

RENT STABILIZATION BOARD Regular Meeting Thursday, April 15, 2021 7:00 p.m.

PUBLIC ADVISORY: THIS MEETING WILL BE CONDUCTED EXCLUSIVELY THROUGH VIDEOCONFERENCE AND TELECONFERENCE

Pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, this meeting of the City of Berkeley Rent Stabilization Board (Rent Board) will be conducted exclusively through teleconference and Zoom videoconference. Please be advised that pursuant to the Executive Order and the Shelter-in-Place Order, and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, **there will not be a physical meeting location available.**

To access this meeting remotely: Join from a PC, Mac, iPad, iPhone, or Android device by clicking on this URL: https://zoom.us/j/95480886658?pwd=SmJrc1QzdDczeDltaHhySWxndndVQT09. If you do not wish for your name to appear on the screen, then use the drop-down menu and click on "rename" to rename yourself to be anonymous. To request to speak, use the "Raise hand" icon by rolling over the bottom of the screen.

To join by phone: Dial 1-669-900-6833 and enter Meeting ID: 954 8088 6658 and Passcode: 427413. If you wish to comment during the public comment portion of the agenda, Press *9 and wait to be recognized by the Chair.

To submit an e-mail comment to be read aloud during public comment, email amueller@cityofberkeley.info with the Subject Line in this format: "RENT BOARD MEETING PUBLIC COMMENT ITEM." Please observe a 150 word limit. Time limits on public comments will apply. Written comments will be entered into the public record. Email comments must be submitted to the email address above by 5:00 p.m. on the day of the meeting in order to be included.

Please be mindful that this meeting will be recorded, and all other rules of procedure and decorum will apply for Rent Board meetings conducted by teleconference or videoconference.

This meeting will be conducted in accordance with Government Code Section 54953, 54956, and all current state and local requirements allowing public participation in meetings of legislative bodies. Any member of the public may attend this meeting. Questions regarding this matter may be addressed to Matt Brown, Acting Executive Director, at (510) 981-7368. The Rent Board may take action related to any subject listed on the Agenda.

RENT STABILIZATION BOARD

Regular Meeting Thursday, April 15, 2021 7:00 p.m.

AGENDA

*Times allotted for each item are approximate and may be changed at the Board's discretion during the course of this meeting.

- **1. Roll call** 1 min.*
- 2. Approval of Agenda 1 min.*
- 3. <u>Public Comment</u> 2 min. per speaker for *non*-agendized items*
- **4. CONSENT ITEMS** 1 min.*
 - a. Approval of the March 18th regular meeting minutes
 - b. Recommendation to adopt proposed amendments to Regulation 1013 *Second reading* (IRA/AGA/Registration Committee and Acting Executive Director)
 - c. Recommendation to adopt Resolution 21-04 revising the Rent Board's Regular Meeting Schedule for 2021 (Chair Simon-Weisberg and Acting Executive Director)
 - d. Recommendation that the Chair disband the Habitable and Sustainable Housing Committee (HASH) (Chair Simon-Weisberg and Acting Executive Director)
 - e. Proposal to approve staff recommendations on the following requests for waivers of late registration penalties (Acting Executive Director and Registration Unit Supervisor)

Administrative Waiver

Waiver No.	Property Address
4966	2149 Russell Street

Ministerial Waivers

Waiver No.	Property Address
4940	1604 Derby Street
4943	2441 McKinley Avenue
4958	1437 Oxford Street
4959	1737 San Pablo Avenue
4960	1312 Carleton Street
4961	2214 Martin Luther King Jr. Way
4963	1269 Alcatraz Avenue

Discretionary Waivers

Waiver No.	Property Address
4944	2057 Emerson Street
4952	515 Colusa Avenue
4964	2001 Allston Way
4965	1115 Ward Street
4967	2035 Parker Street
4969	2610 College Avenue

- 5. <u>Public Comment</u> 2 min. per speaker for agendized items*
- **6.** <u>Special Presentation</u>: Rent Board Resolution 21-03 in honor of Dorothy King, Everett & Jones owner and long-time tenant advocate for the unhoused
 - a. Recommendation to adopt Resolution 21-03 in honor of Dorothy King

7. ACTION ITEMS

- a. From Board Members, Committees, and Executive Director
 - (1) Presentation on Housing Legislation by Rent Board Legislative Advocate, Brian Augusta
 - a. State Legislative Report
 - b. Recommendation that the Board take a position on Assembly Bill (AB) 1199 [Homes for Families and Corporate Monopoly Transparency Excise Tax: qualified property: reporting requirements]
 - c. Recommendation that the Board take a position on AB 854 [Residential real property: withdrawal of accommodations]
 - d. Recommendation that the Board take a position on AB 1188 [Rental registry online portal]
 - (2) Proposed next steps for Rent Board Executive Director Recruitment and Hiring Process (Chair Simon-Weisberg and Vice-Chair Soli Alpert) 20 min.*

8. INFORMATION, ANNOUNCEMENTS AND NEWS ARTICLES

Please Note: The Board may move Information Items to the Action Calendar.

- a. Reports from Board Members/Staff
 - (1) Copy of April 6, 2021 Apparent Lawful Rent Ceiling mailing to Berkeley property owners (Acting Executive Director) 3 min.*

- (2) Updated Market Medians report through the fourth quarter of 2020 (Acting Executive Director) 3 min.*
- (3) Update on recent/upcoming Rent Board outreach events (Acting Executive Director) 5 min.*
 - a. Tuesday, March 9, 2021 (10:00 11:30 AM) Rent Control Basics, Eviction Moratorium, COVID-19, and Measure MM webinar presented to Red Oak Realty: 70-75 people in attendance
 - b. Wednesday, March 24, 2021 (10:00 11:30 AM) Security Deposits: Rights and Responsibilities webinar
 - c. Wednesday, April 7, 2021 (10:00 11:30 AM) Buying and Selling Rental Property in Berkeley webinar
 - d. Wednesday, April 14, 2021 (10:00 11:30 AM) Measure MM webinar
- (4) Copy of March 18, 2021 letter to the Mayor, Council and the Planning Commission conveying the Rent Board's recommended amendments to the proposed "Inclusive Neighborhood Zoning" proposal (Acting Executive Director) – 2 min.*
- (5) Date to submit agenda topics/items for the May 6, 2021 Rent Board meeting: Monday, April 26th

9. COMMITTEE/BOARD MEETING UPDATES AND ANNOUNCEMENTS

- a. <u>Budget and Personnel Committee</u> (Commissioner Selawsky, Chair) 5 min.* Next regularly-scheduled meeting: Thursday, April 22nd at 5:00 p.m.
 - (1) March 25th agenda
- b. <u>Eviction/Section 8/Foreclosure Committee</u> (Commissioner Mendonca, Chair) 5 min.* Next regularly-scheduled meeting: Thursday, May 13th at 5:30 p.m.
- c. Habitable & Sustainable Housing (HASH) Committee 3 min.*
- d. <u>IRA/AGA/Registration Committee</u> (Commissioner Kelley, Chair) 5 min.* Next regularly-scheduled meeting: Thursday, May 20th at 5:00 p.m.
 - (1) April 6th
- e. <u>Outreach Committee</u> (Commissioner Laverde, Chair) 5 min.* Next regularly-scheduled meeting: TBD

- (1) March 24th agenda
- f. 2 x 2 Committee on Housing: Rent Board/Berkeley Unified School District 3 min.* Chair: TBD

Next regularly-scheduled meeting: TBD

- g. 4 x 4 Joint Committee on Housing: City Council/Rent Board 10 min.* Committee Co-Chairs: Mayor Arreguín and Chair Simon-Weisberg Next regularly-scheduled meeting: Wednesday, April 28th at 3:00 p.m.
- h. Ad Hoc Committee on RSB Technology Issues (Chair TBD) 3 min.* Next meeting date: TBD
- i. Updates and Announcements 3 min.*
- j. <u>Discussion of items for possible placement on future agenda</u> 3 min.*

At this point, the Board will adjourn to reconvene in closed session. Following their return to open session, the Chair will publicly announce any reportable action taken.

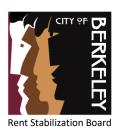
- **10.** <u>CLOSED SESSION</u> Pursuant to California Government Code Section 54956.9(d)(1), the Board will convene in closed session for an update on litigation as follows:
 - Community Housing Improvement Program v. City of New York Rent Guidelines Board (U.S. Court of Appeal, 2nd Cir., Case #20-3366)
 - Magganas v. City of Berkeley Rent Board (Alameda County Superior Court Case # RG20092970)
- **11.** <u>ACTION ITEM</u>: Discussion and possible action regarding RWN-1649 (*Knighton v. Magganas*) (Acting Executive Director and Legal Staff) 10 min.*

12. ADJOURNMENT

COMMUNICATIONS DISCLAIMER:

Communications to Berkeley boards, commissions or committees are public record and will become part of the City's electronic records, which are accessible through the City's website.

Please note: e-mail addresses, names, addresses, and other contact information are not required, but if included in any communication to a City board, commission or committee, will become part of the public record. If you do not want your e-mail address or any other contact information to be made public, you may deliver communications via U.S. Postal Service to the secretary of the relevant board, commission or committee. If you do not want your contact information included in the public record, please do not include that information in your communication. Please contact the secretary to the relevant board, commission or committee for further information.



RENT STABILIZATION BOARD

Regular Meeting Thursday, March 18, 2021 7:00 p.m.

Regular Meeting Minutes - Unapproved

1. <u>Roll call</u> – Chair Simon-Weisberg called the meeting to order at 7:03 p.m.

Aimee Mueller called roll.

Commissioners present: Alpert, Chang, Johnson, Kelley, Laverde, Mendonca, Selawsky,

Walker, Simon-Weisberg. Commissioners Absent: None.

Staff present: Brown, Law (in audience), Mueller, Pretto, Siegel.

- 2. Approval of Agenda M/S/C (Alpert/Kelley) APPROVE THE AGENDA WITH THE FOLLOWING CHANGES: ADJOURN THE MEETING IN HONOR AND MEMORY OF THE EIGHT VICTIMS OF THE MARCH 16, 2021 SHOOTING IN ATLANTA, GEORGIA: SOON CHUNG PARK, HYUN JUNG GRANT, SUNCHA KIM, YONG YUE, DELAINA ASHLEY YAUN, PAUL ANDRE MICHELS, XIAOJIE TAN, DAOYOU FENG; ADJOURN THE MEETING IN HONOR AND MEMORY OF ACTIVIST BARBARA BRUST; MOVE ALL WAIVERS TO CONSENT EXCEPT FOR WAIVER NUMBERS 4942 AND 4945. Roll call vote. YES: Alpert, Chang, Johnson, Kelley, Laverde, Mendonca, Selawsky, Walker, Simon-Weisberg; NO: None; ABSTAN: None; ABSENT: None. Carried: 9-0-0-0.
- **3.** Public Comment non-agendized items: There were three speakers. Matthew Lewis spoke about tracking advertised rents. Richard and Judy Vared spoke about their family home and the potential impact of Measure MM. Alessio Lisi spoke about waiver 4945.

4. CONSENT ITEMS

Item 6.a.(4), except for waivers 4942 and 4945, was moved to Consent by a prior vote of the Board.

- a. Approval of the February 18th regular meeting minutes
- b. 2021 Committee Assignments (Chair Simon-Weisberg)

M/S/C (Selawsky/Laverde) MOVE ITEMS 4.a. AND 4.b, AND ALL WAIVERS EXCEPT WAIVERS 4942 AND 4945 AS WRITTEN. Roll call vote. YES: Alpert, Chang, Johnson, Kelley, Laverde, Mendonca, Selawsky, Walker, Simon-Weisberg; NO: None; ABSTAN: None; ABSENT: None. Carried: 9-0-0-0.

Chair Simon-Weisberg suggested moving waivers 4942 and 4945 to be the first action item since a member of the public was waiting to speak on this item. There was no objection.

5. Public Comment – agendized items: There were 3 speakers. Matthew Lewis, on behalf of the Berkeley Tenants Union, thanked Commissioner Kelley and Chair Simon-Weisberg for bringing item 6.a.(2). Julia Cato spoke about item 6.a.(2). Alessio Lisi continued his comments on waiver 4945 before the Board considered this item.

6. ACTION ITEMS

Item 6.a.(4), except for waivers 4942 and 4945, was moved to Consent by a prior vote of the Board. Waivers 4942 and 4945 were heard as the first action item.

- a. From Board Members, Committees, and Executive Director
 - (1) Recommendation to adopt proposed amendments to Regulation 1013 on first reading (IRA/AGA/Registration Committee and Acting Executive Director)
 - M/S/C (Laverde/Mendonca) ADOPT THE PROPOSED CHANGES TO REGULATION 1013 ON FIRST READING. Roll call vote. YES: Alpert, Chang, Johnson, Kelley, Laverde, Mendonca, Selawsky, Walker, Simon-Weisberg; NO: None; ABSTAIN: None; ABSENT: None. Carried: 9-0-0-0.
 - (2) Recommendation to send a letter to Council with the Board's comments, suggestions and concerns about the proposed fourplex zoning proposal (IRA/AGA/Registration Committee)

M/S/C (Kelley/Laverde) ADOPT THE PROPOSED LETTER AS AMENDED AT THE MEETING AND SEND IT TO THE CITY COUNCIL AND THE PLANNING COMMISSION. Roll call vote. YES: Alpert, Chang, Johnson, Kelley, Laverde, Mendonca, Selawsky, Walker, Simon-Weisberg; NO: None; ABSTAIN: None; ABSENT: None. Carried: 9-0-0-0.

At this point, due to time considerations, Chair Simon-Weisberg suggested that the Board table item 6.a.(3) and all information items except item 7.a.(1). There was no objection.

- (3) Recommendation that the Chair disband the Habitable and Sustainable Housing Committee (HASH) (Chair Simon-Weisberg and Acting Executive Director) TABLED TO THE NEXT MEETING.
- (4) <u>Proposal to approve staff recommendations on the following requests for waivers of late registration penalties</u> (Acting Executive Director and Registration Unit Supervisor).

Ministerial Waivers

Waiver No. Property Address

4932	1434 6 th Street
4948	1322 Curtis Street
4950	1569 Arch Street
4951	1802 Cedar Street
4953	1441 Oxford Street
4954	1615 McGee Avenue

Discretionary Waivers

Waiver No.	Property Address
4942	1418 67 th Street
4945	1528 Alcatraz Avenue
4946	2756 Acton Street
4955	1934 Stuart Street
4956	2905 King Street
4957	2922 Dohr Street

ALL WAIVERS, EXCEPT FOR WAIVER NUMBERS 4942 AND 4945 WERE MOVED TO CONSENT BY A PRIOR VOTE OF THE BOARD.

Waivers 4942 and 4945 were heard as the first action item.

Waiver 4945: M/S/C (Alpert/Laverde) ADOPT THE STAFF RECOMMENDATION TO WAIVE 80% OF THE PENALTY. Roll call vote. YES: Alpert, Johnson, Kelley, Laverde, Mendonca, Walker, Simon-Weisberg; NO: Chang, Selawsky; ABSTAIN: None; ABSENT: None. Carried: 7-2-0-0.

Waiver 4942: M/S/C (Simon-Weisberg/Alpert) ADOPT THE STAFF RECOMMENDATION TO WAIVE 50% OF THE PENALTY. Roll call vote. YES: Alpert, Chang, Johnson, Laverde, Mendonca, Selawsky, Walker, Simon-Weisberg; NO: None; ABSTAIN: None; ABSENT: None; RECUSED: Kelley*. Carried: 8-0-0-0-1.

7. INFORMATION, ANNOUNCEMENTS AND NEWS ARTICLES

Due to time considerations, items 7.a.(2) - 7.a.(13) were tabled to the next meeting by agreement of the Board. Underlined items have additional comments.

- a. Reports from Board Members/Staff
 - (1) <u>Update on the Measure MM implementation</u> (Acting Executive Director) Allison Pretto, Registration Unit supervisor, updated the Board and took questions.
 - (2) <u>Deadline to electronically file Annual Statement of Economic Interests (Form 700)</u> is <u>Thursday, April 1, 2021</u> (Acting Executive Director) despite a prior

^{*}Commissioner Kelley recused himself because he lives at the property.

- agreement to table items 7.a.(2) 7.a.(13), this item was briefly discussed in light of the filing deadline.
- (3) Update on recent/upcoming Rent Board outreach events (Acting Executive Director)
 - a. Tuesday, March 9, 2021 (10:00 11:30 AM) Rent Control Basics, Eviction Moratorium, COVID-19, and Measure MM webinar presented to Red Oak Realty
 - b. Wednesday, March 24, 2021 (10:00 11:30 AM) Security Deposits: Rights and Responsibilities webinar
 - c. Wednesday, April 7, 2021 (10:00 11:30 AM) Buying and Selling Rental Property in Berkeley webinar
- (4) February 17, 2021 *Berkeleyside* article by John Metcalfe titled, "Berkeley may get rid of single-family zoning as a way to correct the arc of its ugly housing history" (Commissioner Laverde) https://www.berkeleyside.com/2021/02/17/berkeley-may-get-rid-of-single-family-zoning-as-a-way-to-correct-the-arc-of-its-ugly-housing-history
- (5) February 18, 2021 *The Daily Californian* article by Annika Rao titled, "'A new standard': Berkeley City Council hears quadplex zoning proposal" (Commissioner Laverde) https://www.dailycal.org/2021/02/18/a-new-standard-berkeley-city-council-hears-quadplex-zoning-proposal/
- (6) February 19, 2021 *The Daily Californian* Editorial Board article titled, "Berkeley housing reforms should actively support communities most harmed by past injustice" (Commissioner Laverde)

 https://www.dailycal.org/2021/02/19/berkeley-housing-reforms-should-actively-support-communities-most-harmed-by-past-injustice/
- (7) February 22, 2021 message from UC Berkeley Chancellor Carol Christ to all UC Berkeley students titled, "An update from Chancellor Christ on two UC Berkeley student housing projects" (Commissioner Laverde)

 https://news.berkeley.edu/2021/02/22/an-update-from-chancellor-christ-on-two-uc-berkeley-student-housing-projects/
- (8) February 24, 2021 *Berkeleyside* article by Supriya Yelimeli titled, "Berkeley denounces racist history of single-family zoning, begins 2-year process to change general plan" (Commissioner Laverde)

 https://www.berkeleyside.com/2021/02/24/berkeley-denounces-racist-history-of-single-family-zoning-begins-2-year-process-to-change-general-plan
- (9) February 24, 2021 *Los Angeles Times* article by D. Victoria Baranetsky titled, "Op-Ed: You should have the right to know your landlord's name"

(Commissioners Chang, Laverde & Mendonca) https://www.latimes.com/opinion/story/2021-02-24/rental-housing-shell-companies-landlords

- (10) March 3, 2021 *The Brookings Institution* article by Jenny Schuetz titled, "Four lessons from a year of pandemic housing policies" (Commissioner Laverde) https://www.brookings.edu/blog/the-avenue/2021/03/03/four-lessons-from-a-year-of-pandemic-housing-policies/
- (11) March 3, 2021 *The Davis Vanguard* article by Koda Slingluff titled, "Uncertainty for Student Families in Berkeley's University Village" (Commissioner Laverde) https://www.davisvanguard.org/2021/03/uncertainty-for-student-families-in-berkeleys-university-village/
- (12) March 7, 2021 *The Berkeley Daily Planet* editorial by Becky O'Malley titled, "Why the Droste Resolution is Bad History, Bad Planning and Bad for Berkeley" (Commissioner Laverde)

 https://www.berkeleydailyplanet.com/issue/2021-03-07/article/49038?headline=Why-the-Droste-Resolution-is-Bad-History-Bad-Planning-and-Bad-for-Berkeley--Becky-O-Malley
- (13) Date to submit agenda topics/items for the April 15, 2021 Rent Board meeting: **Monday, April 5th**

8. COMMITTEE/BOARD MEETING UPDATES AND ANNOUNCEMENTS

Due to time considerations, items 8.a. - 8.j. were tabled to the next meeting by agreement of the Board.

- a. Budget and Personnel
 - (1) February 25th agenda
- b. Eviction/Section 8/Foreclosure
 - (1) March 11th agenda
- c. Habitable & Sustainable Housing (HASH)
- d. IRA/AGA/Registration
 - (1) March 2nd agenda
- e. Outreach
 - (1) March 10th meeting Cancelled

- f. 2 x 2 Committee on Housing: Rent Board/Berkeley Unified School District
- g. 4 x 4 Joint Committee on Housing: City Council/Rent Board
 - (1) February 24th agenda packet
 - (2) March 10th agenda packet

Next meeting date: Wednesday, April 28th at 3:00 p.m.

- h. Ad Hoc Committee on RSB Technology Issues
- i. Updates and Announcements
- j. Discussion of items for possible placement on future agenda
- **9.** <u>SPECIAL PRESENTATION</u> Executive Director Transition Focus: Consultant Report by Keren Stashower, The Centre for Organization Effectiveness

Keren Stashower presented to and took questions from the Board.

At this point, the Board adjourned to reconvene in closed session.

10. <u>CLOSED SESSION</u> – Pursuant to California Government Code Section 54957(b)(1), the Board convened in closed session as follows:

PUBLIC EMPLOYEE PERFORMANCE EVALUTION

Title: Acting Executive Director

Following the Board's return to open session, Chair Simon-Weisberg announced that no reportable action was taken.

11. <u>ADJOURNMENT</u> – M/S/C (Laverde/Selawsky) ADJOURN THE MEETING IN HONOR AND MEMORY OF SOON CHUNG PARK, HYUN JUNG GRANT, SUNCHA KIM, YONG YUE, DELAINA ASHLEY YAUN, PAUL ANDRE MICHELS, XIAOJIE TAN, DAOYOU FENG, AND BARBARA BRUST. Roll call vote. YES: Alpert, Chang, Johnson, Kelley, Laverde, Mendonca, Selawsky, Walker, Simon-Weisberg; NO: None; ABSTAIN: None; ABSENT: None. Carried: 9-0-0-0.

The meeting adjourned at 12:11 a.m.



MEMORANDUM

DATE:

April 15, 2021

TO:

Honorable Members of Rent Stabilization Board

FROM:

Honorable Members of the IRA/AGA/Registration Committee

By:

Matthew Siegel, Staff Attorney

SUBJECT:

Proposed Amendments to Regulation 1013- Vacancy Rent Adjustment [Second

Reading]

Recommendation:

That the Board adopt an amendment to Regulation 1013, requiring that, when a rental agreement includes periods for which the tenant pays reduced, discounted, or "free" rent, the written lease shall include language that states what the base rent ceiling will be at the expiration of the initial term of the tenancy or, in the case of a month-to-month tenancy, after the first twelve months of their tenancy. This language shall be in fourteen point font and in close proximity to the space reserved for the tenant's signature. The IRA/AGA/Registration Committee unanimously recommended these changes at its March 2, 2021 meeting. The Board adopted these proposed amendments on first reading at its March 15, 2021 meeting.

Background and Need for Rent Stabilization Board Action:

Initially passed in 1996, Board Regulation 1013 implements Costa-Hawkins which provides that the landlord may set the initial rent at the commencement of a new tenancy. For tenancies commencing on or after January 1, 1999, the initial rent or "base rent" for a rental unit is the monthly market rent established by the parties at the commencement of the tenancy (Rent Board Regulation 1013(A) (2)).

In 2003 the Board amended Regulation 1013 to clarify that when the rental agreement includes periods for which the tenant pays reduced, discounted or "free" rent, the monthly market rent is calculated as the average of the monthly payments made during the initial term of the agreement or, in the case of a month-to-month tenancy, during the first twelve months of the tenancy (Board

¹ The committee considered also requiring that leases that are subject to the rent-averaging provisions of Regulation 1013(A)(2) contain a notification requirement that these tenancies are subject to the good cause for eviction protections listed in BMC 13.76.130 but ultimately decided to limit this proposal to only amend the regulation to require that the rent ceiling be clearly identified in the lease when the agreement provides for reduced, discounted, or "free" rent.

Regulation 1013(A) (2)). The amendment was passed due to some property owners structuring their rental agreements to provide for an above-market rent for the first month followed by some form of free or discounted rent for the remainder of the term, thus creating the appearance of a higher "initial" rent. For instance, if the market value of a unit is \$2,000 per month, or \$24,000 per year, the lease may state that the rent is \$2,400 for the first month but provide for two months free. The owner would then file a Vacancy Registration Form with the Board listing the base rent as \$2,400 based on the first months' rent. As a result the tenant would have paid a total of \$24,000 in rent for the year, or a monthly average of \$2,000, not the listed \$2,400. Property owners would then seek to take the Board's annual increases on a base rent of \$2,400 and not the proper \$2,000. The purpose of the 2003 amendment was thus to ensure that the base rent is the market rent for the length of the lease term or, in the case of a month-to-month tenancy, the average monthly payments made during the first twelve months of the tenancy.

Currently, in response to Covid-19 and to respond to an increase in vacancies, some landlords have been structuring their initial rental agreements to provide for drastically higher initial monthly payments followed by either reduced payments or periods of "free" rent, then followed by monthly rents that are less than the initial elevated rents. These rental agreements also give tenants the option to break their lease after a set period of time without penalty. For many of these agreements, the total rent paid by the tenant during this initial timeframe up to or prior to lease-breaking, amounts to an average monthly rent that is less than what the base rent would be after the implementation of the rent averaging required by Regulation 1013(A) (2).²

Initially, absent a clear indication of preemptive intent from the legislature, there is a presumption that local regulation in an area over which the local government traditionally has exercised control is not preempted by state law.³ It has long been held that local rent control ordinances have wide latitude to regulate or monitor rent ceilings and grounds for evictions.⁴ The amendment notifying tenants of the lawful monthly or base rent falls squarely within the Board's powers to regulate rent ceilings.⁵

The proposed change would mandate that the owner state what the monthly market rent, or base rent, would be at either the expiration of the initial lease term or the expiration of the first twelve months of a month-to-month tenancy. This form of disclosure is important since some tenants may be misled by the structure of the rental agreement when it provides for varying amounts of rental payments and/or "free" rent over the course of the lease. While such leases are permissible under the regulation, the IRA/AGA/Habitability Committee reasoned that tenants should be

² While leases structured in this form are unique, as long as the base rent is properly calculated, these rental agreements are permissible.

³ Action Apartment Assn. Inc. v. City of Santa Monica (2007) 41 C.4th 1232

⁴ Fisher v. City of Berkeley (1984) 37 C.3d 644; McHugh v. City of Santa Monica (1989) 49 C.3d 348, 375

⁵ Board Regulations Chapter 10 [Establishment of Base Rent Ceiling], Chapter 12 [Individual Adjustment of Rent Ceilings] An additional proposed change to the regulation requiring lease language disclosing to tenants the existence of good cause protections was tabled by the Committee for further discussion.

Proposed Amendments to Regulation 1013 [Second Reading] April 15, 2021 Page 3

informed as to the exact monthly rent or base rent that will be permitted under the ordinance should they wish to continue their tenancy either at the expiration of the initial lease or after the first twelve months of their month-to-month tenancy.

Conclusion

The COVID-19 pandemic appears to have created a proliferation of Berkeley leases structured in the format described herein. The proposed amendment requires disclosure as to what the lawful base rent is under the terms of their rental agreement to any tenants in rent-controlled units with leases that provide for discounted or "free" rent.

The proposed Regulation 1013 is attached. The proposed amendments are underlined.

Name and Telephone Number of Contact Person:

Matthew Siegel, Staff Attorney Rent Stabilization Board (510) 981-4930

(A) New Maximum Allowable Rent

- (1) Pursuant to Section 1954.50, et seq. of the Civil Code, the landlord may establish the lawful maximum allowable rent for any controlled rental unit consistent with this regulation. The new rent level shall thereafter become the maximum lawful rent ceiling for the unit for all purposes including, but not limited to, the computation of all future rent adjustments. The unit shall otherwise remain controlled by all other regulations of the Rent Board.
- (2) In this Regulation the terms "new rent level," "new rent ceiling" and "initial rental rate" refer to the rent established by the landlord for a tenant whose tenancy becomes effective after January 1, 1996. For tenancies commencing on or after January 1, 1999, the "initial rent" for a rental unit shall be the monthly market rent established by the parties at the commencement of the most recent tenancy. Where the rental agreement includes periods for which the tenant pays reduced, discounted or "free" rent, the "monthly market rent is calculated as the average of the monthly payments made during the initial term of the agreement or, in the case of a month-to-month tenancy, during the first twelve months of the tenancy.
- (3) Required provisions in rental agreements that contain periods for which the tenant pays reduced, discounted or "free" rent.

When the rental agreement includes periods for which the tenant pays reduced, discounted or "free" rent, the rental agreement must include a clause identifying what the rent ceiling will be following the expiration of the initial term of the tenancy; or, in the case of a month-to-month tenancy, after the first twelve months of the tenancy. The rent ceiling shall be calculated in accordance with the averaging requirements as set forth in Section 1013(A)(2) herein.

This statement must be in at least fourteen point font and in close proximity to the space reserved for the tenant's signature.

The provisions of Section 1013(A)(3) set forth herein shall become effective for initial rental agreements entered into no sooner than fifteen days after the date this regulation becomes effective.

(B) Vacancy Rent Levels

- (1) Commencing January 1, 1996, a landlord may establish the initial rent rate for all new tenancies consistent with Civil Code Section 1954.50, et seq., and any Board regulations enacted consistent therewith, except where any of the following applies:
- (a) (i) The previous tenancy has been lawfully terminated by the landlord pursuant to Civil Code Section 1946, unless the tenancy was terminated prior to December 31, 1994 pursuant to Berkeley Municipal Code section 13.76.130A.9. in order for the landlord to

recover possession of the unit for his or her own use and occupancy as his or her principal residence or for use and occupancy as a principal residence by the landlord's spouse, child or parent and the landlord or relative thereafter resided continuously at the unit for at least two years; or

- (ii) The previous tenancy has been lawfully terminated upon a change in terms of tenancy noticed pursuant to Civil Code Section 827, except a change permitted by law in the amount of rent or fees or resulting from the owner's termination of or failure to renew a contract or recorded agreement with the Berkeley Housing Authority or any other governmental agency that provided for a rent limitation to a qualified tenant of the unit. A tenancy shall be presumed to have terminated upon a change in terms of tenancy if the tenant(s) vacate(s) the rental unit within twelve months of the landlord's unilateral change in the terms of the lease. Absent a showing by the landlord that the tenant(s) vacated for reasons other than the change in the terms of the lease, the initial rental rate for the new tenancy shall be no greater than the most recent rent ceiling (prior to the new tenancy).
- (b) The new tenancy began within three years of the date that the owner terminated or failed to renew a contract or recorded agreement with the Berkeley Housing Authority or any other governmental agency that provided for a rent limitation to a qualified tenant of the unit, unless, for tenancies established after January 1, 2000, the new tenancy is exempted from this limitation pursuant to Civil Code Section 1954.53(a)(1)(B). During the three year period, the rental rate for any new tenancy established in that vacated unit shall be at the same rate as under the terminated or nonrenewed contract or recorded agreement, increased by any subsequently authorized Annual General Adjustments.
- (c) The landlord has otherwise agreed by contract with the City of Berkeley or any other public entity to limit or otherwise restrict rent levels in consideration for a direct financial contribution or any other forms of assistance specified in Chapter 4.3 (commencing with Section 65915) of Division 1 of title 7 of the Government Code.
- (d) The dwelling or unit has been cited in an inspection report by the appropriate government agency as containing serious health, safety, fire or building code violations, as defined by Health & Safety Code Section 17920.3 excluding those caused by disasters, for which a citation was issued at least 60 days prior to the date of the vacancy, and the cited violation had not been abated when the prior tenant vacated and had remained unabated for at least 60 days, unless the time for correction was extended by the agency that issued the citation.
- (e) The prior tenant vacated the property as a proximate result of the conduct by the landlord which constitutes acts prohibited by law, or which constitutes constructive eviction or a breach of the covenant of quiet enjoyment of the property.
 - (f) The prior tenant was the spouse, child or parent of a landlord who recovered

possession of the unit pursuant to Berkeley Municipal Code section 13.76.130.A.9b.

- (g) The initial rental rate as described in this section shall not, until January 1, 1999, exceed the amount calculated pursuant to subdivision (2) below. Nothing herein, however, shall prevent a landlord from charging a new rent level which is less than any preexisting rent ceiling.
- (2) Before January 1, 1999, no landlord may set an initial rent level except upon the occurrence of a voluntary vacancy, abandonment, or an eviction for non-payment of rent, and an initial rent level may be set at an amount no greater than:
- (a) Fifteen percent (15%) more than the rent in effect for the immediately preceding tenancy, or
- (b) Seventy percent (70%) of the prevailing market rents in effect at the time of the beginning of the new tenancy for comparable units as established by HUD Fair Market Rents (FMRs) or,
 - (c) The lawful rent ceiling.
- (d) Fifteen percent (15%) more than the rent in effect for the immediately preceding tenancy plus increases in the lawful rent ceiling for which the landlord became eligible but which were not implemented because the tenancy ended in December and the new tenancy began in January of the following year.
- (3) As used in this subsection, the term "rent in effect" shall mean the last rent actually paid by the last tenant to occupy the unit and pay rent.
- (4) The rent increases authorized by subsection (B)(2) shall not occur more than twice for any unit between January 1, 1996 and December 31, 1998. Where the initial rent imposed by a landlord on or after January 1, 1996 is no more than the rent in effect for the immediately preceding tenancy, the initial rent shall not count as one of the two increases authorized by this subsection. Nothing contained herein negates the obligation contained in Subsection (K) of this Regulation to register all new tenancies which commence after January 1, 1996.

(C) <u>Single Family Residences</u>

(1) For purposes of this Regulation, a single family residence is defined as a unit that is alienable separate from the title to any other dwelling unit or is a subdivided interest in a subdivision as specified in subdivision (b), (d) or (f) section 11004.5 of the Business and Professions Code.

- (2) Commencing January 1, 1996, with regard to a single-family residence that has not been rented since May 31, 1980, the landlord may establish the initial and all subsequent rental rates for all new tenancies.
- (3) Commencing January 1, 1996, the landlord may establish the rent level for a new tenancy in a single-family residence consistent with subsection (B) of this regulation.
- (4) Commencing January 1, 1999, the landlord may establish the initial and all subsequent rental rates of a single-family residence for all new tenancies except where:
- (a) The preceding tenancy has been terminated by the landlord by notice pursuant to Section 1946 of the Civil Code or has been terminated upon the change in terms of tenancy noticed pursuant to Section 827 of the Civil Code.
- (b) The landlord has otherwise agreed by contract with the City of Berkeley or any other public entity to limit or otherwise restrict rent levels in consideration for a direct financial contribution or any other forms of assistance specified in Chapter 4.3 (commencing with Section 65915) of Division 1 of title 7 of the Government Code.
- (c) The dwelling or unit contains serious health, safety, fire or building code violations, excluding those caused by disasters, for which a citation has been issued by the appropriate governmental agency, and which citation has remained unabated for six months or longer preceding the vacancy.
- (d) The dwelling or unit is a condominium that has not been sold separately by the subdivider to a bona fide purchaser for value.
- (5) The landlord may establish the initial and all subsequent rental rates pursuant to this subsection for all existing and new tenancies in effect on or after January 1, 1999, if the tenancy was created between January 1, 1996 and December 31, 1998.

(D) <u>Rent Defined</u>

- (1) For purposes of this regulation, "rent" is defined as the rent in effect for the immediately preceding tenancy which did not exceed the lawful rent ceiling.
- (2) For the purpose of this Regulation, the term "rent" does not include any fees or charges paid by the tenant to the landlord pursuant to a lawful separate agreement between the tenant and the landlord as defined in Regulation 1012.
- (3) The rent level established by the landlord pursuant to this Regulation shall become the new rent ceiling for the unit.

(E) <u>Landlord Defined</u>

"Landlord," as used in this regulation, means an owner of record, lessor, or any other person or entity entitled to receive rent for the use or occupancy of any rental unit, or an agent, representative or successor of any of the foregoing.

(F) <u>Prevailing Market Rents</u>

- (1) "Prevailing Market Rents" are defined as the rental rate that would be authorized for comparable units pursuant to 42 U.S.C.A. 1437(f), as calculated by the United States Department of Housing and Urban Development (HUD) pursuant to Part 888 of Title 24 of the code of Federal regulations. For purposes of this regulation, of the prevailing market rents shall be referred to as HUD FMRs ("fair market rents"), and include the cost of utilities except telephone.
- (2) "Comparable units" for the purpose of this subsection is defined as those rental units that have the same number of bedrooms. A "bedroom" shall include a room intended for sleeping which conforms to the provisions of Chapter 5 of the Uniform Housing Code, being not smaller than seventy (70) square feet in floor area with a ceiling height not less than seven (7) feet six (6) inches
- (3) The Board shall obtain copies of the FMRs, issued by HUD and make them available to the public.

(G) Voluntary Vacancies

(1) For the purposes of this Regulation, "voluntary" shall mean the independent choice of the tenant, without intimidation, pressure, or harassment.

(2) <u>Non-Voluntary Vacancy</u>

- (a) A vacancy resulting from harassment, threats to withdraw the property from the rental market pursuant to the Government Code Section 7060-7060.7 (Ellis Act), or notices of any kind that negligently or intentionally misrepresent to the tenant that he or she is required to vacate the controlled unit shall not be considered voluntary.
- (b) "Harassment" shall be defined as a knowing and willful act or course of conduct directed at a specific tenant or tenants which:
- (i) Would cause a reasonable person to fear the loss of use and occupancy of a residential unit or part thereof, or of any service, privilege or facility connected with such use and occupancy, including any housing service within the meaning of the Rent Ordinance Section 4(C), without legitimate reason or legal justification;

- (ii) Materially interferes with a tenant □s peaceful enjoyment of the use and occupancy of a residential rental unit.
- (c) A single act may constitute harassment for purposes of determining whether a vacancy was voluntary. A course of conduct is a pattern of conduct composed of a series of acts over a period of time, however short, evidencing a continuity of purpose. Acts constituting harassment include, but are not limited to the following:
- (i) Eviction on the grounds of owner or relative occupancy pursuant to Rent Ordinance section 13(A)(9) or (10), which is not in good faith.
- (ii) The threat or repeated threat to evict a tenant in bad faith, under circumstances evidencing the landlord's purpose to cause the tenant to vacate a controlled rental unit; (iii) Reduction in housing services under circumstances evidencing the landlord purpose to cause the tenant to vacate a controlled rental unit;
- (iv) Reduction in maintenance or failure to perform necessary repairs or maintenance under circumstances evidencing the landlord's purpose to cause the tenant to vacate a controlled rental unit;
- (v) Abuse of the landlord's right of access into a residential unit within the meaning of California Civil Code [1954;
 - (vi) Verbal or physical abuse or intimidation;
- (d) A vacancy occurring as result of the filing of a Notice of Intent to Withdraw under Government Code Section 7060-7060.7 (the Ellis Act) shall not be considered voluntary.
- (e) A tenancy and subsequent vacancy created as a sham shall not be considered voluntary. A sham tenancy may be presumed where the occupant did not have a bona fide landlord-tenant relationship with the landlord, or occupied the property for less than four (4) months and principally for the purpose of vacating the property to establish eligibility for vacancy-related increase.

(H) Eviction for Nonpayment of Rent

Eviction for "non-payment of rent" is defined as the action to terminate a tenancy due to the tenant's failure to pay the rent to which the landlord is entitled under the rental housing agreement and existing law pursuant to Rent Ordinance section 13(A)(1) and/or paragraph (2) of Civil Code Section 1161.

(I) <u>Abandonment</u>

For purposes of this section "abandonment" is defined as the tenant's independent choice, without intimidation, pressure, or harassment to relinquish all right and possession of the premises, with the intention of not reclaiming or resuming its possession or enjoyment, and the landlord terminates the tenancy pursuant to Civil Code Section 1951.3.

(J) No Rent Increase for Existing Tenants

The maximum lawful rent ceiling for any controlled rental unit that is occupied by an existing tenant shall not be increased under the provisions of this Regulation, while said tenant occupies his or her unit.

- (1) For purposes of this Regulation, [lexisting tenant] refers to all persons who are defined as "tenants" pursuant to Rent Ordinance section 4(I), i.e. any renter, tenant, subtenant, lessee, or sublessee of a rental unit, or successor to a renter's interest, or any group of tenants, subtenants, lessees, or sublessees of any rental unit, or any other person entitled to the use or occupancy of such rental unit.
- (2) No tenant occupying a controlled rental unit, who has the right to occupancy of a controlled rental unit, shall have his or her rent increased pursuant to this Regulation or Civil Code §1954.50, et seq. Pursuant to section 13(A)(2) of the Rent Ordinance, no tenant shall be required to vacate a controlled rental unit as a result of a covenant or condition in a rental agreement requiring the tenant to surrender possession.

(K) Registration after January 1,1996

Pursuant to sections 6(F)(17), 6(P) and 8 of the Rent Ordinance, any landlord who rents a unit to a new tenant after January 1, 1996, shall re-register the unit with the Board within fifteen (15) days of the re-rental of the unit. This provision does not apply to a sublet where there is no rent increase or to a short-term seasonal rental, as defined in Regulation 1014, if the rent for the short-term seasonal rental is less than the rent for the immediately preceding tenancy.

- (1) The re-registration shall be filed upon a form, entitled "Vacancy Registration Form" provided by the Board. The Board shall approve such form by Resolution and the contents of the form may be changed from time to time.
 - (2) The landlord shall provide all information required by the form.
- (3) Failure of the landlord to properly re-register a unit pursuant to this regulation shall result in the property being deemed not to be in compliance with section 8 of the Rent Ordinance

(L) Amenities

Until January 1, 1999, the base amenities shall remain the same for any unit as those provided

on May 31, 1980, or the first rental date thereafter, or as otherwise determined by final Board decision.

(M) Increase and Decrease Petitions

Nothing in this Regulation prohibits tenants or landlords from filing rent decrease or increase petitions pursuant the Board's regulations.

(N) Fraud or Intentional Misrepresentation

Any increase in the maximum allowable rent authorized pursuant to this regulation that is obtained by fraud or misrepresentation by the landlord or his or her agent, servant, or employee shall be void.

(O) Subletting

- (1) An owner may increase the rent by any amount allowed by Civil Code section 1954.50 et seq., and subsection (B) of this Regulation, to a sublessee or assignee where the original occupant or occupants who took possession pursuant to the rental agreement with the owner, no longer permanently reside there. The term "original occupant" as used herein is defined in Regulation 409. Within fifteen (15) days of any rent increase pursuant to this Subsection (O)(1), a Vacancy Registration form described in Subsection (K) shall be filed with the Board.
- (2) Where one or more of the occupants of the premises pursuant to the agreement with the owner provided for above, remains an occupant in lawful possession of the dwelling or unit, this subdivision shall not apply to partial changes in occupancy of a dwelling or unit made with the consent of the owner. Nothing contained in this subsection shall establish or create any obligation of an owner to permit or consent to a sublease or assignment.
- (3) Acceptance of rent by the landlord shall not operate as a waiver or otherwise prevent enforcement of a covenant prohibiting sublease or assignment, or as a waiver of an owner's rights to establish the initial rental rate, unless the landlord has received written notice from the tenant that is a party to the agreement and thereafter accepted rent. The landlord's right to establish the initial rent shall not be waived if, after receiving written notice that the last original occupant has vacated the premises, the landlord agrees in writing with any tenants still occupying the unit that the landlord right to establish the initial rental rate, consistent with Civil Code section 827, shall be extended for up to six months following receipt of the notice.
 - (4) A landlord may not unilaterally impose or require an existing tenant to agree to

- 1013. <u>Vacancy Rent Adjustment Page 9</u> new material terms of tenancy or a new rental agreement, unless the provisions are substantially identical to the prior rental agreement.
- (5) Where the landlord initially rents a rental unit to a tenant and authorizes more than one tenant to occupy the unit, but fails to place the name of more than one tenant on the lease, all tenants who occupy the unit within one month, with permission of the landlord, express or implied, shall be considered to be original occupants.

[Effective January 1, 1996; amended May 27, 1997, August 22, 1997 and March 20, 1998; addition of (O)(5) effective October 23, 1998; addition of (G)2(f) effective December 27, 1998; addition of (1)(a)(ii) and deletion of (G)2(f) effective March 5, 1999; (B) and (O) amended August 20, 1999; (B)(1)(a)(ii), (B)(1)(b) through (f) amended February 11, 2000; addition of (C)(d) amended January 7, 2002; amended March 18, 2002 changed (B)(1)(g) and inserted a new (B)(1)(f); amended February 20, 2003 added last two sentences to (A)(2); removed definition of "original occupant" from Section (O)(1) and placed it in Regulation 409 – 9/19/19.]



Rent Stabilization Board

RENT STABILIZATION BOARD

DATE: April 15, 2021

TO: Honorable Members of the Rent Stabilization Board

FROM: Leah Simon-Weisberg, Rent Board Chair

By: Matt Brown, Acting Executive Director

RE: Recommendation to adopt Resolution 21-04 to amend Rent Board regular

meeting schedule for 2021 calendar year

Recommendation

That the Board adopt Resolution 21-04 to amend the Rent Board regular meeting schedule for the 2021 calendar year to allow landlords more time to receive notification of registration fees.

Background

Pursuant to Government Code Section 54954 et seq., in December of each year the Board adopts a schedule of its regular meetings for the following calendar year, including the time and location of the meeting. From time to time, the Board adjusts its regular meeting schedule to accommodate the elected Commissioners, needs of the agency, and input from the community.

This year, staff and the Board have been working tirelessly to implement Measure MM¹ and ascertain the number of units that will be subject to the law's new registration requirements. To that end, Board staff have sent out two letters to landlords of a number of properties comprising approximately 9,400 rental units to determine whether these units are rented or available for rent. The Commissioners have provided direction that the Board needs to have as accurate a picture as possible of the number of units that will likely register for the 2021/2022 Fiscal Year in order to determine the fee to provide services for these rental units.

¹ Measure MM was adopted by the Berkeley voters during the November 2020 general election. Among other things, it requires the Board to register various partially covered rental units including rented single family homes, condominiums, and units that qualify as new construction. These units have not previously been required to register.

Recommendation to adopt Resolution 21-04 April 15, 2021 Page 2

California law requires that a local agency hold at least one public meeting prior to approving an increase to an existing fee as part of a regularly scheduled meeting.² The Measure MM fee is a new one, so there will necessarily be an increase.

Rent Board fees are due July 1st of each calendar year.³ This year, for the first time, Board staff will be billing landlords of both Measure MM and rent-controlled units. Additionally, given that the agency is currently in the process of converting to a new database, staff will have to bill and collect money for all the Measure MM units using the new database, but staff will still bill and collect money for the rent-controlled units using the older database.⁴

The regular meeting schedule adopted at the December 17, 2020 meeting set the May meeting date for May 20, 2021. If the Board waits until this date to adopt the registration fees, it will leave staff and landlords very little time to send notices and collect fees prior to the July 1, 2021 deadline. This is a disservice to the landlord community – many of whom will be registering their rental units with the Board for the first time given the express mandate of Measure MM.

Conclusion

In order to give landlords more time to pay and staff more time to deal with two unique databases they will use for collection of registration fees, I am recommending that the Board adopt attached Resolution 21-04 which revises the Board's regular meeting schedule for the 2021 calendar year. Specifically, the May 20, 2021 regular meeting would be moved to May 6, 2021. This will provide staff and, more importantly, the landlord community more opportunity to achieve compliance by the July 1st deadline.

Attachment

Resolution 21-04

² California Government Code Section 66016(a)

³ This is hard-coded in the ordinance (B.M.C. Section 13.76.080D.). While the Board has rather broad authority to forgive late penalties for failure to timely register, Commissioners may not adjust the annual registration fee due date.

⁴ There have been delays in the implementation of the 3Di database that prevent the agency from fully converting to the new database prior to this year's fiscal year registration period.

RESOLUTION 21-04

REVISING THE REGULAR MEETING SCHEDULE AND LOCATION FOR BERKELEY RENT STABILIZATION BOARD FOR THE 2021 CALENDAR YEAR

BE IT RESOLVED by the Rent Stabilization Board of the City of Berkeley as follows:

WHEREAS, the Brown Act (Gov. Code Section 54954 et seq.) requires a legislative body, such as the Rent Stabilization Board, to annually establish a schedule of its regular meetings, including the time and location of the meeting; and

WHEREAS, beginning in 2019, the Board relocated its meetings from Old City Hall to the New Berkeley Unified School District ("BUSD") Board Room, located at 1231 Addison Street; and

WHEREAS, since March of 2020 the Board has being meeting remotely pursuant to the mandate of Section 3 of Governor Newsom's Executive Order N-29-20; and

WHEREAS, beginning in 2019, the Board changed its regular meeting day to the third Thursday of each month and wishes to generally continue this arrangement except when circumstances require a different date; and

WHEREAS, the Board may revise this schedule to accommodate needs of the elected Commissioners, staff, and community; and

WHEREAS, at its December 17, 2020 meeting the Board initially approved a regular meeting schedule that included a May 20, 2021 meeting date; and

WHEREAS, Measure MM (adopted by the Berkeley voters in November of 2020) now imposes new registration requirements for rented single family homes, condominiums, and units that qualify as new construction; and

WHEREAS, landlords will receive insufficient notice to pay their registration fees unless the Board meets earlier at a regular meeting to establish both its regular and Measure MM registration fees;

RESOLUTION 21-04

REVISING THE REGULAR MEETING SCHEDULE AND LOCATION FOR BERKELEY RENT STABILIZATION BOARD FOR THE 2021 CALENDAR YEAR (Page 2)

NOW, THEREFORE, BE IT RESOLVED that the Board shall hold its regularly-scheduled monthly meetings at the BUSD Board Room during the 2021 Calendar year on the following dates:

January 21	April 15	July 15	October 21
February 18	May 6	August 19	November 18
March 18	June 17	September 23	December 16

BE IT FURTHER RESOLVED that all meetings shall begin at 7:00 p.m. unless otherwise noticed pursuant to the requirements of the Brown Act and that regular meetings scheduled for the third Thursday of each month shall only be operative during the 2021 calendar year unless the change is made permanent by subsequent future Board Resolution, or unless the Board chooses to adopt a similar or revised annual schedule for another year by subsequent Resolution.

Dated: April 15, 2021

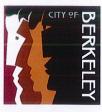
Adopted by the Rent Stabilization Board of the City of Berkeley by the following vote:

YES:
NO:
ABSTAIN:
ABSENT:

Leah Simon-Weisberg, Chair Rent Stabilization Board

Attest:

Matt Brown, Acting Executive Director



Rent Stabilization Board Rent Board Chair

DATE:

March 18, 2021

TO:

Honorable Members of the Rent Stabilization Board

FROM:

Leah Simon-Weisberg, Rent Board Chair

Matt Brown, Acting Executive Director By:

SUBJECT:

Recommendation to Disband the Habitable & Sustainable Housing

Committee (HASH)

The rules adopted by the Board allow the Chair to disband a standing committee "subject to an affirmative vote of a majority of the Rent Board." As the attached letter from staff indicates, the duties of the Habitable & Sustainable Housing (HASH) Committee have been largely subsumed by the 4 x 4 Joint Committee on Housing – Rent Board and City Council.

I request that the Board adopt a motion to disband the HASH Committee. It is important to note that we will be able to reestablish the committee should a future need arise.

*Attachment – March 8, 2018 letter from Matt Brown, Lief Bursell, and Jen Fabish requesting that HASH Committee be disbanded.



Rent Stabilization Board

DATE:

March 8, 2021

TO:

Rent Stabilization Board Chair Simon-Weisberg

FROM:

Matt Brown, Acting Executive Director

Lief Bursell, Senior Planner

Jen Fabish, Community Services Specialist

SUBJECT:

Recommendation to Disband the Habitable & Sustainable Housing

Committee (HASH)

BACKGROUND

Committee History and Context

The HASH committee was formed in 2017 to subsume two existing committees, the Safe & Sustainable Housing Committee (formed in 2009), and the Habitability Committee (formed in 2015). These committees allowed the Board to consider issues related to safe, sustainable, and habitable housing at a time when the 4x4 Joint Committee on Housing, which endeavors to meet at least once a quarter, was not meeting with that frequency and sometimes not at all. In 2009, the 4x4 Committee met twice. There were no meetings in 2010. In 2011, there were three meetings. In 2012, there was one meeting. In 2013, there were three meetings. In 2014, there were no meetings. And in 2015, there were 3 meetings. The 4x4 committee started to meet more regularly in 2016, and is now on a monthly meeting schedule.

NEED FOR ACTION

The 4x4 Committee is a Better Venue for the Issues HASH Typically Addresses

Many issues that originated in HASH or its predecessors went on to be addressed by the 4x4 Committee, such as soft story safety, the elevator law, and improvements to the Rental Housing Safety Program. Because these types of issues are outside of the Board's direct jurisdiction, action requires the involvement of other city departments and often Council, making the 4x4 Committee a much more effective venue. It was perhaps in recognition of a reinvigorated 4x4 Committee that the Board elected in 2017 to combine the two existing safety and habitability committees into one. Since then, the 4x4 Committee has only continued to become more active and invested, putting the necessity of HASH in doubt. Staff do not believe that continuing to administer the committee is the best use of time given the many initiatives being considered and implemented by the Board.

¹To the extent that there is ever overlap between issues being considered by HASH and the 4x4 Committee, Brown Act violations are always a concern.

The Board's Priorities and HASH's Current Agenda

The Board and staff are particularly busy. In addition to our ongoing work, staff are in the midst of implementing Measure MM and are moving towards a registration season that will entail a much larger billing effort utilizing two systems, since phase two of the data base solution (for fully covered units) is not projected to be ready in time for FY 2021-22 registration. Development of phase two, and work on the petitions, mediations, waiver/penalty, and case management components will continue well into 2021, and impact all units of the agency. The website replacement project is another large endeavor that will affect staff in all units once the project ramps up again.² The Board approved a modification to the staffing model to add another housing counselor, which will increase capacity in the long run, but decrease it in the short-term due to training and onboarding, which is typically a six-month process that must now, at least initially, be done remotely. The Outreach Committee continues to advocate for a tenant survey this year. Staff are working with the Mayor and other city departments on major revisions to the Relocation and Demolition Ordinances, advising on TOPA, and researching issues related to Council's proposed quadraplex zoning policy. The Board has an agreement in principle with the city to administer the Fair Chance Ordinance pending an agreement on payment. And we continue to analyze and adjust to frequent changes to anti-displacement measures at the local and state levels to ensure we're providing accurate outreach and counseling. Staff are also looking ahead to the Executive Director recruitment, and creating and implementing measures to address issues highlighted by Keren Stashower's survey.

The HASH committee last met in August of 2020, and before that in November of 2019. The items on the committee's agenda were solar cost sharing, rental unit car shares, and the installation of dishwashers in multifamily units. These are worthy issues related to sustainability, but they are somewhat attenuated from the Board's mission of protecting tenants from unwarranted evictions and rent increases, ensuring landlords a fair return on their investment, and helping to advance the city's housing policies with regard to low- and fixed-income persons, minorities, persons with disabilities, elders, and students. Staff believe our focus right now should be on work that is more central to the Board's mission and the agency's operations, especially given that issues broadly related to the city's diverse array of housing policies can be better addressed by the 4x4 Committee when necessary.

HASH is Not Necessary to Address Issues Outside of the 4x4 Committee

If an issue related to habitable, safe, and sustainable housing arises that the 4x4 Committee does not wish or have the capacity to address, the Board has the option of creating an ad hoc committee. Ad hoc committees are not subject to the Brown Act notice requirements and are of a limited duration for the purpose of focusing on a specific issue or task. This is more efficient than the ongoing time commitment administering a regular committee requires.

Disbanding HASH is Not Permanent

If the Board finds that disbanding HASH has a negative impact on its work, the committee can be reinstated, or a new committee can be created.

RECOMMENDATION

Staff recommend that the Chair disband the HASH committee.

²The city approved funding to hire a new project manager since the current project manager has been deployed full time to the EOC. We are not aware of a timeline for the hiring, but we anticipate the project may progress rapidly once a new project manager is in place. We continue to move the project forward slowly at the Rent Board so we're poised to hit the ground running if need be.



Rent Stabilization Board

RENT STABILIZATION BOARD

DATE: April 15, 2021

TO: Honorable Members of the Rent Stabilization Board

FROM: Matt Brown, Acting Executive Director

BY: Allison Pretto, Senior Management Analyst

SUBJECT: Request for waiver of late registration penalties

Recommendation:

That the Board approve the attached recommendations.

Background and Need For Rent Stabilization Board Action:

The Board's penalty waiver process is governed by Regulations 883, 884 and 885. Regulation 883 lists the grounds for administrative waivers. In accordance with Regulation 884, the Executive Director reviews waiver requests that do not meet the criteria for an administrative waiver. Regulation 884 lists 12 categories, which will require a review of the totality of the circumstances by the full Board prior to granting any waiver request. Waivers that require a review of the totality of the circumstances are listed below as "Discretionary Waiver." If none of the 12 listed categories apply to the property, the waiver shall be granted/denied in a ministerial manner, based upon the formula outlined in Regulation 884(C). The Board may only alter these ministerial waivers if staff has incorrectly applied the criteria listed in Regulation 884 (B)(1-12).

Administrative Waivers

In accordance with Regulation 883, the Executive Director may administratively waive penalties for waiver requests that meet criteria enumerated in the regulation. The following waiver request qualifies for waiver under Regulation 883(G) unless the Board has reason to believe the underlying basis of the recommended assessment is inappropriate.

Waiver	Property Address	Owner	Penalty Assessed	Penalty Waived	Penalty Imposed
4966	2149 Russell Street	Guo Wei Zhu & Qileng Zhu	\$1,000	\$1,000	\$0
TOTAL			\$1,000	\$1,000	\$0

Financial Impact: Administrative Waivers

Approval of Executive Director's recommendations will decrease the Board's current accounts receivable by \$1,000.

Ministerial Waivers

In accordance with Regulation 884, the Executive Director reviews waiver requests that do not meet the criteria enumerated in Regulation 883. The following waiver request will be decided ministerially, unless the Board has reason to believe the underlying basis of the recommended assessment is inappropriate.

Waiver	Property Address	Owner	Penalty Assessed	Penalty Waived	Penalty Imposed
4940	1604 Derby Street	Willie & Julia Burns Trust	\$500	\$500	\$0
4943	2441 McKinley Ave	Randa Nasser & Riyad Mousa	\$1,000	\$1,000	\$0
4958	1437 Oxford Street	Janine Shiue	\$147	\$147	\$0
4959	1737 San Pablo Avenue	Merritt & Schuyler Oliver	\$2,000	\$1,600	\$400
4960	1312 Carleton Street	Karuna Jaggar	\$500	\$300	\$200
4961	2214 MLK Jr. Way	Dmitri Belser & Thomas White	\$1,672	\$1,338	\$334
4963	1269 Alcatraz Avenue	z Avenue Sean Chon		\$955	\$238
TOTAL			\$7,012	\$5,840	\$1,172

Financial Impact: Ministerial Waivers

Approval of Acting Executive Director's recommendations will decrease the Board's current accounts receivable by \$5,840.

Discretionary Waivers

For the waiver requests listed below, staff recommendations are attached and presented to the full Board for its approval. With respect to these cases, the determination of good cause to waive some or all of the penalties depends on the totality of the circumstances.

Waiver	Property Address	Owner	Penalty Assessed	Penalty Waived	Penalty Imposed
4944	2057 Emerson Street	Aubrey Hunter Trust	\$1,500	\$1,130	\$370
4952	515 Colusa Avenue	Sabina Steinberg	\$750	\$375	\$375
4964	2001 Allston Way	YMCA Office	\$37,500	\$33,750	\$3,750
4965	1115 Ward Street	John Paul Coffey	\$500	\$400	\$100
4967	2035 Parker Street	Karen Williams Provost	\$2,500	\$2,500	\$0
4969	2610 College Avenue Yan Yuan		\$4,500	\$2,250	\$2,250
TOTAL			\$47,250	\$40,405	\$6,845

Financial Impact: Discretionary Waivers

Approval of Acting Executive Director's recommendations will decrease the Board's current accounts receivable by \$40,405.

Name and Telephone Number of Contact Person:

Matt Brown, Acting Executive Director Rent Stabilization Board 2125 Milvia Street, Berkeley, CA 94704 (510) 981-7368

City Of Berkeley Rent Stabilization Board

Recommendation on Requested Waiver of Registration Penalties

Waiver No: 4944		Property address	ss: 2057 EMERSON ST			
# of Units: 3		npt units (as of Apı #REAR - Unit inact	April 2021): Unit #NA - Owner's Use active			
Owner(s): LEWIS, GLADYS & AUBREY HUNTER			Waiver filed by: Willian	n Dawkins		
Other Berkeley	rental p	property owned: No	one			

Late payment/penalty history: The property is a duplex that is exempt when occupied by an owner with a recorded interest share of at least 50%; it had been claimed exempt as an owner-occupied duplex for many years. However, in the past year, Rent Board staff reviewed the ownership of owner-occupied exempt duplexes to determine which ones were owned by a trust, and reached out to these trusts to make sure that they met the standard of owner-occupancy for the purposes of exemption. This property has one rented unit and is owned in trust with multiple grantees. One of the grantees of the trust does live in the property, but her ownership share is 14%. Therefore, the property does not meet the threshold for exemption. Upon learning this, another one of the trust's grantees, Aubrey Hunter, retained a representative who filed registration forms and paid registration fees for the current year and previous two years under the agency's policy of charging fees under a three-year statute of limitations. The representative also filed a waiver request.

Penalties Currently Under Consideration

Reason for Penalties: Late Payment of 2020/2021 Annual Registration Fee

Registration Date or Year	Unit(s) registered late at this time	Registration fees paid	Date fees paid			Penalties Due
2020/2021	1	\$250.00	02/11/2021	\$500.00	\$0.00	\$500.00
2019/2020	1	\$250.00	02/11/2021	\$1000.00	\$500	\$500.00
2018/2019	1	\$250.00	02/11/2021	\$1500.00	\$1000.00	\$500.00
			Totals	\$3000.00	\$1500.00	\$1500.00

Grounds under Regulation 884(B): (8) The penalty has accrued because registration fees have not been paid for three or more fiscal years..

Good cause claimed by owner: The waiver request has been filed by William Dawkins, who is the representative of one of the trust grantees, Aubrey Hunter. Mr. Dawkins describes how Mr. Hunter's interest share of 33.3% is a result of a successor trustee deed, which was attached to the waiver. He states that the property "was a stopping point for an extended family during the Great Migration. Two of the grantees are now dead ... and their estate has not been probated." He goes on to say that another trustee, Gladys Lewis, "managed the property until 2018 when age and health issues prevented her from continuing. Mr. Hunter then managed the property but was unaware" that the property had not been registered as is required.

Recommendation: Staff recommends waiving 75% of the penalty, or \$1130, and imposing 25%, or \$370.

Staff Analysis: The owner-occupied duplex exemption is complex and often misunderstood. In this case, where a trust grantee was indeed occupying the property and had reason to believe that this would cause the rented unit to be exempt, staff can understand why the owner would not have thought to inquire with the Board about registration. Furthermore, the rent charged to the tenant is very reasonable. The owners seem committed to meeting registration requirements, and staff does not foresee future issues with compliance. Staff recommends a waiver of 75%.

CITY OF BERKELEY **RENT STABILIZATION PROGRAM** 2125 Milvia Street, Berkeley, CA 94704

W-4944

RECEIVED			Serkeley, CA 94704 • FAX: (510) 981-4910	W.7777
RECE! 1/1 /021			yofberkeley.info/rent/	-4
	-Request for		te Registration Pena	alties
Initial: Rent Roard Berkeley Rent Roard Property Address:	Please	-	Information on Page 2	
				y, CA 94703
Owner:	Aubrey	Hunter	(30367%)	
Date of acquisition, if	new owner: _	October	20, 2003	
Name & relationship	of person filing	g request, if not o	wner: William	Dawkins Agent

If, after reading the information on Page 2, you believe that you are entitled to a waiver of some or all of your late registration penalties, use the space below to explain why. Attach evidence, where possible, to document an extenuating circumstance that prevented timely payment, such as hospitalization or death in the family. It is your responsibility to convince the Board that your waiver should be granted, so state all facts and circumstances that support your case. Please print or type clearly. Attach an additional sheet of paper if needed.

Aubrey Hunter required A 30.367 % interest in the subject
property on October 20, 2003 Through a Successor Trustee Deed, a copy
at which is attached. The property was a stooping point for my extended
family during the Great Migration. The of the grantees Are now dead
& SArah Ford, Mack Watson and John H. Watson) and their estates have not bear
proported.
Gladys Lewis managed the properly until 2018 when age and health
15ques prevented her from continuing. Air. Hunter then managed me property
I declare under penalty of perjury of the laws of the State of California that the foregoing is true and correct.
Date: 2 Jeh 2021 Signature: W Jahro

The information entered below must be clearly printed or typed in order to receive the Executive Director's recommendation to the Rent Board on your penalty waiver request one week prior to the Board's consideration of your request at its monthly meeting. The recommendation will also include the date, time and location of the meeting should you choose to attend and address the Commissioners.

Email Address:	willdawkins a gmail.	Com
	P.O. Box 1269, Glev Ellen,	
Phone Number:	707.939.9690	Fax Number: 707. 939. 9694

Please see Communications Disclaimer on Page 2 that applies to any personal information you provide.

City Of Berkeley Rent Stabilization Board

Recommendation on Requested Waiver of Registration Penalties

Waiver No: 4952 Property addr		ress: 515 COLUSA AVE	Transfered: 10/16/1998		
# of Units: 3 Exempt units (as of April 2021): 0					
Owner(s): SABINA STEINBERG Waiver filed by: Sabina Steinberg			ı Steinberg		
Other Berkeley r	ental property owned	: None			

Late payment/penalty history: The owner has a uniquely poor history of nonpayment of registration fees. Not only has she failed to pay registration fees timely since 2015, but she declared bankruptcy in 2019 and as a result paid almost no registration fees at all for the past five years because the Rent Board discharged the debts she had accumulated. The payment of the 2020/2021 annual registration fee on August 20, 2020, represents the first time the owner has paid the fee in at least six years.

Registration Date or Year		Registration fees paid	Date fees paid	Penalties charged	Penalties forgiven	Penalties Paid
2019/2020	. 3	\$141.49	08/16/2019	3300.21	3300.21	0.00
2018/2019	3	\$0.00	04/04/2019	5384.00	5384.00	0.00
2017/2018	3	\$0.00		3884.00	3884.00	0.00
2016/2017	. 3	\$0.00		2564.00	2564.00	0.00
	Totals (p	enalties previo	usly assessed)	\$15132.21	\$15132.21	\$0.00

Penalties Currently Under Consideration

Reason for Penalties: Late Payment of 2020/2021 Annual Registration Fee

	Unit(s) registered late at this time					Penalties Due
2020/2021	3	\$750.00	08/20/2020	\$750.00	\$0.00	\$750.00
			Totals	\$750.00	\$0.00	\$750.00

Grounds under Regulation 884(B): (1) The good cause asserted in the waiver request is a death or illness in the landlord's family; (10) the landlord has paid late each year for the prior five years.

Good cause claimed by owner: The owner states that she had breast cancer in 2020 and had a double mastectomy on June 2nd. She states that she "was in the hospital for almost a week and almost two months in recovery." She states that she "unfortunately was not in the capacity of dealing with my daily obligations and missed the due date for rent registration." She concludes that she was "undergoing treatment at UCSF since then, the active phase of which ended earlier this year. I am asking the Rent Board of City of Berkeley to waive my late fees."

Recommendation: Staff recommends waiving 50% of the penalty, or \$375, and imposing 50%, or \$350.

Staff Analysis: This is a very unique case, with an owner who has a longstanding history of nonpayment of registration fees and who this year paid full registration fees for the first time in at least six years -- but after the due date. It is difficult to balance a compelling reason for late payment (cancer surgery) against the history of noncompliance and nonpayment. Both the payment history and the owner's health must be acknowledged. Therefore, staff recommends waiving 50% of the penalty, in acknowledgement of both theowner's situation and payment history.

W-4952

CITY OF BERKELEY RENT STABILIZATION PROGRAM 2125 Milvia Street, Berkeley, CA 94704 PHONE: (510) 981-7368 • FAX: (510) 981-4910

WEB: https://www.cityofberkeley.info/cent/

FEB. 28, 2021
Initial: MM/ML
Berkeley Rent Board

Request for Waiver of Late Registration Penalties

Please Read Important Information on Page 2 Colusa Ave, Berkeley, CA 94707 Property Address: Owner: Date of acquisition, if new owner: Name & relationship of person filing request, if not owner: If, after reading the information on Page 2, you believe that you are entitled to a waiver of some or all of your late registration penalties, use the space below to explain why. Attach evidence, where possible, to document an extenuating circumstance that prevented timely payment, such as hospitalization or death in the family. It is your responsibility to convince the Board that your waiver should be granted, so state all facts and circumstances that support your case. Please print or type clearly. Attach an additional sheet of paper if needed. I was diagnosed with breast eaucer last year and had double mastectomy on June 2nd. I was in the hospital for almost a week and almost two month in recovery. Unfortunately I was not in the capacity of dealing with my daily obligations and missed the due date for rent registration bill. I am undersoing the tracetment at LICSF I declare under penalty of perjury of the laws of the State of California that the foregoing is true and correct. The information entered below must be clearly printed or typed in order to receive the Executive Director's recommendation to the Rent Board on your penalty waiver request one week prior to the Board's consideration of your request at its monthly meeting. The recommendation will also include the date, time and location of the meeting should you choose to attend and address the Commissioners. Sabinasteindesign Gamail com Email Address: Mailing Address: 515 Colusa Ave, Berkeley CA 94707 Phone Number: 90-387-5117 Fax Number: u/q

Please see Communications Disclaimer on Page 2 that applies to any personal information you provide.

City of Berkeley Rent Stabilization Board

Recommendation on Requested Waiver of Registration Penalties

Waiver No: 4964	Property address: 20	001 Allston Way	Transferred: 09/14/2020	
# of Units: 78 Exempt units (as of April 2020): Unit #322 Shelter Plus; Unit #420 Shelter Plus.				
Owner(s): YMCA	Office	Waiver filed by: C	theri Mezzapelle for YMCA	
Other Berkeley rent	al property owned: Non	ne		

Late payment/penalty history: The property in question is the Berkeley YMCA Residence, which at 75 rent-controlled units is one of the largest properties registered with the Berkeley Rent Board. The YMCA, which owns the property, is generally a very reliable owner that complies with the registration requirements. The YMCA has paid registration fees after the due date one time in the previous six years, which was their first in many years, and which was waived administratively through the Board's 60-day waiver policy.

Registration Date or Year	Units requiring registration at that time	Registration fees paid	Date fees paid	Penalties charged	Penalties forgiven	Penalties Paid
2019/2020	75	\$18,750	8/07/2019	\$18,750	\$18,750	\$0

Penalties Currently Under Consideration

Reason for penalties: Late payment of the 2020/2021 registration fees.

Registration Date or Year	Units requiring registration at this time	Registration fees paid	Date fees paid	Penalties charged	Penalties forgiven	Penalties Due
2020/2021	75	\$18,750	1/14/2020	\$37,500	\$0	\$37,500

Grounds under Regulation 884(B): (6) The landlord requesting the waiver owns or manages 11 or more rental units.

Good cause claimed by owner: The waiver has been filed by the property's Vice President and Chief Financial Officer, Cheri Mezzapelle, who states that as a result of Berkeley's Shelter in Place order, "we did not have regular workers in the buildings that accept mail." She goes on to say that "after it became apparent that the ordinance would be in place for an extended period, we installed outside mailboxes." She says that "we never received any notice or bill from your office about this. It was only when we telephoned that we received a copy of the bill and realize how late this fee was." She concludes with: "As you know, all the gyms were completely closed and we had to furlough many employees. It would be a true hardship to pay these penalties."

Recommendation: Staff recommends waiving 90% of the penalty, or \$33,750, and imposing 10%, or \$3,750.

Staff analysis: While staff understands that the pandemic has resulted in hardship for the owner, their explanation of late payment is strange. When it became apparent that this large account had not been paid on time, Rent Board staff made a number of phone calls to both the owner and the agent listed on the account to inform them of the outstanding fee and the COVID amnesty waiver policy that was available if the owner paid by September 30, 2020. Staff sent multiple emails as well, with the billing statement attached. Therefore, even if the mail was not received, it is simply not credible that the owner did not realize that this bill was so overdue -- especially given that it is a nearly \$20,000 bill that is due annually. Staff is sympathetic to the financial situation of the YMCA, and therefore recommends a waiver of 90%, which is more than the ministerial schedule would allow for the second late payment in five years.

W. 4964



RECEIVED

MAR 2.9 2021 Initial: // Dard Berkeley Rent Board

WAIVER

FOR YOUTH DEVELOPMENT® FOR HEALTHY LIVING FOR SOCIAL RESPONSIBILITY

Rent Stabilization Program City of Berkeley 2125 Milvia Street Berkeley, CA 94704

March 23, 2021

RE:

Registration Fee YMCA Residence 2001 Aliston Way Berkeley, CA 94704

Dear Rent Stabilization Program:

Attached is the payment for the Registration Fees for 2020-21 for the Rent Stabilization Program. We respectfully request that you waive the penalties assessed to our late payment. When the "Stay at Home" ordinance began, we did not have regular workers in the buildings that accepted mail. After it became apparent that the ordinance would be in place for an extended period, we installed outside mailboxes. We never received any notice or bill from your office about this. It was only when we telephoned that we received a copy of the bill and realized how late this fee was. As you know, all the gyms were completely closed and we had to furlough many employees.

It would be a true hardship to pay these penalties.

Regards,

Cheri Mezzapelle

Vice-President/Chief Financial Officer

cmezzapelle@ymcaeastbay.org 925-451-4102

City Of Berkeley Rent Stabilization Board

Recommendation on Requested Waiver of Registration Penalties

Waiver No: 4965 Property addr		lress: 1115 WARD ST	Transfered: 03/01/2009		
# of Units: 2	Exer	npt units (as of	April 2021): 0		
Owner(s): JOH	N PAUL	COFFEY	Waiver filed by: John l	Paul Coffey	
Other Berkeley	rental p	property owned	d: None		

Late payment/penalty history: The subject property comprises two units, both of which are rented. The owner, John Paul Coffey, has owned the property since 2009. The payment of the 2020/2021 registration fee is his third late payment in the previous five years.

		Registration fees paid				Penalties Paid
2018/2019	ALL	\$500.00	09/27/2018	500.00	0.00	500.00
2016/2017	ALL	\$442.00	08/17/2016	442.00	0.00	110.00
	\$942.00	\$0.00	\$610.00			

Penalties Currently Under Consideration

Reason for Penalties: Late Payment of 2020/2021 Annual Registration Fee

	Unit(s) registered late at this time	Registration fees paid			Penalties forgiven	Penalties Due
2020/2021	2	\$500.00	11/10/2020	\$500.00	\$0.00	\$500.00
			Totals	\$500.00	\$0.00	\$500.00

Grounds under Regulation 884(B): (11) The Executive Director, or his or her designee, recommends that the interests of justice require that a greater or lesser amount be waived.

Good cause claimed by owner: The owner, John Paul Coffey, states that at the beginning of last year's Shelter in Place, "I was forced to sell my home for financial reasons." He describes how he had to move in with his son "twice over the next couple of months." He describes this period as "extremely stressful and chaotic." Finally, he explains that the registration billing statement "did not get to me for months and as soon as I received it, I paid it."

Recommendation: Staff recommends waiving 80% of the penalty, or \$400, and imposing 20%, or \$100.

Staff Analysis: The owner's situation does indeed sound stressful. Although this owner's payment history is not perfect, staff understands that that the loss of a home and resulting uncertainty might have played a significant role in the owner's ability to pay the registration fee timely. In recognition of these circumstances, staff recommends a waiver of 80%, which is more than the ministerial schedule would normally grant for the third late payment in the previous five years.

BERKELEY RENT BOARD PCUD ZIAPRIOMID:44

Phone Number:

CITY OF BERKELEY RENT STABILIZATION PROGRAM 2125 Milvia Street, Berkeley, CA 94704

PHONE: (510) 981-7368 • FAX: (510) 981-4910

WEB:

Request for Waiver of Late Registration Penalties Please Read Important Information on Page 2

Property Address Owner: Date of acquisition, if new owner: Name & relationship of person filing request, if not owner: If, after reading the information on Page 2, you believe that you are entitled to a waiver of some or all of your late registration penalties, use the space below to explain why. Attach evidence, where possible, to document an extenuating circumstance that prevented timely payment, such as hospitalization or death in the family. It is your responsibility to convince the Board that your waiver should be granted, so state all facts and circumstances that support your case. Please print or type clearly. Attach an additional sheet of paper if needed. I declare under penalty of perjury of the laws of the State of California that the foregoing is true and correct. Signature: The information entered below must be clearly printed or typed in order to receive the Executive Director's recommendation to the Rent Board on your penalty waiver request one week prior to the Board's consideration of your request at its monthly meeting. The recommendation will also include the date, time and location of the meeting should you choose to attend and address the Commissioners. **Email Address:** Mailing Address: Fax Number:

Please see Communications Disclaimer on Page 2 that applies to any personal information you provide.

City Of Berkeley Rent Stabilization Board

Recommendation on Requested Waiver of Registration Penalties

Waiver No: 4967 Property address		: 2035 PARKER ST	Transfered: 01/01/1900					
# of Units: 5 Exempt units (as of April 2021): 0								
Owner(s): KARE	N WILLIAMS PROVOST	Waiver filed by: Karen	Williams Provost					
Other Berkeley re	Other Berkeley rental property owned: 2833 REGENT ST							

Late payment/penalty history: The property comprises five units, all of which are rented and subject to the registration requirement. The owner, Hank Williams, is the father of the current owner, Karen Williams Provost. Some years ago, Ms. Provost moved back to Berkeley from Texas to help her father out in tending to the affairs of the property. Mr. Williams died on October 6, 2020, and Ms. Provost now is the sole owner of the property. The late payment of the 2020/2021 registration marks the third late payment in the previous five years.

		Registration fees paid		· ·		Penalties Paid	
2019/2020	5	\$1250.00	07/29/2019	1250.00	0.00	1250.00	
2017/2018	5	\$1350.00	06/25/2018	2700.00	1350.00	1350.00	
	Totals (p	\$3950.00	\$1350.00	\$2600.00			

Penalties Currently Under Consideration

Reason for Penalties: Late Payment of 2020/2021 Annual Registration Fee

0	Unit(s) registered late at this time			~ •		Penalties Due	
2020/2021	5	\$1250.00	03/10/2021	\$2500.00	\$0.00	\$2500.00	
			Totals	\$2500.00	\$0.00	\$2500.00	

Grounds under Regulation 884(B): (1) The good cause asserted in the waiver request is a death or illness in the landlord's family.

Good cause claimed by owner: The waiver request has been filed by Karen Williams Provost, who is now the sole owner of the property. She states that her father died in October 2020. She goes on to say that "several years ago, my husband O'Neil Provost and I had moved in with him to take care of him and help with managing the property at 2035 Parker St." She says that "in the final few years, he would occasionally find mail in his name, but forget to show it to us and it appears that the bill for the annual registration was one of these bills, so it did not get paid until recently." She "respectfully requests that the late fees be waived in this instance."

Recommendation: Staff recommends waiving the penalty in full.

Staff Analysis: Staff sympathizes with the situation that the owner describes. She has also provided a death certificate showing that her father died in October 2020. Now that the property has transferred to her ownership, staff does not foresee problems with late payment and noncompliance. Staff recommends a full waiver of the penalty.

CITY OF BERKELEY

RENT STABILIZATION PROGRAM
2125 Milvia Street, Berkeley, CA 94704

- 4964

RECEIVED	PHONE: (510) 981-7368 • FAX: (510) 981-4910 WEB: https://www.cityofberkeley.info/rent/
MAN - MAN Bos	WEB: https://www.cityofberkeley.info/rent/ Request for Waiver of Late Registration Penalties Please Read Important Information on Page 2
Property Address:	2035 Parker St Berkeley CA 94705
Owner:	Karen Williams Provost
Date of acquisition	if new owner: 10/6/2020
Name & relationsh	ip of person filing request, if not owner: daughter of prev. owner
late registration pena an extenuating circu is your responsibility	information on Page 2, you believe that you are entitled to a waiver of some or all of your alties, use the space below to explain why. Attach evidence, where possible, to document mstance that prevented timely payment, such as hospitalization or death in the family. It y to convince the Board that your waiver should be granted, so state all facts and upport your case. Please print or type clearly. Attach an additional sheet of paper if
My father	Henry Williams, passed away last October at the
age of 98.	Several years ago my hasband, O'Neil Provost, and I
had moved in	Several years ago my hasband, O'Neil Provost, and I with him to take care of him and help with managing
	at 2035 Parker St In the final few years he would
occasionally	find mail in his mane, but forget to show It to us
and it appear	ors that the bill for the annual registration was
one of these	bills, so it did not get paid until recently we
	equest that the late fees be waived in this instance.
I declare under pena	lty of perjury of the laws of the State of California that the foregoing is true and correct.
Date: 3/11/2	021 Signature: 10mm William Provost
recommendat consideration of you	ered below must be clearly printed or typed in order to receive the Executive Director's ion to the Rent Board on your penalty waiver request one week prior to the Board's request at its monthly meeting. The recommendation will also include the date, time and not the meeting should you choose to attend and address the Commissioners.
Email Address:	Karen & Wimberley lavender, com
Mailing Address:	2833 Regent St Berkely CA 94705
	12 8257662 Fax Number:

Please see Communications Disclaimer on Page 2 that applies to any personal information you provide.

City Of Berkeley Rent Stabilization Board

Recommendation on Requested Waiver of Registration Penalties

Waiver No: 4969 Property add		Property address	: 2610 COLLEGE AVE	Transfered: 07/10/2020				
# of Units: 9								
Owner(s): YAN YUAN			Waiver filed by: Yan Yuan					
Other Berkeley r	Other Berkeley rental property owned: None							

Late payment/penalty history: The property comprises nine units, all of which are rental units and covered by the registration requirement. The person filing the waiver is Yan Yuan, who obtained the property on July 10, 2020. The former owner, to whom the Rent Board had sent the 2020/2021 registration billing statement, did not pay the fee that was due on July 1, 2020, and so Mr. Yuan inherited the fee and resulting penalty. Staff learned of the change in ownership in January 2021, when Mr. Yuan reached out to the Rent Board to inform the agency that he had obtained the property. At that time, staff told Mr. Yuan of the outstanding fee payment and resulting penalties. Mr. Yuan paid the registration fee of \$2,250 and filed a waiver request.

Penalties Currently Under Consideration

Reason for Penalties: Late Payment of 2020/2021 Annual Registration Fee

	Unit(s) registered late at this time	Ç				Penalties Due
2020/2021	9	\$2250.00	02/04/2021	\$4500.00	\$0.00	\$4500.00
			Totals	\$4500.00	\$0.00	\$4500.00

Grounds under Regulation 884(B): (7) The landlord requesting the waiver was not the owner of the property when the penalty first accrued.

Good cause claimed by owner: The owner states that "I am a new owner with no other Berkeley residential rental property, and I didn't receive the original billing statement."

Recommendation: Staff recommends waiving 50% of the penalty, or \$2,250, and imposing 50%, or \$2,250.

Staff Analysis: It is unfortunate when an owner obtains a property and the previous owner has left outstanding debts to be handled by the new owner. However, this owner obtained a nine-unit residential rental property on July 10, 2020, and did not contact the Rent Board regarding the change of ownership until January 2021. Had he notified the Rent Board earlier, he might have qualified for the COVID amnesty, and/or could have avoided the second, January penalty assessed on January 1, 2021. Staff therefore recommends a 50% waiver, which holds the owner responsible for the January penalty while waiving the July penalty that the previous owner had incurred through his failure to pay the fee timely.

RECEIVED

MAR 2 9 2021

Initial: Berkeley Rent Board

CITY OF BERKELEY RENT STABILIZATION PROGRAM 2125 Milvia Street, Berkeley, CA 94704

PHONE: (510) 981-7368 • FAX: (510) 981-4910

W-4969

WEB: https://www.cityofberkeley.info/rent/

Request for Waiver of Late Registration Penalties Please Read Important Information on Page 2

Property Address:	ZHO (allege sue	Berkeley,	<u>CA '</u>
Owner:	YAN YUAN	10/2020		
Date of acquisition, if new	owner: Ol	119/000		
Name & relationship of per	rson filing request, i	f not owner:		
If, after reading the informat late registration penalties, us an extenuating circumstance is your responsibility to con- circumstances that support y needed.	te the space below to that prevented timely vince the Board that y your case. <u>Please pri</u> i	explain why. Attach of payment, such as how our waiver should be not type clearly. A	evidence, where possible spitalization or death in granted, so state all fact ttach an additional sheet	the family. It sand of paper if
I am a new rental proposed billing state	owner with sorty and synent.	h no other I didn't	berteloy resid receive the on	enoteal igenal
I declare under penalty of pe			that the foregoing is tru	le and correct.
Date: 3/28/2021	_ Signature:		Same January	
consideration of your reques	ne Rent Board on you st at its monthly meet meeting should you o	r penalty waiver requireg. The recommend	nest one week prior to the ation will also include the address the Commission	e Board's ne date, time and
Mailing Address:	Fletcher C	alamed,	a, CA 9	4501
Phone Number: 817	-718-2417	Fax Number		
Please see Communication	ons Disclaimer on Pa	ge 2 that applies to a	my personal informatio	n you provide.

RESOLUTION 21-03

IN HONOR OF DOROTHY KING

BE IT RESOLVED by the Rent Stabilization Board of the City of Berkeley as follows:

WHEREAS, the struggle for adequate housing for poor black and working-class families has always been a struggle; and

WHEREAS, redlining and other racist practices became illegal, these practices left longlasting ramifications on the health and access to adequate and safe housing for Working-Class People; and

WHEREAS, Dorothy King was a fierce advocate for the housing Justice movement, she lead a housing movement in Denver, and helped homeless mothers reclaim HUD housing for themselves and their children; and

WHEREAS, Dorothy King was an entrepreneur with several restaurants throughout the Bay Area, the infamous Everett and Jones, including a Berkeley location that has fed our houseless Neighbors; and

WHEREAS, Dorothy King was a supporter of social justice, self-determination and housing activism, which led the way for future movements such as Moms for Housing; and

WHEREAS, Dorothy King created a legacy and was committed to Justice, serving the people, and instilling those same values in her family and loved ones;

NOW, THEREFORE, BE IT RESOLVED that the Berkeley Rent Stabilization Board recognizes, honors and commends the Life and Legacy of Dorothy King; her courage and commitment to social justice, equality, and housing as a human right here in Berkeley and throughout the nation.

Dated: April 15, 2021	
Adopted by the Rent Stabilization Board of the	City of Berkeley by the following vote:
YES: NO: ABSTAIN: ABSENT:	
Attact	Leah Simon-Weisberg, Chair Rent Stabilization Board
Attest:	

Matt Brown, Acting Executive Director

Brian Augusta & Associates

1107 9th Street Suite 1011 Sacramento, California 95814 baugusta@housingadvocates.org

Date: April 8, 2020

To: Commissioners, Berkeley Rent Stabilization Board

From: Brian Augusta & Michael Moynagh

Re: State Legislative Report for April 2021

The Legislature is in full swing this month, with policy committees hearing dozens of housing bills over the next few weeks. In addition to the measures listed below, one other looming issue remains on the legislature's docket: Extending eviction protections and rental assistance provided for in SB 91. That measure—including evictions protections first enacted in AB 3088 (Chiu) last year—will expire on June 30, 2021. With additional funding authorized recently from Washington, the legislature must take action to expend those resources to help tenants and landlords with rental debt relief. Tenants groups are also pushing for extension of eviction protections and additional debt relief. Like SB 91, it is anticipated that any such policies will be enacted as part of the legislature's June budget action.

Selected Bills of Interest

Rent Stabilization

AB 854 (Lee) Ellis Act.

Status: Hearing set for April 15 in Asm. Housing and Community Development Description: Requires a owner seeking to withdraw a building from the rental market to own the property for at least 5 years before doing so; prohibits an owner who has withdrawn a property under the Act from using the Act to withdraw a property the owner acquired in the 10-year period following the withdrawal.

Landlord-Tenant

AB 838 (Friedman) Code Enforcement Inspections

Status: Hearing set for April 15 in Asm. Housing and Community Development Requires code enforcement officers to inspect when a tenant makes a complaint and document on code violations.

AB 1188 (Wicks) Rental registry.

Status: Hearing set for April 15 in Asm. Housing and Community Development

Description: Requires cities to create and maintain a rental registry by 2021 covering all landlords who own or operate five or more units.

AB 1199 (Gipson) Large-scale landlord excise tax.

Status: Not yet scheduled for hearing in Asm. Revenue and Taxation and Asm. Housing and Community Development

Description: Imposes an 25% excise tax on landlords who rent 10 or more single family homes or 25 or more multifamily properties with 5 or more units, to be used to fund a variety of activities to benefit low-income renters.

AB 1241 (Jones-Sawyer) Rental housing applications: criminal records.

Status: Not yet scheduled for hearing in Asm. Housing and Community Development Description: Establishes procedures for landlords to follow regarding tenant applicant criminal background checks.

AB 1487 (Gabriel) Eviction defense funding.

Status: Passed Assembly Judiciary April 6; on Assembly Floor

Description: Upon appropriation, creates a grant program at the State Bar Legal Services Trust Fund Commission for legal services organizations for eviction defense and prevention.

SB 3 (Caballero) AB 3088 extension through March 2021.

Status: Hearing set for April 27 in Sen. Judiciary

Description: Extends the provisions of AB 3088 through March 2021.

Mobilehome Park Landlord-Tenant

AB 978 (Quirk-Silva) Mobilehome parks: rent caps.

Status: Not yet scheduled for hearing in Asm. Housing and Community Development Description: Extends AB 1492's limitations on rent increases to mobilehomes.

SB 64 (Leyva) Mobilehome eviction protections.

Status: Placed on Sen. Appropriations suspense file for later action

Description: Provides evictions protections for COVID-impacted residents in mobilehome parks during the pandemic; would take effect immediately and therefore requires a 2/3rds vote.

Fair Housing

AB 1304 (Santiago) AFFH.

Status: Hearing set for April 15 in Asm. Housing and Community Development Description: Makes changes to AB 686 related to the AFFH analysis in Housing Element law.

SB 649 (Cortese) Local governments: affordable housing: local tenant preference.

Status: Hearing set for April 15 in Sen. Housing

Description: Allows local governments to have a policy giving preference to lower-income households at risk of displacement in tax-credit funded affordable housing.

SCA 2 (Allen) Article 34 repeal.

Status: Awaiting referral to a committee

Description: Would place the repeal of Article 34 on a future ballot.

Senate Housing Package

SB 5 (Atkins) \$6.5B housing bond.

Status: Not yet scheduled for hearing in Sen. Housing

Description: Places a \$6.5B housing bond on the November 2022 ballot; requires projects to use a "skilled" workforce.

SB 6 (Caballero) Housing on commercial sites.

Status: Hearing set for April 29 in Sen. Housing

Description: Aauthorizes housing on commercial sites that include affordable units and comply with a skilled and trained workforce requirement.

SB 7 (Atkins) CEQA streamlining for infill.

Status: Passed Senate; Not yet referred to committee in Assembly

Description: Allows infill housing projects with 15% affordable units to qualify for the AB 900 expedited CEQA process.

SB 8 (Skinner) SB 330 cleanup.

Status: Hearing set for April 29 in Sen. Housing

Description: Clean-up bill for SB 330. Changes include clarifying that the law applies to both ministerial and discretionary projects.

SB 9 (Atkins) Lot split ministerial approval.

Status: Hearing set for April 15 in Sen. Housing

Description: Makes duplexes and lots splits on ministerial, similar to SB 1120 from 2020.

SB 10 (Wiener) By-right infill approval.

Status: Not yet scheduled for hearing in Sen. Governance & Finance

Description: Allows local governments to rezone a parcel by right in infill or jobs-rich areas.

Other Housing

AB 115 (Bloom) Housing in commercial zones.

Status: Not yet scheduled for hearing in Asm. Housing and Community Development Description: Re-run of AB 3107 from last year making housing with 20% lower-income units an allowable use in commercial zones. Similar to SB 6 in the Senate Housing Package.

AB 1095 (Cooley) AHSC tenure equality.

Status: Not yet scheduled for hearing in Asm. Housing and Community Development Description: Requires the Strategic Growth Council to treat rental and ownership housing equally in the AHSC program.

AB 1277 (Blanca Rubio) CEQA: student housing.

Status: Not yet scheduled for hearing in Asm. Natural Resources

Description: Creates an expedited judicial review process for CEQA for student housing projects.

AB 1434 (Friedman) Indoor residential water use.

Status: Hearing set for April 22 in Asm. Water, Parks and Wildlife

Description: Reduces standards for indoor residential water use to 40 gallons per capita daily by 2030.

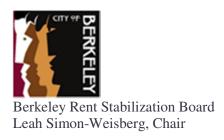
ACA 7 (Muratsuchi) Preemption of state land use laws by charter cities.

Status: Awaiting referral to a committee

Description: Specifies that a city charter provision, or an ordinance or regulation adopted pursuant to a city charter, that regulates zoning or land use is is deemed to address a municipal affair and prevails over a conflicting state statute; also provides that those regulations would prevail over conflicting general laws, with specified exceptions.

SB 706 (Bates) Property taxation: change in ownership.

Status: Not yet scheduled for hearing in Sen. Governance and Finance Description: Triggers reassessment under Prop 13 if if 90% or more of the direct or indirect ownership interests in a legal entity are sold or transferred in a single transaction.



Memo

To: Rent Board Commissioners

From: Leah Simon-Weisberg, Chair and Solomon Alpert, Vice Chair

Re: Executive Director Recruitment and Hiring Process

OVERVIEW

The prior executive director retired almost a year ago. The senior staff attorney Matt Brown stepped in as the interim executive director. Because of the Covid-19 Pandemic, the board was unable to begin a comprehensive search before now.

GOALS

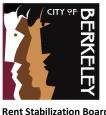
- 1. Create a timeline for process;
- 2. Select and work with a recruitment firm that will post and vet applicants;
- 3. Serve as the first round of interviewers;
- 4. Receive input from staff after staff panel interview;
- 5. Provide recommendations of top 4-5 candidates to be interviewed by all board members.

Proposal

The Rent Board shall establish an ad hoc committee to oversee the recruitment and hiring processes for a permanent executive director.

1. Committee shall comprise the chair and 3 board members. The committee shall be expected to meet several times a month. Members shall email the chair expressing their interest in joining the committee by April 20, 2021.

- 2. The committee shall engage the services of a recruitment firm that will assist with the recruitment, vetting and interview process. The chair will seek recommended firms from the City of Berkeley Department of Human Resources.
- 3. Board shall vote at the April meeting to allow the chair with committee consultation to engage the firm as long as it is less than the amount that the executive director is allowed to approve without further board vote. If bids are higher than this amount, the chair shall return to the full board for approval.
- 4. The committee shall seek every opportunity to include staff participation including interview panels composed of classified and senior staff.
- 5. The committee may also hire a project manager to assist with administrative and organizational support. Because the rent board staff are already at capacity with normal agency responsibilities and that the present interim executive director is a candidate, it appears prudent to consider hiring temporary assistance as the board members all have full-time jobs in addition to their board responsibilities.



Rent Stabilization Board

April 6, 2021

SPANISH translations of this letter can be provided. Please call (510) 981-7368.

Para la traducción en español de esta carta, por favor llame al (510) 981-7368.

Update Registration Info Online!

Owners can take care of all registration needs online – including updating tenancy data, claiming exemptions, and paying registration fees.

Go to: rentportal.cityofberkeley.info

Dear Property Owner:

Enclosed is a Notice of Apparent Lawful Rent Ceiling for your property, which lists rent ceilings that have been updated, where applicable, to include the 2021 Annual General Adjustment. It may also provide: 1) the number of bedrooms; 2) the number of occupants permitted within the rent ceiling; 3) the start date of the current tenancy; and 4) the housing services included in the rent ceiling. This Notice is **not** a binding determination; the information is based on the Rent Stabilization Board's records, which are generally very reliable but may not be complete or current.

Please look at the enclosed notice carefully. If information in the Notice is incorrect because a new tenancy was not reported, you must file a Vacancy Registration Form (VR) for each unreported new tenancy. VR forms are available on our website or by contacting our office. You may also report a new tenancy by going to our online registration portal at rentportal.cityofberkeley.info.

We will be mailing a similar Notice directly to your tenants. If you need to report a tenancy, please do so promptly so that your tenants' Notice shows the correct rent ceiling. Outdated rent ceilings can cause misunderstandings because it appears to the tenants that you are overcharging them.

If you believe the information in this Notice is incorrect for some other reason, you can update your rent ceiling information anytime by visiting our website at www.cityofberkeley.info/rent/ and clicking on "My Rent Ceiling." I also encourage you to join our online mailing list and receive information and timely updates! Please visit our website and click "Join Our E-mail Lists."

Completed VR forms and other corrections may be mailed to us at the address below, faxed to us at (510) 981-4910, or emailed to rent@cityofberkeley.info.

Our office remains closed due to the ongoing Shelter in Place order issued by the Berkeley Public Health Officer. If you have questions or need assistance with the information in the Notice, please do not hesitate to contact a housing counselor at (510) 981-7368, Ext. 1, or at rent@cityofberkeley.info.

Sincerely,

Matt Brown

Acting Executive Director

COVID-19 Information

Both the City of Berkeley and the California State Legislature have passed laws governing rental property in the wake of the COVID-19 pandemic.

For a comprehensive overview of these and other important topics, please go to the Berkeley Rent Board's home page at www.cityofberkeley.info/rent/ and click on the blue "Important COVID-19 Information" button.

COVID-19 Related Eviction Protections

There is a state law, the COVID-19 Tenant Relief Act, and a local law, Berkeley's Eviction Moratorium, that provide eviction protections during the COVID-19 pandemic. Please visit the Berkeley Rent Board's website for more information on your rights and responsibilities and to find out about programs offering rent relief.

Lease Breaking

The City's Eviction Moratorium (Berkeley Municipal Code Chapter 13.110) allows tenants to terminate leases early without penalties for COVID-19 related financial reasons, or if the tenants are students at a school that has cancelled or limited in-person classes. This right does not eliminate all responsibilities under state law, particularly Civil Code Section 1951.2, but tenants may negotiate with their landlords to permanently remove liabilities associated with the lease agreement.

Discounted Rent

Under Regulation 1013(A)(2), reduced, free, or discounted rent must be factored into the base rent ceiling for a new tenancy. For example, if a landlord and tenant agree to a rent of \$2,000 per month for a new tenancy with a 12-month term, but the tenant receives one month of free rent, the base rent ceiling for the unit would be \$1,833.33, which is the average of the monthly rent payments made for the initial lease term (\$22,000/12 months). Therefore, in this example, the month following the expiration of the initial lease term, the maximum rent the landlord could charge would be \$1,833.33.

Because of the COVID-19 Pandemic, the elected Rent Board created one exception to this rule. For tenancies that began on or before September 1, 2020, landlords and tenants could agree in writing to a reduced rental amount during the initial term of the tenancy without affecting the base rent ceiling for the unit.

Questions?

Contact a Rent Board Housing Counselor at (510) 981-7368, Ext. 1



Rent Stabilization Board

DATE: April 15, 2021

TO: Honorable Members of the Rent Stabilization Board

FROM: Matt Brown, Acting Executive Director

By: Lief Bursell, Senior Planner

Jen Fabish, Community Services Specialist

SUBJECT: Market Medians: January 1999 through December 2020

Attached is the Market Medians Report for the fourth quarter of 2020. New tenancies for the fourth quarter were down by 4.17% (299 new tenancies) compared to the fourth quarter of 2019 (312 new tenancies). New tenancies for 2020 were down by 39.37% (2341 new tenancies) compared to 2019 (3861 new tenancies). The median market rate rent for studio units, one-bedroom units, and two bedroom units were lower in the fourth quarter of 2020 compared to the fourth quarter of 2019, but the median rent for three bedroom units rose.

The table below compares the market median rent data from the fourth quarter of 2019 to the fourth quarter of 2020 for residential rental units that are subject to rent stabilization in Berkeley.

Unit Size	Q4 2019 Median	Q4 2020 Median	% Change
	Rent	Rent	
0	\$1,725	\$1,700	-1.45%
1	\$2,020	\$1,950	-3.47%
2	\$2,650	\$2,500	-5.66%
3	\$3,200	\$3,450	7.81%

Finally, please note that staff has provided a table showing data on 2020 new tenancies by market area, and a chart reflecting the average rent for post-1999 tenancies on the last page of the report.

Attachment: Market Medians Report: January 1999 to December 2020



MEMORANDUM

DATE: April 15, 2021

TO: Matt Brown, Acting Executive Director

FROM: Lief Bursell, Senior Planner

Jen Fabish, Community Services Specialist

SUBJECT: Market Medians: January 1999 through December 2020

The tables below update and supplement medians provided for the third quarter of 2020. Medians reported in the first section (Medians by Calendar Quarter) are derived from only those units which have had a new tenancy recorded in the Rent Tracking System (RTS) during the reported period.

We have updated the "Citywide" medians (includes all "rented" units regardless of tenancy date by number of bedrooms) and "All Units" medians (reflective of neither the unit size or tenancy date) to include medians as of December 31, 2020. For comparison purposes, December 31, 1998 medians are included below. Changes to previously reported figures are denoted by an asterisk (*).

Medians for 12/31/1998

# BR	Rent	# Units
Studio	\$527	3,725
1 BR	\$624	8,075
2 BR	\$777	5,651
3 BR	\$1,083	915

Medians by Calendar Quarter (new tenancies only)

	1999 (new tenancies)									
	1st Q 1999		2 nd Q 1999		3 rd Q 1999		4 th Q 1999		12/31/1999 (Year)	
#BR	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units
Studio	\$689	297	\$715	360	\$745	489	\$725	167	\$715	1,145
1 BR	\$880	487	\$970	601	\$950	683	\$950	326	\$950	1,927
2 BR	\$1,150	303	\$1,350	456	\$1,350	401	\$1450	161	\$1,300	1,245
3 BR	\$1,500	41	\$1,800	69	\$1,700	57	\$1745	21	\$1,650	172

Market Medians: January 1999 through December 2020 Page ${\bf 2}$ of ${\bf 8}$

	2000 (new tenancies)										
	1st Q 2000		2nd Q	2 nd Q 2000		3 rd Q 2000		4th Q 2000		12/31/2000 (Year)	
#BR	Rent	# Units	Rent	# Units	Rent	# Units	Rent	# Units	Rent	#Units	
Studio	\$750	262	\$800	344	\$850	466	\$850	130	\$800	1,073	
1 BR	\$975	415	\$1,100	644	\$1,150	681	\$1,195	292	\$1,100	1,861	
2 BR	\$1,300	233	\$1,500	454	\$1,500	408	\$1,500	146	\$1,500	1,173	
3 BR	\$1,650	28	\$2,000	76	\$2,000	56	\$1,900	21	\$1,980	171	

	2001 (new tenancies)												
	1 st Q	2001	2 nd Q	2001	3 rd Q	3 rd Q 2001 4 th Q 2001 12/31/2001 (Y							
#BR	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units			
Studio	\$875	159	\$900	302	\$900	479	\$880	157	\$900	1,002			
1 BR	\$1,195	322	\$1,200	557	\$1,200	607	\$1,200	289	\$1,200	1,647			
2 BR	\$1,550	144	\$1,775	395	\$1,685	357	\$1,500	165	\$1,650	1,007			
3 BR	\$2,000	21	\$2,400	71	\$2,100	36	\$1,500	12	\$2,100	133			

	2002 (new tenancies)												
	1st Q	2002	2 nd Q	2002	3 rd Q	2002	4 th Q	2002	12/31/2002 (Year)				
#BR	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units			
Studio	\$875	230	\$875	409	\$875	544	\$800	170	\$850	1,251			
1 BR	\$1,100	341	\$1,195	722	\$1,195	661	\$1,100	313	\$1,150	1,932			
2 BR	\$1,500	193	\$1,765	526	\$1,600	416	\$1,450	170	\$1,600	1,253			
3 BR	\$1,900	22	\$2,250	87	\$2,200	51	\$1,800	27	\$2,150	182			

	2003 (new tenancies)													
	1st Q 2003 2nd (2 nd Q 2003 3 rd Q 2003			4 th Q	2003	12/31/2003 (Year)					
#BR	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units				
Studio	\$820	231	\$850	365	\$875	478	\$850	130	\$850	1,142				
1 BR	\$1,100	321	\$1,150	645	\$1,100	747	\$1,050	262	\$1,100	1,892				
2 BR	\$1,400	200	\$1,645	506	\$1,495	463	\$1,350	176	\$1,500	1,326				
3 BR	\$1,850	25	\$2,000	84	\$2,100	52	\$1,800	17	\$1,999	185				

	2004 (new tenancies)												
	1st Q	2004	2nd Q	2004	3 rd Q	2004	2004	12/31/2004 (Year)					
#BR	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units			
Studio	\$800	205	\$825	357	\$825	528	\$800	140	\$800	1,129			
1 BR	\$1,000	313	\$1,100	596	\$1,050	804	\$1,000	272	\$1,050	1,896			
2 BR	\$1,300	194	\$1,500	521	\$1,449	485	\$1,295	149	\$1,400	1,294			
3 BR	\$1,650	19	\$2,150	77	\$2,000	68	\$1,550	17	\$2,020	174			

	2005 (new tenancies)													
	1st Q	2005	2nd Q	2005	3 rd Q	5 (Year)								
#BR	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units				
Studio	\$825	225	\$850	322	\$850	545	\$830	117	\$850	1,132				
1 BR	\$1,050	282	\$1,100	594	\$1,100	800	\$1,050	226	\$1,095	1,832				
2 BR	\$1,300	188	\$1,545	527	\$1,476	560	\$1,350	110	\$1,450	1,383				
3 BR	\$1,650	15	\$2,030	71	\$2,000	59	\$1,900	7	\$2,000	160				

Market Medians: January 1999 through December 2020 Page $\bf 3$ of $\bf 8$

	2006 (new tenancies)												
	1st Q	2006	2 nd Q	2006	3 rd Q	2006	4 th Q	2006	12/31/2006 (Year)				
#BR	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units			
Studio	\$825	186	\$890	332	\$875	554	\$850	90	\$875	1,159			
1 BR	\$1,060	298	\$1,150	664	\$1,150	784	\$1,100	176	\$1,100	1,944			
2 BR	\$1,400	188	\$1,650	550	\$1,500	537	\$1,445	108	\$1,550	1,430			
3 BR	\$1,700	19	\$2,240	77	\$2,000	80	\$2,000	9	\$2,100	191			

	2007 (new tenancies)													
	1st Q	2007	2nd Q	4th Q 2007		12/31/2007 (Year)								
#BR	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units				
Studio	\$900	190	\$925	371	\$920	496	\$885	130	\$900	1,099				
1 BR	\$1,100	301	\$1,200	698	\$1,200	826	\$1,175	196	\$1,200	1,930				
2 BR	\$1,495	166	\$1,700	649	\$1,600	525	\$1,490	122	\$1,600	1,421				
3 BR	\$2,400	17	\$2,300	80	\$2,200	98	\$2,250	19	\$2,250	210				

				2008	(new tenai	ncies)				
	1 st Q	2008	2 nd Q	2008	3 rd Q 2008 4 th Q 2008 12/31/08 (
#BR	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units
Studio	\$925	195	\$990	375	\$995	506	\$950	128	\$980	1,116
1 BR	\$1,185	308	\$1,300	704	\$1,290	860	\$1,200	201	\$1,275	1,980
2 BR	\$1,570	202	\$1,898	632	\$1,750	522	\$1,650	102	\$1,775	1,412
3 BR	\$2,200	24	\$2,590	83	\$2,400	113	\$2,400	15	\$2,450	230

	2009 (new tenancies)													
	1 st Q	2009	2 nd Q	2009	3 rd Q	2009	4 th Q 2009		12/31/09 (Year)					
#BR	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units				
Studio	\$925	164	\$985	352	\$975	447	\$845	124	\$950	1,081				
1 BR	\$1,150	277	\$1,350	633	\$1,250	757	\$1,175	222	\$1,250	1,887				
2 BR	\$1,585	138	\$1,900	638	\$1,675	462	\$1,450	143	\$1,700	1,406				
3 BR	\$2,450	21	\$2,500	112	\$2,395	86	\$2,100	24	\$2,400	254				

	2010 (new tenancies)													
	1 st Q	2010	2 nd Q	2010	3 rd Q	2010	4 th Q	2010	12/31/2010(Year)					
#BR	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units				
Studio	\$925	173	\$985	337	\$950	518	\$900	98	\$950	1,038				
1 BR	\$1,195	244	\$1,295	648	\$1,195	787	\$1,200	189	\$1,225	1,828				
2 BR	\$1,500	142	\$1,900	580	\$1,600	523	\$1,500	115	\$1,660	1,365				
3 BR	\$1,850	16	\$2,500	113	\$2,395	98	\$2,000	16	\$2,395	241				

				2011	(new tenai	ncies)				
	1 st Q	2011	2 nd Q	2 nd Q 2011		3 rd Q 2011		2011	12/31/2011(Year)	
#BR	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units
Studio	\$895	122	\$975	403	\$995	454	\$955	98	\$970	1,105
1 BR	\$1,175	235	\$1,285	662	\$1,250	722	\$1,250	220	\$1,250	1,899
2 BR	\$1,495	139	\$1,900	621	\$1,650	544	\$1,595	116	\$1,700	1,472
3 BR	\$2,050	21	\$2,570	106	\$2,400	96	\$2,400	12	\$2,400	248

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	2012 (new tenancies)													
	1 st Q 2012 2			2012	3 rd Q	3 rd Q 2012		2012	12/31/2012(Year)					
#BR	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units				
Studio	\$900	152	\$1,025	427	\$1,050	408	\$1,095	87	\$1,050	1050				
1 BR	\$1,200	226	\$1,395	578	\$1,345	701	\$1,300	162	\$1,325	1689				
2 BR	\$1,600	123	\$2,095	641	\$1,750	501	\$1,700	99	\$1,850	1431				
3 BR	\$2,300	16	\$2,700	113	\$2,595	93	\$2,600	12	\$2,595	247				

	2013 (new tenancies)													
	1st Q	2013	2nd Q	2013	3 rd Q	2013	4 th Q	2013	12/31/201	3 (Year)				
#BR	Rent #Units		Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units				
Studio	\$1,000	132	\$1,100	419	\$1,150	384	\$1,100	96	\$1,100	1139				
1 BR	\$1,300	226	\$1,495	664	\$1,450	611	\$1,500	207	\$1,460	1906				
2 BR	\$1,750	100	\$2,195	611	\$1,995	480	\$1,950	105	\$2,046	1522				
3 BR	\$2,500	15	\$2,900	147	\$2,895	77	\$2,700	16	\$2,895	280				

	2014 (new tenancies)													
	1st Q	2014	2 nd Q	2014	3 rd Q	2014	4 th Q	2014	12/31/201	4 (Year)				
#BR	Rent #Units		Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units				
Studio	\$1,050 147		\$1,249	465	\$1,275	446	\$1,263	124	\$1,250	1098				
1 BR	\$1,400 232		\$1,595	721	\$1,620	634	\$1,650	177	\$1,595	1720				
2 BR	\$1,900 113		\$2,395	623	\$2,248	457	\$2,000	86	\$2,250	1279				
3 BR	\$2,850	16	\$3,250	112	\$3,000	79	\$2896	13	\$3,000	235				

	2015 (new tenancies)													
	1st Q	2015	2 nd Q	2015	3 rd Q	2015	4 th Q	2015	12/31/201	5 (Year)				
#BR	Rent #Units		Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units				
Studio	\$1,295	160	\$1,495	350	\$1,495	358	\$1,548	86	\$1,475	966				
1 BR	\$1,695	235	\$1,795	612	\$1,860	520	\$1,900	142	\$1,800	1520				
2 BR	\$2,150	125	\$2,695	582	\$2,600	383	\$2,300	97	\$2,600	1194				
3 BR	\$2,588	18	\$3,500	112	\$3,498	62	\$3,000	9	\$3,450	213				

	2016 (new tenancies)													
	1 st Q	2016	2nd Q	2016	3 rd Q	2016	4 th Q	2016	12/31/201	6 (Year)				
#BR	Rent #Units		Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units				
Studio	\$1,450	105	\$1,695	279	\$1,600	369	\$1,633	90	\$1,600	912				
1 BR	\$1,795	171	\$2,000	480	\$2,050	491	\$1,925	125	\$1,995	1387				
2 BR	\$2,395	90	\$2,800	444	\$2,800	282	\$2,500	84	\$2,750	957				
3 BR	\$3,300	13	\$3,750	101	\$3,495	51	\$3,150	11	\$3,595	190				

	2017 (new tenancies)													
	1st Q	2017	2 nd Q	2017	3 rd Q	2017	4 th Q	2017	12/31/201	7 (Year)				
#BR	Rent #Units		Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units				
Studio	\$1,500 79		\$1,750	326	\$1,800	343	\$1,600	82	\$1,750	931				
1 BR	\$1,995 169		\$2,150	526	\$2,025	457	\$2,000	157	\$2,027	1459				
2 BR	\$2,600 75		\$3,012	456	\$2,800	289	\$2,500	88	\$2,800	1014				
3 BR	\$3,240	10	\$4,100	105	\$3,650	53	\$3,200	5	\$3,900	186				

Market Medians: January 1999 through December 2020 Page ${\bf 5}$ of ${\bf 8}$

	2018 (new tenancies)													
	1st Q	2018	2nd Q	2018	3 rd Q	2018	4 th Q	2018	12/31/201	8 (Year)				
#BR	Rent #Units		Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units				
Studio	\$1,600 135		\$1,800	328	\$1,895	344	\$1,798	102	\$1,800	999				
1 BR	\$1,950	223	\$2,295	592	\$2,195	590	\$2,150	171	\$2,195	1,646				
2 BR	\$2,504	116	\$3,150	574	\$2,900	401	\$2,800	116	\$2,990	1,287				
3 BR	\$3,150	20	\$4,066	113	\$3,900	75	\$3,438	16	\$3,900	241				

2019 (new tenancies)													
	1 st Q	2019	2 nd Q	2019	3 rd Q	2019	4 th Q	2019	12/31/201	9 (Year)			
#BR	Rent #Units		Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units			
Studio	\$1,695	93	\$1,797	310	\$1,795	330	\$1,725	77	\$1,800	956			
1 BR	\$1,995	163	\$2,233	577	\$2,195	485	\$2,020	146	\$2,150	1520			
2 BR	\$2,723	78	\$3,195	506	\$2,895	330	\$2,650	76	\$2,995	1101			
3 BR	\$3,500	17	\$4,250	83	\$3,650	76	\$3,200	9	\$3,850	198			

	2020 (new tenancies)													
	1 st Q	2020	2nd Q	2020	3 rd Q	2020	4 th Q	2020	12/31/202	0 (Year)				
#BR	Rent #Units		Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units				
Studio	\$1,600	95	\$1,895	109	\$1,795	249	\$1,700	69	\$1,750	561				
1 BR	\$2,000	132	\$2,200	215	\$2,100	319	\$1,950	135	\$2,085	898				
2 BR	\$2,672	80	\$3,150	215	\$2,995	278	\$2,500	82	\$2,895	714				
3 BR	\$4,113	6	\$3,975	38	\$3,950	57	\$3,450	12	\$3,850	123				

Annual Citywide Medians By Number of Bedrooms (All Units)

Through	12/31	12/31/98		1/99	12/31/	2000	12/31/	2001	12/31/	2002	12/31/	2003
#BR	Rent	Units	Rent	Units	Rent	Units	Rent	Units	Rent	Units	Rent	Units
Studio	\$527	3,725	\$560	3,840	\$596	3,895	\$650	3,871	\$719	3,854	\$731	3,910
1 BR	\$624	8,075	\$662	8,145	\$714	8,185	\$773	8,184	\$858	8,097	\$900	7,983
2 BR	\$777	5,651	\$835	5,659	\$900	5,693	\$975	5,643	\$1,100	5,562	\$1,200	5,500
3 BR	\$1,083	915	\$1,140	831	\$1,245	816	\$1,350	807	\$1,538	784	\$1,662	765

Through	12/31/	12/31/2004		12/31/2004 12/31/20		2005	005 12/31/2006		12/31/	2007	12/31/08		12/31/2009	
#BR	Rent	Units	Rent	Units	Rent	Units	Rent	Units	Rent	Units	Rent	Units		
Studio	\$750	3,905	\$775	3,928	\$795	3,919	\$825	3,834	\$865	3,762	\$895	3,740		
1 BR	\$939	7,941	\$950	7,899	\$982	7,906	\$1,026	7,911	\$1,075	7,951	\$1,100	7,945		
2 BR	\$1,250	5,442	\$1,280	5,430	\$1,321	5,451	\$1,395	5,571	\$1,450	5,667	\$1,500	5,721		
3 BR	\$1,750	753	\$1,799	733	\$1,820	733	\$1,930	780	\$2,044	853	\$2,100	887		

Through	12/31/	2010	12/31/	2011	12/31/	2012	12/31/	2013	12/31/	/2014	12/31/	2015
#BR	Rent	Units										
Studio	\$895	3,703	\$900	3,813	\$935	3,729	\$975	3,668	\$1,012	3,858	\$1,081	3,899
1 BR	\$1,101	7,895	\$1,129	7,906	\$1,177	7,855	\$1,225	7,893	\$1,293	7,928	\$1,350	7,950
2 BR	\$1,500	5,734	\$1,525	5,804	\$1,587	5,900	\$1,650	5,975	\$1,746	6,004	\$1,846	6,036
3 BR	\$2,150	890	\$2,150	934	\$2,241	987	\$2,350	1,026	\$2,450	1,027	\$2,595	1,034

Market Medians: January 1999 through December 2020 Page ${\bf 6}$ of ${\bf 8}$

Through	12/31/	2016	12/31/2017		12/31/2018		12/31	/2019	12/31/2020		2021	
#BR	Rent	Units	Rent	Units	Rent	Units	Rent	Units	Rent	Units	Rent	Units
Studio	\$1,178	4,002	\$1,273	4,042	\$1,395	4,127	\$1,495	4,145	\$1,550	4,068		
1 BR	\$1,439	7,995	\$1,527	8,005	\$1,663	8,056	\$1,756	8,044	\$1,820	8,004		
2 BR	\$1,957	6,046	\$2,076	6,044	\$2,295	6,059	\$2,404	6,045	\$2,495	6,033		
3 BR	\$2,700	1,044	\$2,943	1,031	\$3,200	1,047	\$3,355	1,047	\$3,454	1,043		

<u>Annual Citywide Medians and Averages</u> (All Units—includes units with 4+ bedrooms)

12/31/1998			12/31/1999			12/31/2000			12	/31/2001		12/31/2002		
Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units
\$643	\$720	19,253	\$690	\$787	18,788	\$750	\$865	19,178	\$810	\$943	18,767	\$882	\$1,008	18,784

12/31/2003			12/31/2004			12/31/2005			12/31/2006			12/31/2007		
Med	Avg	#Units												
\$900	\$1,028	18,617	\$932	\$1,046	18,652	\$950	\$1,062	18,418	\$994	\$1,092	18,534	\$1,042	\$1,147	18,545

12/31/2008)8	12/31/2009			12/31/2010				12/31/201	1	12/31/2012		
Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units
\$1,100	\$1,213	18,798	\$1,150	\$1,260	18,893	\$1,159	\$1,274	18,797	\$1,195	\$1,297	19,027	\$1,236	\$1,345	19,030

12/31/2013			12/31/2014			12/31/2015			1	2/31/201	6	12/31/2017		
Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units
\$1,300	\$1,419	19,093	\$1,375	\$1,498	19,087	\$1,474	\$1,606	19,252	\$1,572	\$1,710	19,411	\$1,675	\$1,816	19,451

12/31/2018			12/31/2019			12/31/2020				2021		2022		
Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units
\$1,800	\$1,956	19,621	\$1,895	\$2,039	19,616	\$1,944	\$2,100	19,485						



City of Berkeley

Number of Reported Qualifying Vacancy Registrations By Submarket Area through 12/31/2020 (As of 03/03/2021) (Excludes exempt units)

Housing Tracts by Area:

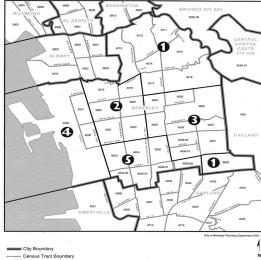
Area 1, tract nos. 11, 12, 13, 14, 15, 16, 17, 38

Area 2, tract nos. 18, 19, 22, 23, 30, 31

Area 3, tract nos. 24, 25, 27, 28, 29, 36, 37

Area 4, tract nos. 20, 21, 32

Area 5, tract nos. 33, 34, 35, 39, 40



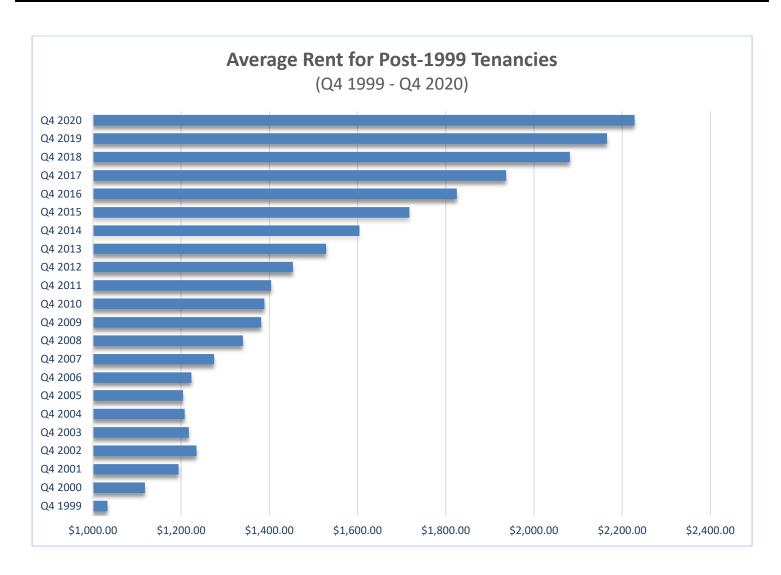
Census Tract Boundar
 Market Area Poundar

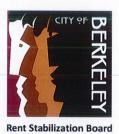
Total Number of Registered ("Rented") Units by Submarket Area

			12/31/2020
	No. Units	% of total units	Avg. Rent Ceiling
North Berkeley (Area 1)	1,407	7.22%	\$2,264.87
Central Berkeley (Area 2)	3,521	18.07%	\$1,916.98
University Area (Area 3)	10,037	51.51%	\$2,219.86
West Berkeley (Area 4)	799	4.10%	\$1,723.04
South Berkeley (Area 5)	3,437	17.64%	\$1,921.46
Total	19,485		\$2,100.12

	Submarket Area	No. Units	% of Submarket	12/31/2020 Avg. LRC
Fenancies Starting Before 199	9			
,872 units (9.61% of all units	1	168	11.94%	\$977.25
	2	451	12.81%	\$882.62
Avg. Rent Ceiling	3	823	8.20%	\$908.84
All units = \$898.67	4	102	12.77%	\$819.41
1 DD \$000 40 (007	<i>E</i>	217	0.2201	¢002 21
1 BR = \$820.42 (897 units)	5	317	9.22%	\$882.21
		317	9.22%	\$882.21
Cenancies Starting 1/1/99 – 12	/31/2020			
	/31/2020 its) 1	1,239	88.06%	\$2,439.46
Cenancies Starting 1/1/99 – 12	/31/2020	1,239 3,070	88.06% 87.19%	\$2,439.46 \$2,068.93
Cenancies Starting 1/1/99 – 12	/31/2020 its) 1	1,239	88.06% 87.19%	\$2,439.46
Tenancies Starting 1/1/99 – 12 7,613 units (90.39% of all un	/31/2020 its) 1 2	1,239 3,070	88.06% 87.19% 91.80%	\$2,439.46 \$2,068.93

	2020 New Tenancies by Market Area (All Units—includes units with 4+ bedrooms)														
Market 1 Market 2 Market 3 Market 4 Market											All Markets				
Bedrooms	Median Rent	Units	Median Rent	Units	Median Rent	Units	Median Rent	Units	Median Rent	Units	Median Rent	Average Rent	Units		
0	\$1,885	34	\$1,609	67	\$1,725	381	\$2,100	7	\$1,850	55	\$1,716	\$1,892	544		
1	\$2,225	64	\$2,000	145	\$2,100	520	\$2,000	17	\$1,995	139	\$2,090	\$2,185	885		
2	\$2,970	57	\$2,698	132	\$3,200	386	\$2,350	29	\$2,641	118	\$2,895	\$3,070	704		
3	\$4,000	16	\$3,500	15	\$4,000	63	\$3,400	3	\$3,400	20	\$3,850	\$3,934	117		
All units	\$2,500	173	\$2,190	360	\$2,300	1,367	\$2,350	57	\$2,300	337	\$2,300	\$2,552	2,294		





March 18, 2021

To the Honorable Mayor and Members of the Berkeley City Council,

The Berkeley Rent Stabilization Boards sends this letter to express what we view as essential components in ensuring that the "Inclusive Neighborhood Zoning" proposal from Councilmember Droste serve Berkeley's tenants, low-income homeowners and residents of color, specifically the Black, and brown communities with histories of discrimination in Berkeley. While we embrace increased density, we know that if the City is not careful with its actions to replace it, we will repeat the mistakes of the past and create a pattern of development that serves profit over people and exacerbates gentrification. It is vital that the zoning amendments generate housing that will be affordable for working people and do not drive displacement.

The Rent Board believes that the upzoning proposal must include the following provision:

1. Demolition

No demolition of rent-controlled or deed-restricted housing.

2. Data Collections

As we proceed with zoning changes aimed at addressing historic racial inequities, it is important to ensure that we improve and not exacerbate the problem. The proposed process should include a method of capturing demographic data on any displacement that is caused or may have been caused, especially along racial lines but including all protected statuses, to the extent practicable.

3. Affordable Housing

- a. In line with this change being aimed at generating 'Missing Middle' housing, the units generated by this proposal should be capped at 150% of AMI with one unit that is 80% of AMI.
- b. Lower the threshold for the Affordable Housing Mitigation Fee (AHMF) to include all new residential development

4. Ant-Displacement and Anti-Speculation Measures

- a. Special consideration of sensitive communities within Berkeley
- b. No ministerial approval on lots that have tenants or have had tenants within 10 years
- c. Lots which have been emptied through the threat or actual use of an eviction authorized under the Ellis Act within the last 10 years be made completely ineligible from benefiting from the provisions of the upzoning
- d. Right of first refusal for any tenants displaced during construction
- e. Enhanced noticing requirement to all tenants on an application of demolition or construction on lots with tenants
- f. Additional anti-speculation measures to prevent predatory purchasing practices

Berkeley Rent Stabilization Board's proposed amendments to Fourplex Zoning proposal (March 18, 2021) Page 2

- 5. Generating New Rent-Controlled Units
 - a. As often as possible do not issue certificates of occupancy
 - b. Preference for rental units over condominiums: rentals are more affordable than condos and condos are exempt from rent control
 - c. Preference for addition and subdivision over demolition to incentivize the creation of new rent-controlled units, including a prohibition on demolition of buildings older than June 30th, 1980

Rent Board staff are working to develop a memo outlining the different situations under which the creation of new units, either by subdivision or the addition of new construction, may result in previously exempt space becoming eligible for rent control. When this document is ready it will be shared with the Council and all other bodies considering the proposal, with the hopes that it will be used to create a set of amendments that maximize the potential for the creation of new rent-controlled units.

Additionally, there are a number of other proposals pending before various bodies of the City, including amendments to the Demolition Ordinance and Affordable Housing Mitigation Fee Act and introduction of tenant habitability plans, that are essential to this proposal to work for our community. This proposal should not be put into force without those changes accompanying it.

Finally, we hope that the Rent Board, both as a body of elected officials and our expert staff, are included and consulted in the process of drafting the final version of the zoning amendments. Rent board staff have a wealth of knowledge and expertise, especially concerning ways to protect Berkeley tenants throughout this process.

Sincerely,

Leah Simon-Weisberg, Chairperson

Berkeley Rent Stabilization Board



RENT STABILIZATION BOARD BUDGET & PERSONNEL COMMITTEE MEETING

Thursday, March 25, 2021 5:00 p.m.

PUBLIC ADVISORY: THIS MEETING WILL BE CONDUCTED EXCLUSIVELY THROUGH VIDEOCONFERENCE AND TELECONFERENCE.

Pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, this meeting of the Rent Stabilization Board's **Budget & Personnel Committee** (Committee) will be conducted exclusively through teleconference and Zoom videoconference. Please be advised that pursuant to the Executive Order and the Shelter-in-Place Order, and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, **there will not be a physical meeting location available.**

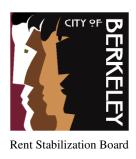
To access this meeting remotely: Join from a PC, Mac, iPad, iPhone, or Android device by clicking on this URL: https://zoom.us/j/98306628387?pwd=UXd4U0xZRmt6UFdISFhyek1DNjZkUT09. If you do not wish for your name to appear on the screen, then use the drop-down menu and click on "rename" to rename yourself to be anonymous. To request to speak, use the "Raise hand" icon by rolling over the bottom of the screen.

To join by phone: Dial 1-408-638-0968 and enter Webinar ID: 983 0662 8387 and Passcode: 955421. If you wish to comment during the public comment portion of the agenda, Press *9 and wait to be recognized by the Committee Chair.

To submit an e-mail comment to be read aloud during public comment, email mbrown@cityofberkeley.info with the Subject Line in this format: "PUBLIC COMMENT ITEM FOR BUDGET & PERSONNEL COMMITTEE". Please observe a 150-word limit. Time limits on public comments will apply. Written comments will be entered into the public record. Email comments must be submitted to the email address above by 3:00 p.m. on the day of the Committee meeting in order to be included.

Please be mindful that this will be a public meeting and all rules of procedure and decorum will apply for meetings conducted by teleconference or videoconference.

This meeting will be conducted in accordance with Government Code Section 54953 and all current state and local requirements allowing public participation in meetings of legislative bodies. Any member of the public may attend this meeting. Questions regarding this matter may be addressed to Matt Brown, Acting Executive Director, at (510) 981-7368 (981-RENT). The Committee may take action related to any subject listed on the Agenda.



RENT STABILIZATION BOARD BUDGET & PERSONNEL COMMITTEE MEETING

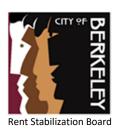
Thursday, March 25, 2021 – 5:00 p.m.

AGENDA

- 1. Roll Call
- 2. Approval of Agenda
- 3. Public Comment
- 4. Approval of February 25, 2021 Meeting Minutes (Attached to Agenda)
- 5. Discussion and Possible Action on the Process to Adopt the FY 2021/22 Registration Fee for Fully Covered and Measure MM units (Report attached)
- 6. Discussion and Action Establishing the FY 2021/22 Summer Rental Registration Fee for Qualifying Fraternities and Sororities (Report attached)
- 7. Discussion and Possible Action on Employment Liability Insurance for Agency and possible liability insurance coverage for the elected Commissioners
- 8. Discussion and Possible Action on the Hiring process for the Permanent Executive Director position
- 9. Future agenda items
 - → Comparison of 2019 and 2020 counseling service request data
 - → Increasing Commissioner Stipends
- 10. Discussion and Possible Action to set next Committee meeting
- 11. Adjournment

STAFF CONTACT: Matt Brown, Acting Executive Director (510) 981-7368

COMMITTEE: James Chang, John Selawsky (Chair), Leah Simon-Weisberg, Dominique Walker



RENT STABILIZATION BOARD IRA / AGA / REGISTRATION COMMITTEE MEETING

Tuesday, April 6, 2021 5:00 p.m.

PUBLIC ADVISORY: THIS MEETING WILL BE CONDUCTED EXCLUSIVELY THROUGH VIDEOCONFERENCE AND TELECONFERENCE.

Pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, this meeting of the Rent Stabilization Board's **IRA / AGA / Registration Committee** (Committee) will be conducted exclusively through teleconference and Zoom videoconference. Please be advised that pursuant to the Executive Order and the Shelter-in-Place Order, and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, **there will not be a physical meeting location available.**

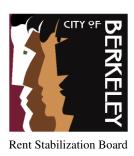
To access this meeting remotely: Join from a PC, Mac, iPad, iPhone, or Android device by clicking on this URL: https://zoom.us/j/96424419586?pwd=SForbTRhcDdLRVVCOXMyMVRPNms3Zz09. If you do not wish for your name to appear on the screen, then use the drop-down menu and click on "rename" to rename yourself to be anonymous. To request to speak, use the "Raise hand" icon by rolling over the bottom of the screen.

To join by phone: Dial 1-669-900-6833 and enter Webinar ID: 964 2441 9586 and Passcode: 703123. If you wish to comment during the public comment portion of the agenda, Press *9 and wait to be recognized by the Committee Chair.

To submit an e-mail comment to be read aloud during public comment, email mbrown@cityofberkeley.info with the Subject Line in this format: "PUBLIC COMMENT ITEM FOR IRA/AGA COMMITTEE". Please observe a 150-word limit. Time limits on public comments will apply. Written comments will be entered into the public record. Email comments must be submitted to the email address above by 4:00 p.m. on the day of the Committee meeting in order to be included.

Please be mindful that this will be a public meeting and all rules of procedure and decorum will apply for meetings conducted by teleconference or videoconference.

This meeting will be conducted in accordance with Government Code Section 54953 and all current state and local requirements allowing public participation in meetings of legislative bodies. Any member of the public may attend this meeting. Questions regarding this matter may be addressed to Matt Brown, Acting Executive Director, at (510) 981-7368 (981-RENT). The Committee may take action related to any subject listed on the Agenda.



RENT STABILIZATION BOARD IRA / AGA / REGISTRATION COMMITTEE MEETING

Tuesday, April 6, 2021 – 5:00 p.m.

AGENDA

- 1. Roll call
- 2. Approval of the agenda
- 3. Approval of Minutes from the March 2, 2021 IRA/AGA/Registration Committee (Attached)
- 4. Public Comment
- 5. Discussion and possible action regarding "Initiation of Public Process and Zoning Concepts for 2023-2031 Housing Element Update" considered by Council on March 25, 2021 (See attached staff report)
- 6. Discussion and possible action regarding Rent Board Resolution 17-12 (See attached staff report from June 19, 2017 Board meeting)
- 7. Discussion and possible action regarding General Plan update in two years
- 8. Discussion and possible action regarding future agenda items
 - → Tenant Occupancy Limits (Commissioner Johnson)
 - → Confirm regular meeting schedule
 - → General Disclosure requirements in all rent-controlled leases
- 9. Confirm next meeting date
- 10. Adjournment

STAFF CONTACT: Matt Brown, Acting Executive Director (510) 981-4930

COMMITTEE: Soli Alpert, Xavier Johnson, Andy Kelley (Chair), Leah Simon-Weisberg



RENT STABILIZATION BOARD OUTREACH COMMITTEE MEETING

Wednesday, March 24, 2021 5:30 p.m.

PUBLIC ADVISORY: THIS MEETING WILL BE CONDUCTED EXCLUSIVELY THROUGH VIDEOCONFERENCE AND TELECONFERENCE.

Pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, this meeting of the Rent Stabilization Board's **Outreach Committee** (Committee) will be conducted exclusively through teleconference and Zoom videoconference. Please be advised that pursuant to the Executive Order and the Shelter-in-Place Order, and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, **there will not be a physical meeting location available.**

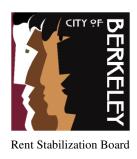
To access this meeting remotely: Join from a PC, Mac, iPad, iPhone, or Android device by clicking on this URL: https://zoom.us/j/95333214702?pwd=alhLTy9DR1FZdkd4aGV4Y2kwWDRKUT09. If you do not wish for your name to appear on the screen, then use the drop-down menu and click on "rename" to rename yourself to be anonymous. To request to speak, use the "Raise hand" icon by rolling over the bottom of the screen.

To join by phone: Dial 1-669-900-6833, enter Webinar ID: 953 3321 4702 and Passcode: 789996. If you wish to comment during the public comment portion of the agenda, Press *9 and wait to be recognized by the Committee Chair.

To submit an e-mail comment to be read aloud during public comment, email mlaw@cityofberkeley.info with the Subject line in this format: "PUBLIC COMMENT ITEM FOR OUTREACH COMMITTEE". Please observe a 150-word limit. Time limits on public comments will apply. Written comments will be entered into the public record. Email comments must be submitted to the email address above by 3:30 p.m. on the day of the Committee meeting in order to be included.

Please be mindful that this will be a public meeting and all other rules of procedure and decorum will apply for meetings conducted by teleconference or videoconference.

This meeting will be conducted in accordance with Government Code Section 54953 and all current state and local requirements allowing public participation in meetings of legislative bodies. Any member of the public may attend this meeting. Questions regarding this matter may be addressed to Matt Brown, Acting Executive Director, at (510) 981-7368 (981-RENT). The Committee may take action related to any subject listed on the Agenda.



RENT STABILIZATION BOARD OUTREACH COMMITTEE MEETING

Wednesday, March 24, 2021 – 5:30 p.m.

AGENDA

- 1. Roll call
- 2. Approval of the Agenda
- 3. Approval of the Minutes of the February 10, 2021 Meeting
- 4. Public Comment
- 5. Survey 2021 -- Report from Acting Executive Director
 - - (2) 1998 Tenant Survey, Bay Area Economics https://www.cityofberkeley.info/uploadedFiles/Rent_Stabilization_Board/Level_3_-General/1998%20BAE%20Tenant%20Survey%20Report.pdf
 - (3) 2009 Tenant Survey, Dr. Stephen Barton https://www.cityofberkeley.info/uploadedFiles/Rent_Stabilization_Board/Level_3_-General/Final%20Report%202009%20Tenant%20Survey.pdf
 - b) Next Steps for New Survey: Is it possible? Hire an outside firm to conduct the survey? Is a survey in the budget? How long would an RFP take? Does the city already contract with a firm it can recommend?
- 6. Suggested survey questions Discussion by Committee Supplemental Materials attached: Compiling questions past committee members suggested in multiple meetings in May and September, 2019

- 7. Update on Measure MM outreach materials
- 8. Outreach Committee 2021 Work Plan
- 9. Social Media and Website Outreach Update
- 10. Staff Report: Recent and Upcoming Webinars, Workshops
- 11. Schedule Next Meeting Date
- 12. Future Agenda Items
- 13. Adjournment

STAFF CONTACT: Moni T. Law, Housing Counselor (510) 981-4906, Ext. 704

COMMITTEE: James Chang, Andy Kelley, Paola Laverde (Chair), Mari Mendonca



RENT STABILIZATION BOARD

DATE:

April 15, 2021

TO:

Honorable Members of the Rent Stabilization Board

FROM:

Matt Brown, Acting Executive Director

By:

Matthew Siegel, Staff Attorney

RE:

Discussion and Possible Action regarding RWN-1649 (Knighton v.

Magganas)

Background

On April 22, 2020, the Hearing Examiner issued a decision in RWN-1649, holding that three rental units at the property located at 1915 Essex St. were not exempt from the ordinance and needed to be registered.

The owner appealed and the appeal was heard on August 20, 2020. At the appeal hearing, an attorney appeared for the owner stating he had just been retained and was seeking a continuance in order to give him sufficient time to fully prepare and represent his client.

The Board heard argument on the request for continuance, denied it and then proceeded to hear argument from the owner's attorney on the merits of the case. After argument, the Board upheld the Examiner's decision.

Subsequently, the attorney for the owner filed a Petition for Writ of Administrative Mandamus in the Alameda County Superior Court seeking to either overturn the Board's decision or have the matter remanded back to the Hearing Examiner for a new hearing. One of the arguments raised by the landlord is a denial of due process stemming from the failure to grant the continuance at the August 2020 Board hearing.

<u>Possible Action:</u> Since this matter is pending litigation, the Board will meet in closed session to discuss various legal and procedural alternatives regarding how to proceed. Options the Board may discuss may include but not be limited to; proceeding to trial, setting aside the Decision on Appeal and hearing a new appeal or setting aside the Decision on Appeal and remanding the matter back to the Hearing Examiner for a new hearing.