



Date: March 30, 2018

To: Patrick H. West, City Manager *P West*

From: Tom Modica, Interim Director of Development Services *T.M.*

For: Mayor and Members of the City Council

Subject: **Status Update – Tenant Protection Policy Research**

On January 16, 2018, the City Council requested the City Manager report back within 90 days on research and findings on potential policies to support tenants, protections for seniors, rental assistance programs, support for renters to move into homeownership, preservation of affordability covenants, and added resources for code enforcement. The City Council also asked staff to include stakeholder meetings between housing advocacy groups and property owner groups.

Staff has reached out to over 100 California cities, and is collecting data on a variety of programs that support tenants and other programs that address the Council's request. Housing and Neighborhood Services Bureau (HNSB) staff is also working with the Code Enforcement Bureau, and the Department of Health and Human Services, including the Housing Authority Bureau, to research these multi-faceted issues.

All relevant stakeholder groups will be engaged shortly to participate in a series of workshops that will likely begin in May 2018. Once all the data is assembled, and the community has had a chance to provide input, HNSB staff will prepare a comprehensive report that will be forwarded to the City Council. We anticipate submitting the report in July 2018.

Meanwhile, staff thought it would be helpful to provide the City Council with the following basic overview of California law governing tenant and landlord rental relationships, including rent increases, terminations of tenancy, and relocation benefits. Also included is a brief summary of expanded tenant protections required by the City of Long Beach.

Rental Agreements and Leases

There are basically two types of rental agreements: a periodic rental agreement or a lease. Both create the tenant's right to live in a rental unit.

A periodic rental agreement states the length of time between the rent payments, and is generally referred to as a month-to-month rental agreement. This type of agreement creates a month-to-month tenancy.

A lease creates a longer tenancy, typically for a year or more. It provides the security of longer agreement/tenancy, and usually stipulates maximum rent increases, and other occupancy terms. A lease provides more security, but it binds the tenant to remaining in the unit for the lease period.

Rent Increases

If a tenant has a periodic rental agreement, the landlord can increase the rent with proper notice in writing. This written notice must include the amount of the increased rent and the date the increase goes into effect. California law requires at least 30-day advance written notice of a rent increase, if a tenant has a month-to-month or shorter periodic rental agreement. Under the law, landlords must provide at least a 30-day notice if the rent increase is 10 percent or less of the rent charged at any time during the 12 months before the rent increase takes effect. The landlord must give at least a 60-day notice if the rent increase is greater than 10 percent.

If a tenant holds a lease for more than 30 days, the rent cannot be increased during the term of the lease, unless the lease agreement allows for rent increases.

Termination of Tenancy (termination without cause)

A landlord can terminate a periodic rental agreement, or month-to-month tenancy, by properly giving the tenant a 30-day or 60-day notice, even if the tenant has no violations of the agreement, or if the tenant has not done any activities that would allow the landlord to use a three-day eviction notice.

A landlord must give the tenants a 60-day advance written notice that the tenancy will end if all tenants have lived in the rental unit for a year or more, or a 30-day notice if any tenant has lived in the rental unit less than one year,

Eviction (termination with cause)

Eviction refers to a formal process under the Code of Civil Procedure, which states that a landlord can use a written three-day notice, or eviction notice, if a tenant has done any of the following:

- Failed to pay the rent.
- Violated any provision of the lease or rental agreement.
- Materially damaged the rental property (“committed waste”).
- Used the premises for an unlawful purpose.
- Substantially interfered with other tenants (“committed a nuisance”).
- Committed domestic violence or sexual assault against, or stalked another tenant or subtenant on the premises.
- Engaged in drug dealing, unlawfully used, cultivated, imported, or manufactured illegal drugs.
- Using the building or property to conduct dogfighting or cockfighting.
- Unlawful conduct involving weapons or ammunition.

If the landlord gives the tenant a three-day notice because of a failure to pay the rent, the notice must accurately state the amount of rent that is due, as well as detailed instructions on how the rent due may be paid. The landlord may not require that unpaid rent be paid in cash.

If a tenant does not voluntarily move out after the landlord has properly given the required notice to the tenant, the landlord can evict the tenant by filing an unlawful detainer lawsuit in Superior Court.

Relocation Assistance

California law requires that lower-income residents be provided with relocation assistance if the reason for relocation falls under the following categories.

- If they are displaced from their unit due to code enforcement action that results in a Notice to Vacate. In this case, the property owner is required to pay the relocation benefits.
- If the unit they are occupying is being acquired by a public agency for a public use, the federal Uniform Act of 1970 requires that they be given 90-days written notice and are eligible for relocation payments for replacement dwellings in a comparable location at a price affordable to the household. In this case, the public agency is required to provide the relocation benefits.

City of Long Beach Tenant Protection Programs

The City of Long Beach offers expanded tenant relocation requirements that require property owners to provide relocation assistance to lower-income renter households displaced from their housing due to approval of a coastal development permit, demolition, condominium conversion, or rehabilitation required by code enforcement (Notice to Vacate).

The City also administers the Proactive Rental Housing Inspection Program (PRHIP). The program was created to maintain livability standards, protect against blight, and secure Citywide compliance through efficient and effective enforcement of the Long Beach Municipal Code. Through this program, the City is authorized to conduct periodic inspections of residential rental properties to assure compliance with all applicable building, housing, and sanitation codes and ordinances.

Resources

If residents need assistance with landlord and tenant rental relationship issues, staff refers them to the following agencies:

Fair Housing Foundation Long Beach
3605 Long Beach Boulevard No. 302
Phone: (562) 989-1206

Legal Aid Foundation of Los Angeles
601 Pacific Avenue
Phone (562) 435-3501

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If you have questions regarding this matter, please contact Patrick Ure, Housing and Neighborhood Services Bureau Manager, at Patrick.Ure@longbeach.gov or at (562) 570-6026.

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