

Berkeley Rental News

Newsletter of the Berkeley Rent Stabilization Board

FREQUENTLY ASKED QUESTIONS ABOUT RENT CONTROL



The following Questions and Answers are intended to dispel some of the confusion surrounding the effect of recent state laws on Berkeley's rent control program:

Q. Is there rent control in Berkeley?

A. Yes. Rent Control means that once a tenant moves into a rental unit, the amount of rent is controlled as long as the tenant lives there. The rent can only be raised with the permission of the Rent Board.

Q. So why are people saying Rent Control is dead?

A. The State Legislature passed a law, called the Costa-Hawkins Rental Housing Act, that, as of January 1, 1999, took away the Rent Board's authority to control the rent when a vacant unit is first rented to new tenants. However, once a unit is rented, the Rent Board again controls the rents.

Q. Can a landlord raise the rent when the lease expires?

A. No. Under Rent Control, only the Rent Board can authorize an increase in rent for sitting tenants. The landlord is not allowed to raise the rent just because the lease expires. When the lease expires, and no new lease is signed, the tenant automatically has a month-to-month tenancy on the same terms as the previous lease. The Costa-Hawkins Act made no change to this part of the Rent Control law.

Q. Can a landlord require tenants to sign a new lease with different terms when a lease expires?

A. No. A tenant does not have to sign a new lease with different

terms. Thus, a tenant need not agree to a change in the number of tenants, a change in a rule about pets or noise, a change in the security deposit, etc. A landlord cannot evict a tenant for not complying with a new term unless the tenant was notified in writing that he or she need not accept the new terms and signed a new lease any way.

Q. Can a landlord charge whatever he wants to a new tenant?

A. In most cases, yes. As of this year, a landlord can charge a new tenant whatever the market will bear, if the unit is eligible for a Costa-Hawkins increase (that is, if the previous tenant left after a 3-day notice or voluntarily). This means the landlord can charge whatever a tenant will pay.

Q. How does a landlord know what is a market rent?

A. Whatever a tenant is willing to pay is considered market rent. Landlords can determine the market rent in their neighborhoods by talking to other landlords or realtors, reading ads in the newspapers or talking to home finder agencies. The amount a landlord can get for a unit depends in part on the market (how many people are looking at any given time) and in part on the condition of the unit. On page 2 the Rent Board provides a Market Rent Report for the first half of 1999, culled from our records.

Q. What if three students rent a unit together and two move out but one stays. Can the landlord raise the rent if two new students move in?

A. Costa-Hawkins allows landlords to raise the rent when all

the tenants who moved in at the beginning of the tenancy move out. As long as one of the original tenants remains in the unit, the landlord can't raise the rent. When the last original tenant moves out, the landlord can raise the rent on the new roommates. The Board recently amended Regulation 1013 (O) to provide that a landlord who is informed that all the original tenants moved out, can wait up to six months before raising the rents on the newer tenants.

Replacing Roommates

A landlord who rents to a group of tenants

must allow them to

Roommate Wanted



replace a

departing roommate or they may be entitled to a rent ceiling reduction.

This is because the number of tenants allowed at the beginning of the tenancy is the "occupancy level." Thereafter, the landlord cannot reduce the occupancy level without reducing the amount of rent charged proportionately.

For example, if a landlord rents to three people, and one leaves and the landlord refuses to allow the tenants to replace the departing tenant, the remaining tenants can petition the Board for a 33 1/3% reduction in rent.

This rule is determined by law and public policy, and the landlord cannot avoid this outcome by including contrary language in the rental agreement.

New Regulations re Security Deposit Rules: Roommates and Refunds

The Rent Board has passed a new regulation to clarify when a deposit must be returned to the tenants. State law provides that when a tenancy begins, the landlord is entitled to receive a security deposit equal to two months rent (three months for a furnished unit) and hold it until the tenants return possession of the rental unit to the landlord. Rent Board Regulation 706 clarifies that the landlord does not recover possession of a unit until the premises are “free of all occupants, including tenants, subtenants, guests, licensees, and squatters who entered the premises with knowledge and consent of the tenants or subtenants while the unit was in their possession.”

This means that if one tenant leaves, but roommates or subtenants remain, unless the rental agreement provides otherwise, the landlord is not legally required to return the departing tenant’s portion of the security deposit until the unit is completely vacated.

The departing tenant has a few options to recoup his or her security deposit. (1) Inform the landlord of the change in occupancy and ask the landlord to inspect the premises, refund the departing tenant’s deposit and collect replacement security from the remaining tenants. (2) Be reimbursed by the remaining or incoming tenants who will then be entitled to receive the security deposit from the landlord when the unit is ultimately vacated. In this case, the landlord should be informed in writing that the departing tenant has transferred his or rights to the deposit to the remaining or incoming tenants.

If neither of these options is available, the departing tenant must wait until the unit is vacant before getting the security deposit. The tenant should notify the landlord of his or her forwarding address and,

under Regulation 706, when the unit is finally vacated, the landlord must send the deposit (or accounting) to the forwarding address.

If a landlord fails to comply with the state law regarding security deposit refunds, the tenants can file a petition with the Rent Board or file in small claims court to recover the deposit.

Market Rents Report

The Rent Board keeps track of all new rentals after January 1, 1999. The actual rent a landlord receives depends in part on the location of the unit, its condition, and how many people were looking for apartments when the unit rented. These are average market rents for the period between January 1 and June 30, 1999:

Studio	\$725
1 Bedroom	900
2 Bedroom	1200
3 Bedroom	1630

The average rent for all size units in Berkeley which have not had a vacancy since January 1, 1996 is \$695.

PREVENTING HOMELESSNESS IN BERKELEY

Are you down on your luck and unable to afford to pay your rent this month? Or do you know someone living out of his or her car? The City of Berkeley’s Homelessness Prevention Program (HPP) may be able to help.

To qualify for HPP, you must be a Berkeley resident, and you must demonstrate either that you are in imminent danger of becoming homeless or that you are already homeless. If this sounds like someone you know, call 548-5420 for an appointment with ECHO Housing, which operates HPP for the City.

Rent Board Information

Rent Stabilization Board
2125 Milvia Street
Berkeley, CA 94704
(510) 644-6128

Office Hours:

Mon.-Tues., Thurs.-Fri.,
9:00 a.m. - 4:45 p.m.
Wednesdays,
12:00 p.m. - 4:45 p.m.

E-mail:

rent@ci.berkeley.ca.us



Internet:

www.ci.berkeley.ca.us\rent\



Other Important Phone Numbers

City of Berkeley:

Fire Prevention 644-6158
Garbage Collection . . . 644-8856
Health Department . . . 644-6510
Housing Inspections . . 644-6001

UC Campus:

ASUC Renters Legal
Assistance 642-1755

Other:

Alameda County Lead
Poisoning Prevention 567-8280
Berkeley Dispute
Resolution Service . . 428-1811
Berkeley Property
Owners Association . 525-3666
Berkeley Black Property
Owners Association . 595-3304
Dept. of Fair Employment
and Housing . . . 800-884-2684
Dept. of Consumer
Affairs 800-344-9940
East Bay Community
Law Center 548-4040
Eviction Defense
Center 452-4541
Housing Rights, Inc. . . 548-8776
Lawyer Referral
Service 893-8683
Lawyers in the Library
Claremont 644-6880
North Berkeley 644-6850
South Berkeley 644-6860
West Berkeley 644-6870
Legal Aid Society . . . 451-9261
Legal Assistance for
Seniors 832-3040
Sentinel Fair Housing . 836-2687
Small Claims Legal
Advisers 644-6303
Tenants Action
Project 843-6601