



Rent Stabilization Board

RENT STABILIZATION BOARD

DATE: January 18, 2024
TO: Honorable Members of the Rent Stabilization Board
FROM: DéSeana Williams, Executive Director
BY: Amanda Eberhart, Registration Unit Manager
SUBJECT: Request for waiver of late registration penalties

Recommendation:

That the Board approves 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 a "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 the 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. Please see the attached Ministerial Waiver Analysis and Recommendation for additional details.

Waiver	Property Address	Owner	Penalty Assessed	Penalty Waived	Penalty Imposed
	3131 COLLEGE	MALCOLM SMITH	2,000.00	1,600.00	400.00
	1426 ADDISON	NATOMA LLC	1,450.00	1,087.50	362.50
	1192 KAINS	MONICA CHUNG	3,120.00	1,872.00	1,248.00
	945 HILLDALE	PAVEL & KATHERINE WIEGMANN	478.00		478.00
	1234 EVELYN	JORGE VALENZUELA	870.00	783.00	87.00
	2311 A 7TH	JILL SCHALET	600.00		600.00
	3028 REGENT	DANIEL LEJA & MICHAEL WILLIAMS	250.00	250.00	-
	1614 63RD	PRADEEP DUNNA	891.00	801.00	90.00
	1615 MCGEE	ROSA MENGESHA	580.00	348.00	232.00
TOTAL			10,239.00	6,741.50	3,497.50

Financial Impact: Ministerial Waivers

Approval of the Executive Director’s recommendations will decrease the Board’s current accounts receivable by **\$6,741.50**.

Discretionary Waivers

Staff recommendations are attached and presented to the full Board for approval for the waiver requests listed below. 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
W5109	1525 RUSSELL	ALMANARA INVESTMENTS INC.	9,280.00		9,280.00
TOTAL			9,280		9,280

Financial Impact: Discretionary Waivers

Approval of the Executive Director’s recommendations will decrease the Board’s current accounts receivable by **\$0.00**.

Name and Telephone Number of Contact Person:

DéSeana Williams, Executive Director
Rent Stabilization Board
2125 Milvia Street, Berkeley, CA 94704
(510) 981-7368

Ministerial Waiver Analysis and Recommendation

Address	Details
3131 COLLEGE	The Quadruplex located at 3131 College has been owned by the current owners since 2004. In the last five fiscal years, this property has paid the registration fee late once in the 19-20 registration cycle. In that cycle, they received a 100% administrative waiver for paying before the August 30th deadline. For the 22-23 registration cycle, no registration payment was received for the property and they were charged both July and January penalties. The owner states in their waiver that “Their mailbox is routinely stolen from and they did not receive a bill”. Per regulation 884C this property qualifies to have 80% of their penalties waived based on two late payments in the last five fiscal years. Staff recommends waiving 80% of the penalty.
1426 ADDISON	The multi-residential property located at 1426 Addison has been owned by its current owner, since 2013. In the last five fiscal years, the property has paid the registration fee late twice in both the 20-21 and 21-22 registration cycles. In each of these cycles, the property was granted an administrative waiver. The property owner also paid late in the 23-24 registration cycle. The owner States in their waiver that “they attempted to pay the registration fee online on June 27th but noticed the number of bedrooms was wrong for one of the units and did not want to certify incorrect information”. Staff notes that the 23-24 registration portal opened on April 3rd and closed on July 3rd. Staff is unclear why the property owner did not attempt to contact the Rent Board before the last three business days before the registration fee was due. A search of Rent Board records will show the property was granted an automatic waiver for the 23-24 cycle, which reduced the penalties on the account by 75% based on the number of late payments received in the last six fiscal years and because the registration payment was made before the September 30th deadline. The reduced penalties was already approved and reflected in the transaction history on the property. No additional action is necessary at this time.
1192 KAINS	The quadruplex located at 1192 Kains has been owned by the current owner since 2020. In the last five fiscal years, the property has paid the registration fee late in the 18/19, 21/22 and 22/23 registration cycles. The property manager states in their waiver that “the owner is elderly and forgot to update the Rent Board with the new property manager's address.” Per regulation 884 C, this property qualifies to have 60% of the penalties waived based on three late payments in the last five registration cycles. Staff recommends waiving 60% of the penalties.
945 HILLDALE	The single-family home located at 945 Hilldale has been owned by the current owner since 2012. Unfortunately, this property has not had five years of payment history to review. This Measure MM property missed the deadline to register back in 2021. The property owner states in their waiver that “they were out of the country from April 2023 to August 2023, and the bills were forwarded to them on the 25th.” A search of Rent Board records will show that Registration Administrators have already applied the three-year statute of limitations to the property. The statute of limitations administratively removed the property's \$778 in outstanding registration fees and penalties. The balance remaining on the account reflects the current year's and one previous year's penalties. Staff recommends denying the waiver because the statute of limitations was already applied to the property.

Ministerial Waiver Analysis and Recommendation

1234 EVELYN	<p>The single-family home located at 1234 Evelyn has been owned by the current owner since 2014. In the last five fiscal years, the property has paid registration fees late in the 17/18 and 21/22 cycles. The property owner states in their waiver that “the number of units was incorrect on the property, and they were unable to update the information.” Staff notes the registration portal opened on April 3rd and closed on July 3rd. It is unclear why the property owner did not attempt to contact the Rent Board to update the portal information. Additionally, a search of Rent Board records will show that the property owner paid during the Administrative waiver period. Unfortunately, the penalties that were supposed to be automatically waived were not reflected on the account. Per regulation 883 H, this property qualifies to have 90% of the penalties waived for two late payments made before September 30 of the current registration cycle. Staff recommends waiving 90% of the</p>
2311 A 7th	<p>The condo located at 2311 A 7th Street has been owned by the current owner since 2003. Unfortunately, this property has not had five years of payment history to review. The property owner registered the property for the first time in July 2023. The property owner states in their waiver that “they did not receive a bill before May 2023, and that the May 2023 bill had the incorrect number of units.” Staff notes the registration portal opened on April 3rd and closed on July 3rd. It is unclear why the property owner did not attempt to contact the Rent Board to update the portal information before the due date. Additionally, a search of Rent Board records will show that the address on file for the property owner is the same in the historical database as the current database, and it also matches the address listed on the county property records. Rent Board records will also show that Registration Administrators have removed \$300 in outstanding registration fees and penalties for the 23/24 registration cycle data errors. The remaining \$600 penalty on the account is for non-payment of registration fees for the 22/23 registration cycle. Unfortunately, the penalties reflected on the account at this time are true and accurate based on the property’s registration date. Staff recommends denying the penalty waiver.</p>
3028 REGENT	<p>The property at 3028 Regent has been owned by the current owner since 2021. Unfortunately, this property does not have five years of payment history to review. The property was previously designated as commercial and exempt from the registration requirement of the ordinance. The property owner states in their waiver that “they received a zero bill, then received a penalty letter with registration fees and penalties.” Staff notes the documentation submitted by the property owner included a copy of the zero bill. Per regulation 883 G, this property qualifies to have 100% of the penalty waived because other errors in billing or reconciling accounts are directly attributable to the Rent Board or City staff. Staff recommends waiving 100% of the penalty.</p>
1614 63RD	<p>The quadruplex located at 1614 63rd has been owned by the current owner since May 2023. Unfortunately, this property does not have five years of payment history to review. The property owner states in their waiver that “they are new property owners unaware of the registration requirement.” Unfortunately, based on the property acquisition date, the property owners would not have received a registration statement by the deadline. Per regulation 883 I, this property qualifies to have 90% of the penalty waived because the property owners are new owners with no other residential rental property in Berkeley, were unaware of the property registration requirements of the Rent Ordinance, registered the property within 12 months of acquiring title to the property, and the property contains 3 to 5 rental units. Staff recommends waiving 90% of the penalty.</p>

Ministerial Waiver Analysis and Recommendation

1615 MCGEE

The triplex located at 1615 Mcgee has been owned by the current owner since 2018. Unfortunately, due to the transition of our databases, it is unclear if the property owner paid late in the 20/21 registration cycle. A search of Rent Board records will show a partial waiver was granted to the property that cycle. The property owner paid late in the 22/23 registration cycle and was granted an administrative correction. Lastly, the property owner also paid the 23/24 registration fees late. The property owner states in their waiver that "they asked for an emailed bill due to traveling and was unable to access the pay method." Per regulation 884 C, this property qualifies to have 60% of the penalty waived due to the third late payment in the last five registration cycles. Staff recommends waiving 60% of the penalty.