



State of California

BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY

Gavin Newsom, Governor
Lourdes M. Castro Ramírez, Secretary

For Motel Owners Providing Shelter to Families and Individuals Experiencing Homelessness

The information below does not, and is not intended to, constitute legal advice. Readers of this document should contact their attorney to obtain advice with respect to any legal matter, including whether the information contained herein is applicable or appropriate to your particular situation.

Under California law, “persons who hire dwelling units” acquire certain tenancy rights and protections, including protections regarding the termination of a tenancy and eviction from a dwelling unit.

Some motel owners sheltering people experiencing homelessness through government-funded programs have required motel occupants to check out each month, vacate the dwelling unit for a day, and then check back into the motel – specifically to avoid any question regarding the potential establishment of a tenancy. This practice is especially problematic in light of the importance during the COVID-19 pandemic for people to shelter in place and avoid unnecessary movement.

However, homeless persons staying temporarily in a motel through a program where a non-profit or public agency is directly paying the motel are not persons who hire dwelling units if:

- The occupants are not entering into contracts or agreements with the motels regarding the renting of rooms or otherwise arranging for the room (such that it could be said that ***the individuals are hiring*** the motels);
- The occupants are not paying the motels or participating in the decision of which motel should be used and paid; and
- No business relationship is established between the individual and motel owner

In these circumstances, the temporary sheltering of homeless persons does not trigger tenancy under Civil Code section 1940 and related provisions.

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