



CITY OF MERCED
CITY ATTORNEY'S OFFICE

REPEAT
HOUSING CODE
VIOLATORS
PROGRAM

May 4, 2026

Presented by:
Craig J. Cornwell
City Attorney

RENTAL HOUSING

- The City's rental housing is an asset that must be preserved and maintained.
- Rental housing provides affordable housing for many.
- The City has a significant interest in ensuring safe and habitable rental housing remains a desirable option for our citizens.



ORDINANCE PROPOSAL

- Repeat Housing Code Violators Program:
 - Only applicable to Owners with not less than 3 “unresolved Violations within a 12- month period.”
 - A “Violation” is a City documented breach of the Merced Municipal Code, State Housing Law, California Fire Code or California Health and Safety Standard that affects habitability, health or safety.



DRAFT LANGUAGE:

- “ ‘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.”
 - Draft MMC § 8.53.020 (G)
 - *This language includes **all** applicable provisions of state and local law affecting habitability, health or safety, including California Civil Code § 1941.1(a) which includes Health and Safety Code § § 17920.3 & 17920.10 .*



ORDINANCE PROPOSAL

■ OWNERS' RIGHTS:

- Owners notified of all outstanding violations.
- Owners notified of property or properties affected.
- Owners provided opportunity to timely cure.
- Owners provided right to appeal to City Council.



DRAFT LANGUAGE:

- “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



DRAFT LANGUAGE (CONT.):

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

4. The City's right to level 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."

■ **Draft MMC § 8.53.050 (B) (1)-(5).**



DRAFT LANGUAGE:

- “Owner(s) may appeal the Designation of Repeat Housing Code Violator ... 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.”
 - Draft MMC § 8.53.080(A)
 - *It is staff’s intention that the appeal only involve the **designation** as a Repeat Housing Code Violator and **not** the underlying Violations.*



DRAFT LANGUAGE:

- “The Appeal of Designation shall be governed by Merced Municipal Code Section 1.10.080 with the following additional requirements:
 1. The City Council shall hear the appeal of designation, 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) consent(s) 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.

■ Draft MMC § 8.53.060(C)(1)



ORDINANCE PROPOSAL

■ Tenant Rights:

- Any displaced tenant eligible for tenant relocation assistance, in accordance with California Health and Safety Code Section 17975, et seq., wherein Owner must pay tenants forced to vacate an amount:
 - Equal to two months of the established fair market rent for the area; and
 - Utility service deposits determined by the City; and
 - Refund of any security deposit held by Owner as required by law.



ORDINANCE PROPOSAL

■ Tenant Rights:

- Tenants and prospective tenants notified of Owner designation as Repeat Housing Violator.
- Tenants and Prospective Tenants informed of City's Repeat Housing Violator Determination.
- Within 6 months of Tenant filing a complaint of Violation, Owner may not terminate Tenant lease unless Owner can prove such termination was not in retaliation against the tenant who filed the complaint.



DRAFT LANGUAGE :

- “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.”
 - Draft MMC § 8.53.060(E)(1)



DRAFT LANGUAGE :

- “Relocation benefits required ... shall be sum equal to:
 - a. Two months of the established fair market rent for Merced County, as determined by HUD; 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. [N]o relocation benefits shall be payable to any tenant who caused, or substantially contributed to the condition giving rise to the order to vacate.”
- Draft MMC § 8.53.060(E)(3)-(4)



TENANT RELOCATION:

- If the owner or designated agent fails, neglects or refuses to pay relocation payments to a displaced tenant, ...the local law enforcement agency may advance relocation payments.
 - Cal. Health & Safety Code § 17975.5
- The City shall provide notice to the tenant of his or her right to relocation benefits. Notice may be satisfied by either telephonic notice or posting a written notice on the premises stating that tenants may be entitled to relocation benefits
 - Cal. Health & Safety Code § 17975.1
- If the owner or designated agent fails, neglects or refuses to pay relocation payments to a displaced tenant, ...the local law enforcement agency may advance relocation payments.
 - Cal. Health & Safety Code § 17975.5



DRAFT LANGUAGE :

- “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.”
- Within two (2) days of issuance of a written Notice of Designation, City Staff shall post the Notice of Designation in a conspicuous location near the entry of the Rental Housing Property and on City’s website.
- **Draft MMC § 8.53.060(A-C)**



DRAFT LANGUAGE :

- “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.”
 - Draft MMC § 8.53.050(F)



POLICY PROPOSAL

■ PENALTIES (MMC § 8.53.090):

- Any Owner violating any provision...shall be guilty of a misdemeanor...
- An administrative fine in an amount set forth by Resolution upon being designated a Repeat Housing Code Violator. (Recommended: \$1,000.00)
- 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 until Violations are corrected or City determines Owner is making good-faith progress toward curing the Violations. (Recommended: \$1,000.00)



POLICY PROPOSAL

■ PENALTIES:

- May lose ability to operate and be subjected to all other remedies available to the City.
- All existing rights and power of the City to abate and/or enforce public nuisance laws.





QUESTIONS/ COMMENTS