

[www.mountainview.gov/rentstabilization](http://www.mountainview.gov/rentstabilization)

# Overview CSFRA

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1. Establishes a **Base Rent** for covered Rental Units
2. **Limits rent increases** on covered Rental Units
3. Provides **Just Cause** tenant eviction protections
4. Establishes a **Rental Housing Committee**
5. Requires landlords to **file all Notices** of Termination with the Rental Housing Committee
6. Establishes a **Petition Process** for individual rent adjustments

# Background

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February, 2010

- Tenant Relocation Assistance Ordinance

January 7, 2016

- Right to Lease Ordinance

May 26, 2016

- Rental Housing Dispute Resolution Program

June, 2016

- Signatures submitted to put Measure V on ballot

November 8, 2016

- Election day: Measure V received majority votes

November 15, 2016

- Just Cause Urgency Ordinance Effective

December 22, 2016

- Temporary Restraining Order on CSFRA

April 5, 2017

- Preliminary Injunction Denied: CSFRA Effective

April 18, 2017

- RHC appointed

# Rental Units covered under CSFRA:

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First Certificate of Occupancy:	Rent Increases	Just Cause	Rent Roll Back
Before February 1, 1995	<b>Y</b>	<b>Y</b>	<b>Y</b>
Between February 1, 1995 & April 5, 2017	Exempt	<b>Y</b>	Exempt
After April 5, 2017	Exempt	Exempt	Exempt
<b>Exempt:</b> <ul style="list-style-type: none"> <li>✓ Single Family Homes</li> <li>✓ Condominiums</li> <li>✓ Companion Units</li> <li>✓ Duplexes</li> <li>✓ Units in hotels, motels, etc. rented out for less than 30 days</li> <li>✓ Units in hospital, medical care facility, dormitory, etc.</li> <li>✓ Government or subsidized rental units</li> </ul>	Exempt	Exempt	Exempt

# What is my Rent Roll Back?

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## Base Rent:

Tenancy started on or before  
October 19, 2015

- Rent in effect on October 19,  
2015

**OR**

Tenancy started after October 19,  
2015

- Initial Rent at start of tenancy

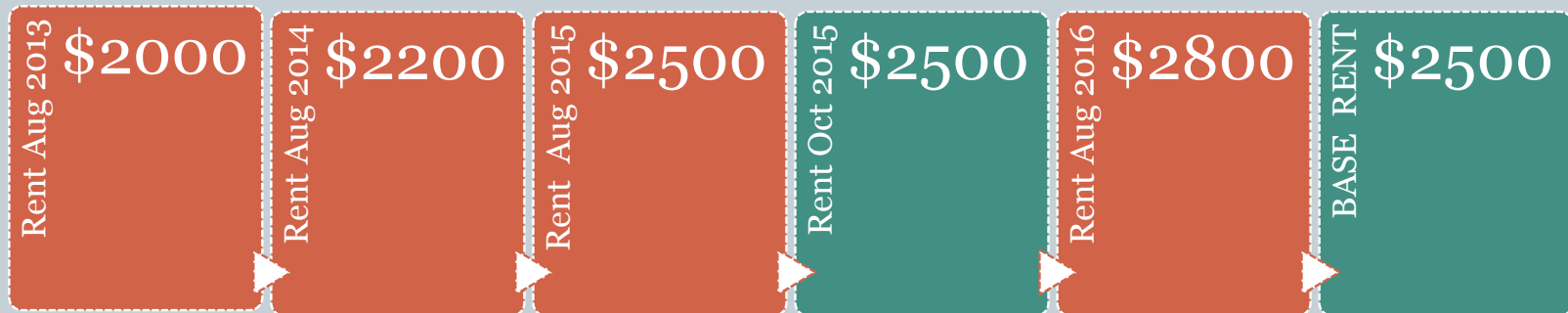
# Base Rent

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Scenario 1:

Tenancy started August 2013.

Every year in August tenant receives a rent increase:



# Base Rent

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Scenario 2:  
Tenant started renting in March of 2016;  
received rent increase in March 2017:



# How do I request Rent Roll Back?

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- Submit template letter establishing base rent to landlord
  - ✦ Available on City of Mountain View website
- Contact Mountain View Rental Housing Helpline to help communicate with landlord.

**TIP:** Get any agreements with landlord in writing



# What if I received a 3 day notice?

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- Pay the higher rent within 3 days, and
- Contact Mountain View Rental Housing Helpline to discuss options for refund
- Or risk getting evicted through an Unlawful Detainer process

# What if I overpaid rent?

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- Contact Mountain View Rental Housing Helpline to help communicate with landlord:
  - ✦ Request Refund, or
  - ✦ Prorate for next month's rent

**TIP:** Get any agreements with landlord in writing

# Allowable Rent Increases

## Base Rent Plus

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### Annual General Adjustment (AGA):

- Only One increase per year
- RHC sets Annual General Adjustment by June 30 of each year
- Annual General Adjustment (rent increase) goes into effect September 1 of each year
- No less than 2% no more than 5%

### (if applicable) Individual Rent Adjustments:

- Landlord
- Upward petition (rent increase)
  
- Tenant
- Downward petition (rent decrease)

# Allowable Rent Increases

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## Example Calculation:

- Base Rent = \$2000
- 2017 Annual General Adjustment of 3.4% = \$68  
(on or after September 1, 2017)
- Individual Rent Adjustment (by petition) = \$0

Maximum Allowable Rent = \$2068

# Consumer Price Index (CPI)

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- A measurement of average change over time in the price of goods and services determined by the United States federal government
- The CPI is the most widely used measure of inflation.
- CPI = Consumer Price Index (all urban consumers, all items, San Francisco, Oakland, San Jose region) as published by US Dept. of Labor\*

\* US Bureau of Labor Statistics, 2017

# Annual General Adjustment (AGA)

The Amount by which the Maximum Allowable Rent for covered Rental Units may be increased each year

- Calculated based on change in CPI each year
- Announced by Rental Housing Committee in June
- Effective by September 1 each year

**AGA** does not **AUTOMATICALLY** increase actual rent paid by a tenant:

- A Landlord **MAY** increase rent with AGA upon proper written rent increase notice.

# Allowable Rent Adjustments

## Banking:

- Banking of rent increases allowed:
  - ✦ Maximum Rent Allowed + pulling from bank and allowed prior rent increases that were not imposed
  - ✦ (if any) = max 10% annual increase

## Vacancy Decontrol:

- Initial rent for new tenants may be set at market after voluntary vacancies or just cause terminations

# Landlord Petition Process

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## Upward rent adjustments

Landlord may file petition for upward adjustment of rent only when landlord demonstrates such adjustments are necessary to ensure a fair and reasonable rate of return.

Landlord must fully comply with all provisions of CSFRA to be allowed upward rent adjustment.



# Landlord Petition Process

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## Upward rent adjustments

Factors to be considered:

- Changes in property taxes
- Unavoidable changes in costs for repairs/maintenance
- Properly amortized costs for capital improvements necessary to comply with health and safety codes
- Changes in number of tenants, furnishings or housing services
- Substantial deterioration, not normal wear and tear
- Pattern of recent rent increases/decreases

# Landlord Petition Process

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## Upward rent adjustment

### Factors Excluded:

- Cost of debt service for any debt obtained after October 19, 2015 unless debt incurred to finance capital improvements to meet code compliance
- Penalties/fees violation of CSFRA or other housing law
- Costs of capital improvements not necessary to bring property into compliance with local codes affecting health or safety
- Income taxes

# Tenant Petition Process

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## Downward rent adjustment:

1. Failure to maintain rental premises in habitable condition
2. Decrease in housing services or maintenance
3. Rent in excess of lawful rent authorized by CSFRA

# Just Cause for Eviction

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## **BEFORE:**

State Law allows “no cause” 30/60 day termination notice.

**NOW** (under CSFRA) **termination notice ONLY** permitted for one of the following reasons (**causes**):

1. Failure to pay rent
2. Breach of lease
3. Nuisance
4. Criminal activities
5. Failure to give access

# Just Cause for Eviction

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**AND ALSO** a landlord is permitted to issue a **termination notice** for the following just causes:

6. Temporary vacancy due to necessary/substantial Repairs\*
7. Owner move-in\*
8. Withdrawal units from market\*
9. Demolition\*

\*Relocation Payment required (120% AMI)

\*Tenants right of first return

# Written Notice to Cease

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## NEW REQUIREMENT

### Written Notice to Cease for

Breach of Lease

Nuisance

Criminal activities

Failure to give access

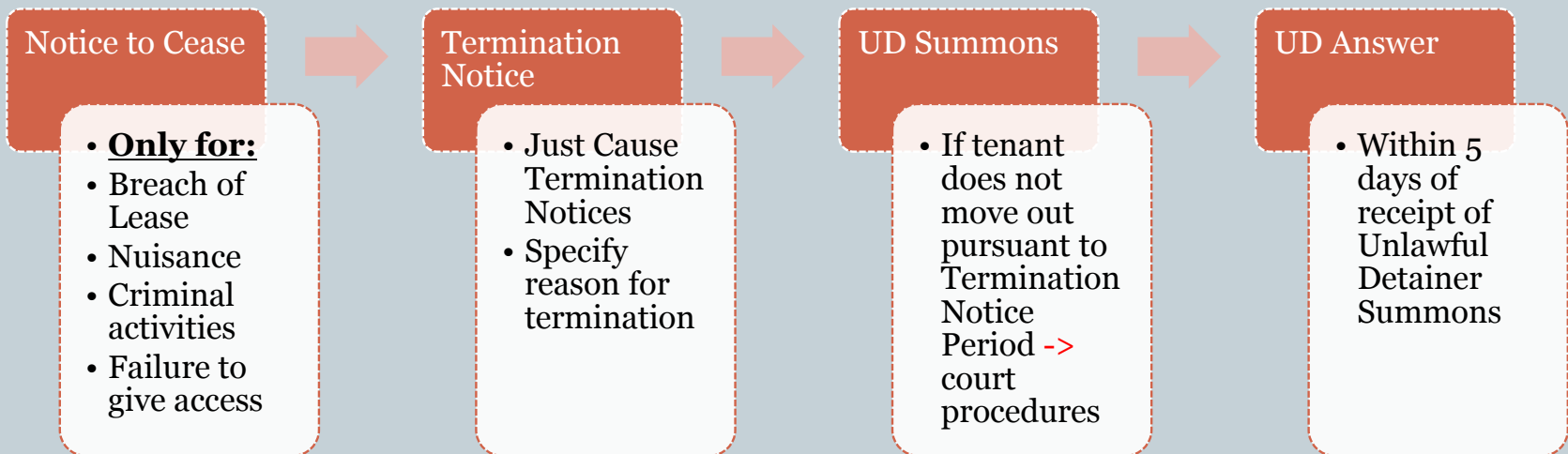
Gives tenant opportunity to cure an alleged violation

- Provide tenant “reasonable period” to cure
- Must state that failure to cure may result in eviction
- Inform tenant of right to request reasonable accommodation
- Include Rental Housing Committee contact no: (650) 903-6125
- Include instructions for compliance

# Just Cause for Eviction

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## “Just cause” termination process:



# Relocation Assistance

## Requirements:

- All termination notices must specify the basis for the termination
- Any unlawful detainer action must allege compliance with CSFRA
- Tenant may not be terminated for rightfully exercising his/her rights
- Termination notice must be filed with Rental Housing Committee **within 3 days** of serving notice to tenant
- Termination notice (#6-9) must include right to relocation assistance



# Tenant Relocation Assistance

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In Just Cause termination cases (#6-9 above), tenants **are** eligible for tenant relocation assistance if Household Income is not greater than **120% AMI**

## Includes:

- Refund security deposit
- 60-day subscription to Rental Agency
- 3-months median rent for similar unit in MV
- \$3000 for special circumstances: seniors, minors, disabled

# First Right of Return

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- In Just Cause termination cases (#6-9 above), tenants have **right of first return** if their unit is returned to market by current or successor landlord.
- Rent shall be amount at time of termination notice.

# Rental Housing Committee (RHC)

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1. Comprised of 5 members and 1 alternate member
2. No more than two members who own or manage rental property or are realtors/developers
3. Appointed by City Council (April 18, 2017)
4. First meeting May 8, 2017
5. Second meeting May 22, 2017

# Rental Housing Committee

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## Key Tasks:

- Set rent at fair and equitable levels
- Establish Rules and Regulations
- Determine Annual General Rent Adjustment
- Appoint Hearing Officers
- Establish Budget for CSFRA implementation
- Hold Public Hearings
- Conduct studies, surveys, investigations, hearings
- Report periodically to City Council
- Publicize Program
- Establish schedule of Penalties
- Pursue Civil Remedies with City Council approval?
- Intervene in Litigation with City Council approval
- Administer withdrawal process for removal of rental units

# CSFRA Organizational Chart

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## City Council

- Appoint RHC members
- Receive periodic reports
- Approve RHC intervention in litigation

## RHC

- Duty to administer and enforce CSFRA
- Establish regulations and procedures
- Establish budget & fee

# Services for both Landlords and Tenants

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## City Resources:

**Website:** [www.mountainview.gov/rentstabilization](http://www.mountainview.gov/rentstabilization)

**Updates:** [www.mountainview.gov/mymv](http://www.mountainview.gov/mymv)

check “Rent Stabilization updates”

# Services for both Landlords and Tenants

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Mountain View Rental Housing Helpline: (habla espanol)  
(Information, Review your issues, options, resources)

Tel: (650) 282-2514

Email: [CSFRA@housing.org](mailto:CSFRA@housing.org)

Walk In: Office Hours at City Hall:  
Thursdays 12pm-2pm