

Ordinance No. 5543

Emergency Ordinance of the Council of the City of Palo Alto Amending Chapter 9.68 (Rental Housing Stabilization) of Title 9 (Public Peace, Morals, and Safety) of the Palo Alto Municipal Code to Extend Relocation Assistant Requirements

The Council of the City of Palo Alto ORDAINS as follows:

SECTION 1. Findings and Declarations. The City Council finds and declares as follows:

- A. Renters occupy 45% of the housing units in Palo Alto and 37% are rent burdened, particularly those households in which the household would be considered low income under Santa Clara County's area median income.
- B. Tenants evicted in Palo Alto are forced to incur substantial costs related to new housing including, but not limited to, move-in costs, moving costs, new utility hook-ups, payments for temporary housing, and lost work time seeking housing.
- C. Move-in costs commonly include first and last month's rent plus a security deposit equal to one month's rent, leading to total relocation expenses in excess of three months' rent.
- D. Tenants who do not have adequate funds to move and who are forced to move pursuant to no-fault eviction notice face displacement and great hardship
- E. The impacts of these no-fault evictions are particularly significant on low-income, elderly, and disabled tenants, and tenants with minor children, justifying an additional payment for households with these tenants.
- F. These impacts are further exacerbated by the effects of the ongoing COVID-19 pandemic. Accordingly, early in the COVID-19 pandemic, federal, state, and local governments adopted a variety of temporary moratoria on evictions. These moratoria have largely expired.
- G. City staff have recently become aware of a series of planned no-fault evictions in rental properties containing fewer than 50 units.
- H. On November 29, 2021, the City Council held a public meeting to discuss a variety of renter protection measures and directed staff to lower the number of units in the previous tenant relocation assistance ordinance from properties with 50 units or more to properties with ten units or more.

- I. On January 26, 2022, the Planning and Transportation Commission considered the ordinance and recommended adoption to the City Council.
- J. The Council declares that this emergency ordinance, which is effective immediately, is necessary as an emergency measure to preserve the public peace, health, or safety, by expanding the protections of tenant relocation assistance for no-fault evictions to more renters in Palo Alto, including those renters facing an imminent threat of eviction.

SECTION 2. Section 9.68.035 (Relocation Assistance for No Fault Eviction) of Chapter 9.68 (Rental Housing Stabilization) of Title 9 (Public Peace, Morals and Safety) of the Palo Alto Municipal Code is amended as follows (~~struckthrough~~ text is deleted, underlined text is added):

**9.68.035 Relocation Assistance for No Fault Eviction.**

- a) This section shall be applicable only to structures or lots containing ~~50~~ 10 or more rental units.
- b) For the purposes of this section, a "no-fault eviction" means an action by a landlord to recover possession of a rental unit for any reason other than the following:
  1. The tenant has failed to pay rent to which the landlord is legally entitled.
  2. The tenant has violated a lawful obligation or covenant of the tenancy.
  3. The tenant has refused the landlord reasonable access to the unit for the purposes of making repairs or improvements, for any reasonable purpose as permitted by law, or for the purpose of showing the rental unit to any prospective purchaser or tenant.
  4. The tenant is permitting a nuisance to exist in, or is causing damage to, the rental unit.
  5. The tenant is using or permitting a rental unit to be used for any illegal purpose.
  6. The landlord seeks in good faith to recover possession of the rental unit in order to comply with regulations relating to the qualifications of tenancy established by a governmental entity, where the tenant is no longer qualified.  
No fault evictions shall include, without limitation, actions in which the landlord seeks in good faith to recover possession of the rental unit:
    7. To demolish or otherwise permanently withdraw the rental unit from offer for rent or lease pursuant to California Government Code sections 7060-7060.7.
    8. To perform work on the building or buildings housing the rental unit that will render the rentable unit uninhabitable;
    9. For use and occupancy by the landlord or the landlord's spouse, grandparents, brother, sister, father-in-law, mother-in-law, son-in-law, daughter-in-law, children, or parents provided the landlord is a natural person.
    10. For no specified cause.
- c) Whenever a landlord seeks a no-fault eviction, as defined in this section, other than temporary displacement of 31 days or fewer, the landlord shall provide a relocation assistance payment as follows:

1. Unit Type	Amount
0 bedrooms	\$7,000
1 bedroom	\$9,000
2 bedrooms	\$13,000
3 or more bedrooms	\$17,000

If the rental unit is occupied by two or more tenants, the landlord shall provide each tenant with a proportional share of the required payment. One half of the payment shall be paid at the time that the landlord provides notice of its intent to seek no-fault eviction; the remainder of the payment shall be paid to each tenant when that tenant vacates the unit.

2. Notwithstanding subsection ~~(d-c)~~(1), each rental unit that, at the time the landlord provides notice of its intent to seek no-fault eviction, is occupied by a low-income household as defined in Chapter 16.65, a tenant who is 60 years of age or older, a tenant who is disabled within the meaning of Government Code section 12955.3, or a tenant who is a minor, shall be entitled to a single additional relocation payment of \$3,000. This amount shall be divided equally among the qualifying (i.e. low-income, elderly, disabled, or minor) tenants. In order to receive this additional payment a qualifying tenant must provide written notice to the landlord of his or her eligibility along with supporting evidence within 15 days of receiving the landlord's notice. The entirety of this additional payment shall be paid within 15 days of the tenant's written notice to the landlord.
  - d) Prior to or at the same time that the landlord provides notice of its intent to seek no-fault eviction, the landlord shall serve on the tenant a written notice describing the rights described in this section. The failure to provide this notice shall not operate as a substantive defense to an eviction pursuant to California Government Code sections 7060-7060.7.
  - e) Commencing July 1, 2019, the relocation payments specified in this section shall increase annually at the rate of increase in the "rent of primary residence" expenditure category of the Consumer Price Index (CPI) for all urban consumers in the San Francisco-Oakland-San Jose Region for the preceding calendar year. Current rates shall be published on the city's website.
  - f) A landlord may request a waiver or adjustment of the relocation assistance payment required by this section only upon a showing that strict application of its requirements would effectuate an unconstitutional taking of property or otherwise have an unconstitutional application to the property. Requests for waiver or adjustment must be submitted in writing to the director of planning and development services together with supporting documentation at least 90 days before the proposed termination of tenancy. Requests shall be acted on by the city council.
  - g) The director of planning and development services may issue regulations implementing this section.

**SECTION 3.** If any section, subsection, clause or phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portion or sections of the Ordinance. The Council hereby declares that it should have adopted the

Ordinance and each section, subsection, sentence, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid.

SECTION 4. The Council finds that this project is exempt from the provisions of the California Environmental Quality Act ("CEQA"), pursuant to Section 15061 of the CEQA Guidelines, because it can be seen with certainty that there is no possibility that the ordinance will have a significant effect on the environment.

SECTION 5. Pursuant to Palo Alto Municipal Code Section 2.04.270, this ordinance shall be effective immediately upon adoption if passed by a vote of four-fifths of the council members present. It is the intent of the City Council that this ordinance shall apply to any no-fault eviction that is not yet completed on the effective date of the ordinance. In the event this ordinance becomes effective after an initial notice of no-fault eviction is sent, the landlord shall provide a written notice of rights, pursuant to PAMC Section 9.68.035, subdivision (d), as soon as practicable. The notice required from a tenant to the landlord pursuant to PAMC Section 9.68.035, subdivision (c)(2) shall be due no sooner than fifteen days following the landlord's notice of rights.

INTRODUCED AND PASSED: January 31, 2022

AYES: BURT, CORMACK, DUBOIS, FILSETH, KOU

NOES: TANAKA

ABSENT:

ABSTENTIONS: STONE

ATTEST:

DocuSigned by:  
*Lesley Milton*  
E58491CF3DB34FA...  
City Clerk

DocuSigned by:  
*Pat Burt*  
ED9E9CFB89E64FF...  
Mayor

APPROVED AS TO FORM:

DocuSigned by:  
*Albert Yang*  
1586C45220134DC...  
Assistant City Attorney

APPROVED:

DocuSigned by:  
*Ed Shikada*  
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City Manager

DocuSigned by:  
*[Signature]*  
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Director of Planning and  
Development Services

**Certificate Of Completion**

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Certificate Pages: 2	Initials: 0
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Envelopeld Stamping: Enabled	Danielle Kang
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	250 Hamilton Ave
	Palo Alto , CA 94301
	Danielle.Kang@cityofpaloalto.org
	IP Address: 199.33.32.254

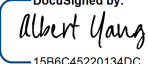
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Storage Appliance Status: Connected	Pool: City of Palo Alto	Location: DocuSign

**Signer Events**

Albert Yang  
 Albert.Yang@CityofPaloAlto.org  
 Assistant City Attorney  
 City of Palo Alto  
 Security Level: Email, Account Authentication (None)

**Signature**


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 Not Offered via DocuSign

Jonathan Lait  
 Jonathan.Lait@CityofPaloAlto.org  
 Interim Director Planning and Community Environment  
 City of Palo Alto  
 Security Level: Email, Account Authentication (None)

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**Electronic Record and Signature Disclosure:**  
 Not Offered via DocuSign


Ed Shikada  
 Ed.Shikada@CityofPaloAlto.org  
 Ed Shikada, City Manager  
 City of Palo Alto  
 Security Level: Email, Account Authentication (None)

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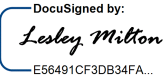
**Electronic Record and Signature Disclosure:**  
 Not Offered via DocuSign

Pat Burt  
 pat@patburt.org  
 Mr  
 Security Level: Email, Account Authentication (None)

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 Using IP Address: 98.35.161.52

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**Electronic Record and Signature Disclosure:**  
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Signer Events	Signature	Timestamp
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**Electronic Record and Signature Disclosure:**  
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Intermediary Delivery Events	Status	Timestamp
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