

# RENT STABILIZATION PROGRAM

ANNUAL REPORT FY 2017-2018



[www.alamedarentprogram.org](http://www.alamedarentprogram.org)

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# INTRODUCTION



**The Housing Authority of the City of Alameda is pleased to submit the second annual report for the Rent Stabilization Program. This program administers the Rent Review, Rent Stabilization and Limitations on Evictions Ordinance No. 3148.**

This report was prepared to comply with section 6-58.195 of the Alameda Municipal Code. The document and the public services described throughout would not be possible without the efforts made by the following individuals:

## HOUSING AUTHORITY OF THE CITY OF ALAMEDA

- Vanessa Cooper
- Greg Kats
- Jennifer Kauffman
- Grant Eshoo
- Janice Heredia

## CITY OF ALAMEDA

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- Michael Roush
- John Lê
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## HOUSING AUTHORITY OF THE CITY OF ALAMEDA BOARD OF COMMISSIONERS

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- Art Kurrash
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- Stuart Rickard
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## RENT REVIEW ADVISORY COMMITTEE MEMBERS

- Brendan Sullivan-Sarinaña
- Christopher Griffiths
- Milt Friedman
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# ADDRESSING HOUSING NEEDS IN THE COMMUNITY

This report is focused on data specific to the Rent Stabilization Program, which is part of a network of programs in the City of Alameda addressing housing needs. Below is a summary of other housing-related programs available in the City.

## FEDERAL, STATE AND COUNTY-FUNDED PROGRAMS

■ HOUSING CHOICE VOUCHER  
AND PROJECT-BASED VOUCHER  
PROGRAMS AND CASE  
MANAGEMENT SERVICES

■ VETERANS AFFAIRS  
SUPPORTIVE HOUSING

■ COMMUNITY DEVELOPMENT  
BLOCK GRANT (CDBG)

- Emergency shelter
- Legal assistance for seniors
- Tenant/ landlord counseling
- Fair housing training / services
- Housing rehabilitation loans
- Housing Safety Program

■ HOME INVESTMENT  
PARTNERSHIPS PROGRAM

■ FIRST TIME HOMEBUYER  
PROGRAM

■ LOW INCOME HOUSING  
TAX CREDIT PROGRAM

■ COORDINATED ENTRY  
SERVICES

■ COUNTYWIDE MORTGAGE  
ASSISTANCE PROGRAM

## CITY PROGRAMS

INCLUSIONARY HOUSING /  
BELOW MARKET RATE PROGRAM

AFFORDABLE HOUSING UNIT/FEE ORDINANCE

ACCESSORY DWELLING UNIT PROGRAM

UTILITY ASSISTANCE PROGRAMS

## RENT STABILIZATION PROGRAM

LOCAL POLICY MAKERS

City Council

PROGRAM ADMINISTRATOR

Housing Authority of the City of Alameda

REVIEW OF RENT INCREASES  
SUBJECT TO RENT STABILIZATION

Rent Review Advisory Committee

RENT PROGRAM FEE  
COLLECTION

Finance Department, City of Alameda

LEGAL COUNSEL

City Attorney's Office



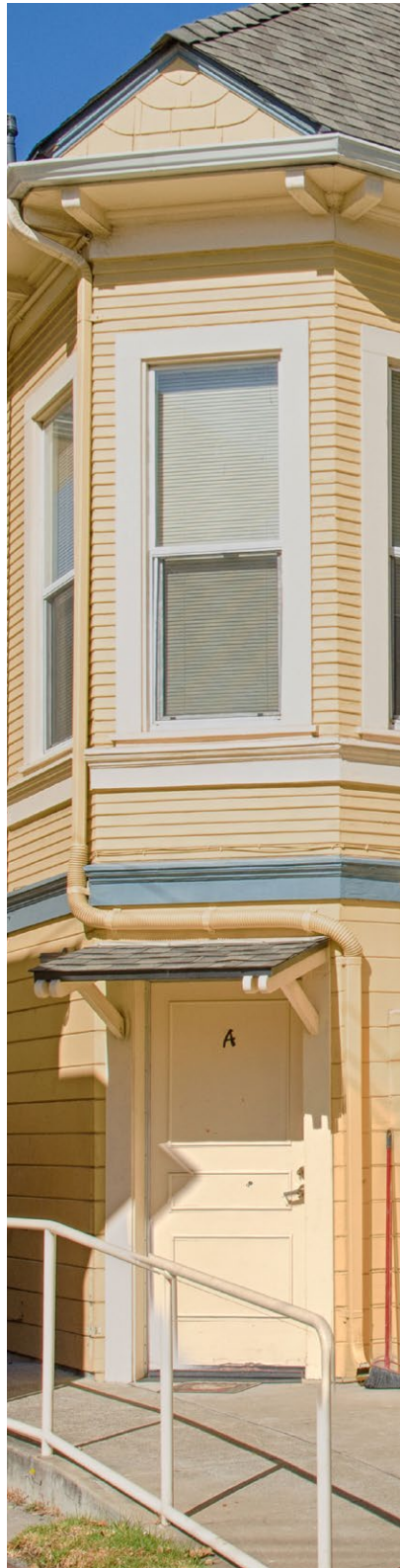
# OVERVIEW OF THE RENT STABILIZATION PROGRAM

■ **Provides a mediation and hearing process** to review and render decisions on rent increases

■ **Addresses questions and provides information** about the City's Rent Stabilization Ordinance through phone, mail, e-mail, and by appointment

■ **Enforces the regulations** under the City's Rent Stabilization Ordinance including monitoring compliance

■ **Provides outreach** through monthly workshops, presentations at community events, newsletters, and public announcements



## Legislative Summary

### Fall 1979

City Council creates the Rent Review Advisory Committee

### Fall 2015

Ordinances 3131 & 3140

City Council requires text in all rent increase notices and places a temporary moratorium on rent increases of 8% or more and limits grounds for evictions

### Spring 2016

Ordinance 3148

City Council adopts the Rent Stabilization Ordinance

### Fall 2016

Measure L1

Alameda voters approve Ordinance 3148

### Summer 2017

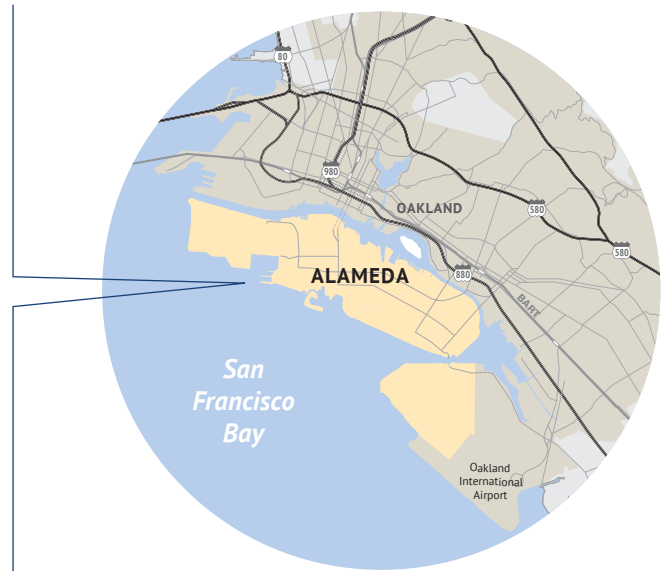
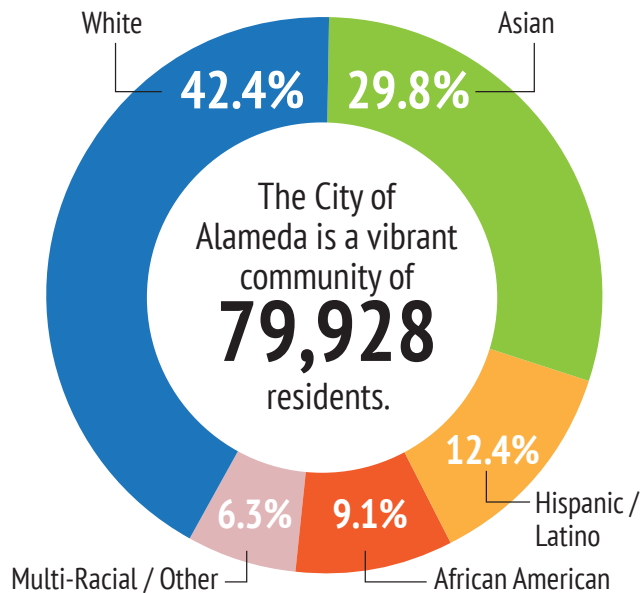
City Council adopts \$120 annual program fee

### Summer 2018

City Council adopts \$106 annual program fee



## City of Alameda DEMOGRAPHICS AND MARKET TRENDS



# \$92,377

Median household income

# 31,408

Households

**48% rent** **52% own**

# 45%

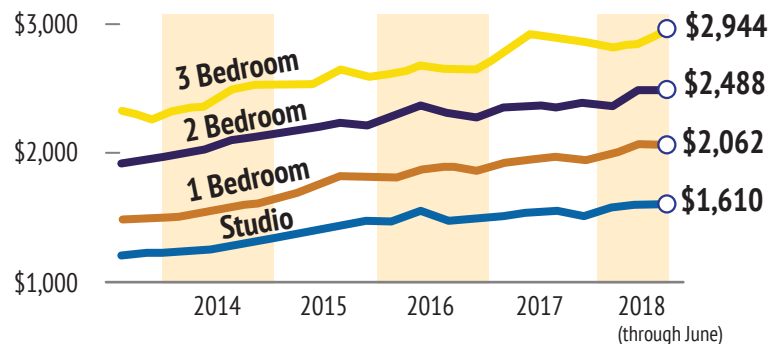
of renters spend at least 30% of income on rent

# 2.2%

Rental vacancy rate

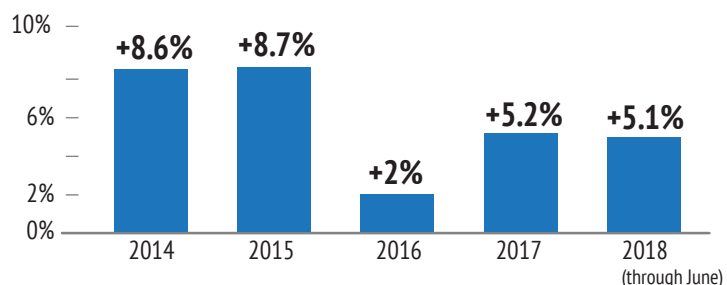
### Asking monthly rent by unit

at multi-unit properties (two or more units)



### Asking monthly rent percent growth

Annual percent increase in average asking monthly rent at multi-unit properties

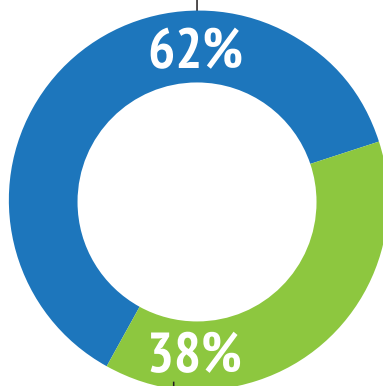


## UNITS UNDER RENT STABILIZATION

There are **13,389** rental units covered under Rent Stabilization

### OWNERSHIP

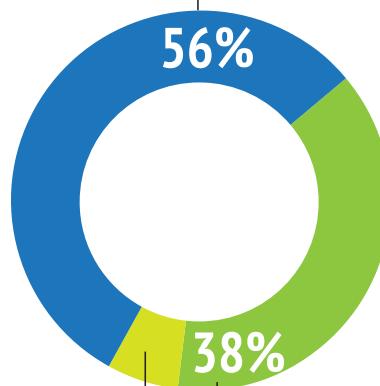
Units owned by  
landlords with  
more than 5 units



Units owned  
by landlords  
with less  
than 5 units

### LANDLORDS LOCATION

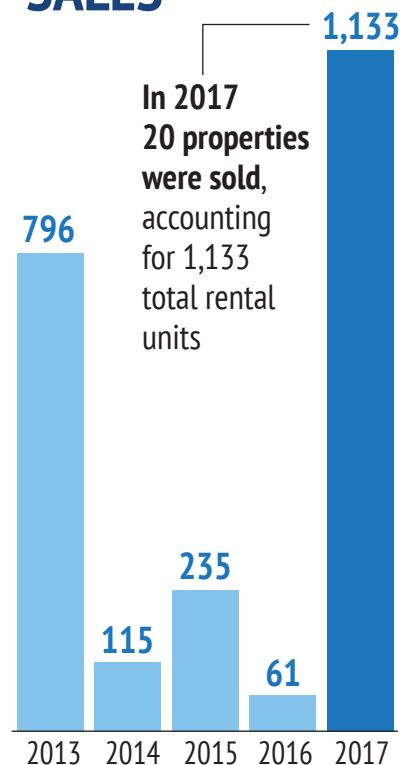
Landlords located  
in Alameda



6% of  
landlords  
are located  
outside  
the state

Landlords in  
California  
(but not  
Alameda)

### MULTI-UNIT PROPERTY SALES



## UNITS NOT SUBJECT TO THE ORDINANCE

Government  
regulated

Institutions

Commercial  
units

Accommodations  
(Less than 30 days)

Occupancies less  
than 30 days

Mobile  
homes

# PROGRAM ACCOMPLISHMENTS

## FY 2017-2018

FY2017-2018

**\$1,799,712 budget**

\$120 per unit fee

FY2018-2019

**\$1,586,826 budget**

\$106 per unit fee

### Workshops & Trainings

Fair housing trainings and workshops on landlord and tenant rights and responsibilities under the Rent Stabilization Ordinance.

### Online Educational Videos

Rent increase and termination of tenancy educational videos are available online to provide 24/7 viewing.

### 24/7 Answering Service

On average, 94 calls are received each month after office hours. These calls are directed to a live answering service. Staff responds to the messages the next business day.

### Publications & Mailings

All households in Alameda received program information through Alameda Municipal Power bills and the Recreation & Parks Activity Guide.

### Translation Services

Five languages are represented on program materials.

**Chinese****Español****Tiếng Việt****Tagalog****English**

Free translation in any language is available upon request

### E-newsletters

1,667 individuals subscribe to the e-newsletter, which shares announcements of upcoming events and news about the program.

### Implement a client management database

A Request for Proposals (RFP) was issued in July 2018. This RFP incorporates feedback from other departments in the City to ensure compatibility and prevent duplication with existing systems.

### Expand and formalize the mediation option

Staff has received mediation training from SEEDS ([www.seedsrc.org](http://www.seedsrc.org)) and increased access to information about mediation.

### Implement online form submission

Applications to request a review of rent increase are available for online submission. Termination submissions will be available for online submission by the end of 2018.

### Provide additional training for RRAC

Training provided on:

- Fair rate of return
- Financial impact on the tenant
- Making decisions by committee
- Conflict resolution



## OUTREACH

The Rent Stabilization Program is committed to providing equal access to information and prioritizing education to the public regarding its rights and responsibilities under the City's Rent Stabilization Ordinance.

## PERSONALIZED SERVICE

Staff serve individuals in the community through phone calls, emails, in-person appointments and public workshops.

### Contacts with staff, FY 2017-2018

**1692**

Individuals served

Duplicated contacts **5016**

## EDUCATIONAL WORKSHOPS & FAIR HOUSING TRAINING

Educational workshops are offered monthly during daytime and evening hours to accommodate the needs of the community. The



workshops are available to tenants and landlords and highlight the rent increase and termination of tenancy requirements under the Ordinance. These workshops are also available online for 24/7 hour viewing.

Additionally, the program sponsors fair housing trainings throughout the year. Fair housing training is provided by Eden Council for Hope and Opportunity (ECHO).

### Number of Workshops

**35**

424 people attended 35 workshops and 4 Fair Housing training sessions

FY 16-17

**47**

299 people attended 47 workshops and 4 Fair Housing training sessions

FY 17-18

## WWW.ALAMEDARENTPROGRAM.ORG STATS

In FY 2017-2018, the website had **16,834 unique visitors** and **23,449 duplicated visitors**

### Website visitors by month



### FEATURES

- Submit questions
- Mediation info
- Resource links
- Translation option
- Data reports
- RRAC archive

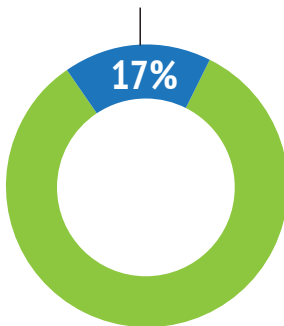
# SUBMISSION CHARACTERISTICS

Based on Termination of Tenancy and Rent Increase Submissions, FY 2017-18

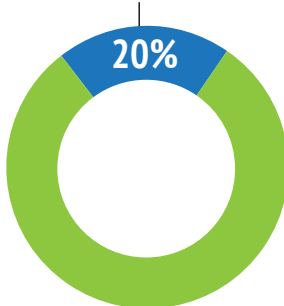
## LANDLORDS

Landlords who:

purchased the property  
within the last 12 months

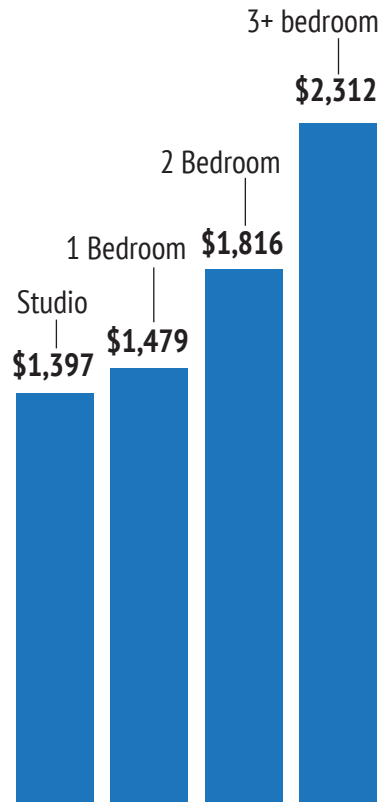


own a single-family  
home or condominium



## AVERAGE RENTS

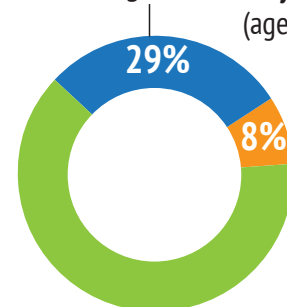
At time of submission



## TENANTS

Households:

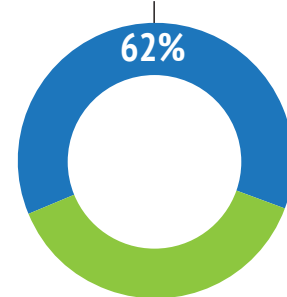
with children  
under age 18



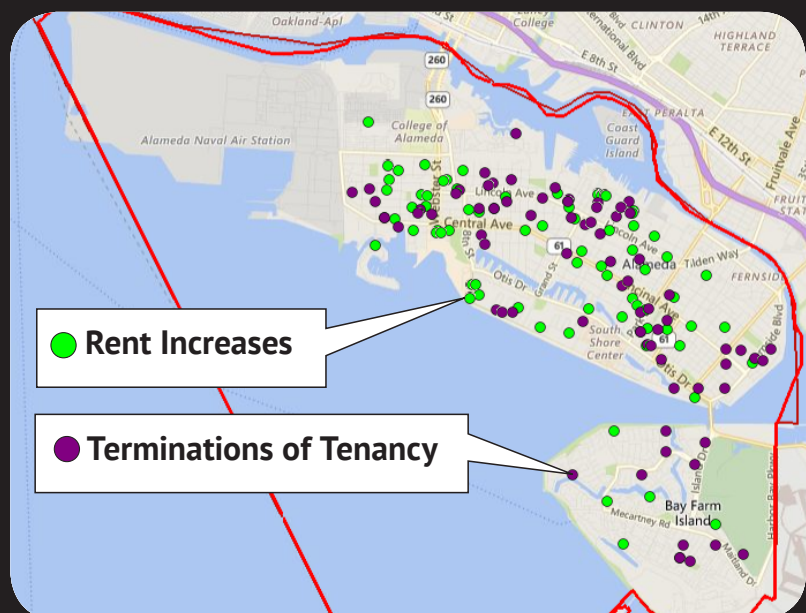
Senior-  
only  
(age 62+)

8%

living in Alameda for  
more than 5 years



Units served  
with "no cause"  
and "no fault"  
terminations of  
tenancy notice or  
a rent increase  
notice subject  
to RRAC



## PUBLIC RECORDS ACT (PRA) REQUESTS

All documents submitted to the Rent Stabilization Program are considered public records and are subject to disclosure. A determination of what information is released is made on a case-by-case basis.

**18** Requests under the PRA were submitted in FY 17-18. On average, 120 pages were released in each request.



## CAPITAL IMPROVEMENT PLANS

Definition of a Capital Improvement:

- Costs that meet or exceed 8 x the number of units improved x the average monthly rent and
- an expenditure that is a major long term improvement or repair.

**In FY 2017-2018 no Capital Improvement Plans were submitted with complete information to receive approval.**

## ADMINISTRATIVE CITATIONS / HEARINGS

Staff provides landlords the opportunity to cure violations after being educated about their rights and responsibilities. If the violations are not remedied after several requests, they are referred to the City Attorney's office for administrative enforcement, which can include a citation or hearing.

**2** FY 16-17

**5** FY 17-18

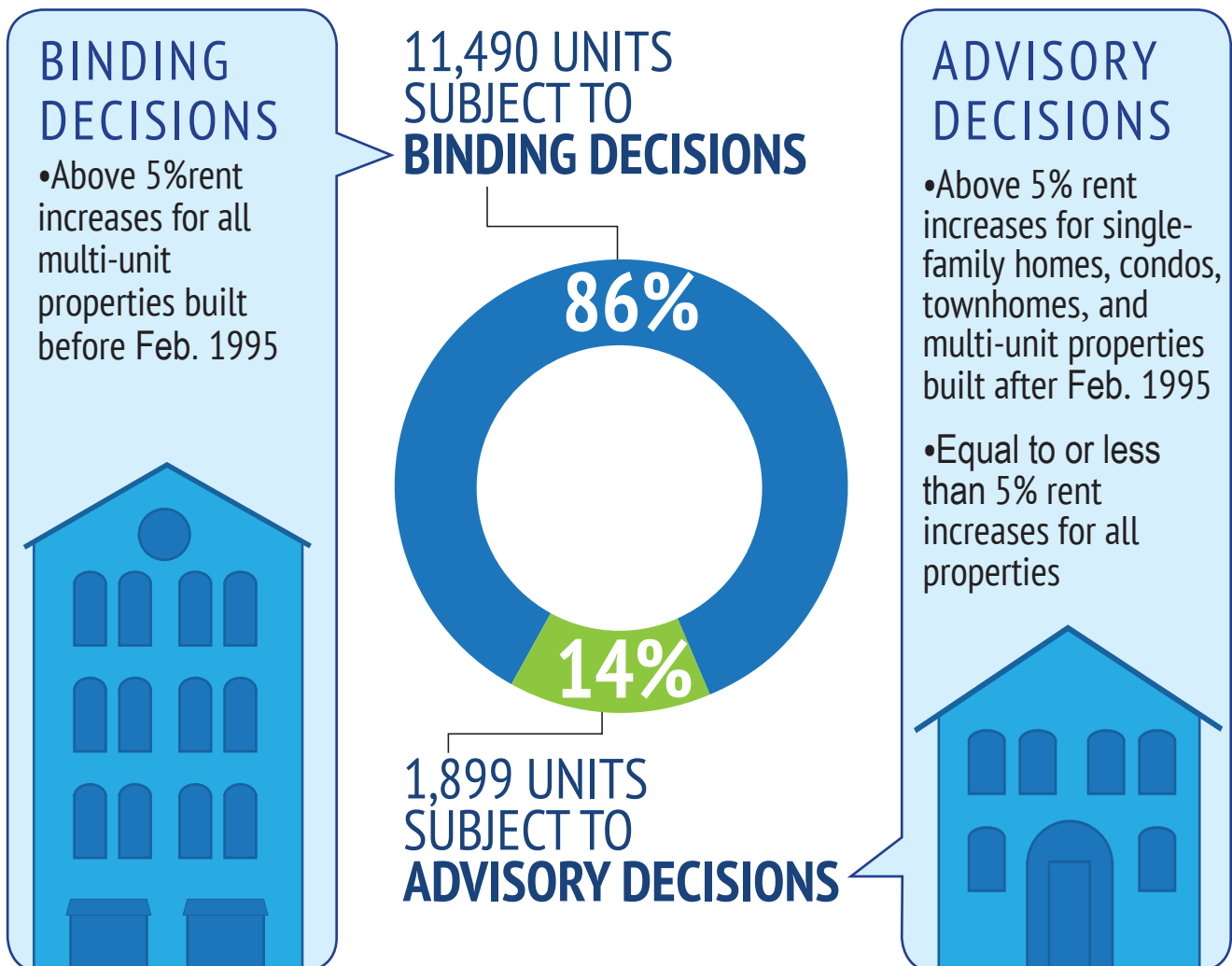


## RENT INCREASES

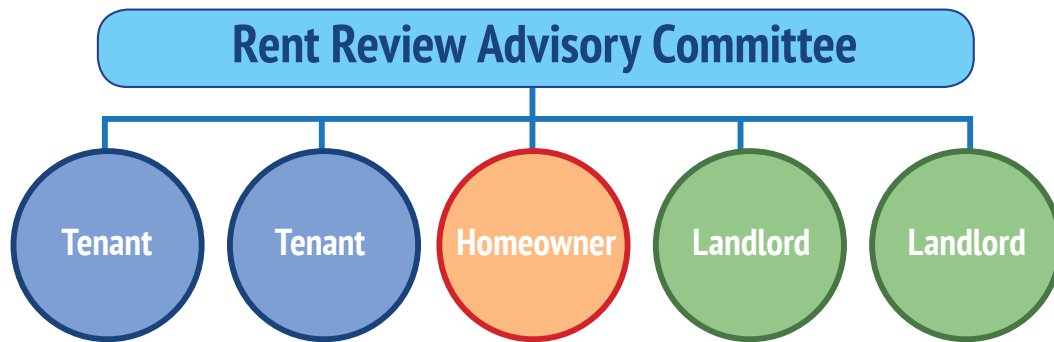
The Ordinance has administrative requirements for annual rent increases, including a mandatory review of rent increases in excess of 5%. The Rent Review Advisory Committee (RRAC) reviews rent increases and has authority to render decisions, which in some cases become binding on the parties.

### Rent can only be increased for the following reasons:

- 1. Annual Rent Increase:** All rent increases must follow the rent increase procedures established by the Ordinance.
- 2. Capital Improvement Process:** The City may authorize a rent increase if the landlord is able to document that s/he has completed work that meets the requirements as outlined in the Capital Improvement Plan Resolution 15138.
- 3. Voluntary Move-Outs:** When a unit subject to the Rent Stabilization Ordinance is vacated as a result of a tenant voluntarily leaving, the landlord may set the rent for a new tenant at his/her discretion.



# RENT REVIEW ADVISORY COMMITTEE (RRAC)



Members are Alameda residents appointed by the Mayor and confirmed by the City Council.

The RRAC considers the information presented by the tenant and landlord to determine the rent increase.

## Preparation

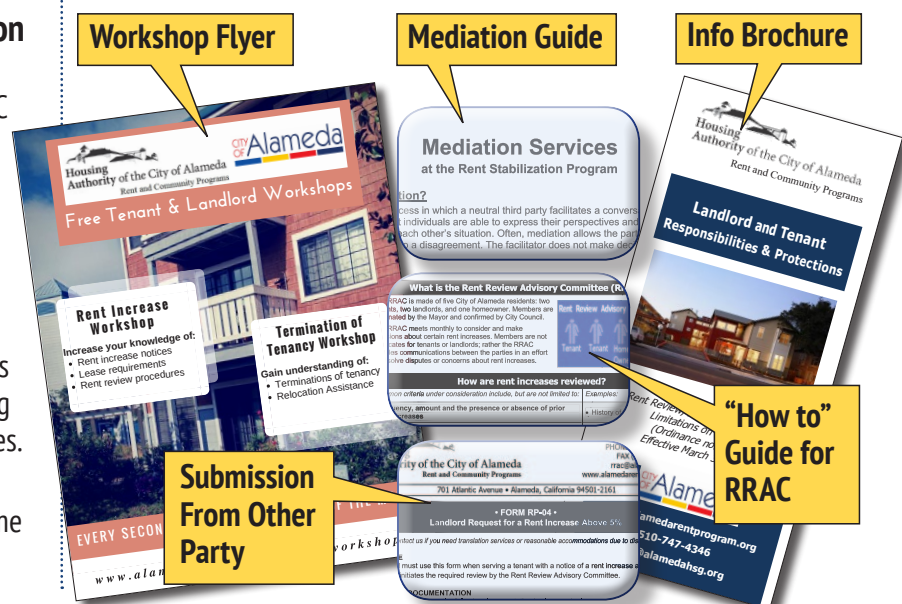
### Private Mediation & Communication

Multiple offers of private mediation are made to each participant before the RRAC hearing through forms, letters, flyers and phone conversations. While outreach materials offer free mediation service, most participants prefer staff to provide informal conflict resolution services through case management to resolve any issues. Staff made 12 contacts with each case eligible for a RRAC hearing and provided formal mediation to six cases.

### Advocates welcome

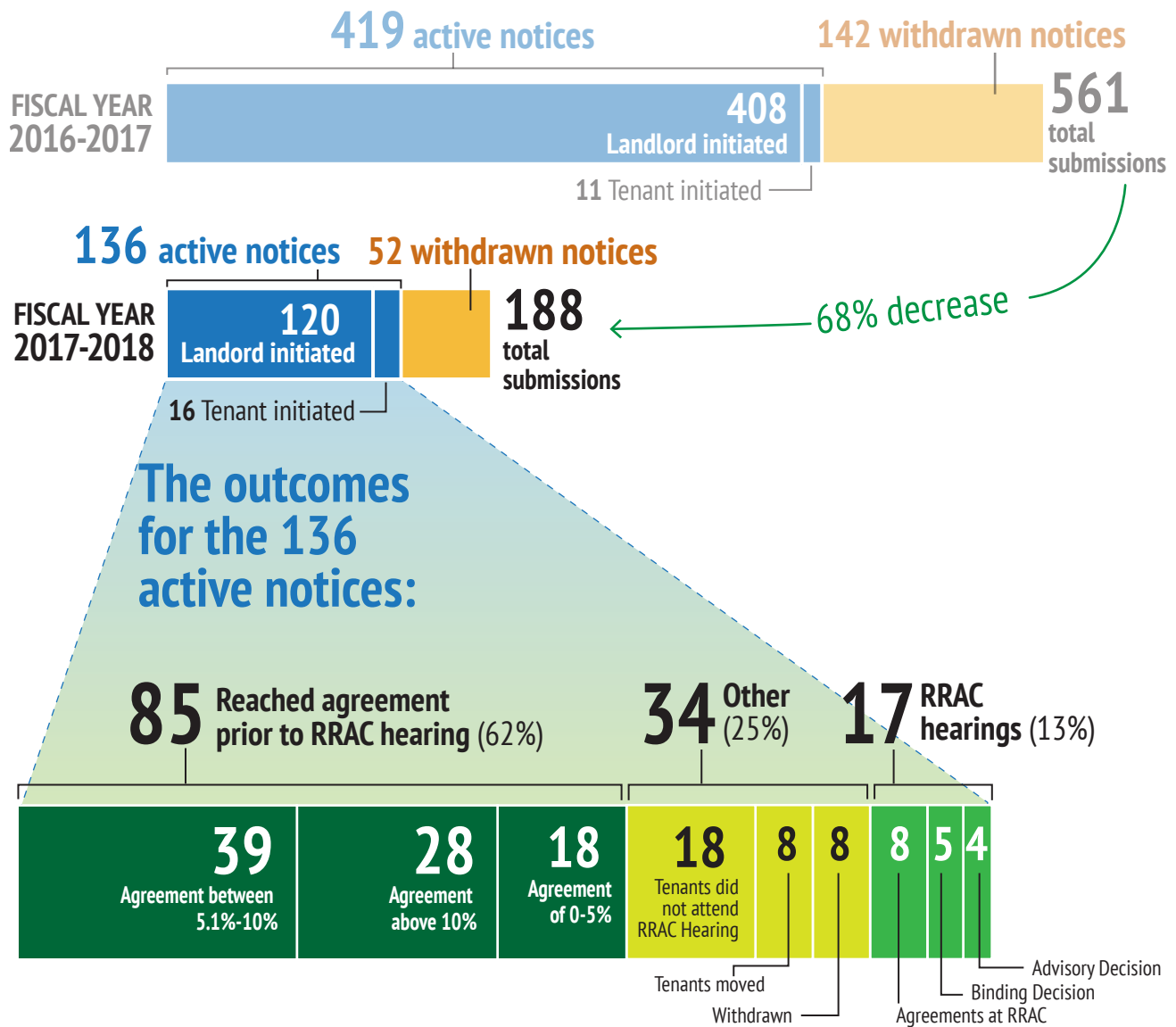
Parties are informed that they are welcome to bring an advocate to the meeting.

## Resources provided to participants



# RENT INCREASE STATS

## TOTAL RENT INCREASES SUBMISSIONS



**3 in 4**

tenants agree to the original rent increase amount.

**Average Rent Increase of All Active Notices**

**\$295** noticed amount  
**\$150** imposed amount

**Appeals of RRAC Decisions**

1 RRAC decision was appealed and heard by a Hearing Officer, who upheld the RRAC decision.



# TERMINATIONS OF TENANCY

**Terminations of tenancy are limited to ten allowable grounds defined by the Rent Stabilization Ordinance.**

Terminations for “no cause” and “no fault” must be filed with the Rent Stabilization Program. There are no filing requirements for terminations for cause.

## Ten allowable reasons to terminate tenancy

**1****Non-payment of rent**

No relocation assistance owed.

**2****Breach of the lease**

No relocation assistance owed.

**3****Failure to give access**

No relocation assistance owed.

**4****Nuisance**

No relocation assistance owed.

**5****No cause**

Relocation assistance owed and restriction on the maximum rent for the next tenant. Limit on the frequency a tenancy can be terminated for this reason at a property.

**6****Owner move-in**

Relocation assistance owed and restriction that the qualified family member live at the property for at least one year and occupy the unit within 60 days after the tenant vacates.

**7****Capital Improvement Plan (CIP)**

Relocation assistance owed and landlord must receive approval for the CIP prior to serving the termination notice on the tenant.

**8****Withdrawal from the rental market**

Relocation assistance owed and restriction that the unit is permanently removed from the rental market, regardless of a change in ownership.

**9****Demolition**

Relocation assistance owed and property must be demolished.

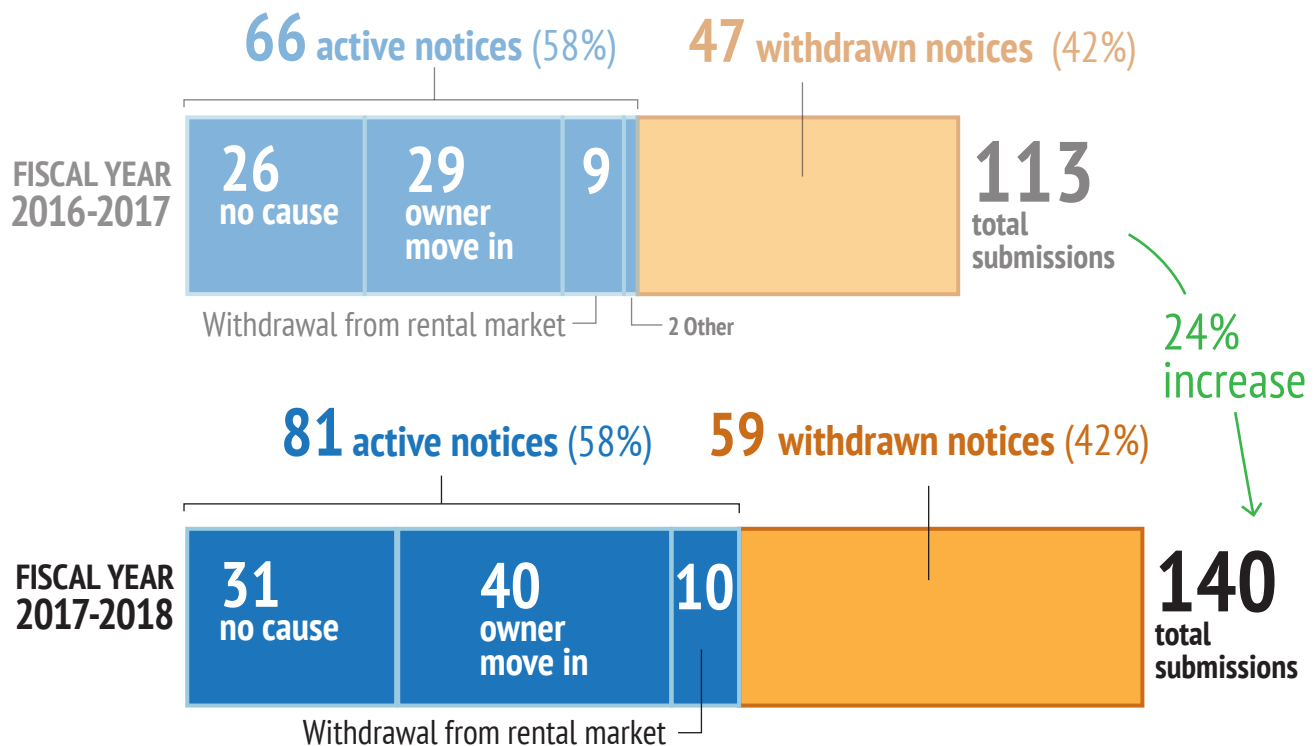
**10****Compliance with a governmental order**

Relocation assistance owed and tenant must be offered the same unit at the same rent after compliance with governmental order.

## TERMINATION OF TENANCY STATS

Staff reviews all “no cause” and “no fault” terminations for compliance with the Ordinance's requirements. Some notices that are in compliance with the City's regulations were not carried out because the landlord decided to rescind the notice of termination.

### TOTAL TERMINATION OF TENANCY SUBMISSIONS



In FY 2017-18:

**4 in 10**

Terminations of tenancy occurred at condos and single family homes

**3 in 10**

Terminations of tenancy notices were served on households **with children under the age of 18**.

**1 in 10**

Terminations of tenancy were served to a **senior-only household**.

## RELOCATION ASSISTANCE

### Relocation assistance calculation:

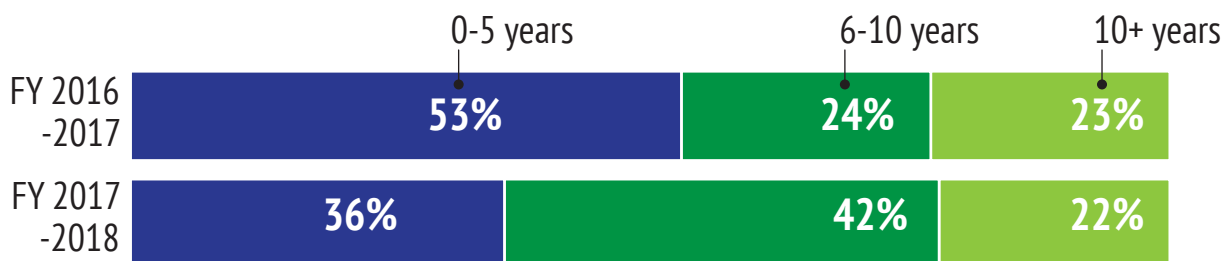
Monthly rent **multiplied by** years in the unit (not to exceed four)

**plus** moving expenses of \$1,595 (adjusted annually on the consumer price index)

### Average relocation assistance for active notices



### Terminations of tenancy, length of time tenant lived in unit



## PROPERTY SALE STATS FOLLOWING A TERMINATION OF TENANCY

Since the Ordinance came into effect, terminations for "no cause" or "withdrawal from the rental market" have been used to terminate a tenancy prior to the rental unit being sold. There is no current requirement that the unit restriction following these terminations be recorded on the title. This has caused an issue with sellers failing to properly disclose unit restrictions to potential buyers.

**23 OF 57 UNITS (40%)**  
were put on the market after  
termination for **NO CAUSE**.

#### UNIT RESTRICTION:

The maximum rent for the next tenant is capped.  
Limit on the frequency a tenancy can be terminated  
for this reason at a property.

**16 OF 19 UNITS (84%)**  
were put on the market after  
termination for **WITHDRAWAL  
FROM THE RENTAL MARKET**:

#### UNIT RESTRICTION:

Permanent removal of the unit from the rental  
market, regardless of a change in ownership.



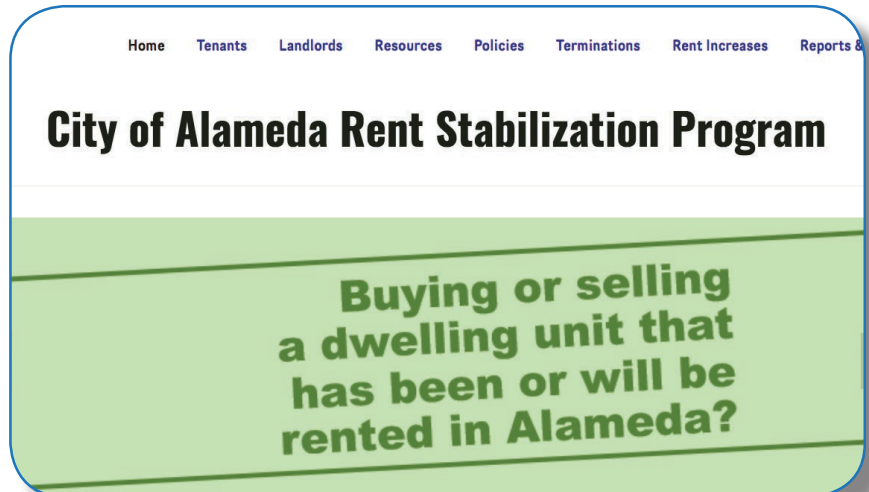
## Partnerships

- Community Development Department
- City Attorney's Office
- Alameda Municipal Power
- ECHO Housing
- Alameda Unified School District
- Recreation and Parks Department
- Mastick Senior Center
- Legal Assistance For Seniors
- Alameda Family Services
- Libraries Department
- Community Partners: Tenants, Landlords, Realtors, Local Businesses

## WHERE TO GET INFO

Online resources

[www.alamedarentprogram.org](http://www.alamedarentprogram.org)



## CONTACT INFORMATION

Office hours are Monday through Thursday

**8.30am-4pm:** Appointments available

**Phone:** 510-747-4346 **Email:** [rrac@alamedahsg.org](mailto:rrac@alamedahsg.org)

## Informational Workshops available for Landlords and Tenants

Register online at [www.alamedarentprogram.org](http://www.alamedarentprogram.org) to attend an in-person workshop or to watch a workshop video on the program website.