

**Emergency Regulation 1017.5 [Agreements Regarding Discounted Rent Made During the COVID-19 State of Emergency]:**

A. For tenancies which began on or before September 1, 2020, a landlord and tenant may agree in writing to a temporary rent reduction without reducing the lawful rent ceiling as defined by Chapter 10 of the Rent Stabilization and Eviction for Good Cause Ordinance (BMC Chapter 13.76.100) and accompanying Rent Board Regulations throughout the duration of the local State of Emergency for the COVID-19 pandemic. Written agreements for temporary rent reduction entered into during the local State of Emergency may extend beyond the expiration of the local State of Emergency where the landlord and tenant expressly agree to the duration in writing. The written agreement must include a statement that the reduction is temporary and is unrelated to market conditions, habitability, or a reduction in housing services.

B. If the original rental agreement executed by the landlord and tenant provided for any reduced, discounted, or “free” rent, the provisions of Rent Board Regulation 1013(A)(2) apply. Any subsequent written agreement for rent reduction pursuant to the terms of this regulation shall not adjust the lawful rent ceiling as established by the original rental agreement.

C. Rent that is reduced pursuant to this regulation is deemed permanently waived and may not be demanded as unpaid rent or debt at any time.

D. When the original rental agreement does not include any reduced, discounted, or “free” rent, this emergency regulation supersedes the existing rule that the lawful rent ceiling must be calculated to account for reduced, discounted, or “free” rent during the initial term of the agreement as stated in Rent Board Regulation 1013(A)(2). Apart from enacting an allowance for temporary rent reductions during the local State of Emergency for the COVID-19 pandemic and any extension associated with those reductions, this provision shall have no further effect on B.M.C. Chapter 13.76 or any Rent Board Regulations that establish the underlying law, rules, and procedures for determining a lawful rent ceiling.

[Effective Date: 4/3/2020; Amended on 8/28/20 to adjust the operative date to September 1, 2020, to allow tenancies that began on or before that date to be covered by the provisions of this regulation, and make clear that the agreed-upon reduced rent is deemed permanently waived, so landlords may not later demand it as unpaid rent.]