



Landlord Schedule A: Capital Improvements and Major Long-Term Repairs

If you are having trouble accessing or filling out this form, please contact us for help.

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PURPOSE OF LANDLORD SCHEDULE A

Complete this form if you are filing a Landlord Petition for Rent Increase or Decrease to request a rent increase for units benefitting from certain types of capital improvements and/or major long-term repairs. ([Regulation 1267.](#)) Many factors can affect a request for these types of rent increases. Please read through all the explanations and instructions on this form carefully before you begin filling it out.

ABOUT CAPITAL IMPROVEMENTS

An improvement must boost the property's value, noticeably extend its useful life, or adapt it to new uses, and must last for more than one year. In addition, an improvement must cost at least \$200 for each benefitted unit or \$1,500 in total. Only the following improvements qualify for a rent increase:

- Work necessary to comply with new code requirements
- Work to significantly improve security
- Work for the primary purpose of significantly improving seismic safety
- Work for the primary purpose of increasing energy efficiency
- Work done in good faith to primarily benefit the tenant

Rent increases for capital improvements are calculated at **1.042%** of the total cost, divided by the number of benefitted units.

ABOUT MAJOR LONG-TERM REPAIRS

Routine repair, replacement, or maintenance does not qualify for a rent increase. There is an exception to this rule for certain types of major long-term repairs. To qualify for a rent increase, major long-term repairs must cover the majority of the building and can involve only the following types of work:

- Re-roofing
- Significant upgrade of the foundation
- New or substantially new plumbing, electrical, or heating system
- Exterior painting or replacement of siding
- Work to address issues in a Wood Destroying Pest and Organisms Inspection Report

Rent increases for major long-term repairs are calculated at **0.927%** of the total cost, except for exterior painting and siding, which are calculated at **1.187%** of the total cost, divided by the number of benefitted units.

OFFSET RULE: VACANCY RENT INCREASES FOR TENANCIES STARTED IN 1999 OR LATER

Since January 1, 1999, landlords have been able to set the rent for new tenancies at market rates (“vacancy rent increases”). Because landlords can take into account the anticipated cost of repair and improvement work when setting new rents, the rent increases you are requesting in the petition will be offset by the total amount of past vacancy rent increases taken for the property since 1999 (“offset rule”). Vacancy rent increases can completely cancel out rent increases for capital improvements or major long-term repairs, and, in those cases, no rent increase will be granted. You will provide information related to the offset rule in Part C of the schedule.

There is an exception to the offset rule for seismic retrofit work that meets specific conditions. These conditions are explained in Part B.

NO RENT INCREASE FOR WORK DONE BEFORE OR AROUND THE TIME A TENANCY STARTED

Landlords can factor the costs of completed work into the starting rent for a new tenancy. Landlords can also factor into the starting rent for a new tenancy the costs of any work they reasonably know will need to be done soon after the tenancy begins. Because of this, no rent increase will be granted for units with tenancies starting in 1999 or later if:

1. The work was completed before the tenancy started, or
2. The work began or was completed within one year after the tenancy started, unless the work was not reasonably foreseeable when the tenancy started.

If your situation falls into the second category, but you believe the work was not reasonably foreseeable, you will use Part C of this schedule to explain why.

INSTRUCTIONS FOR FILLING OUT THIS SCHEDULE & PROVIDING SUPPORTING DOCUMENTATION

You must submit a completed Schedule A and supporting documentation with your petition.

1. Fill out Parts A and B.
2. Fill out Part C only if applicable to your circumstances.
3. Gather and organize copies of all documents that show the work and costs you described in Parts A and/or B. Documents must be page numbered and organized by type of work, and may include:
 - a. Invoices
 - b. Material and labor receipts
 - c. Signed contracts
 - d. Self-labor logs
 - e. Canceled checks
 - f. Quotes or estimates for planned work
 - g. Other documents used in the normal course of business

CONTACT A HOUSING COUNSELOR

While not required, we strongly recommend that you speak with a housing counselor to discuss your claims and how the offset rule may affect your rent increase request. Housing counselors can answer questions, help with the petition process, and review petition forms and schedules for completeness, but they cannot provide legal advice or guarantee the outcome of your case. Use our online appointment form by going to rentboard.berkeleyca.gov and clicking on the “Housing Counselor Appointments” button; call (510) 981-7368 (RENT); or email rent@berkeleyca.gov.

(Schedule starts on next page)

PART A – COMPLETED WORK

Only provide information for work that is already done. Common improvements/major long-term repairs that qualify for a rent increase are listed, along with space to list projects not already shown. See page 1 for a list of qualifying capital improvements/major long-term repairs, and use additional sheets if necessary.

- *Benefitted Units:* List all units that benefit from the work, even if they do not qualify for an increase.
- *Total Cost:* If you have self-labor costs, include self-labor logs with a calculation of hours and rates.
- *Increase Amount Per Unit Calculation:* (Total Cost x Calculation Rate) ÷ Number of Benefitted Units

1. Seismic Retrofit

Benefitted Units: _____

Date Work Completed: _____

Total Cost: \$ _____

Calculation Rate = 0.01042

Increase Amount Per Unit: \$ _____

2. Significant Security Improvement

Benefitted Units: _____

Date Work Completed: _____

Total Cost: \$ _____

Calculation Rate = 0.01042

Increase Amount Per Unit: \$ _____

3. New Roof

Benefitted Units: _____

Date Work Completed: _____

Total Cost: \$ _____

Calculation Rate = 0.00927

Increase Amount Per Unit: \$ _____

4. New Plumbing System

Benefitted Units: _____

Date Work Completed: _____

Total Cost: \$ _____

Calculation Rate = 0.00927

Increase Amount Per Unit: \$ _____

5. New Heating System

Benefitted Units: _____

Date Work Completed: _____

Total Cost: \$ _____

Calculation Rate = 0.00927

Increase Amount Per Unit: \$ _____

6. New Electrical System

Benefitted Units: _____

Date Work Completed: _____

Total Cost: \$ _____

Calculation Rate = 0.00927

Increase Amount Per Unit: \$ _____

7. Significant Foundation Upgrade

Benefitted Units: _____

Date Work Completed: _____

Total Cost: \$ _____

Calculation Rate = 0. 0.00927

Increase Amount Per Unit: \$ _____

8. Exterior Paint/Siding

Benefitted Units: _____

Date Work Completed: _____

Total Cost: \$ _____

Calculation Rate = 0.01187

Increase Amount Per Unit: \$ _____

9. Termite Report Repairs

Benefitted Units: _____

Date Work Completed: _____

Total Cost: \$ _____

Calculation Rate = 0.00927

Increase Amount Per Unit: \$ _____

10. Other

Benefitted Units: _____

Date Work Completed: _____

Total Cost: \$ _____

Calculation Rate: _____

Increase Amount Per Unit: \$ _____

11. Other

Benefitted Units: _____

Date Work Completed: _____

Total Cost: \$ _____

Calculation Rate: _____

Increase Amount Per Unit: \$ _____

12. Other

Benefitted Units: _____

Date Work Completed: _____

Total Cost: \$ _____

Calculation Rate: _____

Increase Amount Per Unit: \$ _____

PART B – OFFSET RULE

The rent increases you are requesting will be offset by the total number of past vacancy rent increases from new tenancies since 1999. Complete this table to calculate the total of all vacancy rent adjustments (VRAs) for the property since January 1, 1999. VRAs include rent increases and decreases (a decrease is where the starting rent for a new tenancy is *lower* than the rent ceiling that applied to the prior tenancy). The Rent Board can provide historical data, and a housing counselor can help you with these calculations. If the total amount of VRAs exceeds the total requested rent increase for the property, then no increase can be granted.

Unit #: _____ List all VRAs: _____ Total: \$ _____

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Unit #: _____ List all VRAs: _____ Total: \$ _____

Unit #: _____ List all VRAs: _____ Total: \$ _____

Unit #: _____ List all VRAs: _____ Total: \$ _____

Grand total (sum of all totals): \$ _____

Exception for seismic work

The offset rule does not usually apply to seismic retrofit work done under B.M.C. Chapters 19.38 or 19.39. To qualify for this exception, you need to check off all the boxes below to confirm that each of the following requirements were met:

- Work was performed on time, meaning completed before the City issued a second notice of non-compliance.
- You owned the property before December 12, 2000, for work required by B.M.C. Chap. 19.38, or before December 5, 2013, for work required under B.M.C. Chap. 19.39.
- None of the property owners hold more than a 10% interest in more than 12 residential units in Berkeley.

Incidental work may also qualify for the exception if it's mandated by the City for the seismic retrofit work and it's not because of outstanding code violations. Incidental work includes work that a) is certified by an appropriately licensed professional, b) is priced at a commercially reasonable amount, and c) is necessary to enable access for the seismic retrofit work or restores or replaces an area damaged or removed as part of the seismic retrofit work.

PART C: WORK DONE BEFORE OR WITHIN ONE YEAR AFTER TENANCY STARTED

If the work began or was completed within one year after the tenancy started, and you believe the work was not reasonably foreseeable when the tenancy started, please explain why.
