

LEGISLATIVE DIGEST

[Administrative Code - Housing Inventory]

Ordinance amending the Administrative Code to require owners of residential dwelling units to report certain information to the Rent Board; to authorize the Rent Board to issue a license to owners who report the information; and to require that an owner have a license to impose certain types of rent increases.

Existing Law

The Rent Board administers the City's Rent Ordinance (Chapter 37 of the Administrative Code) but does not have an inventory of all the units that are subject to Chapter 37. Chapter 37 allows landlords to impose annual rent increases based on inflation, and to bank annual increases not imposed in prior years. A landlord does not need permission from the Rent Board to impose an annual or banked rent increase.

Amendments to Current Law

The ordinance would require the Rent Board to maintain an inventory of all housing units subject to Chapter 37. Owners and/or landlords of housing units would first need to disclose for each unit whether the unit is owner-occupied. If a unit is owner-occupied, no further information would need to be reported about the unit. If a unit is not owner-occupied, the owner and/or landlord would need to disclose to the Rent Board certain information about the unit (e.g., business contact information of owner or property manager, approximate size, approximate rent, housing services included in the rent, whether unit is occupied or vacant, and information about the dates that occupancies and vacancies have commenced). For units (other than condominium units) in buildings of 10 units or more, the reporting obligation would commence starting July 1, 2022, with updates due on March 1, 2023 and every March 1 thereafter. For condominium units and units in buildings with fewer than 10 units, reporting would commence on March 1, 2023 with updates due every March 1 thereafter.

In addition, the ordinance would require landlords to have a license to impose the annual or banked rent increase. If a landlord had substantially complied with their obligation to report information to the Rent Board, they would receive the license to impose the annual or banked increase. If a landlord did not meet their reporting obligation, the license would be suspended until the landlord updated their information with the Rent Board.

Background

This digest reflects amendments made on November 18, 2020, to 1) reduce the amount of reporting required for an owner-occupied unit, 2) extend the deadlines for when the reporting obligations commence for different landlords, 3) clarify that a single report is sufficient for each unit (rather than require each owner or landlord to submit a separate duplicative report), 4)

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update language to more accurately reflect the role City departments play in calculating the Rent Board fee, and 5) address other minor clerical matters

In addition, the amended version deletes reference to a surcharge that would have been tracked separately from the existing Rent Board fee. The Rent Board fee covers the Rent Board's costs to administer the Rent Ordinance. The City imposes the fee on landlords but landlords have the option to pass on a portion of the fee to their tenants. Deleting the surcharge simply means that the costs will not be tracked and collected separately from the existing Rent Board fee.

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