



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY MANAGER

File #: 18-146

Board Meeting Date: 2/27/2018

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: John L. Maltbie, County Manager
Michael Callagy, Assistant County Manager

Subject: Adoption of an Ordinance Readopting and Amending Chapter 3.108, Consisting of Sections 3.108.010 to 3.108.140, to Title 3 of the San Mateo County Ordinance Code, Setting Forth Property Owner Obligations With Respect to Tenants Displaced from Unsafe or Substandard Units

RECOMMENDATION:

Adopt an ordinance readopting and amending Chapter 3.108, consisting of Sections 3.108.010 to 3.108.140, to Title 3 of the San Mateo County Ordinance Code, setting forth property owner obligations with respect to tenants displaced from unsafe or substandard units, previously introduced on February 13, 2018, and waiving the reading of the ordinance in its entirety.

BACKGROUND:

On February 14, 2017, the Board adopted an Ordinance codifying Chapter 3.108 of the San Mateo County Ordinance Code, which set forth property owner obligations with respect to tenants displaced from unsafe or substandard units (the "Ordinance"). The Ordinance took effect 30 days later, on March 16, 2017. The Ordinance included a provision providing that it would sunset one year from its effective date, unless extended by the Board of Supervisors, meaning that the Ordinance is currently scheduled to sunset on March 15, 2018.

The Ordinance was adopted to provide assistance to tenants who are forced to vacate substandard rental units which should not have been rented in the first place or that have become unsafe due to code violations that are the responsibility of the property owner. Once forced to vacate their homes, tenants face the increasingly difficult task of finding affordable replacement housing and the burden of paying moving-related expenses. These same problems persist and may have worsened in the past year, as safe, affordable housing within San Mateo County has become more difficult to find.

DISCUSSION:

In light of the foregoing, staff recommends that the Board readopt an amended version of the Ordinance.

First, staff recommends removal of the sunset provision so that the Ordinance remains in effect permanently. Over the course of the past year, the Ordinance has been used effectively, both to incentivize property owners to voluntarily provide their tenants with relocation benefits without further action by the County and, in one instance where an owner refused to cooperate, to provide several displaced tenants one of whom was elderly and disabled, with relocation benefits. Relocation payments made by property owners will continue to help displaced tenants secure safe replacement housing, hold property owners accountable for the financial hardships they cause their tenants, and deter other property owners from engaging in similar conduct.

Staff also recommends addition of an anti-retaliation provision, which will help further the above goals. Tenants who fear retaliation from property owners may be hesitant to avail themselves of the protections offered by the Ordinance. Although State law provides tenants with general anti-retaliation protections (see Cal. Civ. Code, § 1940.2), the proposed anti-retaliation provision applies specifically to tenants seeking to enforce their rights under the Ordinance. The provision provides: “No property owner shall take any action in retaliation against any member of a tenant household for exercising rights granted under this Chapter.”

Finally, before recommending reintroduction of the Ordinance, staff engaged in outreach efforts with representatives of property owners, including Silicon Valley Association of Realtors (“Silvar”), San Mateo County Association of Realtors (“SAMCAR”), and the California Apartment Association, who proposed additional revisions to the Ordinance. The modified Ordinance includes some of their proposed revisions; specifically: changes to the recitals; limiting the persons who can bring a private right of action for violations of the Ordinance to affected tenant households and/or property owners, and not, as previously allowed, any person or organization who believes a violation has occurred; and procedural changes to the appeal process.

SHARED VISION 2025:

Reintroducing an amended version of the Ordinance is consistent with the County’s shared vision goals of fostering a healthy and livable community.

FISCAL IMPACT:

The fiscal impacts of reintroducing an amended version of the Ordinance are unknown.

While there have been marginal additional costs and staff time related to implementation and enforcement of the program, the relocation payments are generally to be made by property owners whose properties are the subjects of enforcement action. However, the County may, on occasion, advance relocation benefits to displaced tenants, with the expectation that amounts advanced, plus any related administrative costs, will be reimbursed by the property owner. If the property owner fails to timely reimburse the County, the County is entitled to recover an additional amount equal to one-half the amount advanced, up to ten thousand dollars (\$10,000). To date, such costs have been advanced from the Community Development Director’s Abatement Fund, which has a balance of less than \$200,000. A long-term funding source for future costs should be identified.

There might be additional costs incurred and staff time required to process appeals filed by property owners. However, any such fiscal impacts would be mitigated by the appeal processing fee.