

BERKELEY RENTAL NEWS

Newsletter of the Berkeley Rent Stabilization Board

STABILIZATION IS OUR MIDDLE NAME

For most apartments, flats, and rooms rented in Berkeley, tenants are entitled to four stabilizing rights under the Berkeley Rent Ordinance.



NEW INITIAL RENTS, BUT CONTROLLED INCREASES

Rent increases during a tenancy are controlled in Berkeley. By state law, a landlord may usually establish a new rent at the beginning of a new tenancy only. Whatever is actually negotiated between the landlord and the new tenants becomes the lawful rent but future increases are determined by the RSB.



GOOD CAUSE REQUIRED FOR EVICTION

Berkeley's Rent Ordinance provides eviction protection. A Berkeley landlord has to have "good cause" to evict a tenant. (See Berkeley Municipal Code Section 13.76.130 for the twelve good causes for eviction.) Eviction restrictions were designed to help prevent arbitrary, discriminatory, or retaliatory evictions.



STABLE SERVICES AND HABITABLE CONDITIONS

While state law and the Berkeley Rent Ordinance require landlords to maintain their rental units in a habitable condition, Berkeley's Ordinance also requires landlords to continue to provide all base year services for the entire tenancy. For tenancies that began before January 1, 1999, a base year service is any service that was included in the rent on May 31, 1980; for tenancies beginning on or after January 1, 1999, a base year service is any service that was included in the rent at the beginning of the tenancy. If the landlord discontinues a base year service, or any service that was provided at the beginning of the tenancy, tenants may be entitled to a corresponding rent ceiling reduction.



SECURITY DEPOSIT INTEREST

Berkeley's Rent Ordinance also requires landlords to place any security deposits they collect from their tenants in an interest-bearing account insured by the federal government and to refund the actual interest earned to their tenants every December. Any monies collected at the beginning of a tenancy beyond the first month's rent are considered security deposit. If the interest is not paid by January 10 of the following year or if the landlord, upon request has not provided evidence of the actual interest earned, tenants may, after providing the landlord with 15 days' prior written notice, deduct interest at the rate of 10% of the deposit from their rent.

IS YOUR UNIT UNDER RENT CONTROL?

While most rentals are covered under Berkeley law, some rental units are exempt from part or all of the provisions of the Berkeley Rent Ordinance.

Partially Exempt

Owners of partially exempt units must pay interest on security deposits and have good cause to evict, but they are not required to register the units and their rents are not controlled. Tenants and landlords of these units may seek advice from the Rent Board, but the Board's jurisdiction is limited to these sections of the Ordinance.

- Most single-family homes (i.e., homes that can be sold separately from any other dwelling unit) rented after 1/1/96.
- Section 8 units.
- Condominiums that were sold after their conversion.
- Units constructed after May 30, 1980.
- Units owned by a government agency.

Completely Exempt

The following units are exempt from all aspects of the Rent Ordinance:

- Units in which the owner shares kitchen or bath facilities with the tenant.
- Units rented for less than 14 consecutive days and subject to the hotel tax.
- Non-profit cooperative housing owned and controlled by a majority of the residents.
- Non-profit homes for the aged and skilled nursing facilities.
- A rental unit on a two-unit property where a 50 percent owner of record occupied one unit on December 31, 1979, whenever a 50 percent owner of record occupies one unit.
- Units rented by non-profit accredited institutions of higher learning to tenants who are faculty, staff, or students of the institution, or members of the school of the Graduate Theological Union, as long as the institution owned the unit as of January 1, 1998.

SECURITY DEPOSIT

What is it and when can it be used?

A security deposit is any amount a landlord charges upon move-in, in excess of the first month's rent. It may be called last month's rent, security deposit, or pet or cleaning deposit, but it may not exceed two months' rent for an unfurnished unit and no portion of it may be considered non-refundable.

Twenty-one days after all tenants vacate the unit, a landlord must give an itemized list of deductions and refund of the security deposit. A landlord may retain all or part of the deposit for cleaning or repairs if a tenant has caused damages to the apartment. It is often difficult to remember exactly the condition of the apartment at the beginning of the tenancy. This is why it is important to document the unit condition, with pictures or a video camera when you move in.



INTERPETATION OF "THE LAST ORIGINAL TENANT"

The Costa-Hawkins Residential Rental Housing Act allows a landlord to increase the rent on an apartment to market when the last original tenant on a lease vacates. Under the Act, a landlord may impose the new market-rate rent on any "lawful sublessees or assignees" that remain in the unit after the last original tenant leaves. However, a recent Appellate Court decision held that if a replacement roommate (i.e., someone who has replaced an original tenant) has a direct landlord-tenant relationship with the owner, s/he will be considered an original tenant, not a sublessee or assignee. In this case, the replacement roommate will also have to vacate before the owner can raise the rent to market.

Adding a replacement roommate to the original lease or signing a new lease that includes the new roommate creates a direct landlord-tenant relationship with the new roommate. Some owners find this arrangement desirable because it makes an additional person legally responsible for paying the entire rent. However, if the new roommate is not named on the lease, but is a sublessee of the original tenants, there will be no direct landlord/tenant relationship and the rent can be increased after the last original tenant vacates. Therefore, landlords who wish to increase the rent when there has been a complete turnover of tenants should not sign a new lease with, or accept rent directly from, a replacement roommate. Instead, the remaining original tenants should pay the entire rent and then collect the replacement roommate's portion.

Roommate Wanted



The issue of what arrangement is best when

replacing an original tenant is a complicated one. There are both advantages and disadvantages to having a replacement tenant listed on the lease. Similarly, there are advantages and disadvantages to having replacement tenants as sublessees or assignees of the original tenants. The option chosen will affect future rights of all parties. Therefore, before deciding which arrangement to choose, owners may wish to seek private legal advice.

2004 AGA HEARINGS
The Rent Board will hold public hearings on the 2004 Annual General Adjustment at 7 pm Thursday, October 2, and Monday, October 20 City Council Chambers 2134 Martin Luther King Jr. Way

UPCOMING WORKSHOPS

This fall, the Rent Board Outreach Team is holding workshops for landlords, tenants, and City staff who are concerned with Rent Control issues. These workshops are intended to provide information, and assistance on an assortment of issues. Join us when we discuss the following topics at our upcoming workshops:

"Know your Rights!"



New tenants, come learn what your rights are in Berkeley. 09/24/03, 5:30pm, Rent Board

"What is Rent Control?"



Learn how the Berkeley Rent Ordinance is implemented. 10/01/03, 5:30pm, Rent Board

"Know your Rights!"



New tenants, come learn what your rights are in Berkeley. 10/08/03, 5:30pm, Rent Board

"Successful Petitions"



Landlords and tenants, come learn how to prepare and file a Rent Board petition. 10/15/03, 5:30pm, Rent Board

"So, Your Building is Being Sold?"



Learn what your options are. 10/22/03, 5:30pm, Rent Board

"In Need of Repairs?"



Come learn how to request or arrange for them. 10/29/03, 5:30pm, Rent Board

"Pertinent Issues, and Policy Changes"



Landlords come learn about recent California State law changes and new Rent Board regulations that affect you. 11/12/03, 7:00pm, North Berkeley Senior Center

**¡SE HABLA ESPANOL!
INQUILINOS Y DUENOS:**
Si usted gusta esta informacion en espanol, favor de llamar la oficina de control de rentas y preguntar por Dahl Shannon @ 644-6128 Ext. 124.

RENT BOARD INFORMATION

The Rent Board's website allows you to check your unit's rent ceiling on-line. It also offers other useful information, including links to CA state laws, link to other cities with rent control, and to useful publications for landlords and tenants. Visit us at:

www.ci.berkeley.ca.us/rent



Rent Stabilization Board

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Office Hours:
Mon.-Tues., Thurs.-Fri.,
9:00 a.m. - 4:45 p.m.
Wed. 12:00 noon - 6:30 p.m.

OTHER IMPORTANT PHONE NUMBERS

City of Berkeley:

- Fire Prevention 981-5585
- Garbage Collection 981-6350
- Health Department..... 981-5310
- Housing Inspections 981-5445
- Property Records 981-7200
- Relocation Program 981-5431

Other:

- ASUC Renters
Legal Assistance 642-1755
- Berkeley Dispute
Resolution Service 548-2377
- Black Property Owners
Association..... 848-8600
- Berkeley Property Owners
Association..... 525-3666
- Dept. of Fair Employment
and Housing 800-884-2684
- Dept. of Consumer
Affairs 800-344-9940
- East Bay Community
Law Center..... 548-4040
- East Bay Municipal Utility
District 232-5051
- Eviction Defense Center 452-4541
- Housing Rights, Inc. 548-8776
- Lawyer Referral Service 893-8683
- Lawyers in the Library
Claremont..... 981-6280
North Berkeley..... 981-6250
South Berkeley..... 981-6260
West Berkeley..... 981-6870
- Community Legal Aid
Society 451-9261
- Legal Assistance for
Seniors 832-3040
- Sentinel Fair Housing 836-2687
- Small Claims Advice
Program..... 268-7665

