

Tenant Protection Act of 2019-Part 2 (Just Cause Eviction Law)

What is the Tenant Protection Act (TPA)? Effective 1-1-20, the TPA prohibits, with exemptions, an owner from evicting a residential tenant except for 15 specified reasons. There are two types of reasons: "At fault" and "No fault".

Exemptions from Just Cause rules: **All exemptions are temporarily suspended until 10/1/21.**

- Housing that has been issued a certificate of occupancy within the previous 15 years (new housing);
- A duplex (defined as a single structure with two dwelling units) in which the owner occupies one of the units at the commencement of and throughout the tenancy;
- A single-family residential property (including condominiums) so long as:
 - (1) The owner is not a corporation, not an LLC with at least one owner who is a corporation, and not a real estate investment trust (REIT) AND
 - (2) The owner gives the tenant a legally required notice of this exemption. Ownership by individuals, partnerships, individual co-owners, trusts, and LLCs with no corporate owners, all qualify for the exemption.
- A single-family residence in which the owner lives and if the owner rents or leases no more than two bedrooms or units (including an accessory dwelling unit such as a "granny-flat");
- An owner-occupied property in which the owner and tenant share a bathroom or kitchen;
- A tenant who has not continuously and lawfully occupied the property for 12 months.

Giving notice of the Just Cause exemptions:

C.A.R. form "Rent Cap and Just Cause Addendum" (RCJC) (available December 2019) may be used as follows:

For month to month tenants: For new tenancies starting on or after January 1, 2020, incorporate the RCJC into the rental agreement. For existing tenancies, incorporate the RCJC by either having the tenant and landlord sign it or, if that isn't possible, using a change in terms of tenancy, such as C.A.R. "Notice of Change in Terms of Tenancy" (Form CTT).

For Fixed Term Leases: For new tenancies starting on or after January 1, 2020, incorporate the RCJC into the new lease. For existing tenancies, simply provide the form as a stand-alone notice. If not already provided, incorporate the RCJC into the lease upon any renewal or extension of existing leases.

What are reasons an owner may evict a tenant for at-fault just cause?

(1) A default in the payment of rent; (2) A breach of a material term of the lease; (3) Nuisance or unlawful or criminal use of the property; (4) The tenant assigns or sublets the property in violation of the lease/rental; (5) The tenant refuses to allow the owner access; (6) The tenant refuses to sign an extension/renewal at the expiration of the lease/rental.

What are reasons an owner may evict a tenant for no-fault just cause?

(1) The owner is withdrawing the property from the rental market; (2) The owner intends to demolish or substantially remodel the property. Cosmetic improvements alone do not qualify; (3) The owner, or the owner's family members intends to occupy the unit PROVIDED the tenant has previously agreed to allow such a termination or if a provision of the lease permits it. C.A.R. form RCJC may be used for this purpose. **NOTE:** For all no-fault evictions, the owner must pay the tenant a one-month relocation fee or waive rent for the final month of the tenancy. **A temporary no-fault reason has been added through September 30, 2021. A landlord may evict if the property is a SFP or condo and is in contract to sell to a buyer who will take occupancy. The RCJC must be in place.**

Does the TPA preempt local just cause eviction ordinances? If a city or county adopted a just cause eviction ordinance on or before September 1, 2019, that ordinance applies and not the TPA. If a local just cause eviction ordinance was adopted or amended after September 1, 2019 it only applies if it is more protective of tenants than the TPA.

NOTE: Quick Guide Tenant Protection Act of 2019-Part 1 (Statewide Rent Cap Law) provides information on the Rent Cap portion of the TPA.