ARTICLE XIII. TENANT RELOCATION ASSISTANCE

SEC. 36.38. Statement of purpose.
SEC. 36.38.05. Definitions.
SEC. 36.38.10. Requirement to provide relocation assistance.
SEC. 36.38.15. Relocation assistance.
SEC. 36.38.20. Procedures for assistance payment.
SEC. 36.38.25. Notice to displaced tenants.
SEC. 36.38.30. Submittal requirements.
SEC. 36.38.35. Alternate mitigation.
SEC. 36.38.40. Administrative regulations.
SEC. 36.38.45. Mitigation not exclusive.

SEC. 36.38. Statement of purpose.

The purpose of this article is to help mitigate the adverse health, safety and economic impacts experienced by very low-income residents of rental housing who are displaced from their residences due to a demolition of a rental unit, a remodel or redevelopment of a rental unit, a conversion of a residential unit to a condominium unit or a change of use of real property from a residential use to a nonresidential use by requiring the property owner to provide these residents with advance notice of such actions and mitigate the impact on these residents consistent with this article.

(Ord. No. 18.13, § 1, 12/10/13)

SEC. 36.38.05. Definitions.

a. **Application.** Any application required to be submitted to the city for discretionary or ministerial approval of a land use change or improvement of real property that will result in a permanent displacement of a residential household. For notice and eligibility purposes, application refers to the permit approval by city council, or the last permit approval if city council approval is not required.

b. **Displacement.** The vacating of four (4) or more rental units by residential households upon notice from the landlord as the result of or to enable any of the following:

1. The demolition of any rental unit on the lot;
2. The remodeling or renovation of any structure on the lot in a manner that requires a permit from the city and results in the permanent displacement of tenants;
3. The conversion of rental units to condominium units;
4. A change of use of real property from a residential use to a nonresidential use that requires a permit from the city; or
5. The change from rental to ownership units where the units were rented out for a period of time after being approved for sale.
6. For the purposes of this article, a displacement does not include a vacation of a rental unit as the result of the following:
   (a) A conversion of any portion of a mobile home park regulated and processed pursuant to Chapter 28 of this code;
   (b) A landlord's compliance with an enforcement order of the city chief building official for which the property owner has been ordered to pay relocation expenses pursuant to Health and Safety Code § 1798.7 or any other state or federal law;
   (c) A vacation of a rental unit resulting from the damage or destruction of the unit which is caused

by a fire or natural disaster; or

(d) Temporary displacement due to remodeling or renovations where tenants have been provided with alternative housing on site or nearby.

c. **Eligible residential household.** A residential household occupying a rental unit at the time an application is approved by the city provided the annual household income does not exceed fifty (50) percent of the median household income for Santa Clara County as adjusted for household size according to the United States Department of Housing and Urban Development. The presumption specified in the preceding sentence shall not apply where the applicant provides evidence of any of the following:

1. The residential household's occupancy ended due to the expiration of a term lease and the tenancy was not extended by the operation of Civil Code § 1945; or
2. The residential household has not paid rent as required by the rental agreement or was found to have committed an unlawful detainer pursuant to Subdivisions 2, 3, 4 or 5 of § 1161 of the Code of Civil Procedure as evidenced by a final judgment of a court of competent jurisdiction; or
3. The residential household received written notice, prior to entering into a written or oral agreement to become a tenant, that an application to convert their rental unit to another use was on file with the city or had already been approved and would result in their displacement.

d. **Landlord.** An owner, lessor or sublessor of property (including any person, firm, corporation or other entity) who receives or is entitled to receive rent for the use of any rental unit, or the agent, representative or successor of any of the foregoing.

e. **Rental unit.** A unit in a multiple-family rental development used as a place of permanent or customary and usual abode of a residential household. Multiple-family rental development includes a building, a group of buildings or a portion of a building used and/or designed as dwellings for two (2) or more residential households living independently of each other. Multiple-family rental development includes duplexes, triplexes and fourplexes (buildings under one (1) ownership with two (2), three (3) or four (4) dwelling units in the same building) and apartments (with five (5) or more units in a building or group of buildings). A rental unit shall not include:

1. A room or any other portion of any residential unit which is occupied by the landlord or a member of the landlord's immediate family.
2. A single-family dwelling, except where more than two (2) dwelling units are located on one (1) lot.
3. A mobile home.
4. Housing accommodation in hotels, motels, inns, tourist homes and boarding or lodging houses.
5. A unit in a common-interest development where units are owned by different individuals who share ownership of common areas and facilities.

f. **Residential household.** Any person or group of persons entitled to occupy a rental unit under a valid lease or rental agreement (written or oral), including all persons who are considered residents under the civil code.

g. **Special-circumstances households.** An eligible residential household with any of the following characteristics:

1. At least one (1) member is sixty-two (62) years of age or older;
2. At least one (1) member qualifies as disabled as defined by Title 42, United States Code, No. 423 or handicapped as defined by California Health and Safety Code § 50072; or
3. Is a household with one (1) or more minor children (under eighteen (18) years of age) who are legally dependent (as determined for federal income tax purposes).

h. **Tenant.** A tenant, subtenant, lessee, sublessee or any other person entitled to use or occupancy of a rental unit under a valid lease or rental agreement (written or oral).

(Ord. No. 18.13, § 1, 12/10/13)

SEC. 36.38.10. Requirement to provide relocation assistance.

A landlord shall pay relocation assistance in accordance with the provisions of this article when the landlord causes the permanent displacement of eligible residential households when the landlord terminates a tenancy for any of the following reasons:

a. The landlord seeks to withdraw all rental housing units from the rental housing market as provided in Government Code § 7060, et seq.
b. The landlord seeks to recover possession to demolish or otherwise remove a residential rental housing unit from residential rental housing use after having obtained all proper permits from the city, if any such permits are required.
c. The landlord seeks the conversion of a building into a condominium, community apartment or stock cooperative, as those terms are defined in California Government Code and Business and Professions Code.
d. The landlord seeks to recover possession to renovate and rehabilitate the unit(s) resulting in permanent displacement of tenants and the project requires discretionary or ministerial permits from the city.

(Ord. No. 18.13, § 1, 12/10/13)

SEC. 36.38.15. Relocation assistance.

The landlord shall provide relocation assistance, where required by Section 36.38.10, to eligible residential households in accordance with the following requirements:

a. A full refund of a tenant's security deposit, except for funds that may be necessary to repair tenant's damage to property in units that will be reoccupied prior to undergoing renovation or demolition.
b. A sixty (60) day subscription to a rental agency.
c. The cash equivalent of two (2) months' rent, based on the monthly rent for that unit, shall be paid to the eligible household renting a unit.
d. Special-circumstances households will be paid an additional two thousand dollars ($2,000) per rental unit, and this figure will be adjusted annually for inflation based on the Consumer Price Index for the San Francisco Bay Area.

(Ord. No. 18.13, § 1, 12/10/13)

SEC. 36.38.20. Procedures for assistance payment.

a. **Third-party processing.** The landlord shall engage a nonprofit, social service agency and/or other third party, identified in the project application and approved by the city, to assist with the relocation assistance process. This agency shall provide bilingual assistance, as necessary, and hold an informational meeting with tenants, respond to questions, verify current household incomes, disperse checks to eligible households and provide an accounting of dispersed funds to the landlord and city. The landlord shall open an escrow account and deposit relocation assistance funds into that account to be used by the third-party agency for relocation assistance payments. The amount of the deposit shall be determined by the community development department and unused funds shall be returned to the landlord after all relocation assistance has been paid as verified by the third-party agency.
b. **Relocation assistance applications.** Tenants requesting relocation assistance must complete an application and provide the necessary information to the third-party agency who will determine their eligibility for relocation assistance. Tenants must file an application before the date to vacate as stated on the notice of termination in order to be eligible for relocation assistance payments.
c. **Verification of payment.** Prior to issuance of demolition permits, building permits or other city permits that would result in the removal of a rental unit in a multiple-family rental development subject to this article, the city must receive verification from the third-party agency that all eligible residential households who applied and qualified for assistance have received relocation assistance. This verification shall be submitted in a form acceptable to the city.

(Ord. No. 18.13, § 1, 12/10/13)

SEC. 36.38.25. Notice to displaced tenants.

a. **Notice of termination.** Landlord shall provide a written notice of termination to all tenants subject to

displacement from a multiple-family rental development at least ninety (90) days prior to the date a tenant must vacate the unit. The date to vacate shall not be prior to the landlord's application approval, unless approved by the community development director and relocation assistance has been paid to the tenant.

b. **Notice of intent.** Within thirty (30) days after filling an application, either the landlord or the landlord's agent shall notify each residential household residing on the subject real property that the landlord has filed an application with the city. The notice shall be sent by regular and certified mail and posted on the door of each rental unit. Evidence of compliance with this section must be submitted to the city in order for the application to be deemed complete. The landlord shall use a notice of intent form provided by the city that shall contain the following information:

1. The name and address of the current owner and the proposed applicant;
2. A description of the application(s) being filed and a general time frame for the project approval;
3. An explanation of the relocation assistance available to eligible residential households and special-circumstances households, information on eligible residential household incomes and the procedure for submitting applications for relocation assistance;
4. Contact information for the third-party agency that will be assisting with the relocation assistance process. This contact information and a brief explanation of the purpose of the notice shall be translated into non-English languages as provided by the city;
5. The residential household's right to receive written notice for each hearing and right to appear and be heard at land use hearing, if applicable; and
6. Other information deemed necessary or desirable by the community development department.

c. **Notice of intent verification.** The landlord or agent of the landlord shall submit to the city a duplicate copy of the notice of intent form given to each residential household and a declaration indicating that each notice was sent by regular and certified mail and posted on the door of the rental unit.

(Ord. No. 18.13, § 1, 12/10/13)

SEC. 36.38.30. Submittal requirements.

a. Concurrent with the filing of an application, either the landlord or the landlord's agent shall provide the community development department with the address number of each unit in the multiple-family rental development, the monthly rents for those units and the names of every member of the residential household who is a signatory on a written lease or rental agreement for that unit, the household income as shown on the lease or rental agreement and the number of household members included on the lease or rental agreement. Where there is no written lease or rental agreement, provide the name of every person the landlord considers to be a resident under an oral lease or rental agreement.

(Ord. No. 18.13, § 1, 12/10/13)

SEC. 36.38.35. Alternate mitigation.

a. All applications governed by this section shall be required to submit the required information; however, the applicant may also submit an alternate mitigation strategy that meets the goals of this section. An alternate strategy may include, but shall not be limited to, providing other mitigation and concessions to tenants such as ongoing rent concessions or suitable notice and other elements of mitigation that would serve the goals and purposes of this article. With each such alternate submission, the applicant shall provide complete information as determined necessary by the community development director. Alternate mitigation proposals must be approved by the city council.

b. A landlord who is withdrawing residential rental units pursuant to Government Code § 7060, et seq. may elect to comply with the notice provisions of Government Code § 7060.4.

c. Landlord's temporary withdrawal of residential rental units from the market pursuant to Section 36.38.10.d shall not be subject to this article for any units where, in the opinion of the community development director, the landlord has offered suitable temporary replacement housing accommodations and compensation.

(Ord. No. 18.13, § 1, 12/10/13)

SEC. 36.38.40. Administrative regulations.

The community development director may, from time to time, promulgate regulations implementing the provisions of this article, violations of which shall be considered a violation of this section.

(Ord. No. 18.13, § 1, 12/10/13)

SEC. 36.38.45. Mitigation not exclusive.

Nothing in this section shall be interpreted to interfere with the city's ability and/or obligation to require relocation assistance for displaced tenants who are not covered by this article.

(Ord. No. 18.13, § 1, 12/10/13)