

# GROUND FLOOR

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**To:** *SF CHPA Member Companies*

**From:** *Ground Floor Public Affairs*

**Date:** 1/31/20

**Re:** *Residential Rent Stabilization and Arbitration Ordinance*

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## **Overview**

Signed into law in 1979 by acting Mayor Dianne Feinstein, San Francisco's Residential Rent Stabilization and Arbitration Ordinance provides tenant protections to individuals who rent or lease residential units. The Ordinance is overseen by the San Francisco Rent Board and applies only to units constructed before June 1979. The two main tenets of the ordinance are the regulation of rent increases and just cause evictions. Types of housing that are not covered under the ordinance include subsidized housing, residential hotels that have a less than 32-day stay, single-family homes with certain exceptions, dormitories, hospitals, and monasteries. Annual rent increases are permitted but are governed by the Bay Area's Consumer Price Index. Should a landlord want to increase rents to offset capital improvement, operational, or maintenance costs they would have to petition the San Francisco Rent Board.

## **Costa Hawkins**

Costa Hawkins Rental Housing Act, instituted in 1995, sets limits on rent controls cities are legally able to impose. All buildings constructed after 1995 cannot be rent-controlled therefore inhibiting San Francisco from moving its rent control date forward from 1979. The law does not include single-family homes or condos. In 2017 there was a statewide initiative to repeal the law, proposed by Assemblyman Chiu and tenants rights advocate and now San Francisco City Supervisor Dean Preston. Although the initiative did not succeed it is likely that a new bill to weaken or replace Costa Hawkins could be back on the ballot this coming November.

## **CA AB 1482 - Rent Control**

As of January 1st of 2020, California implemented a sweeping rent control law, the Tenant Protection Act of 2019 authored by Assemblyman Chiu. AB 1482 provides tenants protections by capping annual rent increases at 5% plus the change of cost of living and extends just cause eviction protections. For buildings constructed after 2005, AB 1482 will not apply until they turn 15 years old.

Landlords are now required to provide tenants with a reason for terminating their lease and provide tenants who have rented for over a year, adequate time to remedy their violation. This directly affects

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renters in cities that do not have their own rent control laws. This law applies to San Francisco buildings that do not already fall under the existing rent control ordinance. This would include all residential units built after 1979 unless the home was constructed in the past 15 years.