

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 - for example, rent-controlled housing in East Palo Alto, which already has better protection. See below for Excluded Housing.

*Local urgency ordinances provide immediate

tenant protections for residents of *Daly City, Redwood City, and San Mateo* :

- Daly City residents are entitled to immediate *just cause eviction protections as of 10/28/19*
- Redwood City residents are entitled to immediate *rent caps and just cause eviction protections as of 10/28/19*
- San Mateo residents are entitled to immediate *just cause protections as of 11/4/19*

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.



- 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

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Monday to Friday
9:00AM to 5:00PM



- Attend a clinic:
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LEGAL AID SOCIETY
OF SAN MATEO COUNTY