

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF
THE CITY OF MERCED, CALIFORNIA, ADDING
A NEW CHAPTER 8.53, "REPEAT HOUSING
CODE VIOLATORS PROGRAM," TO THE
MERCED MUNICIPAL CODE**

**THE CITY COUNCIL OF THE CITY OF MERCED DOES ORDAIN
AS FOLLOWS:**

SECTION 1.

The Merced Municipal Code shall be amended to add the following new chapter:

Chapter 8.53

REPEAT HOUSING CODE VIOLATORS PROGRAM

SECTION:

- 8.53.010 Generally.**
- 8.53.020 Definitions.**
- 8.53.030 Applicability.**
- 8.53.040 Implementation and Administration**
- 8.53.050 Designation of Repeat Housing Code Violators**
- 8.53.060 Tenant Safeguards**
- 8.53.070 Enforcement Actions**
- 8.53.080 Appeals**
- 8.53.090 Penalties**

Section:

- 8.53.010 Generally.**

The City Council of the City of Merced recognizes that the maintenance and preservation of existing rental housing properties is of tremendous importance. The City of Merced has a significant interest in ensuring that safe and habitable rental housing remains a desirable housing option for its citizens. The City Council of the City

of Merced desires to strategically and fairly address the most egregious housing violators, who make up a relatively small number of landlords, by establishing standards and procedures to penalize rental property owners who demonstrate a pattern of neglect, unresolved violations, or unsafe conditions for tenants to preserve rental housing supply.

8.53.020 Definitions.

As used in this Chapter, the following terms shall have the following meanings:

A. “City” means the City of Merced and/or any agent hired to implement this Chapter.

B. “Health and Safety Standards” means the standards set forth in California Civil Code Section 1941.1.

C. “Owner” means person, persons, corporation, partnership, limited liability company, trust, investment group, or any other entity holding a recorded title to a Rental Housing Property as shown in the Merced County Registrar -Recorder’s Office. “Owner” includes an affiliated entity that directly or indirectly controls, is controlled by, or is under common control with the Owner.

D. “Rental Housing Property” means a parcel of real property, as shown on the latest equalized tax assessment roll as maintained by the assessor of the County of Merced, upon which a Rental Housing Unit is maintained.

E. “Rental Housing Unit” means a single unit providing living facilities for one or more persons, that is being rented or is intended to be rented. Examples of housing units covered by this Chapter may include apartment units, condominiums, and townhomes and rented single-family homes. A Rental Housing Unit also includes other types of residential units that provide for sleeping accommodation, but toileting and cooking facilities are shared by occupants of more than one unit, such as single rooms located in non-transient residential Rental Housing Property. This

definition does not include units used for transient lodging, such as group housing, boarding or lodging houses, hotels, motels, and bed and breakfasts, as those terms are defined in Chapter 20.90.020 of this Code.

F. “Repeat Housing Code Violator” means the Owner of a Residential Rental Property with a documented pattern of not less than three (3) unresolved Violations within a twelve (12) month period that is designated a “Repeat Housing Code Violator” pursuant to the provisions of this Chapter.

G. “Violation” means any confirmed breach of the Merced Municipal Code, State Housing Law, California Fire Code or Health and Safety Standard that affect habitability, health, or safety of a Rental Housing Unit or tenant in a Rental Housing Unit.

8.53.030 Applicability.

A. This Chapter shall apply to all Rental Housing Units, as defined herein, located within the City.

B. Provisions of this Chapter shall be supplementary and complementary to all provisions of this Code, and any local, state, or federal law. Nothing herein shall be construed or interpreted to limit any existing right or power of the City to abate and prosecute all nuisances or to enforce any other conditions in violation of federal, state or local laws, including but not limited to any building, housing, property maintenance, and/or public nuisance laws.

8.53.040 Implementation and Administration.

A. The City Manager, or his/her designee, may promulgate rules, forms, and procedures necessary for the implementation of this Chapter, including, as the City Manager deems appropriate, training for staff and education for Owners and tenants. The City Attorney must approve as to legal form all materials promulgated under this section.

B. The City Manager, or his/her designee, shall be responsible for preparing a Repeat Housing Code Violators Annual

Report detailing the number of properties designated as chronic offenders, the Owners of the properties, the amount of penalties and fees collected, the purpose for which such funds were used, and the status of any enforcement actions, property improvements, or related programs administered under this ordinance and present this report to the City Council at least annually.

C. The City Council shall review the Repeat Housing Code Violators Program Annual Report to determine whether the penalties, licensing requirements and related administrative processes remain reasonably related to the ongoing impacts of chronic Violations.

D. The Repeat Housing Code Program Annual Report shall be posted on the City's website once it has been considered by the City Council.

8.53.050 Designation of Repeat Housing Code Violators.

A. Within sixty (60) days following the adoption of this Ordinance, the City Manager, or his/her designee, shall evaluate Rental Housing Property unresolved Violations. Owners of Rental Housing Properties with three (3) or more unresolved Violations, at the time of review and dated after the effective date of this Chapter, within a twelve (12) month period shall be designated Repeat Housing Code Violators. Owners of multiple Residential Real Properties in the City may be designated as a "Repeat Housing Code Violator" if properties which they own or control in the City cumulatively have a documented pattern of not less than three (3) unresolved Violations within a twelve (12) month period.

B. Upon designation of a Repeat Housing Code Violator, a written Notice of Designation shall be issued to the designated Repeat Housing Code Violator(s), including, without limitation, the following:

1. The address of the property or properties to which the Notice applies; and
2. A summary of the Violations, including the date(s) issued; and

3. Notice of Owner's opportunity to cure uncorrected Violations within a reasonable period set forth in the Notice; and

4. The City's right to levy administrative fines, in accordance with Section 8.53.090 of this Chapter, for violation of the Repeat Housing Code Violators Program, including but not limited to, daily fines that shall be assessed, for each day commencing with the first day following the expiration of said reasonable period contained in the Notice of Designation; and

5. Notice of Owner's right to appeal as provided for in Chapter 8.53.080, "Appeal."

C. Owner must provide all current tenants a copy of the Notice of Designation form within thirty (30) days of Owner's receipt. Owner must provide all prospective tenants a copy of the Notice of Designation form prior to lease execution.

D. Within two (2) days of issuance of a written Notice of Designation, City Manager, or his/her designee, shall post the Notice of Designation in a conspicuous location near the entry of the Rental Housing Property. The Notice of Designation must remain posted until the violations are cured. Owner shall be responsible for ensuring said posting remains; failure to comply may result in an additional Violation.

E. Within two (2) days of issuance of a Notice of Designation, City Manager, or his/her designee, shall post a pdf of the Notice of Designation on the City's public website and said Designation shall remain on the City's public website until the violations are cured and all fines and penalties have been paid in full.

F. The City Manager, or his/her designee, shall maintain and make publicly available a list of out-of-compliance properties owned by individuals or entities designated as Repeat Housing Code Violators and said list shall be posted on the City's public website.

G. An Owner designated as a Repeat Housing Code Violator may be removed from the City's public list if no new serious or

uncorrected Violations have occurred for a continuous period of twenty-four (24) months.

Repeat Housing Code Violators may submit a written request to the City to have their Repeat Housing Code Violator designation removed sooner. Upon verification of compliance with all existing Code provisions, correction of all issued Violations, and payment, in full of any and all applicable fees and/or fines by the City Manager, or his/her designee, the Repeat Housing Code Violator designation shall be lifted, and the Owner and their associated property or properties shall be removed from the public list of Repeat Housing Code Violators.

8.53.060 Tenant Safeguards.

A. Owner must provide all current tenants a copy of the Notice of Designation form within thirty (30) days of Owner's receipt. Owner must provide all prospective tenants a copy of the Notice of Designation form prior to lease execution.

B. Within two (2) days of issuance of a Notice of Designation, City Manager, or his/her designee, shall post the Notice of Designation in a conspicuous location near the entry of the Rental Housing Property. The Notice of Designation must remain posted until the violations are cured. Owner shall be responsible for ensuring said posting remains; failure to comply may result in an additional Violation.

C. Within two (2) days of issuance of a Notice of Designation, City Manager, or his/her designee, shall post a pdf of the Notice of Designation on the City's public website and said Designation shall remain on the City's public website until the violations are cured and all fines and penalties have been paid in full.

D. An Owner may not recover possession of a Rental Housing Unit in retaliation against a tenant for filing a complaint of a Violation with the City. If an Owner attempts to terminate the tenancy of a tenant who files a complaint of a Violation within six (6) months after the complaint is filed, there will be a rebuttable

presumption that such termination of tenancy was in retaliation against the tenant who filed the complaint.

E. Tenant Relocation Assistance:

1. Any tenant who is displaced as a result of an order to vacate, or due to the Owner's failure to maintain a valid business license, shall be eligible for tenant relocation assistance, paid by Owner, in accordance with California Health and Safety Code Section 17975, et seq.

2. Relocation benefits required by this section shall be paid to the tenant within ten (10) days after the order to vacate is mailed to the owner and posted on the premises, or at least twenty (20) days prior to the vacation date, whichever occurs later.

3. Relocation benefits required by this section shall be a sum equal to:

a. Two months of the established fair market rent for Merced County, as determined by the Department of Housing and Urban Development; and

b. An amount sufficient for utility service deposits as determined by the City; and

c. Security deposits, if any, held by the Owner.

4. Notwithstanding subsection 1, above, no relocation benefits shall be payable to any tenant who caused or substantially contributed to the condition giving rise to the order to vacate.

8.53.070 Enforcement Actions.

A. If the Building Official or his/her designee and/or Fire Chief or his/her designee determines the Violation(s) are so extensive and of such a nature that the immediate health and safety of the residents is endangered, the Building Official or his/her designee or Fire Chief or his/her designee may issue an order to vacate to any tenants affected by the Violation(s), accompanied by a summary of the provisions of Health and Safety Code section 17975, et seq., Owner shall pay

tenant relocation assistance to any tenant displaced by the City's order to vacate, in accordance with Health and Safety Code section 17975, et seq., pursuant to Section 8.53.060(E) of this Chapter.

B. After re-inspection of the property, if Violation(s) persist, the City may refuse to renew or revoke Owner's business license in accordance with Merced Municipal Code Section 5.04.260. The City shall provide the Owner with written notice of the suspension or revocation of Owner's business license

C. Notwithstanding subsections A and B of this section, if, after re-inspection of the property, the Owner fails to correct the conditions in Violation or any other applicable law, the City may:

1. Commence a criminal complaint.
2. Commence a receivership action.
3. Pursue any and all available options under Merced Municipal Code as well as applicable state and federal law.
4. Recover all fees and costs, including but not limited to enforcement costs, including inspection, legal and administrative fees from Owner as well as all legal fees and costs.

8.53.080 APPEALS.

A. Owner(s) may appeal the Designation of Repeat Housing Code Violator set out in Section 8.53.050 by submitting a written appeal to the City Clerk requesting an appeal within five days of the Notice of Designation and upon payment of the appeal fee established by resolution of the City Council.

B. The Appeal shall be governed by Merced Municipal Code Section 1.10.080 with the following additional requirements:

1. The City Council shall hear the appeal, upon notice being given in accordance with the provisions of Section 66451.3 of the Government Code and to the Owner(s), within thirty days, unless the Owner(s) consents to a continuance.
2. The City Attorney or his/her designee, shall prepare an administrative hearing packet that shall include a staff report, any evidence of the

Violation(s), and an explanation of the reasons for the Designation of Repeat Housing Code Violator.

3. At the time fixed for the hearing, the City Council shall proceed to hear the testimony of the Owner(s) or any witnesses on his/her behalf. It may also hear the testimony of tenants, both current and former, and from other competent persons respecting the:

A. Character of the neighborhood in which the Property(ies) is located; and/or

B. The kind, nature and extent of the Violation(s) as well as efforts to correct Violation(s); and/or

C. The living conditions and habitability of the Property(ies); and/or

D. Any other phase of the matter about which the City Council may desire to inquire.

4. Upon conclusion of the hearing, the City Council shall, within ten days, declare its findings bases upon the testimony and documents before it. It may sustain, modify, reject or overrule any recommendations or designations issued in accordance with the provisions of this Chapter and may make such findings as are not inconsistent with the provisions of this Chapter.

8.53.090 Penalties.

A. Any Owner violating any provisions of this Chapter shall be guilty of a misdemeanor and shall be subject to criminal prosecution, civil remedies, administrative fines and penalties, and any other remedies available to the City for enforcement of this code.

B. An administrative fine in an amount set forth by Resolution will be levied upon Owner being Designated a Repeat Housing Code Violator.

C. Daily administrative fines shall be assessed in an amount set forth by Resolution, for each day commencing with the first day following the expiration of the Owner's opportunity to cure stated in the Notice of Designation of Repeat Housing Code Violator, as specified in Section

8.53.050(B)(4), until such time as the uncorrected violations are cured or City determines the Owner is making good-faith progress toward curing the violations shall be assessed.

SECTION 2.

If any section, subsection, sentence, clause or phrase of this Ordinance is, for any reason, held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares it would have passed this Ordinance and each and every section, subsection, sentence, clause or phrase not declared invalid or unconstitutional without regard to whether any portion of the Ordinance would be subsequently declared invalid or unconstitutional.

SECTION 3.

This Ordinance shall be effective thirty (30) days after final passage pursuant to Section 36937 of the Government Code. A summary of this Ordinance shall, within fifteen (15) days after passage, be published in accordance with Section 36933 of the Government Code with the names of the City Council Members voting for and against it.

The foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Merced on the ____ day of _____, 2026, and was passed and adopted at a regular meeting of said City Council held on the ____ day of _____, 2026, by the following called vote:

AYES: Council Members:

NOES: Council Members:

ABSENT: Council Members:

ABTAIN: Council Members:

APPROVED:
MATTHEW SERRATTO, MAYOR

Mayor

ATTEST:
D. SCOTT MCBRIDE, CITY CLERK

BY: _____
Assistant/Deputy City Clerk

(SEAL)

APPROVED AS TO FORM:
CRAIG J. CORNWELL, CITY ATTORNEY

 4/29/2026
City Attorney Date

