

Withdrawal from Rental Housing Market: Landlord Requirements



October 2018

1



Overview

- Forms and Deadlines
- Requirements:
 - Notice
 - Extended Tenancy
 - Right to Return
 - Relocation Assistance

2



Withdrawing Rental Units Quick Facts

(Government Code 7060, RSO 151.09A.10 and 151.22 through 151.28)

- Owner may withdraw rental units from the rental housing market under the Ellis Act.
- Withdrawal or demolition of the rental unit is a legal reason to evict.
- Tenants are entitled to relocation payment and services.
- Owners must follow procedures under the LAMC.
- Withdrawal is permanent. Re-rental requires notification to HCIDLA and carries civil liability for a period of time.
- If re-rented, the units continue to be subject to the RSO.



3

Forms and Deadlines



4

Memorandum Summarizing Non-Confidential Provisions (Form E1)

- 1) Notarized signatures of all owners or managing member for LLCs
- 2) Record with Los Angeles County Recorder's Office
Submit to HCIDLA Form E1 with the County recordation stamp to HCIDLA
- 3) Deadline: FILE DATE with HCIDLA

5



Notice of Intent to Withdraw Units from Rental Housing Use (Form E2)

Complete form, provide attachments and pay fees

- 1) Grant Deed
- 2) Articles of Incorporation (if LLC) OR Certificate of Limited Partnership (if LP)
- 3) Recorded Memorandum Summarizing Non-Confidential Provisions
- 4) Copy of 120 Day Notice to Terminate Tenancy
- 5) Clearance Summary Worksheet and Demolition Application (only if all units are vacant and property is being demolished)
- 6) Pay Fees
- 7) Deadline: FILE DATE with HCIDLA

6



Notice of Intent to Withdraw Units from Rental Housing Use (Form E2) CONTINUED

Application Fees:

- Relocation Services Provider Fee
(**\$748** Qualified or **\$466** Eligible per tenant)
- Relocation Services Administrative Fee
(**\$65/unit**)
- Demolition Monitoring Fee (accepted only if applicable only if all units are vacant)
(**\$45/unit**)

7



Notice to Tenant of Pending Withdrawal (Form E3)

- 1) Notice contains summary of tenant rights required to be provided by landlord to tenant
- 2) Deadlines:
 - Submit copy of completed forms to HCIDLA on FILE DATE
 - Serve tenant with double sided form within 5 days of FILE DATE with HCIDLA

Note: Owner must serve tenants 120 Day Notice to Terminate Tenancy on FILE DATE (Copy to HCIDLA on FILE DATE).

8



Notice of Interest of Renewing Tenancy (Form E4)

- 1) The tenant has right of first refusal if the unit is returned to the rental market within 10 years after withdrawing the unit.
- 2) If tenant provides completed form to landlord within 30 days after vacating, the landlord must notify the tenant if the same unit is rented again within 2 years of withdrawal date.

Note: Owner to submit copy of Form E4 to tenant with 120 Day Notice.



Notices to City of Claims for:

Extended Tenancy (Form E5) & Extended Dates of Withdrawal (Form E6)

Extended Tenancy (Form E5)

- **Mandatory:** Tenancy termination date must be 365 days from FILE DATE
 - Tenant must be 62+ years old OR disabled + 1 year of tenancy
 - Tenant must give written notice of claim to extended tenancy to landlord within 60 days of FILE DATE of the Notice of Intent to Withdraw with HCIDLA.
 - Landlord must file Form E5 with HCIDLA within 30 days of tenant notification of claim to extended tenancy.

Extended Tenancy (Form E6)

- **Elective:** The landlord has the **option** to extend the tenancies of other tenants (not disabled or 62+yrs) up to **365** days (Can be less than 365) from FILE DATE.
- Landlord must file Form E6 with HCIDLA within 90 days of FILE DATE of the Notice of Intent to Withdraw (Form E2) and notify tenants in writing of new date of withdrawal.



Notice of Intention to Re-Rent Withdrawn Accommodations (Form E7)

If original units are not demolished, but are re-rented:

- 1) Withdrawal of units is intended to be permanent.
- 2) If owners re-rent the same units, they must file Form E7.
- 3) Units continue to be subject to RSO.
- 4) Rent upon re-rental is the amount at the time the units were withdrawn plus annual adjustments.
- 5) Displaced tenants have a right to return for 10 years.
- 6) Civil liability applies if re-rented within 2 years after withdrawal date. Both City and tenants may bring civil action.



Notice of Intention to Re-Rent Withdrawn Accommodations (Form E7) CONTINUED

If original units are demolished and new ones built:

- Generally, units remain subject to all provisions of the RSO, if built within 5 years of withdrawal date.
- No right of return applies for displaced tenant.
- The owner may set the initial rent to any amount, but all subsequent rent increases continue to be regulated under the RSO.



Annual Property Status Report (Form E8)

The report indicates status of demolition, development and confirms registration of newly constructed rented units.

- 1) Deadline: The landlord must file form annually for (7) seven years on or before the yearly anniversary of the filing date.

*The Department may advise if all reporting requirements are met prior to the 7 year period.



Relocation Assistance Payment and Services



Relocation Assistance to Tenant

Tenant has the right to relocation assistance payment and services.

- Relocation payment is due within 15 days of eviction notice.
- Direct payment to tenant or deposit in an escrow account with instructions to tenant within 15 days of eviction notice (RAC 960).
- ❖ Relocation waivers signed on or after 12/13/17 are not valid. Tenant is still entitled to relocation services.



Relocation Assistance to Tenant- CONTINUED

Relocation Assistance Payment Amounts

July 1, 2018 through June 30, 2019

Type of Tenant	Less than 3 years	3 years or more	Low Income (HUD Low Income Limits)
ELIGIBLE	\$8,200	\$10,750	\$10,750
QUALIFIED	\$17,300	\$20,450	\$20,450

A Qualified Tenant is any tenant who is 62 years of age or older, handicapped or disabled, or who has one or more minor dependent children. All other tenants are Eligible Tenants.



Relocation Assistance to Tenant- CONTINUED

2018 HUD Low Income Limits
(Per Household Size)

1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
\$54,250	\$62,000	\$69,750	\$77,500	\$83,700	\$89,900	\$96,100	\$102,300

17



Relocation Assistance to Tenant- CONTINUED

Property Specialists, Inc (dba as CPSI) relocation services to tenant:

- Third Party Contractor
- Tenant Relocation Determination
 - Right to appeal within 15 days
- Landlord pays relocation service fees
- Transportation to find new search for new dwelling
- Ambulance transportation services if needed by tenant
- Rental listings

18



2018 FREE RENT STABILIZATION WORKSHOPS							
(JANUARY 2018)							
2018 LANDLORD-TENANT INFORMATIONAL WORKSHOP SCHEDULE & TOPICS PLEASE CALL (213) 928-9075 TO RSVP	SOUTH 690 KNOX ST. 2 ND TUESDAY 10:00 AM	WILSHIRE 3550 WILSHIRE BLVD 15 TH FLOOR. 2 ND WED. 10:00 AM	EN ESPAÑOL EAST 2130 E. 1 ST ST. 2 ND THURSDAY 10:00 AM	GARLAND 1200 W. 7 TH ST. 3 RD WED. 6:30 PM	VALLEY 8400 LAUREL CANYON BLVD 3 RD THURSDAY 10:30 AM	WEST L.A. 1645 CORINTH AV. 4 TH WED. 10:30 AM	EN ESPAÑOL GARLAND 1200 W. 7 TH ST. LAST THURSDAY 6:30 PM
JULY: TENANT PROTECTIONS WHEN RSO PROPERTIES ARE DEMOLISHED OR WITHDRAWN ("ELLIS")	JULY 10	JULY 11	JULY 12	JULY 18	JULY 19	JULY 25	JULY 26
AUGUST: RSO BASICS FOR NEW LANDLORDS: ALL YOU NEED TO KNOW ABOUT THE RSO	AUG. 14	AUG. 8	AUG. 9	AUG. 15	AUG. 16	AUG. 22	AUG. 30
SEPTEMBER: SEISMIC RETROFIT & THE TENANT HABITABILITY PROGRAM (THP)	SEPT. 11	SEPT. 12	SEPT. 13	SEPT. 19	SEPT. 20	SEPT. 26	SEPT. 27
OCTOBER: PERMANENT WITHDRAWAL FROM THE RENTAL HOUSING MARKET: REQUIREMENTS FOR LANDLORDS & PROPERTY OWNERS	OCT. 9	OCT. 10	OCT. 11	OCT 17	OCT18	OCT 24	OCT 25
NOVEMBER: SCEP	Nov. 13	Nov. 14	Nov. 8	Nov. 21	Nov. 15	Nov. 28	Nov. 29
DECEMBER: PETS IN RENTAL HOUSING	SPECIAL DECEMBER SCHEDULE TIMES & LOCATIONS TO BE ANNOUNCED						
YEAR-ROUND DROP IN SESSIONS							
DOWNTOWN-GARLAND REGIONAL OFFICE: ASSISTANCE WITH RSO & APPLICATIONS – HELP WITH CALCULATING ANNUAL ALLOWABLE RENT INCREASE, CAPITAL IMPROVEMENT, PRIMARY RENOVATION, & JUST & REASONABLE RENT INCREASE APPLICATIONS, DECLARATIONS OF INTENT TO EVICT, & FILING TENANT COMPLAINTS.				1 ST TUESDAY OF THE MONTH: 2:00 P.M. – 4:00 P.M. NOTE: MUST RESERVE IN ADVANCE. RESERVATIONS MUST BE RECEIVED ONE DAY PRIOR TO SESSION. CALL (213) 928-9075 FOR A RESERVATION.			
FAIR HOUSING RIGHTS CLINICS SPONSORED BY SOUTHERN CALIFORNIA HOUSING RIGHTS CENTER:							
CD 9 FIELD OFFICE: 4301 SOUTH CENTRAL AVE. L.A. 90011 EVERY TUESDAY & THURSDAY FROM 9:00 A.M. TO 12:00 NOON				EVERY TUESDAY & THURSDAY @ CD 9 FIELD OFFICE FROM 9:00 A.M. TO 12:00 NOON			
WEST L.A. REGIONAL OFFICE: 1645 CORINTH AVE. L.A. 90025, ROOM 104 – 2ND TUESDAY OF THE MONTH				2 ND WEDNESDAY OF THE MONTH @ WEST L.A. REGIONAL OFFICE FROM 10:00 A.M. TO 12:00 NOON			

RSVP ONLINE @ hcidla.lacity.org/events-calendar

19



To schedule an appointment to file a Notice of Intent to Withdraw call **(213) 808-8537**.

General questions call HCIDLA Hotline (866) 557-7368

RSVP FOR WORKSHOPS

ONLINE AT <http://hcidapp.lacity.org/rsoworkshops>

BY PHONE AT 213-928-9075



Stay in the Know!
Sign up for our electronic newsletter
<http://hcidla.lacity.org/newsletter>

20

