

# Rent Stabilization and Just Cause Eviction Ordinances

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CITY OF SANTA ANA

COMMUNITY DEVELOPMENT AGENCY



# Rent Stabilization & Just Cause Evictions

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The City of Santa Ana adopted a Rent Stabilization Ordinance (RSO) and a Just Cause Eviction Ordinance.

**These new Ordinances became effective**

**on November 19, 2021**



# Rent Stabilization Ordinance (RSO)



# What is the Rent Stabilization Ordinance (RSO)?

The City's RSO is a local law that limits rent increases for **certain** residential rental units and mobilehome spaces in the City.

The rent stabilization increase limit is either:

**The lower of 3% per year, or 80% of the percent change in the Consumer Price Index (over the most recent 12-month period)**



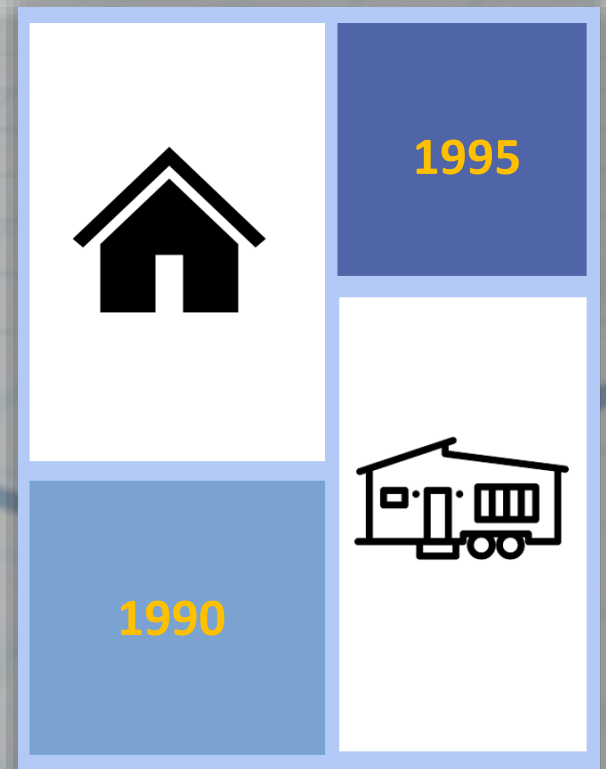
If the change in the CPI is negative, no rent increase will be permitted that year.



# What property does the RSO apply to?

The rent stabilization cap applies to:

- Buildings built on or before **February 1, 1995**
  - Pursuant to the Costa-Hawkins Rental Housing Act
- Mobilehome parks established before **1990** regardless of ownership.
  - However, the RSO will not apply to mobilehomes with long-term leases (over 12 months)



# What property does the RSO not apply to?

Exemptions to the RSO include (Section 8-1998.4):

- Residential Real Property that has a Certificate of Occupancy issued after Feb. 1, 1995.
- Deed-restricted affordable housing
- Dormitories owned and operated by an educational institution.
- Residential Real Property that is alienable separate from the title to another dwelling.
- A property containing two separate dwelling units with a single structure in which the owner occupies one of the units as the owner's principal residence.

**\*Other exemptions apply. Refer to the RSO for a complete list of exempted properties.**



# How to Find Allowable Rent Increase Amount

The City has published the first allowable rent increase, effective through **August 30, 2022**, on the City's website at:

[www.santa-ana.org/renterprotections](http://www.santa-ana.org/renterprotections)

Thereafter, the City will publish the allowable rent increase no later than **June 30 of each year**, which shall be effective as of **September 1** of that year.

September 2022

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
		1	2	3	4	5
6 Labor Day	7	8	9	10	11 Patriot Day	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			





# Determining the Maximum Allowable Rent (MAR) Increase

**MAR = 80% X Percent Change in CPI  
or 3%  
(WHICHEVER IS LESS)**

## Example:

1. Percent Change in CPI = **2.5%**

2. **MAR = 80% X 2.5% = 2% < 3%**

3. **MAR = 2%** ←



If the percent change in CPI is any **less than 3.75%** in a given year, then the maximum rent increase will be **less than 3%**.

If the CPI is **greater than 3.75%**, then the maximum rent increase will be **3%**.





# Applying the Maximum Allowable Rent (MAR) Increase – Year One

For the first year, from **Nov 19<sup>th</sup> through Aug 30<sup>th</sup>, 2022**, the **Maximum Allowable Rent increase is 3%**.

(The applicable CPI change was 3.89%, multiplied by 80% = 3.11%, which is greater than 3%.)

<b>Date of Last Increase:</b>	<b>Next Allowable Increase:</b>
Before 11/19/20	<ul style="list-style-type: none"> <li>- up to 3%</li> <li>- one time</li> <li>- between 11/19/21 and 8/31/22</li> </ul>
Between 11/19/20 and 8/31/21	<ul style="list-style-type: none"> <li>- up to 3%</li> <li>- one time</li> <li>- at least 12 months after last increase</li> </ul>
After 9/1/21	<ul style="list-style-type: none"> <li>- must wait at least 12 mos. after last increase</li> <li>- must wait until next allowable increase amount is announced prior to 6/30/22 and effective 9/1/22</li> </ul>



# Rent Increases Above 3%

There may be circumstances where owners may be able to raise tenants' rent over 3% subject to approval of a Fair Return Petition for relief from the cap by the City.

## Duty to Tenant

Owners filing a petition are required to:

- Submit a copy to impacted tenants
- Provide the City with proof of completing that service.

Tenants will have **30 days** from the date of receiving the petition to reply or provide additional materials to the City in response to the petition.



# Notice of Rent Increase

The amount of time for a notice of rent increase for a non-mobilehome space with a month-to-month tenancy is specified in California Civil Code Section 827.

The required notice will be 30 days for any month-to-month tenancy where the rent increase is no more than 10%.

The required notice for a rent increase of more than 10% will be 90 days. The notice for an increase on a fixed-term lease will depend on the notice requirements, if any, in the lease agreement itself.

Rent increases for mobilehome spaces require a 90-day notice, no matter the percentage of increase.



The owner must give notices to the tenant in the language that the owner and tenant used to negotiate the terms of the tenancy (e.g., English, Spanish, Chinese, Tagalog, Vietnamese, and Korean).



# Related California State Laws

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## **Costa Hawkins Rental Housing Act**

- Protects a landlord's right to raise the rent to market rate on a unit once a tenant moves out.
- Prevents cities from establishing rent restrictions on unit constructed after 1995.
- Exempts single-family homes and condos.

[https://leginfo.legislature.ca.gov/faces/codes\\_displaySection.xhtml?lawCode=CIV&sectionNum=1954.50](https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=CIV&sectionNum=1954.50)

## **Tenant Protection Act of 2019 (AB 1482)**

- Limits rent increases to 5% plus CPI or 10%, whichever is less.
- Defines "Just Cause" for evictions.

[https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=201920200AB1482](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201920200AB1482)



# Just Cause Eviction Ordinance



# What is the Just Cause Eviction Ordinance?

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- The City’s Just Cause Eviction Ordinance is a local law that provides “just cause” eviction protections for most tenants that continuously and lawfully occupy a residential real property or mobilehome space for at least 30 days.
- The Ordinance defines what causes are allowable for a property owner to seek eviction of a tenant.



# Types of Just Cause

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Under the Just Cause Eviction Ordinance, tenants can only be evicted for “just cause” reasons, which are broken into two categories:



1. At-Fault



2. No-Fault





# At-Fault Just Cause

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## 1. When a tenant has broken the rental agreement in one or more of the following ways:

- Failure to pay rent.
- Material breach of rental agreement.
- Maintaining, committing, or permitting a nuisance.
- Committing waste.
- Failure to sign a substantially similar lease.
- Using premises for an unlawful purpose.
- Failure to vacate after termination.
- Committing criminal activity on the property or off the property that is directed at the owner.
- Assigning or subletting the premises in violation of the lease agreement.
- Refusing to allow owner to access premises.
- Failure to move out after providing written notice.



# No-Fault Just Cause

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**2. No-Fault:** A tenant who has not broken the rental agreement can still be evicted for the following reasons:

- Intent to occupy in which the owner or their spouse, domestic partner, children, grandchildren, parents, or grandparents want to move into the residential real property.
- Withdrawal of the residential real property from the rental market for at least 24 months.
- Government or court order.
- Intent to demolish or substantially remodel the residential real property.



# Relocation Assistance

Owners are required to provide tenants that are evicted for No-Fault Just Cause reason(s) relocation assistance in one of two ways:

- The Owner may provide a direct payment to the tenant equal to three (3) months rent; or
- The Owner may waive in writing the payment of rent for the final three (3) months of the tenancy.

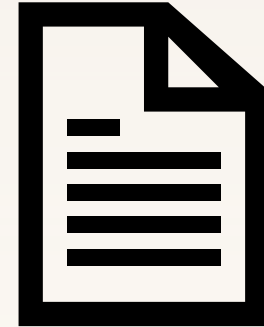
Relocation assistance must be provided regardless of the tenant's income amount and within 15 calendar days of service of the eviction notice.



# Notice to Tenant of Ordinance

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- The Owner shall post a notice, on a form prescribed by the City, providing information about the existence of the Just Cause Eviction Ordinance including protections related to immigration or citizenship status of tenant, as well as the right to relocation assistance in limited circumstances.
  - For any Tenancy commenced or renewed on or after **November 19th, 2021**, notice shall be provided as an addendum to the lease or rental agreement, or as a written notice signed by the tenant, with a copy provided to the tenant.
  - For a Tenancy existing prior to **November 19th, 2021**, written notice shall be provided to the tenant no later than thirty (30) days after the effective date of this Ordinance, or as an addendum to the lease or rental agreement.



The owner must give notices to the tenant in the language that the owner and tenant used to negotiate the terms of the tenancy (e.g., English, Spanish, Chinese, Tagalog, Vietnamese, and Korean).



# Retaliatory Eviction Protection and Anti-Harassment Provisions

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The Just Cause Eviction Ordinance includes Retaliatory Eviction Protections and Anti-Harassment provisions for tenants.



# Retaliatory Eviction Protection

If the main intent of the Owner in terminating a Tenancy or refusing to renew a Tenancy is retaliatory in nature, and if the tenant is not in default as to the payment of rent, then the Owner may not:

- Terminate the Tenancy or
- Refuse to renew the Tenancy or
- Cause the tenant to quit involuntarily

A tenant may assert retaliation affirmatively or as a defense to the Owner's action regardless of how much time has elapsed between the tenant's assertion or exercise of rights and the alleged act of retaliation.

- Retaliation against a tenant because of the tenant's exercise of rights is prohibited.
- Retaliation claims may only be brought in court and may not be addressed administratively.



# Anti-Harassment Provision

## An Owner shall not:

- Interrupt, terminate, or fail to provide housing services' as required by law
- Fail to exercise due diligence in completing repairs and maintenance once undertaken
- Fail to follow appropriate industry to repair, containment, or remediation protocols to minimize noise, dust, lead, paint, mold, asbestos, or other materials with harmful health impacts
- Conduct elective renovation or construction of a unit to harass a tenant
- Refuse to acknowledge or accept tenant's lawful rent payment
- Refuse to cash or process a rent check or other form of acceptable rent payment for over 30 days after it is tendered
- Fail to maintain current address for delivery of rent payments
- Violate tenant's right to privacy
- Abuse the right of access into residential real property

Please view the Ordinance for a full list of Anti-Harassment provisions.





# RSO and Just Cause Evictions

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The Rent Stabilization Ordinance and Just Cause Eviction Ordinance shall not apply to certain types of residential property, including:

- Housing produced in the last 15 years
- Deed-restricted affordable housing
- Hotel and transient occupancy
- Hospital and care facilities
- Dormitories
- And other shared living quarters

**\*Other exemptions apply. Refer to the Ordinance for a complete list of exempted properties.**



# How do I know if my property is included?

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Go to: [www.santa-ana.org/pb/property-information-search](http://www.santa-ana.org/pb/property-information-search)



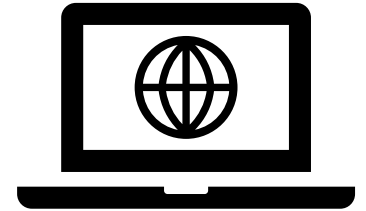
Search your property address to determine if your property is included



# Resources

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- The full text of the adopted Rent Stabilization and Just Cause Eviction Ordinances is available on the City’s website at [www.santa-ana.org/renterprotections](http://www.santa-ana.org/renterprotections) in English, Spanish, and Vietnamese.
- The City has also prepared user-friendly information for both tenants and rental property owners, including answers to Frequently Asked Questions in English, Spanish, and Vietnamese.
- **If tenants or rental property owners have any questions, please e-mail us at [rso@santa-ana.org](mailto:rso@santa-ana.org) or call (714) 667-2209 to speak with one of our representatives.**



# Tenant Assistance

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## Fair Housing Council of Orange County

(714) 569-0823 option 4

[www.fairhousingoc.org](http://www.fairhousingoc.org)

[info@fairhousingoc.org](mailto:info@fairhousingoc.org)

## Community Legal Aid SoCal

(800) 834-5001

[www.communitylegalsocal.org](http://www.communitylegalsocal.org)



## Public Law Center

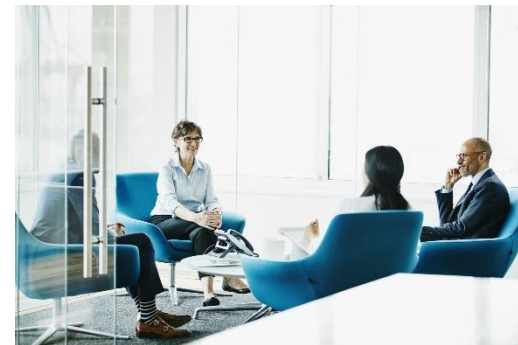
601 Civic Center Dr. West

Santa Ana, CA 92701

(714) 541-1010 ext. 303

[www.publiclawcenter.org](http://www.publiclawcenter.org)

[info@publiclawcenter.org](mailto:info@publiclawcenter.org)



# Owner/Landlord Assistance

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- Owners and Landlords are encouraged to seek private legal counsel regarding interpretation of the Ordinances.





# Questions?

