

Tenant Protection Ordinance

City Council – April 18, 2017



Public Process

DATE	LOCATION
First Round of Public Meetings	
November 7, 2016	Cypress Community Center
November 14, 2016	San José City Hall
November 16, 2016	Bascom Community Center
December 5, 2016	Housing & Community Development Commission
Stakeholder Meetings	
November 7, 2016	Tenant Stakeholders
November 7, 2016	Small Owner Stakeholders
November 9, 2016	Large Owner Stakeholders
November 15, 2016	Small Owner Stakeholders
November 16, 2016	Large Owner Stakeholders
November 17, 2016	Tenant Stakeholders
November 30, 2016	Santee Tenants
December 4, 2016	BAHN Property Owners
December 13, 2016	Sacred Heart Community Service
December 19, 2016	Reserve Apartment Tenants
Second Round of Public Meetings	
February 8, 2017	San José City Hall
February 15, 2017	Bascom Community Center
February 17, 2017	San José City Hall
February 27, 2017	Cypress Community Center
March 2, 2017	Housing & Community Development Commission
April 13, 2017	Housing & Community Development Commission

10 Public Meetings
10 Stakeholder Meetings

Public Comment Cards

Proposed Ordinance was available for a 45-day public comment period.

Limited Protection

Fear of retaliation

30-DAY NOTICE TO TERMINATE TENANCY

_____	Owner(s)
Plaintiff(s)	
VS.	
_____	Tenant(s)
Defendant(s)	
and Does 1 to 10 inclusive	

TO the above named TENANTS/RESIDENTS AND ALL OTHERS IN POSSESSION.

Notice to vacate



Discrimination & Harassment

Covered Buildings



Apartment Rent
Ordinance
apartments



All other
properties
Multiple
Housing
Dwelling



All
apartments
built without
a permit, or
operating
illegally



Guesthouses



Apartments
with a condo
map

Not Covered Buildings



Duplexes



Single family homes &
second units



Condos for sale



Townhouses

Limited Term Enrollment: 6 Months Protection

<u>Issue</u>	<u>Protection Term</u>		
	Commencement	6-Month Term	2-Year Term
1. Material Code Violation	[Yellow bar]		[Green bar]
2. Necessary Repair or Replacement	[Yellow bar]		[Green bar]
3. Fair Housing Complaint	[Yellow bar]		[Green bar]

Material Code Violations & Necessary Repair and Replacement List



Full Enrollment: 2 Years Protection

<u>Issue</u>	<u>Protection Term</u>		
	Commencement	6-Month Term	2-Year Term
4. Ellis Act <i>12 months retroactive to filing</i>	[Green bar]		
5. Unregistered Apartment <i>Effective January 1, 2020</i>	[Grey bar]	[Green bar]	[Green bar]
6. Owner refusal to allow inspection	[Green bar]		
7. Violation of the Apartment Rent Ordinance	[Green bar]		
8. Unpermitted Apartment	[Green bar]		
9. Violation of City Short Term Rental Ordinance	[Green bar]		

List of Just Cause Terminations

1. Nonpayment of rent
2. Material or Habitual lease violation
3. Damage to the apartment
4. Refusal to sign a new agreement
5. Nuisance behavior
6. Refusing access to the apartment
7. Unapproved holdover subtenant
8. Substantial rehabilitation
9. Ellis Act Removal
10. Owner move-in
11. Order to vacate
12. Vacation of unpermitted apartment

Relocation Benefits

NOW LEASING
FOR OCTOBER MOVE-INS

- Substantial rehabilitation
- Ellis Act Removal
- Owner move-in
- Order to vacate
- Vacation of unpermitted apartments

Staffing Recommendations

Tenant Protection Ordinance Implementation

Position	Department
1.0 Senior Analyst	Housing Department
1.0 Enrollment Analyst	Housing Department
1.0 Code Enforcement Inspector	Planning, Building and Code Enforcement

Apartment Rent Ordinance Implementation Support

Position	Department
1.0 Senior Deputy Attorney	City Attorney's Office
1.0 Information System Analyst	Housing Department

Some Tenants will Not be Protected



Requirement to Offer a One-Year Lease

CALIFORNIA LEASE AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____, _____ (Year)
 _____ (Day) _____ (Month) _____ (Year)
 _____ "Owner/Agent", _____ address and phone _____
 _____ (Name of Owner/Agent)
 number are _____ (Address and Telephone of Owner/Agent)
 and _____ "Resident"
 _____ (List all Residents who will sign this Agreement)

1 YEAR

THE PARTIES AGREE AS FOLLOWS:

1. **RENTAL UNIT:** Subject to the terms and conditions of this Agreement, Owner rents to Resident and Resident rents from Owner, for residential use only,
 the premises located at: _____ (Street Address)
 _____ (City) _____ CA, _____ (Zip)

2. **RENT:** Rent is due in advance on the _____ day of each and every month, at \$ _____ per month, beginning on _____ (Date), payable to Owner/Agent at _____ (Address where payments should be delivered)

Payments made in person may be delivered to Owner/Agent between the hours of _____ and _____ on the following days of the week:
 Monday Tuesday Wednesday Thursday Friday Saturday Sunday Other _____

Acceptable methods of payment:
 Personal Check Cashier's Check Money Order EFT/Credit (see Owner/Agent for details) and Cash


If rent is paid after the _____ of the month, there will be a late charge of \$ _____ assessed. The parties agree that this late fee is presumed to be the amount of damage sustained by late payment of rent. It would be impracticable or extremely difficult to fix the actual damage. This sum represents a reasonable endeavor by the Owner/Agent to estimate fair average compensation for any loss that may be sustained as a result of late payment of rent. Pursuant to California law, if Resident passes a check on insufficient funds, Resident will be liable to Owner/Agent for the amount of the check and a service charge of \$ _____ not to exceed \$25 for the first check passed on insufficient funds, and \$35 for each subsequent check passed on insufficient funds. The Owner/Agent may refuse a personal check as the form of rent payment to cure a Three-Day Notice to Pay Rent or Quit.

Owner may apply any payment made by Tenant to any obligation of Tenant to Owner notwithstanding any dates or other direction from Tenant that accompanies any such payment. Any attempt by Tenant to allocate a payment in any other way shall be null and void, including the use or application of a restrictive endorsement on the face of any check.


3. **SECURITY DEPOSIT:** Resident shall deposit with Owner/Agent, as a security deposit, the sum of \$ _____
 prior to taking possession of the unit or no later than _____ (check one).

Resident shall not use the security deposit to pay any month's rent. Owner/Agent may withhold from the security deposit only such amounts as are reasonably necessary to remedy Resident defaults including, but not limited to, the following:
 (a) defaults in the payment of rent,
 (b) to repair damages to the premises caused by Resident, exclusive of ordinary wear and tear, and/or
 (c) to clean the premises, if necessary, upon termination of the tenancy in order to return the unit to the same level of cleanliness it was in at the inception of the tenancy, and/or
 (d) to restore, replace, or return personal property or appurtenances, exclusive of ordinary wear and tear.

No later than 21 calendar days after Owner/Agent has regained possession of the premises, Owner/Agent shall return any remaining portion of such security deposit to Resident. Any remaining portion of the security deposit shall be returned in the


 California Apartment Association Approved Form
 www.caanet.org
 Form 2.1 - Revised 12/12 - ©2012 - All Rights Reserved
 Page 1 of 5

Unauthorized Reproduction of Blank Forms is Illegal.



Remove Exemption for Apartments with Subsidies



Final Recommendation

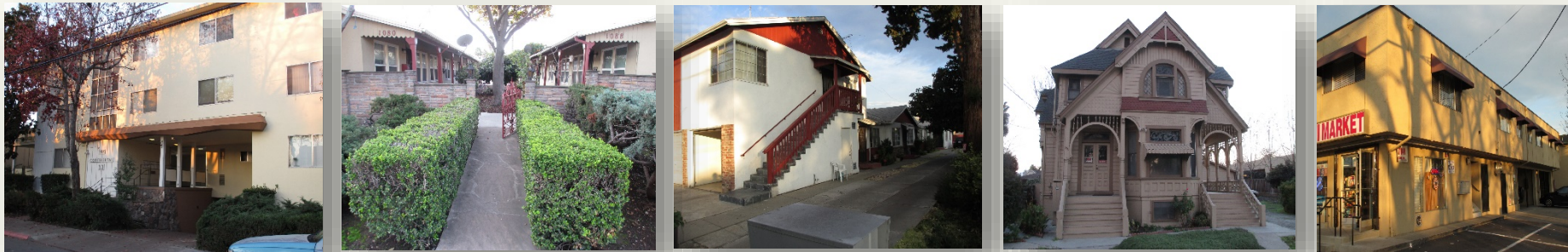
- Direct the City Manager to instruct staff to explore tenant benefits and administration provided by existing relocation polices in the San José Municipal Code.

Why this Issue is Important



Recommendations

1) Approve an ordinance adding Part 12 to Chapter 17.23 of the San José Municipal Code to include a Tenant Protection Ordinance limiting no-cause evictions and establishing requirements for property owners to state a Just Cause for eviction in certain limited circumstances.



Recommendations

- 2) Direct the City Manager to instruct staff to incorporate into the forthcoming revised Apartment Rent Ordinance a requirement that a property owner offer a renewable one-year written lease to tenants.

- 3) Direct the City Manager to instruct staff to return with an amendment to Ordinance No. 28730 (the Interim Rent Ordinance) to remove the exemption for units with rental subsidies and to make that change to the forthcoming revised Apartment Rent Ordinance.

- 4) Direct the City Manager to instruct staff to explore tenant benefits and administration provided by existing relocation polices in the San José Municipal Code.

If Full Just Cause is Passed

- **Strike 17.23.1220 – Qualification for Enrollment** – Eliminate entire section, including commencement, limited term enrollment, and full enrollment. Eliminate the 12 month look back prior to Ellis Act.
- **Strike 17.23.1255 – Appeals of Enrollment Status or Completion of Repair** – Landlord and tenant appeal process.
- **Strike “one-year written lease”** in Staff Recommendation 2 to “written lease.”



If Full Cause

Tenant Protection Ordinance Implementation

Position	Department
Senior Analyst 1.0 <u>Public Information Officer</u>	Housing Department
1.0 Enrollment Analyst	Housing Department
1.0 Code Enforcement Inspector	Planning, Building and Code Enforcement

Apartment Rent Ordinance Implementation Support

Position	Department
1.0 Senior Deputy Attorney	City Attorney's Office
1.0 Information System Analyst	Housing Department