## **Tenant Relocation Assistance Ordinance Summary**

The proposed Tenant Relocation Assistance Ordinance creates Article 2 of Chapter 12 of the Hayward Municipal Code. Chapter 12, Article 1, contains the Residential Rent Stabilization and Tenant Protection Ordinance, enacted by City Council on July 25<sup>th</sup>, 2019. **Table 2** summarizes each section of the proposed Tenant Relocation Assistance Ordinance.

## **Permanent Relocation Assistance**

Requires that a landlord pay relocation assistance within 15 days of servicing notice to terminate tenancy to a tenant displaced as the result of a no-fault eviction. Landlords may do one of the following:

- Provide a direct payment in the amount of one month's rent
- Waive the payment of the final month's rent

If landlords do not provide the required relocation assistance for no-fault just cause evictions, the termination notice they issue will be void.

If a tenant does not leave the unit after the notice to terminate expires, the landlord can recover assistance payments as damages.

## **Temporary Relocation Assistance**

Requires that a landlord pay temporary relocation assistance within 3 days of servicing notice that tenant will be temporarily displaced as the result of:

- Substantial repairs being made to the unit, or
- A governmental agency (e.g., Code Enforcement) orders the tenant to vacate or the tenant vacates due to health/safety conditions

If a tenant does not agree to leave the unit, landlords may act to temporarily terminate the tenancy. In that case, tenants are still eligible for temporary relocation assistance.

Alternately, the landlord can offer a comparable housing unit. Landlords must still pay moving assistance.

<u>Payment of temporary relocation assistance.</u> Tenants may choose to receive relocation payments and continue paying rent, or to not receive relocation payments and not pay rent.

Temporary relocation assistance is provided on a per diem basis, meaning payments are to be made for every day a tenant household is displaced. Council may periodically change the per diem rates by resolution. Current proposed rates are:

- Hotel or motel \$161, per day per household
- Meal expenses \$32, per day per person
- Laundry \$1, per day per household
- Pet \$31 for cat, \$56 for dog, per day per animal

<u>Payment of temporary relocation assistance when displacement exceeds 60 days</u>. When tenants are temporarily vacated due to substantial repairs and repairs are not made within 60 days, tenants who opted to not receive payments shall begin receiving payments and will be required to pay rent again. When repairs are not made within 120 days, the landlord must make rent differential payments and tenants will not be required to pay rent. Rent differential payments are the difference between a tenant's rent at the time of displacement and the fair market rent. **Error! Reference source not found.** lists the current Department of Housing and Urban Development (HUD) fair market rents for Alameda County.

Table 1. Fiscal Year 2020-2021 Alameda County Fair Market Rents (FMRs) by Unit Bedrooms

Efficiency	One-	Two-	Three-	Four-
	Bedroom	Bedroom	Bedroom	Bedroom
\$1,488	\$1,808	\$2,239	\$3,042	\$3,720

Landlords are not liable for temporary relocation payments:

- If a governmental agency determines a unit needs to be vacated because of a natural disaster, such as a fire, flood, or earthquake.
- If a governmental agency determines that the tenant or guest of the tenant caused or substantially contributed to the damage, the landlord is not required to pay assistance.

*Appeals.* Landlords can file an appeal with the Rent Review Officer for the following decisions:

- Whether or not the landlord caused or contributed to conditions leading to an order to vacate
- Whether or not a tenant or guest of the tenant caused or contributed to the conditions leading to an order to vacate
- The Rent Review Officer's determination of if there are health or safety conditions necessitating the tenant to vacate without an order to do so
- If a comparable unit qualifies as comparable under the ordinance
- If a tenant has good cause to vacate a comparable unit after 120 days

## **Noticing**

Landlords must provide the tenants within 30 days of the effective date of the new ordinance a copy of the Tenant Relocation Assistance Ordinance or a summary prepared by the City.

Any time a landlord provides a tenant with a notice to terminate, the landlord is required to notify tenants that they may be eligible for relocation assistance.

The following table provides a section-by-section summary of the entire Tenant Relocation Assistance Ordinance, which includes both permanent and temporary relocation assistance.

**Table 2. Tenant Relocation Assistance Ordinance Summarized by Section** 

No.	Title	Summary	
12-2.01	Title	• The Ordinance is titled and can be referred to as the Tenant Relocation Assistance Ordinance	
12-2.02	Definitions	<ul> <li>Some key definitions introduced in this section include:         <ul> <li>Health or safety conditions: Conditions, not caused by the tenant that would reasonably affect tenant health or safety</li> <li>Qualified tenant household: Households with a tenant displaced for eligible reasons who is a senior (62 and older), disabled, has at least one child under 18, resides in a lower income household, or has a terminal disease and is displaced through owner move-in</li> <li>Rent differential payment: The difference between a tenant's rent at the time of displacement and the fair market rent as established by the Section 8 Housing Choice Voucher Program</li> </ul> </li> </ul>	
12-2.03	Permanent Relocation Assistance	<ul> <li>Written to align with the permanent relocation assistance provided for in the Tenant Protection Act (TPA), requires landlords to pay relocation assistance for no-fault just cause evictions as outlined in the RRSO or in state or federal law</li> <li>Landlords may choose to provide payments in the form of:         <ul> <li>Direct payment of one month's rent</li> <li>Waiver of the final month's rent</li> </ul> </li> <li>Landlords issuing a no-fault just cause eviction must notify the tenant of their right to relocation assistance and must pay assistance within 15 days of notice</li> <li>Assistance payments may be recovered as damages if the tenant fails to vacate after expiration of the notice to terminate</li> <li>If a landlord fails to comply with this section, the notice of termination is void</li> </ul>	
12-2.04	Temporary Relocation Assistance	This section outlines three scenarios in which a landlord must pay temporary relocation assistance:	

No.	Title	Summary	
		o (a) Temporary vacation to undertake substantial repairs and the tenant	
		agrees to vacate	
		o (b) Temporary vacation to undertake substantial repairs and the tenant does	
		not agree to vacate	
		<ul> <li>(c) A Governmental Agency Order to Vacate or a tenant vacates due to health or safety conditions</li> </ul>	
		<ul> <li>In both (a) and (b) the landlord must pay temporary relocation payments</li> </ul>	
		immediately. If tenants choose to accept relocation payments, they must continue	
		paying rent; however, they may choose not to receive payments and in that case	
		are not required to pay rent until they re-occupy the unit.  o If tenants were not receiving payments, landlords are required to make the	
		payments after 60 days of work and tenants must begin paying rent again.	
		<ul> <li>If work is not complete after 120 days, landlords must make rent differential</li> </ul>	
		payments to the tenant until the tenant re-occupies the unit or finds other	
		permanent housing. Tenants are not obligated to pay rent when receiving rent differential payments.	
		<ul> <li>In the case of (b), the landlord may take action to terminate the tenancy temporarily.</li> </ul>	
		• In (c), if work takes longer than 60 days the landlord must make rent differential payments to the tenant until the tenant re-occupies the unit or finds other permanent housing.	
		• Landlords are not liable for payments if a tenant must be vacated due to a natural	
		disaster or if the tenant or a guest caused or substantially contributed to condition	
		• Landlords may offer a comparable unit in lieu of making temporary relocation	
		payments. In this instance, landlords must pay reasonable and documented	
		moving expenses and must make relocation payments until the tenant occupies	
		the comparable unit. Tenants may vacate the comparable unit after 120 days and	
		landlords are obligated to make rent differential payments.	
		• 12-2.04(g) describes a detailed appeals process for the above subsections.	

No.	Title	Summary
12-2.05	Notice of Entitlement to Payment	<ul> <li>Notice to terminate a tenancy temporarily must be accompanied by notice that tenants are entitled to temporary relocation assistance         <ul> <li>Landlords must provide a temporary relocation payment form, a rent differential payment form, and a permanent relocation form</li> </ul> </li> <li>Relocation payments must be made within two business days of a tenant's vacating the unit</li> </ul>
12-2.06	Amount of Relocation Payment	<ul> <li>Temporary relocation assistance payment and rent differential payment amounts will be determined periodically by Council Resolution         <ul> <li>Current proposed amounts for temporary relocation payments are:</li> <li>Hotel or motel - \$161, per day per household</li> <li>Meal expenses - \$32, per day per person</li> <li>Laundry - \$1, per day per household</li> <li>Pet - \$31 for cat, \$56 for dog, per day per animal</li> <li>Council may adopt greater relocation payment amounts for a qualified tenant household</li> </ul> </li> </ul>
12-2.07	Distribution of Relocation Payment to Eligible Tenants	<ul> <li>For permanent relocation payments, the landlord must pay half of the payment within three business days after the tenant informs in writing that they will vacate and the other half after the tenant has vacated</li> <li>For temporary relocation payments, the landlord must make cumulative per diem payments every four weeks that a tenant is displaced</li> </ul>
12-2.08	Prohibition Against Agreements and Waiver of Rights Under this Article	<ul> <li>Landlords are not allowed to enter into an agreement with that limits or prevents the tenant from communicating with the City</li> <li>Landlords are not allowed to secure a waiver from the tenant of any part of the ordinance</li> </ul>
12-2.09	Coordination with Other Relocation Requirements	If a tenant gets relocation assistance from another government agency, that amount will be credited against the amount owed by the landlord
12-2.10	Remedies	• This section outlines the options for landlords and tenants who believe provisions of the ordinance have been violated
12-2.11	Recovery of Costs	• If the Rent Review Officer provides relocation payments in place of a landlord, then the City may place the payments on the landlord's property tax rolls after giving warning notice. Section 12-2.11 details this process, including provision of

No.	Title	Summary
		a hearing to determine if an assessment or lien should be imposed on the landlord's property.
12-2.12	Exceptions	<ul> <li>12-2.03 does not apply to properties exempted under section 1946.2(e) of the State's Tenant Protection Act</li> <li>12-2.04 does not apply to rental units exempted under 12-1.04(v) 1-3 of the revised RRSO</li> </ul>
12-2.13	Notice of Ordinance	• Landlords must notify all current tenants of this ordinance within 30 days of its effective date and must provide notice prior to re-renting a unit
12-2.14	Administrative Regulations	• The Rent Review Officer may add or change regulations for the administration and implementation of the Ordinance and may create any forms to facilitate its administration