

# **Response of the Lake County Association of Realtors Regarding the City of Clearlake Rental Ordinance 279-2025, An Amendment to Section 9-4 of the Clearlake Municipal Code Regarding Residential Rental Registration and Inspection**

**Note:** since responses are in **blue** text, please print in color.

## **General Discussion Items and Questions:**

This program as it is written appears to be an overreach by the City of Clearlake, creating bureaucracy and fees where neither appears to be necessary. While we appreciate the city's desire to improve housing conditions, this ordinance is legally questionable, financially burdensome, and likely to have unintended negative consequences for both landlords and tenants.

Many landlords are small and rely on rental revenues for their own survival. Most take pride in providing quality housing and doing so ensures they can successfully rent. The City's apparent assumption that landlords have deep pockets or are slumlords doesn't fit with the City's own data as discussed below.

To quote from the City's own newsletter published on April 3, 2025:

"In Clearlake, our efforts to clean up neighborhoods, reduce fire hazards, and improve quality of life had year over year improvements again. While we saw a similar number of complaints from the previous year (911 vs 978), there were fewer violations in 2024 across nearly every category compared to 2023—proof that outreach, education, and consistent follow-through are paying off. This improvement in community buy-in and voluntary compliance is allowing our officers to focus on more difficult and long-term violators, which require more time.

Summary of 2024 improvements:

- **Property violations dropped by 21%**, which includes substandard structures or accumulated junk
- **Vegetation violations fell by 18%**, which cleaned up Clearlake and helped improve fire risk
- **Cannabis-related violations decreased by over 30%**, reflecting better compliance with regulations

- **Administrative citations issued increased by 12%**, showing the City takes enforcement actions when voluntary compliance isn't achieved

"This is what progress looks like," said Clearlake City Manager Alan Flora.

"Fewer violations means our residents and property owners are stepping up—and that's a win for everyone."

With this kind of progress, why is this new program even needed? Why cause friction between landlords and the city? Wouldn't education, outreach, and goodwill be a better solution?

There are several flaws in the currently proposed Ordinance. What about properties where family members are living in the home and no one is paying rent? If no payment is being made, then it is not a rental—does the City agree? In a similar vein, owner-occupied homes can have conditions that do not meet habitable standards, but these homes would not be captured through this program. What is the city's plan to mitigate these places? Why is the rental market being targeted and singled out?

The program "will not mandate retrofitting of units built to earlier standards unless required by State or local laws. . ." and to "ensure alignment with current standards"-- Specifically which State and local laws require retrofitting? Which current standards are being referred to here? So the program will not mandate retrofitting of units. . . until it does. This ambiguity is a red flag signalling more City overreach in the future.

Why not use the ordinance that is in place and was used from 2000 - 2005? The City's materials from the 3/20/25 City Council meeting state that the program was stopped in 2008, "probably due to the Great Recession". But the City staff at the 3/20/25 meeting stated that the last entry in the log of more than 1,600 entries was in 2005. It appears that the program was halted in 2005, long before the Great Recession. Blaming the halt on the Great Recession appears to be mere speculation that is belied by the City's own data, Why was the program stopped? Was it not successful? What factors caused it to not be a success? Does the current iteration of the program address those factors?

What criteria will the inspector use for the inspection? Do you have a checklist that will be followed on every inspection? If implemented, how will success be measured? Beyond showing the \$800,000 estimated gross revenues for the program, the proposed ordinance provides no information on how to objectively measure success. If the only success measurement is the amount of money generated for the City, this program is nothing more than a power-grab and a money-grab.

The City's materials state that program will contribute to "better living conditions for all residents" – but let us be clear that this program can only contribute to better living conditions for renters, so potentially only half of all Clearlake residents could be affected by the program. This assumes the city's prediction of 3600 of 6500 residences are rental properties.

The City's materials state that the program will allow the City to "Update references to state building fire and residential codes, along with corresponding definitions. These updates ensure our codes are consistent with state regulations." The City does not need to collect fees and go into homes to ensure this alignment and code updates.

Further, the City's materials state that data collected can "inform future policy decisions and contribute to better housing standards." What policy decisions could be informed by this program? This is not a clear justification for these fees and inspections. How will this program contribute to better housing standards? Housing standards are already established by the state and local building codes. Most other jurisdictions set housing standards without collecting fees and going into homes. Will this rental database be viewable by members of the public? Will private information of land owners and tenants be made public? This has the potential for violating privacy.

Why aren't tenants rights and leasehold considered or respected? Tenants, by law due to fact they have a leasehold, are entitled to private and peaceful enjoyment of the property they rent. Because of their leasehold they enjoy similar property rights to property owners.

Why is there police call tracking in the software database that was demonstrated on 3/20/25? If the intent is to focus on those properties with significant police activity, why not just target those properties using data available from the CLPD without collecting these fees and doing these inspection? Is police call tracking monitored on owner occupied properties?

This program smacks of unnecessary bureaucracy.

This will lead to a loss of rentals over time as property owners decide this is too onerous, leading initially to lower sale prices in the City of Clearlake as properties are dumped on the market, and higher rents long term when fewer rental units are available. Rather than comply, local property managers are already hearing that landlords would rather sell, causing a glut of houses in the market and decreasing available rentals. This ultimately decreases all property values, not just rental properties.

City Council members who own rental properties will benefit from this in the long term. We were informed that the City's attorney told the Council members that since they have no "direct benefit" from this Ordinance, they do not have to recuse themselves from voting on this Ordinance. Certainly, Council members with residential rental property will receive a benefit in the long run in the form of increased rents from a lower housing supply, and this has the appearance of impropriety. Will City Council members receive preferential treatment if this ordinance is enforced?

This Ordinance creates the potential for increased lawsuits. Will the city be named in any lawsuits by the renters for a property defect not identified on the inspection or improper behavior by an inspector? Is the city prepared to fund increased litigation or defend itself?

Even without the sale of rental homes, this program will inevitably result in less housing available because of inspection and repair delays.

Where do displaced renters go? Who compensates them for the cost to move when it is being forced by the City's actions? Will the \$800,000 yearly income be utilized to assist tenants or landlords?

The proposed Ordinance states that property owners *cannot* rent a property without the City's rental inspection certificate in hand. Yet there is no provision for phasing in the program over a period of years. How can the City inspect 3,400 units in 60 days? Do property owners have to lock renters out because no certificate is in hand? Are property owners going to have to keep their property vacant until the City can get to them to inspect? It seems that a phasing in over a few years would prevent this bottleneck of inspections from interfering with rental activity. The City discussed a hydrant flow ordinance at the same 3/20/25 meeting and openly acknowledged that although the ordinance required all hydrants to be inspected within a certain number of days, the pilot program being discussed could not comply with this deadline and yet there was no provision for modifying the deadline for inspections. Does the City plan to use this same type of ambiguity in deadlines for the rental inspection program? How are property owners to know when the deadline applies and when it does not?

After the Valley Fire, the county ran out of inspectors due to all of the building activity. What if we have a property building boom or another wild fire with a lot of homes lost and suddenly there is an expanded need for inspectors? What will happen to this program then? Will property owners be unable to rent their homes because no inspectors are available for this rental ordinance program?

The City staff indicated at the 3/20 meeting that Code Enforcement had 195 pending code enforcement complaints. Why not focus on those properties instead of creating an even longer list for City staff, whether in the Code Enforcement or the Building Department? How many of those 195 pending complaints on properties that are rentals? The pending complaints comprise approximately 5% of homes in the City, so 95% of property owners are compliant but being penalized through this program. The city manager indicated he knew “who the bad players were.” Why not focus on those properties with Code Enforcement instead of this sweeping program?

Please explain why Code Enforcement is not being used to address the issue at hand. The vague language of “streamlining processes” is not sufficient, but it leads one to think that retrofitting requiring building permits is the main intent of the program.

Is the cost of this vast and expensive ordinance justified by the benefit?

Is the City going to condemn all of the noncompliant properties?

Does a renter have the legal right to refuse the inspection, and if so, then the proposed Ordinance allows for the imposition fines, a misdemeanor record, and potential jail time for their property owner.

Could Code Enforcement be more proactive with the extra staff the City acknowledges have been added to the Building Department? Why not assign those staff to Code Enforcement and Issue citations Instead of waiting for inspections of the apparently 95% of compliant properties?

The burden to register and order inspections is on the property owner. Yet, the city is who benefits from increased revenue and data collection. If the City fixes the roads, the quality of rentals will go up. It doesn't matter how pristine a home is if 4 wheel drive is the only mode of access.

What about fire safety? Is there a way to make that inspection certificate a benefit to property owners to receive an insurance break?

Los Angeles started this program in September 2024 under their health department. Has the City been in touch with LA health department officials to determine how well their program is working and what features they would change?

We suggest having all materials for this program in at least English and Spanish, given the high number of Spanish speaking people living in the City. The education component is more important than making a statement about English being the official language.

### **Legal Concerns: Constitutional & State Law Violations**

This ordinance appears to violate multiple legal protections under the U.S. Constitution, California state law, and federal housing regulations. If implemented as proposed, it may be subject to legal challenges on several grounds:

#### **a. Fourth Amendment – Unreasonable Searches & Privacy Rights**

- The Fourth Amendment of the U.S. Constitution protects against unreasonable government searches.
- Warrantless inspections of private rental properties without landlord or tenant consent may violate constitutional privacy rights.
- In *City of Los Angeles v. Patel* (2015), the U.S. Supreme Court ruled that government-mandated inspections of private property without a warrant or consent are unconstitutional.

#### **b. Fifth & Fourteenth Amendments – Due Process & Takings Clause**

- The Fifth Amendment prohibits government actions that impose excessive financial burdens on property owners without just compensation.
- The Fourteenth Amendment ensures due process before depriving landlords of property rights. If this ordinance does not provide a fair and transparent appeal process, it could violate due process protections.

#### **c. Equal Protection Clause – Unfair Targeting of Rental Properties**

- This ordinance unfairly targets rental property owners while exempting owner-occupied properties from inspection.
- Under the Equal Protection Clause of the Fourteenth Amendment, the government cannot treat similar property owners differently without a valid legal justification.
- If the city truly believes habitability standards need to be improved, why aren't all residential properties subject to the same inspections?

#### **d. Conflict with California State Law**

- California Civil Code § 1954 governs landlord access to rental units, requiring 24-hour written notice and tenant consent for non-emergency inspections.

- If the city mandates inspections without accommodating state-mandated tenant protections, the ordinance may conflict with state law and be unenforceable.

### **Increased Financial Burden on Rental Housing Providers**

This ordinance places an unnecessary and excessive financial burden on owners of rental property, which will:

- Increase operational costs for property owners.
- Result in higher rents, making housing less affordable.
- Drive small landlords out of the market, reducing the overall supply of rental housing.

### **Key Financial Concerns:**

Registration, inspection, and business license fees: The ordinance functions as a hidden tax on rental property owners, increasing costs without clear benefits.

Penalties & Reinspection Fees: Landlords will be subject to additional fees for compliance failures—even for minor violations.

Disproportionate Impact on small landlords: Many landlords in Clearlake own one or two rental properties and may not be able to absorb these new costs.

Has the city conducted an economic impact study to determine how this will affect rental affordability and housing supply? If not, the council should pause implementation until such a study is completed.

### **Tenant Rights & Compliance Challenges**

The ordinance fails to account for real-world tenant access and compliance issues, creating unnecessary legal conflicts between landlords, tenants, and the city.

Key Tenant-Landlord Conflicts:

What happens if a tenant refuses entry for an inspection? Landlords cannot force access without violating California Civil Code § 1954. Will landlords be penalized for tenant non-compliance? The proposed ordinance seems to indicate this. Conversely, since both renters and property owners are subject to the fines and potential jail time, what happens to the renters when the property owner refuses to cooperate with the program? Do the renters get penalized?

### **Lack of Transparency & Insufficient Public Notice**

This ordinance was only published in the Record Bee, which is insufficient public notice for a policy with such broad financial and legal implications.

#### Transparency Issues:

How were property owners notified? Direct notification should have been sent to all rental property owners in Clearlake, not just a small notice in a local newspaper. As acknowledged by City staff during the 3/20/25 City Council meeting, many landlords reside out of the area.

How will this program be funded long-term? The city abandoned this program in 2005 due to lack of funding. What has changed to ensure this program will be sustainable without excessive costs to owners of rental properties? If the program simply needed higher fees, why wasn't that done in 2005 instead of abandoning the program?

#### **Alternative Solutions & Recommendations**

Rather than imposing a costly, intrusive, and legally questionable registration program, the city could explore more effective and less burdensome solutions to address substandard housing conditions.

#### Proposed Alternatives:

Targeted Code Enforcement: Instead of blanket inspections, focus on problem properties based on complaints and existing violations.

Exempt Federally Regulated Housing: Section 8, LIHTC, and other subsidized housing already undergo rigorous habitability inspections. Exempt vacation rentals because they are, by their status of being a vacation rental, already in a habitable condition. Also, professionally managed properties are inspected annually for habitability and should be exempt.

Fair Appeal & Compliance Process: Any inspection program should include clear appeal procedures, reasonable deadlines for corrections, and exemptions for minor infractions. A 30-day deadline for compliance is not reasonable; we would propose a 60-day period for compliance, and a 30-day deadline for followup compliance issues.

Economic Impact Study: Before implementing the ordinance, the city should study its effects on rental affordability, supply, and property values.

#### **Conclusion of Discussion Section: Oppose or Amend This Ordinance**



Until these legal, financial, and practical concerns are properly addressed, we strongly oppose this ordinance in its current form. We request that the council:

- Delay adoption and conduct a full legal review to ensure compliance with constitutional protections and state law.
- Hold public hearings with rental property owners, tenants and stakeholders before proceeding further.
- Amend the ordinance to include reasonable exemptions, transparency measures, costs, reasonable appeal process and a more balanced enforcement approach.

### **Discussion Regarding Specific Aspects of Proposed Ordinance 279-2025**

The text in black are taken from the proposed Ordinance, and the text in blue are our comments.

#### **Section 9-4.1 Purpose and Intent**

- a. Purpose is to force property owners to improve their housing stock to achieve compliance with health, safety and welfare code violations that are a threat to safety, structural integrity, and neighborhoods.

We already have a program to achieve compliance with health, safety and welfare code violations: Code Enforcement. This program should remain with Code Enforcement. This program is overstepping and giving unlimited power to the City.

The Council said there were “several homes that should not be rentals”. How many? How was the determination made? They provided no evidence of specific houses. Simply showing photos of a code enforcement home is not sufficient data.

- b. Provides a system of registration, inspection and regulation. It is not the intent to require retrofitting unless the retrofitting is otherwise required by State or local law.

The Ordinance has no mandate to retrofit units built to earlier standards “unless required by State or local laws”, provided the units are maintained safely; but proposed code changes are to . . . ensure alignment with current standards”.

Which current local laws are currently being violated and would require retrofitting following an inspection under this program?

Are there future laws being contemplated that would require retrofitting under this program?

All homes are already in the tax data. Why does the City need a duplicate set of data?

What if someone has a deck or an add-on that is observed by the inspector while they are in the building? The home could end up red tagged, and worst case, condemned.

HUD and Section 8 have different checklists that look at habitability issues. Habitability can subject to interpretation. For example, are space heaters acceptable if both parties are fine with that?

Where is the inspection checklist that inspectors will use? Including this in the materials for the 3/20/25 City Council meeting would have been extremely helpful.

c. **Detect** and remedy code violations.

Isn't this already the job of Code Enforcement?

d. Conditions that could result in serious dilapidation or deterioration would be subject to full enforcement proceedings. . .to achieve rental housing that meets minimum housing and property maintenance standards as set forth in local and State law.

The City stated that renters are afraid to report problems for fear of eviction.

Renters have full protection for reporting. Here is an excellent Nolo Press link regarding property owner Retaliation and related Calif Civil Code § 1942.5

[https://www.nolo.com/legal-encyclopedia/california-state-laws-prohibiting-property-owner-retaliation.html#:~:text=Types%20of%20Acts%20That%20Might%20Be%20prop%20erty%20Retaliation,-California%20law%20specifically&text=starting%20an%20eviction%20lawsuit%20against,to%20the%20laundry%20room\)%2C%20or](https://www.nolo.com/legal-encyclopedia/california-state-laws-prohibiting-property-owner-retaliation.html#:~:text=Types%20of%20Acts%20That%20Might%20Be%20prop%20erty%20Retaliation,-California%20law%20specifically&text=starting%20an%20eviction%20lawsuit%20against,to%20the%20laundry%20room)%2C%20or)

If the basic premise, unsupported by any evidence, is that some renters are afraid to report problem properties to Code Enforcement and therefore need the “protection” of this grossly overreaching ordinance, it seems that a dramatically more efficient and cost-effective program, and without potentially violating people’s privacy rights and reducing the housing supply, would be to provide education to all renters through

mailing and otherwise informing all residents as to what constitutes a safe, warm and healthy home. How are complaints received and processed now? Do complainers have to give their name?

There could be a checklist provided with specific items, such as building on FHA requirements: no broken windows, leaking roofs or plumbing, permanent heat, missing handrails on stairways, unsafe decks, exposed subflooring, mold, vermin, exposed wiring and so on. Property management companies will not manage properties that do not already meet such requirements. They already inspect properties annually to ensure the property's habitability. Property managers work together to ensure homes are compliant. Property owners are already being charged for this inspection.

Code Enforcement or some other city official could provide specific information and even inspect properties at the request of renters. Renters are not children. They know if their rental property is substandard or not.

These goals could be achieved with more renter and neighbor outreach, and fewer fees and administrative burden.

The Ordinance will allow the City to make updates to building code references.

The City can do this without the program.

If renters are nervous about the government, like the city manager said in the 3/20/25 City Council meeting, then how do you think they are going to feel with a city official knocking and wanting to come in?

Are there really renters who won't turn in their owners? The City provided no evidence of that.

Shouldn't these inspections be renter-originated? This program violates the renters' rights to quiet enjoyment of their property? A rental agreement is a leasehold: property owners are restricted from interfering with renters' quiet enjoyment of their leased property. How can an owner force a renter to do certain things?

Lease agreements will need to be modified to provide notice to renters of these annual inspections.

## Section 9-4.2 Exemptions

“ . . . nor shall it apply to vacation homes used exclusively by the owner and never offered for rent or lease.”

What about a property that was previously offered for rent or lease through the same or a different owner? Would that disqualify the current owner from claiming exemption from the program?

Short term rentals are, by definition, habitable or no one would rent them. These properties should be exempt. The AirBnB/VRBO/Nurse Finders reviews would show if there is an issue.

Section 8 and professionally managed properties are already inspected annually or biannually, and these properties should be exempted from the program.

All property owners will have to have move-in/move-out repair photos as of 4/1/25 under AB 2801. Would this be sufficient in lieu of an inspection?

This is From the CAA website regarding [AB 2801](#):

“This law provides that a landlord who collects a security deposit must take photographs of the unit:

- Immediately before the tenancy.
- Within a reasonable time after the unit is returned to the landlord, but prior to any repairs or cleaning for which the landlord will make a deduction from the security deposit.
- Within a reasonable time after repairs or cleaning are completed.

The landlord must provide these photographs to the departing tenant. Beginning April 1, 2025, the landlord must take photographs of the unit within a reasonable time after the possession of the unit is returned to the landlord. For tenancies that begin on or after July 1, 2025, the landlord must take photographs of the unit immediately before, or at the start of, the tenancy. This law was enacted through AB 2801” This new law might be used as an excellent trigger mechanism for owner accountability and tenant protection in lieu of costly physical inspections.

How will a privately held vacation rental be deemed to be only used for personal use and not rented?

Why not inspect all residences, owner-occupied or otherwise?

There should be a trigger like a Formal Complaint or Declaration with probable cause and a court order to back it up before any kind of inspection can be undertaken. Otherwise this could be interpreted as targeting an area, discrimination, stigmatizing and violating a myriad of property rights laws.

By not inspecting all residences in Clearlake, does this violate Fair Housing laws?

Clear Lake Municipal Code 10-1.6 Declaration of Public Nuisance Conditions already defines what constitutes a public nuisance and remedies available to the City.

If the City of Clearlake is going to enact this program, then they (City, County, State) should also offer generous grants and low cost improvement loans.

#### **9.4-3 Authority and Enforcement**

The Ordinance states that “upon presentation of proper credentials, [officers shall] have the right to enter, at reasonable times. . .any . . .dwelling unit in the city to perform any duty imposed upon them by this ordinance.”

The proposed Ordinance has no requirement that the renter be given 24-hours notice, which is a direct violation of tenants ' rights.

Refusal by owner or lawful occupant could lead to a fine, jail, or both, and both owner and renter are subject to these penalties. A refusal could lead to an inspection warrant under Code of Civil Procedure Section 1822.5, which states:

Any person who willfully refuses to permit an inspection lawfully authorized by warrant issued pursuant to this title is guilty of a misdemeanor. This program will create criminals out of ordinary citizens.

#### **Section 9-4.5 Registration Requirements**

The City can get the non-owner-occupied property info from County Preliminary Change of Ownership forms filed upon transfer of ownership, so this info is already available to the City.

Mandatory web-only process for registration—many older property owners do not use the internet; this creates the potential for scam websites to collect registration info and fees that older users may fall victim to, and undue hardship on elderly property owners.

What is the plan to notify owners of their responsibility to register and request the annual inspection? Publishing the legal notice in the Record-Bee will not be sufficient notice. When and how will property owners be notified?

New owners will have how many days to register after they purchase their property?

Where is the application form and may we see it/have input to it?

### **Section 9-4.6 Inspection**

Code Enforcement can improve habitability; we see no need to move it to the Building Department.

A 4-hour window for inspector's arrival is not reasonable; home occupants need to take at least a half day off to meet the inspector.

The City's data reflects 3,400 suspected rentals in the city of 6,000 residences; so the City would have to perform 12-13 inspections/day to get through the estimated 3,400 inspections/year. This does not seem practical, and implementing a program that, from its inception, cannot meet its own guidelines seems foolish. It seems that a phasing in of the program, tackling different sections of the City over a period of a few years, may be more reasonable.

Owners cannot rent their property without the certificate, but if there is a several month delay in getting the certificate, this means further losses to the property owner through no fault of their own. Will the City reimburse property owners for lost rents due to the City's insufficient staffing or overly optimistic estimates of their ability to inspect these homes in a timely manner?

Can virtual inspection be possible at a lower fee?

What is the criteria to be used for the inspection? Section 8 has a checklist, other cities have a checklist. What criteria will the City use? Providing the checklist in advance will allow property owners to properly prepare for the inspection without incurring a potentially unnecessary re-inspection.

What if the inspector sees evidence of illegal activity in the home? Will there be a subsequent search warrant issued? Will Child Protective Services be called? Is this just a way to get rid of a certain group of people renting homes in Clearlake? Is this program simply an expansion of the police state?

What qualifications will the inspectors have? Will inspectors be subject to LiveScan? What if personal property is missing after the inspection? What about single mothers with a male Code Enforcement Officer? Will a body-cam be used?

We recommend the Council consult with a real estate attorney prior to any implementation of a program like this.

The Ordinance proposes changing this program over to the building department to “streamline processes and improve efficiency in code enforcement”

Why? What is streamlined? What efficiencies will be realized? These are Code Enforcement violations that should stay within the Code Enforcement division.

Either permission by owner or occupant or an inspection warrant is required except for emergencies.

Who designates the emergencies and how is it declared?

If the city is doing annual or biannual inspections, does that then make the City liable for maintaining the condition of the rental properties in the city, so that if they miss inspecting and calling out a maintenance issue, can a renter sue the City along with the property owner for the renter’s pain and suffering as a result?

How will the “grandfather law” on additions and current building conditions like ceiling heights, floor plans be applied? How is the City going to handle these items? The Ordinance reads as if it’s an open checkbook on the items they have the “right” to call out as sub-standard.

What happens when renters are displaced and they have pets? There are currently no hotels or motels that will allow more than 1 animal. Will the inspectors be looking for code violations like too many dogs, cats, chickens, roosters, or farm animals on the property? Our shelters are already full.

Rather than saying “annual inspections for everyone, but once a suitable inspection happens, biannual inspections” why not set it up with biannual inspections unless there is a violation, then it goes to inspections on an annual basis?

#### **Section 9-4.7 Inspection Certificate**

Is there a requirement that the certificate be displayed anywhere? Will this be public information?

And until the city can inspect all 3,400 units what is the work around for not having one? Without one, a property owner can't rent (section 9-4.7a).

Is the property owner supposed to keep the certificate? Will the City maintain these certificates?

#### **Section 9-4.8 Notice of Correction and Reinspection**

Notice of correction if inspection reveals a violation of housing standards, property maintenance, building and fire codes or local zoning requirements.

It is not reasonable to have 30 days to correct, re-inspection and then 14 days to correct any further deficiencies. Getting a loan to remedy the violation could easily take 30 days. We suggest 60 days to correct and re-inspect, and 30 days if further deficiencies need to be addressed.

#### **Section 9-4.9 Rental Unit Database**

Data collected “can inform future policy decisions and contribute to better housing standards”

Data collected benefits the City, not property owners or renters or members of the public. Will this database be only for internal use by the City? What kind of policy decisions do you need to make that will need this information?

#### **Section 9-4.11 Violation - Penalty**

What are the consequences when renters refuse access, or property owners refuse to register? “Any person who violates the provisions of this section is subject to general penalties as set forth in Section 1-5 of the Clearlake Municipal code **and/or** administrative penalties as set forth in Section 1-9 of the Clearlake Municipal Code.[emphasis added for “**and/or**”]



Link to Administrative penalty 1-9: this refers to different levels of fines

<https://clearlake.municipal.codes/CMC/1-9>

Link to general penalties 1-5, This refers to different levels of fines and/or up to 6 months in county jail

<https://clearlake.municipal.codes/CMC/1-5>

Section 1-5 of the Clearlake Municipal Code specifies a fine of \$500/day and up to 6 months in jail.

Section 1-9 of the Clearlake Municipal Code specifies a fine of \$100 for the first violation, \$200 for the 2nd, \$500 for the 3rd and any subsequent violations if they are deemed to be an infraction, but building violations are \$130 for the first violation, \$700 on the second violation within one year, and \$1,300 for 3rd and subsequent violations.

Which set of fines is the City considering? When are the penalties levied under the “and” and when are they levied under the “or”? How do the infractions come about, and who determines if it is a “building violation”?

Jail time? Seriously? We are creating a situation where people are guilty of a misdemeanor if they refuse entry with an inspection warrant, and can be jailed for refusing entry to the inspector. This seems like overreach.

#### **Section 9-4.14 Business Licenses**

Business license requirement: this adds to the costs of the program to property owners. Currently, rentals are excluded from business licenses. Either take a registration fee or require a business license, but not both.

Link to City Licenses: <https://clearlake.municipal.codes/CMC/ChVI>

Section on Business licenses exemption: <https://clearlake.municipal.codes/CMC/6-2.4>

Specifically EXCLUDES 1-5 rentals or less

Section 6.3-10 is license fees, most are based on the number of full-time employees. Real estate brokers must be licensed sect 6.3-10 b.4, \$70 per broker plus \$5 per licensed salesperson. It is not clear if the broker’s office is located outside of the city if they are subject to having a license, or if the property being rented is within the city limits, then it applies.

### **Section 9-4.15 Refuse Disposal**

Refuse container requirement: section 9-4.15 owner must provide a “refuse container.”

The City of Clearlake already requires all property to have garbage service, so why is this duplicated here?

### **Section 9-4.16 Severability**

On page 45 of the March 20 packet, Paragraph 9-4.16 on severability seems to be a duplicate of Section 5 further on the page which also deals with severability.

### **Section 9-4.17 Effective Date**

How about never? Would that work? Failing that, then a phased-in program would allow for property owners to continue to rent their homes despite not having a certificate because they are waiting in a very long line for one.

Final suggested fees: \$105/year registration, \$135/inspection of 1-4 units (is that per unit or for all 4 units?); \$300 for 4+ units

We suggest cutting these fees in half.

#### **References:**

Sacramento's program:

<https://code-enforcement.saccounty.net/Programs/Pages/RHIP.aspx>

Note: properties regularly inspected by government authorities are exempt. Owners and managers can be certified to perform inspections. The fee to register a unit is \$16

Los Angeles' program:

<https://lacounty.gov/2024/09/30/public-health-announces-new-rental-housing-inspection-program/>

This requires inspections every 4 years by the health department, there is property owner and renter notice, and annual fees to register are \$86 and half can be charged to the renter. This program started in September, 2024.

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Timothy Toye, Broker, Timothy Toye & Associates (property management)

Mary Benson, Broker, Realty 360 Wine Country

Robert Fishcher, Landlord

Veronica Baylor, Broker, NextHome Yvette Sloan and President, Lake County Association of Realtors

Kathryn Davis, Escrow Officer

Phil Smoley, Broker, Country Air Properties

Yvette Sloan, Broker, NextHome Yvette Sloan