

**DATE:** October 24, 2024

**TO:** Rental Housing Committee

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**SUBJECT: Amendments to Community Stabilization and Fair Rent Act Regulations, Chapters 11 and 12 and Mobile Home Rent Stabilization Ordinance Regulations Chapters 4 and 12.**

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**RECOMMENDATION**

1. Amend Community Stabilization and Fair Rent Act Regulations Chapter 11, Registration, and Chapter 12, Compliance and General Remedies, to ensure consistency across Regulations by updating the due dates for annual property registration and rental housing fee payments to January 31.
2. Amend Mobile Home Rent Stabilization Ordinance Regulations Chapter 4, Registration, and Chapter 12, Compliance and General Remedies, to ensure consistency across Regulations by updating the due dates for annual property registration and space rental fee payments to January 31.

**BACKGROUND**

In previous years, the Rental Housing Committee (RHC) adopted regulations establishing mandatory annual property registration requirements and a schedule of late fees to be imposed when a landlord fails to timely pay their annual rental housing/space fees or fails to timely complete their annual registration. For an overview of these regulations see Table 1.

**Table 1: CSFRA and MHRSO Registration and Compliance/General Remedies Regulations**

Date Adopted	Regulation	Description
<b>June 29, 2020</b>	CSFRA Chapter 11, Registration	Require mandatory registration for CSFRA-covered properties.
<b>November 15, 2021</b>	MHRSO Chapter 4, Registration	Require mandatory registration for MHRSO-covered properties.
<b>September 19, 2022</b>	CSFRA and MHRSO Chapter 12, Compliance and General Remedies	Establish compliance and enforcement mechanisms for properties that are not in substantial compliance with the CSFRA or MHRSO, including late penalties for failure to timely register or pay the annual fees.
<b>September 25, 2023</b>	Amendment to CSFRA and MHRSO Chapter 12, Compliance and General Remedies	Change the due dates for property registration and annual fee payments to January 31 and place a 10-month cap on the assessment of late charges.

As part of the September 25, 2023, amendments, the RHC adjusted the due dates from February 1 to January 31 of each year, for the annual fee and property registration in Chapter 12, Section E of both the CSFRA and MHRSO Regulations. To ensure consistency, the proposed changes will match the updated due dates throughout the regulations.

**ANALYSIS**

The RHC, in its meeting on September 25, 2023, amended Chapter 12 of both the CSFRA and MHRSO regulations, to include the January 31 due date for registration and fee payment in Section E. Staff now identified additional passages in Chapter 12 Section C.2. and D.3. of both the CSFRA and MHRSO regulations where the due date needs to be updated for consistency.

Furthermore, CSFRA Regulation Chapter 11 and MHRSO Regulation Chapter 4, outline the RHC’s ability to create a database of covered units. Within these regulations, Section B.1. details the landlord’s responsibility to register their property annually. The language in this section should also be updated to reflect the registration due date to be January 31 to remain uniform with other CSFRA and MHRSO Regulations.

**1. Recommended Changes to CSFRA and MHRSO Regulation Chapter 12, Compliance and General Remedies**

**CSFRA Regulation Chapter 12 Section C.2.a. and C.2.b.**

2. Initial Notice of Noncompliance. Upon learning of a potential violation of a substantial requirement, the Committee or its designee shall send the Landlord an Initial Notice of Noncompliance. The Initial Notice of Noncompliance shall provide the Landlord with thirty (30) days to cure the violation.
- a. Annual Rental Housing Fees. Invoices for annual rental housing fees are sent to Landlords on or around January 1 of each year and must be paid **by January 31 within thirty (30) days**. If a Landlord fails to pay their annual registration fees **by January 31 within thirty (30) days of the due date**, the Committee or its designee shall send the Landlord an Initial Notice of Noncompliance.
- b. Annual Registration of Units. Annual registration of Rental Units begins in December of the prior year and must be completed **by January 31 by February 1** of each year. If a Landlord fails to complete their annual registration **by January 31 by February 1**, the Committee or its designee shall send the Landlord an Initial Notice of Noncompliance on or after **February 1 2**.

**CSFRA Regulation Chapter 12 Section D.3 and D.3.b.**

3. Website Listing. **After January 31, 2** the following statuses on the compliance database indicate that the Landlord is out of compliance with Requirement Nos. 3 and 4 outlined in Table 1 in Section B of this Chapter:
- a. Their annual rental housing fee status is "Fees Not Paid."
- b. Their registration status is "Registration Open" **after February 1** or the status is "Registration Not Submitted."

**MHRSO Regulation Chapter 12 Section C.2.a. and C.2.b.**

2. Initial Notice of Noncompliance. Upon learning of a potential violation of a substantial requirement, the Committee or its designee shall send the Landlord an Initial Notice of Noncompliance. The Initial Notice of Noncompliance shall provide the Landlord with thirty (30) days to cure the violation.
  - a. Annual Space Rental Fees. Invoices for annual space rental fees are sent to Landlords on or around January 1 of each year and must be paid by **January 31** ~~within thirty (30) days~~. If a Landlord fails to pay their annual space rental fees **by January 31** ~~within thirty (30) days of the due date~~, the Committee or its designee shall send the Landlord an Initial Notice of Noncompliance.
  - b. Annual Registration of Spaces and Mobile Homes. Annual registration of Mobile Homes and Mobile Home Spaces begins in December of the prior year and must be completed **by January 31** ~~by February 1~~ of each year. If a Landlord fails to complete their annual registration by **January 31** ~~by February 1~~, the Committee or its designee shall send the Landlord an Initial Notice of Noncompliance on or after **February 1** ~~2~~.

**MHRSO Regulation Chapter 12 Section D.3 and D.3.b.**

3. Website Listing. **After January 31**, ~~the~~ following statuses on the compliance database indicate that the Landlord is out of compliance with Requirement Nos. 3 and 4 outlined in Table 1 in Section B of this Chapter:
  - a. Their annual space rent fee status is “Fees Not Paid.”
  - b. Their registration status is “Registration Open” ~~after February 1~~ or the status is “Registration Not Submitted.”

**Reason for Recommendation:** The revisions ensure consistency throughout the CSFRA and MHRSO Regulations and avoids confusion and are consistent with the RHC amendments adopted in September 2023. Staff recommends adding “After January 31” to clarify the date on which properties are considered out of compliance with the mandatory registration and fee payment requirements.

## 2. Recommended Changes to CSFRA Regulation Chapter 11 and MHRSO Chapter 4

### CSFRA Regulation Chapter 11 Section B.1

1. Registration Required. A Landlord must register every Covered Rental Unit annually by **January 31** ~~February 1~~ of each year. Registration is complete only when all information required in the RHC online registration database or pursuant to the RHC registration forms has been provided to the RHC.

### MHRSO Regulation Chapter 4 Section B.1

1. Annual Registration Required. A Park Owner or Mobile Home Landlord must register every Mobile Home Space or Mobile Home in a Mobile Home Park annually **by January 31** ~~February 1~~ of each year. Registration is complete only when all information required in the RHC online registration database or pursuant to the RHC registration forms has been submitted.

**Reason for Recommendation:** CSFRA Regulations Chapter 11 Section B.1 and MHRSO Chapter 4 Section B.1. are updated to reflect the January 31 due date, as adopted by the RHC in 2023. This ensures uniformity across all regulations and ease of implementation for staff.

### FISCAL IMPACT

The adoption of the proposed amendments to CSFRA Regulations Chapters 11 and 12 and MHRSO Regulations Chapters 4 and 12 does not impact the budgets of the RHC.

**PUBLIC NOTICING**— Agenda posting, posting on the City’s website, and email to distribution list.

### Attachments:

1. Draft Resolution to Adopt Amendments to Chapter 12 CSFRA Regulations Exhibit A, Amendments to Chapter 12
2. Draft Resolution to Adopt Amendments to Chapter 12 MHRSO Regulations Exhibit A, Amendments to Chapter 12
3. Draft Resolution to Adopt Amendments to Chapter 11 CSFRA Regulations Exhibit A, Amendments to Chapter 11
4. Draft Resolution to Adopt Amendments to Chapter 4 MHRSO Regulations Exhibit A, Amendments to Chapter 4