

CITY OF ALAMEDA RESOLUTION NO. _____

ADOPTING A POLICY CONCERNING THE REQUIREMENTS,
PROCEDURES, RESTRICTIONS AND MITIGATIONS CONCERNING
THE WITHDRAWAL OF RESIDENTIAL RENTAL UNITS FROM RENT
OR LEASE (ELLIS ACT POLICY)

WHEREAS, the Council of the City of Alameda finds and determines that:

- A. Government Code Chapter 12.75 (commencing with Section 7060 *et seq.*) [The Ellis Act] permits owners of residential rental property to withdraw such property from rent or lease and evict tenants for this purpose while permitting local entities to impose requirements, procedures and restrictions upon property owners concerning residential rental property which is so withdrawn and to .
- B. There is a continuing housing shortage and low vacancy rate in the City of Alameda and the withdrawal of residential rental property from rent or lease will increase said shortage making it more difficult for tenants displaced by said withdrawal to find other housing as well as making it more difficult for other persons seeking housing to obtain it.
- C. Because of the housing shortage and low vacancy rate it is essential that tenants displaced through the withdrawal of residential rental property from rent or lease be given substantial advance notice to enable them to relocate to other housing.
- D. Because of the housing shortage and low vacancy rate, it is essential that protections be given to tenants who may be displaced as a result of the withdrawal of residential rental property from rent or lease.
- E. In order to carry out the purposes and intent of the City's Rent Review, Rent Stabilization and Limitations on Evictions Ordinance (Ordinance No. 3148) and the Ellis Act, to impose certain requirements, procedures and restrictions on property owners withdrawing their rental units from the rental market, and to mitigate the adverse impacts on tenants from displacement cause by withdrawals of rental units from the residential rental market, this Policy must be adopted.
- F. WHEREAS, on April 2, 2019, the Alameda City Council conducted a public hearing concerning this Policy; and
- G. WHEREAS, on April 2, 2019, at the public hearing concerning the Policy, members of the public were provided an opportunity to be heard about the Policy and thereafter, the City Council members discussed the Policy among themselves.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ALAMEDA AS FOLLOWS:

Section 1. The Policy concerning the Requirements, Procedures, Restrictions and Mitigations Concerning the Withdrawal of Residential Rental Units from Rent or Lease in

the City of Alameda, attached as Exhibit A, is approved and adopted to implement Ordinance No. 3148 and the Ellis Act.

Section 2. This Resolution is effective immediately upon its adoption and the Policy will be operative as of April 2, 2019.

**POLICY CONCERNING REQUIREMENTS, PROCEDURES,
RESTRICTIONS AND MITIGATIONS CONCERNING THE WITHDRAWAL
OF RENTAL UNITS FROM RENT OR LEASE (ELLIS ACT POLICY)**

1. Purpose and scope.

A. The City of Alameda hereby acts pursuant to Government Code Chapter 12.75 (commencing with section 7060 et seq. [the Ellis Act]) to establish certain requirements, procedures, restrictions and mitigations concerning the Withdrawal of Rental Units from rent or lease, as provided in Government Code Section 7060. The City also acts pursuant to its general police powers to protect the health, welfare and safety of its residents. In adopting these regulations, it is the intent of the City of Alameda to accord Tenants the protections which are available pursuant to Government Code Section 7060, and to provide certain additional rights and protections, such as relocation assistance and limitations on rent increases if a Landlord rents or leases a Rental Unit within five years from the Withdrawal, necessary to deal with the housing shortage in the City of Alameda. This Policy shall apply only to Rental Units as that term is defined in the City's Rent Review, Rent Stabilization and Limitations on Evictions Ordinance (Ordinance No. 3148).

B. Nothing in this Policy shall otherwise diminish any power which currently exists or which may hereafter exist in the City to grant or deny any entitlement to the use of, or physical modifications to, real property, including, but not limited to, building, planning, zoning and subdivision map approvals. Nothing in this Policy shall entitle an owner of property which has been withdrawn from rent or lease to any special consideration in the granting of any entitlement to the use of said property, nor shall the fact that the property may be vacant be considered as a basis for granting any requested change in use.

2. Definitions.

For the purposes of this Policy, terms that are capitalized have the same meaning as those terms in Ordinance No. 3148.

A. "Rent Stabilization" means the system of regulations on residential rents and terminations of tenancies established pursuant to Ordinance No. 3148, including all amendments thereto, all implementing policies and regulations and any successor ordinance or charter provision regulating residential rents in Alameda.

B. "Withdrawal" means the termination of tenancy of all Tenants from all Rental Unit(s) on a particular property through compliance with the requirements of this Policy. Such Withdrawal results in a removal of Rental Unit(s) from the housing market under the terms and conditions set forth in this Policy, and as such is a limited form of removal by means other than conversion. To the extent that Landlords who own withdrawn Rental Unit(s) desire to convert such Rental Unit(s) to other uses, including but not limited to condominiums, community apartments, stock cooperatives, other forms of owner-occupancy, or other change in use, or otherwise remove them by means other than

withdrawal or demolition, such Landlords must obtain all required permits and approvals, as applicable, from the City in addition to complying with the provisions of this Policy.

3. Restrictions concerning Withdrawn or Demolished Rental Units.

A. Any Rental Unit which has been withdrawn from rent or lease after Withdrawal and which was subject to Ordinance No. 3148 at the time of Withdrawal shall be subject to the following conditions and restrictions if the Rental Unit is again offered for rent or lease within a five-year period after the Rental Unit is withdrawn, regardless of a change in ownership. The five-year period begins when all Tenants have been served with the notices set forth in Section 4 A 1 of this Policy.

1. The Landlord shall first offer the Rental Unit to the Tenant displaced from the Rental Unit by the Withdrawal if the Tenant has informed the Landlord in writing within 30 days of displacement of the Tenant's desire to consider an offer to renew the tenancy and has furnished the Landlord with a physical or email address to which the offer is to be directed. If the Rental Unit or the property on which the Rental Units is located is sold or transferred, the Landlord must provide the Tenant's contact information to the new Landlord and must inform the Tenant of the contact information of the new Landlord. The Tenant may advise a Landlord at any time during the period of eligibility for the renewed tenancy of any change in the address to which the offer is to be directed. The Landlord shall serve the displaced Tenant with an offer to rent or lease the Rental Unit at the lawful Rent in effect at the time the Tenant was displaced plus not more than a 5% increase in that rent. The failure of the Landlord at the time of Withdrawal to inform the new Landlord of the Tenant's contact information does not negate the requirement of the new Landlord to offer the Rental Unit to the displaced Tenant as provided in the previous sentence.

2. If the displaced Tenant has not informed the Landlord as provided in paragraph 1 of this subsection A of the Tenant's physical or email address, or if the Tenant has provided such address but has not within 30 days of the Landlord's service of the offer to the Tenant as provided in paragraph 1 of this subsection A, accepted such offer, the Landlord may offer the Rental Unit to other prospective Tenants at the Lawful Rent in effect at the time the tenancy of the displaced Tenant was terminated, plus not more than a 5% increase in that rent.

3. The Landlord shall also in writing (i) notify the Program Administrator of the Landlord's intent to offer again the Rental Unit for rent or lease (ii) confirm that the Landlord has served an offer on any displaced Tenant as provided in paragraph 1 of this subsection A, (iii) inform the Program Administrator of the outcome of such offer and (iv) inform the Program Administrator of the name of the Tenant who will occupy the Rental Unit, the starting date of the tenancy and the amount of Rent.

4. The Program Administrator may provide forms concerning the notice requirements set forth in this subsection A.

5. Paragraphs 1 and 2 of this subsection A shall prevail over any conflicting provision of law authorizing the Landlord to establish the rental rate upon the initial renting or leasing of the Rental Unit.

B. If the Rental Unit is offered again for rent or lease for residential purposes within two years of the date the Rental Unit is withdrawn, the following, in addition to the provisions of subsection A of this section, shall apply, regardless of a change in ownership:

1. The Landlord shall be liable to any Tenant who was displaced from the Rental Unit by reason of the Withdrawal for actual and punitive damages. Any action brought by a Tenant pursuant to this paragraph shall be brought within three years of the Tenant's displacement; provided, however, that nothing in this paragraph shall preclude a Tenant from pursuing any additional or alternative remedy available under law including, but not limited to, general damages. Nothing in this paragraph shall limit or otherwise affect any relocation benefits to which the Tenant is entitled under Ordinance 3148 or any other law.

2. The City may institute a civil proceeding against any Landlord who has offered the Rental Unit for rent or lease for exemplary damages for the displacement of Tenants. Any action brought by the City shall be brought within three years of the Withdrawal; provided, however, that nothing in this paragraph shall be construed to limit any other powers of the City to pursue litigation in any way involving the Rental Unit or the property on which the Rental Unit is located.

C. If the Rental Unit or Rental Units are demolished and a new Rental Unit or Rental Units are constructed on the same property, and offered for rent or lease within five years from the date the Rental Unit(s) were withdrawn, the newly constructed Rental Unit(s) shall be subject to Ordinance No. 3148, regardless of a change in ownership, notwithstanding any provision of law that otherwise exempts newly constructed Rental Units, provided, however, the City shall have the power to set rents for such Rental Units that will provide a fair return and the Landlord shall have the burden of establishing by competent evidence that the Rent proposed by the Landlord is necessary to provide a fair return.

4. Landlord's notice requirements to Tenants and the Program Administrator.

A. No less than 120 days prior to the date upon which a Rental Unit is to be withdrawn, a Landlord shall serve on each Tenant at the same time and in the same manner the following notices. The notices shall be served on each Tenant by either personal delivery or certified mail, return receipt requested.

1. A written notice of the Landlord's intent to withdraw the Rental Unit. The notice shall contain a statement that the Rental Unit is withdrawn, the date upon which the Rental Unit is to be withdrawn, that the Landlord has paid all fees due the City, and a statement that all Tenants are entitled to a relocation payment and the amount thereof pursuant to Ordinance No. 3148. A notice stating the Landlord's intent to withdraw the Rental Unit

from rent or lease shall not be valid unless the Tenants of all of the Rental Units on the property are also served with notice that each of their Rental Units is to be withdrawn from rent or lease and unless all fees, if any, due the City have been paid.

2. A written notice of termination of tenancy having an effective date no earlier than 120 days after the date of service.

3. A written notice containing language substantially identical to the following: "I assert that I have lived in this Rental Unit at least one year prior to having been notified that I am to be evicted from this Rental Unit under the City's Ellis Act Policy. I further assert that I am a disabled person under the meaning of Section 12955.3 of the California Government Code. As such, I am entitled to one year's notice prior to my surrendering the Rental Unit to the Landlord." Such notice shall provide that the Tenant must inform the Landlord in writing and within 60 days if these assertions apply.

4. A written notice containing language substantially identical to the following: "I assert that I have lived in this Rental Unit for at least one year prior to having been notified that I am to be evicted under the City's Ellis Act Policy. I further assert that I am at least 62 years old. As such, I am entitled to one year's notice prior to my surrendering the Rental Unit to the Landlord." Such notice shall provide that the Tenant must inform the Landlord in writing and within 60 days if these assertions apply.

B. Within 15 calendar days from the date the Landlord has served each Tenant with the notices set forth in subsection A of this Section 4, the Landlord shall provide, in addition to a copy of each notice set forth in subsection A of this Section, a written notice to the Program Administrator of the Landlord's intention to withdraw the Rental Units from rent or lease. The notice shall be on a form approved by the Program Administrator, and shall contain statements, under penalty of perjury, providing information on the number of Rental Units, the address or location of those Rental Units, the name(s) of the Tenant(s) of the Rental Units, the length of each Tenant's tenancy, and the Rent applicable to each Rental Unit. The notice required to be filed by this subsection shall be maintained by the Program Administrator in files other than those maintained pursuant to Ordinance No. 3148. The information contained in the notice required by this subsection respecting the name(s) of the Tenant(s), the length of their tenancies, the Rent applicable to any Rental Unit, and the total number of Rental Units, is confidential and shall be treated as confidential information for the purposes of the Information Practices Act of 1977, as contained in Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code. The Program Administrator shall, to the extent required by the preceding sentence, be considered an "agency" as defined by subdivision (b) of Section 1798.3 of the Civil Code.

C. Notwithstanding the time frames for a Tenant to vacate a Rental Unit as provided in subsection A of this Section 4, the provisions of Ordinance No. 3148 concerning a Tenant's remaining in the Rental Unit in exchange for a reduction in relocation fees shall apply (Section 6-58.150 C, Alameda Municipal Code).

5. Tenant's notice requirements to Landlords and the Program Administrator

If a Tenant is at least 62 years of age or is disabled, and has lived in the Rental Unit for at least one year prior to the date the Tenant was served with the notice of intent to withdraw, then the date of the Withdrawal of the Rental Unit for that Tenant shall be extended for one year from the date the Tenant was served with such notice provided the Tenant gives written notice to the Landlord of the Tenant's entitlement to an extension within 60 days of the date the Tenant was served with the notice of intent to withdraw. The Tenant shall also provide a copy of such notice to the Program Administrator but the Tenant's failure to provide a copy of such notice to the Program Administrator shall not affect the Tenant's entitlement as provided herein.

6. Financial mitigation of adverse impact on displaced Tenants.

The Tenant of any Rental Unit who is required to move as a result of the Landlord's Withdrawal of the Rental Unit from rent or lease shall be entitled to a relocation payment as provided in Ordinance No. 3148. If a Landlord fails to make any relocation payment (or portion thereof), it shall be a defense to any action to recover possession of a Rental Unit based on a Landlord's intent to withdraw or termination of tenancy. In addition, if a Tenant who qualifies for relocation payment vacates the Rental Unit and the Landlord fails to make any payments set forth in Ordinance No. 3148 (see Section 6-58.150 B, Alameda Municipal Code), the Landlord shall be liable to the Tenant for three times the amount of the unpaid relocation payment plus reasonable attorney's fees.

7. Recordation of notice regarding continued applicability of restrictions

Within 20 days of receipt of the notices served by a Landlord pursuant to Section 4 of this Policy, the Landlord shall sign, and the Program Administrator shall cause to be recorded with the County Recorder, a memorandum which shall recite the fact that the City of Alameda has determined to apply the restrictions adopted pursuant to this Policy to successors in interest to the subject property. The notice shall specifically describe the real property where the Rental Unit(s) is/are located, the date (or dates if the Withdrawal date for some Rental Units has been extended) upon which the Landlord will withdraw the Rental Unit(s) from rent or lease and the time frame during which the restrictions adopted pursuant to this Policy shall apply.

8. Fees payable to the City.

The City may establish fees which shall be paid by any Landlord who exercises the privilege to Withdraw Rental Units from rent or lease. The City may set the fee in order to recover all costs of administering this Policy. The fees shall be paid prior to the service of the notices set forth in Section 4 of this Policy. Failure to pay the fees prior to service of the notice shall render the notice(s) null and void.

9. Termination of tenancy requirements.

In any action to recover possession of a Rental Unit subject to the terms of this Policy, it shall be a defense if the Landlord has not fully satisfied all the requirements of this Policy including, but not limited to, compliance with all notice requirements, payment of fees to the City, and full payment of relocation benefits to displaced Tenants.

10. Termination of this Policy.

If Ordinance No. 3148 or any subject City Rent Stabilization Ordinance is terminated or suspended, this Policy shall also be terminated or suspended; provided, however, that this Policy shall apply to any Rental Unit that has been withdrawn from rent or lease prior to such termination or suspension.

11. Severability.

If any provision of this Policy is held by a court of competent jurisdiction to be invalid, this invalidity shall not affect other provisions of this Policy which can be given effect without the invalid provisions and therefore the provisions of this Policy are severable.

* * * * *

I, the undersigned, hereby certify that the foregoing resolution was duly and regularly adopted and passed by the Council of the City of Alameda in a regular meeting assembled on the 2nd day of April 2019 by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said City this 3rd day of April 2019.

Lara Weisiger, City Clerk
City of Alameda

Approved as to form:

Michael H. Roush, Interim City Attorney
City of Alameda