

Resolution No. 18 – 005

A resolution of the Rent Control Board of the City of Santa Monica urging the City Council to increase relocation fees to the greatest lawful extent for tenants displaced by no-fault evictions.

The Rent Control Board of the City of Santa Monica resolves as follows:

WHEREAS, in 2011, by Ordinance Number 2383CCS § 2, the City Council adopted Santa Monica Municipal Code (“SMMC”) Section 4.36.040, requiring that tenants who are displaced as the result of a no-fault tenancy termination be paid permanent relocation fees to mitigate the hardship of moving; and

WHEREAS, SMMC § 4.36.040 established 2011 permanent relocation fees at between \$7,800 and \$18,750, depending on the size of the unit from which affected tenants were to be displaced and whether those tenants were senior citizens or disabled; and

WHEREAS, the 2011 relocation fees have been adjusted for inflation each July since 2012 by the percentage change in the rent of primary residence component of the CPI-W Index for the Los Angeles/Riverside/Orange County area, as published by the United States Department of Labor, Bureau of Labor Statistics; and

WHEREAS, notwithstanding the City Council’s careful analysis of the appropriate 2011 permanent relocation fee and its annual adjustment for inflation, it appears that permanent relocation fees have become inadequate to truly mitigate the hardship of moving; and

WHEREAS, the Board understands that relocation benefits cannot lawfully be established in amounts chosen for their punitive effect, or for the purpose of interfering with owners’ state-law statutory right to go out of business under the Ellis Act; and

WHEREAS the Board further understands that the courts—most notably the California Court of Appeal in *Coyne v. City and County of San Francisco* and the United States District Court in *Levin v. City and County of San Francisco*—have recognized additional restrictions on the criteria that may be considered in the establishment of permanent relocation fees; and

WHEREAS, the Board believes that it is possible to increase permanent relocation fees in an amount sufficient to better mitigate the hardships of moving while using lawfully-permissible criteria;

NOW, THEREFORE, BE IT RESOLVED that the Rent Control Board of the City of Santa Monica hereby urges the City Council to consider increasing permanent relocation fees in an amount sufficient to truly mitigate the hardships of moving as the

result of a no-fault eviction, using whatever criteria the City Council deems relevant and the City Attorney advises is lawful.

PASSED, APPROVED, AND ADOPTED this 13th day of September 2018.



Anastasia Foster, Chair

ATTEST:



Lonnie Guinn,
Board Secretary