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DEPARTMENT OF
PLANNING AND DEVELOPMENT

CITY OF SACRAMENTO
CALIFORNIA

1231 I STREET
ROOM 200
SACRAMENTO, CA
95814-2998

BUILDING INSPECTIONS
916-449-5716

PLANNING
916-449-5604

January 30, 1991

Budget and Finance/
Transportation and Community Development Committees
Sacramento, California

Honorable Members in Session:

**SUBJECT: AN ORDINANCE ADDING ARTICLE XIII TO CHAPTER 49 OF THE
SACRAMENTO CITY CODE RELATING TO THE PROVISIONS OF
RELOCATION BENEFITS TO TENANTS DISPLACED BY CODE
ENFORCEMENT ACTIVITY.**

SUMMARY

This report concerns the adoption of a Relocation Benefits Ordinance. The attached ordinance would allow financial relocation assistance to be provided to tenants displaced from a residential rental unit because the landlord fails to maintain the unit to minimum housing standards.

BACKGROUND

This report and proposed ordinance to be submitted to City Council are the result of the Housing Program Committee task force meetings wherein they developed recommendations to augment the enforcement of the City Housing Regulations.

FINANCIAL DATA

Funds identified from the Building Inspections Division consulting field inspection budget line for use in relocation benefits line will serve as operating capitol for the ordinance. It is anticipated there will be no general fund impact.

Honorable Members in Session

January 30, 1991

POLICY CONSIDERATIONS

This ordinance will place the financial obligation for relocating tenants who reside in substandard properties with the owner of the properties. If the owner fails to pay the relocation costs as specified in the proposed ordinance, the City can provide an appropriate sum to the tenant, invoice the owner and/or lien the property to recover expenses from the owner.

MBE/WBE EFFORTS

None

RECOMMENDATIONS

It is recommended that the Budget and Finance/Transportation and Community Development Committee recommend to the City Council adoption of the Relocation Benefits Ordinance.

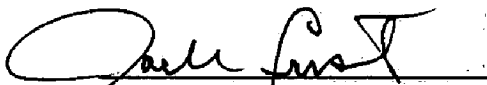
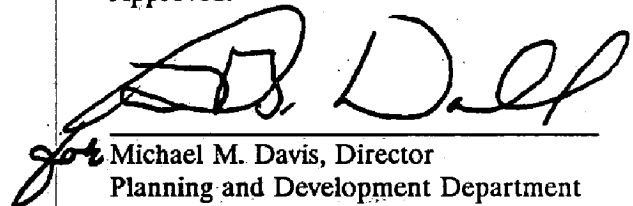
Respectfully submitted,



Tim Sullivan, Building
Inspections Manager

Recommendation Approved:

Approved:


Jack Crist, Deputy City Manager
Michael M. Davis, Director
Planning and Development Department

Contact Person: Tim Sullivan
449-5716

February 12, 1991

Attachment

All Districts

ORDINANCE NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

**AN ORDINANCE ADDING ARTICLE XIII TO
CHAPTER 49 OF THE SACRAMENTO CITY CODE,
RELATING TO PROVISION OF RELOCATION
BENEFITS TO TENANTS DISPLACED BY CODE
ENFORCEMENT ACTIVITY**

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1

Article XIII is hereby added to Chapter 49 of the Sacramento City Code, to read as follows:

ARTICLE XIII RELOCATION BENEFITS FOR DISPLACED TENANTS

Sec. 49.1301 Findings.

The Council of the City of Sacramento finds and determines that:

- (a) Some rental units in Sacramento are found to have severe code violations which threaten the life and safety of occupants and require the units or rooms to be vacated to allow for extensive repairs.
- (b) Such code violations are often caused by deferred maintenance, may breach the landlord's implied warranty of habitability and sometimes constitute constructive eviction of the tenant household from its residence.
- (c) Tenants of substandard residential units or structures suffer financial and other hardship when required to vacate their housing because the owner fails to correct the substandard conditions.

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- (d) It is appropriate to require the owner to mitigate partially the tenant's hardship, since the hardship arises from the owner's failure to comply with the law and fulfill a landlord's obligations to the landlord's tenants.
- (e) Financial hardship arises because the tenant generally needs a large sum of money to relocate, often including first and last month's rent, deposits, moving expenses and utility deposits for a new residence. Low-income tenants are generally unable to obtain such sums and, as a result, are at great risk of becoming homeless.
- (f) The level of payments provided in this ordinance is reflective of actual relocation costs likely to be incurred by displaced households.
- (g) Delayed payment of relocation benefits may impose extreme hardship upon tenants who then must themselves obtain the large sums necessary to relocate. Delayed payment may also require the City to expend City general funds to provide tenants with financial assistance for relocation. Any requirement to pay relocation benefits should contain disincentives for delayed payment in the form of appropriate penalties.

Sec. 49.1302 Definitions.

For the purposes of this article, the following definitions apply:

- (a) **"Displaced"** - a tenant is displaced, within the meaning of this article, if the tenant is ordered to move out of a residential unit or structure by an order to vacate.
- (b) **"Order to Vacate"** - the first written notice sent by an authorized City official to the owner and posted on the affected property declaring that, due to failure to repair or maintain, the unit or structure shall be vacated.
- (c) **"Owner"** - the owner of the property at the time the order to vacate is issued, as shown on the last equalized assessment roll, and any successor in interest.
- (d) **"Residential Unit or Structure"** - any dwelling, apartment, room or place which is the place of permanent or customary and usual abode of any person or household.
- (e) **"Tenant"** - any resident of the affected property who is a tenant as that term is used in Chapter 2 of Title 5 of Part 4 of the California Civil Code (Sections 1940, et seq.).
- (f) **"Vacation Date"** - the date by which a tenant is required to vacate a unit or structure, pursuant to an order by an authorized City Official.

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Sec. 49.1303 Relocation Benefits Payable to Displaced Tenants by Owner.

Any tenant who is displaced from any unit or structure which is leased, rented or occupied for habitable dwelling purposes as a result of an order issued by an authorized City official under Chapter 49 or 50 of the City Code, or any other applicable provision that the structure is to be vacated due to unsafe or hazardous living conditions shall be entitled to received relocation benefits from the owner as specified in this article.

Sec. 49.1304 Relocation Benefits - When Payable.

- (a) The relocation benefits required hereunder shall be payable within 10 days after the date the order to vacate is first mailed to the owner or posted on the premises, or at least 20 days prior to the vacation date set forth in the order to vacate, whichever occurs later.
- (b) If there are fewer than ten days between the first posting or mailing of the order to vacate and the vacation date, the relocation benefits shall be payable within twenty-four hours after the notice is posted or mailed. The manager shall attempt to provide telephonic or written notice to the owner to notify the owner that benefits are payable immediately. Failure to provide the notice as specified herein shall not relieve the owner of any obligations imposed by this Article.

Sec. 49.1305 Relocation Benefits - Amount Payable.

The relocation benefits shall be a sum equal to twice the established monthly rental rate for the unit being vacated by the displaced tenant. The relocation benefits shall be paid in addition to the return, as required by law, of any deposit held by the owner.

Sec. 49.1306 Damages for Untimely Payment.

- (a) Any owner who does not make timely payment as specified in section 49.1304 shall be liable to the tenant for an amount equal to one and one-half times the relocation benefits payable pursuant to Section 49.1305.
- (b) Subsection (a) shall not apply when relocation benefits are payable fewer than 10 days after the date the order to vacate is first mailed or posted on the premises, if the owner makes the payments within 10 days after it is first mailed or posted.

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Sec. 49.1307 When Relocation Benefits Not Payable.

- (a) No relocation benefits shall be payable by the owner to any tenant who has caused or substantially contributed to the condition giving rise to the order to vacate as determined by the Manager of the Building Inspections Division or the Manager's designee.
- (b) No relocation benefits shall be payable by the owner if the unit or structure became unsafe or hazardous during the tenancy (and no more than six months prior to the order to vacate) as a result of earthquake, flood, fire, act of the public enemy or other disaster not proximately caused by building, plumbing, electrical, mechanical or fire code violations.

Sec. 49.1308 Payment of Relocation Costs by City.

- (a) In the event the owner fails, neglects or refuses to pay a displaced tenant relocation benefits due pursuant to Sections 49.1303 through 49.1305, the City may, within budgetary limitations, make payment of such relocation benefits as the Manager of the Building Inspections Division, or the Manager's designee, determines is necessary to assist the displaced tenant to relocate, up to the amount payable by the owner under Section 49.1305, including, without limitation, the following costs:
 - (i) Transportation of the tenant's personal property to the new location.
 - (ii) Packing, crating, unpacking and uncrating the tenant's personal property.
 - (iii) Insurance of the tenant's property while in transit.
 - (iv) The reasonable replacement value of property lost, stolen or damaged (not through the fault or negligence of the displaced person, his or her agent or employee) in the process of moving, where insurance covering such loss, theft or damage is not reasonably available.
 - (v) The cost of disconnecting, dismantling, removing, reassembling, reconnecting and reinstalling machinery, equipment or other personal property of the tenant, including connection charges imposed by utility companies for starting utility service.

- (vi) Any other sums needed by the tenant to obtain substitute housing, such as deposits and prepaid rent.
- (b) Any displaced tenant who needs relocation benefits because an owner fails to pay benefits due hereunder shall apply to the Manager of the Building Inspections Division for benefits no later than 15 days after the vacation date. The Manager, or the Manager's designee, shall grant benefits only if he or she determines that the tenant is eligible for benefits from the owner and shall take into consideration the amount needed by the tenant to secure alternative housing and the amount of the tenant's income. Any applicant aggrieved by the decision of the Manager, or the Manager's designee, to grant or not grant benefits, or as to the amount granted, may appeal the decision to the Relocation Benefits Committee, which Committee shall consist of three members of the Housing Code Advisory and Appeals Board appointed by the Board chairman, by submitting a written notice of appeal containing a brief statement of the grounds for appeal to the Manager within ten (10) days from the date of the Manager's decision. The Committee shall hold an informal hearing on the appeal within fifteen (15) days after the notice of appeal is received by the Manager, and shall issue written findings within five (5) days after the hearing. Such findings shall be submitted to the Director of Planning and Development. The decision of the Director shall be final.
- (c) The City may recover from the owner any amount paid to a tenant pursuant to this section. This City shall also be entitled to recover from the owner an additional amount equal to one-half the amount so paid as a penalty for failure to make timely payment to the displaced tenant and City's actual costs (including direct and indirect costs) of administering the provision of benefits to the displaced tenant.
- (d) Any amounts paid by the City and any applicable penalties and administrative costs may also be placed as a lien against the property.
- (e) Prior to instituting any action to collect from the owner relocation benefits paid pursuant to this section, or to impose a lien therefor, the City shall send to the owner by first class mail, postage prepaid, at the owner's address as shown on the last equalized assessment roll, an itemized accounting of all benefits paid by the City to the owner's tenants. If the owner contends that not all of the benefits are chargeable to the owner, because the recipients were not displaced tenants, no benefits were payable pursuant to Section 49.1307, or on other grounds, the owner shall submit a written appeal to the Director of the Planning and Development Department within twenty (20) days after mailing to him of the itemized accounting. The Director, or the Director's designee, which may be the Relocation Benefits Committee described

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in Section 49.1308(b), shall hold an informal hearing for the purpose of determining the amount of benefits paid which are chargeable to the owner, and shall add thereto the fifty percent (50%) penalty for lack of timely payment to the tenant(s) as specified in section 49.1306 (a) in addition to all of the City's administrative costs. The decision of the Director shall be final. Failure to receive the itemized accounting shall not relieve the owner of any obligation to the City.

- (f) Nothing contained in this article shall require the City to pay any relocation benefits to any tenant.
- (g) The damages which a displaced tenant may received under Section 49.1306 shall be reduced by the amount of any benefits received from the City.

Sec. 49.1309 Penalties and Administration Costs - Exception.

Notwithstanding Sections 49.1304(b) and 49.1308(c), if there are fewer than ten days between the first posting or mailing of the order to vacate and the vacation date, and if the City advances relocation benefits to any tenants, no penalty shall be payable by the owner if reimbursement is made to the City within thirty (30) days after an itemized accounting from the City is mailed as set forth in Section 49.1308(e) or, if an appeal from the accounting is taken pursuant to Section 49.1308(e) within thirty (30) days after the decision of the Director on the appeal is mailed to the owner.

Sec. 49.1310 Remedies Cumulative.

The remedies hereunder are cumulative and in addition to any other remedies available under law.

Sec. 49.1311 Attorney Fees.

In any action brought by a tenant or the City to recover benefits payable hereunder, the Court shall also award reasonable attorney fees.

Sec. 49.1312 Summary of Provisions.

Any order to vacate issued to an owner or tenant shall be accompanied by a summary of the provisions of this article. Failure to provide a summary shall not relieve any person of the obligations imposed by this article.

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Sec. 49.1313 Establishment of Relocation Benefits Account.

The City shall establish a Relocation Benefits Expenditure account and provide appropriations through City Council action. A Relocation Revenue account will be established to account for revenue generated by this program. The Director of Planning and Development shall make periodic reports to the City Council on the activity and status of these accounts.

Sec. 49.1314 Exceptions.

The provisions of this article shall not apply to property owned by the City of Sacramento, the Sacramento Redevelopment Agency, the Sacramento Housing Authority, the County of Sacramento, the State of California or any other governmental agency.

DATE PASSED FOR PUBLICATION:

DATE ENACTED:

DATE EFFECTIVE:

MAYOR

ATTEST:

CITY CLERK

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**RESOLUTION RECOMMENDING SACRAMENTO CITY
COUNCIL ADOPTION OF AN ORDINANCE ADDING
ARTICLE XIII TO CHAPTER 49 OF THE SACRAMENTO
CITY CODE, RELATING TO PROVISIONS OF
RELOCATION BENEFITS TO TENANTS DISPLACED BY
CODE ENFORCEMENT ACTIVITY**

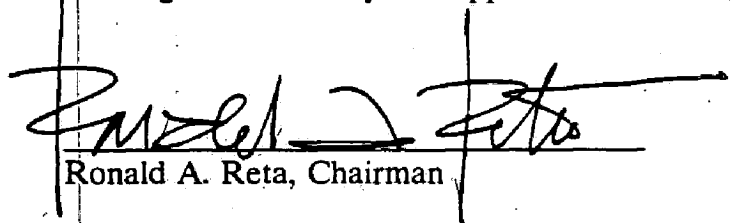
WHEREAS, the Housing Code Advisory and Appeals Board after proper notice, held a public hearing on October 10, 1990, in the Conference Room of the Planning and Development Building of the City of Sacramento, and

WHEREAS, at the public hearing, the Board reviewed the proposed relocation benefits Ordinance, and

NOW THEREFORE BE IT RESOLVED, after careful consideration the Housing Code Advisory and Appeals Board hereby recommends City Council adopt this Ordinance adding Article XIII to Chapter 49 of the Sacramento City Code.

Adopted: October 10, 1990

Housing Code Advisory and Appeals Board



Ronald A. Reta, Chairman