

ORDINANCE NO. NS-XXXX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY
OF SANTA ANA AMENDING ARTICLE XIX OF CHAPTER 8
OF THE SANTA ANA MUNICIPAL CODE PERTAINING TO
THE RENT STABILIZATION AND JUST CAUSE EVICTION
ORDINANCES

THE CITY COUNCIL OF THE CITY OF SANTA ANA DOES ORDAIN AS
FOLLOWS:

Section 1. The City Council of Santa Ana hereby finds, determines, and declares as follows:

- A. At the City Council meetings on September 21, 2021, and October 5, 2021, the City Council discussed the City of Santa Ana's ("Santa Ana" or "City") ability to address rent increases on residential real property and in mobilehome parks wherein hundreds of City residents provided spoken and written comments about their experiences of landlords purporting tenant crimes without proof as justification for evictions, unjust rent increases without a proportional increase in the quality of housing provided, and various quality of life issues as residents, renters, and property owners in Santa Ana.
- B. On October 19, 2021, the City Council adopted Ordinance No. NS- 3009, known as the Rent Stabilization Ordinance ("RSO") and Ordinance No. NS-3010, known as the Just Cause Eviction Ordinance ("JCEO") appearing as Article X, Division 4 and Division 5 in the Santa Ana Municipal Code ("SAMC"). The RSO and JCEO were adopted to regulate rent increases and evictions in certain rental properties and mobilehome spaces in the City of Santa Ana.
- C. The findings in Ordinance No. NS-3009 and Ordinance No. NS-3010 articulate that significant rent increases and housing instability pose a threat to public health, safety and welfare, and a particular hardship for senior citizens, persons living on fixed incomes, and other vulnerable persons living in Santa Ana. These findings are still true and incorporated herein.
- D. Additionally, the City Council adopted Resolution No. 2021-054, directing staff to: (1) Conduct further study of the additional regulatory framework and infrastructure necessary to implement residential rent stabilization, just cause eviction, and other protections for Santa Ana residents facing housing instability; and, (2) Include the creation and operation of a Rent Board or similar body, a rent registry, and the related costs thereof.
- E. On October 4, 2022, the City Council adopted amendments to the RSO and JCEO to implement efficient and effective program services to rental property

owners and tenants and promote long-term sustainability of the programs, which include:

1. Create a Rental Housing Board;
 2. Create a Rental Registry;
 3. Adopt a Rental Registry Fee;
 4. Develop a Work Plan;
 5. Conduct a Fee Study Based on the Work Plan and Staffing Needs;
 6. Expand Compliance Activities;
 7. Create a Capital Improvement Petition and Tenant Petition;
 8. Establish Petition Fees and a Petition Review Process;
 9. Create a Voluntary Mediation Process; and,
 10. Join the Rent Stabilization Consortium.
- F. Since the adoption of the RSO and JCEO, Santa Ana residents have made multiple reports about landlords who have refused to comply with the law relating to rent increase and improper evictions.
- G. Requiring supermajority approval for changes to certain provisions in Article XIX in Chapter 8 of the Santa Ana Municipal Code pertaining to the RSO and JCEO shall help to provide tenants, landlords, Mobilehome residents, and interested parties with consistency and ongoing stability relating to the implementation of the RSO and JCEO as well as the programs and services related thereto.
- H. Pursuant to the City's police power, as granted broadly under Article XI, section 7 of the California Constitution, and Santa Ana Charter section 200, the Santa Ana City Council has the authority to enact and enforce ordinances and regulations for the public peace, health, and welfare of the City and its residents.
- I. The City Council finds, determines, and declares that the threat to the public health, safety and welfare of the City and its residents necessitates the enactment of the Ordinance.
- J. The Request for City Council Action for amendments to these Ordinances dated [REDACTED], 2023, shall, by this reference, be incorporated herein, and together with this Ordinance, any amendments or supplements, and oral testimony, constitute the necessary findings for this Ordinance.

Section 2. The recitals and statements of fact set forth in the preamble to this Ordinance are true and correct, constitute a substantive part of this Ordinance, and are incorporated herein by this reference.

Section 3. Section 8-3103 of Division 1 (Generally) of Article X (Property Maintenance) of Chapter 8 (Buildings and Structures) of the Santa Ana Municipal Code is hereby amended to read as follows:

Sec. 8-3103. - Implementing regulations, policies and procedures.

The City Manager or Program Administrator shall have the authority to promulgate regulations, policies and procedures to implement the requirements and fulfill the purposes of this Article. No person shall fail to comply with such regulations, policies and procedures.

The Santa Ana City Council shall not repeal or render ineffective, or take other actions which may have the same or substantially similar results as repealing or rendering ineffective, the Rent Stabilization and Just Cause Eviction Ordinance, without approval of at least a supermajority (5/7) of all members of the City Council.

Section 4. Subsubsection 1) of Subsection (b) of Section 8-3120 (Restrictions on Termination of Tenancy Without Just Cause) of Division 2 (Just Cause Evictions) of Article XIX (Rent Stabilization and Just Cause Eviction Ordinance) of Chapter 8 (Buildings and Structures) of the Santa Ana Municipal Code is hereby amended to add the following before the phrase "At-fault just cause, which includes any of the following:"

- (1) The Santa Ana City Council shall not remove, amend, render ineffective, or take other action which may have the same or substantially similar results to removing, amending, or rendering ineffective, the circumstances established as at-fault just cause, without approval of at least a supermajority (5/7) of all members of the City Council.

Section 5. Subsubsection 2) of Subsection (b) of Section 8-3120 (Restrictions on Termination of Tenancy Without Just Cause) of Division 2 (Just Cause Evictions) of Article XIX (Rent Stabilization and Just Cause Eviction Ordinance) of Chapter 8 (Buildings and Structures) of the Santa Ana Municipal Code is hereby amended to add the following before the phrase "No-fault just cause, which includes any of the following:"

- 1) The Santa Ana City Council shall not remove, amend, render ineffective, or take other action which may have the same or substantially similar results to removing, amending, or rendering ineffective, the circumstances established as no-fault just cause, without approval of at least a supermajority (5/7) of all members of the City Council.

Section 6. Subsection (a) of Section 8-3140 (Prohibited Increases) of Division 3 (Rent Stabilization) of Article XIX (Rent Stabilization and Just Cause Eviction Ordinance) of Chapter 8 (Buildings and Structures) of the Santa Ana Municipal Code is hereby amended as follows:

Section 8-3140 – Prohibited Increases.

- (a) Increases in Rent on Residential Real Property or Mobilehome Spaces in the City of Santa Ana in excess of three percent (3%), or eighty percent (80%) of the change in the Consumer Price Index, whichever is less, and more than one Rent Increase in any twelve (12) month period, are prohibited, unless expressly exempt under the Costa-Hawkins Rental Housing Act codified in *California Civil Code* section 1954.50, et seq., or the Mobilehome Residency Law codified in *California Civil Code* sections 798, et seq. If the change in the Consumer Price Index is negative, no Rent Increase is permitted. The term Consumer Price Index means, at the time of the adjustment calculation completed by the City pursuant to subsection (b), the percentage increase in the United State Consumer Price Index for all Urban Consumers in the Los Angeles-Long Beach-Anaheim Metropolitan Area published by the Bureau of Labor Statistics, not seasonally adjusted, for the most recent twelve (12) month period ending prior to the City's calculation pursuant to subsection (b). A violation of this section occurs upon the service of notice or demand for a prohibited increase in Rent. The Santa Ana City Council shall not adjust or amend this section to allow for increases in Rent on Residential Real Property or Mobilehome Spaces in the City of Santa Ana in excess of three percent (3%), or one hundred percent (100%) of the change in the Consumer Price Index, without approval of at least a supermajority (5/7) of all members of the City Council.

Section 7. Subsection (l) is added to Section 8-3160 (Rental Registry) of Division 4 (Rental Registry and Rental Registry Fee) of Article XIX (Rent Stabilization and Just Cause Eviction Ordinance) of Chapter 8 (Buildings and Structures) of the Santa Ana Municipal Code as follows:

- (l) The Santa Ana City Council shall not dissolve, render ineffective, or take other action which may have the same or substantially similar results to dissolving or rendering ineffective, the Rental Registry, without approval of at least a supermajority (5/7) of all members of the City Council.

Section 8. Subsection (a) of Section 8-3161 (Rental Registry Fee) of Division 4 (Rental Registry and Rental Registry Fee) of Article XIX (Rent Stabilization and Just Cause Eviction Ordinance) of Chapter 8 (Buildings and Structures) of the Santa Ana Municipal Code is hereby amended as follows:

- (a) *Amount of Fee.* A Landlord shall pay to the City a Rental Registry Fee for each of the Landlord's Rental Units in the City. The amount of the Fee shall be determined by resolution of the City Council adopted from time to time and set forth in the City's Miscellaneous Fee Schedule. The Fee shall not exceed the amount found by the City Council to be necessary to administer the provisions of this Article, and the City Council's findings in this regard shall be final. The Santa Ana City Council shall not dissolve, render ineffective, or take other action which may have the same or

substantially similar results to dissolving or rendering ineffective, the Rental Registry Fee, without approval of at least a supermajority (5/7) of all members of the City Council.

Section 9. Subsection (g) is added to Section 8-3180 (Rental Housing Board) of Division 5 (Rental Housing Board) of Article XIX (Rent Stabilization and Just Cause Eviction Ordinance) of Chapter 8 (Buildings and Structures) of the Santa Ana Municipal Code as follows:

(g) *Dissolution of the Rental Housing Board.* The Santa Ana City Council shall not dissolve, render ineffective, or take other action which may have the same or substantially similar results to dissolving or rendering ineffective, the Rental Housing Board, without approval of at least a supermajority (5/7) of all members of the City Council.

Section 10. The City Council finds and determines that this Ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to sections 15060(c)(2) and 15060(c)(3) of the State CEQA Guidelines because it will not result in a direct or reasonably foreseeable indirect physical change in the environment, as there is no possibility it will have a significant effect on the environment and it is not a “project,” as defined in section 15378 of the State CEQA Guidelines. Furthermore, the proposed Ordinance falls within the “common sense” CEQA exemption set forth in CEQA Guidelines section 15061(b)(3), excluding projects where “it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.”

Section 11. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Santa Ana hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase, or portion thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions be declared invalid or unconstitutional.

Section 12. This Ordinance shall become effective thirty (30) days after its adoption.

Section 13. The Clerk of the Council shall certify to the adoption of this Ordinance and cause the same to be published in the manner prescribed by law.

ADOPTED this ____ day of _____, 2023.

Valerie Amezcua
Mayor

APPROVED AS TO FORM:
Sonia R. Carvalho, City Attorney

John Funk
Assistant City Attorney

AYES: Councilmembers: _____

NOES: Councilmembers: _____

ABSTAIN: Councilmembers: _____

NOT PRESENT: Councilmembers: _____

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, _____, Clerk of the Council, do hereby attest to and certify the attached Ordinance No. NS-XXXX to be the original Ordinance adopted by the City Council of the City of Santa Ana on _____.

Date: _____

Clerk of the Council
City of Santa Ana