# GUIDE TO OAKLAND RENTAL HOUSING LAW

Rent Control and Eviction Protection





#### CITY OF OAKLAND RENT ADJUSTMENT PROGRAM

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### INTRODUCTION

This guide is intended to help property owners, tenants, realtors, managers and potential buyers of rental property understand residential rental housing laws in Oakland. It explains the basic provisions of Oakland's rent control and eviction protection ordinances as well as other state and local laws related to rental housing. The information in this guide is not a substitute for legal advice.

In 1980, the Oakland City Council passed its first rent control ordinance which established the Housing, Residential Rent Arbitration and Relocation Board (The Board) and the Rent Adjustment Program (RAP). (Oakland No. 9980 C.M.S.) Since then, the Ordinance has been amended many times. The current Ordinance (O.M.C. Section 8.22.010 et seq.) regulates most residential rent increases in Oakland. Additionally, in 2002, the Oakland voters passed the Just Cause for Eviction Ordinance, requiring a property owner to prove one of the eleven just causes before they could evict a tenant. (O.M.C. Section 8.22.300 et seq.) Together these laws were intended to maintain affordable housing, preserve community diversity, prevent illegal rent increases and evictions, and encourage investment in rental property in Oakland.

The Board is a quasi-judicial body, composed of seven members appointed by the Mayor and confirmed by the City Council. The Board hears appeals and enacts regulations and policies to further the administration of the Oakland Rent Ordinance and the Just Cause for Eviction Ordinance.

Rent Adjustment Program staff provides information and counseling to property owners and tenants, conducts administrative hearings and mediations, collects eviction data, and administers the Ellis Act, the Tenant Protection Ordinance, the Tenant Move-Out Ordinance, and the Uniform Relocation Ordinance.

In 1995, the California legislature passed the Costa Hawkins Rental Housing Act, which suspends rent control following a qualifying vacancy and reinstates it for a new tenancy. (Civil Code Section 1954.50, et seq.) After a three-year phase-in, full "vacancy decontrol" took effect, allowing owners to set a market rent for most tenancies beginning on or after January 1, 1999. After the property owner sets the new rent, the rent is then controlled for and may only be increased pursuant to the CPI (including banking increases), or by an adjustment granted through the Rent Adjustment Program petition process.

# GENERAL INFORMATION FOR PROPERTY OWNERS AND TENANTS

A property owner (or landlord) is generally the owner of a rental unit. The property owner can be a person or a company. In some circumstances, a master tenant, who is not the owner of the property, but instead has been given permission from the owner to rent rooms to other tenants, has the same rights and responsibilities as the owner because the master tenant enters into a leasing relationship with other tenants.

WHO IS A PROPERTY OWNER?



Tenants rent or lease rental units from property owners or master tenants. A tenancy can begin with a written lease or contract, but a written document is not required.

### WHO IS A TENANT?

#### FEES AND FILING REQUIREMENTS

#### **Business License Fee:**

All owners of residential rental units in Oakland must register and obtain a license to operate their rental unit(s) with the Finance and Management Agency Business Tax Office. As of 2019, the non-refundable business license fee is \$95. This is due within 30 days of the rental start date. All owners who rent rental housing, whether or not covered by the RAP, must have a business license. Property owners must also pay taxes on the income generated from the rental.

BUSINESS LICENSE FEE

#### **Rent Adjustment Program Fee:**

Owners of rental property covered by the RAP Ordinance or the Just Cause for Eviction Ordinance must also file and pay an annual fee of \$101 for each unit. All fees are due by January 1st of each year. It is the owner's responsibility to renew the business license and pay the RAP fees on time. RENT ADJUSTMENT PROGRAM FEE

Owners who timely pay the annual RAP fee are allowed to pass half of the fee to tenants for the current year. Tenants in units owned and operated by a public entity are not required to pay the fee. Owners and tenants may come to an agreement to prorate the tenants' portion monthly. However, the fee cannot be added to the base rent when calculating a rent increase.

Owners may be assessed late payment penalties and interests if required fees are not paid within 30 days of the rental start date. Failure to pay the fee without good cause prevents full participation in any RAP proceeding. A property owner petition for a rent increase will not be accepted unless the affected property owner provides proof of payment of the business license fee and the Rent Adjustment Program fee.

CONSEQUENCES
OF FAILING TO
PAY FEE

### **EXEMPTIONS**

Some rental units are exempt from the Oakland Rent Adjustment Ordinance and the Just Cause for Eviction Ordinance.

EXEMPT FROM RENT ADJUSTMENT (O.M.C. SECTION 8.22.030)

While owners of the following types of units must have just cause to evict, their rents are **not** controlled. Because these units are covered by the Just Cause for Eviction Ordinance, property owners must pay the annual program fee.

#### Units whose rents are controlled by another agency:

Dwelling units whose rents are regulated or controlled by a governmental unit or agency like the Oakland Housing Authority, Section 8, or similar Federal rent subsidy programs are exempt from the Rent Adjustment Ordinance.

### PARTIALLY EXEMPT

#### **Cooperative Units:**

Dwelling units in a nonprofit cooperative which are owned, operated, occupied, and controlled by a majority of the residents are exempt from the Rent Adjustment Ordinance.

#### **Single Family Residences and Condominiums:**

Single family residences and condominiums are exempt from the Rent Adjustment Ordinance if the unit is rented as one single unit and is not rented room by room for more than 30 continuous days (like a rooming house).



#### **New Construction:**

Buildings that were built between January 1, 1983 and before December 31, 1995, are exempt from the Rent Adjustment Ordinance if the unit was entirely newly constructed or created from space that was formerly non-residential.

EXEMPT FROM RENT ADJUSTMENT (O.M.C. SECTION 8.22.030) AND JUST CAUSE (O.M.C. SECTION 8.22.350):

These units are exempt from both the Rent Adjustment Ordinance and the Just Cause for Eviction Ordinance, and are not required to pay the annual program fee:

### COMPLETELY EXEMPT

#### Motels, Hotels, and Rooming Houses:

Accommodations in motels, hotels, and rooming houses (unless the tenant occupies the same unit for 30 or more continuous days) are exempt from the Rent Adjustment Ordinance and the Just Cause for Eviction Ordinance.

#### Hospitals, Skilled Nursing, or Health Facilities:

Rental units in any hospital, skilled nursing facility or health facility are exempt from the Rent Adjustment Ordinance and the Just Cause for Eviction Ordinance.

#### **Non-Profits for Substance Abuse Recovery:**

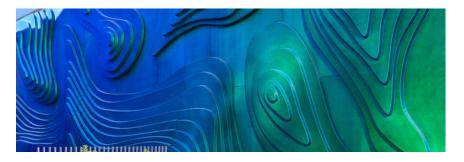
Rental units in a nonprofit facility providing substance abuse recovery treatment are exempt from the Rent Adjustment Ordinance and the Just Cause for Eviction Ordinance.

#### **Non-Profits to Support Homeless:**

Rental units in a nonprofit facility whose purpose is to provide previously homeless persons with skills necessary for independent living are exempt from the Rent Adjustment Ordinance and the Just Cause for Eviction Ordinance.

#### **New Construction:**

Buildings that were built on or after December 31, 1995, are exempt from the Rent Adjustment Ordinance and the Just



Cause for Eviction Ordinance, if the building was built from the ground up and was not created as a result of rehabilitation, improvement or conversion of commercial space.

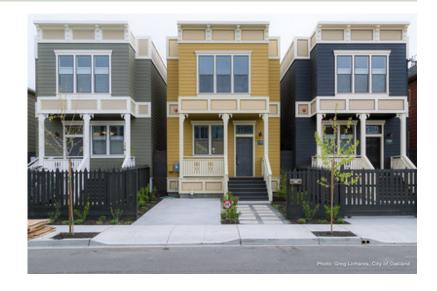
# RENT LEVELS AND HEARINGS

### RAP NOTICE AND OTHER REQUIRED NOTICES

An owner is required to give every tenant a "Notice to Tenants of the Residential Rent Adjustment Program" form. This document is commonly referred to as the RAP Notice. When tenants move into a covered unit, the initial notice must be served in English, Spanish and Chinese. After that, any subsequent RAP Notices should be served in the language in which the lease was negotiated. RAP Notices must also be served with every rent increase. O.M.C. Sections 8.22.060(A)(1) (a-b) and (A)(2).

If a property owner fails to serve the RAP Notice at the beginning of the tenancy, they must wait at least 6 months after serving the RAP notice to serve a rent increase notice.

Property Owners can download RAP Notices and other important RAP forms in English, Spanish, and Chinese, by visiting the RAP website at www.oaklandca.gov/rap.



#### RENT INCREASES

#### Only once in a 12 month period:

An owner can increase the rent on a covered unit only once in a 12-month period. The first increase cannot be effective any earlier than 12 months after the tenant moved into the unit.

#### The CPI Increase:

An owner may increase the rent based on the annual allowable consumer price index (CPI) without seeking approval from the RAP. Every March the RAP publishes the allowable CPI increase for the next fiscal year. A fiscal year is July 1 through June 30.

#### **Banking increases:**

If an owner chooses not to increase the rent each year, or increases it by an amount lower than the allowable CPI, the owner is entitled to "bank" the unused rent increase for the future. However, the total rent increase that can be imposed in any one rent increase may not exceed the total of three times the allowable CPI increase, and may not be greater than 10%. No rent increase may be banked for more than ten years after it accrues. A banked increase may be imposed without approval from the RAP.

The RAP has a banking calculator available on its website that can calculate all banked rent increases.

SOME RENT INCREASES MUST BE APPROVED BY RAP

#### No Petition Required for Some Increases:

A rent increase based on the allowable CPI and/or banking does not require a petition. However, effective February 1, 2017, any rent increase not based on the CPI or Banking that is not first approved by the RAP is void and unenforceable.

#### **Capital Improvements:**

An owner can file a petition to seek a rent increase based on capital improvements as a pass through. Capital improvements are those costs paid by the owner for improvements to the unit or the building that materially adds to the value of the property, appreciably prolongs its useful life, and primarily benefits the tenant(s). If permits are necessary for the work, a capital improvement pass through cannot be granted until a permit is taken out and final. An owner must provide documentation of all expenses by providing invoices or contracts and proof of payments.

An owner is entitled to pass through 70% of the allowable costs for expenditures made and paid for within 24 months before filing the petition. For those costs expended after September 20, 2016, an owner is also entitled to imputed financing for the cost of the improvements.

Capital improvement costs are amortized, or spread out, over the useful life of the improvement as set forth in Appendix A of the Regulations.

An owner is not entitled to a capital improvement pass through for those costs that are corrections of serious code violations, improvements, or repairs required because of deferred maintenance. Similarly, "gold plating" or "overimproving" are not considered a capital improvement. If an owner charges a fee for usage of something that he or she recently improved (e.g. a fee to use a new or improved washing machine), a capital improvement pass through will not be granted.

A capital improvement pass-through ends at the end of the amortization period.

### CAPITAL IMPROVEMENTS

#### **Uninsured Repair Costs:**

These costs are expenditures made to a covered unit which are performed to secure compliance with any state or local law to repair damage resulting from fire, earthquake, or natural disaster, to the extent such repair is not reimbursed by insurance proceeds. These costs are calculated the same way capital improvement costs are calculated.

#### **Increased Housing Service Costs:**

An owner can also file a petition for a rent increase based on increased housing service costs. To justify a rent increase, an owner's annual operating expenses in one year, as compared to the immediate prior year, must exceed the CPI. All of the owners' expenses must be considered.

#### Fair Return:

An owner can also file a petition for a rent increase based on fair return. Fair return is measured by a calculation to determine if the owner is maintaining the net operating income produced by the property in a base year, subject to CPI related adjustments.

#### Caps on Increases:

The Ordinance prohibits any rent increase that would be greater than 10% in one year, or 30% over any five years of a tenancy.

#### PFTITIONS

#### **Property Owner Petitions:**

A property owner can file a petition for approval of a rent increase or to seek a Certificate of Exemption for those properties that are permanently exempt from the Rent Adjustment Program.



### CAP ON INCREASES

#### **Tenant Petitions:**

A tenant can file a petition contesting current and prior rent increases. There are time limits for contesting rent increases. Tenants can also file a claim requesting a rent decrease due to housing code violations, habitability issues, or a decrease in housing services. A claim for decreased housing services for ongoing problems in the unit can be filed at any time, but if the tenant was served a RAP Notice, the tenant is limited to restitution beginning 90 days prior to filing the Tenant Petition. If no RAP Notice was ever served, the tenant's right to restitution is limited to three years prior to filing his or her petition.

Grounds for filing a tenant petition are:

- A rent increase that exceeds the CPI Rent Adjustment;
- An owner's failure to give the tenant a written summary of the basis for a rent increase following tenant's request;
- An initial rent that is more than the amount allowed;
- A rent increase notice was served without a RAP Notice;
- A rent increase is greater than 10% in one year or greater than 30 % over a 5-year period;
- A second rent increase in a 12-month period;
- A decrease in housing services;
- The unit has been cited in an inspection report as containing a serious health, safety, fire, or building code violation:
- An owner's failure to reduce the rent after a prior capital improvement period ends;
- A failure to serve a rent increase notice in compliance with State law:
- A previously granted exemption on the grounds that the prior exemption was granted based on fraud or mistake; or
- The rent was raised illegally after the unit was vacated as set forth under OMC Section 8.22.080.

To get a petition form, go to the RAP website or to the Housing Resource Center at 250 Frank H. Ogawa Plaza, 6th Floor, Oakland, CA 94612.

BOTH
TENANTS
AND
PROPERTY
OWNERS
HAVE THE
RIGHT TO
FILE
PETITIONS

#### HEARINGS

Hearings are held in person and are presided over by an impartial RAP Hearing Officer at the Rent Adjustment Office. After a property owner or a tenant petition is filed, the RAP will send a Notice of Hearing to all parties setting a Hearing date. At the Hearing, the parties can represent themselves or have a representative. A representative does not have to be an attorney. The parties may bring witnesses and documentary evidence to a Hearing. All documents (including photographs and digital evidence) need to be produced to the RAP office 7 days prior to the Hearing.

The Hearing Officer takes oral testimony and receives written evidence from both sides. No decision will be made at the Hearing. The Hearing Officer will issue a Hearing Decision setting forth the allowable rent and the RAP will mail the decision to all parties.

#### MEDIATIONS

Mediation is a voluntary and confidential process for settlement of disputes without the need for a hearing. It is available through the RAP office at no cost to owners and tenants.

#### APPEALS

Upon receiving a Hearing Decision, either the property owner or the tenant may appeal. The appeal form must be received within twenty (20) days from the Proof of Service date noted on the last page of the Hearing Decision. If the Rent Adjustment Office is closed on the last day to file, the appeal may be filed on the next business day.



#### **HEARINGS**

### MEDIATIONS AND APPEALS

### MOVING IN AND OUT

#### RENTAL APPLICATION AND FEFS

Before renting, most property owners will ask prospective tenants to fill out a written rental application form. The application is like a job or credit application. When submitting the application, property owners may charge prospective tenants an application or screening fee to cover the cost of obtaining a credit report and verifying the information on the tenant's application. A property owner may not ask prospective tenants the following:

- Race, Ethnicity, or National Origin
- Religion or Religious Beliefs
- Gender, Sexual Orientation, or Marital Status.
- Age or Whether You Have Children Under 18 Living with You
- Whether You Have Mental or Physical Disabilities

#### CALIFORNIA SECURITY DEPOSITS LAW (CIVIL CODE SECTION 1950.5)

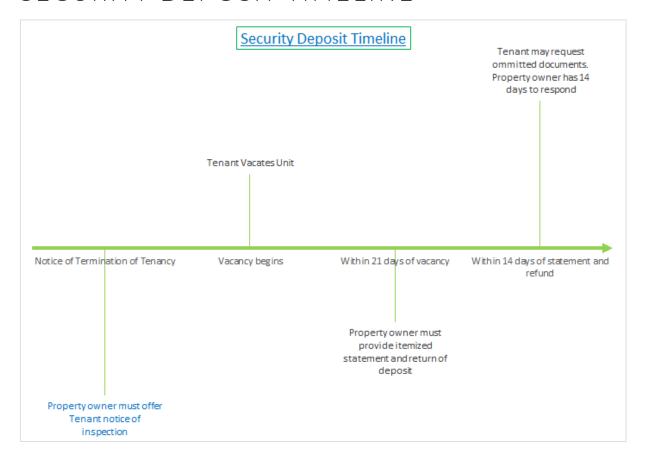
Residential security deposits are defined as any payment, fee, deposit or charge, that is imposed at the beginning of the tenancy as an advance payment of rent, or to be used for recovering rent defaults, repairing damages caused by the tenant, or cleaning. This does not include an application or screening fee. Money paid as the first month's rent is not considered a security deposit. But all deposits, such as last month's rent, cleaning deposits, key deposits, and pet deposits, are part of the security deposit. Generally, a security deposit may not exceed two times the monthly rent for an unfurnished unit or three times the monthly rent for a furnished unit.

It is unlawful for a lease or rental agreement to make a security deposit non-refundable.

### OAKLAND LAW REGARDING INTEREST ON SECURITY DEPOSITS

Property owners are not required to pay interest on security deposits in Oakland.

#### SECURITY DEPOSIT TIMELINE



#### DEDUCTIONS FROM DEPOSIT

A property owner may deduct from a tenant's security deposit only the amount that is reasonably necessary to:

- Cover rent defaults;
- Repair damages a tenant or a tenant's guest caused other than normal wear and tear;
- Do necessary cleaning; and
- If allowed by the lease, cover the cost of restoring or replacing personal property, furniture, or keys, excluding ordinary wear and tear.

At a reasonable time after either party gives notice that the tenancy is being terminated, or before the lease expires, the property owner must notify the tenant in writing of his or her right to request an initial inspection of the unit and to be present at the inspection. The purpose of the inspection is to identify needed cleaning for the tenant to perform before moving out to avoid deductions from the security deposit. If an inspection is requested, it should occur at a mutually agreed upon time no earlier than two weeks before the tenancy is to end. If a time cannot be agreed upon, the tenant may either cancel the inspection or allow the inspection to proceed in his or her absence.

The property owner must give a 48-hour written notice prior to the inspection, unless the tenant waives this requirement in writing. Immediately after the inspection, the property owner must provide the tenant with an itemized list of repairs and cleaning that need to be done to avoid authorized deductions. This statement must include the text of Civil Code Section 1950.5 (b). The tenant may then, before the end of the tenancy, address the identified problems. The property owner may use the deposit for authorized deductions that were itemized in the statement but not cured, arose after the initial inspection, or were not identified during the inspection because they were concealed by the tenant's belongings.

Within 21 days after the tenant(s) leave the unit vacant, the property owner must:

- (1) furnish the tenant with a written statement itemizing the amount of, and purpose for, any deductions from the security deposit (if deductions are more than \$125); and
- (2) return any remaining portion of the deposit to the tenant.

#### Method of returning deposit:

After either party has given notice to end the tenancy, a property owner and tenant may agree that the owner may electronically deposit the security deposit refund into the tenant's bank and that the property owner may email the statement of any deductions to the tenant.

#### Work completed before return of deposit:

If more than \$125 is deducted from the deposit for cleaning and repairs together, the property owner must attach to the itemized statement copies of documents showing the charges and costs to clean and repair the unit. If the property owner or his or her employee did the work, the statement must describe the work performed, the time spent, and the reasonable hourly rate charged. If another person or company did the work, the property owner must provide their name, address, and telephone number, and a copy of their bill, invoice or receipt for the work. A deduction for materials or supplies must include a copy of a bill, invoice or receipt. The tenant may give up the right to the documentation requirement in writing, but even so, the tenant may, within 14 days of receiving the property owner's itemized statement, request any omitted documentation, and the property owner must provide it within 14 days of receiving the request.

#### Work not completed before return of deposit:

If, within 21 days of the unit being vacated, necessary repairs cannot reasonably be completed, or if a service provider does not make the documentation available, the property owner may deduct an amount based on a good faith estimate of the charges, and provide the required documentation within 14 days of completing the repairs or obtaining the documentation. All mailings to the tenant after the tenancy ends must be sent to the tenant's new address. If the tenant did not furnish a new address, the mailings must be sent to the tenant at the vacated address. Therefore, to avoid the risk that the deposit is not forwarded from the old address to the property owner when moving.

### Tenant remedies for property owner's failure to account and return deposit:

A tenant who does not receive the refund and accounting within 21 days, or disputes the amount claimed by the property owner, may sue for the disputed amount in Small Claims Court (if the amount is less than \$10,000), and up to twice the amount of the deposit if the property owner maliciously refused to return any security.

A tenant may also consider using RAP's mediation services, to resolve disputes related to the failure to return a security deposit. RAP staff will act as a neutral third party to help the tenant and property owner reach a mutually acceptable resolution.

A property owner who sells a rental property must either:

1) transfer the deposit to the new owner; or 2) return the deposit to the tenant. The selling property owner may deduct any proper amounts, and must supply the tenant with an itemized accounting of the deductions and the supporting documentation described above. If the seller transfers all or part of the deposit to the new property owner, the seller must also notify the tenant of the transfer, and the new property owner's name, address, and telephone number. All notices must be sent to the tenant by first-class mail or personal delivery. If the deposit is not refunded or transferred, both the former and current property owners are responsible to the tenant for the whole amount.

EFFECT OF DEPOSIT AND NEW PROPERTY OWNER

# SUBLETTING AND REPLACING ROOMMATES

#### SUBLETTING

To sublet or sublease is to rent part of the unit to another person for all or part of the lease term, or to rent all of the unit to another for a portion of the lease term. Thus, a sublet exists where the original or "master tenant" takes in a roommate whose name is not on the lease and the roommate pays rent to the master tenant, or where the master tenant rents the entire unit to another tenant during the master tenant's absence. A master tenant remains obligated to the property owner to comply with the lease requirements. Oakland does not have an Ordinance or Regulation restricting the amount of rent a master tenant charges a subtenant. A tenant may sublet a unit if the lease does not specifically prohibit it.

If the lease says that subletting is allowed subject to the property owner's approval, the property owner may refuse consent only when he or she has a reasonable objection to the proposed subtenant. The proposed subtenant's financial responsibility or rental history are examples of reasonable objections. Caution: Where a lease specifically prohibits subletting, a non-occupying master tenant's subletting of the entire premises may be a violation of the lease and grounds for eviction. For questions about whether a lease allows this type of subletting, property owners and tenants should seek legal advice.

#### REPLACEMENT TENANTS

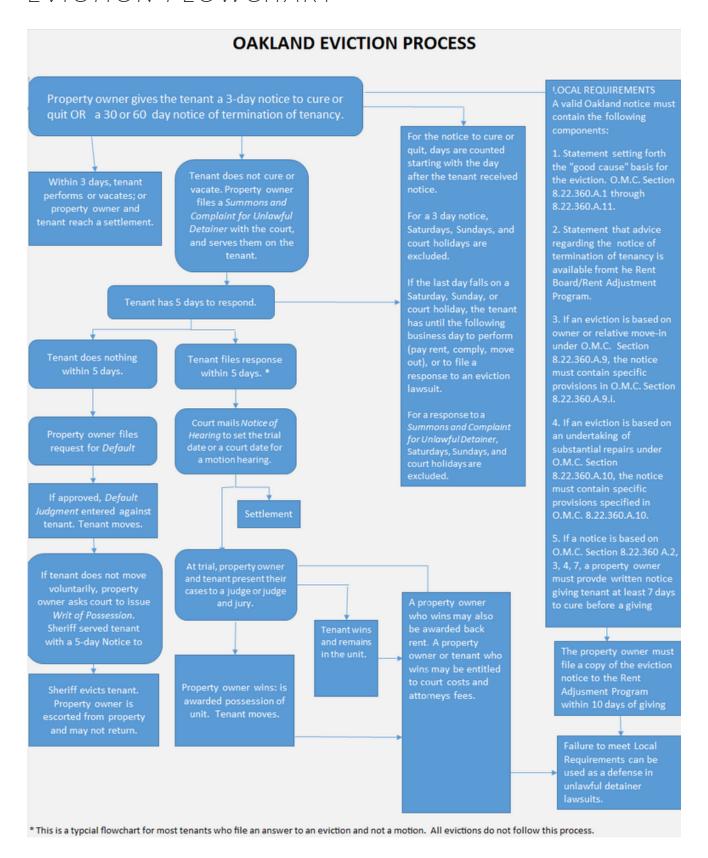
A property owner generally must let an original tenant replace a roommate who was allowed under the lease. If the lease requires the property owner's approval of a sublet, the property owner may object to a replacement tenant only if the property owner has a reasonable basis to do so.



### **EVICTIONS**

Evictions are governed mainly by state law, but the Just Cause for Eviction Ordinance imposes additional requirements. Evictions can be complicated. A property owner must follow state and local law to the letter to successfully evict a tenant. Additionally, a property owner's failure to comply with state and local laws may entitle a tenant to substantial damages. RAP staff is available to help parties understand their rights and responsibilities, but does not provide legal advice to property owners or tenants. Property owners and tenants are strongly encouraged to obtain legal advice before filing or contesting an eviction.

#### FVICTION FLOWCHART



#### JUST CAUSE REQUIRED TO EVICT

The Just Cause for Eviction Ordinance applies to most rental units in Oakland, including single family residences; owner-occupied duplexes and triplexes, units owned and operated by another government agency, and new construction of units or building where Certificate of Occupancy was issued before December 31, 1995.

The Just Cause Ordinance adds the following requirements to state law procedures for evictions (8.22.360 D):

In the notice to quite or notice of termination, and in the summons and complaint, the property owner must:

- Specify one or more of the just causes for evictions
- Allege that the eviction is in good faith

The property owner must also send a copy of the notice to the Rent Adjustment Program.

### "JUST CAUSE" IS ANY ONE OF THE FOLLOWING:

- 1. The tenant fails to pay rent the property owner is legally entitled to, after received a notice to pay or move within a period of no less than 3 days (also known as a 3-day Notice of Pay or Quit).
- 2. The tenant continues to substantially violate a materials term of the rental agreement, after written notice from the property owner.
- 3. The tenant refuses to sign a renewal or extension of a rental agreement, that is materially the same as the first agreement.
- 4. The tenant willfully caused substantial damages to the premises beyond normal wear and tear, and has refused to stop damaging the premises or pay the reasonable costs of repairs, after written notice from the property owner.

- 5. The tenant continues to disturb the peace and quiet enjoyment of other tenants, after written notice to stop.
- 6. The tenant has used the rental unit or common areas of the premises for an illegal purpose, including the manufacture, sale, or use of illegal drugs.
- 7. The tenant continues to deny property owner legal access to the unit, after written notice.
- 8. The property owner seeks in good faith to recover the rental unit as the property owner's principal residence, as provided in a written rental agreement with the current tenants.
- 9. The property owner seeks in good faith to recover the rental unit for the property owner's principal residence or the use of the owner's spouse, domestic partner, child, parent, or grandparent.
- 10. The property owner seeks in good faith to recover the rental unit to undertake substantial repairs that cannot be completed while the unit is occupied, and are necessary to correct any code violations that affect the health and safety of the tenants in the building.
- 11 Property owner seeks to withdraw the unit from the rental market under California's Ellis Act.

### FORECLOSURE AND SALE OF PROPERTY

Oakland tenants covered under Just Cause are entitled to protection, even if the property is sold or foreclosed. Neither is one of the just causes listed in the Just Cause for Eviction Ordinance.

#### RELOCATION PAYMENTS

The Uniform Relocation Ordinance O.M.C. Section 8.22.800 requires owners to provide tenants displaced by code compliance activities, owner or relative move-ins, Ellis Act, and condominium conversions, with relocation payments. Except for temporary code compliance displacements, which require the payment of actual temporary housing expenses, the payment amount depends on the size of the unit and adjusts for inflation annually on July 1st.

Please check our website for updated relocation payment amounts. The base payment amounts until June 30, 2020 are:

\$7,116.23 per studio/one bedroom unit \$8,758.44 per two bedroom unit \$10,811.20 per three or more bedroom unit

Tenant households in rental units that include lower income, elderly or disabled tenants, and/or minor children are entitled to a single additional relocation payment of two thousand five hundred dollars (\$2,500) per unit from the owner.

### IMPROPER PROPERTY OWNER ACTIONS

A property owner may not try to force a tenant to move out through fraud, extortion, theft, or threat to use force, or menacing conduct that interferes with the tenant's right to quiet enjoyment of the premises. However, a warning given in good faith that a tenant's conduct violates the law or the lease, or an explanation of a lease term or applicable law, is permissible.

A property owner may not demand or collect rent, or issue a notice of rent increase, or issue a 3-day notice to pay rent or quit, if all of the following are true:

- The unit substantially lacks any of the standards of a habitable unit listed in Civil Code Section 1941.1, contains lead hazards, or is deemed and declared substandard because a condition listed in Health and Safety Code Section 17920.3 (e.g. lack of sanitation, pest infestation) endangers the life, health, property, safety, or welfare of the public or the unit's occupants;
- The property owner has received a written citation requiring abatement of the nuisance or repair of substandard condition;
- The conditions have existed for more than 35 days after issuance of the citation and there is no good cause for the delay in repairing them; and
- The conditions were not caused by the tenant.

A tenant who is being evicted can assert that the failure to provide a livable unit is a breach of the implied warranty of habitability. A tenant may also recover attorney's fees and costs if the property owner tries to evict for nonpayment of rent if all the above conditions exist. A tenant who is illegally evicted may sue to regain possession of the unit and for damages.

## OTHER LAWS AFFECTING RENTAL PROPERTIES

The following ordinances and statutes from the City of Oakland and the State of California may impact rental properties. This is not an exhaustive list of laws affecting property owners and tenants.

#### CARBON MONOXIDE ALARMS

State law requires owners of all existing single-family homes with an attached garage or gas appliance to install carbon monoxide alarms in the home by July 1, 2011. Beginning January 1, 2013, multi-family dwellings are required to install a carbon monoxide alarm in each unit, and the device must be approved by the state fire marshal.

#### SEISMIC ORDINANCE

The City of Oakland requires owners of buildings with five or more dwelling units, that have a wood frame target story, and were constructed before January 1, 1991 or designed based on a 1985 Uniform Building Code design, to notify tenants, perform a seismic evaluation, and complete mandatory retrofit work. Property owners may pass through the cost of the work up to 70%, per RAP guidelines and approval. For more information, please contact the Oakland's Planning and Building Department at (510) 238-3941.

### LOCAL AND STATE LAWS

#### FIFCTRONIC PAYMENTS

Property owners cannot require tenants to pay rent electronically, online, or through an automatic deduction system. Tenants may agree to pay rent in one of those ways, but they also have the right to rescind such an agreement at any time. (Civil Code Section 1947.3)

#### MASKING UNLAWFUL DETAINERS

Prior to 2016, an old law made evictions public record if a tenant did not win his or her case within 60 days. This meant that even if a tenant won their case on the 61st day, or if the property owner did not move forward with the eviction but failed to dismiss the case, the eviction could be made publicly available – information that could then be captured by screening companies and make it difficult for tenants to secure housing in the future. AB 2819 changed this, and now an eviction only appears as a public record if a property owner prevails in an unlawful detainer case.

#### BED BUG LAW

Beginning July 1, 2017, property owners must give notices to prospective tenants about bed bud identification and prevention. Tenants are protected from retaliation from property owners, should they choose to report. Property owners who are on notice of bed bugs are prohibited from renting infested units. Tenants are required to cooperate in the inspection and treatment of bed bugs.



### OAKLAND RENT ADJUSTMENT PROGRAM

250 FRANK H. OGAWA PLAZA SUITE 5313 OAKLAND, CA 94612

PHONE (510) 238-3721 FAX (510) 238-6181 www.oaklandca.gov/rap

Rent Adjustment Program Service Hours:

Mon: 9:30 am to 1:00 pm

Tues through Thurs: 9:30 am to 4:30 pm

Fri: Closed\*

\*(Document drop off available 9:00 am - 4:30 pm)

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