Presented by the City Attorney's Office Yibin Shen - City Attorney Bill Chapin - Rent Program Director



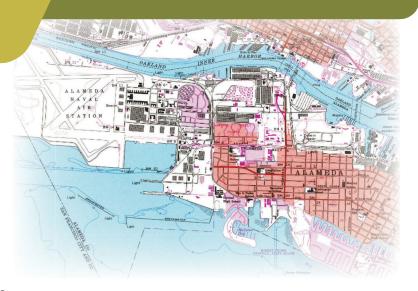
ALAMEDA RENT PROGRAM

**Monthly Report** 

August 2023

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#### **NEWS & NOTES**

- As of August 31, 2023, more than 3,000 Landlords have paid annual program fees for FY23-24. Late penalties will be assessed on unpaid fees beginning Sept. 1, 2023.
- Staff hosted a community workshop on potential updates to the City's Capital Improvement Plan (CIP)
   Policy August 28<sup>th</sup> at City
   Hall. There were 34 in person attendees and 61 via Zoom.
- Beginning September 1, 2023, a new Annual General Adjustment (AGA) of 2.9% goes into effect through August 31, 2024.



## **OUTREACH**

Staff serves individuals in the community Monday through Friday via telephone, email, Zoom and inpersonappointments. Informational workshops are offered twice monthly.

<u>Upcoming Informational Workshops</u> Tuesday, September 19, 6pm - Zoom Thursday, Oct 5, 2pm - City Hall West Tuesday, Oct 17, 6pm - Zoom

	PERSONALIZED SERVICE		INFORMATIONAL WORKSHOPS	WEBSITE	
	Individuals Contacted	Total Inquiries	Attendees	Unique Users	Total Sessions
AUGUST 2023	435	823	4	2576	3837
YEAR-TO- DATE	3261	6387	62	20119	29989



#### **REGISTRATION**

The online Rent Registry is available for landlords and property managers to submit, verify, and update registration information; pay the annual program fee; and more. Staff continues to work with landlords to update information in the registry and process submissions.

	AUG 2023	YTD
Properties Submitting Late Registration*	3	48
Property Change in Ownership Processed	54	157
Documentation Demonstrat- ing that property is Exempt from Regulation	15	94
Requests to Exempt Unit from Annual Program Fee	47	222
Properties Submitting Payment of Annual Fees**	595	3076

<sup>\*</sup>As of September, 1, 2023, approximately 94.9% of Alameda rental units and 90.9% of rental properties have completed registration.

#### AGA RENT INCREASES

Landlords who have registered their rental properties and paid the annual program fee are entitled to one rent increase every 12 months limited by a percentage cap, known as the Annual General Adjustment or AGA.

The AGA for the period from September 1, 2023, to August 31, 2024, is **2.9**%

#### "BANKED" RENT INCREASES

The Rent Ordinance allows landlords who choose not to raise the rent for a full 12 months, or choose to raise the rent by less than the AGA, to "bank" those unused amounts. The Ordinance requires any landlord using "banked" amounts to file a copy of the notice with the Rent Program

	AUG 2023	YTD
Current Rent Updated on Unit	335	2347
"Banked" Rent Increase Filed	84	435
Updated Unit Info showing an Invalid Rent Increase	46	394

#### CAPITAL IMPROVEMENT PLANS

Landlords may apply to pass the cost of certain substantial improvements, amortized over time, on to tenants. In addition, landlords must file a Capital Improvement Plan (CIP) whenever a tenant must be temporarily relocated or a tenancy terminated because of the work associated with qualifying capital improvements. *Note: On June 6, 2023, City Council approved a temporary moratorium on CIPs for properties with 25 or more rental units.* 

	New		CIP Review Status		
Submissions		Under Review	Approved	Denied	Total
AUG 2023	0	0	0	0	0
YTD	3	2	1	1	4



<sup>\*\*</sup>As of September, 1, 2023, approximately 77.8% of Alameda rental properties had submitted payment of annual program fees for the FY23-24 fiscal year

# RENT REVIEW & PETITIONS

Multi-family units built prior to February 1995 are subject to a cap on the annual amount of rent increase, known as the Annual General Adjustment (AGA). Landlords may petition for an upward adjustment in the rent, and tenants may petition for a downward adjustment.

#### **LANDLORD SUBMISSIONS**

	AUG 2023	YTD
Petition for Upward Adjustment	0	1
Request For Staff Review	0	3
Rent Increase greater than 10%	0	0

#### **TENANT SUBMISSIONS**

	AUG 2023	YTD
Petition for Downward Adjustment	1	18
Request for Staff Review	0	41
TOTALS	1	63

In addition, tenants and landlords may request that staff conduct a review of:

- The calculation of the maximum allowable rent allowed by the AGA
- II. The base rent and/or housing services included with base rent as reported by the landlord
- III. Previous or pending rent increase notices to determine if they complied with all rent ordinances and regulations

Staff will work with the landlord to correct any registration errors. If the review shows the tenant has been paying more than the maximum allowed by the AGA, staff will direct the landlord to reset the rent and refund the overpayment.

If the tenant received an invalid notice that is not yet effective, staff will direct the landlord to rescind the notice.

Annually, the Rent Program sends letters to the landlord and tenant informing them of the maximum allowable rent and providing a deadline by which to file review.

## **HEARING OUTCOMES**

	AUG 2023	YTD
Upward Rent Adjustment	0	0
Downward Rent Adjustment	0	2
Petition Denied	0	2
Petition Withdrawn	0	5
Pending	1	10
TOTALS	1	19

## **STAFF REVIEW OUTCOMES**

	AUG 2023	YTD
No Violation	0	7
Registry Error Corrected	0	6
Rent Reset & Tenant Refunded	0	8
Invalid Notice Rescinded	0	4
Request Withdrawn	0	8
Pending Review	0	11
TOTALS	0	44



#### TERMINATION OF TENANCY

The Rent Ordinance prevents landlords from terminating a tenancy except for certain allowable grounds and requires a relocation payment in cases where the termination is not the fault of the tenant. Terminations based on these "no fault" grounds must be filed with the Rent Program. Submissions may be "Withdrawn" due to a deficiency with the ordinance or because a landlord chooses to rescind the notice.

OMI = Owner Move-In
WRM = Withdrawal from the Rental Market

TERMINATION SUBMISSIONS					
	OMI	WRM	Other	Withdrawn	TOTALS
AUG 2023	2	0	0	3	5
YTD	19	5	0	13	37

### **BUYOUT SUBMISSIONS** Deficient **TOTALS** Active Rescinded **AUG** 0 0 0 0 2023 17 **YTD** 13 4 0

#### **BUYOUT AGREEMENTS**

A buyout agreement is a written agreement between a landlord and a tenant, by which a tenant agrees to vacate, usually in return for money. The Rent Ordinance affords protection to tenants who are offered buyout agreements. Buyout Agreements must be filed with the Rent Program. Staff review submissions to ensure that tenants have been advised of their rights. An agreement that does not satisfy all requirements of the rent ordinance is not effective, and the tenant may rescind the deficient agreement at any time.

No Buyout Agreement submissions were filed in August. Of the 17 received in 2023, the average value has been \$19,424 with an average length of tenancy at 9 years.

# MONITORING OF RENTAL UNITS

Certain restrictions are imposed on rental units after a tenancy is terminated based on grounds for which the tenant is not at fault. These restrictions apply regardless of a change in ownership. On an annual basis, program staff initiates monitoring of the unit to verify compliance with the restrictions while they remain in effect. These annual monitoring cases remain "ongoing" until staff receives sufficient documentation from the property owner.

	Owner Move-In		Withdrawal from	TOTAL		
	Case Initiated	Ongoing	Case Initiated	Ongoing	UNITS	
AUG 2023	1	5	0	6	12	
YTD	39		48		87	

