



Rent Stabilization Board

RENT STABILIZATION BOARD

DATE: May 6, 2021
TO: Honorable Members of the Rent Stabilization Board
FROM: Matt Brown, Acting Executive Director
BY: Allison Pretto, Senior Management Analyst
SUBJECT: Request for waiver of late registration penalties

Recommendation:

That the Board approve the attached recommendations.

Background and Need For Rent Stabilization Board Action:

The Board's penalty waiver process is governed by Regulations 883, 884 and 885. Regulation 883 lists the grounds for administrative waivers. In accordance with Regulation 884, the Executive Director reviews waiver requests that do not meet the criteria for an administrative waiver. Regulation 884 lists 12 categories, which will require a review of the totality of the circumstances by the full Board prior to granting any waiver request. Waivers that require a review of the totality of the circumstances are listed below as "Discretionary Waiver." If none of the 12 listed categories apply to the property, the waiver shall be granted/denied in a ministerial manner, based upon the formula outlined in Regulation 884(C). The Board may only alter these ministerial waivers if staff has incorrectly applied the criteria listed in Regulation 884 (B)(1-12).

Ministerial Waivers

In accordance with Regulation 884, the Executive Director reviews waiver requests that do not meet the criteria enumerated in Regulation 883. The following waiver request will be decided ministerially, unless the Board has reason to believe the underlying basis of the recommended assessment is inappropriate.

Waiver	Property Address	Owner	Penalty Assessed	Penalty Waived	Penalty Imposed
4971	2014 Channing Way	Gardens Gate LLC	\$3,000	\$3,000	\$0
4972	2326 10th Street	Stanley Hunt	\$500	\$400	\$100
4973	1310 Addison Street	Alexandra Vondeling	\$500	\$500	\$0
4979	2948 Hillegass Avenue	Ettefagh Family Trust	\$626	\$626	\$0
TOTAL			\$4,626	\$4,526	\$100

Financial Impact: Ministerial Waivers

Approval of Acting Executive Director’s recommendations will decrease the Board’s current accounts receivable by **\$4,526**.

Discretionary Waivers

For the waiver requests listed below, staff recommendations are attached and presented to the full Board for its approval. With respect to these cases, the determination of good cause to waive some or all of the penalties depends on the totality of the circumstances.

Waiver	Property Address	Owner	Penalty Assessed	Penalty Waived	Penalty Imposed
4968	1235 Carrison Street	Chester Huie	\$1,500	\$750	\$750
4974	1103 Keeler Avenue	Patricia Hibbard	\$3,500	\$2,500	\$1,000
4981	2133 Parker Street	Ali Eslami	\$720	\$720	\$0
TOTAL			\$5,720	\$3,970	\$1,750

Financial Impact: Discretionary Waivers

Approval of Acting Executive Director's recommendations will decrease the Board's current accounts receivable by **\$3,970**.

Name and Telephone Number of Contact Person:

Matt Brown, Acting Executive Director
Rent Stabilization Board
2125 Milvia Street, Berkeley, CA 94704
(510) 981-7368

**City Of Berkeley
Rent Stabilization Board**

Recommendation on Requested Waiver of Registration Penalties

Waiver No: 4968	Property address: 1235 CARRISON ST	Transferred: 09/14/2020
# of Units: 4	Exempt units (as of April 2021): Unit #3 - Owner Occupied	
Owner(s): HUIE C K LIM 1999 FAM TRUST		Waiver filed by: Chester Huie
Other Berkeley rental property owned: None		

Late payment/penalty history: The property comprises four units, three of which are rented, and one of which was occupied by the former owner and is currently off the rental market. The person requesting the waiver is Chester Huie, who obtained the property on September 14, 2020. The previous owner had failed to pay the 2020/2021 registration fee of \$750. The Rent Board did not learn of the change in ownership until March 2021, when staff started reaching out to owners of delinquent accounts in preparation for collections actions. At this time, staff informed Mr. Huie of the outstanding fee balance, as well as the penalties of \$1500 that had accrued. Mr. Huie filed registration forms to correct the ownership information, paid the \$750 in fees, and filed a waiver request.

Penalties Currently Under Consideration

Reason for Penalties: Late Payment of 2020/2021 Annual Registration Fee

Registration Date or Year	Unit(s) registered late at this time	Registration fees paid	Date fees paid	Penalties charged	Penalties forgiven	Penalties Due
2020/2021	3	\$750.00	03/16/2021	\$1500.00	\$0.00	\$1500.00
Totals				\$1500.00	\$0.00	\$1500.00

Grounds under Regulation 884(B): (7) The landlord requesting the waiver was not the owner of the property when the penalty first accrued.

Good cause claimed by owner: The owner states that he "didn't realize the prior owner didn't pay the Rent Stabilization Program. I never received a copy of the Rent Stabilization Program billing form." He concludes that the current fee of \$750 is paid "and will be paid on time in the future."

Recommendation: Staff recommends waiving 50% of the penalty, or \$750, and imposing 50%, or \$750.

Staff Analysis: It is always difficult when a new owner inherits the debts of the previous owner. Upon purchase of the property, the new owner had to pay not only the outstanding fee, but also the penalty that was automatically incurred when the previous owner did not pay the fee. However, Mr. Huie did buy a multiunit apartment building in a city that has a well-known Rent Ordinance. Mr. Huie could have reached out to the Rent Board sooner, and could have avoided incurring the additional, January 1, penalty. Staff thus recommends waiving 50% of the penalty, which holds this new owner responsible for the second penalty, and waiving the initial July 2 penalty.

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MAR 16 2021

Initial: _____
Berkeley Rent Board

CITY OF BERKELEY
RENT STABILIZATION PROGRAM
2125 Milvia Street, Berkeley, CA 94704
PHONE: (510) 981-7368 • FAX: (510) 981-4910
WEB: <https://www.cityofberkeley.info/rent/>

W-4964

Request for Waiver of Late Registration Penalties
Please Read Important Information on Page 2

Property Address: 1235 CARRISON ST. BERKELEY CA 94702

Owner: CHESTER HUIE

Date of acquisition, if new owner: SEPT 14, 2020

Name & relationship of person filing request, if not owner: _____

If, after reading the information on Page 2, you believe that you are entitled to a waiver of some or all of your late registration penalties, use the space below to explain why. Attach evidence, where possible, to document an extenuating circumstance that prevented timely payment, such as hospitalization or death in the family. It is your responsibility to convince the Board that your waiver should be granted, so state all facts and circumstances that support your case. **Please print or type clearly.** Attach an additional sheet of paper if needed.

AS the new owner of 1235 Carrison St, I
(CHESTER HUIE) didn't realize the prior owner
didn't pay the Rent Stabilization Program.
I never received a copy of the rent stabilization
program billing form. The rent stabilization
is paid for current dues of \$750.00 and
will be paid timely in the future.

I declare under penalty of perjury of the laws of the State of California that the foregoing is true and correct.

Date: 3-11-2021 Signature: Chester Huiue

The information entered below **must be clearly printed or typed** in order to receive the Executive Director's recommendation to the Rent Board on your penalty waiver request one week prior to the Board's consideration of your request at its monthly meeting. The recommendation will also include the date, time and location of the meeting should you choose to attend and address the Commissioners.

Email Address: Chhuiue@AOL.COM

Mailing Address: 25 ROSSMOOR DRIVE, SAN FRANCISCO CA 94132

Phone Number: 415-377-8488 Fax Number: _____

Please see Communications Disclaimer on Page 2 that applies to any personal information you provide.

**City Of Berkeley
Rent Stabilization Board**

Recommendation on Requested Waiver of Registration Penalties

Waiver No: 4974	Property address: 1103 KEELER AVE	Transferred: 06/23/1993
# of Units: 3	Exempt units (as of April 2021): 0	
Owner(s): PATRICIA HIBBARD		Waiver filed by: Patricia Hibbard
Other Berkeley rental property owned: 1101 KEELER AVE		

Late payment/penalty history: The property is a triplex, which for many years had been claimed exempt with the Berkeley Rent Board as an owner-occupied exempt duplex. The owner, Patricia Hibbard, lives next door at 1101 Keeler Avenue. In February 2021, Ms. Hibbard received a Measure MM notification for a unit at 1103 Keeler Avenue. Confused, she contacted the Rent Board's Registration Unit. In the course of her conversation with the staff member, she revealed that 1103 Keeler Avenue is not a single-family home, but instead comprises two units. In addition, she revealed, there is a third unit on the property at 1105 Keeler, and that all three units have been rented for decades. One had been rented by the same tenant since the late 1970s. As there were three rented units, all are subject to the Rent Ordinance and registration requirement. The owner submitted registration forms for all three units. Staff updated the property with the tenancy information and charged the owner in accordance with the policy to limit registration fees for current and previous two registration years, and to limit penalties to two per registration period.

The owner has paid the \$1750 in registration fees for the three years, and has requested a waiver of the penalties.

Penalties Currently Under Consideration

Reason for Penalties: Late Payment of 2018/2019, 2019/2020, & 2020/2021 Annual Registration Fee

Registration Date or Year	Unit(s) registered late at this time	Registration fees paid	Date fees paid	Penalties charged	Penalties forgiven	Penalties Due
2020/2021	3	\$750.00	04/19/2021	\$1500.00	\$0.00	\$1500.00
2019/2020	3	\$750.00	04/19/2021	\$3000.00	\$1500.00	\$1500.00
2018/2019	3	\$750.00	04/19/2021	\$4500.00	\$3000.00	\$1500.00
Totals				\$9000.00	\$4500.00	\$4500.00

Grounds under Regulation 884(B): (8) The penalty has accrued because registration fees have not been paid for three or more fiscal years.

Good cause claimed by owner: The owner states that she has lived on the property since 1969, and has owned it since 1988. She describes the layout of the property, which comprises three units at both 1103 Keeler and 1105 Keeler. She states that "my goal has always been to keep the rents low and to respond quickly when maintenance or repairs are needed." Consequently, she continues, "the tenants (all seniors on limited income) are very happy to live here and tend to stay for many years." In fact, she states that one tenant has been there since 1978.

Her explanation for not registering the property earlier is that "I did not know that I was required to do so. The first contact I had with the Rent Board was a few weeks ago when I got a letter asking about my rental at 1103 Keeler." She describes how she contacted the Rent Board and "volunteered the information that I also had a rental house on the same property at 1105 Keeler." After receiving the registration forms, "I filled them out and sent them right back."

She asks for a waiver of the penalties, indicating that she is 74 years old and on a pension. She states that "the rents collected barely cover the expenses incurred... Such a penalty fee would truly be a hardship for me." She concludes: "In future, I will be diligent in paying all required fees, as I am made aware of them."

Recommendation: Staff recommends waiving approximately 70% of the penalty, or \$2,500, and imposing 30%, or \$1,000.

Staff Analysis: The owner's explanation that she has never been contacted by the Berkeley Rent Board is a bit confusing. Although the property has long been claimed exempt as an owner-occupied duplex, a review of the property file reveals that Ms. Hibbard has responded to a few notifications from the Rent Board over the years, with the most recent one being her confirmation of the owner-occupied exempt status in 2006. Still, this owner seemed genuinely shocked to discover that the current status of the property deems it to be covered by registration requirements, and she has complied with all requirements promptly. As she references in her waiver request, the rents on the property are reasonable. The owner does bear some responsibility for not registering the property earlier, and has already had a significant amount of the penalties forgiven through the statute of limitations assessment. Balancing this owner's attempt to provide reasonably priced housing against her late registration, staff recommends a waiver of 70% of the penalty.

Request for Waiver of Penalties Fees

April 14, 2021

Dear Rent Board,

I am writing to ask that you please consider forgiving the penalty fees on my rental properties.

My background: I have lived on the property since 1969, and owned it since 1988. During that time I cannot recall ever being contacted by the rent board. The limited contact I have with the city of Berkeley is to pay my taxes or to call them for missed garbage pick up. Because I live in a wooded canyon with my tenants, we are very close as neighbors and friends. The two rental houses were built in the 1930's, making them close to ninety years old and showing their age in problems with rotten wood, faulty heaters, crumbling brick paths, and cracked foundations. I have, over the years, taken out loans to repair and replace all these problems. As the property owner and landlady, my goal has always been to keep the rents low and to respond quickly when maintenance or repairs are needed. Consequently, the tenants (all seniors on limited income) are very happy to live here and tend to stay for many years. My tenant at 1105 Keeler has been here since 1978, long before I took possession of the property. I, myself, as well as various family members have lived at 1103 Keeler since I have owned the property. Before renting it, I sometimes used it as a guest house, family artist studio, and occasionally for storage.

My explanation for why I did not send in the annual fees is that I did not know that I was required to do so. The first contact I had with the rent board was a few weeks ago when I got a letter asking about my rental at 1103 Keeler. I immediately called to ask what I was needed from me. I volunteered the information that I also had a rental house on the same property at 1105 Keeler, something the rent board had no record of. I talked with Allison Pretto who sent me the forms I needed. I filled them out and sent them right back.

Today I received the bill. I am sending a check for the annual fees due on my rentals: \$1,750, as requested in today's bill.

I ask again, if you could please take pity on me, in consideration of my age, long time residency on this property, limited income, and ignorance of the rent board's rules and regulations. Please forgive the \$3,500 penalty fees.

I am a retiree, age 74, and living on a teacher's pension. (The rents collected barely cover the expenses incurred, ie: taxes, property insurance, fire safety clearing, maintenance, repair, path lighting, new appliances, plumbing problems, tree trimming, and, now, rent board fees.) Such a penalty fee would truly be a hardship for me. In future, I will be diligent in paying all required fees, as I am made aware of them.

Thank you for your time and attention to this matter,

Patricia Hibbard
Patricia Hibbard
Property owner

**City Of Berkeley
Rent Stabilization Board**

Recommendation on Requested Waiver of Registration Penalties

Waiver No: 4981	Property address: 2133 PARKER ST	Transferred: 01/01/2009
# of Units: 3	Exempt units (as of April 2021): 0	
Owner(s): ALI ESLAMI		Waiver filed by: Ali Eslami
Other Berkeley rental property owned: 2532 BENVENUE AVE, 2032 CEDAR ST, 2205 HASTE ST, 1917 MLK JR WAY, 2517 PIEDMONT AVE, 2600 SAN PABLO AVE, 1609 WALNUT ST, 2444 CARLETON ST, 2415 FULTON ST, 2333 FULTON ST, 1423 KAINS AVE #1, 1423 KAINS AVE #2, 1423 KAINS AVE #3, 1423 KAINS AVE #4, 2161 DWIGHT WAY		

Late payment/penalty history: The property comprises three units, all of which are rented and subject to registration. This waiver is before the Board because the owner, Ali Eslami, owns 34 rental units in Berkeley. His payment history on all of his other properties is excellent; he received a 100% administrative waiver of penalties on all of his other properties because the late payment of the 2020/2021 was the first in the previous six years. He did not receive a 100% waiver on the Parker Street property because of an E petition that he filed for a unit subject to registration under Measure AA; the petition process spanned two registration years, thus incurring penalties. Once the E petition was denied, Mr. Eslami paid the outstanding fee immediately.

Registration Date or Year	Units requiring registration at that time	Registration fees paid	Date fees paid	Penalties charged	Penalties forgiven	Penalties Paid
2017/2018	ALL	\$390.00	06/28/2018	780.00	780.00	0.00
Totals (penalties previously assessed)				\$780.00	\$780.00	\$0.00

Penalties Currently Under Consideration

Reason for Penalties: Late Payment of 2020/2021 Annual Registration Fee

Registration Date or Year	Unit(s) registered late at this time	Registration fees paid	Date fees paid	Penalties charged	Penalties forgiven	Penalties Due
2020/2021	3	\$720.00	07/28/2020	\$720.00	\$0.00	\$720.00
Totals				\$720.00	\$0.00	\$720.00

Grounds under Regulation 884(B): (6) The landlord requesting the waiver owns or manages 11 or more rental units in Berkeley.

Good cause claimed by owner: The owner admits that payment for all twelve of his properties was paid weeks after the July 1, 2020, deadline. He says that this was "due to the COVID-19 induced staffing related issues at the office." He goes on to say that "our office staff was reduced from 5 people to 1.5 due to the shelter in place order." He says that "full payment was made on July 20, 2020, once it was discovered that none of the scheduled June 2020 account payable payments were completed."

Recommendation: Staff recommends waiving the penalty in full.

Staff Analysis: This owner owns a large number of units in Berkeley and again, he has an excellent payment history for all of them. Staff is understanding of the confusion that the Shelter in Place caused for businesses, especially during the first few months. Staff has full confidence that this owner will pay the fees timely in the future, and sees little benefit in imposing the penalty. The recommendation is for a full waiver.

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APR 05 2021
Initial: *AE*
Berkeley Rent Board

CITY OF BERKELEY
RENT STABILIZATION PROGRAM
2125 Milvia Street, Berkeley, CA 94704
PHONE: (510) 981-7368 • FAX: (510) 981-4910
WEB: <https://www.cityofberkeley.info/rent/>

W-4941

Request for Waiver of Late Registration Penalties

Please Read Important Information on Page 2

Property Address: 2133 Parker Street, Berkeley, CA 94704 - (3 Units)

Owner: A. Ali Eslami

Date of acquisition, if new owner: _____

Name & relationship of person filing request, if not owner: _____

If, after reading the information on Page 2, you believe that you are entitled to a waiver of some or all of your late registration penalties, use the space below to explain why. Attach evidence, where possible, to document an extenuating circumstance that prevented timely payment, such as hospitalization or death in the family. It is your responsibility to convince the Board that your waiver should be granted, so state all facts and circumstances that support your case. **Please print or type clearly.** Attach an additional sheet of paper if needed.

Payment was made about 3 weeks late due to the COVID-19 induced staffing related issues at the office. Our office staff was reduced from 5 people to 1.5 due to the shelter in place order.

Full payment was made on July 20, 20 once it was discovered that none of the scheduled June 2020 account payable payments were completed.

I declare under penalty of perjury of the laws of the State of California that the foregoing is true and correct.

Date: 04-02-2021 Signature: *Ali Eslami*

The information entered below **must be clearly printed or typed** in order to receive the Executive Director's recommendation to the Rent Board on your penalty waiver request one week prior to the Board's consideration of your request at its monthly meeting. The recommendation will also include the date, time and location of the meeting should you choose to attend and address the Commissioners.

Email Address: a.ali.eslami@outlook.com

Mailing Address: P. O. Box 4623, Berkeley, CA 94704

Phone Number: 510-774-8387 Fax Number: _____

Please see Communications Disclaimer on Page 2 that applies to any personal information you provide.