ITEM NO: 2

ROLL CALL

NEIGHBORHOOD AND PUBLIC SAFETY ISSUES COUNCIL COMMITTEE

MOVED BY: DO SECONDED BY: SP DATE: 12-2-93

MOTION: Bring back to committee

		AYE	NO	ABSTAIN	ABSENT
KERTH	D2				✓
ORTIZ	D5	✓			
PANNELL	D8	✓			
STEINBERG	D6	✓			

NOTES:

SEQUENCE ORDER: 3

BACKGROUND

On March 23, 1993, the City Council heard a report relating to possible anti-drug and gang initiatives specific to the Franklin Villa Estates Subdivision. Council directed the City Attorney to report back on the drafting of an ordinance to mandate property owners to authorize their homeowners associations to screen, monitor and evict tenants.

On May 18, 1993, the City Attorney's office brought the draft ordinance to City Council which would create a "Rental Property Oversight Program" (RPOP) for direction on the matter. As progress was being made on the formulation of the Neighborhood Improvement Program, a related ordinance and program to abate social nuisances on residential real properties, the City Council referred the RPOP ordinance back to the Neighborhood and Public Safety Issues Council Committee for discussion and review.

The draft ordinance presented to the Council contains the following provisions:

1. Findings, including the finding that the failure of certain property owners, many of whom do not reside within the City of Sacramento, to responsibly manage their rental properties results in the creation of nuisances.

2. Authority to impose one or more conditions upon the owner, if the council determines that:

   (a) The property is in a development or neighborhood in which 20% or more of the residential units are not owner-occupied;

   (b) The tenants have caused, participated in, or permitted to occur a nuisance;

   (c) Multiple police responses have been required;

   (d) The Chief of Police or other city official has given written notice to the owner to abate the nuisance;

   (e) The Chief of Police has recommended that the property be subjected to RPOP conditions.

3. The possible conditions include:

   (a) Authorizing the Homeowner's Association to screen, monitor and evict owner's tenants.

(b) Posting the property as a "drug free zone."

(c) Including provisions in application forms and rental agreements stating that the premises are a "drug free zone" and that any unlawful possession or use of controlled substances shall be cause for eviction.

(d) Posting conspicuously the owner/manager's name, address, and phone number.

4. The penalty for failure to comply is set at $1,000.00 per unit of rental housing, for each month or portion thereof during which the owner does not comply with the conditions.

The City Attorney has also prepared, at the request of the Anti-Drugs/Gangs Coordinator, a more limited version of the ordinance which would apply only to developments with existing homeowners' associations, eliminating the ordinance's application to neighborhoods without a homeowners' association.

The City Attorney also suggests that the Committee consider a revision to the draft ordinance that would eliminate the homeowners' association tenant screening process, but retain the monitoring and eviction functions for the association. This would avoid some of the subjectivity which surrounds tenant screening, but still permit the association to remove problem tenants over the owner's objection if the owner fails to act.

The City Council may prefer this strategy in limited situations. The Neighborhood Improvement Program, which will begin on January 1, 1994, is a new tool that will greatly assist the City of Sacramento and residents in responding to problems which arise when poor management of rental properties allows the behaviors of tenants and guests to create nuisances which have serious negative impacts on Sacramento's neighborhoods.

FINANCIAL CONSIDERATIONS

Implementation of the RPOP ordinance may generate a small amount of administrative penalty revenue for the City of Sacramento.

POLICY CONSIDERATIONS

This report is consistent with the City Council's priority to improve the safety and livability of Sacramento's neighborhoods. Any revised version of this ordinance will be brought to the Law and Legislation Committee, and then to the full City Council, for policy review.

MBE/WBE

This report does not relate to procurement of goods or services.

Respectfully submitted,

SHARON SIEDORF CARDENAS
City Attorney

By: Diane B Balter
DIANE B. BALTER
Deputy City Attorney

ORDINANCE NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

AN ORDINANCE ADDING CHAPTER 17 TO TITLE 49 OF THE SACRAMENTO CITY CODE RELATING TO THE RENTAL PROPERTY OVERSIGHT PROGRAM (RPOP), IMPOSING TENANT SCREENING, MONITORING, AND EVICTION REQUIREMENTS AND OTHER CONDITIONS ON CERTAIN RENTAL PROPERTIES

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1.

Chapter 17 is hereby added to Title 49 of the Sacramento City Code, to read as follows:

Chapter 17. Rental Property Oversight Program

49.17.1701 Title.

This chapter shall be known as the Rental Property Oversight Program of the City of Sacramento.

49.17.1702 Findings.

The Sacramento City Council finds as follows:

(a) The failure of certain property owners, many of whom do not reside within the City of Sacramento, to responsibly manage their rental properties within the City of Sacramento results in the occurrence of disturbances created by unmonitored tenants and their guests which creates a nuisance for nearby residents and a law enforcement and nuisance problem for the City of Sacramento. Some of these disturbances involve the unlawful possession, use, and sale of controlled substances and criminal street gang activity.

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(b) The occurrence of these disturbances and the creation of the nuisances constitute a direct threat to the public peace, health, safety, and general welfare of the citizens of the City of Sacramento and contribute to the deterioration of neighborhoods and the decline of property values and quality of life.

49.17.1703 Purpose.

The purpose of this ordinance is to implement a just, equitable and practical method to encourage and require property owners to abate nuisances caused by the conduct of their tenants and to provide a scheme for accomplishing basic oversight of the rental properties and their tenants when the property owner fails to do so, to be cumulative to and in addition to any other available remedy.

49.17.1704 Imposition of Special Conditions on Property in Rental Property Oversight Program (RPOP).

After a public hearing and upon making by resolution all of the following findings with respect to any residential property, the Council may impose upon the owner any or all of the conditions set forth in Section 49.17.1705:

(a) The property is located within a condominium development, planned unit development, or a neighborhood (as that neighborhood is defined by the City Council in its resolution) in which twenty percent (20%) or more of the residential units are not owner-occupied or in which other factors make imposition of RPOP conditions appropriate;

(b) Some or all of the tenants of the property have caused, participated in, or permitted to occur on or about the premises activity which constitutes a threat to the public peace, health, safety, or general welfare or which creates a nuisance;

(c) Conditions in the development or neighborhood have required multiple police responses;

(d) The Chief of Police or other city official has given the property owner written notice, by first class or by certified mail, return receipt requested, mailed to the address of the owner as set forth on the last equalized assessment roll, of the problem activities on the property and the owner has failed, within a reasonable time, to take appropriate steps to abate the problem activities; and

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(e) The Chief of Police has recommended that the development or neighborhood be subjected to RPOP conditions because of the existence of unlawful drug-related or criminal street gang activity in the development or neighborhood.

At least 10 days before the hearing, notice of the hearing shall be personally served upon the owner or mailed to the owner by first class mail to the address of the owner as set forth on the last equalized assessment roll and shall be posted prominently on the property.

49.17.1705 Conditions applicable to RPOP properties.

One or more of the following conditions may be imposed upon the owner of a rental property as to which the findings set forth in Section 49.17.1704have been made by the City Council:

(a) The owner shall authorize an existing Homeowners' Association or a Tenant Oversight Panel established by residents of the development or neighborhood to screen owner's prospective tenants, and to monitor and evict owner's tenants in compliance with applicable federal, state, and local laws.

(1) The Homeowners' Association or Tenant Oversight Panel shall establish uniform screening criteria for prospective tenants. The criteria shall:

a. have as their sole purpose the identification and rejection of prospective tenants who, based on their past conduct, would be likely to create a nuisance for nearby neighbors;

b. comply with all applicable federal, state and local laws; and

c. be developed in cooperation with local organizations representing landlords and tenants, including the Sacramento Human Rights and Fair Housing Commission, Sacramento Valley Apartment Association, Legal Services of Northern California and the Sacramento Board of Realtors.

(2) The Homeowners' Association or Tenant Oversight Panel shall be authorized to evict tenants on owner's behalf on the ground that the tenants or the tenants' guests are creating a nuisance.

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(3) The owner may rent a unit only to a tenant approved in advance by the Homeowners' Association or the Tenant Oversight Panel, but is not required to accept all tenants approved by the Association or Panel.

(4) The owner shall provide to the Homeowners' Association or Tenant Oversight Panel information regarding the owner's tenants which is necessary for performance of the Association or Panel's responsibilities.

Neither the Homeowners' Association nor the Tenant Oversight Panel nor the City of Sacramento or the Housing Authority of the City of Sacramento shall be responsible for the failure of any tenant to pay rent when due or for any damage caused by any tenant.

(b) The owner shall post the property as a "drug free zone."

(c) The owner shall include a provision in its application forms and rental agreements stating that the premises are a "drug free zone" and that any unlawful possession or use of controlled substances by the tenant or the tenant's guests shall be cause for eviction.

(d) The owner shall post a sign in a conspicuous place on the premises setting forth the name, address and daytime and evening telephone numbers of the owner or of a local property manager who is authorized to screen, monitor, and evict tenants from the property and to make other decisions relating to the property.

49.17.1706 Failure of owner to comply.

A property owner upon whose property RPOP conditions have been imposed shall comply with all of the conditions. Failure to do so shall subject the owner to an administrative penalty in an amount not to exceed $1,000.00 per unit of rental housing subject to the RPOP conditions for each month or portion thereof during which the owner does not comply with the conditions.

The administrative penalty shall be imposed by the City Council if it finds that the property owner had the ability to comply with the conditions but willfully failed to do so. The penalty shall be due and payable 30 days after the decision of the City Council. If the penalty is not paid within 45 days after the decision of the City Council, the City Council may thereupon order that the penalty be a personal obligation of the property owner or that it be specially assessed against the property involved. If the City Council orders that the penalty be specially assessed against the property, it shall confirm the assessment and thereafter said assessment may

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be collected at the same time and in the same manner as ordinary real property taxes are collected and shall be subject to the same penalties and the same procedure and sale in case of delinquency as provided for ordinary real property taxes. All laws applicable to the levy, collection, and enforcement of real property taxes are applicable to the special assessment. The City Council may also cause a notice of lien to be recorded. The notice shall, at a minimum, identify the record owner or possessor of the property, set forth the last known address of the record owner or possessor on the date on which the penalty was imposed by the City Council, a description of the real property subject to the lien, and the amount of the penalty.

DATE PASSED FOR PUBLICATION:

DATE ENACTED:

DATE EFFECTIVE:

_____
MAYOR

ATTEST:

_____
CITY CLERK

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ORDINANCE NO.: 9

DATE ADOPTED: _____