From:** [Brian Abernathy](#)  
**To:** [primuth@southpasadenaca.gov](mailto:primuth@southpasadenaca.gov); [ezneimer](#); [Michael Cacciotti](#); [Jack Donovan](#); [Janet Braun](#); [Armine Chaparyan](#); [City Council Public Comment](#)  
**Subject:** Proposed Substantial Renovation Eviction Legislation - Please Don't Rush This!  
**Date:** Tuesday, June 13, 2023 2:13:22 PM  
**Attachments:** [image001.png](#)

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**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 Honorable Mayor and City Council,

I have been a South Pasadena landlord for approximately 8 years with partnership interests in a total of 29 units. I have also been an insurance agent for 32 years whose target market has been apartment owners and the apartment industry. I've learned through self-managing my units and working with apartment owners in my insurance career what it takes to be a good landlord. I'm fair with my residents and keep my buildings safe and habitable.

The proposed changes for substantial renovation deeply concern me because they strip all incentive for landlords to make needed life and safety repairs to buildings. The proposed legislation will negatively affect the future insurability of aging housing stock in the city. As a landlord, I'd rather sell my buildings than navigate the proposed legislation and renovate for absolutely NO return on investment.

I'm sure you recently heard that State Farm (4<sup>th</sup> largest writer in California) recently quit writing commercial and residential property insurance. Allstate (2<sup>nd</sup> largest writer in California) quit writing business recently as well. I used to write a ton of apartment insurance with Travelers who only writes the newest apartments now (most South Pasadena's apts don't qualify). Other carriers who left the apartment marketplace recently include Nationwide, Leading Insurance Group, Kookmin Best Insurance Company, State National, AM Guard and Civil Service Employees Insurance. I can still write insurance with Mercury for older apartments with proof of building permits showing that the structures were gutted to the studs and have all new roofs, electrical, plumbing and heating systems. These kinds of renovations cost approximately 80 – 100k per unit.

There are a lot of stakeholders who haven't been considered. This legislation feels very rushed. The feasibility should be thoroughly studied and reviewed before it's adopted. At this time, I urge you to extend the current eviction moratorium allowing more time to review the ramifications that strict substantial eviction laws will have.

Thank you,  
Brian Abernathy

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Brian T Abernathy

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City of South Pasadena  
Community Development  
Department

# Memo

**Date:** June 12, 2023

**To:** The Honorable City Council

**Via:** Arminé Chaparyan, City Manager *AC*

**From:** Angelica Frausto-Lupo, Community Development Director  
Leah Demarest, Senior Planner for Housing Programs

June 13, 2023, City Council Special Meeting Item No. 3 Introduction and First Reading of an Ordinance of the City Council of the City of South Pasadena, California Amending Article X ("Just Cause for Eviction") to Title 17 ("Health and Sanitation") of the South Pasadena Municipal Code

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The memo provides minor proofreading corrections of sequencing and typographical errors of the proposed Ordinance amending Article X ("Just Cause for Eviction") of Title 17 ("Health and Sanitation") of the South Pasadena Municipal Code. No substantive changes were made to the proposed Ordinance.



# Proposed Just Cause for Eviction Ordinance

**June 13, 2023**

**Prepared By: Community Development Department**

# Overview

- Background
- Strengthened Substantial Remodel Provisions
- Defining Mom and Pop Landlords
- Rental Housing Mediation Programs
- Analysis of South Pasadena Rental Properties
- Existing “Substantial Remodel” Provisions
- Proposed “Necessary and Substantial Repairs” Provisions
- Calculating temporary relocation benefits
- Summary

# Background

- **April 19, 2023:** City Council directed staff to review how existing ordinance can be strengthened to address substantial remodel eviction concerns.
- **May 17, 2023:** City Council adopted a 45-day moratorium on no-fault just cause evictions to provide time for staff to study substantial remodel evictions and develop an ordinance to address them.

# Strengthened Substantial Remodel Provisions

- Some jurisdictions include only necessary substantial repairs, as defined, as a no-fault just cause to terminate a tenancy.
  - Required right to return.
  - Examples: Pasadena, West Hollywood, Los Angeles City (RSO).

# Strengthened Substantial Remodel Provisions (cont'd)

- Some jurisdictions do not include substantial remodel as a no-fault just cause to terminate a tenancy.
  - Required mitigation measures and temporary relocation assistance.
  - Examples: Culver City, Los Angeles County, Santa Monica, Beverly Hills.



# Defining Mom and Pop Landlords

- **Los Angeles Municipal Code:** a landlord who owns no more than 4 units of residential property and a single-family home on a separate lot in the City of Los Angeles.
- **Culver City Municipal Code (“Small Landlord”):** a landlord who has no direct or indirect economic interest in more than 3 rental units located within or outside Culver City.
  - Excludes REITs, corporations, and LLCs and partnerships in which a member is/is controlled by a corporation.

# Defining Mom and Pop Landlords (cont'd)

- **Urban Institute:** Individual landlords who own a rental property with one to four units.
- **National Association of Realtors:** Owners of small rental properties (1-4 units) who also do the day-to-day management of these properties.

# Rental Housing Mediation Programs

- **Santa Barbara RHMP:** resolves rental housing disputes by offering mediation services and information on landlord-tenant rights and responsibilities free of charge to residents.
- **L.A. County Department of Consumer & Business Affairs:** provides mediation services for a variety of disputes, include rental housing disputes, free of charge to parties across the county.



# Analysis of South Pasadena Multifamily Rental Properties

## Breakdown of Multifamily Properties by Number of Units

Property by No. of Units	No. of Properties	% of Properties
2-4 units	618	65.40%
5-10 units	209	22.12%
11-20 units	80	8.47%
21-30 units	26	2.75%
31 - 40 units	6	0.63%
41 - 50 units	2	0.21%
50+ units	4	0.42%
<b>Total</b>	<b>945</b>	<b>100%</b>

Source: GovClarity (L.A. County Assessor's data)

A.D. - 33

# What's in the proposed ordinance?

- “Intent to substantially remodel” is no longer a no-fault just cause for terminating a tenancy.
- “Intent to demolish” is still a no-fault just cause.



# What's in the proposed ordinance? (cont'd)

- New section (17.106(e)), “Tenant Protections for Necessary and Substantial Repairs.”
- “Necessary and Substantial Repairs” are not a valid basis for a no-fault just cause termination of a tenancy.



# What's in the proposed ordinance? (cont'd)

- “Necessary and Substantial Repairs” include:
  - substantial repairs that are necessary to bring the property and/or unit into compliance with certain laws;
  - replacement or substantial modification of any system that requires a permit; and
  - the abatement of hazardous materials.



# What's in the proposed ordinance? (cont'd)

- “Necessary and Substantial Repairs” do not include cosmetic improvements.
- The owner must provide the tenant with temporary relocation assistance if the Necessary and Substantial Repairs require the tenant to temporarily vacate.



# What's in the proposed ordinance? (cont'd)

- If the tenant remains in the unit, the owner must mitigate temporary untenable conditions.
- Specific mitigation measures are required.

# How are relocation benefits calculated?

## Example:

- Monthly rent: \$2,200
- Displacement period: 25 days
- Daily pro-rata portion of rent:
  - $\$2,200 \div 30 \text{ days} = \$73.33$
- Temporary relocation amount:
  1.  $\$73.33 \times 2 = \$146.67$
  2.  $\$146.67 \times 25 \text{ days} = \mathbf{\$3,666.75}$

# Summary

This proposed ordinance addresses input from tenants and property owners and managers:

- Owners are not prevented from making necessary repairs.
- Tenants are not permanently displaced for necessary repairs.
- The new section is simple and clear.



**Thank you!**  
**Any questions?**