

PASADENA RENTAL BOARD

OCTOBER 25, 2023

Agenda Item No. 2: Amended Term Sheet with City re Integration

AGENDA ITEM NO. 2: PURPOSE

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Adoption of a Resolution Approving an Amended Term Sheet regarding Integration of the PRHB as a City Department.

INTEGRITY AND AUTONOMY OF PRHB

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Section 1811(m):

“The Rental Board shall be in integral part of the government of the City, but shall exercise its powers and duties under this Article independent from the City Council, the City Manager and the City Attorney, except by request of the Rental Board. The Rental Board may request the services of the City Attorney, who shall provide them pursuant to the lawful duties of the office in Article II, Chapter 2.30 of the Pasadena City Charter. The City shall provide infrastructure support on an ongoing basis as it would with any other City department. “

CONFLICTING CHARTER PROVISIONS

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- Section 1821
- To the extent that any of the provisions of this Article conflict with other provisions of the Pasadena City Charter, the provisions of this Article shall govern. This Article, however, is not intended to revise, repeal, or supersede any other provisions of the Pasadena City Charter with respect to matters not addressed herein. As such, this Article shall have the effect of amending the Pasadena City Charter as necessary for the Rental Board to exercise its authority and fulfill its responsibilities as specifically identified herein, but this Article shall not otherwise amend the Pasadena City Charter with respect to the powers or limitations of other board and commissions.

PASADENA CITY CHARTER

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- Article VI-Powers and Duties of the City Manager
 - ▣ The City Manager has the power and duty to appoint, promote, discipline and terminate all employees in accordance with the City's personnel system. (Section 604)
- Article VIII- Personnel System
 - ▣ The City Council shall establish a personnel system (Section 801)
 - ▣ Rules and procedures for the administration of the Personnel system shall be established by the City Manager (Section 803)

PASADENA CITY CHARTER- ARTICLE X

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- All contracts for \$75,000 or more must be approved by the City Council (Section 1001)
- Unless otherwise provided in the Charter, all contracts shall be authorized with the lowest and best bidder after competitive bid (Section 1002)
 - Exceptions-
 - professional service contracts,
 - Contracts under \$75,000
 - Contracts with other governmental entities
 - Contracts for supplies or services that are only available from one vendor.

AMENDED TERM SHEET

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- Pasadena Rent Stabilization Department to be a separate department of the City
- Department Director and all other staff to be employees of the City hired in accordance with standard City process.
- PRHB to interview and recommend to the City Manager the appointment of the Department Director
- Department staff job classifications to be approved by the City Council in accordance with City Charter

AMENDED TERM SHEET

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- PRHB will establish annual budget for Department
- Rent Stabilization Department budget will be incorporated into the City budget for approval by the City Council
- PRHB will set the Rental Housing Fee based on the approved budget

AMENDED TERM SHEET

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- PRHB Procurements will be subject to City Charter requirements that require that certain contracts be competitively bid and awarded to the lowest and best bidder.
- Exemptions from competitive bidding include personal service contracts, contracts under \$75,000, contracts where there is a sole provider, and emergencies.

TERM SHEET

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- City to provide office space
- City to provide other support similar to other City Departments, including IT, Finance, Human Resources, and insurance.
- City to be reimbursed for the expenses for office space and support in same manner as other City departments

PASADENA RENTAL BOARD

OCTOBER 25, 2023

Agenda Item No. 4: Just Cause for Eviction Regulations

AGENDA ITEM NO. 4: PURPOSE

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Adoption of a Resolution Establishing Procedures for Administration and Enforcement of the Just Cause for Eviction Requirements of Article XVIII of the Pasadena City Charter.

BACKGROUND

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- “Just Cause” required to terminate a tenancy. Among the just causes:
 - ▣ Necessary and substantial repairs (1806(a)(8))
 - ▣ Owner Move-in (1806(a)(9))
- Necessary and substantial repairs
 - ▣ Right of first refusal to a comparable unit owned by Landlord
 - ▣ Right of return to Rental Unit upon completion of repairs
- Owner Move-in
 - ▣ Landlord or a qualifying relative
 - ▣ Must be in “good faith”
 - ▣ Must move in within 60 days and occupy for 36 consecutive months

PROPOSED REGULATIONS

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□ **Notices of Termination of Tenancy**

- Required contents for any termination notice, including basis for termination, statement that unit is covered, and that Tenant can seek assistance
- Must include a copy of Notice to Cease where applicable
- Landlord must file termination notice within 3 days of service
- Landlord must also file copy of any summons/complaint for or judgement in eviction case within 7 days
- Landlord must notify Board that Tenant has vacated because of termination notice or eviction filing within 7 days

PROPOSED REGULATIONS

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- **Elections for Tenants Terminated for Necessary & Substantial Repairs**
 - Right of first refusal to comparable unit
 - Parameters for “comparable unit” include bd/ba count, sq. ft., geo location, physical condition, and any reasonable modifications based on disability
 - Tenant households with minor child may elect to waive requirements if unit available within geographical boundaries of the same public school system
 - Right of return to Rental Unit
 - Tenant must inform Landlord of changes to temporary address/contact information
 - Landlord must inform Tenant 45 days before unit is ready
 - Landlord must inform Tenant of right to elections upon applying for permits or 30 days before issuing termination notice
 - Tenant must inform Landlord of elections within 30 days of receipt of Landlord’s notice

PROPOSED REGULATIONS

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□ **Owner Move-In**

- “Natural Person”: not a corporation, LLC, partnership, LP, trust, real estate investment trust or association
 - Must have at least 50 percent ownership interest in Property to evict
- “Qualifying Relative”: Landlord’s spouse, domestic partner, child, grandchild, parent or grandparent
- Allowable evictions – no eviction permitted if
 - Comparable unit available on property
 - Landlord/Qualifying relative already reside in comparable unit on Property
 - Comparable unit becomes available before Landlord has recovered possession

PROPOSED REGULATIONS

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□ **Owner Move-In, cont'd.**

▣ Allowable evictions, cont'd.

- May evict despite limitations if Landlord/Qualifying Relative demonstrates need for reasonable accommodation based on disability
- May not evict tenant who has resided in Rental Unit for at least 5 years and is either 60+ years, disabled or terminally ill unless Landlord/Qualifying Relative also meet these requirements

▣ Contents of termination notice

- Name, address and relationship to Landlord of person to occupy
- Any exemption for which Landlord/Qualifying Relative qualifies
- Notice of Tenant's rights (provided by PRHB)

PROPOSED REGULATIONS

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- **Owner Move-In, cont'd.**
 - ▣ Contents of termination notice, cont'd.
 - Owner Move-In Affidavit
 - Tenant must inform Landlord of interest to re-rent Rental Unit at same Rent if Landlord reoffers Rental Unit for rent
 - ▣ Good faith requirements
 - Non-exhaustive list of considerations for a court
 - Include if Tenant has recently exercised rights and reported violations, etc.

PROPOSED REGULATIONS

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□ **Owner Move-In, cont'd.**

▣ Post Owner Move-In Requirements

- Initial Certification: Landlord certifies that Tenant vacated w/in 30 days
- Statement of Occupancy: Landlord certifies move-in w/in 30 days
- Continued Occupancy Certification: Annually for 36 months after move-in
- Tenant contact information must be provided to Landlord and may be provided to Rental Housing Board; must be kept updated
- If Landlord does not satisfy requirements, must reoffer to Tenant at same Rent
 - Must file copy of offer to re-rent within 5 days after sending to Tenant
- Tenant has 30 days to respond to Landlord's offer to re-rent

AGENDA ITEM NO. 4: RECOMMENDATION

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- Consider and adopt a resolution adopting regulations establishing procedures for administration and enforcement of the just cause for eviction requirements of Article XVIII of the Pasadena City Charter