



Legislation Text

File #: 17-294, Version: 1

Proposed Tenant Relocation Assistance Program

BACKGROUND AND ANALYSIS

As directed by Rules Committee at its March 27, 2017 meeting, staff has further modified the Tenant Relocation Assistance Program to protect San Leandro's tenants from displacement resulting from rising rents and landlord-caused terminations. To date, tenant relocation assistance has been discussed by the Rules Committee on June 27 and July 25, 2016 and February 27 and March 27, 2017 and by the City Council on September 6, 2016.

A revised Tenant Relocation Assistance Program Ordinance with redline edits is attached as Exhibit A. Below is a summary of key modifications to the ordinance based on the Rules Committee's and public input since the March 27 Rules Committee meeting.

Article 2. Definitions

4-36-200(f)(5) - Added the words "fire" and tenant's "willful conduct" as reasonable circumstance where residential property may be uninhabitable without landlord fault under the "Landlord-Caused Termination" definition.

4-36-200(f)(6) - Added "Termination of employment" as a reasonable circumstance where the landlord may not be at fault under the "Landlord-Caused Termination" definition. This situation involves the lawful termination of a tenant whose employment was a condition of tenancy under a rental agreement (e.g., on-site property manager).

4-36-200(f)(7) - Added "Temporary repairs or renovations" as a reasonable circumstance where the landlord may not be at fault under the "Landlord-Caused Termination" definition. An example would be the temporary displacement of the tenant due to repairs or renovations and the landlord provides temporary housing for the duration of the work.

4-36-200(f)(8) - Added "Prior notice of renovations" as a reasonable circumstance where the landlord may not be at fault under the "Landlord-Caused Termination" definition. This situation involves when a landlord notifies a tenant prior to entering into a lease the landlord's intent to renovate the property. To ensure renovations shall be undertaken, this definition states the renovation shall occur within one year of tenant occupying the residential property and the landlord shall have filed building permit plans

for the renovations at the time the landlord notifies the tenant of termination of tenancy.

4-36-200(h) - Revised definition of “Rent” to clarify that the tenant relocation payment is based on the rent preceding the “effective date of an eligible rent increase” and that the definition of rent shall not include “ancillary services excluded from base rent” such as pet deposits, storage, and additional parking or utility pass-throughs.

4-36-200(j) - Added “Rental Agreement” as a definition to provide greater clarity for landlords and tenants.

4-36-200(k) - Revised definition of “Residential Property” to exempt affordable housing properties that have recorded affordability restrictions. Such properties typically provide long-term below market rate rental housing through recorded agreements with the City, State and/or federal government (e.g., City subsidy, State/federal low income housing tax credits).

4-36-200(l) - Revised definition of “Special-Circumstances Household” to clarify that tenant relocation assistance applies only to the tenant or “anyone else authorized by the landlord to” occupy a rental unit.

Article 3. Requirement to provide relocation assistance

4-36-305 Relocation assistance - Sets an amount of relocation assistance payment not to exceed \$10,000 to establish greater financial certainty for landlords for future maximum relocation payments.

4-36-305(b) - Provided clarifying language that a tenant shall be entitled to one special-circumstance household payment of \$1,000 per rental unit. For instance, if a renter household has an elderly member and child, it would only be entitled to \$1,000 payment not \$2,000.

4-36-310(a) - Added language to allow landlords to deduct from the relocation assistance any past due rent owed by the tenant during the 12 months prior to termination of tenancy. This language was deleted in the March 27th Rules Committee version of the draft Ordinance, but has been re-inserted because it is not a redundant circumstance.

4-36-315(a) - Added language to clarify that landlords shall provide written notices of termination and entitlement to relocation assistance to the tenant at least 90 days prior to the date a tenant must vacate the residential property “for landlord-caused terminations.” This edit distinguishes from instances where a termination of tenancy involves lawful evictions (e.g., breach of rental of contract, failure to pay rent, illegal tenant activities, etc.), whereby the landlord does not need to provide written notice of

entitlement to relocation assistance per the City' s Tenant Relocation Assistance Program Ordinance.

Language was also added to allow landlords the option to send the notice of entitlement to relocation assistance by certified mail "or first class mail." This edit enables the notice delivery methods to be consistent with those found in the Rent Review Board Ordinance. Certified mail remains an option for notice delivery, but is not required given it may be more costly and time-consuming for smaller property landlords.

Article 4 Enforcement

4-36-400 - Deleted the provision that landlords must send copies of notices of termination for landlord-caused terminations and notices of entitlement to relocation assistance to the Landlord notice of termination to the City within 10 days of delivery to tenant. Given the limited staffing in the Housing Services Division, processing and handling of the notices would unnecessarily increase paperwork.