

Agenda Item No: 7.a

Meeting Date: March 1, 2021

# SAN RAFAEL CITY COUNCIL AGENDA REPORT Department: Community Development Prepared by: Paul Jensen (EG) Director City Manager Approval:

# TOPIC: OPPORTUNITY ZONE RENTER PROTECTIONS

SUBJECT: INTRODUCTION OF AN ORDINANCE OF THE CITY OF SAN RAFAEL CITY COUNCIL ADDING CHAPTER 10.111 TO THE SAN RAFAEL MUNICIPAL CODE, ENTITLED "RELOCATION ASSISTANCE IN OPPORTUNITY ZONES"

# **RECOMMENDATION:**

Pass to print the attached Ordinance adding Chapter 10.111 to the San Rafael Municipal Code.

# BACKGROUND:

As part of the U.S. Investing in Opportunities Act, tax incentives for long-term investment were created in designated census tracts called Opportunity Zones ("OZs"). Investors can access these tax incentives by investing capital gains through Opportunity Funds. Opportunity Funds are required to hold 90% of their assets in qualified OZ properties. The longer an investor keeps their money in the Opportunity Fund investment, the larger the tax break they will receive.

# Map 1. San Rafael Opportunity Zone- Census Tract 1122.01



# FOR CITY CLERK ONLY

File No.: \_\_\_\_\_

Council Meeting: \_\_\_\_\_

Disposition: \_\_\_\_\_

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San Rafael currently has one OZ (Census Tract 1122.01, Map 1) located in the Canal neighborhood. OZ projects must conform to all zoning and entitlement designations and processes. For San Rafael's OZ, this includes properties zoned for: CCI/O (Core Canal Industrial/ Office), HRI (Multifamily Residential and High Density), GC (General Commercial), and NC (Neighborhood Commercial).

There are currently 245 properties and 1,679 total housing units within the OZ boundary. <u>According to</u> the latest Census data, 33.5% of households in the Census Tract fall below the federal poverty line. Of the 1,679 housing units in the OZ, 139 units, or eight percent (8%), currently have below market rate deed restrictions. In most cases, these restrictions would carry over to any new owner or development of the property. For any new construction projects, these developments would be required to comply with the City's Inclusionary Housing requirements.

# Table 1. Properties within San Rafael OZ Boundaries

|                     |            |        | Average Units/ |
|---------------------|------------|--------|----------------|
|                     | Properties | Units  | Property       |
| Single Family Homes | 140        | 140    | 1              |
| Condominiums        | 10         | 149    | 15             |
| Apartment Buildings | 82         | 1,387* | 17             |
| Non-Residential     | 13         | -      | -              |
| Total               | 245        | 1,679  |                |

\*139 Units have deed restricted below market rate protections

Census tract 1122.01 is in the top 10% of Marin census tracts in terms of COVID-19 case rates *and* in the top 10% in terms of housing instability. According to Marin Health and Human Services data, census tract 1122.01 has a 15.35% positivity rate, compared to a 3% positivity rate Countywide. The 2018 U.S. Census American Community Survey shows that in this census tract more than 25% of renters live in overcrowded housing, while only 5% of renter households Countywide are considered overcrowded. Overcrowded households are more likely to include individuals who are essential workers who cannot perform their jobs remotely, increasing the likelihood of COVID-19 exposure. High overcrowding rates also indicate that additional income streams are required to sustain a household's rental costs, putting them at greater risk of housing instability should income be reduced. The <u>California Healthy Places Index</u> further ranks this census tract in the bottom tenth percentile statewide in terms of the percentage of low-income renters who pay more than 50% of their income on housing costs. Additionally, <u>the California Fair Housing Task Force</u> has identified that this census tract is at risk of further segregation and concentration of poverty.

On October 5, 2020, the City Council conducted a <u>Study Session</u> regarding Opportunity Zones and Eviction Assistance. During this Study Session, City Council directed staff to prioritize work on potential renter relocation assistance for renters within the Opportunity Zone.

On November 2, 2020, the City Council considered an <u>informational report</u> to further discuss the potential impacts of increases to renter relocation assistance for the OZ. As part of this informational report, Staff presented a recommendation to return with a draft ordinance amending the San Rafael Municipal Code (SRMC) by adding Chapter 10.111 which would expand renter protections for displaced households in the Opportunity Zone. The City Council unanimously approved accepting this report with staff's recommendation.

On November 17, 2020, this <u>informational report</u> with updated City Council action was presented to the Planning Commission. The Planning Commission unanimously approved this staff report with staff's recommendation.

# ANALYSIS:

The proposed amendments to the SRMC would add Chapter 10.111 entitled, "Relocation Assistance in the Opportunity Zone." These proposed amendments would increase the relocation assistance for qualifying households within the Opportunity Zone census tract area.

A household within the Opportunity Zone would be eligible for relocation assistance if the household will be displaced as a result of a "no-fault" eviction. "No fault" evictions are defined in SRMC Chapter 10.105 and include evictions where:

- Landlord will Permanently Remove Unit from Rental Market;
- Landlord will move in to Dwelling Unit;
- Substantial Rehabilitation for Health and Safety; and,
- Tenant's Refusal to Execute Lease.

# Table 1. Proposed Renter Relocation Assistance for Opportunity Zone

| Payments to Renters (per unit)   |        |          |           |        |           |        |           |        |           |        |  |  |
|--|--------|----------|-----------|--------|-----------|--------|-----------|--------|-----------|--------|--|--|
|  | Studio |          | 1-Bedroom |        | 2-Bedroom |        | 3-Bedroom |        | 4-Bedroom |        |  |  |
| Base Relocation Payment (All Renters)*   |        |          |           |        |           |        |           |        |           |        |  |  |
| First Month Rent (2021 Fair Market Rent)   | \$     | 2,350    | \$        | 2,923  | \$        | 3,553  | \$        | 4,567  | \$        | 4,970  |  |  |
| Security Deposit (2x Fair Market Rent)   | \$     | 4,700    | \$        | 5,846  | \$        | 7,106  | \$        | 9,134  | \$        | 9,940  |  |  |
| Estimated Moving Expenses  | \$     | 500      | \$        | 500    | \$        | 750    | \$        | 1,000  | \$        | 1,500  |  |  |
| Minimum Total Renter Relocation Payment  | \$     | 7,550    | \$        | 9,269  | \$        | 11,409 | \$        | 14,701 | \$        | 16,410 |  |  |
| Supplemental Relocation Payments (paid in addition to Base Rel                           | ocat   | ion Paym | nents     | s)     |           |        |           |        |           |        |  |  |
| Temporary Housing  |        |          |           |        |           |        |           |        |           |        |  |  |
| \$150 per diem, prorated by night until 1st of next month                                | \$     | -        | \$        | -      | \$        | -      | \$        | -      | \$        | -      |  |  |
| Household Charecteristics  |        |          |           |        |           |        |           |        |           |        |  |  |
| Provided if household meets one of the below criteria:                                   |        | 2,350    | \$        | 2,923  | \$        | 3,553  | \$        | 4,567  | \$        | 4,970  |  |  |
| 1) Household with children   |        |          |           |        |           |        |           |        |           |        |  |  |
| 2) Household with individual 65 years or older   |        |          |           |        |           |        |           |        |           |        |  |  |
| 3) Household with individuals with disability  |        |          |           |        |           |        |           |        |           |        |  |  |
| Estimated Maximum Renter Relocation Payment  | \$     | 9,900    | \$        | 12,192 | \$        | 14,962 | \$        | 19,268 | \$        | 21,380 |  |  |
| Payments to City of San Rafael (per unit)**  |        |          |           |        |           |        |           |        |           |        |  |  |
|  | Studio |          | 1-Bedroom |        | 2-Bedroom |        | 3-Bedroom |        | 4-Bedroom |        |  |  |
| Administrative Fee   |        |          |           |        |           |        |           |        |           |        |  |  |
| 1-10 Units- 10%  | \$     | 755      | \$        | 927    | \$        | 1,141  | \$        | 1,470  | \$        | 1,641  |  |  |
| 11-20 Units- 15%   | \$     | 1,133    | \$        | 1,390  | \$        | 1,711  | \$        | 2,205  | \$        | 2,462  |  |  |
| 21+ Units- 20%<br>* Base Relocation will be calculated using the higher amount between c | \$     | 1,510    | \$        | 1,854  | \$        | 2,282  | \$        | 2,940  | \$        | 3,282  |  |  |

\* Base Relocation will be calculated using the higher amount between current Fair Market Rent or Leased Rent.

\*\*Note: Current payment to the City of San Rafael are based on base payment amount for illustration. Actual payments to the City of San Rafael would be based on actual Renter Relocation Payment.

For qualifying households, renter relocation assistance would include the following four payments that a household may qualify for (Table 1):

- Base Payment: ~\$7,500 to \$16,400 for all households covered by the ordinance. The specific payment amount would be based upon unit size and include payments for the first month's rent, the security deposit (equal to two months' rent), and moving expenses. Under the proposed amendments, rent would be defined as the higher of the leased rent or the annual <u>HUD defined Fair Market Rent</u>.
- 2. Temporary Housing: \$150 per diem to households who are displaced before the end of the month. This payment would be intended to cover temporary housing costs related to a partial month move;

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- Supplemental Payment: tenant households would be eligible for one supplemental payment of ~\$2,350 to \$4,900 if the household meets certain characteristics including: a household with children, a household with an individual over 65 years old, a household with an individual with a disability\*;
- 4. Administrative Fee: ~\$755 to \$4,200 per unit depending on unit and property size, paid to the City. These funds would be used to cover costs associated with hiring a third party to provide legal assistance and rehousing services for displaced tenants.

\* The ordinance places the burden of proof on the tenant household to establish they meet the criteria for eligibility for a supplemental payment.

# Relationship with Other State and Local Laws

There are various State and local laws which confer upon tenants the right to relocation assistance upon eviction. The proposed ordinance would provide additional relocation assistance protections beyond those already established by law. The interplay between these laws is discussed below.

- <u>Ellis Act.</u> The Ellis Act preempts conflicting local ordinances and permits a landlord, subject to certain restrictions, to evict tenants in order to go out of the rental business. The Ellis Act confers on cities the authority to require that relocation assistance be provided to evicted tenants in order to mitigate adverse impacts of displacement. (Gov. Code § 7060.1(c).) The proposed ordinance is consistent with the Ellis Act because it seeks to ameliorate adverse impacts of displacement.
- <u>Assembly Bill (AB) 1482.</u> AB 1482 establishes statewide rent control and prohibits evictions of many residential tenants by limiting lawful evictions to "just cause evictions." (Gov. Code § 1946.2 et seq.) AB 1482 also requires landlords to provide relocation assistance in the amount of one month's rent for no-fault evictions (no fault evictions include evictions stemming from removal of a unit from the rental market, substantial rehabilitation, or owner move-in.)

AB 1482 allows local jurisdictions to adopt ordinances which are more protective than AB 1482; "more protective" specifically includes local ordinances that provide for higher relocation assistance amounts. (Gov. Code § 1946.2(g)(1)(B)). Because the proposed ordinance provides for higher relocation assistance than AB 1482's one month relocation assistance, it is specifically authorized and not preempted by AB 1482.

AB 1482 also provides that "the relocation assistance or rent waiver required by [AB 1482] shall be credited against any other relocation assistance required by any other law." This means that if a local ordinance, such as the one proposed, provides for higher relocation assistance amounts, a tenant would not also be entitled to AB 1482's one month's relocation assistance; instead that one month would be credited to the higher payment amount authorized by local ordinance, and the remaining provisions of AB 1482 would remain in effect.

 <u>SRMC §14.16.279.</u> SRMC Section 14.16.279 requires relocation assistance be paid to tenants who are evicted due to rehabilitation of a dwelling unit. The relocation assistance amount is equal to the sum of two months' rent. SRMC Section 14.16.279 is consistent with AB 1482 because it provides for higher relocation assistance than AB 1482's one month's relocation assistance.

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The proposed ordinance provides that if a tenant is eligible for relocation assistance under the ordinance, they are ineligible for relocation assistance under SRMC Section 14.16.279. This means that if a tenant in Census Tract 1122.01 is evicted due to rehabilitation of their dwelling unit, they are only entitled to relocation assistance pursuant to the proposed ordinance and would not also be eligible for an additional two months' relocation assistance under SRMC Section 14.16.279.

# **ENVIRONMENTAL DETERMINATION:**

This project qualifies for exemption from the provisions of the California Environmental Quality Act Guidelines pursuant to Sections 15183(a) because it entails a project that can be found consistent with the General Plan policies and pursuant to 15061(b)(3), which states that as a 'general rule' the California Environmental Quality Act (CEQA) applies only to projects which have the potential to cause a significant, physical environmental effect, which this ordinance does not.

# COMMUNITY OUTREACH:

The Background section of this staff report notes the prior public meetings on this topic. In addition, notice of hearing for the project was conducted in accordance with noticing requirements contained in Chapter 14.29 of the San Rafael Municipal Code. A Notice of Public Hearing was mailed to neighborhood associations and neighborhood advocates, housing advocates, local developers and other stakeholders at least 15 days prior to meeting. In addition, notice of the meeting was published in the Marin *IJ*.

# FISCAL IMPACT:

There is no direct fiscal impact to the City for adopting this ordinance. In the event of a renter relocation assistance payment under Chapter 10.111, the landlord would be required to pay the City an administrative fee equal to between 10% to 20% of the renter relocation assistance payment to the Tenant. As discussed earlier, these funds would be used to cover costs associated with implementation of the program including hiring a third party to provide administration services on behalf of the City.

# **OPTIONS:**

The City Council has the following options to consider on this matter:

- 1. Pass the ordinance to print.
- 2. Act on the ordinance with modifications.
- 3. Direct staff to return with more information.
- 4. Take no action.

# **RECOMMENDED ACTION:**

Pass to print the attached Ordinance adding Chapter 10.111 to the San Rafael Municipal Code.

# ATTACHMENTS:

1) Ordinance Adding Chapter 10.111 to the San Rafael Municipal Code, Entitled "Relocation Assistance In Opportunity Zones"

# ORDINANCE NO.

# AN ORDINANCE OF THE CITY OF SAN RAFAEL CITY COUNCIL ADDING CHAPTER 10.111 TO THE SAN RAFAEL MUNICIPAL CODE, ENTITLED "RELOCATION ASSISTANCE IN OPPORTUNITY ZONES"

## Section 1. Findings.

**WHEREAS,** the Marin Housing Authority estimates there is a shortage of 9,465 affordable rental homes to accommodate low-income renters in Marin County; and

**WHEREAS**, the Marin Housing Authority estimates that rents in Marin County have been steadily increasing since 2009; and

**WHEREAS,** increasing rents combined with a housing shortage places substantial pressure on residents of the City of San Rafael who rent housing; and

**WHEREAS,** there are 23,929<sup>i</sup> residential units in San Rafael. Of those, approximately forty-eight percent (48%) are owner occupied and fifty percent (50%) are renter occupied; and

**WHEREAS,** a portion of San Rafael is located in U.S. Census Tract 1122.01, which is the sole U.S. Census Tract designated a "Qualified Opportunity Zone" by the 2017 Tax Cuts and Jobs Act (the "Act"), within Marin County; and

**WHEREAS,** in San Rafael's Qualified Opportunity Zone, there are approximately 1,813<sup>ii</sup> residential units. Of those, eight percent (8%) are owner occupied and ninety-two percent (92%) are tenant occupied; and

**WHEREAS,** the estimated median gross monthly income of residents living in Census Tract 1121.01 is \$3,533<sup>iii</sup>; and

WHEREAS, Census Tract 1122.01 has been identified as a High Segregation and Poverty opportunity category (https://belonging.berkeley.edu/2021-tcac-opportunity-map); and

**WHEREAS**, the Healthy Places Index (HPI), developed by the Public Health Alliance of Southern California, tracks 25 separate indicators of community health and wellbeing, including five indicators related to housing; and

**WHEREAS**, according to the HPI, Census Tract 1122.01 is in the bottom 10<sup>th</sup> percentile of census tracts statewide in terms of renters who spend more than 50% of their income on housing costs, while the City of San Rafael as a whole is in the 29<sup>th</sup> percentile; and

**WHEREAS**, Qualified Opportunity Zones are designed to spur economic development in distressed communities throughout the country and U.S. possessions by providing tax benefits to investors who invest eligible capital into opportunity zones; and

**WHEREAS,** in order for taxpayers to defer tax on eligible capital gains under the Act, taxpayers must own and substantially improve property in a Qualified Opportunity Zone; and

**WHEREAS**, sale of residential properties in San Rafael's Qualified Opportunity Zone and substantial improvements to said properties are likely to result in displacement of residential tenants in the Canal neighborhood due to no fault terminations; and

**WHEREAS,** the residents living in San Rafael's Qualified Opportunity Zone therefore face a high risk of displacement which displacement could have severe health, safety and economic impacts on these residents; and

**WHEREAS**, tenants who do not have adequate funds to move and who are forced to move pursuant to a no-fault eviction notice face displacement and great hardship; and

**WHEREAS**, tenants who find acceptable new housing commonly find themselves required to pay substantial costs related to new housing including, but not limited to, move-in costs to a new home, moving costs, new utility hook-ups, payments for temporary housing, lost work time seeking housing, and increased rent; and

**WHEREAS**, tenants who find acceptable new housing commonly find themselves required to pay substantial move-in costs of first and last month's rent plus a security deposit equal to one month's rent; and

**WHEREAS**, tenants evicted in San Rafael are forced to incur substantial costs related to new housing including, but not limited to, move-in costs to a new home, moving costs, new utility hook-ups, payments for temporary housing, and lost work time seeking housing;

WHEREAS, mothers who are evicted experience higher levels of material hardship and parenting stress and are more likely to suffer from depression and to report their health and that of their children as being poor, and the impacts of eviction can endure for years with research showing in some families at least two years after their eviction mothers experienced significantly higher rates of material hardship and depression than their peers<sup>iv</sup>; and

**WHEREAS**, evictions of long-term residents can lead to significant decreased credit scores for individuals ages 65 years or older compared to their counterparts who are able to stay, with an average credit score 14.6 points lower<sup>v</sup>; and

**WHEREAS,** by 2035, the number of older households with a disability nationwide will increase by 76 percent to reach 31.2 million, placing tremendous pressure on the supply of ADA-compliant rental housing, making it increasingly difficult for renters with disabilities to find suitable housing after a no-fault eviction<sup>vi</sup>; and

**WHEREAS**, numerous California jurisdictions have recognized the impacts of these no-fault evictions are particularly significant on elderly, disabled, and low-income tenants and tenants with minor children, justifying additional payments for households with these tenants; and

**WHEREAS**, this action is exempt from the California Environmental Quality Act ("CEQA") pursuant to, but not limited to, the following CEQA Guidelines: § 15061 (b)(3) (no significant environmental impact), and § 15183 (consistent with the general plan and zoning); and

WHEREAS, this Ordinance is expressly authorized by State law because the Ordinance provides for higher relocation assistance amounts than section 1946.2 of the California Civil Code, which was adopted pursuant to the Tenant Protection Act of 2019 and is therefore more protective than the Act, and because this Ordinance provides tenant protections that are neither prohibited by nor established by other provisions of applicable law;

# NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN RAFAEL DOES ORDAIN AS FOLLOWS:

# Section 2: Addition of Chapter 10.111 to the San Rafael Municipal Code.

Title 10 of the San Rafael Municipal Code, entitled "Businesses, Professions, Occupations, Industries and Trades" is hereby amended by adding a new Chapter, 10.111 entitled "Relocation Assistance in Opportunity Zones" to read in its entirety as follows:

# 10.111.010 Purpose and Intent

It is the purpose and intent of this chapter to help mitigate the adverse health, safety and economic impacts experienced by residents of rental housing who are displaced from their residences due to no fault terminations of their tenancies. This chapter requires a property owner to mitigate the impact on these residents by providing relocation assistance benefits to residents located within U.S. Census Tract 1122.01, which has been designated a "Qualified Opportunity Zone" by the 2017 Tax Cuts and Jobs Act.

# 10.111.020. Definitions

For purposes of this chapter, unless the context clearly requires a different meaning, the words, terms, and phrases set forth in this section shall either have the meanings set forth in section 10.105.030 of this Code, or below, as applicable:

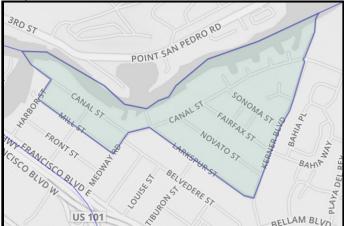
- A. "Disabled" means a person with a disability, as defined in Section 12955.3 of the Government Code.
- B. "Elderly" means a person sixty-two (62) years or older.
- C. "Lease" means any contract between a tenant household and a landlord or property owner for a specified time, in return for a periodic payment.
- D. "Minor child(ren)" means a person(s) who is eighteen (18) years or younger at the time the Notice of Relocation Assistance is provided to the tenant household.
- E. "No fault termination" shall have the meaning set forth in section 10.105.040(C) of this Code.
- F. "Relocation assistance" means the payment issued to a tenant household which household will be evicted from a dwelling unit pursuant to a "no fault termination."
- G. "Tenancy" means the use or occupancy of a dwelling unit by a tenant.

# 10.111.030 Eligibility for Relocation Assistance

A. A tenant household shall be eligible for Relocation Assistance pursuant to this Chapter if:

- (1) The tenant household has continually occupied a dwelling unit for a period of thirty (30) days or more; and
- (2) The tenant household occupies a dwelling unit located within U.S. Census Tract 1122.01, and shown in the shaded areas of Map 10.111.030.

Map 10.111.030



B. A tenant household shall not be eligible to receive relocation assistance pursuant to this Chapter if the tenant household is subject to a "for cause termination" pursuant to subsection (B) of section 10.105.040 of this Code.

C. A tenant household that is eligible to receive relocation assistance pursuant to this Chapter shall not be eligible to receive relocation assistance pursuant to the provisions of section 14.16.279 of this Code.

# 10.111.040 Requirement to Provide Relocation Assistance

If the termination of a tenancy subject to this Chapter qualifies as a "no fault termination" pursuant to subsection (C) of section 10.105.040 of this Code, the landlord of the dwelling unit subject to the no fault termination shall, regardless of the tenant household's income, provide relocation assistance in accordance with the provisions of this Chapter.

# 10.111.050 Relocation Assistance Calculation and Procedures

Relocation assistance shall be subject to the following:

A. Calculation of Relocation Assistance

A tenant household that is eligible to receive relocation assistance pursuant to this Chapter shall be entitled to a relocation assistance payment equal to the sum of the following:

(1) First and Last Month's Rent. Payment for first and last month's rent shall be equal to two times the greater of (1) the rent established by a lease between the landlord and the tenant household, or (2) the current Fair Market Rent published annually by the U.S. Department of Housing and Urban Development for the San Francisco, CA HUD Metro FMR Area, corresponding to the number of bedrooms in the subject dwelling unit; and

(2) Security Deposit. Payment for a security deposit shall be established by City Council Resolution and based upon the number of bedrooms in the property; and

(3) Moving Expenses. Payment for moving expenses shall be established by City Council Resolution and based on the number of bedrooms in the property; and

(4) Per Diem. A per diem payment for each day remaining in the calendar month in which the tenancy is terminated. The per diem amount shall be established by City Council Resolution, to compensate for costs such as short-term rental accommodations, meals, and other related costs, and based upon tenant household size; and

(5) Supplemental Payments. Tenant households that qualify for the Supplemental Payment Categories set forth in this subsection shall receive up to one supplemental payment. Supplemental payments shall be equal to one month's rent calculated using the greater of (1) the monthly rent established by a lease between the landlord and the tenant household; or (2) the current Fair Market Rent published

annually by the U.S. Department of Housing and Urban Development for the San Francisco, CA HUD Metro FMR Area, corresponding to the number of bedrooms in the subject dwelling unit.

Supplemental Payment Categories include:

a. Tenant households with Minor Child(ren). Households with at least one minor child(ren).

b. Tenant households with Elderly Individual. Households with at least one elderly individual.

c. Tenant households with Disabled Individual. Households with at least one disabled individual.

B. Notice of Relocation Assistance

(1) Not less than sixty (60) days before a tenancy is terminated pursuant to subsection (C) of section 10.105.040, the landlord shall provide a Notice of Relocation Assistance to the tenant household whose tenancy will be terminated.

(2) The Notice of Relocation Assistance may be provided along with or incorporated within the Notice of Termination required pursuant to section 10.105.050.

(3) The Notice of Relocation Assistance shall be in the same language and/or dialect as the rental agreement was negotiated.

(4) The Notice of Relocation Assistance shall contain the following:

a. the amount of the relocation assistance payment itemized in the manner set forth in subsections (1) through (4) of subsection (A) of section 10.111.050 regarding calculation of relocation assistance;

b. a statement informing the tenant household that it may submit evidence of eligibility for a Supplemental Payment pursuant to subsection (5) of subsection (A) of section 10.111.050 of this Code within twenty-one (21) days of receipt of the Notice of Relocation Assistance.

c. the date by which the relocation assistance payment will be delivered to the tenant household; and

d. a copy of San Rafael Municipal Code Chapter 10.111.

C. Certification of Relocation Assistance and Administrative Fee

Within ten (10) days of issuance of a Notice of Relocation Assistance pursuant to subsection (B) of section 10.111.050 of this Chapter, the landlord shall submit to the City's Community Development Department, a completed Certification of Relocation Assistance on a form approved by the City along with an administrative fee in an amount set forth by separate resolution of the City Council, which fee shall offset the costs in administering this Chapter.

The Certification of Relocation Assistance shall include the following information:

(1) The address of each dwelling unit in the rental property that is subject to the no-fault termination;

(2) The monthly rent for each of those dwelling units; and

(3) The name of every person the landlord considers to be a resident under an oral lease, written lease, or other rental agreement.

D. Payment of Relocation Assistance

(1) Not less than thirty (30) days before the final date of the terminated tenancy, the landlord shall deliver, via certified mail or personal service, to the address of the terminated tenancy, the relocation assistance required by this Chapter.

(2) The relocation assistance payment shall be equal to the sum of the amounts required by subsections (1) through (4) of subsection (A) of section 10.111.050, and shall include the amount set forth in subsection (5) of subsection (A) of section 10.111.050 if the tenant household has provided timely evidence of eligibility for a supplemental payment. The owner must keep all such evidence and documents submitted by the tenant household confidential.

(3) Relocation assistance shall be paid per tenant household, not per tenant.

(4) Relocation assistance shall be paid via check or cashier's check made out to the person(s) who are named on the lease for the terminated tenancy.

E. Verification of Payment of Relocation Assistance.

Before issuance of demolition permits, building permits or other City permits and/or entitlements that would result in No Fault Termination subject to Chapter 10.105 of this Code, the City must receive verification from the landlord of the property seeking said permits and/or entitlements that all relocation assistance required pursuant to this Chapter has been paid. This verification shall be submitted in a form approved by the Community Development Department.

# 10.111.060 Notices.

Whenever any notice or other communication is required by this Chapter to be served on, provided, given or delivered to, or filed with, any person, that notice or communication may be communicated by personal delivery, certified mail, first class mail, e-mail, or any other similar method that will provide a written record of the notice or communication.

# 10.111.080 Failure to Comply – Private Right of Action.

Any attempt to recover possession of a rental unit in violation of this Chapter shall render a landlord liable to the tenant for damages permitted by law in a civil action for wrongful eviction. A tenant may also seek injunctive relief and money damages for wrongful eviction and/or failure to pay relocation assistance, including failure to pay a supplemental payment where the tenant household has timely submitted evidence of eligibility for a supplemental payment pursuant to subsection (5) of subsection (A) of section 10.111.050 of this Code. The prevailing party in an action for wrongful eviction shall recover costs and reasonable attorneys' fees.

**10.111.090** Expiration on Termination of Federal Opportunity Zone Designation

This Chapter is intended to provide assistance to renters experiencing higher risks of displacement and renters affected by the Opportunity Zone designation authorized by the 2017 Tax Cuts and Jobs Act. At such time as the Opportunity Zone designation is lifted from Census Tract 1122.01 or the Act is amended so as to not provide its stated tax benefits to investments within Census Tract 1122.01, the provisions of this Chapter shall expire and become null and void. The City Council shall repeal this Chapter should it expire by the terms of this section.

<u>Section 3.</u> Severability. If any section, subsection, phrase or clause of this ordinance is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this and each section, subsection, phrase or clause thereof irrespective of the fact that any one or more sections, subsections, phrase or clauses be declared unconstitutional on their face or as applied.

<u>Section 4.</u> Compliance with CEQA. The City Council hereby finds that the action to adopt this Ordinance is exempt from the provisions of the California Environmental Quality Act (CEQA), pursuant to Section 15061(b)(3) of the CEQA Guidelines, because it can be seen with certainty that there is no possibility the adoption of this Ordinance may have a significant effect on the environment, and pursuant to CEQA Guidelines section 15183 (consistent with the general plan and zoning).

<u>Section 5.</u> Publication; Effective Date. A summary of this Ordinance shall be published and a certified copy of the full text of this Ordinance shall be posted in the office of the City Clerk at least five (5) days prior to the Council meeting at which it is adopted.

This Ordinance shall be in full force and effect thirty (30) days after its final passage, and the summary of this Ordinance shall be published within fifteen (15) days after the adoption, together with the names of the Councilmembers voting for or against same, in the Marin Independent Journal, a newspaper of general circulation published and circulated in the City of San Rafael, County of Marin, State of California.

Within fifteen (15) days after adoption, the City Clerk shall also post in the office of the City Clerk, a certified copy of the full text of this Ordinance along with the names of those Councilmembers voting for and against the Ordinance.

Kate Colin, Mayor

ATTEST:

# LINDSAY LARA, City Clerk

The foregoing Ordinance No. \_\_\_\_\_ was read and introduced at a regular meeting of the City Council of the City of San Rafael on \_\_\_\_\_, the \_\_\_\_ day of \_\_\_\_\_ 2021, and was ordered passed to print by the following vote, to wit:

- AYES: Councilmembers:
- NOES: Councilmembers:
- ABSENT: Councilmembers:

and will come up for adoption as an Ordinance of the City of San Rafael at a Regular Meeting of the Council to be held on the \_\_\_\_ day of \_\_\_\_\_, 2021.

LINDSAY LARA, City Clerk

<sup>&</sup>lt;sup>i</sup> Total Housing Units (+/-235 Margin of Error)(Occupied - +/-542 Margin of Error)

<sup>&</sup>lt;sup>ii</sup> Total Housing Units (+/-117 Margin of Error)

iii ACS 2018 5-year

<sup>&</sup>lt;sup>iv</sup> Desmond, Matthew & Kimbro, Rachel. (2015). Eviction's Fallout: Housing, Hardship, and Health. Social Forces. 94. 10.1093/sf/sov044.

<sup>&</sup>lt;sup>v</sup> Ding, L., & Hwang, J. (2016). The Consequences of Gentrification: A Focus on Residents' Financial Health in Philadelphia. *Cityscape*, 18(3), 27-56.

<sup>&</sup>lt;sup>vi</sup> Joint Center for Housing Studies of Harvard University. (2016). Projections and Implications for Housing a Growing Population: Older Households 2015-2035. https://www.jchs.harvard.edu//research-

areas/reports/projections-and-implications-housing-growing-population-older-households-2015

# **Marin Independent Journal**

4000 Civic Center Drive, Suite 301 San Rafael, CA 94903 415-382-7335 legals@marinij.com

> CITY OF SAN RAFAEL 1400 FIFTH AVENUE CITY CLERK, ROOM 209 SAN RAFAEL, CA 94901

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Account Number: 2070419

Ad Order Number: 0006553202

Customer's Reference PUBLIC HEARING- ONLINE PUB DATE 2/14/2021 / PO Number:

Publication: Marin Independent Journal

Publication Dates: 02/14/2021

Amount: \$158.24

### Invoice Text: CITY OF SAN RAFAEL NOTICE OF ONLINE PUBLIC HEARING

You are invited to attend an online City Council hearing on the following project:

# DATE/TIME/PLACE: Monday, March 1, 2021 at 7:00 P.M.

**COVID-19 ADVISORY NOTICE:** Consistent with Executive Orders No.-25-20 and No. N-29-20 from the Executive Department of the State of California and the Marin County March 16, 2020 Shelter in Place Order, the San Rafael City Council hearing WILL NOT be physically open to the public and the meeting will be streamed live to YouTube at: <a href="http://www.youtube.com/cityofsanrafael">www.youtube.com/cityofsanrafael</a>. Instructions on how to participate online, will be available on the YouTube channel.

### PROJECT:

The City Council will consider amendments to San Rafael Municipal Code (SRMC) Title 10. These potential amendments would add a new code section that would introduce requirements for renter relocation assistance for households displaced as a result of a no-fault eviction within the federally designated Opportunity Zone in the Canal Neighborhood of San Rafael (US Census Tract 1122.01). These amendments are the result of community feedback including informational reports preTsented to the City Council on November 2, 2020 and the Planning Commission November17, 2020. Staff was directed to draft proposed code amendments to address this relocation assistance and return to the City Council for review and action on the amendments; File No.: P21-004

State law (California Environmental Quality Act) requires that this project be reviewed to determine if a study of potential environmental effects is required. This project qualifies for exemption from the provisions of the California Environmental Quality Act Guidelines pursuant to Section 15061(b)(3), which states that as a 'general rule' the California Environmental Quality Act (CEQA) applies only to projects which have the potential to cause a significant, physical environmental effects.

### WHAT WILL HAPPEN:

You can comment on the project. City Staff will present the proposed SRMC Amendments to the City Council. The City Council will conduct a public hearing to allow for public comments and may take action to approve, deny, or continue a decision on the proposed SRMC Amendments.

### IF YOU CANNOT ATTEND:

You can send written correspondence by email to the address below, or by mail/hand delivery to the Office of the City Clerk, City of San Rafael, 1400 5th Avenue, San Rafael, CA 94901 (Drop box located outside city hall entry doors on Mission Ave side).

### FOR MORE INFORMATION:

### Contact Ethan Guy, Principal Analyst at

<u>Ethan.guy@cityofsanrafael.org</u>. Please note that City offices are currently closed to public walk-in, but you may contact staff for more information. You may also view the staff report after 5:00 p.m. on the Friday before the meeting at <u>http://www.cityofsanrafael.org/meetings.</u>

### SAN RAFAEL CITY COUNCIL

<u>/s/ Lindsay Lara</u> Lindsay Lara CITY CLERK

Feb. 14, 2021

# Marin Independent Journal

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2070419

CITY OF SAN RAFAEL 1400 FIFTH AVENUE CITY CLERK, ROOM 209 SAN RAFAEL, CA 94901

# PROOF OF PUBLICATION (2015.5 C.C.P.)

# STATE OF CALIFORNIA County of Marin

I am a citizen of the United States and a resident of the County aforesaid: I am over the age of eighteen years, and not a party to or interested in the above matter. I am the principal clerk of the printer of the MARIN INDEPENDENT JOURNAL, a newspaper of general circulation, printed and published daily in the County of Marin, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Marin, State of California, under date of FEBRUARY 7, 1955, CASE NUMBER 25566; that the notice, of which the annexed is a printed copy (set in type not smaller than nonpareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

### 02/14/2021

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Dated this 15th day of February, 2021.

Lami Melenderg Bardino

Signature

# PROOF OF PUBLICATION

Legal No.

0006553202

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State law (California Environmental Quality State law (California Environmental Quality Act) requires that this project be reviewed to determine if a study of potential environmen-tal effects is required. This project qualifies for exemption from the provisions of the Califor-nia Environmental Quality Act Guidelines pur-suant to Section 1506(1b)(3), which states that as a 'general rule' the California Environmental Quality Act (CEQA) applies only to projects which have the potential to cause a signifi-cant, physical environmental effects.

### WHAT WILL HAPPEN :

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# SAN RAFAEL CITY COUNCIL /s/ Lindsay Lara

Lindsay Lara CITY CLERK

Feb. 14. 2021