| ORDINANCE NO. | |
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AN ORDINANCE OF THE CITY OF SAN JOSE AMENDING PART 12 TO CHAPTER 17.23 OF TITLE 17 OF THE SAN JOSE MUNICIPAL CODE TO ADD A CRIMINAL ACTIVITY CAUSE FOR EVICTION AND TO ADD PROTECTION FROM RETALIATION RELATED TO IMMIGRATION STATUS

WHEREAS, on May 9, 2017, the City Council adopted the Tenant Protection Ordinance, which provided twelve specific causes for eviction that landlords may use to terminate a tenant's tenancy; and

WHEREAS, the City Council directed the City Attorney Office to return to Council with an amendment to the Tenant Protection Ordinance that would create an independent Just Cause basis for an eviction premised on criminal activity, with an opportunity to cure; and

WHEREAS, the City Council directed the Housing Department to return to Council with an amendment to the Tenant Protection Ordinance that would prohibit landlords from reporting or threatening to report a Tenant's immigration status for the purpose of retaliation; and

WHEREAS, on October 5, 2017, Governor Brown signed Assembly Bill Number 291, which, among other things, prohibits landlords from disclosing tenants' or their associates' immigration status to authorities with the intent or purposes of retaliation, harassment, intimidation, or recovering possession of a rental unit; and

WHEREAS, the City wishes to amend the Tenant Protection Ordinance by adding a thirteenth (13th) Just Cause reason for eviction based on a Tenant's being held to answer for a serious or violent felony, prohibiting landlords from disclosing tenants' and

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their associates' immigration status for retaliatory reasons, consistent with applicable

provisions of Assembly Bill Number 291, and adding a provision recognizing the

protections in state and federal law for survivors of violence.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF

SAN JOSE:

SECTION 1. Section 17.23.1250 of Chapter 17.23 of Title 17 of the San José Municipal

Code is hereby amended to read as follows:

17.23.1250 <u>Just Cause Termination</u>

A. Just Cause Terminations. If a Landlord can show any of the following

circumstances with respect to a termination of tenancy, the termination will

qualify as a "Just Cause Termination." Nothing in this section shall abrogate the

protections afforded to survivors of violence consistent with California Code of

Civil Procedure Section 1161.3, as amended, and the Violence Against Women

Act, Public Law 103–322, as amended.

1. Nonpayment of Rent. After being provided with written notice of the

identity and mailing address of the Landlord, and the amount of rent due,

the Tenant has failed to pay rent to which the Landlord is legally entitled

pursuant to any written or oral rental agreement and under the provisions

of state or local law, unless the Tenant has withheld rent pursuant to

applicable law, and said failure has continued after service on the Tenant

of a written notice setting forth the amount of rent then due and requiring it

to be paid, within a period, specified in the notice, of not less than three

days.

2. Material or Habitual Violation of the Tenancy.

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> a. The Tenant has failed to cure a violation of any material term of the

rental agreement within a reasonable time after receiving written

notice from the Landlord of the alleged violation or has committed

Habitual violations of the rental agreement, but only if either clause

(i) or (ii) applies:

i. The demand to cure is based on terms that are legal and

have been accepted in writing by the Tenant or made part of

the rental agreement; or

ii. The demand to cure is based on terms that were accepted

by the Tenant or made part of the rental agreement after the

initial creation of the tenancy, so long as the Landlord first

notified the Tenant in writing that he or she need not accept

such terms or agree to their being made part of the rental

agreement.

b. The following potential violations of a tenancy can never be

considered material or Habitual violations:

i. An obligation to surrender possession on proper notice as

required by law.

ii. An obligation to limit occupancy when the additional

Tenant(s) who join the Tenant Household are any of the

following: a dependent child or foster child, a minor in the

Tenant's care, the spouse, domestic partner, or parent

(which terms may be further defined in the regulations

adopted by the City Manager), of a Tenant; so long as the

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total number of adult Tenants in the unit does not exceed

the greater of either the maximum number of individuals

authorized in the rental agreement or two adults per

bedroom, or in the case of a studio unit, two adults. The

Landlord has the right to approve or disapprove a

prospective additional Tenant who is not a dependent child

or foster child, a minor in the Tenant's care, spouse,

domestic partner, or parent of a Tenant, provided that the

approval is not unreasonably withheld.

3. Substantial Damage to the Rental Unit. The Tenant, after written notice to

cease and a reasonable time to cure, causes substantial damage to the

Rental Unit, or common area of the structure or rental complex containing

the Rental Unit beyond normal wear and tear, and refuses, after written

notice, to pay the reasonable costs of repairing such damage and to

cease engaging in the conduct identified in the notice to cease.

4. Refusal to Agree to a Like or New Rental Agreement. Upon expiration of

a prior rental agreement the Tenant has refused to agree to a new rental

agreement that contains provisions that are substantially identical to the

prior rental agreement as may be further described in the regulations

adopted by the City Manager, and that complies with local, state and

federal laws.

5. Nuisance Behavior. The Tenant, after written notice to cease, continues

to be so disorderly or to cause such a nuisance as to destroy the peace,

quiet, comfort, or safety of the Landlord or other Tenants of the structure

or rental complex containing the Rental Unit. Such nuisance or disorderly

conduct includes violations of state and federal criminal law that destroy

the peace, quiet, comfort, or safety of the Landlord or other Tenants of the

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structure or rental complex containing the Rental Unit, and may be further

defined in the regulations adopted by the City Manager.

6. Refusing Access to the Unit. The Tenant, after written notice to cease

and a reasonable time to cure, continues to refuse the Landlord

reasonable access to the Rental Unit, so long as the Landlord is not

abusing the right of access under California Civil Code section 1954, as

amended.

7. Unapproved Holdover Subtenant. The Tenant holding over at the end of

the term of the oral or written rental agreement is a subtenant who was

not approved by the Landlord.

8. Substantial Rehabilitation of the Unit. The Landlord after having obtained

all necessary permits from the City, seeks in good faith to undertake

substantial repairs which are necessary to bring the property into

compliance with applicable codes and laws affecting the health and safety

of Tenants of the building, provided that:

The repairs costs not less than the product of ten (10) times the a.

amount of the monthly rent times the number of Rental Units upon

which such work is performed. For purposes of this subsection, the

monthly rent for each Rental Unit shall be the average of the

preceding twelve-month period; and

b. The repairs necessitate the relocation of the Tenant Household

because the work will render the Rental Unit uninhabitable for a

period of not less than thirty (30) calendar days; and

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DRAFT - Contact the Office of the City Clerk at (408) 535-1260 or CityClerk@sanjoseca.gov for final document.

> The Landlord gives advance notice to the Tenant of the ability to C. reoccupy the unit upon completion of the repairs at the same rent

charged to the Tenant before the Tenant vacated the unit or, if

requested by Tenant, the right of first refusal to any comparable

vacant Rental Unit which has been offered at comparable rent

owned by the Landlord; and

d. In the event the Landlord files a petition under the Apartment Rent

Ordinance within six (6) months following the completion of the

work, the Tenant shall be party to such proceeding as if he or she

were still in possession, unless the Landlord shall submit with such

application a written waiver by the Tenant of his or her right to

reoccupy the premises pursuant to this subsection; and

The Landlord shall have provided relocation assistance as required e.

by subsection B of Section 17.23.1250, below.

9. Ellis Act Removal. The Landlord seeks in good faith to recover

possession of the Rental Unit to remove the building in which the Rental

Unit is located permanently from the residential rental market under the

Ellis Act and, having complied in full with the Ellis Act and Ellis Act

Ordinance, including the provision of relocation assistance as required by

subsection B of Section 17.23.1250, below.

10. Owner Move-In. The Owner seeks in good faith, honest intent, and

without ulterior motive to recover possession for: (a) the Owner's own use

and occupancy as the Owner's principal residence for a period of at least

36 consecutive months commencing within three months of vacancy; or

(b) the principal residence of the Owner's spouse, domestic partner,

parent(s), child or children, brother(s), or sister(s) (each an "authorized

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family member") for a period of at least 36 consecutive months and

commencing within three months of vacancy, so long as the Rental Unit

for the Owner's authorized family member is located in the same building

as the Owner's principal residence and no other unit in the building is

vacant. It shall be a rebuttable presumption that the Owner has acted in

bad faith if the Owner or the Owner's qualified relative for whom the

Tenant was evicted does not move into the Rental Unit within three

months from the date of the Tenant's surrender of possession of the

premises or occupy said unit as his/her principal residence for a period of

at least thirty-six (36) consecutive months. The Owner shall have

provided relocation assistance as required by subsection B of Section

17.23.1250, below.

11. Order to Vacate. The Landlord seeks in good faith to recover possession

of the Rental Unit in order to comply with a court or governmental

agency's order to vacate, order to comply, order to abate, or any other

City enforcement action or order that necessitates the vacating of the

building in which the Rental Unit is located as a result of a violation of the

San José Municipal Code or any other provision of law, and provides a

notice of the right to reoccupy. The Landlord shall have provided

relocation assistance as required by subsection B.3 of Section

17.23.1250, below.

12. Vacation of Unpermitted Unit. The Landlord seeks in good faith to recover

possession of an Unpermitted Unit in order to end the unpermitted use.

The Landlord shall have provided relocation assistance as required by

subsection B.3 of Section 17.23.1250, below.

13. <u>Criminal Activity.</u>

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- a. The Tenant Household, after receiving a written notice to cure by removing the Violating Tenant (as defined below) from the household, and, where necessary, amending the lease to remove the Violating Tenant's name, fails to do so within a reasonable time, by one of the following methods as further described in the regulations:
 - Filing a restraining order or providing evidence to the Landlord of similar steps being taken to remove the Violating Tenant from the household.
 - ii. Removing the Violating Tenant from the household and providing written notice to the landlord that the Violating Tenant has been removed.
- b. For purposes of this subsection 13, a "Violating Tenant" shall mean an adult Tenant that is indicted by a grand jury or held to answer pursuant to Penal Code Section 872, as amended, for a serious felony as defined by Penal Code Section 1192.7(c), as amended, or a violent felony as defined by Penal Code Section 667.5(c), as amended, which occurred during the tenancy and within 1,000 feet of the premises on which the Rental Unit is located. The term "premises" shall mean "Lot", as defined in Section 20.200.660 of the San Jose Municipal Code.
- c. The past criminal history of a Tenant shall not be a factor in determining whether the Tenant is a Violating Tenant.

B. Relocation Assistance.

Tenants who receive a Notice of Termination that relies on subsections
 A.8 or A.10 of Section 17.23.1250 as the just cause rationale to terminate
 the tenancy must receive, and the Landlord must provide the following

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relocation assistance to the Tenant Household. The relocation assistance

must be provided to the Tenant Household concurrent with delivery of the

Notice of Termination to the Tenant Household.

a. Relocation Assistance. An amount equal to the Base Assistance

provided for in the Ellis Act Ordinance, as set by resolution of the

City Council.

b. Refund of Security Deposit. Owner must refund to the Tenant

Household any security deposit paid by the Tenant Household,

provided, however, that the Owner may withhold any properly

itemized deductions from the security deposit pursuant to California

Civil Code section 1950.5, as amended.

2. Tenants who receive a Notice of Termination that relies on subsection A.9

of Section 17.23.140 as the just cause rationale to terminate the tenancy

must have received, and the Landlord must have provided, all applicable

Relocation Assistance provided for in the Ellis Act Ordinance.

3. Tenants who receive a Notice of Termination that relies on subsection

A.11 or A.12 of Section 17.23.1250 as the just cause rationale to

terminate the tenancy must receive, and the Landlord must provide,

Relocation Assistance as defined in Part 11 of Chapter 17.20, or if the unit

is unpermitted, an amount equal to the Base Assistance provided for in

the Ellis Act Ordinance.

SECTION 2. Section 17.23.1270 of Chapter 17.23 of Title 17 of the San José

Municipal Code is hereby amended to read as follows:

17.23.1270 Anti-Retaliation Protections

Part.

A. No Landlord may threaten to bring, or bring, an action to recover possession, cause the Tenant to quit the Rental Unit involuntarily, serve any notice to quit or Notice of Termination, reduce any housing services, report or threaten to report the Tenant, Tenant Household, or individuals the Landlord knows to be associated with the Tenant to the immigration authorities, or increase the rent where the Landlord's intent is retaliation against the Tenant for the Tenant's assertion or exercise of rights under this

B. Any such retaliation shall be a defense to an action to recover possession, or it may serve as the basis for an affirmative action by the Tenant for actual and punitive damages and injunctive relief. In an action by or against a Tenant, evidence of the assertion or exercise by the Tenant of rights under this Part within six months prior to the alleged act of retaliation shall create a rebuttable presumption that the Landlord's act was retaliatory. For purposes of this subsection, "rebuttable presumption" means that the Court must find the existence of the fact presumed unless and until its nonexistence is proven by a preponderance of the evidence. A Tenant may assert retaliation affirmatively or as a defense to the Landlord's action without the aid of the rebuttable presumption regardless of the period of time which has elapsed between the Tenant's assertion or exercise of rights under this Part and the alleged act of retaliation.

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- C. No Landlord shall provide information to any immigration authority regarding the immigration or citizenship status of any Tenant, Tenant Household, or individual the Landlord knows to be associated with the Tenant or Tenant Household, for the purposes of harassing, intimidating, or retaliating against a Tenant or Tenant Household, influencing a Tenant to vacate a Rental Unit, or recovering possession of a Rental Unit, in accordance with Civil Code Section 1940.35(a), as amended.
- D. A Landlord does not violate subsection (A) or (C), by complying with any legal obligation under any federal government program that provides for rent limitations or rental assistance to a qualified Tenant.

| ADOPTED this | day of, 2018, by the | e following vote: |
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| | | |
| AYES: | | |
| NOES: | | |
| ABSENT: | | |
| DISQUALIFIED: | | |
| | | CAMILIOCADDO |
| | | SAM LICCARDO Mayor |
| ATTEST: | | |
| | | |
| TONI TABER, CMC | | |
| City Clerk | | |

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