

CITY OF MOUNTAIN VIEW

MEMORANDUM CSFRA, Community Development Department

DATE: May 21, 2018
TO: Members of the Rental Housing Committee
FROM: Karen M. Tiedemann, Special Counsel to the Rental Housing Committee Justin D. Bigelow, Special Counsel to the Rental Housing Committee Anky van Deursen, Associate Planner
SUBJECT: Relocation Assistance and First Right of Return

RECOMMENDATION

Adopt a Resolution regarding Relocation Assistance and the First Right of Return.

BACKGROUND

The CSFRA provides for Relocation Assistance and First Right of Return be provided to eligible tenants whose tenancies are terminated based on specified repairs, an owner move-in, the state Ellis Act (Gov. Code sections 7060 – 7060.7), and/or demolition of the rental unit. The RHC is prohibited from defining the parameters of the First Right of Return under the state Ellis Act (Gov. Code section 7060.5). The CSFRA states that the City Council will specify the amount of Relocation Assistance.

At its February 12, 2018 meeting the Rental Housing Committee (RHC) adopted a motion identifying policy recommendations for consideration by the City Environmental Planning Commission and City Council defining the parameters of the First Right of Return benefits in the case of Ellis Act terminations of tenancies.

At its April 24, 2018 meeting, the City Council fully incorporated the RHC's policy recommendations when it amended the City's Tenant Relocation Assistance Ordinance (the "TRAO," Chapter 36, Article XIII of the City Code). A brief summary of the First Right of Return policy recommendation, as adopted in the TRAO, is provided below.

Time from Qualifying Termination of Tenancy		
Within 2 Years	Within 5 Years	Within 10 Years
Tenant may be eligible for actual and exemplary damages, which may be sought by tenants if a rental unit is re-rented	A First Right of Return, including the same monthly rental payment (plus annual general adjustments) will be provided for up to 5 years from a qualifying termination of tenancy with punitive damages if the tenant is not notified. The damages are not to exceed 6 months of rent).	A First Right of Return will be provided for up to 10 years from a qualifying termination of tenancy, but no punitive damages are authorized beyond the initial 5 year period from a qualifying termination of tenancy.

Moreover, the RHC's February 12, 2018 motion recommended that all Relocation Assistance and First Right of Return benefits be equal regardless of the qualifying reason or cause for the termination of tenancy.

ANALYSIS

The CSFRA authorizes the RHC to determine the parameters of the First Right of Return benefit for non-Ellis Act terminations of tenancy. Accordingly, in order to provide for equal and uniform Relocation Assistance and First Right of Return benefits to all eligible households regardless of the qualifying reason or cause for the termination of their tenancy, Staff has drafted a resolution formally adopting the policies identified in the recently amended TRAO to be the policies of the RHC.

FISCAL IMPACT

Adoption of the resolution regarding Relocation Assistance and First Right of Return benefits is not anticipated to affect the budget of the RHC.

<u>PUBLIC NOTICING</u> – Agenda posting

ATTACHMENT

- 1. Resolution Regarding Relocation Assistance and First Right of Return
- 2. Tenant Relocation Assistance Ordinance (City Code Chpt. 36, Art. XIII)