

MOTION

State law, California Government Code Section 7060 et seq., commonly known as the *Ellis Act*, establishes the right for property owners to lawfully exit the rental market.

The City has adopted regulations implementing certain *Ellis Act* provisions into the Rent Stabilization Ordinance (RSO) which are codified in Sections 151.22 through 151.28 of the Municipal Code. The key provisions of these regulations include, but are not limited to, landlords filing a notice of intent, notification requirements, and tenant relocation assistance. The Housing and Community Investment Department (HCID) has also adopted specifics on how to reenter the rental market if owners wish to do so within the restricted five year time period.

In addition, HCID's oversight functions enable the City to account for the loss of any Rent Stabilization Ordinance (RSO) units, and to recoup RSO units when the property re-enters the rental market within the five year time period. When property owners illegally demolish RSO units, they do so with the expressed intent of bypassing the City's oversight and regulation of the RSO.

Ordinance No. 184873, enacted on June 4, 2017, provides for the imposition of penalties to property owners who illegally demolish RSO units subsequent to September 29, 2006, and requires that all replacement units be subject to the RSO. As such, any loopholes that exist in this ordinance must be eliminated.

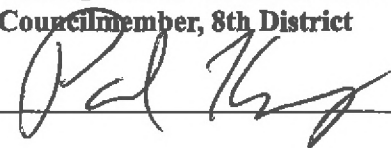
I THEREFORE MOVE that the Council instruct the Housing and Community Investment Department (HCID), in consultation with the City Attorney, to prepare a report with recommendations within 60 days, identifying all existing loopholes that elude the protections afforded by the Rent Stabilization Ordinance (RSO), and identify the financial penalties allowed under Ordinance No. 184873, and to provide an existing accounting of the number of units subject to RSO since June 4, 2017, including the number of RSO units gained through HCID's monitoring of new construction and compliance with *Ellis Act* provisions.

I FURTHER MOVE that Council instruct HCID, with the assistance of the City Attorney, to prepare and present an Ordinance that corrects any identified loopholes in the City's *Ellis Act* provisions, and that identifies the financial penalties to be imposed on illegal demolitions of RSO units subsequent to September 29, 2006.


PRESENTED BY:


MARQUEECE HARRIS-DAWSON
Councilmember, 8th District

SECONDED BY:



ORIGINAL


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