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Honorable Mayor and City Council

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Contained is a brief outline of the catastrophic effects the "Tenant Landlord Protection Act" will have on Chula Vista renters. Two areas in which this ordinance adversely effects renters are:

- 1) Forces Landlords to drastically raise rents to offset costs incurred with the implementation of this ordinance.
- 2) Because of some draconian clauses, many Mom & Pop Landlords will pull property off the rental market reducing the supply of rentals in our community.

Outlined in *Italics* herein are just a few of the clauses within this Act which renders this ordinance fatally flawed.

***Clause 9.65.080 C 3 & 4 states: Civil penalties for violations of this chapter may be assessed at a rate not to exceed \$5,000 per violation per day. ....it is not required that a warning or notice to cure must first be given before an administrative citation or civil penalty may be issued. Owner, shall be guilty of a misdemeanor punishable by ...imprisonment for a period of not more than six months, or by both a fine and imprisonment.***

Threatening Landlords, who may unknowingly violate some obscure clause of this ordinance, with a six month prison

sentence or the confiscation of their entire life's savings does nothing to relieve the pressure placed on tenants to secure affordable housing. Such a draconian measures places extreme pressure on "Mom & Pop" Landlords to remove their properties from the rental market. Reducing the supply of rental units invariably results in rent increases. The few "Mom & Pop Landlords remaining will be forced to raise rents to offset projected expense increases.

Regarding not giving a notice to cure: Warning naive Landlords they are in violation of some obscure clause of an ordinance **does not** prohibit city staff from seeking enforcement of the very few egregious offenders. If Chula Vista City staff's real intent was to aid tenants, they would have replaced this clause with: ***"Upon notification, landlords have 30 days to cure any violation to this ordinance."*** The fact that staff took the time to insert a clause: ***"it is not required that a warning or notice to cure must first be given"*** leads many to believe staff places a higher priority on increasing city revenue as opposed to actually assisting tenants.

Clause 9.65.060 E States if a tenant terminates his lease and moves away, ***"Owners and Tenants shall provide City with information regarding termination of Tenancies at such time(s) and with such details as shall be required by city in the attendant Administration Regulations."***

The vast majority of Mary's and my tenants are long term residents. In my 51 years as a Landlord, I do not remember EVER having evicted a tenant. However, if the tenant terminates the lease, moves away and does not follow proper procedure of informing City Staff about their move, owner is subject to the previously mentioned fine and imprisonment. It is doubtful many tenants are even aware of their legal responsibility to report their lease termination. I don't know how to ensure past tenants have followed proper procedure in informing city staff they have terminated their lease.

Another discrepancy in the ordinance: The definition of the term "Substantial Remodel" is deeply flawed. A landlord is in violation of the law and subject to a \$5,000.00 fine and six months imprisonment if a remodel does not adhere to every point of the definition below.

***Substantial Remodel means improvements to a Residential Rental Unit meeting all of the following criteria:***

- 1. Any structural, electrical, plumbing or mechanical system is being replaced or substantially***
- 2. The cost of the improvements (excluding insurance proceeds, land costs, and architectural/engineering fees) is equal to or greater than \$ 40 per square foot of the Residential Rental Unit; and***
- 3. A permit is required from a governmental agency, or the abatement of hazardous materials, including lead-based paint,***

*mold, or asbestos is required in accordance with applicable federal, State, County, or City laws and cannot be reasonably accomplished in a safe manner with the Tenant in place; and*

*4. It is necessary for the Residential Rental Unit to be vacant for more than sixty( 60) days in*

*Cosmetic improvements alone, including, but not limited to, painting, decorating, flooring replacement, counter replacement, and minor repairs, or other work that can be performed safely without having the Residential Rental Unit vacated, do not constitute a Substantial Remodel.*

The Italic text above should be simply replaced with “*Any improvement which cannot be safely completed without tenant vacating the premises.*”

Mary & I have recently substantially remodeled three condominiums in Chula Vista. We transformed these 1960's outdated units into beautiful modern homes. I am proud to say, upon completion, the units were rented at \$600.00 below identical units in the same complex. If this ordinance had passed before we completed these projects, we would have been prohibited by law from improving these properties because the work we performed did not comply with the definition of “Substantial Remodel”.

Many properties on the West Side of Chula Vista are old and in much need of repairs. Discouraging property improvements in this area of our city not only degrades our community but also encourages the establishment of slums.



Mary & I have always taken pride in holding the line of rents. In October, before the adoption of this ordinance, we informed our tenants of the 2023 rent structure. Most rents remained unchanged, a few had minor increases and one tenant actually had their rent decreased.

I am devastated to inform them that, upon the advice of real-estate professionals, we are adjusting rents the maximum amount allowed by law to finance the implementation of this ordinance. However, even this huge increase in rents won't be sufficient to pay the \$5,000.00 daily fines which are sure to follow. The added costs to our tenants will be barely be enough to pay the legal fees to challenge the fines and avoid jail.

In closing, as you can see, this ordinance has a devastating effect on renters. Hopefully a sufficient number council members will institute procedures necessary to amend this ordinance in a way which would truly help the citizens of Chula Vista. Being a landlord, who has had wonderful relationships with individual tenants for 10, 20, and even 30 years, I am absolutely positive this ordinance, as written, hurts many more people than it helps. Please feel free to contact me if you feel I am wrong with my conclusions. I have done my research. I do not expect your call.

Respectfully,

*Joseph A Raso*