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.

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**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.

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**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

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**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.

- 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

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

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.

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