



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
October 3, 2023

TOPIC: Affirmation and/or Amendment of Rent Stabilization and Just Cause Eviction Ordinance

AGENDA TITLE

Consider Options Presented Regarding Whether to Affirm the City Council's Adoption of the Rent Stabilization and Just Cause Eviction Ordinance and/or Whether to Amend the Rent Stabilization and Just Cause Eviction Ordinance to Require Two-Thirds Approval of all of the Members of the Santa Ana City Council to Amend the Ordinance in the Future

RECOMMENDED ACTION

Consider the options described below and, at a minimum, act on Option Two by approving first reading of the ordinance to affirm prior Council adoption and consider approving first reading of an ordinance requiring two-thirds approval of all members of the Council to amend certain provisions of the ordinance in the future (Option Three); and also consider taking action to present a ballot measure to the voters to adopt a version of the current ordinance (Option Four) or an ordinance requiring two-thirds approval to amend certain provisions in the future (Option Five) with associated election details.

1. Take no action;
OR

2. Affirm prior Council action by approving the First Reading of an Ordinance Affirming the Santa Ana City Council's Adoption of Ordinance No. NS-3027 Entitled An Ordinance of the City Council of the City of Santa Ana Amending Article X of Chapter 8 of the Santa Ana Municipal Code and Creating a New Article XIX in Chapter 8 of the Santa Ana Municipal Code Pertaining to the Rent Stabilization and Just Cause Eviction Ordinances;
OR

3. Approve the First Reading of an Ordinance Amending Article X of Chapter 8 of the Santa Ana Municipal Code Pertaining to the Rent Stabilization and Just Cause Eviction Ordinances to Require Two-Thirds Approval by All of the Members of the City Council for Certain Future Amendments;

AND/OR

4. Approve a Resolution of the City Council of the City of Santa Ana Giving Notice of a General Municipal Election of November 5, 2024 for the Submission of a Ballot Measure to the Qualified Voters to Affirm the Santa Ana City Council's Adoption of a Rent Stabilization and Just Cause Eviction Ordinance and Providing for the Filing of Argument and Rebuttal Statement (This is a ballot measure for voter approval of the Option 2 version of the ordinance);

AND/OR

5. Approve a Resolution of the City Council of the City of Santa Ana Giving Notice of a General Municipal Election of November 5, 2024 for the Submission of a Ballot Measure to the Qualified Voters to Amend the Rent Stabilization and Just Cause Eviction Ordinance to require Two-Thirds Approval by All the Members of the City Council for Certain Future Amendments and Providing for the Filing of Argument and Rebuttal Statements (This is a ballot measure for voter approval of the Option 3 version of the ordinance requiring two-thirds voter approval).

GOVERNMENT CODE §84308 APPLIES: No

DISCUSSION

On October 19, 2021, the Santa Ana City Council adopted Ordinance No. NS-3009 entitled An Ordinance of the City Council of the City of Santa Ana Prohibiting Residential Real Property and Mobilehome Space Rental Rate Increases that Exceed Three Percent (3%) Annually, or Eighty Percent (80%) of the Change in Consumer Price Index, Whichever is Less, Within the City. The City Council also adopted Ordinance No. NS-3010 entitled An Ordinance of the City Council of the City of Santa Ana Requiring Just Cause Evictions.

Thereafter, on September 6, 2022, the City Council adopted a Long Term Implementation Plan for the Rent Stabilization and Just Cause Eviction Ordinances. On October 18, 2022, the City Council adopted an Ordinance Amending Article X of Chapter 8 of the Santa Ana Municipal Code and Creating a New Article XIX in Chapter 8 of the Santa Ana Municipal Code Pertaining to the Rent Stabilization and Just Cause Eviction Ordinances (Ordinance No. NS-3027)("The Ordinance").

On August 29, 2023, Councilmember Phan brought forward Item 21 to discuss and consider directing the City Manager to prepare an ordinance for City Council's consideration to amend the City of Santa Ana Rent Stabilization and Just Cause Eviction Ordinance to require a supermajority approval of the total number of Councilmembers for certain future amendments to the Ordinance.

The matter was discussed at the August 29, 2023 Special City Council Meeting and a majority of the City Council gave direction to the City Manager to research and return to the City Council options for their consideration by October 3, 2023.

On September 19, 2023, Councilmember Phan brought forward Item 26 to discuss and consider directing the City Attorney to prepare a City Council initiated ballot measure for voter approval affirming the City of Santa Ana's Rent Stabilization and Just Cause Eviction Ordinance for the November 5, 2024 General Presidential Election.

The matter was discussed and a majority of the City Council gave direction to the City Attorney to prepare the requested ballot measure. As the City Council has the option of adopting two different versions of the ordinance, both versions are also presented as potential ballot measures.

The option of this City Council approving first reading of the current version of the Ordinance is also presented for consideration and is strongly recommended by staff in order to affirm the former Council's action and cure against allegations concerning the validity of the adoption of the Ordinance.

FISCAL IMPACT

Estimated costs for a City General Municipal Election on November 5, 2024 are \$279,085 - \$327,742. This estimate is based upon the following:

1. Consolidated election \$157,348 - \$200,262.
2. The cost of postage for vote-by-mail return envelopes \$71,754 - \$77,498.
3. The cost recovery for 2019-20 purchase of new election equipment \$41,483.
4. The cost of one measure (3000 words and 2 pages) \$8,500.

Sufficient funds to accommodate the 2024 General Municipal Election will be presented to City Council for consideration during the FY 2024/25 budget approval process as part of the City Clerk's Office FY 2024/25 budget, Administration, Contract Services-Professional (no. 01107031 62300).

EXHIBIT(S)

1. First Reading of Ordinance Affirming Adoption of Ordinance No. NS-3027 Entitled An Ordinance of the City Council of the City of Santa Ana Amending Article X of Chapter 8 of the Santa Ana Municipal Code and Creating a New Article XIX in Chapter 8 of the Santa Ana Municipal Code Pertaining to the Rent Stabilization and Just Cause Eviction Ordinance.
2. First Reading of Ordinance Amending Article XIX of Chapter of the Santa Ana Municipal Code Pertaining to the Rent Stabilization and Just Cause Eviction Ordinance to Require Two-Thirds Approval by All of Members of the City Council for Certain Future Amendments.

3. Resolution of the City Council of the City of Santa Ana Giving Notice of a General Municipal Election of November 5, 2024 for the Submission of a Ballot Measure to the Qualified Voters Affirming the Santa Ana City Council's Adoption of a Rent Stabilization and Just Cause Eviction Ordinance and Providing for the Filing of Argument and Rebuttal Statements.

4. Resolution of the City Council of the City of Santa Ana Giving Notice of a General Municipal Election of November 5, 2024 for the Submission of a Ballot Measure to the Qualified Voters Amending the Rent Stabilization and Just Cause Eviction Ordinance to Require Two-Thirds Approval by All of the Members of the City Council for Certain Future Amendments and Providing for the Filing of Argument and Rebuttal Statements.

Submitted By: Sonia Carvalho, City Attorney

Approved By: Kristine Ridge, City Manager