

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUNNYVALE TO ADD CHAPTER 19.71 (RESIDENTIAL TENANT PROTECTIONS PROGRAMS) TO TITLE NINETEEN (ZONING) OF THE SUNNYVALE MUNICIPAL CODE RELATING TO TENANT PROTECTION AND RIGHT TO LEASE

WHEREAS, the “Tenant Protection Act of 2019” (Assembly Bill [“AB”] 1482) (Civil Code Sections 1946.2 and 1947.12) was approved by the California Legislature on September 11, 2019, signed by the Governor on October 8, 2019, and amended in July 2021 (AB 978) to include some rented mobile homes within the residential rental units covered by the Tenant Protection Act of 2019; and

WHEREAS, AB 1482 imposes statewide rent control and “just cause” eviction protections for tenants; and

WHEREAS, Civil Code Section 1946.2(g)(1)(B) authorizes the adoption of local eviction protection ordinances that are more protective than the provisions of the state law; and

WHEREAS, the City Council, pursuant to its police powers as a Charter City, has broad authority to maintain public peace, health, and safety of its community and preserve the quality of life for its residents; and

WHEREAS, housing instability threatens the public peace, health, and safety as eviction from one’s home can lead to prolonged homelessness; increased residential mobility; loss of community; strain on household finances due to the necessity of paying rental application fees and security deposits; stress and anxiety experienced by those displaced; increased commute times and traffic impacts if displaced workers cannot find affordable housing within the city in which they work; and interruption of the education of children in the home; and

WHEREAS, eviction creates particular hardships for individuals and households of limited means, given the shortage of housing, particularly affordable housing, within the City of Sunnyvale and the San Francisco Bay Area region generally; and

WHEREAS, the City of Sunnyvale desires to adopt a local tenant protection ordinance that is more protective than the provisions of AB 1482, and add new sections to Chapter 19.71 of the Sunnyvale Municipal Code.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SUNNYVALE DOES ORDAIN AS FOLLOWS:

SECTION 1. Chapter 19.71 ADDED. Chapter 19.71 (Residential Tenant Protections Programs) is hereby added to Title 19 (Zoning) of the Sunnyvale Municipal Code and reads as follows:

Chapter 19.71. RESIDENTIAL TENANT PROTECTIONS PROGRAMS

19.71.010. Title, findings, and intent.

(a) Findings. Pursuant to Civil Code Section 1946.2(g)(1)(B), the City Council hereby makes the following binding findings within this chapter that this chapter is more protective than the provisions of Civil Code Section 1946.2 because:

- (1) The just causes for termination of a residential tenancy under this chapter are consistent with Civil Code Section 1946.2, and such provisions relating to just cause are incorporated by reference into this chapter; and
- (2) This chapter provides additional tenant protections that are not prohibited by any other provision of law. Specifically, this chapter applies eviction protections to residential real properties that have received certificates of occupancy within the previous fifteen (15) years, provides for higher relocation assistance amounts than those available to tenants covered by Civil Code Section 1946.2, and requires certain minimum lease terms.

(b) Intent. As provided in Civil Code Section 1946.2(g)(2), a residential real property shall not be subject to both a local ordinance requiring just cause for termination of a residential tenancy and Civil Code Section 1946.2. This chapter incorporates Civil Code Section 1946.2 by reference with the intent that the protections of Civil Code Section 1946.2 be extended to apply to residential tenants covered by Civil Code Section 1946.2, as well as to residential real properties that have been issued certificates of occupancy within the previous fifteen (15) years; to increase the amount of relocation benefits available to tenants; and that those provisions of this chapter which differ from Civil Code Section 1946.2 supplement and are more protective of residential tenants than Civil Code Section 1946.2.

19.71.020. Definitions.

When used in this chapter, these terms mean the following:

(a) “Just cause” for purposes of this chapter is defined as the at-fault causes set forth in Civil Code Section 1946.2(b)(1) and the no-fault causes set forth in Civil Code Section 1946.2(b)(2).

(b) “Owner” means any person, acting as principal or through an agent, having the right to offer residential real property for rent, and includes a predecessor in interest to the owner.

(c) “Rent” means all periodic payments and all nonmonetary consideration including, but not limited to, the fair market value of goods, labor performed or services rendered to or for the benefit of the tenant under a rental agreement concerning the use and occupancy of a residential real property and all attendant housing services, including all payments and consideration demanded or paid for parking, utility charges (if included in the rental amount paid

by the tenant to the owner), pets, furniture and other benefits, privileges or facilities connected with the use or occupancy of the residential real property.

(d) “Residential real property” means any dwelling unit that is intended for human habitation, including any dwelling or unit in a mobile home park that is not owner-occupied.

However, residential real property as used in this chapter shall not include residential real properties or residential circumstances referenced in Civil Code Section 1946.2(e)(1) through (6) and (8).

(e) “Tenancy” means the lawful occupation of residential real property and includes a lease or sublease.

(f) “Tenant” means any individual or household who lawfully occupies residential real property including a subtenant.

19.71.030. Adoption of Civil Code Section 1946.2 by reference related to terminations of tenancy.

(a) This chapter adopts and incorporates by reference Civil Code Section 1946.2 in the Municipal Code in its entirety and as such statute may be amended from time to time, except for Civil Code Section 1946.2(e)(7), which is specifically excluded, and except for any other provisions that directly conflicts with this chapter.

(b) It is expressly intended that this chapter shall apply to residential real property regardless of when the certificate of occupancy has been issued, including residential real property for which a certificate of occupancy has been issued within the previous fifteen (15) years.

(c) This chapter shall not apply to Short Term Rentals, as defined in Chapter 19.76 of this code.

19.71.040. Notice of terminations of tenancy.

(a) Notice to Terminate Tenancy. Owners shall provide tenants written notice of the relocation assistance available to the tenant pursuant to Section 19.71.050 for any no-fault just cause eviction as defined in Civil Code Section 1946.2(b)(2) no less than thirty (30) days prior to the issuance of a notice of termination, unless the eviction is required by an order issued by a government agency and necessitates vacating the residential real property in a time sensitive manner.

(b) An owner’s failure to strictly comply with this section shall render the notice of termination void.

19.71.050. Relocation assistance for no-fault just cause evictions.

(a) For a tenancy for which just cause is required to terminate the tenancy under Civil Code Section 1946.2(b)(2) (no-fault just cause), the owner shall be obligated to provide the tenant with relocation assistance in accordance with this Section 19.71.050.

(b) The amount of relocation assistance provided to tenants for a no-fault just cause eviction shall be equal to two (2) times the tenant's monthly rent that was in effect when the owner issued the notice of intent to terminate the tenancy.

(c) The owner shall provide one-half of the relocation assistance owed to the tenant within fifteen (15) calendar days of service of the notice to terminate the tenancy. The remaining one-half of the relocation assistance may be provided either (1) in the form of a waiver of rent equivalent to one month towards the final month of tenancy, so long as the tenant has not previously paid the final month's rent; or (2) a payment in cash or money order paid no later than the date the tenant vacates the residential real property. If the owner elects to waive the rent for the final month of tenancy, then the notice of relocation benefits provided pursuant to Section 19.71.040 shall state the amount of rent waived and that no rent is due for the final month of the tenancy.

19.71.060. Requirement to offer written lease; minimum lease terms.

(a) **One-Year Lease Term.** If a prospective tenant or existing tenant identified under subsection (e) and (f) of this section wishes to rent residential real property from an owner and if said owner wishes to rent said residential real property to said prospective tenant, the owner must offer to the prospective tenant a written lease which has a minimum term of one (1) year. Such offer must be made in writing. If the prospective tenant accepts the offer of a written lease which has a minimum term of one year, this acceptance must be in writing. Signing a lease which has a minimum term of one year will be considered an offer if signed by the owner, and an acceptance if countersigned by the prospective tenant. If the prospective tenant rejects the offer for a written lease which has a minimum term of one year, such rejection must be in writing. Writing shall be defined as written notice or email. This written notice shall include, but is not limited to, the length of rental term offered and rental rate. Acceptance or denial of this offer shall include signature of both tenant and owner, which signature maybe via electronic signatures.

(b) **Shorter Lease Term.** If said prospective tenant or existing tenant identified under subsection (e) of this section rejects the offer for a written lease which has a minimum term of twelve months as provided in subsection (a) of this section, said owner and said prospective tenant may then enter into a written lease that provides for a term of fewer than twelve (12) months, including a month to month lease term.

(c) **Tenant Selected Lease Term.** If owner offers an upfront menu of lease terms to tenant prior to lease acceptance, that shall satisfy this Section 19.71.060. The menu of term options shall allow the tenant the choice of the *minimum* number of options as follows: one (1) month, three (3) months, six (6) months, twelve (12) months. This chapter shall not cap the maximum term length that may be offered by the owner through this style of lease term offer. The menu of term options can be presented to the tenant digitally through a rental software or rental website, or through a written form where the tenant selects the term length when applying for the residential real property. If the owner offers this style of a menu of term options, the owner is not required to comply with subsections (a) and (b) of this section.

(d) Rejection. It is the tenant's responsibility to accept or reject the offer of a written lease in writing within five (5) calendar days of service of the written offer. If the tenant or prospective tenant rejects the offer for a written lease which has a minimum term of one (1) year, then the owner and tenant or prospective tenant may enter into an agreement, oral or written, that provides for a rental term of less than one (1) year. Failure to accept or reject shall allow owner to offer a lease to another tenant.

(e) Renewal of Lease. If both the owner and tenant wish to continue the rental relationship, upon the expiration of a written lease or rental agreement which has a term other than month to month, a written lease shall be offered again in accordance with the procedures set forth in subsections (a) through (c) of this section. The owner shall have no obligation to re-offer a tenant a one-year lease term if the tenant has previously rejected such offer(s) in accordance with the procedures set forth in subsections (a) through (c) of this section and has a written lease with a term of fewer than six (6) months.

(f) Existing Month to Month Tenancies. Within 120 days of the effective date of the ordinance codified in this chapter, any existing month to month tenant renting residential real property as of the effective date of this chapter may request a written lease with a minimum term of one (1) year, provided such tenant has not previously received a written notice of lease or rental agreement violation pursuant to Code of Civil Procedure Section 1161 and such violation remains uncured. The tenant shall make such a request in writing, as defined in subsection (a) of this section. The owner shall, upon receipt of such notice, offer to said tenant a written lease on terms substantially similar to those of the existing rental arrangement (except as to length of term) in accordance with the procedures set forth in this section, as applicable.

(g) Good Faith. This chapter requires the exercise of good faith, which shall mean honestly and without fraud, collusion or deceit. It shall further mean that the written lease is not being utilized as a method of circumventing any of the provisions of this chapter. An example of good faith is when the owner offers in writing a lease which has a minimum term of one (1) year, that lease is substantially similar to the written rental agreement for a period of less than one (1) year.

(h) Exemptions. This section shall not apply to the following:

- (1) Residential real property that is exempt from the just cause eviction protections set forth in Civil Code Section 1946.2, except for Civil Code Section 1946.2(e)(7), because it is expressly intended that this section shall apply to residential real property regardless of when the certificate of occupancy has been issued including residential real property for which a certificate of occupancy has been issued within the previous fifteen (15) years.
- (2) Short Term Rentals, as defined in Chapter 19.76 of this code.

19.71.070. Notice of tenant rights.

(a) An owner of residential real property subject to this chapter shall provide notice to the tenant as follows:

- (1) For any tenancy commenced or renewed on or after the effective date of the ordinance codified in this chapter, 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.
- (2) For any tenancy existing prior to the effective date of the ordinance codified in this chapter, by written notice to the tenant no later than sixty (60) days after the effective date of this ordinance, or as an addendum to the lease or rental agreement.

(b) The notification or lease provision shall be in no less than 12-point type, and shall include the following:

City of Sunnyvale law provides that after all of the tenants have continuously and lawfully occupied the property for 12 months or more or at least one of the tenants has continuously and lawfully occupied the property for 24 months or more, a landlord must provide a statement of cause in any notice to terminate a tenancy. See City of Sunnyvale Municipal Code Section 19.71.070 (Notice of tenant rights) for more information.

In addition, City of Sunnyvale Municipal Code Section 19.71.040 (Notice of terminations of tenancy) requires that tenants who are evicted for no-fault just cause receive a notice of available relocation benefits at least 30 days prior to receipt of the notice of termination, and the right to relocation payments in excess of those provided by state law. See City of Sunnyvale Municipal Code Section 19.71.040 for more information.

City of Sunnyvale Municipal Code Section 19.71.060 (Requirement to offer written lease; minimum lease terms) provides all new tenants with the right to written leases and minimum lease terms. Owners must offer tenants the option to enter into a one (1) year written lease. If a tenant declines a one (1) year written lease in writing, the Owner may enter into a written lease with a term of fewer than twelve (12) months, including month to month. Owners may also offer a menu of options to tenants prior to signing a lease which allow tenant the choice of term, with no fewer options than twelve (12) months, six (6) months, three (3) months, and one (1) month. See City of Sunnyvale Municipal Code Section 19.71.060 for more information.

(c) Manner of Notice. Owners must provide the notice to tenants in writing if the application and lease are processed in writing, electronically if the application and/or lease are processed electronically, or both if both methods are utilized. The provision of the notice shall be subject to Civil Code Section 1632.

19.71.080. Owner retaliation prohibited.

An owner is prohibited from retaliating against a tenant for lawfully and peaceably exercising their legal rights. No owner may take any action increasing any rental amount, reducing any service, causing the tenant to involuntarily quit the premises, or discriminating against the tenant because of the tenant's use of any remedy provided by this chapter.

19.71.090. Nonwaiver.

Any waiver or purported waiver by a tenant of their rights under this chapter prior to the time when such rights may be exercised, except a rejection of a written lease which has a minimum term of one (1) year in accordance with the procedures set forth in Section 19.71.060 (Requirement to offer written lease; minimum lease terms) shall be void and unenforceable as contrary to public policy.

19.71.100. Remedies.

In the event of a violation of this chapter, a residential tenant may institute a civil proceeding for injunctive relief, money damages, and whatever other relief the court deems appropriate. The remedy available under this section shall be in addition to any other existing remedies which may be available to the residential tenant under local, county, state or federal law. In addition, this chapter grants a defense to eviction to any unlawful detainer actions in violation of this chapter.

SECTION 2. Compliance with CEQA. The City Council finds that the adoption and implementation of this ordinance are exempt from the provisions of the California Environmental Quality Act ("CEQA") under CEQA Guidelines Section 15061(b)(3) in that the City Council finds there is no possibility that the implementation of this ordinance may have a significant effect on the environment.

SECTION 3. Constitutionality; Severability. If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such decision or decisions shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance, and each section, subsection, sentence, clause and phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid.

SECTION 4. Effective Date. This ordinance shall be in full force and effect thirty (30) days from and after the date of its adoption.

SECTION 5. Posting and Publication. The City Clerk is directed to cause copies of this ordinance to be posted in three (3) prominent places in the City of Sunnyvale and to cause publication once in The Sun, the official publication of legal notices of the City of Sunnyvale, of a notice setting forth the date of adoption, the title of this ordinance, and a list of places where copies of this ordinance are posted, within fifteen (15) days after adoption of this ordinance.

DRAFT 3/13/2023 *MC*

Introduced at a regular meeting of the City Council held on _____, and adopted as an ordinance of the City of Sunnyvale at a regular meeting of the City Council held on _____, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:
RECUSAL:

ATTEST:

APPROVED:

DAVID CARNAHAN
City Clerk

LARRY KLEIN
Mayor

Date of Attestation: _____

(SEAL)

APPROVED AS TO FORM:

JOHN A. NAGEL
City Attorney