#090278

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

May 18, 2009

The Honorable Board of Supervisors
City and County of San Francisco
Room 244, City Hall

Angela Calvillo
Clerk of the Board of Supervisors
Room 244, City Hall

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BOARD OF SUPERVISORS
SAN FRANCISCO
2009 MAY 18 AM 11:45
BY ___

Re: Office of Economic Analysis Impact Report for File Number 090278 & 090279

Dear Madam Clerk and Members of the Board:

The Office of Economic Analysis is pleased to present you with its economic impact report on file numbers 090278 and 090279, "Residential Rent Ordinances: Economic Impact Report." If you have any questions about this report, please contact me at (415) 554-5268.

Best Regards,

Ted Egan
Chief Economist

cc Linda Laws, Committee Clerk, Land Use and Economic Development Committee

City and County of San Francisco

Office of the Controller - Office of Economic Analysis

Residential Rent Ordinances:

Economic Impact Report

DRAFT VERSION 6

File Nos. 090278 and
090279

May 18, 2009

City and County of San Francisco

Office of the Controller - Office of Economic Analysis

Residential Rent Ordinances: Economic Impact Report **May 18, 2009**

Main Conclusions

San Francisco's Rent Ordinance controls the annual rent increases that landlords are allowed to charge for rental housing units constructed before 1979. According to the U.S. Census Bureau, 88% of San Francisco rental housing was constructed before 1980.

Two related ordinances amending the Rent Ordinance were introduced in March, 2009. Both could have a material economic impact on the city, through their effect on housing price and supply.

1. *Tenant Financial Hardship Relief*: This proposed ordinance would allow a tenant to appeal an allowed rent increase, or utility or capital improvement pass-through, if the resulting annual rent would exceed 33% of the tenant's adjusted gross income. The tenant could appeal the rent increase in multiple years, and the ordinance does not expire.

2. *Prevent rent increases based on an increase in occupancy*: This proposed ordinance prevents landlords from raising rent, or evicting tenants, if additional sub-tenants occupy the unit. Rent increases and/or evictions would be prohibited under this legislation even if they are currently allowed by the lease.

The first proposed ordinance would have, by far, the greater economic impact. Under its provisions, a significant portion of San Francisco's renters would be exempt from future rent increases as long as they stayed in their unit. Over 35% of San Francisco renters now spend over a third of their income on housing.

While this ordinance would protect tenants against rent increases while they stay in their unit, the Rent Ordinance does not control the rent a landlord can require from a new tenant when a unit becomes vacant. If this legislation comes into effect, landlords can and will attempt to maintain the rental income of their properties by charging higher rents for vacant units. Because rental housing turns over frequently in San Francisco, and because such a high percentage of the City's rental housing is affected by this legislation, landlords will be able to recover most of their lost rental income by raising rents on vacant units, in effect passing the cost on to new tenants.

The OEA estimates the legislation could raise the market price of rental housing in the City, by as much as 2.8%. It is this increase in the market price of housing, which ultimately generates wage inflation and weakens San Francisco's competitiveness, that is the basis for the negative economic impact of this legislation.

In addition, the legislation could have the unintended consequence of making it more difficult for low-income renters to find housing in San Francisco. If this legislation becomes law, landlords renting a vacant unit will have a clear financial incentive to avoid renting to any tenant that could claim financial hardship. Under current State and City law, it is not illegal to discriminate against potential tenants on the basis of their income, occupation, employment status, or credit rating.

During the current recession, the economic risks associated with this legislation are small. Market rents in the city are currently declining, and the annual allowable rent increases are likely to be small. The negative economic impact, and the housing accessibility problem facing low-income renters, are likely only to appear in the longer term. For this reason, the economic risks associated with this legislation can be greatly minimized by amending it to sunset when the recession ends, perhaps at the end of 2010.

Concerning the second proposed ordinance, prohibiting landlords from preventing or profiting from occupancy increases will have a beneficial impact on the housing market and the city's economy. It will give existing tenants a financial incentive to make space for new sub-tenants. In doing so, they will create new rental housing opportunities that would not otherwise exist.

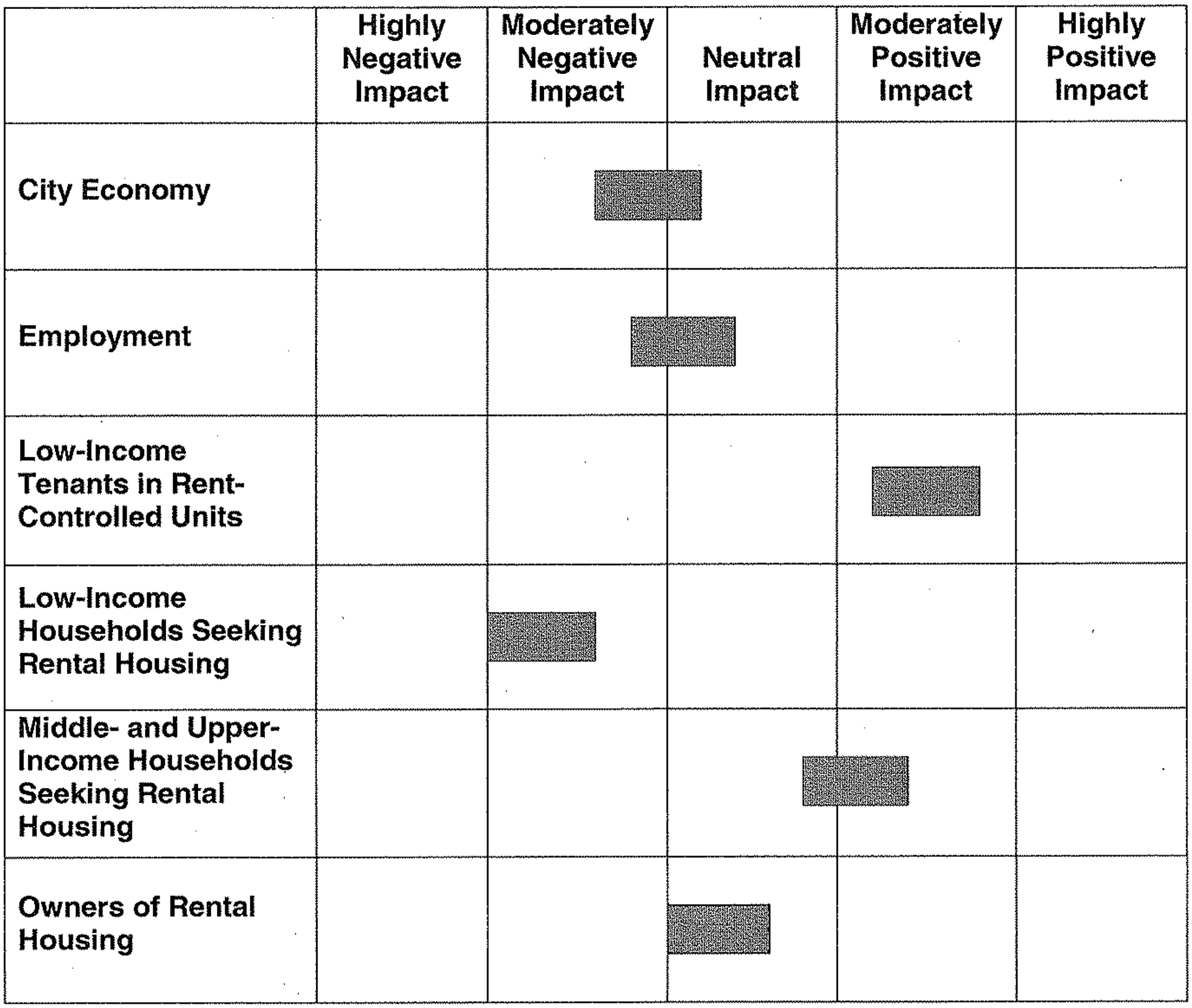
It is difficult to estimate the reduction in housing prices that would result from this legislation. There is little hard data on how the market for shared/roommate housing responds to changes in supply or regulation. In addition, anecdotal evidence suggests the practice of informal subletting already occurs in San Francisco, and it is unclear how much additional sub-leasing will develop as a result of this legislation per se.

The OEA estimates there are over 12,000 San Francisco renters who have recently become unemployed. These tenants are likely to be highly motivated to either reduce their housing costs, or to earn additional income by seeking sub-tenants. In the past year, the number of open apartment listings at any given time in the city has nearly doubled, to over 6,800 per week. It is likely that by expanding the supply and reducing the cost of rental housing, this legislation will make it easier for some renters to remain in San Francisco throughout the recession.

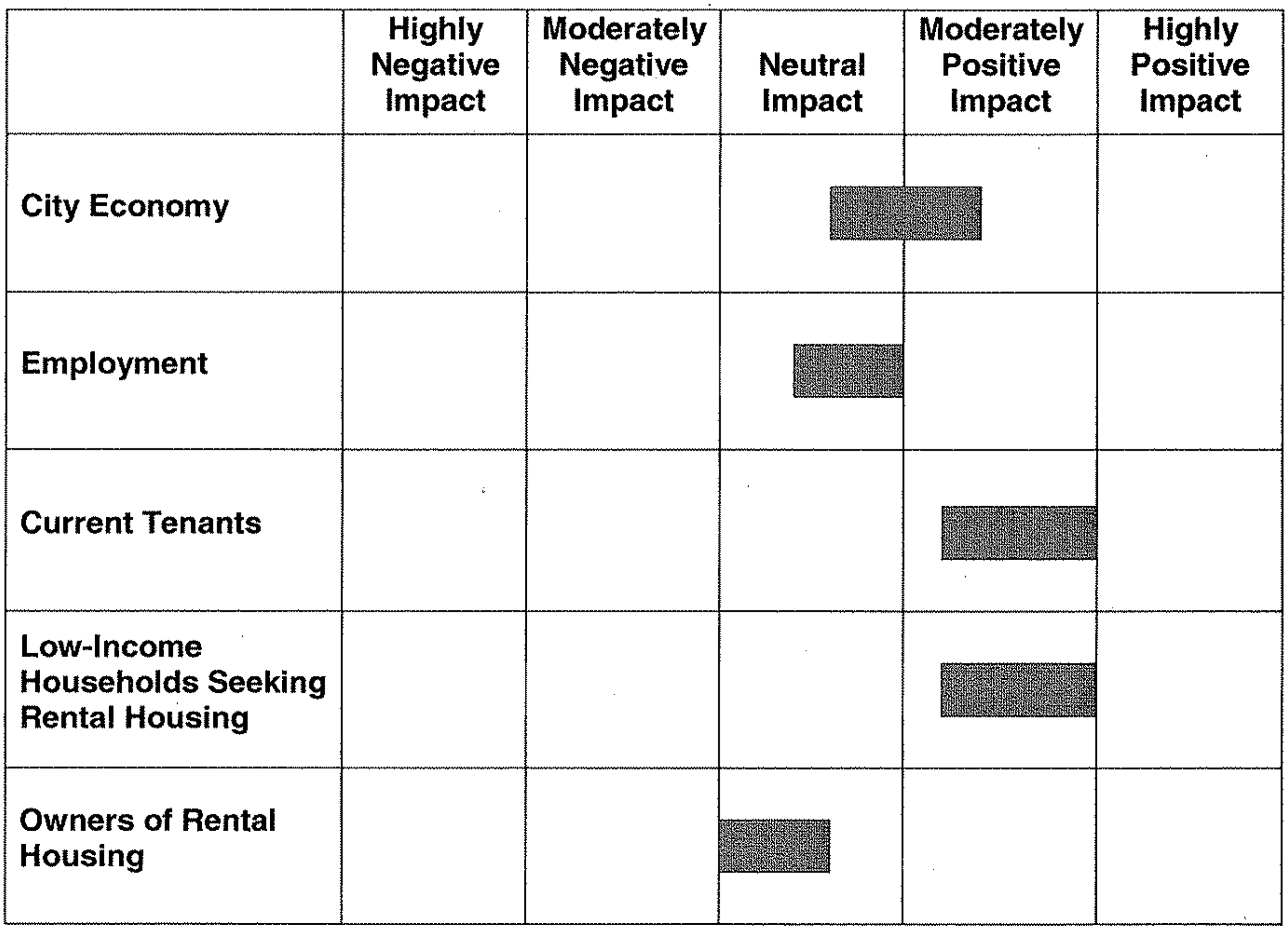
The legislation will impose a cost on landlords, although the direct cost to the broader economy is likely to be small. Increasing occupancy will increase the maintenance, water, heat, garbage, and other utility costs that most landlords in the city are responsible for. Landlords will likely insure themselves against the risk of these higher costs by raising rents on all vacant units, and/or by requiring a larger security deposit. This will put some upward pressure on rental prices, though it is very unlikely to actually raise market rents in the short run.

The only economic risk associated with this legislation is that it does not require a tenant to send the landlord a written notification of new occupants for record-keeping purposes. Existing provisions to allow a one-for-one replacement of tenants, or to expand occupancy to include family members, also require tenants to submit a written request.

ECONOMIC SCORECARD: TENANT FINANCIAL HARDSHIP RELIEF



ECONOMIC SCORECARD: PREVENT RENT INCREASES BASED ON OCCUPANCY



INTRODUCTION

Summary of Proposed Rent Ordinances

Two related ordinances affecting residential rental units subject to the San Francisco Rent Ordinance are the subject of this economic impact report. The ordinances are briefly summarized below:

1. **Tenant Financial Hardship Relief**: suspends the allowed annual rent increase if total rent would exceed 33% of tenant's adjusted gross income. The rent increase suspension applies to both annual CPI inflation adjustments, as well as qualified pass-throughs. (File #090278)

2. **Prevent rent increases based on an increase in occupancy:** landlords may not raise rent or evict tenants based on additional occupants, even if a lease allows it. (File #090279)

Most residential rental units in buildings that were constructed before June 13, 1979 are covered by the San Francisco Rent Ordinance. Commercial units and residential units in buildings for which a certificate of occupancy was first issued after June 13, 1979 are exempt from the Rent Ordinance.

Among other provisions, the Rent Ordinance limits the annual rental rate increase that a landlord can charge existing tenants to 60% of the increase in Consumer Price Index (CPI-U) in the San Francisco region.

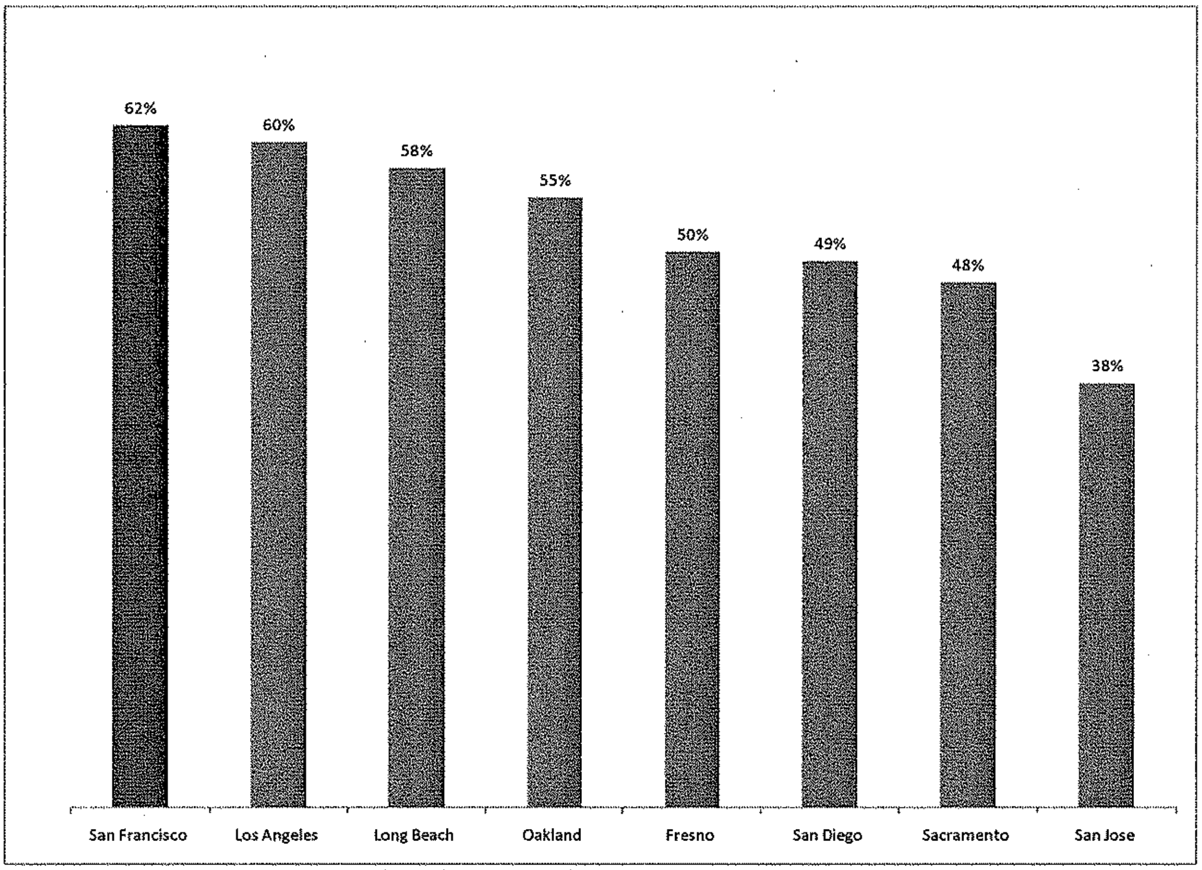
However, when a rental unit is vacated, the landlord may charge any rent to the next tenant. This form of *vacancy de-control* limits the cost of rent control to the landlord, and creates a situation where tenants who have resided in their units for the longest time receive the greatest benefits.

Rent Control and San Francisco's Housing Market

This section provides a brief statistical profile of rental housing in San Francisco, focusing on the importance of rental housing to the city's housing stock, the significance of rent control in the market, and the effect of rent control on actual rents paid by tenants.

San Francisco is more reliant on rental housing than any other large city in California, as indicated in Figure 1. 62% of all housing units in the city are occupied by renters. The residents of these units make up 55% of the total population of San Francisco.

FIGURE 1 **Percentage of Housing Units That Are Renter-Occupied, Largest Cities in California, 2007**



Source: U.S. Census, 2005-7 American Community Survey.

Rent control has a significant effect on the rental market, and the broader housing market in San Francisco. 88% of all rental units in the city were built before 1979, and hence are covered by rent control under the Rent Ordinance. 23,000 rental housing units, or 12% of the total, have been constructed in the past 30 years in San Francisco.

TABLE 1 **Housing Units Covered by Rent Control in San Francisco, 2005-7**

Year Built	Number of Rental Units Built	% of Total	
Since 2000	6,821	3%	12% Exempt from Rent Control
1990-1999	7,321	4%	
1980-1989	8,900	4%	
1940-1979	72,311	36%	88% Covered by Rent Control
Before 1940	102,841	52%	

Source: U.S. Census, 2005-7 American Community Survey.

One consequence of rent control is a disparity between the rent paid by long-term and recent tenants. This can be seen in the difference between the actual rents paid by tenants, as reported by the Census Bureau, and listing rents for the same type of apartment.

Table 2 below provides this comparison for studio apartments in San Francisco in 2007. Tenants in 70% of San Francisco's 40,000 studio apartments paid less than $1,000 in rent, whereas 80% of the vacant studio apartments listed for more than $1,000.

TABLE 2 **Asking Studio Rent, and Actual Rent Paid by Studio Tenants, San Francisco, 2007**

Rent	% of tenants paying this rent	% of vacant units listed at this rent
$1-$500	28%	2%
$500-$750	20%	2%
$750-$1,000	42%	15%
$1,000+	30%	80%

Source: U.S. Census, 2005-7 American Community Survey; Craigslist

ECONOMIC IMPACT FACTORS

Impact of Tenant Financial Hardship Relief on the City's Economy

The proposed Tenant Financial Hardship Relief ordinance would exempt tenants in rent-controlled housing, who spend a high percentage of their income on rent, from future rent increases. The legislation would thus directly affect the distribution of income between affected tenants and landlords. However, its impact would reach beyond those two groups, and affect the broader city economy.

Close connections exist between housing prices, wages, and the overall economic health of a city. In a city with a strong economy, residential property can be one of its most profitable investments. This is particularly true when the growth of housing supply is constrained, as it is in San Francisco and the Bay Area.

Competitive industries and growing businesses create a demand for more labor, which often leads to rising wages and in-migration. Existing and newly-arrived workers then have the resources to bid up the price of scarce housing, to the benefit of property owners. This is one reason why, in many growing cities, rents rise faster than wages.

Rent control effectively shifts some of this income from rental property owners to residential tenants, resulting in lower housing prices on average[1]. However, the form of rent control in effect in San Francisco, known as *vacancy de-control*, allows landlords to recover some income lost from rent control by raising rents on new tenants.

Because rent control in the city only determines annual rent increases, and not initial rents, tenants who have stayed in their unit the longest receive the most benefit. Conversely, landlords with the greatest turnover rate in their rental housing suffer the least financial harm from rent control. This is both because their tenants are paying closest to market rent, and because they have more opportunities to recover lost rental income by charging new tenants a higher base rent.

Landlords do, of course, compete for new tenants, and the asking rent is important in competition. But when landlords collectively face a new regulatory burden, as in the case of the Tenant Financial Hardship Relief Ordinance, they have an increased ability to shift its burden on to new tenants.

In economic terms, this means that while the proposed

[1] For example, according to the U.S. Census Bureau, 98 cities in California had a higher median contract rent than San Francisco did, over the 2005-7 time period. Only 34 cities had higher average owner-occupied housing values. Source: U.S. Census Bureau, *American Community Survey*, 2005-7.

ordinance will clearly provide financial relief to current tenants who spend a high percentage of their income on housing, landlords have the capacity to shift a fraction of this burden on to new tenants, while keeping their rental income intact.

It is this higher rent burden on new tenants, and on potential migrants to San Francisco, that creates the negative impact on the City's economy. Higher market rents increase the likelihood that residents who need new housing, because they have become unemployed, or had a change in their household, will move out of the city. It will also discourage new migrants from moving to San Francisco. Both effects will tend to put upward pressure on wages, to offset the higher rents, without actually raising workers' standard of living, or generating economic growth.

Impact of Tenant Financial Hardship Relief on Low-Income Housing Seekers

While the proposed Tenant Financial Hardship Relief ordinance would create clear benefits for current tenants who face financial hardship, and intend to remain in their units, it would also create difficulties for low-income residents searching for new housing. At the present time, these difficulties will be especially acute for recently-unemployed workers. They are more likely to be low-income and eligible for financial hardship, but also more likely to be searching for vacant housing because they can no longer afford their former unit.

If the proposed legislation comes into effect, any landlord renting a vacant unit faces a clear financial incentive to discriminate against an applicant who could potentially claim financial hardship. Such tenants would be exempt from future rent increases, whereas other tenants would have to pay them.

Under City and State law, it is not illegal for landlords to select tenants on the basis of income, and a statement and evidence of income is commonly required on standard rental applications.

Impact of Preventing

Most rental leases in San Francisco either prohibit tenant sub-leasing outright, or require a supplemental rent

Rent Increases Based on Occupancy

payment to the landlord if occupancy increases[2]. With a few exceptions[3], tenants may currently be evicted for violating these clauses of a lease.

The second piece of proposed legislation analyzed in this report would prohibit landlords from evicting a tenant for increasing the occupancy of the unit, regardless of what is specified in a lease. It would also prohibit the charging of extra rent to a tenant, in cases where the lease allows an increase in occupancy.

In some cases, tenants may have an economic or other interest in allowing additional tenants to share their housing unit. Current legislation discourages this and encourages tenants to accept lower levels of occupancy than they would in the absence of these prohibitions. In this sense, the proposed legislation represents a form of de-regulation of the housing industry, which will result in lower rents, less out-migration from San Francisco, and a positive impact on the economy.

A simple example can best illustrate the key point. If a prospective tenant approached the owner of an occupied one-bedroom unit, the landlord could not force an existing tenant to share the unit. If the prospective tenant approached the current tenant, under current legislation and industry practice, sharing the unit would either be prohibited, or require a fee to the landlord. Both practices discourage the current tenant from accommodating the potential tenant, even in exchange for a rent payment, and thus represent a failure in the housing market.

Removing the prohibition against increasing occupancy eliminates this market failure, and fosters more matching of prospective tenants with potential housing units. In this way, it will increase the effective supply of housing in San Francisco, and lead to downward pressure on rents.

The legislation would impose a cost on landlords, but this cost would not have an impact on the broader economy unless it led to landlords taking units off the rental market. The primary cost to landlords would be from higher utility and maintenance costs, which are generally the landlord's responsibility. In the same way that landlords can pass on the costs of tenant financial hardship relief to new tenants, they are likely to try to raise rents on vacant units to offset the risk of higher utility and maintenance costs on occupied

[2] According to the San Francisco Apartments Association, approximately 70% of leases in San Francisco prohibit sub-leasing outright, and the remaining 30% require a payment to the landlord if occupancy increases.

[3] Tenants may not be evicted for sub-leasing to a new tenant if there is a one-to-one replacement of an existing tenant. In addition, tenants may not be evicted for increasing occupancy if the new occupants are family members.

units.

However, the upward pressure of this uncertainty on rents is very unlikely to offset the downward pressure owing to expanded supply. If, for example, 5% of rental units expand occupancy 50% because of this legislation, and utilities and maintenance comprise 10% of rent, then landlords as a group will experience only a 0.25% increase in across-the-board costs, which they will be inclined to pass on to new tenants.

The effective 2.5% increase in housing supply, on the other hand, could lead to a proportionate 2-3% fall in market rents, under reasonable assumptions about the elasticity of demand for housing in the city.

While these rough figures are not intended to provide a quantitative estimate of the true impact, they are enough to make it clear that the positive impacts of lowering housing prices outweigh the impact of higher costs, in this case.

Prevalence of Financial Hardship Among San Francisco Renters

The primary reason why the Tenant Financial Hardship Relief ordinance is projected to have such a significant impact is the scale of hardship among San Francisco's renter households. As detailed in Table 3, 34% of renter households in the city currently spend more than 35% of their gross income on rent. As the cut-off in the ordinance in 33% of income, not 35%, the affected share of San Francisco's renting households is likely closer to 40%.

This implies that landlords will lose annual rent increases for 40% of the rent controlled units in the city, which, as explained earlier, is 88% of the total rental housing stock.

TABLE 3 **Percentage of Gross Income Spent on Rent, San Francisco Renting Households, 2005-7**

Percent of Income Spent on Rent	Number of Households	Percent of Total	
Less than 10.0 percent	9,178	5%	
10.0 to 14.9 percent	21,737	11%	
15.0 to 19.9 percent	27,391	14%	
20.0 to 24.9 percent	25,247	13%	
25.0 to 29.9 percent	23,395	12%	
30.0 to 34.9 percent	16,664	8%	
35.0 to 39.9 percent	11,075	6%	34% of renting households spend over 35% of income on rent
40.0 to 49.9 percent	15,115	8%	
50.0 percent or more	39,099	20%	
Not computed	9,293	5%	
Total:	198,194	100%	

Source: U.S. Census Bureau, 2005-7 American Community Survey

Annual Turnover of Rental Housing In San Francisco

Landlords will attempt to recover lost rental income from hardship tenants by raising rents on vacant units. Their ability to do so hinges on the turnover in rental housing: the faster the turnover, the more rents can be raised on vacant units, and the more landlords can maintain income.

Table 4 below estimates the annual turnover in rental housing in San Francisco by looking at the recent migration behavior of renter households in the City. On average, 79% of San Francisco renting households have remained in their unit for at least one year, while 21% moved into their unit during the past year. This means an annual turnover of 21%, and it likely means that a similar percentage of rent-controlled units become vacant, and have their rents reset, each year.

TABLE 4	Annual Turnover of San Francisco Rental Housing Units, 2005-7		
Tenant Residence 1 Year Ago	**Number of Renters**	**Percent of Total**	
Lived in same house 1 year ago	317,394	79%	
Moved within San Francisco	46,978	12%	21% annual rental unit turnover
Moved from elsewhere in the U.S.	31,414	8%	
Moved from abroad	6,444	2%	
Total	402,230	100%	

Source: U.S. Census, 2005-7 American Community Survey

Because nearly every rental unit in San Francisco is rent controlled, and all rent-controlled landlords will face the same pressure to raise rents on vacant units, prospective tenants seeking a rental unit in San Francisco will find higher prices almost everywhere they look. Their only realistic option to avoid higher rents would be to live outside of San Francisco, but this will raise their transportation cost and will not be a viable or desired option for many. Thus, to a great extent, new tenants will absorb the costs of tenant hardship relief.

Impact on Rental Housing Prices if Landlords Pass Along the Full Cost

Over the past twenty years, the average annual increase in allowed rent under the Rent Ordinance has been 1.9%. This figure is not a bad benchmark for determining an average annual cost of the Tenant Financial Hardship Relief ordinance. As detailed in Table 5, the policy will cost approximately $16.7 million per year, based on 2007 rent levels.

If, as the OEA projects, landlords can successfully shift this cost burden on to new tenants, by raising the rent on vacant units, these rents will rise by an average of $33 per month, a 2.8% increase.

TABLE 5 Estimated Rent Increase to Offset the Cost of Tenant Financial Hardship Relief, Assuming Landlords Maintain Income

	$1,199	average San Francisco monthly contract rent [1]
x	1.9%	annual rent control increase, 1988-2008 [2]
x	88%	of rental units covered by rent control [3]
x	35%	of units affected by tenant hardship relief [4]
x	198,194	number of rental units in San Francisco [5]
	$16,687,653	**Lost annual income from tenant financial hardship relief**
=	$16,687,653	Annual income to recover from vacant units
x	21%	Annual turnover rate for rental units [6]
/	198,194	number of rental units in San Francisco
/	12	months per year
	$33	**monthly increase on vacant units to offset loss**
/	$1,199	average San Francisco monthly contract rent
	2.8%	**percent annual increase in market rent**

Sources:

[1] U.S. Census, 2005-7 American Community Survey.

[2] U.S. Bureau of Labor Statistics

[3] See Table 2.

[4] See Table 3.

[5] U.S. Census, 2005-7 American Community Survey.

[6] See Table 4.

RISK FACTORS AND MITIGATION

Tenant Financial Hardship Relief

Of the two ordinances, the Tenant Financial Hardship Relief ordinance runs the greater risk of a negative economic impact. Its negative impact can be mitigated by adopting one or more of the following three measures:

1. Adding a sunset provision for this legislation so that it only applies during the current recession. This would be the least costly mitigation, since CPI-based rents are unlikely to significantly increase during the next 1-2 years in any event.
2. Altering vacancy decontrol to discourage landlords from charging market (or higher) rents to new tenants. This would inhibit property owners from passing the full cost of the hardship relief on to new tenants, although it would not remove the incentive to discriminate on the basis of income.

   However, removing vacancy decontrol will reduce investment in rental housing, and likely prompt some landlords to remove rental units from the market, via the Ellis Act. Removing rental units from the market will raise rents in the long term, and therefore, such a move should be carefully studied and considered. As the legislation is currently written, the OEA believes relatively few additional units will be Ellised.
3. Adding financial hardship to the list of fair housing criteria on which discrimination is prohibited. Such a move could limit the barriers that low-income households will face when renting housing, if the legislation as written goes into effect.

Preventing Rent Increases Based on Occupancy

As the OEA projects this legislation will have a positive impact on the economy, the risks are small. However, the legislation currently does not require any written notice or request to the landlord when occupancy increases. This can be helpful for record-keeping purposes, and is currently required for a one-to-one roommate switch, or an occupancy increase of family members.

STAFF CONTACTS

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#090278

City and County of San Francisco

Office of the Controller – Office of Economic Analysis

Residential Rent Ordinances: Economic Impact Report

Ted Egan, Ph.D.
Chief Economist, Controller's Office of Economic Analysis
May 18, 2009

Two Residential Rent Ordinances May Have Material Economic Impact

- Tenant Financial Hardship Relief: Households spending more than 33% of adjusted gross income on rent can be exempted from annual rent increases.
- Preventing Rent Increases From an Increase in Occupancy: Landlords cannot evict or receive additional payment if occupancy increases in a rented unit.
- Both ordinances affect rent-controlled units only—approximately 88% of all rental units in the city.

Tenant Financial Hardship Relief: Summary of Impacts

	Highly Negative Impact	Moderately Negative Impact	Neutral Impact	Moderately Positive Impact	Highly Positive Impact
City Economy					
Employment					
Low-Income Tenants in Rent-Controlled Units					
Low-Income Households Seeking Rental Housing					
Middle- and Upper-Income Households Seeking Rental Housing					
Owners of Rental Housing					

Economic Impact Factors

- Limiting future increases by tenants facing hardship will directly reduce the income of property owners.
- However, vacancy de-control allows landlords to shift the burden on to new tenants, by raising the rent on vacant units.
- This will raise the market rent, creating wage inflation and potentially slowing economic growth.
- In addition, landlords will have a clear incentive to discriminate against tenants who could claim hardship in the future.
- This discrimination on the basis of income is legal.

Percentage of Renting Households Potentially Affected by the Legislation

Percent of Income Spent on Rent	Number of Households	Percent of Total
Less than 10.0 percent	9,178	5%
10.0 to 14.9 percent	21,737	11%
15.0 to 19.9 percent	27,391	14%
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40.0 to 49.9 percent	15,115	8%
50.0 percent or more	39,099	20%
Not computed	9,293	5%
Total:	198,194	100%

34% of renting households spend over 35% of income on rent

Source: U.S. Census Bureau, 2005-7 American Community Survey

City and County of San Francisco

Office of the Controller – Office of Economic Analysis

However, Rental Housing Turns Over at 21% Per Year, Resetting Rents

Tenant Residence 1 Year Ago	Number of Renters	Percent of Total	
Lived in same house 1 year ago	317,394	79%	
Moved within San Francisco	46,978	12%	21% annual rental unit turnover
Moved from elsewhere in the U.S.	31,414	8%	
Moved from abroad	6,444	2%	
Total	402,230	100%	

The Policy May Shift $16.7 million in Rent from Current to New Tenants Each Year

	$1,199	average San Francisco monthly contract rent [1]
x	1.9%	annual rent control increase [2]
x	88%	of rental units covered by rent control [3]
x	35%	of units affected by tenant hardship relief [4]
x	198,194	number of rental units in San Francisco
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x	21%	Annual turnover rate for rental units [5]
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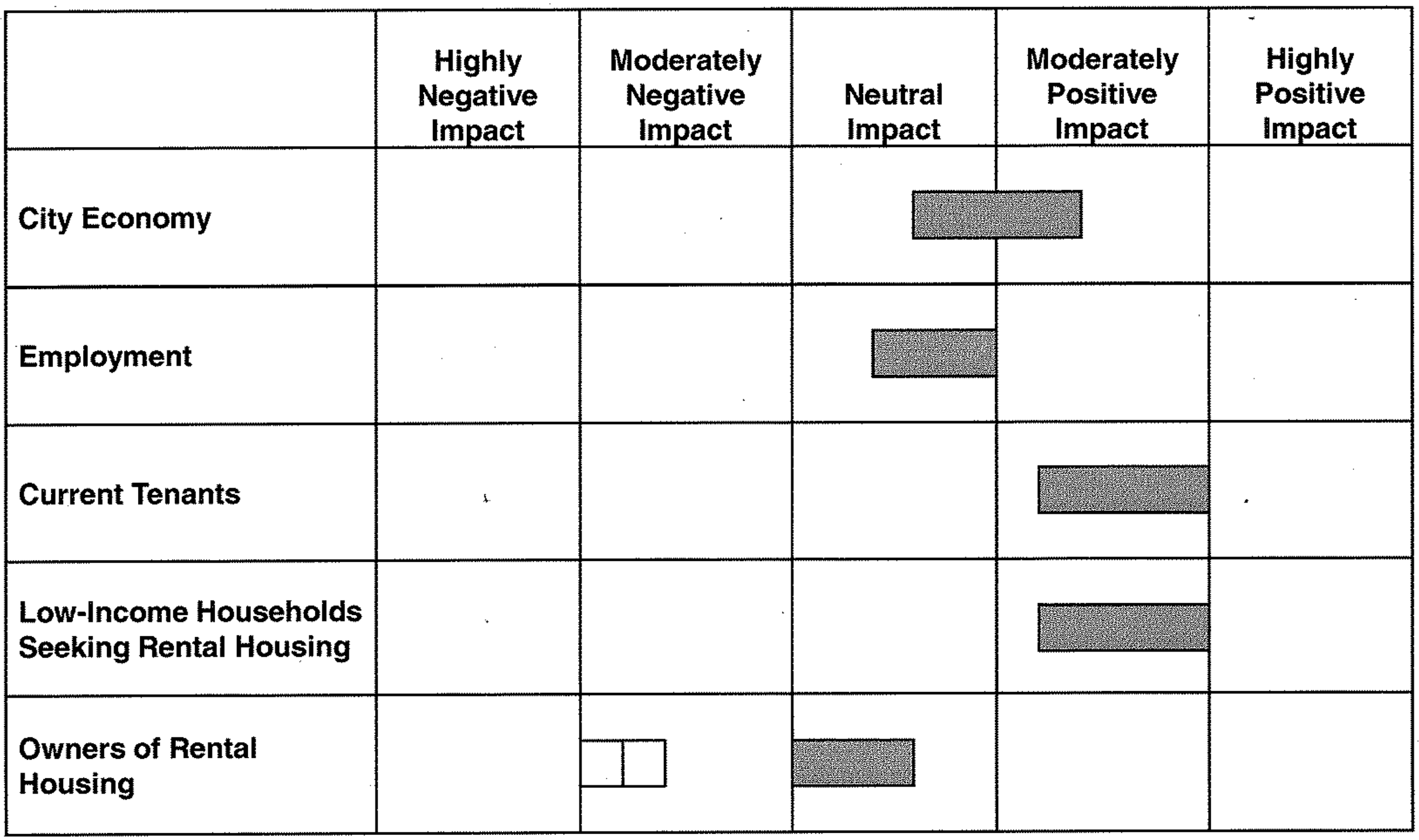
/	12	months per year
	$33	monthly increase on vacant units to offset loss
/	$1,199	average San Francisco monthly contract rent
	2.8%	**percent annual increase in market rent**

Preventing Rent Increases From an Increase in Occupancy: Summary of Impacts



Economic Impact Factors

- This legislation will benefit the economy by reducing housing prices.
- It creates incentives for tenants to accommodate new roommates, in effect increasing the housing supply.
- The increase in supply should have a proportionate decline in housing prices.
- This legislation will raise utility and maintenance costs on landlords, who will pass these costs on to new tenants.
- However, this upward pressure on market rents will be more than offset by the increase in supply.

Risk Mitigation

- Risks from Tenant Financial Hardship Relief can be mitigated in 3 main ways:
  - Setting the legislation to expire at the end of this recession.
  - Modifying vacancy de-control to prevent property owners from shifting the burden, although this could have consequences for rental housing supply.
  - Prohibiting housing discrimination based on financial hardship.
- Occupancy increases should require written notification
  - For record-keeping purposes, in line with current practices.