



## Legislation Details (With Text)

<b>File #:</b>	20-0139	<b>Version:</b>	1	<b>Name:</b>	CD1 - Substantial Remodel Loophole
<b>Type:</b>	Agenda Item	<b>Status:</b>		<b>Status:</b>	Approved
<b>File created:</b>	2/7/2020	<b>In control:</b>		<b>In control:</b>	City Council
<b>On agenda:</b>	2/11/2020	<b>Final action:</b>		<b>Final action:</b>	2/11/2020
<b>Title:</b>	Recommendation to request City Attorney to draft an urgency ordinance for review at the February 18, 2020 City Council meeting, to address the Substantial Remodel loophole in the Tenant Protection Act. Additionally, temporarily prohibition on no fault notices for substantial remodel until February 18, 2020.				
<b>Sponsors:</b>	COUNCILWOMAN MARY ZENDEJAS, FIRST DISTRICT, COUNCILMEMBER JEANNINE PEARCE, SECOND DISTRICT, COUNCILMAN AL AUSTIN, EIGHTH DISTRICT				
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	1. 021120-NB-16sr&att.pdf, 2. 021120-NB-16 Corresp.Gonzalez.pdf				

Date	Ver.	Action By	Action	Result
2/11/2020	1	City Council	approve recommendation	Pass

Recommendation to request City Attorney to draft an urgency ordinance for review at the February 18, 2020 City Council meeting, to address the Substantial Remodel loophole in the Tenant Protection Act. Additionally, temporarily prohibition on no fault notices for substantial remodel until February 18, 2020.

The CA Tenant Protection Act of 2019 (AB 1482), which went into effect on January 1, 2020, sets an annual rent cap of 5% plus inflation and provides just cause protection for tenants. This City Council acted swiftly last Fall to adopt an eviction moratorium to address a gap in this legislation, which was resulting in the displacement of LB residents.

The City Council requests to act swiftly again, to close another loophole that is resulting in the displacement of Long Beach residents. Since January 1, 2020, many Long Beach residents, in TPA protected units, have received Notices to Vacate for Substantial Remodel work, but the owners have not pulled permits and the Notices to Vacate do not include any information about the scope and type of work to be performed on the unit.

The Tenant Protection Act (TPA) defines Substantial Remodel as follows:  
"the replacement or substantial modification. of any structural, electrical, plumbing, or mechanical system that requires a permit from a governmental agency, or the abatement of hazardous materials, including lead-based paint, mold, or asbestos, in accordance with applicable federal, state, and local laws, that cannot be reasonably accomplished in a safe manner with the tenant in place and that requires the tenant to vacate the residential real property for at least 30 days. Cosmetic improvements alone, including painting, decorating, and minor repairs, or other work that can be performed safely without having the residential real property vacated, do not qualify as substantial rehabilitation." (CA Civil Code § 1946.2)

This definition is resulting in an unintended loophole to the TPA's protections because it does not explicitly require owners to: (1) obtain all necessary permits from all applicable government agencies before serving a Notice to Vacate for Substantial Remodel; and (2) include information in the Notice to Vacate about the type and scope of work to be performed, why it cannot be completed with the tenant in place, and why it cannot be completed within 30 days. Importantly, the City of Inglewood, County of Los Angeles and City of Los Angeles have all adopted local ordinances that include such requirements to prevent abuses. The City of Long Beach is committed to protecting its residents and a simple, local fix with the two requirements above can address these issues.

Due to the immediate need and urgent nature of this item, we request that the City Attorney draft an urgency ordinance for review at the February 18, 2020 City Council meeting.

No Financial Management review was able to be conducted due to the urgency and time sensitivity of this item.

Approve recommendation.

MARY ZENDEJAS COUNCILWOMAN,  
FIRST DISTRICT