

Ellis Act Ordinance

Form Overview and Instructions

I. ABOUT THE ORDINANCE

The Ellis Act, a California State Law, provides that residential rental property landlords may “go out of business”. To do so, specific process steps must be completed to comply with both state law and the City of San José Municipal Code. Call (408)975-4480 to speak with the Rent Stabilization Program staff or to make an appointment.

Withdrawing Rental Units from the Housing Market

Landlords that choose to permanently remove residential rental units from the rental market **must first meet with a Rent Stabilization Program Information Coordinator to review the process steps, assign a relocation specialist, pay related fees and begin the process of reporting as required by the City of San José.** In addition to payment of fees, landlords must provide notices also required by the City of San José Municipal Code to the City and tenants. As state law allows certain tenants to extend tenancy for **up to one (1) year** from the date of notice to the city, landlords must build in adequate time to provide for such extensions of tenancy in the withdrawal process. Also, landlords will be required to pay **relocation assistance** to evicted tenants. The purpose of the relocation assistance provides tenants reasonable funds to seek and secure new housing. Landlords may offer alternate rent stabilized units to tenants. If a tenant voluntarily agrees to rent the landlord’s alternate rent stabilized unit, relocation assistance is not required.

II. FORM OVERVIEW AND INSTRUCTION

The following forms must be completed and provided to the City and/or tenants subject to eviction through the withdrawal process.

Ellis Act Forms	Purpose	Preparer	Recipient	Timeline
Fee Invoice	Property owners who intend to remove their property from the residential rental market are required to pay an Ellis Act Filing fee to the City of San José to cover costs of relocation services for tenant households and administrative costs. Failure to pay such fee will be deemed in non-compliance with the Ordinance, thus invalidating the Notice of Intent to Withdraw (Form B) .	Landlord	City of San José, Housing Department, Floor 12	Upon delivering the Notice of Intent to Withdraw (Form B)
A Memorandum Summarizing Non-Confidential Provisions of a Notice of Intent to Withdraw Rental Units from the Rental Housing Use on the Property	The form documents the address, number of rental units and informs current and future owners of the withdrawal of rental units from the housing market for a ten-year period from the date of withdrawal.	Landlord	Santa Clara County Recorder’s Office	Within 10 days of delivery to the City of the Notice of Intent to Withdraw, or at least one day prior to sale or transfer of any property containing a Covered Unit
B Notice to Tenant of the Intentions to Withdraw Rental Units from the Rental Market	The form is the landlord’s eviction notice to the tenant. The landlord is required to <u>serve each tenant</u> an eviction notice documenting the landlord’s intent to “go out of business.”	Landlord Landlord	Tenant City of San José, Rent Stabilization Program	Day 1 Within 10 Days of delivery of Notice to Tenants

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C Notice of Tenant's Right to Extend Tenancy and Tenant Qualification for Relocation Assistance Related to Owners Intent to Withdraw Rental Units from the Rental Market	The landlord must provide the form to each tenant. The tenant must notify the landlord and the City of tenant's qualification to extend tenancy and/or eligibility for additional relocation assistance within 60 days of receipt.	Landlord	Tenant	At the time of delivery of owners' Intent to Withdraw (Form B)
	Tenant may also supply corrections to the Notice of Withdraw (Form B) within 30 days of receipt.	Tenant	Landlord City of San José, Rent Stabilization Program	Within 60 days of delivery of owners' Notice of Intent to Withdraw (Form B)
D Notice of Pending Withdrawal to New Occupant	This form is used by the landlord to inform the tenant that the unit will be available for housing for a limited and defined period.	Landlord	New tenant seeking to rent after the withdrawal process has commenced	Prior to entering rental or lease agreement
	The landlord is required to <u>serve each new tenant</u> following the filing of Form B that the unit is in the process of removal from the housing market. If the new owner fails to comply, the new tenant is entitled to Relocation Assistance.	Landlord	City of San José, Rent Stabilization Program	After tenant has signed a waiver of relocation benefits
E Relocation Assistance Payment Information Sheet	This form is to inform the tenant of the range of relocation payments. This form summarizes the relocation assistance payments required to be paid to tenants' subject to eviction based on unit type.	Landlord	Tenant	At the time of delivery of owners' Intent to Withdraw (Form B)
F Relocation Counseling Report	This form is for the relocation specialist to use to determine base and qualified assistance for tenant(s) on Form B Notice to Tenant of Intention to Withdraw Rental Units from the Rental Market.	Relocation Specialist	City of San José, Rent Stabilization Program	



G	Notice of Tenant Right to Return and Owner Intent to Re-Rent Units Previously Withdrawn from the Rental Market Within Five (5) or Ten (10) Years of Withdrawal	This form is for the owner to notice tenant if the owner intends to re-rent the unit(s) within five (5) years or ten (10) years of the effective date of withdrawal.	Landlord	Tenant	Within 5 or 10 Years of Withdrawal
			Landlord	City of San José, Rent Stabilization Program	Within 5 or 10 Years of Withdrawal
H	Proof of Service	This form is for the landlord's use to record proof of service of all required notices to the City and tenants.	Landlord	Tenant	
			Landlord	City of San José, Rent Stabilization Program	
I	Notice of Tenant's Right to Return to Rental Units Previously Withdrawn from the Rental Market	This form is for the landlord to provide the required notice to all tenants occupying previously withdrawn rental to the tenant's last known address and reoffer the unit.	Landlord	Tenant	
J	Ellis Act Master Report	The landlord is required to provide a monthly report to the City regarding notices to tenants, tenant qualifications and extension of tenancy up to the date of withdrawal.	Landlord	City of San José, Rent Stabilization Program	Monthly

Please visit our website at www.sanjoseca.gov/rent for the most up to date fact sheet and complete details of the Ellis Act Ordinance.

