



City of Long Beach
Working Together to Serve

Office of the City Attorney

DATE: September 26, 2019

To: Tom Modica, Acting City Manager

FOR: Honorable Mayor and Members of the City Council

FROM: Richard F. Anthony, Deputy City Attorney *RFA*

SUBJECT: Effect of AB 1482 on Tenant Relocation Assistance Ordinance

As you know, the City Council recently passed Ordinance No. 19-0014 relating to tenant relocation assistance (the "City Relocation Ordinance"). The City Relocation Ordinance became effective on August 1, 2019.

The California legislature recently passed AB 1482 (the "State Tenant Protection Act", and together with the City Relocation Ordinance, the "Tenant Protection Laws") and the Governor is widely expected to sign it into law. Assuming that to be the case, our understanding is that the State Tenant Protection Act will be effective as of January 1, 2020. Both City Councilmembers and City staff have inquired about the potential application and interaction of the Tenant Protection Laws. This memo is meant to broadly discuss the Tenant Protection Laws and the options the City has regarding the respective application thereof.

The State Tenant Protection Act contains two major operative provisions, the first of which requires that landlords may only terminate tenancies if they have just cause to do so (the "Just Cause Provisions"), and the second of which restricts the amount by which landlords may increase rents (the "Rent Control Provisions").

There are two categories of Just Cause Provisions, those where the tenant is "at-fault" and those where the tenant bears "no-fault". If a tenancy is terminated due to a recognized "no-fault" just cause, then the State Tenant Protection Act requires landlords to make a relocation payment to tenant equal to one month's actual rent under the subject lease.

The Just Cause Provisions (and therefore the relocation payment requirements) of the State Tenant Protection Act do not apply in cities which have adopted a just cause for termination of tenancy ordinance which is more restrictive than the Just Cause Provisions. The Rent Control Provisions of the State Tenant Protection Act do not apply in cities which have adopted a local rent control ordinance which is more restrictive than the Rent Control Provisions.

Importantly, the City Relocation Ordinance does not require just cause in order to terminate a tenancy, nor does it cap the amount by which a landlord may raise rent. As a result, in our opinion the entirety of the State Tenant Protection Act will apply to landlords and tenants in the City of Long Beach.

This will result in the application of both the State Tenant Protection Act and the City Relocation Ordinance to landlords and tenants in the City at the same time. Unfortunately, the conditions under which relocation payments will be required under the Tenant Protection Laws are not the same. There are several differences between the Tenant Protection Laws too detailed to be covered here, but generally the State Tenant Protection Act will apply to more tenants than the City Relocation Ordinance, and the City Relocation Ordinance will require higher relocation payments when it does apply.

We have not yet identified a circumstance under which it would be impossible for a landlord or a tenant to comply with both of the Tenant Protection Laws, but in many circumstances the dual application of the Tenant Protection Laws would at the very least be unusually complex. In the event that relocation payments are required under both Tenant Protection Laws, landlords will not be required to make two payments, but will be required to pay the higher of the two relocation amounts. Additionally, the notice requirements and the payment timing requirements are different under each of the Tenant Protection Laws, and presumably in order to ensure compliance with both landlords will need to comply with whichever provision is more restrictive. As the City is not the enforcement agency under either of the Tenant Protection Laws, ultimately it will be up to the civil courts to decide.

In our opinion, the City has three options. First, the Council could take no action, in which case both of the Tenant Protection Laws will apply as of January 1, 2020. Second, the Council could rescind the City Relocation Ordinance, leaving only the State Tenant Protection Act in effect. Third, the Council can independently adopt (i) just cause tenancy termination requirements which align with the State Just Cause Provisions and (ii) relocation payments which are slightly more protective than the State-required relocation payment, in which case the City Relocation Ordinance and the Rent Control Provisions of the State Tenant Protection Act would apply, but the Just Cause Provisions of the State Tenant Protection Act would not.

We are standing by to discuss this matter in more detail upon your request.