Introduced by:

## ORDINANCE NO.

AN ORDINANCE OF THE CITY OF PASADENA AMENDING CERTAIN PROVISIONS OF TITLE 9, CHAPTER 9.75 (TENANT PROTECTION) OF THE PASADENA MUNICIPAL CODE BROADENING THE ORDINANCE TO APPLY TO ELIGIBLE TENANTS WHO ARE DISPLACED FOLLOWING A CHANGE IN OWNERSHIP AND ENHANCING THE RELOCATION ALLOWANCE TO ACCOUNT FOR MARKET RENT INCREASES AND LONG-TERM TENANCIES OF MORE THAN 10 YEARS.

**NOW THEREFORE,** The People of the City of Pasadena ordain as follows:

**SECTION 1.** Ordinance No. \_\_\_\_\_, due to its length and corresponding cost of publication, will be published by title and summary as permitted by Section 508 of the Pasadena City Charter. The approved summary of this Ordinance is as follows:

## "Summary

"Ordinance No. \_\_\_\_\_\_ will amend Title 9 of the Pasadena Municipal Code in the following ways: Chapter 9.75 (Tenant Protection) will be amended to expand the applicability of the tenant protection ordinance to apply to situations in which eligible tenants are displaced, in the 18 months following a change in ownership of the rental property, due to a large rent increase, a termination notice, or an eviction. Additionally, the relocation allowance would be increased to account for market rent increases and for tenants with long term tenancies of more than 10 years.

Ordinance No. \_\_\_\_\_ shall take effect upon publication."

**SECTION 2.** Chapter 9.75, Section 9.75.060, Relocation allowance and moving expense allowance for tenants in good standing – is amended to read as follows:

"9.75.060 - Relocation allowance and moving expense allowance for tenants in good standing.

A. For all tenants in good standing living in households at or below 140% of the median income, by household size, landlord shall pay a relocation allowance equal to two and one half (2 1/2) months fair market rents as

established by the U.S. Department of Housing and Urban Development ("HUD") for a rental unit of a similar size. In addition to the relocation allowance, Landlord shall also pay a moving expense allowance in the amount of \$1,306.00 for adult households or \$3,935.00 for households with dependents, disabled, or senior members. The amounts listed are adjusted for FY 2019 and will continue to be adjusted as provided in paragraph C below.

B. For all tenants in good standing, who meet the income eligibility requirements of paragraph A above, and who have maintained continuous tenancy for a period of 10 years or more shall be entitled to enhanced relocation allowance and moving expenses. The total amount of relocation allowance to be paid by the landlord to the tenant is based on the length of the tenancy. For each year after the 10<sup>th</sup> anniversary, the amount of the base relocation allowance shall be increased by 10%, and shall increase each year thereafter until reaching the maximum of 200% of the base relocation allowance on the 20<sup>th</sup> anniversary of the tenancy.

C. The relocation allowance and moving expense allowance provided for in this section shall be automatically increased every year in accordance with changes in the HUD fair market rents. The moving expense allowance provided in this section shall be adjusted annually in accordance with the Consumer Price Index (for Los Angeles-Long Beach) pursuant to <u>Section 1.08.060</u>.

D. The relocation allowance provided for in this section shall be triggered if any of the following circumstances occur:

1. Demolition. A landlord or property owner seeks to recover possession of the unit for purpose of demolition.

2. Permanent Removal of Unit from the Rental Market. The landlord seeks to remove the rental unit permanently from the rental housing market.

3. Occupancy by Landlord or Landlord's Family Member. The landlord seeks to vacate the rental unit for the sole purpose of making the unit available for occupancy by the landlord or a family member of the landlord. In this circumstance, the amount of relocation and moving expense allowance which landlord is obligated to pay to the tenant shall be equal to one-half of the relocation allowance and moving expense allowance provided for in this chapter.

4. Government Order to Vacate. The landlord seeks to recover possession of the rental unit in order to comply with a governmental agency's order to vacate, order to comply, order to abate, or any other order that necessitates vacating the rental unit as a result of a significant or extended violation of housing, health, building or safety laws of the state of California or the City of Pasadena which would result in a constructive eviction.

5. Change in Ownership. There is a change in ownership of the rental unit and, at any time within 18 months of the change in ownership, the landlord notifies the tenant that at some specific date after the change in ownership, the tenant's tenancy is being terminated, the tenant is being evicted, and/or there is going to be a large rent increase. For purposes of this chapter, a "large rent increase" means any rent increase exceeding the Cost of Living Increase ("CPI") plus five percent (5%) within the 12 month period prior to the notice of the rent increase.

6. Non-exclusive Remedy. Nothing in this chapter limits the rights of the city or tenant to recover from the landlord any relocation allowance or moving expense allowance or placement assistance or any other assistance provided to assist eligible renters and/or other city costs incurred for the correction/abatement of distressed properties which the city is legally entitled to recover.

E. Landlord's non-renewal and/or termination of tenancy under any of the circumstances described in subsection (C) above, shall not exempt landlord from the obligation to pay relocation allowance and moving expense allowance as provided for in this chapter to any displaced tenant in good standing.

F. Upon request of landlord, city, or city consultant, tenant shall provide the following documentation to determine eligibility for relocation allowance and moving expense allowance:

1. A signed certification of household members and household income on a form acceptable to the city;

2. Documentation of income (e.g., paystubs, public benefits statements, employer verification);

3. Any other documentation as may be reasonably requested by landlord, city, or city consultant.

G. The relocation allowance and moving expense allowance provided for in this chapter shall be available to those students, faculty members, and/or staff members, of any educational institution, living in housing provided by that same educational institution, if such student, faculty member, and/or staff member is able to demonstrate, with evidence acceptable to the city, that their tenancy was terminated by the landlord on a date that is more than 365 days after the date on which the student, faculty member, and/or staff member discontinued enrollment in the institution as a student or discontinued employment as a faculty member and/or staff member at the educational institution. For cases in which the educational institution enters into separate leases with individuals sharing a rental unit as roommates, the following relocation allowance and

moving expense allowance shall apply per person: (i) Relocation allowance— Twice the HUD fair market rent for a studio unit; and (ii) Moving expenses— \$1,200.00.

**SECTION 3.** If any part of this ordinance is held to be invalid for any reason, such decision shall not affect the validity of the remaining portion of this ordinance, and this City Council hereby declares that it would have passed the remainder of this Ordinance if such invalid portion thereof had been deleted.

SECTION 4. This ordinance shall take effect 30 days after publication.

**SECTION 5.** The City Clerk shall certify the adoption of this ordinance and shall cause this ordinance to be published by title and summary.

Signed and approved this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

Terry Tornek Mayor of the City of Pasadena

I HEREBY CERTIFY that the foregoing ordinance was adopted by the City Council of the City of Pasadena at its meeting held on \_\_\_\_\_ day of 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Published:

APPROVED AS TO FORM:

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Brad L. Fuller Assistant City Attorney

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Mark Jomsky, CMC City Clerk