

Summary Table of draft Amendment of CSFRA – AGA VARIANTS ONLY
Discussion Draft

GUIDE

~~Red, stricken-through text~~ is proposed for deletion. Blue, double-underlined text is proposed for addition

OPTION 2: CPI + 1% Annual General Adjustment, Prohibit Banking

Topic	#	Change / Purpose	Cite	Redline Text
Prohibit Banking	1.	Prohibit Banking of AGA	§1707(d)	<u>Banking of Unimplemented Annual General Adjustments Prohibited</u> . A Landlord who refrains from imposing a Rent increase or any portion thereof pursuant to an Annual General Adjustment may accumulate <u>waives</u> said increase and <u>may not</u> impose the unimplemented amount in subsequent years. The ability to accumulate and impose unimplemented Rent increases shall not carry over to a successor Landlord in the event of a change in ownership of the Rental Unit. Any such subsequent Rent increase shall be subject to the limitations of this section, including the 10% limitation in Subsection (e) herein. The Committee may issue rules and regulations that modify, restrict, or prohibit the ability of Landlords to impose accumulated increases upon a finding that the banking of Annual General Adjustments causes undue hardship on Tenants, provided that Landlords retain their right to a fair return.
	2.	Delete reference to banking	§1708(c)	<u>Rent Increases After Setting an Initial Rent</u> . After the Landlord sets an initial Rent pursuant to this Section, the Landlord may only increase the Rent in accordance with this Article. The Landlord may not increase Rent based on banking , cost increases, capital improvements, or other circumstances that arose before the new tenancy began.
	3.	Delete reference to banking	§1710 (a)(3)(D)	Cost increases, capital improvements, banked Annual General Adjustments , or other circumstances that arose before the current tenancy began; and
Set AGA	4.	CPI + 1%	§1707(a)	<u>Annual General Adjustment</u> . No later than June 30th each year, the Committee shall announce the amount of the Annual General Adjustment, which shall be effective as of September 1st of that year. The Annual General Adjustment is the percentage by which the Rent for existing tenancies in Covered Rental Units may be increased each year, subject to the limitations of this Article. (1) The Annual General Adjustment shall be equal to <u>the sum of: (A) one percent; and (B)</u> one hundred percent (100%) of the percentage increase in the Consumer Price Index (All Urban Consumers, San Francisco-Oakland-Hayward region, or any successor designation of that index that may later be adopted by the U.S. Bureau of Labor Statistics) as reported and published by the U.S. Department of Labor, Bureau of Labor Statistics, for the twelve-month period ending as of February of the current year. The Annual General Adjustment shall be rounded to the nearest one-tenth of a percent. (2) Subparagraph 1 of this Subsection notwithstanding, in no event shall the Annual General Adjustment be less than two percent (2%) or more than five percent (5%). (3) Pursuant to Subsection (a) herein, the Committee's first announcement of an Annual General Adjustment shall be made no later than June 30, 2017. Accordingly, the first Rent increase that a Landlord may impose pursuant to this Article shall not take effect prior to September 1, 2017.

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OPTION 3: Flat Rate Annual General Adjustment; Prohibit Banking

Topic	#	Change/Purpose	Cite	Redline Text
Prohibit Banking	1.	Prohibit Banking of AGA	§1707(d)	Banking of Unimplemented Annual General Adjustments <u>Prohibited</u> . A Landlord who refrains from imposing a Rent increase or any portion thereof pursuant to an Annual General Adjustment may accumulate <u>waives</u> said increase and <u>may not</u> impose the unimplemented amount in subsequent years. The ability to accumulate and impose unimplemented Rent increases shall not carry over to a successor Landlord in the event of a change in ownership of the Rental Unit. Any such subsequent Rent increase shall be subject to the limitations of this section, including the 10% limitation in Subsection (e) herein. The Committee may issue rules and regulations that modify, restrict, or prohibit the ability of Landlords to impose accumulated increases upon a finding that the banking of Annual General Adjustments causes undue hardship on Tenants, provided that Landlords retain their right to a fair return.
	2.	Delete reference to banking	§1708(c)	<u>Rent Increases After Setting an Initial Rent</u> . After the Landlord sets an initial Rent pursuant to this Section, the Landlord may only increase the Rent in accordance with this Article. The Landlord may not increase Rent based on banking , cost increases, capital improvements, or other circumstances that arose before the new tenancy began.
	3.	Delete reference to banking	§1710 (a)(3)(D)	Cost increases, capital improvements, banked Annual General Adjustments , or other circumstances that arose before the current tenancy began; and
Set AGA	4.	Flat Rate	§1707(a)	Annual General Adjustment. No later than June 30th each year, the Committee shall announce the amount of the Annual General Adjustment, which shall be effective as of September 1st of that year. The Annual General Adjustment is the percentage by which the Rent for existing tenancies in Covered Rental Units may be increased each year, subject to the limitations of this Article. ¶ (1) The Annual General Adjustment shall be equal to one hundred percent (100%) of the percentage increase in the Consumer Price Index (All Urban Consumers, San Francisco-Oakland-Hayward region, or any successor designation of that index that may later be adopted by the U.S. Bureau of Labor Statistics) as reported and published by the U.S. Department of Labor, Bureau of Labor Statistics, for the twelve-month period ending as of February of the current year. The Annual General Adjustment shall be rounded to the nearest one-tenth of a percent. <u>[FOUR OR FIVE] percent (4 or 5 %).</u> (2) Subparagraph 1 of this Subsection notwithstanding, in no event shall the Annual General Adjustment be less than two percent (2%) or more than five percent (5%). (3) Pursuant to Subsection (a) herein, the Committee's first announcement of an Annual General Adjustment shall be made no later than June 30, 2017. Accordingly, the first Rent increase that a Landlord may impose pursuant to this Article shall not take effect prior to September 1, 2017.
	5.	Limit RHC Authority	§1709 (d)(3)	Determine and publicize <u>Publicize</u> the Annual General Adjustment pursuant to this Article.

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OPTION 4: Flat Rate Annual General Adjustment

Topic	#	Change/Purpose	Cite	Redline Text
Set AGA	6.	Flat Rate	§1707(a)	<p>Annual General Adjustment. No later than June 30th each year, the Committee shall announce the amount of the Annual General Adjustment, which shall be effective as of September 1st of that year. The Annual General Adjustment is the percentage by which the Rent for existing tenancies in Covered Rental Units may be increased each year, subject to the limitations of this Article. ¶</p> <p>(1) The Annual General Adjustment shall be equal to one hundred percent (100%) of the percentage increase in the Consumer Price Index (All Urban Consumers, San Francisco-Oakland-Hayward region, or any successor designation of that index that may later be adopted by the U.S. Bureau of Labor Statistics) as reported and published by the U.S. Department of Labor, Bureau of Labor Statistics, for the twelve-month period ending as of February of the current year. The Annual General Adjustment shall be rounded to the nearest one-tenth of a percent. <u>[FOUR OR FIVE] percent (4 or 5 %).</u></p> <p>(2) Subparagraph 1 of this Subsection notwithstanding, in no event shall the Annual General Adjustment be less than two percent (2%) or more than five percent (5%).</p> <p>(3) Pursuant to Subsection (a) herein, the Committee's first announcement of an Annual General Adjustment shall be made no later than June 30, 2017. Accordingly, the first Rent increase that a Landlord may impose pursuant to this Article shall not take effect prior to September 1, 2017.</p>
	7.	Limit RHC Authority	§1709 (d)(3)	<p>Determine and publicize <u>Publicize</u> the Annual General Adjustment pursuant to this Article.</p>