



**City of Mountain View
Rental Housing Committee
Meeting December 18, 2023, Agenda Item Questions**

Item 6.1 Draft Regulations CSFRA Chapter 13, Utility Charges, Clarifying Rent and the Treatment of Utilities in the CSFRA and Ratio Utility Billing Services

Q: Why does it stay, "A Landlord may only file a Utility Adjustment Petition within the time provided in Table 2 below." Some landlords may somehow be unaware of the onetime utility adjustment petitions. But if they finally become aware, perhaps via tenant petitions, wouldn't we still want to accept the late landlord petition, to get them off RUBS in our designated way? Would we want every tenant at that property to need a hearing officer to get off RUBS?

A: Setting a deadline for filing onetime Utility Adjustment Petitions increases the chances that landlords will come in compliance within a set period of time. Moreover, since landlords are allowed to continue to use RUBS, until that deadline expires, setting a limited period of time for filing, speeds up the transition to a compliant practice. If no deadline was set for filing a petition, landlords could simply not file a petition at all, continue to use RUBS and take the chance to see if a tenant files a petition or not. Many tenants will not file a petition. These regulations are written to encourage compliance. Another reason for setting the deadline, is that under the onetime Utility Adjustment Petition process landlords are not required to return any excess payments for previously overpaid utilities if the adjustment results in a lower total rent amount which is to encourage landlords to participate in the onetime adjustment process.

Q: Terminology question - if a tenant was paying 2000 and on average 200 in utilities under RUBS. After the onetime adjustment, they will be paying $2000 + \text{OTUA } 180 = 2180$. Is this an upward adjustment or a downward adjustment?

A: In terms of whether it is an upward or downward adjustment, the text deliberately did not use the "upward" or "downward" terminology because it could be interpreted differently by different people.

Q: B.12. Imposition of Utility Adjustment.
i. Upward Adjustment. If the Utility Adjustment Petition results in a one-time Rent increase, the Landlord *may* impose the adjustment either (i) on a date no earlier than twelve (12) months after the most recent Rent increase for the Covered Rental Unit, (ii) on a date no earlier than twelve (12) months after the commencement of the tenancy, or (iii) upon the expiration of a longer than 12 month term of the Tenant's current Rental Housing Agreement, whichever is latest. The Landlord shall provide a written notice of rent increase pursuant to California Civil Code Section 827. At all times before the Utility Adjustment goes into effect, the Landlord may continue to use RUBS or any similar system or methodology that is not based on a Tenant's actual usage in accordance with these Regulations to allocate Utility Charges to Tenants.



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Does using the word "may" here imply that the landlord could continue using RUBS indefinitely?

A: No. the regulations prohibit the continued use of RUBS for purpose of collecting utility charges after the onetime adjustment process time period expires. The use of the term *may* in the context is permissive as to the imposition of the adjustment but not with regards to the continued use of RUBS

Q: When there is a successful petition for upward adjustment of rent, does the landlord need to wait to charge the increase until their next annual rent increase for the affected units?

A: That is correct. The landlord cannot impose an upward adjustment until 12 months after the last rent increase because the CSFRA says that there can only be one rent increase in any 12-month period.

Q: In A 2. b. For any Tenancy of a Covered Rental Unit commencing on or after March 1, 2024. At the commencement of such Tenancy, the Landlord, in the Rental Housing Agreement, *shall indicate the fixed dollar amount of the initial Rent and specify which Utility Charges and Housing Services are included in the initial Rent (such as water, garbage, sewer, parking or pet rent)*. Is this list meant to be exhaustive?

A: The list of Housing Services to be included in the initial rent, should be those that have a discernable fee associated with them. The text could specify this as follows:

“...shall indicate the fixed dollar amount of the initial Rent and specify which Utility Charges and Housing Services *that have a discernable fee associated with them* (including, but not limited to water, garbage, sewer, parking or pet rent) are included in the initial Rent.”