



Presented by the City Attorney's Office
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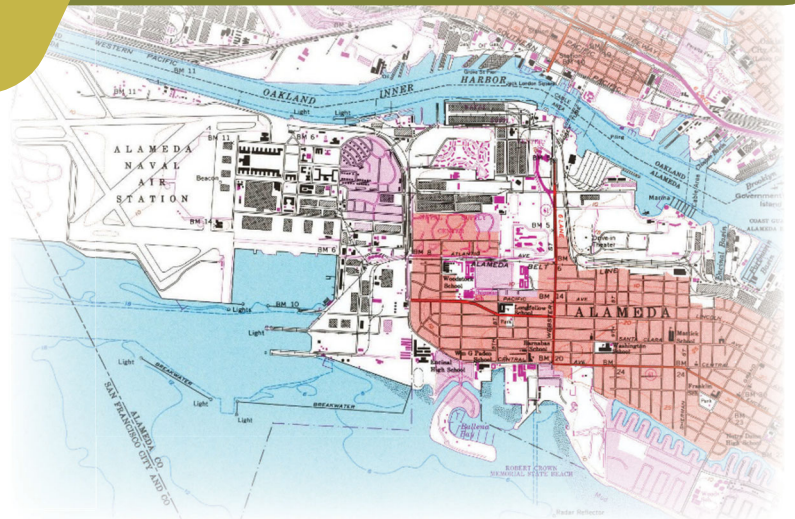
ALAMEDA RENT PROGRAM

Monthly
Report

June
2023

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NEWS & NOTES

- Fee payment period began on June 1, 2023. 1,703 Landlords submitted payment of FY23-24 program fees during the month of June.
- Staff responded to a near record amount of inquiries regarding rent program fees, rent increase regulations, late registration, unit exemption requests and reports of new ownership.
- A newsletter was sent to 3,201 subscribers notifying of the annual adjustment to Permanent and Temporary Relocation payments effective July 1, 2023.



OUTREACH

Staff serves individuals in the community Monday through Friday via telephone, email, Zoom and in-person appointments. Informational workshops are offered twice monthly.

Upcoming Informational Workshops
 Tuesday, July 18, 6pm - Zoom (Online)
 Thursday, August 3, 2pm - City Hall West
 Tuesday, August 15, 6pm - Zoom (Online)

| | PERSONALIZED SERVICE | | INFORMATIONAL WORKSHOPS | WEBSITE | |
|--------------|-----------------------|-----------------|-------------------------|--------------|----------------|
| | Individuals Contacted | Total Inquiries | Attendees | Unique Users | Total Sessions |
| JUNE 2023 | 684 | 1119 | 6 | 2810 | 4387 |
| YEAR-TO-DATE | 2271 | 4407 | 54 | 15170 | 22372 |

REGISTRATION

The online Rent Registry is available for landlords and property managers to submit, verify, and update registration information; pay the annual program fee; and more. Staff continues to work with landlords to update information in the registry and process submissions.

| | JUNE 2023 | YTD |
|---|-----------|-------------|
| Properties Submitting Late Registration* | 2 | 28 |
| Property Change in Ownership Processed | 18 | 69 |
| Documentation Demonstrating that property is Exempt from Regulation | 39 | 59 |
| Requests to Exempt Unit from Annual Program Fee | 98 | 126 |
| Properties Submitting Payment of Annual Fees** | 1703 | 1784 |

*As of July 1, 2023, approximately 94.8% of Alameda rental units and 90.5% of rental properties have completed registration.

**As of July 1, 2023, approximately 40% of Alameda rental properties had submitted payment of annual program fees for the FY23-24 fiscal year

AGA RENT INCREASES

Landlords who have registered their rental properties and paid the annual program fee are entitled to one rent increase every 12 months limited by a percentage cap, known as the Annual General Adjustment or AGA.

*The AGA for the period from September 1, 2022, to August 31, 2023, is **3.5%***

"BANKED" RENT INCREASES

The Rent Ordinance allows landlords who choose not to raise the rent for a full 12 months, or choose to raise the rent by less than the AGA, to "bank" those unused amounts. The Ordinance requires any landlord using "banked" amounts to file a copy of the notice with the Rent Program

| | JUNE 2023 | YTD |
|--|-----------|-------------|
| Current Rent Updated on Unit | 809 | 1590 |
| "Banked" Rent Increase Filed | 5 | 313 |
| Updated Unit Info showing an Invalid Rent Increase | 132 | 277 |

CAPITAL IMPROVEMENT PLANS

Landlords may apply to pass the cost of certain substantial improvements, amortized over time, on to tenants. In addition, landlords must file a Capital Improvement Plan (CIP) whenever a tenant must be temporarily relocated or a tenancy terminated because of the work associated with qualifying capital improvements. *Note: On June 6, 2023, City Council approved a temporary moratorium on CIPs for properties with 25 or more rental units.*

| | New Submissions | CIP Review Status | | | |
|------------|-----------------|-------------------|----------|----------|----------|
| | | Under Review | Approved | Denied | Total |
| JUNE 2023 | 1 | 0 | 0 | 1 | 1 |
| YTD | 3 | 2 | 1 | 1 | 4 |

RENT REVIEW & PETITIONS

Multi-family units built prior to February 1995 are subject to a cap on the annual amount of rent increase, known as the Annual General Adjustment (AGA). Landlords may petition for an upward adjustment in the rent, and tenants may petition for a downward adjustment.

In addition, tenants and landlords may request that staff conduct a review of:

- I. The calculation of the maximum allowable rent allowed by the AGA
- II. The base rent and/or housing services included with base rent as reported by the landlord
- III. Previous or pending rent increase notices to determine if they complied with all rent ordinances and regulations

Staff will work with the landlord to correct any registration errors. If the review shows the tenant has been paying more than the maximum allowed by the AGA, staff will direct the landlord to reset the rent and refund the overpayment.

If the tenant received an invalid notice that is not yet effective, staff will direct the landlord to rescind the notice. Annually, the Rent Program sends letters to the landlord and tenant informing them of the maximum allowable rent and providing a deadline by which to file review.

| LANDLORD SUBMISSIONS | | |
|----------------------------------|-----------|-----|
| | JUNE 2023 | YTD |
| Petition for Upward Adjustment | 0 | 1 |
| Request For Staff Review | 0 | 3 |
| Rent Increase greater than 10% | 0 | 0 |
| TENANT SUBMISSIONS | | |
| | JUNE 2023 | YTD |
| Petition for Downward Adjustment | 4 | 14 |
| Request for Staff Review | 9 | 34 |
| TOTALS | 13 | 52 |

| HEARING OUTCOMES | | |
|--------------------------|-----------|-----|
| | JUNE 2023 | YTD |
| Upward Rent Adjustment | 0 | 0 |
| Downward Rent Adjustment | 0 | 1 |
| Petition Denied | 0 | 0 |
| Petition Withdrawn | 1 | 1 |
| Pending | 3 | 7 |
| TOTALS | 4 | 15 |

| STAFF REVIEW OUTCOMES | | |
|------------------------------|-----------|-----|
| | JUNE 2023 | YTD |
| No Violation | 3 | 7 |
| Registry Error Corrected | 0 | 5 |
| Rent Reset & Tenant Refunded | 1 | 7 |
| Invalid Notice Rescinded | 1 | 4 |
| Request Withdrawn | 1 | 7 |
| Pending Review | 3 | 7 |
| TOTALS | 9 | 37 |

TERMINATION OF TENANCY

The Rent Ordinance prevents landlords from terminating a tenancy except for certain allowable grounds and requires a relocation payment in cases where the termination is not the fault of the tenant. Terminations based on these “no fault” grounds must be filled with the Rent Program. Submissions may be “Withdrawn” due to a deficiency with the ordinance or because a landlord chooses to rescind the notice.

OMI = Owner Move-In

WRM = Withdrawal from the Rental Market

| TERMINATION SUBMISSIONS | | | | | |
|-------------------------|-----|-----|-------|-----------|--------|
| | OMI | WRM | Other | Withdrawn | TOTALS |
| JUNE 2023 | 1 | 0 | 0 | 1 | 8 |
| YTD | 13 | 5 | 0 | 5 | 23 |

BUYOUT AGREEMENTS

A buyout agreement is a written agreement between a landlord and a tenant, by which a tenant agrees to vacate, usually in return for money. The Rent Ordinance affords protection to tenants who are offered buyout agreements. Buyout Agreements must be filed with the Rent Program. Staff review submissions to ensure that tenants have been advised of their rights. An agreement that does not satisfy all requirements of the rent ordinance is not effective, and the tenant may rescind the deficient agreement at any time.

- 2 Buyout Agreement submissions filed in June were valued at an average of \$15,204 with an average length of tenancy at 16 years

| BUYOUT SUBMISSIONS | | | | |
|--------------------|--------|-----------|-----------|--------|
| | Active | Deficient | Rescinded | TOTALS |
| JUNE 2023 | 2 | 0 | 0 | 2 |
| YTD | 10 | 3 | 0 | 13 |

MONITORING OF RENTAL UNITS

Certain restrictions are imposed on rental units after a tenancy is terminated based on grounds for which the tenant is not at fault. These restrictions apply regardless of a change in ownership. On an annual basis, program staff initiates monitoring of the unit to verify compliance with the restrictions while they remain in effect. These annual monitoring cases remain “ongoing” until staff receives sufficient documentation from the property owner.

| | Owner Move-In | | Withdrawal from the Rental Market | | TOTAL UNITS |
|-----------|----------------|---------|-----------------------------------|---------|-------------|
| | Case Initiated | Ongoing | Case Initiated | Ongoing | |
| JUNE 2023 | 3 | 3 | 2 | 3 | 11 |
| YTD | 27 | | 33 | | 60 |