

# SUMMARY OF BERKELEY'S RENT STABILIZATION AND EVICTION FOR GOOD CAUSE ORDINANCE

## Major Components of the Ordinance

1. **Registration** - Payment of annual fee and provision of rent data.
2. **Annual General Adjustments (AGA's)** - the "automatic" rent increase available to property owners without petition, if certain conditions are met (see below) by October 1, of any year.
3. **Individual Rent Adjustments (IRA's)** - rent increases or decreases permitted by the Rent Board, upon petition, if certain conditions are met (see below). Increases are limited to 15% of the rent ceiling or \$53.00, whichever is greater, with a cap of \$ 78.00 during any twelve month period.
4. **Just Cause for Eviction** - enumerated grounds for eviction, if certain conditions are met (see below).

### **Registration**

Registration is considered complete (complete registration = in compliance) if :

- a. Landlord provides all required information and pays all fees and/or penalties.
- b. Landlord must register by July 1, of any year. If fee(s) are not paid by 7/1, landlord is assessed a 100% penalty. Every six months of non-payment of fees thereafter results in another 100% penalty assessment.
- c. **If the rental property is not registered:** landlord does **not** qualify for annual general adjustments or individual rent adjustments and is prohibited from evicting any tenant.

### **Annual General Adjustments**

Annual General Adjustments (AGA's) are awarded "automatically" where a landlord is properly registered with the Rent Board. However, AGA's are **not** awarded as a result of the following:

- a. Landlord has failed to register any unit on the rental property by Oct. 1, of any year (landlord loses 10% of AGA every month not in compliance starting on 11/1. Landlord permanently loses all of AGA if not registered by July 1, of the following year.)
- b. Unit does not comply with implied warranty of habitability;
- c. Landlord has failed to make repairs ordered by the City inspector;
- d. Landlord has demanded and received illegally high rent;
- e. Landlord has failed to pay interest on security deposits;
- f. Landlord has failed to comply with an order of the Board;

## **Individual Rent Adjustments**

**a. Tenant Petitions** - Petitions requesting a rent adjustment for reasons that may include rent overcharges; decreases in living space or housing services; substantial deterioration of the unit or rental property; failure to provide adequate housing services or to comply substantially with applicable housing laws and codes; and failure to provide interest on security deposit. This type of petition is usually filed by a tenant seeking a downward rent adjustment.

**b. Landlord Petitions** - This procedure is intended as a means of providing landlords in Berkeley with a fair return on their investment and include the following categories: maintaining net operating income produced by the rental property in the base year; increases in housing services; increases in number of tenants; capital improvements (as defined by RSB Regulation 1267, 6/96); and increases in property taxes upon transfer of title. This type of petition is usually filed by a landlord seeking an upward rent adjustment.

No upward rent adjustment is awarded when any of the following circumstances are determined by a hearing examiner to exist:

- unit does not comply with implied warranty of habitability;
- landlord has demanded and received illegally high rent;
- landlord has failed to pay interest on security deposit;
- landlord has failed to comply with an order of the Board;
- landlord has failed to comply with a refund order to the tenant;
- landlord has failed to properly register the rental unit with the Board

## **Just Cause Evictions**

**Just Cause** - If a landlord wishes to ask a tenant to vacate a rental unit which falls under the jurisdiction of Berkeley's Rent Law, it must be for one of the following reasons: non-payment of rent; breach of covenant; damage to property ; refusal to sign a new lease which is substantially identical to the old lease; disorderly conduct; demolition of premises; owner move-in (50% owner must offer comparable unit to tenant if available); substantial repairs (repairs necessary to bring rental property into compliance with code requirements - must offer vacant unit owned by landlord if available, tenant has right of first refusal).

**No Eviction can take place unless the following conditions are met:**

- a. The property is completely registered, **and**
- b. rents for all units on property are legal, **and**
- c. each unit substantially complies with the implied warranty of habitability.

## **Vacancy De-control/Re-control Law**

California law allows a landlord to set the initial rent for a new tenancy if the previous tenancy ended voluntarily. Until January 1999 this new initial rent level is limited to 15% above the last actual rent in most cases. Once the new tenancy is established, the landlord must record that information with our agency. The new rent is controlled until the tenant leaves voluntarily. More information on the effect of this law and specific limitations can be obtained from our public information unit.

For more information contact the Public Information Unit, Berkeley Rent Stabilization Program, 2125 Milvia St., Berkeley, CA, 94704, or call (510) 644-6128, Mon. - Fri. 9:00 A.M. - 4:45 P.M.  
INTERNET SITE: <http://www.ci.berkeley.ca.us/rent/>

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