



Ellis Act 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

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Public Discussion: Draft Ellis Act and Tenant Protection Ordinances

Discusión Pública: Proyecto de Ordenanzas: Acto de Ellis y Protección del Inquilino

Thảo Luận Công Đồng: Dự Luật Dự Thảo Ellis và Luật Bảo Vệ Người Thuê Nhà

Share Your Comments
Comparta sus comentarios
Xin Đóng-Góp Ý Kiến

OR send your comments to tpo@sanjoseca.gov & ellisact@sanjoseca.gov

About You **Acerca de usted** **Thông Tin Về Bạn**

Name **Nombre** Tên: _____
 Email **Email** Điện Thư: _____

I live at an Apartment Rent Ordinance (ARO) apartment
 Tôi đang sống tại một căn hộ tiền theo Luật Thuế Chung Cư.

I own or operate an ARO apartment
 Tôi sở hữu hoặc người thuê một căn hộ tiền theo Luật Thuế Chung Cư.

I am a member of the public.
 Tôi là một thành viên trong cộng đồng.

10 Public Meetings
10 Stakeholder Meetings

Public Comment Cards

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

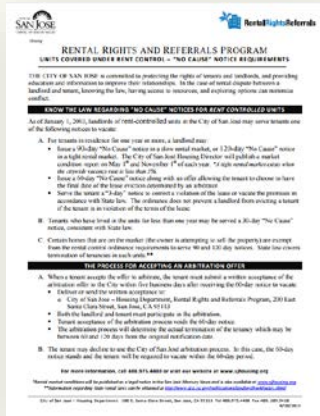
Why does the Ellis Act Exist at the State Level?

Landlords have a right to remove rental housing from the market



What is the Ellis Act Ordinance? Overview

1



Create a standardized & formal process for issuing notices

2



Provide relocation benefits to tenants

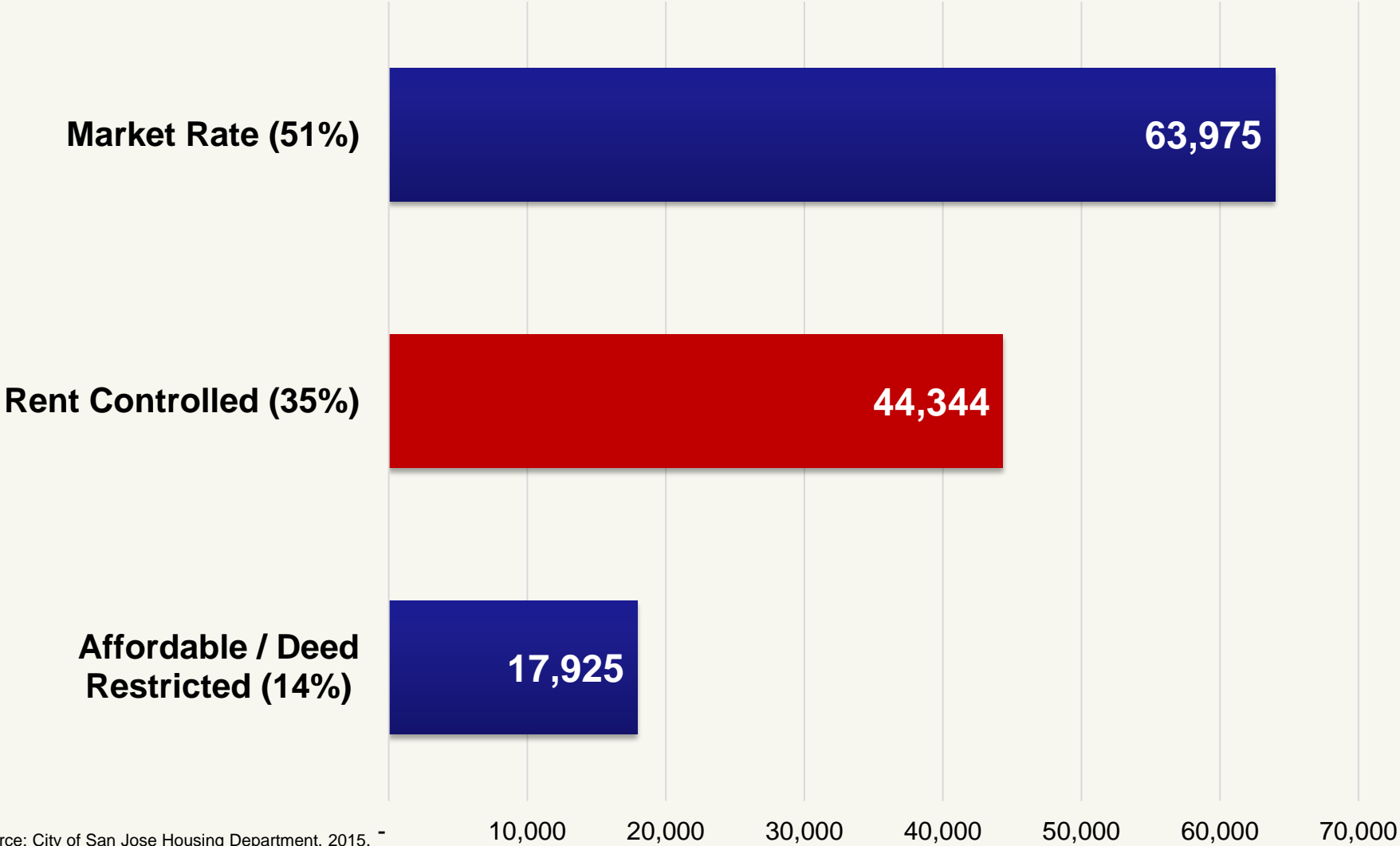
3



Establish rent stabilization for future tenants

What does the Ellis Act Ordinance Include?

Rental Housing in San José



Source: City of San Jose Housing Department, 2015.

Rent Controlled Apartment Buildings in San José

ARO Apts by Building Size	3 Apt Bldgs.	4 Apt Bldgs.	5 to 9 Apt Bldgs.	10 to 19 Apt Bldgs.	20 to 49 Apt Bldgs.	50+ Apt Bldgs.	City Total
Percent	3%	19%	19%	23%	26%	9%	100%

Source: Economic Roundtable 2016

- Number of apartments covered – four or more: **43,287**
- Triplex apartments **not** covered: **1,057**



Summary Process: **Notice of Withdrawal**

Timeframe for Noticing

120 Days

from delivery of Notice to the City

All tenant households

1 Year

from delivery of Notice to the City

Extension for vulnerable populations:

- Senior citizens (62+)
- Disabled
- Terminally/catastrophically ill
- School aged children
120 days or 60 days beyond the school year

Relocation Assistance: **Base Assistance**

All tenants are eligible to receive:

- First & last month's rent
- New security deposit
- Moving expenses
- Application fees
- Relocation assistance to help find a new home



Relocation Assistance: **Qualified Assistance**



Low income families



Senior Citizens



School aged children



Disabled



Terminally/catastrophically ill

Summary Process: **Right to Return**

Within 5 Years

- Right to return
- New rent is set at prior rent (plus annual increase)

Within 10 Years

- Right to return

Summary Process: **Re-Control**

Within 5 Years of Withdrawal

- All apartments subject to Apartment Rent Ordinance

Within 10 Years of Withdrawal

- Apartments **not** subject to Apartment Rent Ordinance

Additional Research

- Conduct a Developer Stakeholder Meeting
- Map the location of ARO units
- Examine Turnover Rates
- Complete Research on Other Communities

Pipeline Projects



Building # 1

4094 Hamilton Ave, San Jose

Existing Rent Controlled Apartments to be Demolished	Proposed Market Rate Apartments
4	20



Building # 2: Metro Apartments

439 and 451 4th Street, San Jose

Existing Rent Controlled Apartments to be Demolished	Proposed Market Rate Apartments
30	101

Recommendations

- 1) Approve an ordinance adding Part 11 to Chapter 17.23 of the San José Municipal Code to provide procedures for an owner's withdrawal of rent stabilized apartments from the rental market including requirements for noticing, relocation benefits, the tenant rights to return, and control of rents for apartments constructed or returned to rental market within five years of withdrawal.
- 2) Adopt a resolution establishing a schedule for Relocation Assistance and establish the Filing Fee and other fees pursuant to the Ordinance.

If Full Just Cause is Passed

- Strike section 17.23.1155 – Withdrawal of a Building Containing a Vacant Covered Unit

