



RENT *Stabilization*

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RELOCATION ASSISTANCE

I. Under what conditions must landlords provide relocation assistance?

- A. Landlords are required to provide monetary relocation assistance in all of these cases:
- 1) When the eviction is due to condominium conversion or for commercial use of the property (LAMC 151.09.A.10). Landlords must file a **Landlord Declaration of Intent to Evict** prior to giving notice to tenants.;
 - 2) When the landlord evicts for the occupancy for her/himself, spouse, parents, children or for a resident manager (LAMC 151.09.A.8). Landlords must file a **Landlord Declaration of Intent to Evict** prior to giving notice to tenants.;
 - 3) When the unit requires permanent eviction for Primary Renovation in accordance with a Tenant Habitability Plan accepted by the Los Angeles Housing Department. (LAMC 151.09.A.9). (Ordinance No. 176,544, effective 5/2/05.);
 - 4) When the unit is permanently removed from the rental housing market or requires eviction for demolition (LAMC 151.09.A.10).. A **County Recorded Memorandum** must be filed together with the **Landlord Declaration of Intent to Evict** AND tenants must receive a 120-day written notice. (See further instructions in Ordinance 173,868, effective 5/16/2001.);
 - 5) When the landlord evicts to comply with a governmental agency's Order to Vacate (LAMC 151.09.A.11). Landlords must file a **Landlord Declaration of Intent to Evict** prior to giving notice to tenants.;

- 6) When the Secretary of Housing and Urban Development is both the owner and plaintiff and seeks to recover possession in order to vacate the property prior to sale (LAMC 151.09.A.12).

II. Who is eligible for relocation assistance, when, and for what amounts?

Monetary relocation assistance is available to **Eligible** and **Qualified** tenants within 15 days of the notice of termination for evictions based on the grounds set forth in L.A.M.C. Section 151.09 in Subdivisions A.8 (Landlord evicts for self, spouse, parents, or children, or for a resident manager); A9 (Primary Renovation); A.10 (Permanent removal of the unit from the rental housing market); A.11 (Government agency’s Order to Vacate); and A.12 (Eviction by the Secretary of Housing & Urban Development {HUD} to vacate property prior to sale) of the Rent Stabilization Ordinance.

Qualified Tenant: Any tenant who satisfies any of the following criteria on the date of service of the written notice of termination described in California Civil Code Section 1946: 62 years of age or older; handicapped as defined in Section 50072 of the California Health and Safety Code; disabled as defined in Title 42 United States Code Section 423; a person residing with and on whom is legally dependent (as determined for federal income tax purposes) one or more minor children. All others are considered Eligible Tenants.

The following relocation amounts apply to:

- All Ellis Landlord Declarations of Intent to Evict filed with the Los Angeles Housing Department as of 4/11/07 for evictions for demolition or permanent removal from the rental housing market;
- All Notices to Terminate Tenancy in units subject to the RSO served on tenants on or after 4/11/07 pursuant to LAMC 151.09.A.8, 151.09.A.11 or 151.09.A.12.
- All Notices to Terminate Tenancy in non-RSO buildings served on tenants as of 4/11/07 for condo conversions or demolitions.

Effective April 11, 2007 the relocation assistance amounts are as follows:

Type of Tenant	Less than 3 years	3 years or more	Less than 80% AMI Income
Eligible	\$6,810.00	\$9,040.00	\$9,040.00
Qualified	\$14,850.00	\$17,080.00	\$17,080.00

III. Are there any exemptions from relocation assistance?

Exemptions from relocation assistance:

- 1) When the tenant received actual written notice prior to entering into a written

or oral tenancy agreement that an application to subdivide the property or convert the building to a condominium, stock cooperative or community apartment project was on file with or had been approved by the City.

- 2) When the landlord evicts to comply with a governmental agency's Order to Vacate due to hazardous conditions caused by a natural disaster or an "Act of God."
- 3) If evicting to replace a resident manager with another resident manager (amended by Ordinance 166,130, effective 9/8/90). However, if the resident manager is a "Manager-Tenant" receiving free or reduced rent with no other compensation, he/she may be entitled to relocation assistance. See RAC Regulations 920.00 "Managers as Tenants."

IV. How shall payment be made?

- 1) The entire fee shall be paid to a tenant who is the only tenant in a rental unit.
- 2) If a rental unit is occupied by two or more tenants then each tenant of the unit shall be paid an equal, pro-rata share of the fee.

In no event shall the landlord be liable to pay more than the maximum relocation amounts set forth above to all tenants residing in a rental unit. If a tenant is entitled to monetary relocation benefits pursuant to City administrative agency action or any provision of local, state or federal law, then those benefits shall operate as a credit against any fee required to be paid to the tenant under this section.

Payment shall be made within fifteen (15) days of service of a written notice of termination; however, the landlord may, at the landlord's sole discretion and at the landlord's cost, establish an escrow account for the tenant(s) in lieu of the payment described in above.

V. How do I set up an escrow account if I choose to do so? (Excerpt from RAC Guidelines 960.00)

A. WHERE

The landlord may place the escrow account in any bank, savings and loan association, or credit union with federal deposit insurance or with any broker who is licensed by the California Real Estate Commission, or by any escrow service licensed by the California Corporate Commission that is reasonably accessible to the tenant(s) during normal business hours.

B. WHAT

Escrow instructions must provide the following:

- 1) For payments to tenants for:

- a) First and last month's rent
 - b) Security deposits
 - c) Utility connection charges and deposits
 - d) Moving expenses
- 2) For release of the remaining funds when the tenant vacates the unit, and
 - 3) For a dispute resolution process.

The landlord is entitled to receive a copy of all escrow documents.

C. WHEN

All payments from escrow must be made within three (3) working days of receiving a request for payment.

D. HOW

Payments may be made directly to the tenant(s) upon presentation of a receipt and/or to the recipient of the expense on behalf of the tenant(s).

VI. On what basis does a tenant file a complaint, and how?

A. NON-PAYMENT DISPUTE

In an action by the landlord to recover possession of a rental unit, the tenant may raise as an affirmative defense the failure of the landlord to provide relocation assistance.

A Tenant Complaint Form may be filed with the Rent Stabilization Division for illegal eviction/failure to pay relocation fees when relocation assistance has not been provided by the landlord.

California Health & Safety Code Section 50651 and Ordinance 174,477 (effective 3/21/2002) provide for tenant relocation fees when a local enforcement agency orders the unit vacated due to an immediate threat to the tenants' health and safety and the owner fails or refuses to pay the relocation fee to displaced tenants. The fees may be paid by the enforcement agency issuing the order and shall recover from the owner at the rate of 1½ times the original relocation fee paid.

B. RELOCATION ESCROW ACCOUNT DISPUTE

When there exists a dispute against the Relocation Escrow Account, a letter regarding the situation may be sent via Certified mail or delivered in person to the Los Angeles Housing Department, Director of the Rent Stabilization Division, Los Angeles Housing Department, P.O. Box 17280, Los Angeles, CA 90017-0280 by the second (2) business day from receipt of the dispute notice to the opposing person. A copy of the escrow account instructions should accompany this notice. (For further details, see RAC regulation 916.00.)