

CHANGES TO RENT STABILIZATION ORDINANCE

CHANGE

CURRENT LAW

MAYOR & HAHN PROPOSAL

Golden Duplexes

Certain on site owners are exempt from rent control & eviction protections

Golden Duplexes remain as is.

Tenant Right To Organize

Tenants may organize and confer with the owner on housing services. There are no requirements on how many (or how few) tenants can demand to confer with owner.

If at least 50% of tenants agree, may organize as a Union and make owner come to table to negotiate. Rent Board has authority to reduce rent or give rent refund if owner was not deemed to have acted "in good faith" with the Tenants Union. Allow Rent Board to define "good faith."

Applicable for any property being managed by a property management company (including duplexes) or any property over 9 units.

Evictions for Nonpayment of Rent

Can give a 3-day notice to Evict when there is any unpaid amount of rent.

Cannot give a 3 day notice until the tenant is in arrears one month of fair market rent, if tenant in unit that is below fair market rent, could take months in arrears before owner could evict.

Eviction for Violation of Lease

Tenant must have a "substantial violation of a material term of the lease" to evict.

Tenant must have a "substantial violation of a material term of the lease *causing actual injury to the landlord*" to evict. Must prove "tenant's behavior was unreasonable."

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Creation of Housing Retention Fund

No money allocated specifically to helping tenants retain housing.

Would allocate at least \$1.18m per year for “housing retention” using Measure U1 money. Does not specify exact use of funds except to “prevent homelessness.”

Maximum Rent Increases Under Rent Control

65% of CPI with a max cap of 7% at any given time.

65% of CPI with a max cap of 3% at any given time.

Charging Tenants for Utilities

Owners may charge for utilities outside of the monthly rent (e.g. water that is not separately metered, charged on a reasonable per person usage basis).

Owner may NOT charge for utilities outside the monthly rent unless the utility is separately metered.

Termination of Tenancy at Lease Renewal

If tenant does not renew lease for a “substantially similar term”, they must terminate the tenancy and move out. Owner does not have to accept rent after term ends.

If tenant does not renew lease, they can stay without communicating or confirming plans with owner; all tenancies automatically convert to month-month unless tenant agrees otherwise. Owner must accept rent and accept term as M2M.

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Owners Who Rent a Room to a Tenant

Owners who share a kitchen/bath with tenant exempt from rent control & eviction protections.

Exemptions from rent control & eviction protections would only apply if owner lived there at beginning of tenancy.

Financial Fine for Owners Who Don't Register Tenancies

No financial penalty for not registering tenant, if not registered, owner is out of compliance and may not increase rent or evict.

Gives broad authority to Rent Board to levy a fine on landlords that do not notice the Rent Board of a new tenancy.

Costa Hawkins Eradication

Properties exempt from rent control for the first 20 years after issuance of Certificate of Occupancy.

Properties exempt from rent control for first 15 years after issuance of Certificate of Occupancy. Could only occur if Costa Hawkins was eradicated at the state level.

Filing of Eviction Notices & Unlawful Detainers with Rent Board

Owners must file copy of eviction notice and/or Unlawful Detainer within 10 days of filing with court.

Owners must file copy of eviction notice and/or Unlawful Detainer within 3 days of filing with court.