

Community Stabilization and Fair Rent Act
Regulations

**CHAPTER 2
DEFINITIONS**

Unless further defined in the Community Stabilization and Fair Rent Act or elsewhere in the Regulations, the words or phrases below shall have the following meanings:

- a. **Annual General Adjustment.** The Annual General Adjustment is the percentage by which the Rent for existing tenancies in Covered Rental Units may be increased each year, subject to the limitations of this Article.

- b. **Base Rent.** The Base Rent is the reference point from which the lawful Rent shall be determined and adjusted in accordance with the Act.
 - (1) **Tenancies Commencing on or Before October 19, 2015.** The Base Rent for tenancies that commenced on or before October 19, 2015 shall be the Rent in effect on October 19, 2015.

 - (2) **Tenancies Commencing After October 19, 2015.** The Base Rent for tenancies that commenced after October 19, 2015 shall be the initial rental rate charged upon initial occupancy, provided that amount is not in violation of the Act or any provision of State law. The term “initial rental rate” means only the amount of Rent actually demanded to be paid and paid by the Tenant for the initial term of the tenancy.
 - (i) **Rent Concession.** If a temporary rent concession is provided by the Landlord during the initial term of the tenancy, the “initial rental rate” shall be the average amount of Rent actually demanded to be paid and paid by the Tenant during the initial term of the tenancy. A “rent concession” includes, but is not limited to, any of the following:
 - One (1) or more months’ free Rent, except as specified in subparagraph (ii) below; or
 - A dollar or percentage amount reduction of the Rent provided over the course of the initial term of the tenancy.

 - (ii) **Exclusions.** The following shall not be considered in the calculation of “Base Rent” for any Tenancy:
 - First month’s free or discounted Rent, where the “first month” refers to the first full month following the start date of the Rental Agreement. For

instance, if the Rental Agreement begins on September 15, then the “first month” would refer to the period from October 1 to October 31; or

- The Tenant’s withholding of or failure to pay Rent in violation of the Rental Agreement, the Act, or State law; or
- Any reduction in Rent imposed pursuant to the final decision of a Hearing Officer or the Rental Housing Committee in a petition for downward adjustment based on failure to maintain a habitable premises or a decrease in housing services or maintenance, as outlined in Sections F and H of Chapter 6 of these Regulations, respectively.

(iii) Initial Term of Tenancy. The “initial term of the tenancy” refers to either the initial term as agreed upon by the Landlord and Tenant in the Rental Agreement, or if the Rental Agreement is month to month or longer than twelve (12) months, the initial term shall mean twelve (12) months.

- Where the first month’s Rent is free, the “initial term of the tenancy” shall be reduced by one (1) month in calculating the Base Rent. For instance, if the Rent for the first month of a six (6) month Rental Agreement is free, then the “initial rental rate” shall be the average of the amount of Rent actually demanded to be paid and paid by the Tenant over the course of the subsequent five (5) months. Similarly, if the Rent for the first month of a twelve (12) month Rental Agreement is free, then the “initial rental rate” shall be the average of the amount of Rent actually demanded to be paid and paid by the Tenant over the course of the subsequent eleven (11) months.

(iv) Examples. Below are a number of examples demonstrating the calculation of Base Rent.

- Example 1: If a Tenant agrees to pay One Thousand Dollars (\$1,000)/month for twelve (12) months for a Rental Unit and the Landlord provides a concession of first month’s Rent free, then the Base Rent for the Rental Unit shall be One Thousand Dollars (\$1,000) $((11 \times \$1,000)/11)$.
- Example 2: If a Tenant agrees to pay One Thousand Dollars (\$1,000)/month for twelve (12) months for a Rental Unit and the Landlord provides a concession of two (2) free months, then the Base Rent for the Rental Unit shall be Nine Hundred Nine Dollars and Nine Cents (\$909.09) $((10 \times \$1,000)/11)$. In this example, the first free month would be excluded from the calculation, while the second free month would be included in the calculation.

- Example 3: If the Landlord provides a twenty five percent (25%) discount over the course of the twelve (12) months, then the Base Rent for the Rental Unit shall be Seven Hundred Seventy Dollars and Eighty-Three Cents (\$770.83) $((1 \times \$1000 + (11 \times \$750))/12)$. In this example, the first month's reduction would be excluded from the calculation.
- (v) Notice of Rent Concession. A Landlord who provides any form of concession, regardless of whether that concession is included or excluded from the calculation of Base Rent, must provide the Tenant with a Notice of Rent Concession at the time that the parties enter into the Rental Agreement. The Notice of Rent Concession shall be in a form prescribed and provided by the Rental Housing Committee and shall include, at least, the following information:
- The type of concession provided;
 - The amount of concession provided; and
 - The calculation of the Tenant's Base Rent for the Rental Unit, as calculated pursuant to these Regulations.

This requirement shall apply to Tenancies commencing on or after September 1, 2022.

- c. **Committee**. The term "Committee" refers to the Mountain View Rental Housing Committee established by this Article.
- d. **Covered Rental Units**. All Rental Units not specifically exempted by this Article.
- e. **City Council**. The term "City Council" refers to the City Council of the City of Mountain View.
- f. **Disabled**. The term "Disabled" is defined in Government Code Section 12955.3.
- g. **Hearing Officer**. An official appointed by the Committee to conduct an investigation or administrative hearing pursuant to this Article.
- h. **Housing Services**. Housing Services include, but are not limited to, repairs, maintenance, painting, providing light, hot and cold water, elevator service, window shades and screens, storage, kitchen, bath and laundry facilities and privileges, janitor services, Utility Charges that are paid by the Landlord, refuse removal, furnishings, telephone, parking, the right to have a specified number of occupants, and any other benefit, privilege, or facility connected with the use or occupancy of any Rental Unit.

Housing Services to a Rental Unit shall include a proportionate part of services provided to common facilities of the building in which the Rental Unit is contained.

- i. **Individual Rent Adjustment.** An adjustment to the otherwise lawful Rent authorized by a Hearing Officer or the Committee pursuant to this Article.
- j. **Landlord.** An owner, lessor, sublessor, or any other person entitled to receive Rent for the use and occupancy of any Rental Unit or an agent, representative, predecessor, or successor of any of the foregoing.
- k. **Petition.** A petition for Individual Rent Adjustment pursuant to this Article.
- l. **Primary Residence.** The occupant's usual place of return. To classify a unit as an occupant's Primary Residence does not require that the occupant be physically present in the unit at all times or continuously but does require that the unit be the occupant's usual place of return. Factors that are indicative of Primary Residence include, but are not limited to:
 - (1) The occupant carries on basic living activities at the subject premises for extended periods;
 - (2) The subject premises are listed with public agencies, including, but not limited to, Federal, State, and local taxing authorities, as the occupant's primary residence;
 - (3) Utility Charges and other charges and fees associated with usage of the structure are billed to and paid by the occupant at the subject premises;
 - (4) The occupant does not file for a homeowner's tax exemption for any different property;
 - (5) The occupant is not registered to vote at any other location; and
 - (6) Ownership is held in the name of the occupant claiming Primary Residence and not held by a limited liability corporation or other corporate or business entity structure.
- m. **Property.** All Rental Units on a parcel or lot or contiguous parcels or contiguous lots under common ownership.
- n. **Recognized Tenant Organization.** Any group of Tenants residing in Rental Units in the same building or in different buildings operated by the same management company, agent, or Landlord who choose to be so designated. This shall also include any other at-large organization that represents the interest of Tenants.

- o. **Relocation Assistance.** Financial assistance in the amounts set forth in Mountain View City Code, Article XIII, Section 36.38.15, including, without limitation, Subsection 36.38.15(d), regarding “special-circumstances” households as defined in Mountain View City Code, Article XIII, Section 36.38.05(g).
- p. **Rent.** All periodic payments and all nonmonetary consideration, including, but not limited to, the fair-market value of goods, labor performed, or services rendered to or for the benefit of the Landlord under a Rental Housing Agreement concerning the use or occupancy of a Rental Unit and premises and attendant Housing Services, including all payment and consideration demanded or paid for parking, Utility Charges, pets, furniture, and/or subletting.
- q. **Rental Housing Agreement.** An agreement, oral, written, or implied, between a Landlord and Tenant for use or occupancy of a Rental Unit and for Housing Services.
- r. **Rental Housing Fee.** The fee described in Subsection 1709(j)(1) herein.
- s. **Rental Unit.** Any building, structure, or part thereof, or land appurtenant thereto, or any other rental property rented or offered for rent for residential purposes, together with all Housing Services connected with use or occupancy of such property, such as common areas and recreational facilities held out for use by the Tenant.
- t. **Single-Family Home.** A detached building containing a single residential dwelling unit separately alienable from any other dwelling unit.
- u. **Tenant.** A Tenant, subtenant, lessee, sublessee, or any other person entitled under the terms of a Rental Housing Agreement or this Article to the use or occupancy of any Rental Unit.
- v. **Utility Charges.** Any charges for gas, electricity, water, garbage, sewer, telephone, cable, internet, or other service relating to the use and occupancy of a Rental Unit.
- w. **Written Notice to Cease.** A written notice provided by a Landlord that gives a Tenant an opportunity to cure an alleged violation or problem prior to service of a notice to terminate tenancy. Any Written Notice to Cease must:
 - (1) Provide the Tenant a reasonable period to cure the alleged violation or problem;
 - (2) Inform the Tenant that failure to cure may result in the initiation of eviction proceedings;
 - (3) Inform the Tenant of the right to request a reasonable accommodation;

- (4) Inform the Tenant of the contact number for the Committee; and
- (5) Include sufficient details about the conduct underlying the Written Notice to Cease that allow a reasonable person to comply.