



CITY OF POMONA

COUNCIL REPORT

November 4, 2019

To: Honorable Mayor and Members of the City Council

From: Linda C. Lowry, City Manager

Submitted By: Kirk Pelser, Deputy City Manager
Benita DeFrank, Neighborhood Services Director

**SUBJECT: ADOPTION OF AN UNCODIFIED URGENCY ORDINANCE NO. 4275
ENACTING RULES AND REGULATIONS TO TEMPORARILY PROHIBIT NO-
FAULT EVICTIONS THROUGH DECEMBER 31, 2019, FOR RESIDENTIAL
REAL PROPERTY BUILT PRIOR TO JANUARY 1, 2005**

RECOMMENDATION:

It is recommended that the City Council adopt an Uncodified Urgency Ordinance stated in the title above. (Attachment 1 - Ordinance No. 4275):

EXECUTIVE SUMMARY:

In an effort to address a regional and statewide humanitarian crisis, adoption of the proposed Urgency Ordinance would immediately implement a tenant protection policy prohibiting no-fault evictions through December 31, 2019 for residential property built prior to January 1, 2005. The Urgency Ordinance would become effective immediately in Pomona, providing immediate prohibition of no-fault evictions. Pomona's Urgency Ordinance would prevent owners of rental property from forcing "no cause" evictions from November 4, 2019 until the State Law, which does the same, takes effect January 1, 2020.

PUBLIC HEARING NOTICE:

A public hearing is not required for this action.

FISCAL IMPACT:

The costs associated with monitoring and enforcement of the Ordinance are unknown at this time. The financial impacts would depend upon:

1. The processes implemented in the immediate days following adoption of the ordinance to inform landlords of the new City regulation, given the limited kind of landlord data the City possesses through the Business Licensing program.
2. The volume of tenant "eviction" complaints received.

3. How much of the workload can be addressed with in-house staff versus contracted or part-time help.

Since duration of the effect of the Urgency Ordinance is less than two (2) months, until State Law takes effect, the costs will be of shorter duration than an on-going rental regulation.

PRIOR COUNCIL ACTIONS:

None.

ENVIRONMENTAL REVIEW:

This Urgency Ordinance is exempt from the requirements of the California Environmental Quality Act (“CEQA”) pursuant to State CEQA Guidelines, as it is not a “project” and has no potential to result in a direct or reasonably foreseeable indirect physical change to the environment. 14 Cal. Code Regs. § 15378(a). Further, this Ordinance is exempt from CEQA as there is no possibility that this Ordinance or its implementation would have a significant negative effect on the environment. 14 Cal. Code Regs. § 15061(b)(3).

BACKGROUND & DISCUSSION:

AB 1482 - Tenant Protection Act of 2019

The City of Pomona and the southern California region in general is experiencing a housing affordability crisis, which is, in part, driving homelessness and residential displacement at an unprecedented scale. A significant portion of Pomona residents are rent burdened, paying over 30% of their income on rent. Rapidly escalating real estate values can provide incentive for landlords to dramatically raise rents and to evict long-term, lower income tenants, without cause. To address these issues on a statewide level, the California legislature passed the Tenant Protection Act of 2019, Assembly Bill 1482, effective January 1, 2020, which prohibits evictions without “just cause” and prevents owners of rental property from increasing rents each year more than 5% plus the percentage change in the cost of living, or 10 %, whichever is lower.

Existing law, the Costa-Hawkins Rental Housing Act, prescribes statewide limits on the application of local rent control with regard to certain properties. That act, among other things, authorizes an owner of residential real property to establish the initial and subsequent rental rates for a dwelling or unit that meets specified criteria, subject to certain limitations.

Due to existing Law and AB 1482, the proposed Pomona Urgency Ordinance, 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.
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 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 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 the owner is not any of the following:
 - (a) A real estate investment trust, as defined in Section 856 of the Internal Revenue Code.
 - (b) A corporation.
 - (c) A limited liability company in which at least one member is a corporation.

Adoption of the proposed Urgency Ordinance would immediately put in place the prohibition of no-fault evictions. Pomona's Urgency Ordinance would prevent owners of rental property from forcing "no cause" evictions from November 4, 2019 until the State Law, which does the same, takes effect January 1, 2020.

CITY COUNCIL PRIORITIES & GOALS:

The proposed Urgency Ordinance aligns with Priority 2: Economic Development, Goal J – Encourage the development and maintenance of quality housing opportunities for all.

ATTACHMENTS:

1. Urgency Ordinance No. 4275