

Rent Stabilization Board

RENT STABILIZATION BOARD

DATE: September 23, 2021
TO: Honorable Members of the Rent Stabilization Board
FROM: Matt Brown, Acting Executive Director MB
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
4982	2041 Lincoln St	Min Jia Chen & Chang Xie	\$2,000	\$1,200	\$800
4985	2321 Blake St	Liana Tahir	\$647	\$388	\$259
4987	1930 Blake St	Haydeh Nassrollahi	\$250	\$250	\$0
4994	1529 Tyler St	Rolando Argueta	\$750	\$600	\$150
4995	2541 Piedmont Ave	Anji R. Kudumula	\$2,000	\$2,000	\$0
TOTAL			\$5,647	\$4,438	\$1,209

Financial Impact: Ministerial Waivers

Approval of Acting Executive Director's recommendations will decrease the Board's current accounts receivable by **\$4,438**.

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
4980	1524 Arch St	Sung Yoon	\$4,000	\$2,000	\$2,000
4987	1520 Berkeley Way	Arnett Williams	\$500	\$500	\$0
4988	2238 Roosevelt Avenue	Arnett Williams	\$2,000	\$2,000	\$0
4989	2351 West Street	Arnett Williams	\$1,000	\$1,000	\$0
4991	2502 Webster Street	James Duffy & Lori Preston	\$3,000	\$1,800	\$1,200
4996	1619 Walnut Street	In God We Trust Investments LLC & Judd Kessler	\$3,500	\$1,750	\$1,750
TOTAL			\$14,000	\$9,050	\$4,950

Financial Impact: Discretionary Waivers

Approval of Acting Executive Director's recommendations will decrease the Board's current accounts receivable by **\$9,050**.

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: 4980	Property address: 1524 ARCH ST	Transferred: 02/21/2019
# of Units: 2	Exempt units (as of September 2021): 0	
Owner(s): SUNG YOON		Waiver filed by: Sung Yoon
Other Berkeley rental property owned: 2709 BENVENUE AVE		

Late payment/penalty history: This property is a duplex that had never been registered with the Berkeley Rent Board prior to July 2020. The property came to the Rent Board's attention in June 2020 when a tenant contacted the agency with a question about whether the property should be registered. An investigation revealed that the the property is an owner-occupied exempt duplex, but that the both units had been rented for several years and therefore subject to the registration requirement. Staff contacted the owner, Sung Yoon, who also owns one other 4-unit property in Berkeley, and who had obtained the property in 2019. The filed registration forms, paid three years' fees for both units under the statute of limitations policy, and filed a waiver request for the penalties.

Penalties Currently Under Consideration

Reason for Penalties: Late Payment of 2018/2019, 2019/2020, and 2020/2021 Annual Registration Fees

Registration Date or Year	Unit(s) registered late at this time	Registration fees paid	Date fees paid	Penalties charged	Penalties forgiven	Penalties Due
2018/2019	2	\$500	04/20/2021	\$3000.00	\$2000.00	\$1000.00
2019/2020	2	\$500	04/20/2021	\$2000.00	\$1000.00	\$1000.00
2020/2021	2	\$500	04/20/2021	\$1000.00	\$0.00	\$1000.00
Totals				\$6000.00	\$3000.00	\$3000.00

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 "I was unaware that there has been a policy change regarding golden duplex buildings. I had previously been exempt and if I had known about this lapse in fee payment, I would have immediately paid." She goes on to say that "as an owner of other Berkeley residential rental properties, I am more than happy to comply and fulfill my responsibilities to the Rent Stabilization Board." She concludes that she will "take note of this rule for all other properties, and will be sure to register such units in a timely manner in the future."

Recommendation: Staff recommends waiving 50% of the waiver, or \$1,500, and imposing 50%, or \$1,500.

Staff Analysis: Staff does not completely understand what "policy change" the owner refers to -- this owner bought the property in 2019, and does not appear to have ever occupied the property. No policies changed during that time that would have affected the registration requirement for a rented duplex, and so the property should have been registered by both the previous and current owners. Furthermore, this owner has another property and is well aware of the Berkeley Rent Board. She should have known to reach out to the agency to at least inquire about registration requirements for her new rental property. Because of these omissions, staff recommends that the Board waive 50% of the penalty and impose the remaining 50%.

W-4990

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/>

RECEIVED
APR 21 2021

Initial: _____
Berkeley Rent Board

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

Property Address: 1524 Arch Street, Berkeley, CA 94708

Owner: Sung Yoon

Date of acquisition, if new owner: _____

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

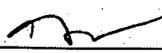
If, after reading the information on Page 2, you believe that you are entitled to a waiver of some or all of your late registration penalties, use the space below to explain why. Attach evidence, where possible, to document an extenuating circumstance that prevented timely payment, such as hospitalization 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.

Dear Rent Stabilization Board,

I would like to submit this waiver request on the grounds that I was unaware that there has been a policy change regarding golden duplex buildings. I had previously been exempt and if I had known about this lapse in fee payment, I would have immediately paid. As an owner of other Berkeley residential rental properties, I am more than happy to comply and fulfill my responsibilities to the Rent Stabilization Board.

I will take note of this rule for all other properties, and will be sure to register such units in a timely manner in the future. Being that it is my first experience of going through this process with a single-family home, I am hoping the board will kindly waive the penalty. Thank you.

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

Date: 4.19.2021 Signature: 

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: Sunny.yoon@gmail.com

Mailing Address: 2209 A BENVENUTE AVE, BERKELEY CA 94705

Phone Number: 347.513.5155 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: 4987	Property address: 1520 BERKELEY WAY	Transferred: 01/01/1900
# of Units: 2	Exempt units (as of September 2021): Unit #NA - Section 8 Verified	
Owner(s): ARNETT WILLIAMS		Waiver filed by: Carolyn B. Edwards
Other Berkeley rental property owned: 2238 ROOSEVELT AVE, 2351 WEST ST		

Late payment/penalty history: The property is a duplex; one unit is rented to a tenant on the Section 8 Housing Choice Voucher program; the other is a market-rate tenant. The owner, Arnett Williams, owns two other properties in Berkeley for a total of 9 units. The current manager, Carolyn B. Edwards, is a cousin of Mr. Williams. She recently took over power of attorney for Mr. Williams and started handling Mr. Williams' correspondence. In May 2021, she noted the receipt of past-due billing statements for the three rental properties owned by Mr. Williams and contacted the Registration Unit. She learned that the registration fees for the previous years had not been paid, and that penalties had accrued. She submitted fee payments for all three properties for both the 2020/2021 and 2021/2022 registration years, and submitted waiver requests.

Registration Date or Year	Units requiring registration at that time	Registration fees paid	Date fees paid	Penalties charged	Penalties forgiven	Penalties Paid
2019/2020	ALL	\$250.00	07/02/2019	250.00	0.00	250.00
2017/2018	ALL	\$270.00	07/20/2017	270.00	0.00	0.00
Totals (penalties previously assessed)				\$520.00	\$0.00	\$250.00

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	1	\$250.00	05/19/2021	\$500.00	\$0.00	\$500.00
Totals				\$500.00	\$0.00	\$500.00

Grounds under Regulation 884(B): (1) The good cause asserted in the waiver request is a death or illness in the landlord's family.

Good cause claimed by owner: The person requesting the waiver is the owner's cousin, Carolyn Edwards, who also is power of attorney for the owner. She states in her waiver request that the owner, Arnett Williams, is elderly and in poor health. She says that some years ago, he "turned over all rental business operations to his son" and "did not oversee any aspect of the rental management activities once all property management operations were turned over to his son." She states that this is why he did not realize that the 2020/2021 fee had not been paid "until sometime after the discovery of his son's unexpected death." She goes on to say that "Mr. Williams was unaware of his son's illness and was shocked when his son was found dead on January 22, 2021."

Ms. Edwards concludes that the management has been turned over to her, and asks that the penalties be waived.

Recommendation: Staff recommends that the penalty be waived in full.

Staff Analysis: Mr. Williams is a longtime property owner in Berkeley; he has been registering the three properties in question since the inception of the Berkeley Rent Ordinance. Staff is saddened to hear of his son's unexpected passing. Ms. Edwards has had extensive conversations with staff about the Rent Ordinance, and has been diligent about bringing the properties back into compliance with the registration requirements. Staff has little doubt that fees will be paid timely in the future, and recommends a full waiver.

W-4987

RECEIVED

JUN 08 2021

Initial: [Signature]
Berkeley Rent Board

Request for Waiver of Late Registration Penalties

Please Read Important Information on Page 2

Property Address: 1520 Berkeley Way Berkeley, CA

Owner: Arnett Williams

Date of acquisition, if new owner: _____

Name & relationship of person filing request, if not owner: Carolyn B Edwards (cousin)

Durable power of attorney for property management California Probate Code 44001
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.

Please see attached.

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

Date: 6/1/2021 Signature: Carolyn B Edwards

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: cjbrom828@yahoo.com

Mailing Address: 100 Northern Oaks Dr. Fayetteville, GA 30214

Phone Number: (706) 255-3521 Fax Number: _____

June 1, 2021

TO: City of Berkeley Rent Stabilization Program
2125 Milvia Street
Berkeley, CA 94704

Request for Waiver of Late Registration Penalties

Arnett Williams, rental property owner turned over all rental business operations to his son a few years ago. Mr. Williams who is elderly and not in good health did not oversee any aspect of the rental management activities once all property management operations were turned over to his son. Therefore, he was unaware that registrations and other business operations associated with the rental properties were not being kept current until sometime after the discovery of his son's unexpected death. Mr. Williams was unaware of his son's illness and was shocked when his son was found dead on January 22, 2021.

Mr. Williams has legally turned over all Berkeley, CA rental management operations to Ms. Carolyn B. Edwards as of April 2021. I can be reached at (706) 255-3521 or email cjbrom828@yahoo.com if additional information is required for the consideration this request for the waiver of the late registration penalties.

Berkeley properties included in this request:

1520 Berkeley Way

2351 West Street

2238 Roosevelt Avenue

Sincerely,



Carolyn B. Edwards

**City Of Berkeley
Rent Stabilization Board**

Recommendation on Requested Waiver of Registration Penalties

Waiver No: 4988	Property address: 2238 ROOSEVELT AVE	Transferred: 01/01/1975
# of Units: 5	Exempt units (as of September 2021): Unit #C - Not Available for Rent	
Owner(s): ARNETT WILLIAMS		Waiver filed by: Carolyn B. Edwards
Other Berkeley rental property owned: 1520 BERKELEY WAY, 2351 WEST ST		

Late payment/penalty history: The property comprises five units, four of which are rented, and one of which is not available for rent as it is undergoing renovation work after the previous tenant vacated. The owner, Arnett Williams, owns two other properties in Berkeley for a total of 9 units. The current manager, Carolyn B. Edwards, is a cousin of Mr. Williams. She recently took over power of attorney for Mr. Williams and started handling Mr. Williams' correspondence. In May 2021, she noted the past-due billing statements for the three rental properties owned by Mr. Williams and contacted the Registration Unit. She learned that the registration fees for the previous years had not been paid, and that penalties had accrued. She submitted fee payments for all three properties for both the 2020/2021 and 2021/2022 registration years, and submitted waiver requests.

Registration Date or Year	Units requiring registration at that time	Registration fees paid	Date fees paid	Penalties charged	Penalties forgiven	Penalties Paid
2019/2020	ALL	\$1000.00	07/02/2019	1000.00	0.00	1000.00
2017/2018	ALL	\$1080.00	07/20/2017	1080.00	0.00	0.00
Totals (penalties previously assessed)				\$2080.00	\$0.00	\$1000.00

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	4	\$1000.00	05/19/2021	\$2000.00	\$0.00	\$2000.00
Totals				\$2000.00	\$0.00	\$2000.00

Grounds under Regulation 884(B): (1) The good cause asserted in the waiver request is a death or illness in the landlord's family.

Good cause claimed by owner: The person requesting the waiver is the owner's cousin, Carolyn Edwards, who also is power of attorney for the owner. She states in her waiver request that the owner, Arnett Williams, is elderly and in poor health. She says that some years ago, he "turned over all rental business operations to his son" and "did not oversee any aspect of the rental management activities once all property management operations were turned over to his son." She states that this is why he did not realize that the 2020/2021 fee had not been paid "until sometime after the discovery of his son's unexpected death." She goes on to say that "Mr. Williams was unaware of his son's illness and was shocked when his son was found dead on January 22, 2021."

Ms. Edwards concludes that the management has been turned over to her, and asks that the penalties be waived.

Recommendation: Staff recommends that the penalty be waived in full.

Staff Analysis: Mr. Williams is a longtime property owner in Berkeley; he has been registering the three properties in question since the inception of the Berkeley Rent Ordinance. Staff is saddened to hear of his son's unexpected passing. Ms. Edwards has had extensive conversations with staff about the Rent Ordinance, and has been diligent about bringing the properties back into compliance with the registration requirements. Staff has little doubt that fees will be paid timely in the future, and recommends a full waiver.

W-4944

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/>

RECEIVED

JUN 08 2021

Initial: *W B*
Berkeley Rent Board

Request for Waiver of Late Registration Penalties

Please Read Important Information on Page 2

Property Address: 2238 Roosevelt Avenue Berkeley, CA

Owner: Arnett Williams

Date of acquisition, if new owner: _____

Name & relationship of person filing request, if not owner: Carolyn B. Edwards (cousin)

Durable Power of Attorney for property management California Statewide
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.

Please see attached.

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

Date: 6/1/2021 Signature: Carolyn B. Edwards

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: cjbrom828@yahoo.com

Mailing Address: 100 Northern Oaks Dr. Fayetteville, GA 30214

Phone Number: (706) 255-3521 Fax Number: _____

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

June 1, 2021

TO: City of Berkeley Rent Stabilization Program
2125 Milvia Street
Berkeley, CA 94704

Request for Waiver of Late Registration Penalties

Arnett Williams, rental property owner turned over all rental business operations to his son a few years ago. Mr. Williams who is elderly and not in good health did not oversee any aspect of the rental management activities once all property management operations were turned over to his son. Therefore, he was unaware that registrations and other business operations associated with the rental properties were not being kept current until sometime after the discovery of his son's unexpected death. Mr. Williams was unaware of his son's illness and was shocked when his son was found dead on January 22, 2021.

Mr. Williams has legally turned over all Berkeley, CA rental management operations to Ms. Carolyn B. Edwards as of April 2021. I can be reached at (706) 255-3521 or email cjbrom828@yahoo.com if additional information is required for the consideration this request for the waiver of the late registration penalties.

Berkeley properties included in this request:

1520 Berkeley Way

2351 West Street

2238 Roosevelt Avenue

Sincerely,


Carolyn B. Edwards

**City Of Berkeley
Rent Stabilization Board**

Recommendation on Requested Waiver of Registration Penalties

Waiver No: 4989	Property address: 2351 WEST ST	Transferred: 09/01/1964
# of Units: 2	Exempt units (as of September 2021): 0	
Owner(s): ARNETT WILLIAMS		Waiver filed by: Carolyn B. Edwards
Other Berkeley rental property owned: 1520 BERKELEY WAY, 2238 ROOSEVELT AVE		

Late payment/penalty history: The property is a duplex; both units are rented to market tenants. The owner, Arnett Williams, owns two other properties in Berkeley for a total of 9 units. The current manager, Carolyn B. Edwards, is a cousin of Mr. Williams. She recently took over power of attorney for Mr. Williams and started handling Mr. Williams' correspondence. In May 2021, she noted the receipt of past-due billing statements for the three rental properties owned by Mr. Williams and contacted the Registration Unit. She learned that the registration fees for the previous years had not been paid, and that penalties had accrued. She submitted fee payments for all three properties for both the 2020/2021 and 2021/2022 registration years, and submitted waiver requests.

Registration Date or Year	Units requiring registration at that time	Registration fees paid	Date fees paid	Penalties charged	Penalties forgiven	Penalties Paid
2019/2020	ALL	\$	07/02/2019	500.00	0.00	500.00
Totals (penalties previously assessed)				\$500.00	\$0.00	\$500.00

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	2	\$500.00	05/24/2021	\$1000.00	\$0.00	\$1000.00
Totals				\$1000.00	\$0.00	\$1000.00

Grounds under Regulation 884(B): (1) The good cause asserted in the waiver request is a death or illness in the landlord's family.

Good cause claimed by owner: The person requesting the waiver is the owner's cousin, Carolyn Edwards, who also is power of attorney for the owner. She states in her waiver request that the owner, Arnett Williams, is elderly and in poor health. She says that some years ago, he "turned over all rental business operations to his son" and "did not oversee any aspect of the rental management activities once all property management operations were turned over to his son." She states that this is why he did not realize that the 2020/2021 fee had not been paid "until sometime after the discovery of his son's unexpected death." She goes on to say that "Mr. Williams was unaware of his son's illness and was shocked when his son was found dead on January 22, 2021."

Ms. Edwards concludes that the management has been turned over to her, and asks that the penalties be waived.

Recommendation: Staff recommends that the penalty be waived in full.

Staff Analysis: Mr. Williams is a longtime property owner in Berkeley; he has been registering the three properties in question since the inception of the Berkeley Rent Ordinance. Staff is saddened to hear of his son's unexpected passing. Ms. Edwards has had extensive conversations with staff about the Rent Ordinance, and has been diligent about bringing the properties back into compliance with the registration requirements. Staff has little doubt that fees will be paid timely in the future, and recommends a full waiver.

W-4999

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/>

RECEIVED

JUN 08 2021

Initial:
Berkeley Rent Board

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

Property Address: 2351 West Street Berkeley CA

Owner: Arnett Williams

Date of acquisition, if new owner: _____

Name & relationship of person filing request, if not owner: Carolyn B Edwards (cousin)

Durable Power of Attorney for property management California Probate Code 47401

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.

Please see attached.

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

Date: 6/1/2021 Signature: Carolyn B Edwards

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: cjbrom828@yahoo.com

Mailing Address: 100 Northern Oaks Dr. Fayetteville, GA 38214

Phone Number: (706) 255-3521 Fax Number: _____

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

June 1, 2021

TO: City of Berkeley Rent Stabilization Program
2125 Milvia Street
Berkeley, CA 94704

Request for Waiver of Late Registration Penalties

Arnett Williams, rental property owner turned over all rental business operations to his son a few years ago. Mr. Williams who is elderly and not in good health did not oversee any aspect of the rental management activities once all property management operations were turned over to his son. Therefore, he was unaware that registrations and other business operations associated with the rental properties were not being kept current until sometime after the discovery of his son's unexpected death. Mr. Williams was unaware of his son's illness and was shocked when his son was found dead on January 22, 2021.

Mr. Williams has legally turned over all Berkeley, CA rental management operations to Ms. Carolyn B. Edwards as of April 2021. I can be reached at (706) 255-3521 or email cjbrom828@yahoo.com if additional information is required for the consideration this request for the waiver of the late registration penalties.

Berkeley properties included in this request:

1520 Berkeley Way

2351 West Street

2238 Roosevelt Avenue

Sincerely,


Carolyn B. Edwards

**City Of Berkeley
Rent Stabilization Board**

Recommendation on Requested Waiver of Registration Penalties

Waiver No: 4991	Property address: 2502 WEBSTER ST	Transferred: 09/21/2006
# of Units: 2	Exempt units (as of September 2021): 0	
Owner(s): JAMES DUFFY		Waiver filed by: James Duffy & Lori Preston
Other Berkeley rental property owned: None		

Late payment/penalty history: The property is a duplex which was purchased by the current owners in 2006 and initially moved into the property as their principal residence. The property is an exempt duplex when owner-occupied, and so the owners did not register their rental unit at that time. Sometime in 2012, the owners moved out of the property and rented out both units; the owners did not register the units at that time. In 2020, the owners received a mailing from the Rent Board regarding the agency's change in owner-occupancy requirements for properties owned in trust, and reached out to the Rent Board. After talking with a member of the agency's legal staff, the owner learned that he should have registered the rented units when he moved out of the property back in 2012. The owner was referred to the Registration Unit, submitted updated tenancy registration forms, paid three years' fees under the agency's statute of limitations policy, and is seeking a waiver of the penalties for that period.

Penalties Currently Under Consideration

Reason for Penalties: Late Payment of 2018/2019, 2019/2020, and 2020/2021 Annual Registration Fees

Registration Date or Year	Unit(s) registered late at this time	Registration fees paid	Date fees paid	Penalties charged	Penalties forgiven	Penalties Due
2018/2019	2	\$500.00	04/19/2021	\$3000.00	\$2000.00	\$1000.00
2019/2020	2	\$500.00	04/19/2021	\$2000.00	\$1000.00	\$1000.00
2020/2021	2	\$500.00	04/19/2021	\$1000.00	\$0.00	\$1000.00
Totals				\$6000.00	\$3000.00	\$3000.00

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 owners state that they were unaware of the registration requirements for owner-occupied exempt duplexes, and did not realize that they had to register when they no longer occupied the property. They state that they started receiving some mailings from the Rent Board, which caused them to reach out to determine whether any action was required on their part. Once they learned about the requirements from Rent Board staff, they came into compliance by paying past-due fees. They conclude by stating that they enjoy good relations with their tenants and have not raised the rents for one of their tenants since 2013. They assure the Board that the late registration is due to their misunderstanding, and that they will pay all fees promptly in the future.

Recommendation: Staff recommends waiving 60% of the penalty, or \$1,800, and imposing 40%, or \$1,200.

Staff Analysis: The exemption for owner-occupied duplexes is one of the least understood exemptions in the Berkeley Rent Ordinance. It is not uncommon for staff to learn from an owner that they thought these duplexes are always exempt -- whether the owner occupies a unit or not. Therefore the owner's explanation seems entirely reasonable. Also reasonable is the owner's explanation that they received nothing from the Board until 2020. Still, due to the number of years that have gone by without this property being registered at all, staff feels some penalty is due. Staff recommend waiving 60% of the penalty.

RECEIVED

JUN 18 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-4991

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

Property Address: 2502 - 04 WEBSTER ST. 94705

Owner: JAMES DUFFY, LORI PRESTON

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.

PLEASE SEE ATTACHED

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

Date: May 15, 2020 Signature: JAD

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: JADUFFY1@AOL.COM 94618

Mailing Address: 5 ROCKRIDGE PLACE, OAKLAND, CA 94606

Phone Number: 510-379-8877 Fax Number: _____

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

BERKELEY RENT BOARD,

APOLOGIES FOR THE LATE PAYMENT OF THE REGISTRATION FEES.

WE HAVE NO OTHER RENTAL PROPERTY IN BERKELEY.
WE WERE CONFUSED ABOUT THE GOLDEN DUPLEX RULES AND THEREFORE
HAD NOT REGISTERED THE UNITS.

WE HAVE PAID ALL PAST REGISTRATION FEES BUT ARE ASKING FOR
FORGIVENESS OF THE PENALTIES.

WE DID RECEIVE SOME MAILINGS-AT FIRST SENT IN THE NAME OF THE
PREVIOUS OWNER- REGARDING PROPERTIES REGISTERED IN TRUSTS, AND
THEN IN OUR NAMES-REGARDING LIVING TRUSTS, WHICH WE ARE NOT.
ANOTHER RECENT MAILING REGARDING SINGLE FAMILY HOMES, CONDOS AND
CERTIFICATE OF OCCUPANCY AFTER JUNE, 1980-NOT APPLICABLE FOR OUR
PROPERTY.

THESE RECENT MAILINGS PROMPTED ME TO CALL MATTHEW SIEGEL TO ASK IF
THERE WAS ANYTHING WE NEEDED TO DO REGARDING THE ABOVE. WE ALSO
SPOKE WITH ALLISON PRETTO, WHO PROVIDED FURTHER CLARIFICATION. WE
EVENTUALLY FIGURED OUT THAT THE TRUST ISSUE WAS NOT FOR US BUT THAT
WE SHOULD REGISTER THE UNITS. WE DID THIS AND PROMPTLY PAID THE
ANNUAL FEES DUE.

WE HAVE ALWAYS ENJOYED GOOD RELATIONSHIPS WITH OUR TENANTS AND
OUR TENANTS HAVE ENJOYED LIVING THERE. WE RESPOND QUICKLY TO ANY
CONCERNS AND HAVE DONE OUR BEST TO CARE FOR THE OVERALL PROPERTY.

WE HAVE ONLY RAISED RENTS WHEN TENANTS HAVE MOVED AND HAVE NOT
RAISED THE RENT FOR PETER AND MARIA-2504-SINCE THEY MOVED IN, IN 2013.

AGAIN, WE WOULD HAVE PAID THE REGISTRATION FEES IN A TIMELY MANNER
HAD WE UNDERSTOOD THE GOLDEN DUPLEX REQUIREMENTS. ALL
REGISTRATION FEES HAVE BEEN BROUGHT UP TO DATE AND WE WILL OF
COURSE CONTINUE TO PAY FUTURE FEES PROMPTLY.

THANKS FOR YOUR CONSIDERATION.
SINCERELY,
JIM DUFFY AND LORI PRESTON

**City Of Berkeley
Rent Stabilization Board**

Recommendation on Requested Waiver of Registration Penalties

Waiver No: 4996	Property address: 1619 WALNUT ST	Transferred: 10/15/2020
# of Units: 7	Exempt units (as of September 2021): 0	
Owner(s): IN GOD WE TRUST INVESTMENTS LLC		Waiver filed by: Judd Kessler
Other Berkeley rental property owned: None		

Late payment/penalty history: The property comprises seven units, all of which are used as residential rental units. The property was obtained by the current owner, In God We Trust Investments LLC & Judd Kessler, on October 15, 2020. Staff learned of the ownership change in April 2021 when making calls in preparation for the filing of small claims lawsuits against owners of delinquent accounts. The property's 2020/2021 fees had not been paid by the previous owner, and both the July 2 and January 1 penalties had accrued on the outstanding fee. The current owner paid the fees in April 2021, 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	7	\$1750.00	04/08/2021	\$3500.00	\$0.00	\$3500.00
Totals				\$3500.00	\$0.00	\$3500.00

Grounds under Regulation 884(B): (5) A tenant at the property for which the waiver is requested filed an Individual Rent Adjustment or Rent Withholding petition during the prior five years; (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, Judd Kessler, who has indicated that the property was transferred through a foreclosure, states that he is a new owner and "just received past due notice." His waiver request indicates that the lender and loan servicer "was responsible for collections, loan payments, and making sure all obligations like this one were paid, but servicer didn't."

Recommendation: Staff recommends waiving 50% of the penalties, or \$1,750, and imposing 50%, or \$1,750.

Staff Analysis: As the owner thought that the loan servicer would take care of all outstanding financial obligations, it is perhaps understandable that he would expect that these fees to have been addressed prior to the transfer. However, there is no sign that the owner of a seven-unit property in Berkeley reached out to the Berkeley Rent Board to learn more of his obligations as the owner of a mutli-family rental property in a rent-control jurisdiction prior to spring of 2021. If he had, he would have quickly learned of the outstanding fees and could have resolved the account earlier. Staff thus recommends that 50% of the penalty be waived - this relieves the owner of the July 2 penalty that he did not incur, and imposes the January 1 penalty.

W-4996

Request for Waiver of Late Registration Penalties

Please Read Important Information on Page 2

Property Address: 1619 WALNUT ST. BERKELEY

Owner: JUDD KESSLER, TRUSTEE, AND OTHERS

Date of acquisition, if new owner: 9/23/20 BY FORECLOSURE

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.

NEW OWNER, JUST RECEIVED PAST DUE NOTICE
WAS PREVIOUSLY LENDER AND LOAN SERVICER WAS RESPONSIBLE FOR
COLLECTING LOAN PAYMENTS AND MAKING SURE ALL OBLIGATIONS
LIKE THIS ONE WERE PAID BUT SERVICER DIDN'T.

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

Date: 4/9/21 Signature: J Kessler

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: JUDD@JUDDKESSLER.COM

Mailing Address: POROX L RANCHO SANTA FE, CA 92067

Phone Number: 858 367 9545 Fax Number: _____

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