Tenant Relocation Assistance

Tenant relocation assistance policies or programs provide relocation assistance (financial and/or other services) to tenants displaced through no fault of their own.

Legal Context

What Does State Law Require?

Under the Tenant Protection Act of 2019 (AB 1482), codified as California Civil Code Section 1946.2, regardless of the tenants' income, in the case of a no-fault just cause eviction, the owner must notify the tenant of the tenant's right to relocation assistance. The amount of relocation assistance or rent waiver must be equal to one month of the tenant's rent that was in effect when the owner issued the notice to terminate the tenancy. This must be provided within 15 calendar days of service of the notice.

California Government Code Sections 7260-7277 specifically address relocation assistance in the context of public works projects, outlining the requirements for providing relocation assistance to individuals displaced by public projects. They mandate that state and local agencies offer financial assistance and other support to help displaced persons find new housing, which includes covering expenses for moving the household and their personal property. The exact relocation amount varies but is outlined in the statute.

The Housing Crisis Act of 2019, established by SB 330 (2019) and amended by SB 8 (2021), includes provisions for relocation assistance, primarily for low-income tenants who are displaced when a housing development project demolishes existing units. The Act mandates that tenants who are displaced due to certain housing development projects, including those forced to move out due to demolition, conversion, or substantial rehabilitation, must receive relocation assistance. The Act does not specify the amount of assistance.

At-A-Glance

RELEVANT STATE LAWS Tenant Protection Act of 2019

California Government Code §§ 7260-7277

Housing Crisis Act of 2019

California Health and Safety Code §§ 17975-17975.10

POTENTIAL FUNDING **SOURCES**

Generally, financial assistance is provided directly by property owner. Non-financial assistance can be funded by the jurisdiction's General Fund.

COST Low

ADMINISTRATIVE BURDEN



Staff capacity needed for program design, monitoring and enforcement, as well as public and legislative processes.

EXTRA CONSIDERATIONS



Highly effective



Easy to implement

WHICH P? Protection

POTENTIAL PARTNERS

Tenant Advocacy Organizations



OPTION FOR TOC POLICY COMPLIANCE?



California Health and Safety Code Sections 17975-17975.10 requires landlords or property owners to provide relocation assistance to tenants displaced by the demolition, conversion or significant rehabilitation of affordable housing. It specifies the calculation of relocation assistance, which includes moving expenses and temporary housing costs, which varies depending on the tenant's income and household size.

How Can Jurisdictions Implement Programs That Go Beyond State Law?

While AB 1482 requires relocation assistance in the amount of one-month's rent for no-fault evictions, the actual costs of relocation are typically much higher. Jurisdictions can require that property owners provide higher amounts of assistance that better reflect actual costs. either for all affected tenants or specifically for vulnerable populations (lower income renters, seniors, people with disabilities, etc.) and incorporate benchmarks for amending the amount(s) over time based on inflation and other impacts.

Program Design, Implementation and Evaluation Considerations

Elements of the Program

- Defined eligible circumstances for relocation assistance
- Defined eligibility for who receives assistance (e.g., limited to lower-income tenants)
- Defined minimum amount of relocation assistance, including any additional payments for specific populations
- Established requirements for landlord documentation

Program Design Considerations

Jurisdictions may want to consider the following:

ENFORCEMENT MECHANISMS: Local jurisdictions can implement enforcement mechanisms for state law and, if relevant, local policies, such as checking relocation plans or reviewing the disbursement of relocation funds.

ELIGIBLE CIRCUMSTANCES: Jurisdictions can require additional relocation payments for all households subject to no-fault evictions, or limit landlords' obligations to households at or below specific income levels, including moderate- or lower-income households. Furthermore, jurisdictions can require relocation assistance for temporary displacement.

RELOCATION PAYMENT AMOUNT AND TIMING:

Rental assistance amounts set by state law are unlikely to be adequate in the Bay Area's extremely high-cost housing market. Renters who are forced to move face costs for application fees and background checks, moving expenses and first/last month rent payments, as well as security deposits. Rather than the one-month rent payment required by state law (equal to the tenant's rent that was in effect when the owner issued the notice to terminate the tenancy), jurisdictions can consider requiring three-months Fair Market Rent as defined by HUD. For Ellis Act evictions or owner move-in evictions, jurisdictions can consider establishing a fixed amount for any displaced tenant regardless of income qualification, with annual increases to this amount tied to inflation. State law requires landlords to provide relocation assistance within 15 calendar days of service of the notice; local jurisdictions can require it be provided within a shorter timeframe.

ADDITIONAL PAYMENTS: Establishing additional payments for low-income tenants, seniors, people with disabilities and households with minor children, reflecting the fact that finding suitable replacement housing that they can afford can be very challenging and time consuming.

NON-FINANCIAL SERVICES: Providing services to support tenants with relocation, such as support in looking for and securing long-term housing.

Program Implementation, Administration and Enforcement

Typically, rental assistance policies or programs are established through ordinances passed by City Council. Property owners generally provide direct payment to the tenant, which, under state law, must be provided within 15 days of notifying the tenant of the need to vacate. Another option is for relocation assistance to instead go through the city or Rent Board, helping to ensure tenants are paid promptly. The property owner then reimburses this expense, paying a penalty fee if they do not reimburse the jurisdiction within a set period of time. This approach creates safeguards for the tenant, ensuring they receive relocation assistance quickly without relying solely on the property owner to follow through.

The amount of relocation assistance must be equal to at least three months' fair market rent, unless another law (e.g., local, state, federal) requires a higher minimum amount. Jurisdictions can choose to limit assistance to lower-income tenants (those at 80% of AMI or less) or lower- and moderateincome tenants (those at 120% of AMI or less).

Program Evaluation

To evaluate tenant relocation assistance programs, jurisdictions can analyze whether the amount of assistance provided is sufficient to cover the full cost of moving and securing new housing; whether assistance is provided in a timely manner to avoid prolonged displacement or other financial hardships for tenants; program effectiveness in helping tenants find permanent and stable housing; and tenants' overall satisfaction with the program.

TOC Policy Requirements: To comply with TOC policy, landlords must make relocation payments for all no-cause or no-fault evictions. No-fault evictions can occur for tenants covered under state law (e.g., AB 1482 and SB 330) or local ordinances. For tenants who are not covered by just cause eviction protections under state law or local ordinances, no-cause evictions occur when a landlord chooses not to renew an annual lease or provides a notice to terminate the tenancy that is not required to state a reason.

Complementary Policies

LEGAL ASSISTANCE FOR TENANTS: By providing legal assistance in addition to relocation assistance, jurisdictions can help provide tenants with resources related to their legal rights and responsibilities before, during and after the relocation process.

JUST CAUSE EVICTION PROGRAMS: While Just Cause Eviction Programs limit the circumstances under which a tenant can be evicted, they don't directly assist tenants with the financial costs of relocation. Relocation assistance can complement Just Cause Eviction Programs by providing relocation assistance for no-fault evictions.

Other Resources

EXAMPLES*

<u>City of Richmond - Fee Schedule</u>

City of Mountain View - Tenant Relocation Assistance Ordinance

City of Oakland - Uniform Relocation Ordinance

OTHER RESOURCES

Metropolitan Transportation Commission - Protection Policy 8: Tenant Relocation Assistance

*Note that examples have not been vetted for full TOC Compliance.

This document is intended to provide general information and does not constitute legal advice. Additional facts, facts specific to a particular situation, or future developments may affect the subjects discussed in this document. Seek the advice of your jurisdiction's legal counsel before acting or relying upon this information. For specific questions regarding TOC compliance, please reach out to TOCpolicy@bayareametro.gov.