

## Tenant Relocation Assistance Overview

### Summary of Health and Safety Code §§ 17975 *et. seq.*

In certain situations, California law requires landlords to provide financial assistance to tenants who are required to move out of their rental housing. This document offers an overview of the laws related to tenant relocation assistance in California. For more information, please contact the City of Merced Code Enforcement Division at (209) 385-6237.

- I. Under what conditions must landlords provide relocation assistance? (HSC § 17975)**
  - a. Landlords are required to provide monetary relocation assistance when:
    - i. a tenant is or will be displaced from a residential rental unit; and
    - ii. the displacement is caused by an order to vacate from a local enforcement agency for immediate health and safety concerns of the tenants.
- II. Exceptions to the landlord's requirement to provide relocation assistance (HSC §§ 17975.4(a), 17975.4(b))**
  - a. Landlords are not required to provide monetary relocation assistance to any tenant who:
    - i. caused or substantially contributed to the condition giving rise to the order to vacate (to be determined by the local enforcement agency); or has a guest or invitee who caused or substantially contributed to the condition giving rise to the order to vacate (to be determined by the local enforcement agency).
  - b. Landlords are not required to provide monetary relocation assistance when the local enforcement agency determines the unit or structure became unsafe or hazardous as a result of:
    - i. a flood;
    - ii. a fire;
    - iii. an earthquake; or
    - iv. other event beyond the control of the owner/designated agent and the owner/designated agent did not cause or contribute to the condition.
- III. Is relocation assistance available in the event of a fire, flood, earthquake, or event? (HSC § 179.4(c))**
  - a. In the event of a fire, flood, earthquake or event, the local enforcement agency may elect, at its discretion, to pay relocation payments to tenants who:
    - i. did not cause or substantially contribute to the uninhabitable condition of the unit or structure.
- IV. How much assistance are tenants entitled to? (HSC § 17975.2)**
  - a. The owner/designated agent shall pay the following amounts on a per unit basis:
    - i. a sum equal to two months of the established fair market rent for the area as determined by the Department of Housing and Urban Development (pursuant to 1437f of title 24 of the United States Code.); and
    - ii. an amount sufficient for utility service deposits as determined by the local enforcement agency; and
    - iii. the return of any security deposit held by the owner as required by law.
- V. When must assistance be paid? (HSC §§ 17975.1(a), 17975.1(b), 17975.1(c))**

- a. If there are fewer than 10 days between the mailing/posting of the vacation order and the vacation date then:
  - i. the owner/designated agent must pay the tenant within 24 hours after the notice is mailed and posted on the premises.
- b. If there are 10 days or more between the mailing/posting of the vacation order and the vacation date, then payment must be made by whichever occurs latest:
  - i. within 10 days after the date the order to vacate is mailed to the owner and posted on the premises; or
  - ii. At least 20 days prior to the vacation date set forth in the order to vacate.

**VI. Are there penalties for late payments? (HSC § 17975.3)**

- a. Owners/designated agents must pay penalties equal to 1.5X the relocation benefit otherwise entitled with one exception:
  - i. The penalty does not apply when relocation benefits are payable fewer than 10 days after the date the order to vacate is mailed/posted on the premises IF the owner or designated agent makes the payment no later than 10 days after the order is first mailed/posted.

**VII. What if the landlord does not pay? (HSC §§ 17975.5(a), 17975.5(b), 17975.5(c))**

- a. If the owner or designated agent fails or refuses to pay assistance that is owed by him or her, then the local enforcement agency may advance the relocation payments.
- b. If the local enforcement agency advances payment, it is entitled to recover the amount advanced, plus a penalty equal to one-half the advancement (not to exceed \$10,000) and the local enforcement agency's actual costs including direct and indirect costs of administering the provision of benefits to the displaced tenant.
- c. The local enforcement agency may place a lien on the property to recover costs.
- d. The local enforcement agency shall provide owners/designated agents that have failed or refused to pay relocation payments with an itemized accounting of all benefits sought for recovery before instituting any action to collect.
  - i. If the owner/designated agent contends that not all of the benefits are chargeable to the owner/designated agent, a written appeal must be filed with the director of the local enforcement agency within 20 days after receipt by the owner or designated agent of the itemized accounting.
  - ii. If a timely appeal is filed an administrative hearing shall be held by the director or the director's designee to determine the amount of paid benefits that are chargeable to the owner/designated agent.
    - 1. If the owner fails to obtain a more favorable outcome, the owner/designated agent shall be liable to the local enforcement agency for the costs of the administrative hearing and appeal, not to exceed five thousand dollars (\$5,000).

**VIII. Are there other options for tenants? (HSC § 17975.7)**

- a. Tenant relocation assistance remedies are cumulative in addition to any other remedies available under federal, state or local law.