

**DATE:** April 25, 2024

**TO:** Rental Housing Committee

**FROM:** Patricia Black, Senior Management Analyst  
Wayne Chen, Housing Director

**SUBJECT:** Adoption of Annual General Adjustment of Rent for 2024-25

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**RECOMMENDATION**

Review and adopt a Resolution of the Rental Housing Committee (RHC) Announcing an Annual General Adjustment of Rent Under the Community Stabilization and Fair Rent Act and Mobile Home Rent Stabilization Ordinance for 2024-25 of 2.4%, to be read in title only, further reading waived (Attachment 1 to this memorandum).

**BACKGROUND**

The Community Stabilization and Fair Rent Act (CSFRA) and the Mobile Home Rent Stabilization Ordinance (MHRSO) provide for an Annual General Adjustment (AGA) to increase rent for existing tenancies based on the percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U) of San Francisco-Oakland-Hayward (San Francisco Area). Section 1707(a) of the CSFRA and Section 46.6 of the MHRSO require the RHC to announce the AGA no later than June 30 of each year. The AGA shall be equal to 100% of the percentage increase in the CPI for the 12-month period, ending as of February each year.

In January 2018, the United States Department of Labor, Bureau of Labor Statistics revised the geographic areas for which it produces indices. Consequently, on March 26, 2018, the RHC adopted a resolution to use the CPI-U for the San Francisco Area as a successor index for determining the AGA. The CSFRA indicates that the March indices are to be used, but since these CPIs are only published every two months and March indices are not available, the RHC decided to use the indices from February to February of each year to determine the Annual General Adjustment.

Section 1707(a)(2) of the CSFRA and Section 46.6(c) of the MHRSO stipulate that the AGA shall not be less than 2% and no more than 5%, even if the change in CPI-U is less than 2% or more than 5%.

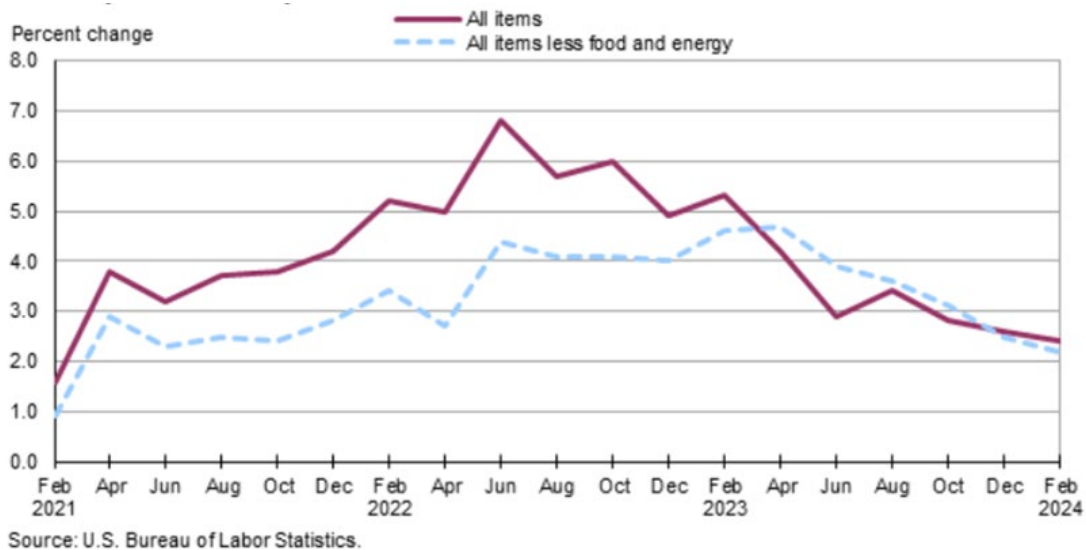
## **ANALYSIS**

Between February 2023 and 2024, the CPI-U for the San Francisco Area increased 2.4% as shown in the table and historical chart below (Table 1 and Chart 1). Therefore, the AGA for 2024 shall be 2.4% as stipulated in the CSFRA and the MHRSO. The rent increases imposed pursuant to this adjustment may take effect on or after September 1, 2024. Landlords are required to provide 30 days' written advance notice of such rent increase.

**Table 1: Annual Change in Consumer Price Index**

February 2023	February 2024	Difference	
CPI Index	CPI Index	Number	Percentage (rounded to nearest tenth)
337.173	345.151	7.978	2.4%

**Chart 1: Year-Over-Year Percent Change in Consumer Price Index (CPI—U),  
San Francisco-Oakland-Hayward, CA (February 2021—February 2024)**



## **FISCAL IMPACT**

The adoption of the AGA 2024 does not have any fiscal impact on the budget of the RHC.

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

KG/4/HSN/RHC  
847-05-06-24M-1

- Attachments:
1. Draft Resolution to Adopt AGA 2024
  2. Bureau of Labor Statistics (BLS), Consumer Price Index, San Francisco Area