



Rent Stabilization Board

January 20, 2023

The Honorable Matt Haney
California State Assembly
State Capitol
P.O. Box 942849
Sacramento CA 94249-0017

Re: AB 12 — Support

Dear Assembly Member Haney:

As Chair of the City of Berkeley's Rent Stabilization Board, I am pleased to inform you of the Board's support for AB 12, which would limit security deposits for all tenants to the amount of one month's rent. The Rent Board, an elected body, administers Berkeley's Rent Stabilization and Eviction for Good Cause Ordinance. The purposes of the Ordinance include addressing the City's housing crisis and barriers to accessing housing, including excessive security deposit requirements, which are a significant contributor to our ongoing housing and homelessness crisis.

While rent stabilization is efficient and successful in providing stable, secure and affordable housing for sitting tenants, due to the vacancy decontrol provisions of the state Costa-Hawkins Act, new tenants face significant barriers at the outset of the tenancy. Move-in costs have become astronomical, not only in Berkeley but in many areas of California.

Since the law sets the maximum amount of a security deposit based on the monthly rent, the current maximums of two or three times the monthly rent imposes a triple or quadruple whammy on families trying to find a place to live, as they try to pull together the first month's rent and security deposit. As an example, the Board tracks rents charged for new tenancies in the City. Recently, the average initial rent for a 2-bedroom unit reached \$2995. A tenant would need nearly \$9000 to move in, *just for the first month's rent and deposit*. And if the unit is furnished, that figure increases to nearly \$12,000. For many low-income families, ultra-high deposits force them to high-cost, predatory lenders, dooming them to even deeper poverty, and imperiling their ability to make future monthly rent payments.

AB 12 will provide relief to these families, lowering one barrier to entry for new tenants. We commend you for taking on this important issue. If you or your staff have any questions or concerns, please do not hesitate to contact me or the Board's Legislative Advocate, Brian Augusta, at baugusta@piadvocates.org or (916) 400-3136. Thank you for authoring this critically needed legislation.

Sincerely,

A handwritten signature in blue ink that reads "Leah Simon-Weisberg". The signature is fluid and cursive, written over a white background.

Leah Simon-Weisberg, Chair
City of Berkeley Rent Stabilization Board