

Starting January 1, 2020*: Rent Caps and Just Cause Protections for CA Tenants

The Basics:

- New laws provide an Annual Rent Cap (5% + Consumer Price Index) and Just Cause Protections for residential tenancies
- Rent Cap will take effect on 1/1/20 with a *rent roll back to March 15, 2019*
- Just Cause Protection requires at least 12 months of tenancy
- These new laws do not apply to all housing. See below for Excluded Housing.

City of San Mateo

The City of San Mateo passed an urgency ordinance that provides immediate just cause eviction protections, and retroactively applies starting October 1, 2019.



EXCLUDED HOUSING:

- New housing with a Certificate of Occupancy within the past 15 years (rolling)
- Housing with local rent control where the annual allowable increase is lower than 9%
- Government subsidized or below-market housing in which rent is set based on income level
- Single family homes or condos with no corporate ownership
- Duplexes- if the owner lives in the other unit
- College dorms
- Mobile homes and RVs in mobilehome parks that are owned by the occupant

ANNUAL RENT CAP

How does it work?

Annual rent increases are limited to 5% + change in CPI, or 10%, whichever is lower.

- **San Mateo County Rent Cap for 3/15/19 to 4/1/2020 is 9%**

Rent can not be increased more than twice in one year.

The total rent increase can not exceed the Annual Rent Cap.



Rent Rollback

- If your rent has increased **more than 9%** between 3/15/19 and 1/1/20:
 - Starting 1/1/20, your rent reduces to what you were paying on 3/15/19, plus 9%.
- If your rent has increased **less than 9%** between 3/15/19 and 1/1/20:
 - Your rent will stay the same 1/1/20.
 - You can get up to two more increases before 3/15/20, not to exceed 9% above your 3/15/19 rent.



JUST CAUSE

How does it work?

- Landlords/owners need a valid reason to evict
- Begins to apply after 12 months of tenancy or 24 months if a new tenant is added
- If the valid reason is **No-Fault**, the **owner must pay relocation**



No-Fault Reasons for Eviction

- Owner or family member intends to occupy the unit
- Withdrawal of unit from rental market (Ellis Act)
- Compliance with a government, court order, or local ordinance that requires vacancy
- Intent to demolish or substantially remodel the unit, with permits

RELOCATION

- Relocation payment is equal to one month's rent.
- It must be made within 15 days of the no-fault termination notice
 - **Note:** *local jurisdictions may require greater relocation amounts*
- Instead of making a relocation payment, an owner can waive the last month's rent in writing.
- If tenant receives a relocation payment but does not vacate, the owner can recover the payment in an eviction.

At-Fault Reasons for Eviction

- Nonpayment of rent
- Breach of material lease term
- Nuisance
- Waste (damage to the property)
- Refusal to execute similar new lease
- Criminal activity
- Subletting in violation of the lease
- Denying access by landlord after proper notice of lawful entry
- Using the unit for unlawful purpose
- Employee, agent, or licensee's failure to vacate after termination as employee, agent, or licensee
- Failure to vacate after tenant provides owner written notice of intent to terminate tenancy, or after making a written offer to terminate tenancy which is accepted by landlord

How must an owner notify tenants of their rights?

- If the property is subject to just cause protections, the owners must give tenants written notice:
 - If the tenancy *starts or renews on or after 7/1/20*
 - Notice must be an addendum to the lease or a notice signed by tenants, who also receive a copy.
 - If the tenancy *exists prior to 7/1/20*
 - Notice must be given no later than 8/1/20 or as an addendum to the lease
- Owners must also notify tenants if they are *not covered* by just cause

EXCLUDED HOUSING:

- New housing with a Certificate of Occupancy within the past 15 years
- Government subsidized or below-market housing in which rent is set based on income level
- Single family homes or condos with no corporate ownership
- Owner-occupied single family homes with no more than two tenants (including ADUs)
- Duplexes- if owner already lives in the other unit
- Short-term stay hotels, motels, and hostels
- Non-profit hospitals, religious facilities, care for the elderly, and adult residential facilities
- Tenants who share bathroom and kitchen facilities with the owner in the owner's home
- K-12 or college dorms

GET FREE CONSULTATION!

- Call Legal Aid Society of San Mateo County at:
650- 517-8911
Monday to Friday
- 9:00AM to 5:00PM

Attend a clinic:
<https://www.legalaidsmc.org/homesavers-project>

