

I. Ellis Act Overview

The Ellis Act, a California State Law, provides that residential rental property landlords may “go out of business”. To do so, specific process steps must be completed to comply with both state law and the City of San José Municipal Code. Call (408)975-4480 to speak with the Rental Rights and Referral Program staff or to make an appointment

Withdrawing Rental Units from the Housing Market

Landlords that choose to permanently remove residential rental units from the rental market must first meet with a Rental Rights and Referral Program Information Coordinator to review the process steps, assign a relocation specialist, pay related fees and begin the process of reporting as required by the City of San José. In addition to payment of fees, landlords must provide notices also required by the City of San José Municipal Code to the City and tenants. As state law allows certain tenants to extend tenancy for up to a year from the date of notice to the city, landlords must build in adequate time to provide for such extensions of tenancy in the withdrawal process. Also, landlords will be required to pay relocation assistance to evicted tenants. The purpose of the relocation assistance provides tenants reasonable funds to seek and secure new housing. Landlords may offer alternate rent stabilized units to tenants. If a tenant voluntarily agrees to rent the landlord’s alternate rent stabilized unit, relocation assistance is not required

II. Forms Overview & Instructions

The following forms must be completed and provided to the City and/or tenants subject to eviction through the withdrawal process.

Ellis Act Forms	Purpose	Preparer	Recipient	Timeline
A Memorandum Summarizing Non-Confidential Provisions of a Notice of Intent to Withdraw Rental Units from the Rental Housing Use on the Property	The form documents the address, number of rental units and informs current and future owners of the withdrawal of rental units from the housing market for a ten-year period from the date of withdrawal.	Landlord	County Recorder’s Office	Within 10 days of delivery to the City of the Notice of Intent to Withdraw, or at least one day prior to sale or transfer of any property containing a Covered Unit
B Notice to Tenant of the Intentions to Withdraw Rental Units from the Rental Market	The form is the landlord’s eviction notice to the tenant. The landlord is required to <u>serve each tenant</u> an eviction notice documenting the landlord’s intent to “go out of business.”	Landlord Landlord	Tenant City of San José, Rental Rights & Referrals Program	Day 1 Within 10 Days of delivery of Notice to Tenants

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C Notice of Tenant's Right to Extend Tenancy and Tenant Qualification for Relocation Assistance Related to Owners Intent to Withdraw Rental Units from the Rental Market	<p>The landlord must provide the form to each tenant. The tenant must notify the landlord and the City of tenant's qualification to extend tenancy and/or eligibility for additional relocation assistance within 60 days of receipt. Tenant may also supply corrections to the notice of intent within 30 days of receipt.</p>	Landlord	Tenant	<p>Within 60 days of delivery from landlord</p>
D Notice of Pending Withdrawal to New Occupant	<p>This form is used by the landlord to inform the tenant that the unit will be available for housing for a limited and defined period.</p> <p>The landlord is required to <u>serve each new tenant</u> following the filing of the notice to withdraw that the unit is in the process of removal from the housing market. If owner complies with all of these requirements, the new tenant will not be entitled to Relocation Assistance. If the new owner fails to comply, the new tenant is entitled to Relocation Assistance.</p>	Landlord	New tenant seeking to rent after the withdrawal process has commenced	Prior to entering rental or lease agreement
E Relocation Assistance Payment Information Sheet	<p>This form is to inform the tenant of the range of relocation payments.</p> <p>This form summarizes the relocation assistance payments required to be paid to tenants' subject to eviction based on unit type.</p>	Landlord	Tenant	

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F Relocation Counseling Report	This form is for the relocation specialist to use to determine base and qualified assistance for tenant(s) on Form B Notice to Tenant of Intention to Withdraw Rental Units from the Rental Market.	Relocation Specialist	City of San José, Rental Rights & Referrals Program	
G Notice of Tenant Right to Return and Owner Intent to Re-Rent Units Previously Withdrawn from the Rental Market Within Five (5) or Ten (10) Years of Withdrawal	This form is for the owner to notice tenant if the owner intends to re-rent the unit(s) within five (5) years or ten (10) years of the effective date of withdrawal.	Landlord	Tenant	Within 5 or 10 Years of Withdrawal
		Landlord	City of San José, Rental Rights & Referrals Program	Within 5 or 10 Years of Withdrawal
H Proof of Service	This form is for the landlord's use to record proof of service of all required notices to the City and tenants.	Landlord	Tenant	
		Landlord	City of San José, Rental Rights & Referrals Program	
I Notice of Tenant's Right to Return to Rental Units Previously Withdrawn from the Rental Market	This form is for the landlord to provide the required notice to all tenants occupying previously withdrawn rental to the tenant's last known address and reoffer the unit.	Landlord	Tenant	
J Ellis Act Master Report	The landlord is required to provide a <u>monthly report to the City</u> regarding notices to tenants, tenant qualifications and extension of tenancy up to the date of withdrawal.	Landlord	City of San José, Rental Rights & Referrals Program	Monthly

More information regarding the City of San José Municipal Code requirements are available here:

<http://www.sanjoseca.gov/index.aspx?NID=441>

Information related to the State of California - Ellis Act requirements are available here:

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201320140AB2405