Presented by the City Attorney's Office Yibin Shen - City Attorney Bill Chapin - Rent Program Director



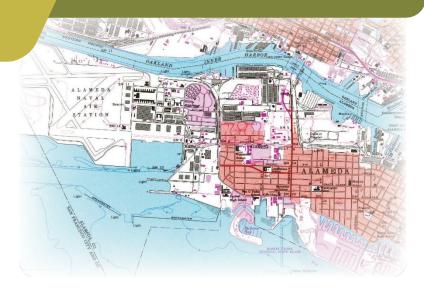
ALAMEDA RENT PROGRAM

Monthly Report

June 2024

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### **NEWS & NOTES**

- Beginning this year, the Rent Program is requiring landlords of fully regulated properties to update tenancy information by filing an annual registration statement, either through the online Rent Registry or by form. Annual registration is due by Aug. 31, 2024. Since June 1, 2024, staff has processed more than 400 registration forms, and more than 600 unregistered tenancies have been recorded.
- **FY24-25 program fees** are also due Aug. 31, 2024. In late June 2024, the Rent Program mailed 3,285 invoices to landlords.
- In June staff began hosting weekly Rent Registry Clinics at the Alameda Free Library to assist landlords and property managers in using the online portal to submit annual registration and pay program fees. Clinics will continue through late August.



# **OUTREACH**

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

## **Upcoming Informational Workshops**

Tuesday, July 23, 6pm – Zoom Thursday, Aug 1, 2pm – City Hall West Tuesday, Aug 13, 6pm - Zoom

	PERSONALIZED SERVICE		WORKSHOPS AND CLINICS	WEBSITE	
	Individuals Contacted	Total Inquiries	Attendees	Unique Users	Total Sessions
JUNE 2024	486	953	28	3,299	4,833
YEAR-TO- DATE	2,078	4,166	49	17,813	26,154



# **REGISTRATION**

Landlords are required to file an initial registration statement for each rental property and an annual registration statement for fully regulated properties; report new tenancies and changes of ownership within 30 days; and pay an annual program fee. The online Rent Registry is available to complete these requirements. Staff can provide further assistance.

	JUNE 2024	YTD
Properties Submitting Initial Registration*	8	20
Property Change in Ownership Processed	12	47
Documentation Demonstrating that Property is Exempt from Regulation	13	121
Requests to Exempt Unit from Annual Program Fee	58	85
Properties Submitting Payment of Annual Fees**	604	719

<sup>\*</sup>As of July 1, 2024, approximately 95.8% of Alameda rental units and 91.9% of rental properties had completed initial registration.

#### 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, 2023, to August 31, 2024, is **2.9**%

#### "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 2024	YTD
Current Rent Updated on Unit	985	1,870
"Banked" Rent Increase Filed	30	152
Updated Unit Info showing an Invalid Rent Increase	114	244

# 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 because of the work associated with qualifying capital improvements. *Note: On December 19, 2023, the Alameda City Council approved a revised policy effective January 19, 2024.* 

	New	CIP Review Status			
	Submissions	Under Review	Approved	Denied	Total
June 2024	0	0	0	0	0
YTD	4	3	1	1	5



<sup>\*\*</sup>As of July 1, 2024, approximately 28.4% of Alameda rental properties had submitted payment of annual program fees for the FY24-25 fiscal year

# 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.

**LANDLORD SUBMISSIONS** 

	JUNE 2024	YTD			
Petition for Upward Adjustment	0	0			
Request For Staff Review	0	0			
Rent Increase greater than 10%	0	0			
TENANT SUBMISSIONS					

	JUNE 2024	YTD
Petition for Downward Adjustment	3	18
Request for Staff Review	2	12
TOTALS	5	30

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

- 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 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.

**STAFF REVIEW OUTCOMES** 

<b>HEARING OUTCOMES</b>
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	JUNE	YTD
	2024	110
Upward Rent Adjustment	0	0
Downward Rent Adjustment	0	11
Petition Denied	0	2
Petition Withdrawn	0	0
Pending	3	5
TOTALS	3	18

	JUNE 2024	YTD
No Violation	1	3
Registry Error Corrected	0	0
Rent Reset & Tenant Refunded	0	1
Invalid Notice Rescinded	0	1
Request Withdrawn	0	0
Pending Review	1	7

0

12

**TOTALS** 



# 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 filed 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

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BUYOUT SUBMISSIONS						
	Active	Deficient	Rescinded	TOTALS		
JUNE 2024	4	0	0	4		
YTD	15	0	0	15		

TERMINATION SUBMISSIONS					
	OMI	WRM	Other	Withdrawn	TOTALS
JUNE 2024	2	0	0	4	6
YTD	14	2	1	9	26

## **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.

Four Buyout Agreement submissions were filed in June with an average value of \$22,516 and an average length of tenancy at 8 years.

# MONITORING OF RENTAL UNITS

Certain restrictions are imposed on rental units after a termination of tenancy 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	awal from the Rental Market	
	Case Initiated	Ongoing	Case Initiated	Ongoing	UNITS
JUNE 2024	3	2	0	3	8
YTD	20		29		49

