

Rent Stabilization Board

RENT STABILIZATION BOARD

DATE: March 18, 2021

TO: Honorable Members of the Rent Stabilization Board

FROM: Matt Brown, Acting Executive Director ^{MB}
By: Allison Pretto, Senior Management Analyst

RE: Update: Registration of Rental Units Subject to Measure MM

Summary

The Berkeley Rent Board has begun registering properties and approving exemptions for rental units that are partially covered by the Berkeley Rent Ordinance, as required by Measure MM. As of this writing, owners of 390 properties have either registered their rental units or submitted a claim of exemption. These properties comprise 555 residential units, with 289 units registered as tenant-occupied, and 266 units claimed exempt. Attached hereto are the letter and various forms sent to landlords for purposes of registering these partially covered rental units.

Background

On November 3, 2020, the Berkeley voters passed Measure MM, which amended the Berkeley Rent Ordinance to require property owners to register residential units that are partially covered by the Ordinance. The units subject to the new registration requirement are:

- Rented single-family homes;
- Rented condominiums;
- Rental units that received a certificate of occupancy issued after June 30, 1980.

Using available county and city records, Rent Board staff identified the properties and residential units that could potentially be subject to the new requirement. An initial assessment revealed that approximately 7,000 residential properties units could potentially be subject to the new registration requirement.

The Rent Board staff has reached out to owners in two separate outreach mailings.

On February 15: The Rent Board contacted the owners of 1,675 residential properties (comprising approximately 5,000 units) in multifamily buildings with certificates of occupancy issued after June 30, 1980, and in single-family homes and condominiums that have certified that the units are rented as required by the Berkeley Rental Housing Program (RHSP). Owners of these properties are required to affirmatively register any rented units or claim their units exempt using the Rent Board's online registry to register their properties' tenancies and/or claim units exempt.

The mailing to these owners included a letter describing the new law's requirements, a fact sheet describing Measure MM, and a user guide to register the units online. While owners are strongly encouraged to use the online registry, they also can contact Rent Board staff for assistance with registering their properties offline. Owners have been informed that they must register their properties or claim them exempt by March 15, 2021. These owners will be billed for registration fees in the future if units on their properties are not claimed exempt.

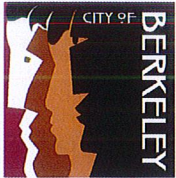
As a result of this initial outreach effort, the Board has registered approximately 390 properties comprising 289 registered rental units and 266 exempt units.

On March 15: The Rent Board sent out a second mailing to the owners of an additional 4,400 properties (primarily single-family homes) that have not filed with the RHSP, and which therefore were determined to be less likely to be used as rental units. The mailing to these owners contained a letter describing the changes in the law, a Measure MM fact sheet, and registration forms that owners can use to register these properties. Owners of these properties are directed to register their units with the Rent Board by April 15 if the units are rented.

Future Action: The Board did not set a Measure MM Registration Fee for the current fiscal year. In the upcoming months, the Board will adopt a fee for these partially covered units for the upcoming 2021/2022 fiscal year. All properties registered through this current effort will be billed for that annual 2021/2022 registration fee. Moreover, landlords who do not affirmatively claim an exemption will be billed as if they are rented. Landlords must affirmatively claim an exemption to avoid paying the fee.

Attachments

1. Letter to landlords informing of Measure MM registration requirements
2. Measure MM Fact Sheet (Registration Information)
3. Tenancy Registration Form for Partially Covered Units
4. Registration Statement for Partially Covered Units



Rent Stabilization Board

March 2021

OWNER NAME
OWNER ADDRESS
OWNER CITY, STATE ZIP

RE: PROPERTY ADDRESS

Dear OWNER NAME:

I am writing to inform you about a new law that could affect the above-referenced property if it is currently rented. On November 3, 2020, Berkeley voters passed Measure MM. This measure amended the Berkeley law to require registration of certain residential rental units that are subject to the Berkeley Rent Ordinance's good cause for eviction and security deposit interest requirements. These units include:

- Rented single-family homes;
- Rented condominiums;
- Rental units that received a certificate of occupancy issued after June 30, 1980.

Our records show that you own at least one dwelling unit at the above-referenced address, which would be subject to the new registration requirement **ONLY when rented**.

If the property is NOT CURRENTLY RENTED: You may disregard this letter. Please note, however, that if it becomes a rental unit in the future, it must be registered with the Rent Board within 60 days of the tenancy start date.

If the property IS CURRENTLY RENTED: You or your property manager must register it immediately by completing **both** of the enclosed registration forms and returning them to the Rent Board by April 15, 2021. A self-addressed envelope is enclosed for your convenience. Please also refer to the fact sheet on the reverse side of this letter for more information on the new requirements.

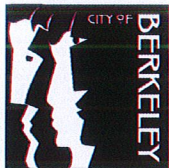
Failure to register in a timely manner will result in penalties in the future. The Board has elected not to charge a registration fee for the current fiscal year (ending June 30, 2021), but will charge a fee for all qualifying partially covered units next fiscal year. This fee will be due July 1, 2021.

For more information on the new law, please contact us at (510) 981-7368 (RENT), Ext. 2, or at rent@cityofberkeley.info. While our office remains closed to in-person visits due to the COVID-19 pandemic, our staff is available Mondays, Tuesdays, Thursdays and Fridays from 9:00 a.m.-4:45 p.m., and on Wednesdays from noon-5 p.m. to answer your questions by phone. You may email us any time, and we will respond as soon as possible.

Sincerely,

A handwritten signature in blue ink that reads "Matt Brown".

Matt Brown
Acting Executive Director



Rent Stabilization Board

MEASURE MM REGISTRATION INFORMATION

How did Measure MM change rental unit registration requirements in Berkeley?

Measure MM amended the Rent Ordinance to require owners to register most rental units that are not fully covered by the Rent Ordinance. However, there are exemptions to the Measure MM registration requirements, so not all rental units must be registered.

Do I need to register?

You need to register your property **only if it is currently rented**. You do NOT need to register (and may disregard this letter) if your property falls under any of the following exemption categories:

- Units that are owner occupied, maintained for owner's use only, or occupied rent free.
- Units with Section 8 or Shelter Plus tenancies.
- Single-family homes or condominiums IF they are only rented for up to two years AND you: (1) own no more than one residential unit in Berkeley; (2) lived in the unit as your primary residence for at least 365 consecutive days immediately prior to rental; (3) will reoccupy the unit as your primary residence when the rental ends; and (4) specify the rental term, not to exceed 24 months, in the lease.

My property is currently rented. How do I register?

You (or your designated property manager) need to fill out both the Registration Statement and the Tenancy Registration Form, providing the tenancy details for the current tenancy only. Return the completed forms to our office in the enclosed envelope.

Does registering my unit mean the Rent Board will control how much rent I can charge?

No. While state laws may restrict rent increases, Measure MM units are exempt from Berkeley's rent control provisions. This means that owners must report unit and tenancy information and pay a registration fee once a year. Property owners and tenants will also have access to enhanced Rent Board services like more comprehensive housing counseling and mediation services to help resolve some landlord-tenant disputes.

What is the registration deadline, and how much will I have to pay?

If your property is rented, then you must register the unit and tenancy by April 15. There is no fee for the current fiscal year, so you do not have to pay anything right now. There will be a fee for the 2021/22 fiscal year. You will receive a bill in May and the fee will be due on July 1, 2021. The Rent Board has not yet set the fee.

What will happen if I don't register my unit?

In the future, failure to pay registration fees will result in monetary penalties. Failure to properly register a Measure MM unit may also be used by a tenant as a defense to an unlawful detainer (eviction lawsuit).

HAVE ADDITIONAL QUESTIONS? Join us for a Measure MM Webinar

To register go to www.cityofberkeley.info/rent and click on the "Landlord and Tenant Workshops & Seminars" link under Popular Topics on the left, or call (510) 981-7368 (RENT).

April 14, 2021

10:00 am – 11:30 am

Online Event via Zoom

Berkeley voters passed Measure MM in the November 2020 election. Join us for an overview of how this measure impacts registration, rights, and responsibilities for both landlords and tenants. Presentation followed by Q & A with experienced Rent Board housing counselors & registration staff.

City of Berkeley

Rent Stabilization Program

2125 Milvia Street, Berkeley, CA 94704

Phone: (510) 981-7368 [981-RENT] Fax: (510) 981-4910

E-mail: rent@cityofberkeley.info • Web: www.cityofberkeley.info/rent

For Office Use Only

Date: _____

Initials: _____

TENANCY REGISTRATION FORM FOR PARTIALLY COVERED UNITS

(Instructions provided on back)

Please file this form **only** for tenancies in:

Single-family homes, condominiums, and dwelling units that received a Certificate of Occupancy after 1980.

Berkeley Rental Property Address: PLEASE PRINT LEGIBLY or TYPE

Street Number	Street Name	Unit #	# of Bedrooms	# of Units/Prop.

Owner/Agent Information (If new owner or agent, please also complete an Amended Registration Statement):

OWNER: Check if new owner/address ☐

AGENT/MANAGER: Check if new agent/address ☐

Name: _____

Name: _____

Address: _____

Address: _____

City, State, ZIP: _____

City, State, ZIP: _____

Phone: (____) _____

Phone: (____) _____

Email: _____

Email: _____

Send all future correspondence and bills to: **OWNER** ☐ **AGENT/MANAGER** ☐

Current Tenancy Information:

Beginning date of this tenancy: ____/____/____ Number of Tenants: ____ Initial Rent: \$ ____

Current Rent (if different): \$ ____ Date of Last Rent Increase: ____/____/____

Housing Services: Check the Housing Services provided or paid by the Owner for the individual unit.

Storage ☐ Gas ☐ Electricity ☐ Water ☐ Garbage ☐ Parking ☐ Laundry Access ☐ Heat ☐
Appliances ☐ Other _____

Does Lease Prohibit Smoking? Yes ☐ No ☐ **Effective date of smoking prohibition:** ____/____/____

Prior Tenancy Information: Ending date of prior tenancy: ____/____/____ Voluntary vacancy? _____

Termination by Owner _____ Other (explain): _____

Check one: I am the owner or the owner's agent. ☐ I am the tenant (please attach lease agreement). ☐

Declaration: I hereby declare under penalty of perjury that all the information in this Tenancy Registration Form is true and correct to the best of my knowledge and belief.

PRINT Name

Signature

Date

Tenancy Registration for Partially-Covered Units

This form is required ONLY for rental units subject to BMC 13.76.050(O):

- **Single-family homes, where the current tenancy began after Dec. 31, 1995**
- **Condominium units**
- **Dwelling units built after 1980 that have received a Certificate of Occupancy**

A Tenancy Registration form must be filed for all non-exempt units annually. The property is deemed out of compliance with registration requirements until filing is completed. (Regulation 1013(K))

Information on this form is used to update the Rent Stabilization Program's records to reflect the current tenants' rent, the number of tenants, and the services included with the rent.

If this unit was previously exempt and is now subject to registration requirements as provided by BMC 13.76.050(N) or BMC 13.76.050(O), a registration fee will be due. You may call our Registration Unit (510) 981-4920 for more information.

If the owner fails to timely file Tenancy Registration information or if the tenant disagrees with the information on the Tenancy Registration form filed by the owner, the tenant may file this form setting forth the required information. The tenant should attach copies of the written rental agreement(s) or other documents showing the correct information.

INSTRUCTIONS FOR COMPLETING THIS FORM

Berkeley Property Address - Write the complete mailing address for this unit. Provide the number of bedrooms in this unit and the total number of units on this property in the appropriate places.

Owner and Agent Information - Provide the name, telephone number and email address of the owner and the owner's authorized representative, if applicable. If the owner's address is different than the address in the Rent Board's records, or if this is a new owner, please check "New owner/address" and file an Amended Registration Statement. If this is a new agent, check "New agent/address." If you list both an owner and an agent, please let us know to whom to send all future notices, correspondence and bills by marking an "X" to select Owner or Agent.

Current Tenancy Information - Indicate the NUMBER of tenants, the DATE the tenant(s) moved in and the total monthly rental payment for the unit. Also check the boxes for the HOUSING SERVICES paid by the owner. As of May 1, 2014, B.M.C. 12.70 prohibits smoking in 100% of multi-unit housing with two or more units. This ordinance requires that leases for all tenancies starting after May 1, 2014, include prohibitions on smoking. Please indicate whether or not the current lease prohibits smoking in the unit, and the date that the prohibition on smoking took effect.

Declaration - The person completing the form must certify under penalty of perjury that all information provided is true and correct.

NOTE: *Tenant names and other tenant information will be kept confidential in accordance with the Information Practices Act of 1977.*

City of Berkeley

Rent Stabilization Program

2125 Milvia Street, Berkeley, CA 94704

Phone: (510) 981-7368 (981-RENT) Fax: (510) 981-4910

REGISTRATION STATEMENT FOR PARTIALLY COVERED UNITS

Complete this form only for rental properties with single-family homes, condominiums, or dwelling units that have received a Certificate of Occupancy after 1980.

Use this form to register partially covered rental units for the first time, or to make changes to the status of a partially covered unit that has previously been registered. This form may also be used for any change in ownership, management, or mailing address for a property with partially covered units. This form must be completed and submitted, and the fee paid, **within sixty (60) days** of the change in status.

Berkeley Property Address: PLEASE PRINT LEGIBLY, OR TYPE

Street Number _____	Street Name _____	Zip _____	Number of Units on the property _____
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PART I. CHANGE IN OWNERSHIP

Complete this section if you are a new owner. List all owners of record (as reflected by the Alameda County Recorder's Office) and each owner's percentage of ownership.

1. Date of purchase, or title transfer: _____
2. The names of all owners of record, and the percentage of ownership for each owner must be listed for all changes in ownership.

Name	%	Name	%
a) _____	_____	c) _____	_____
b) _____	_____	d) _____	_____

PART II. CHANGE IN MAILING ADDRESS

Complete this section to change the address to which bills and other correspondence are sent and/or to select either an owner or one agent to receive all correspondence from the Rent Stabilization Program. Bills and correspondence may only be sent to one property, therefore please **CHECK ONLY ONE BOX** to select the billing contact:

Billing Contact: Owner ☐ Agent / Manager ☐

OWNER:

Name: _____
Address: _____
City, State, ZIP: _____
Phone: (____) _____
Email: _____

AGENT / MANAGER:

Agency Name: _____
Address: _____
City, State, ZIP: _____
Phone: (____) _____
Email: _____

PART III. UNIT STATUS CHANGE FOR PARTIALLY COVERED UNITS

- Complete this section if you have not yet registered your partially covered property or when you are changing the status of any previously registered partially covered unit.
- This form must be completed and the fee paid within 60 days from the date a unit is rented to avoid the assessment of a penalty.

A. **Registration of Partially Covered Units**

(If new tenancy, a *Tenancy Registration for Partially Covered Units* form is also required.)

Unit Designation	# of Bedrooms	Date Rented	Rent Per Month	Unit Designation	# of Bedrooms	Date Rented	Rent Per Month
			\$				\$
			\$				\$
			\$				\$

B. **Claim of Exemption**

All claims of exemption are subject to verification. If you are unclear whether an exemption applies to your unit, you should consult with a housing counselor. You may be liable for fees and possibly penalties if your units are determined, at any time, to be ineligible for the exemption you claim.

If you are claiming an exemption for more than 3 units, please use an additional form.

	Unit Designation	Exemption Designation *See list	Date of Exemption	If Owner Occupied, Owner's Name
1)	_____	_____	_____	_____
2)	_____	_____	_____	_____
3)	_____	_____	_____	_____

* List of common Exemption Designations:

Status

OWNER OCCUPIED

SECTION 8

VACANT and NOT

AVAILABLE FOR RENT

OCCUPIED RENT-FREE

**OTHER

Designation

Owner of 50% or more occupies the unit and/or shares kitchen and/or bath with tenant.

Registered with BHA, Section 8 program.

This unit is not now occupied by an owner or tenant, and is not available to be rented. This unit is provided to the tenant by the owner, rent-free, AND does not require any service(s) from the tenant in exchange for the rent-free privilege.

**If you use this designation, you must explain why the unit is exempt.

**Explanation _____

I declare under penalty of perjury that the above information is true and correct to the best of my knowledge and belief.

Signature

Date