



**BOARD OF SUPERVISORS
AGENDA LETTER**

Agenda Number:

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

Department Name: BOS 1st & 2nd District
Department No.: 011
For Agenda Of: 06/27/2023
Placement: 6/27/23 Departmental
7/11/23 Administrative
Estimated Tme: 1 hr 30 Minutes
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Supervisor Das Williams, 1st District
Supervisor Laura Capps, 2nd District
Spencer Brandt, (805) 568-2155
Jordan Killebrew, (805) 568-2191

SUBJECT: An Ordinance to amend County Code Chapter 44 Residential Property-Landlords and Tenants Rights and Duties

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

That the Board of Supervisors on June 27, 2023:

Consider recommendations regarding an Ordinance to amend County Code Chapter 44 to revise Article IV, Just Cause for Residential Evictions, and add Article V, Mandatory Right of First Refusal and Mandatory Offer of Residential Lease as follows:

- A. Consider the introduction (First Reading) of an Ordinance of the Board of Supervisors of the County of Santa Barbara to amend County Code Chapter 44 to amend Article IV, Just Cause for Residential Evictions; and to add Article V, Mandatory Right of First Refusal and Mandatory Offer of Residential Lease;
- B. Read the title and waive further reading of the Ordinance in full; and
- C. Set a hearing on the Administrative Agenda of July 11, 2023 to consider recommendations, as follows:
 - i. Consider adoption (Second Reading) of an Ordinance of the Board of Supervisors of County of Santa Barbara to amend County Code Chapter 44 to amend Article IV, Just Cause for Residential Evictions; and to add Article V, Mandatory Right of First Refusal and Mandatory Offer of Residential Lease; and
 - ii. Determine that the proposed action does not constitute a "Project" within the meaning of the California Environmental Quality Act (CEQA), pursuant to Section 15378(b)(5) of the

CEQA Guidelines, because it consists of an organizational or administrative activity of government which will not result in direct or indirect physical changes in the environment; and

- D. Direct Community Services Department staff to prepare lease offer rejection forms for landlords and tenants to use, and post them on a County webpage.

Summary Text:

On April 6, 2023 the Board of Supervisors took action to amend County Code Chapter 44 to add Article IV, Just Cause for Residential Evictions. Supervisor Capps and Supervisor Williams are proposing additional amendments to clarify the language of the ordinance and provide further protections to tenants. The proposed ordinance would 1) require landlords offer tenants a one-year residential lease; 2) clarify the definition of “substantial remodel”; and 3) require landlords offer tenants evicted for a “no-fault” reason be offered first right of refusal to re-lease the former unit if it is brought back onto the market after a substantial remodel, of which rent amount is set at the landlord discretion at market value.

Mandatory Offer of Residential Lease

While it is common for tenants and landlords to make lease agreements, it is not currently required by law. Moreover, many lease agreements are offered only on a month-to-month basis, providing less residential stability and certainty for tenants.

The proposed ordinance would require that landlords offer tenants a residential lease, and that said lease be offered for a term of one year or greater. It would not compel a tenant to accept an offer of a lease, and it allows the lease documents to serve as evidence that the lease offer was made. Additionally, it is recommended that the Board direct Community Services Department staff to prepare forms for landlords and tenants to use for their convenience, which shall be posted on the County’s website.

Under the proposed ordinance, this requirement would not apply to:

- Currently leased units, until they come up for renewal
- Currently rented units (no existing lease) for 60 days after the effective date of the ordinance, at which point leased must be offered to rental tenants
- A rental unit occupied by a tenant who subleases to another tenant for less than a year
- A rental unit where tenancy is a condition of or consideration for employment

Tenant Right of First Refusal to Re-Occupy

The purpose of the right of first refusal is to require that former tenants to be invited back to a rental unit after they have vacated as the result of a notice for a no-fault termination of tenancy. The proposed ordinance would apply to instances in which a landlord takes a unit off-market, such as for “substantial remodel”, for owner/family move-in, or to withdraw the unit from the market. The duration of first refusal to re-occupy shall be at the conclusion of the substantial remodel or two years – whichever occurs earlier.

California’s Costa-Hawkins Rental Housing Act prohibits local jurisdictions from enacting “vacancy control,” which enshrines a landlord’s ability to set rent to market levels in the event that a unit becomes vacant. The County is not currently authorized to place limits on what a landlord can charge for rent when a unit becomes vacant.

Clarifying Definition of “Substantial Remodel”

The proposed ordinance further clarifies the action the Board of Supervisors took on April 6th to enact “just cause” eviction protections. One of the reasons a landlord can rely on to terminate a tenancy is to perform a “substantial remodel.” The proposed ordinance clarifies that a substantial remodel must be for the primary purpose of bringing a rental unit into compliance with applicable Health and Safety Code.

Background:

Currently, tenants in Summerland and Isla Vista are facing termination of tenancies. This comes at a time when renters in the unincorporated areas of the County are facing rising rents and a scarcity of rental units available. These developments threaten to exacerbate the homelessness crisis in Santa Barbara County and push many longtime residents out of the community. In 2010 the Santa Barbara County Board of Supervisors approved ordinance changes to Chapter 44 that required landlords offer tenants 3 months of relocation benefits in certain no-fault termination of tenancies. Additional action was taken in April 2023 to add Article IV, to Chapter 44, requiring landlords to obtain all permits necessary to carry out the substantial remodel, serve tenants with a notice and copy of the permits for remodeling.

Fiscal and Facilities Impacts:

N/A

Special Instructions:

The Clerk of the Board shall publish the ordinance in accordance with Government Code section 25124.

Attachments:

Ordinance Amending Chapter 44, Residential Property-Landlords and Tenants Rights and Duties, of The Santa Barbara County Code To Add Article IV, Just Cause For Residential Evictions

Authored by:

Spencer Brandt and Jordan Killebrew, Board of Supervisors Staff

cc: