SANTA BARBARA COUNTY BOARD AGENDA LETTER



Clerk of the Board of Supervisors 105 E. Anapamu Street, Suite 407 Santa Barbara, CA 93101 (805) 568-2240

Agenda Number: Prepared on: 5/17/01 Department Name: **3rd District Department No.:** 011 5/22/01 Agenda Date: Departmental Placement: **Estimate Time:** 1.5 hrs. Continued Item: NO If Yes, date from:

TO:	Board of Supervisors
FROM:	Gail Marshall Third District Supervisor
STAFF CONTACT:	Elizabeth Martinez x 2192
SUBJECT:	Tenant Housing Security and Fairness Proposal

Recommendation(s):

That the Board of Supervisors:

- A. Discuss the Tenant Housing and Fairness Proposal; and
- B. Conceptually adopt the Tenant Housing and Fairness Proposal; and
- C. Direct County Counsel to draft an ordinance implementing the proposed concepts and return to your Board within 60 days; and
- D. Refer SB 985 to the Legislative Program Committee.

Alignment with Board Strategic Plan:

The recommendation(s) are primarily aligned with Goal No. 1. An Efficient Government Able to Respond Effectively to the Needs of the Community, and with Goal No. 7. A Community that Fosters the Safety and Well-Being of Families and Children.

Tenant Housing Security and Fairness Proposals Agenda Date: May 22, 2001 Page 2

Executive Summary and Discussion:

The scarcity of rental housing, especially affordable housing, in Santa Barbara County, necessitates reasonable regulation to allow renters the security of a place to live under just conditions. In response to the hardships and challenging conditions tenants are facing in Santa Barbara County, the Human Relations Commission voted unanimously to support, in concept, the Housing Roundtable's Home Security Legislative Package and forward it to the Board of Supervisors for consideration.

The proposed concepts are described as follows:

1. <u>Resolution endorsing passage of SB 985 (Kuehl</u>). Requiring 90 days notice to tenant when tenancy is terminated for reason other than wrongful act or omission by tenant, and other provisions regarding rental agreements.

Present law:

• 30 days notice of termination of tenancy for month-to-month tenants

Proposed law:

- Provides more time for tenants displaced through no fault of their own
- Requires landlord to provide copy of written lease within 10 days of signing by tenant
- Does not restrict landlord's right to evict for violation of lease
- Requires landlord to provide name, address, phone of person to whom rent is paid
- Supported by Sen. Jack O'Connell

(This proposed law pre-empts the original proposal put forth by the Housing Roundtable of a 60 days notice for any material change in a rental contract.)

2. <u>Security deposit interest</u>. Requires that landlord pay interest of three percent on security deposits held more than one year. Interest is compounded annually and paid along with security deposit within three weeks after move out by tenant. Establishes "rebuttable presumption" of bad faith of landlord for failure to return deposit or accounting within three weeks.

Present law:

- No interest paid on security deposits
- No rebuttable presumption if landlord fails to comply with Security Deposit statute

Tenant Housing Security and Fairness Proposals Agenda Date: May 22, 2001 Page 3

Proposed law:

- Applies only to tenancies of one year or more
- Does not require segregation of security deposit funds, or separate accounts
- IRS 1099 sent to tenant once, at termination of tenancy
- Provides deterrent to landlords who fail to return deposits <u>unless</u> sued

3. <u>**Tenant relocation assistance.**</u> Where code enforcement cites landlord for violations which endanger safety of tenant, and tenants are forced to vacate for repairs, landlord shall pay three times monthly rent as relocation assistance.

Present law:

• No immediate recourse for tenants facing homelessness because of code violations

Proposed law:

- Landlord can avoid payment by relocating tenant to habitable unit
- Provides financial means for tenants to find alternate housing
- Provides deterrent to landlords to allow property to become uninhabitable
- Tenant not eligible who causes uninhabitabilty, or is in default on rent
- Does not include zoning code violations

4. <u>**Rental data collection ordinance.**</u> Requires landlord to send form notifying County Clerk upon service of "three day notice" or "thirty day notice" to tenant. Violation is infraction of \$50 for each failure, upon complaint by tenant to District Attorney.

Present law:

• No reliable data available regarding numbers of tenancies at risk of termination or actually terminated

Proposed law:

- Enables County to determine number of tenancies at risk
- Provides data as to geographical differences in numbers and types of eviction
- Helps to identify "problem" landlords or tenants
- Individual records kept confidential from public for 60 days after receipt by clerks

Tenant Housing Security and Fairness Proposals Agenda Date: May 22, 2001 Page 4

As mentioned above, the Human Relations Commission debated this legislative package last year and forwarded its recommendations for the Board of Supervisors to consider and adopt as County Ordinance. At that time, Supervisor Marshall requested that the proponents represented by the Housing Roundtable and the Santa Barbara Property Owners Association meet to discuss areas of mutual interest and agreement before these recommendations were heard by the Board of Supervisors. With the assistance of a mediator, these discussions took place over several weeks and resulted in some limited agreement.

Mandates and Service Levels: None

Fiscal and Facilities Impacts: Not known

Special Instructions: None

Concurrence: N/A

Attachments: Memo to Judiciary Committee Members "Support for SB 985 (Kuehl)"