

## **LEGISLATIVE DIGEST**

[Administrative Code - CPI Increase for Temporary Tenant Household Dislocation Compensation]

**Ordinance amending Administrative Code Chapter 37 “Residential Rent Stabilization and Arbitration Ordinance” to implement California Civil Code section 1947.9(a)(1)(A) by requiring the Rent Board to annually adjust the daily compensation rate for tenant household temporary dislocation of less than 20 days, according to the Consumer Price Index (CPI).**

### **Existing Law**

Administrative Code Chapter 37 “Residential Rent Stabilization and Arbitration Ordinance” (Rent Ordinance) requires specified landlord relocation payments to tenants for most no-fault evictions from units covered by the Rent Ordinance. The Rent Board adjusts these relocation payment rates each year on March 1, according to the Consumer Price Index (CPI). Current rates are just over \$5,000 per tenant up to a maximum of approximately \$15,500 per household, plus additional payments of approximately \$3,400 for each elderly or disabled tenant or household with minor child(ren) as defined. [See Section 37.9A evictions per Ellis Act; Section 37.9C evictions per owner move-in, demolition or other permanent removal from housing use, substantial rehabilitation, or for temporary capital improvement or rehabilitation work; see the Rent Board website for current payment rate details (<http://www.sfrb.org/Modules/ShowDocument.aspx?documentid=1928>).]

As of January 1, 2013, California Civil Code section 1947.9 modified the Rent Ordinance relocation payment provisions by setting a cap on temporary dislocations of less than 20 days, at \$275 per day per tenant household. Section 1947.9(a)(1)(A) further provides that as of January 1, 2014, the City may adjust that \$275 rate annually, according to the CPI.

### **Amendments to Current Law**

The proposed ordinance would implement California Civil Code section 1947.9(a)(1)(A) by requiring the Rent Board to annually adjust the daily compensation rate for tenant household temporary dislocation of less than 20 days, according to the Consumer Price Index (CPI). [Administrative Code section 37.9(m).]

The CPI adjustment would be calculated using the same CPI formula and the same March 1 annual calculation date currently used for the other Rent Ordinance no-fault eviction relocation payments.

n:\legana\as2014\1400330\00896404.doc