

Chapter 6: ANNUAL GENERAL ADJUSTMENTS OF MAXIMUM ALLOWABLE RENTS

600. Purpose

The Richmond Fair Rent, Just Cause For Eviction and Homeowner Protection Ordinance (Chapter 11.100, Richmond Municipal Code) provides that no later than June 30 of each year the Board shall announce the percentage by which Rent for eligible Rental Units will be generally adjusted effective September 1 of that year. It further provides that the Annual General Adjustment shall equal one-hundred (100%) percent of the percentage increase in the Consumer Price Index (All Urban Consumers, San Francisco-Oakland-San Jose region, or any other successor designation of that index that may later be adopted by the U.S. Bureau of Labor Statistics)(CPI) as reported and published by the U.S. Department of Labor, Bureau of Labor Statistics, for the 12-month period ending as of March of the current year.

[Formerly Regulation 17-05; adopted June 21, 2017]

601. Conditions for taking the Annual General Adjustment

A. A Landlord may increase Rent by the Annual General Adjustment, only if the Landlord:

- (1) Serves the Tenant with a legally required Notice of a Rent increase under State law;
- (2) Files a copy of the Notice of the Rent increase and Proof of Service of such notice with the Board in a manner consistent with Regulation 603; and
- (3) Is in full compliance with the provisions of the Richmond Fair Rent, Just Cause For Eviction and Homeowner Protection Ordinance, including Rent Board Final Decisions and Orders; and
- (4) Is otherwise entitled to the adjustment pursuant to the provisions of the Richmond Fair Rent, Just Cause For Eviction and Homeowner Protection Ordinance, and any other applicable Regulation.

[Formerly Regulation 17-05; adopted June 21, 2017; amended December 16, 2020]

602. Banking

- A. A Landlord may, but is not required to, increase Rent by the Annual General Adjustment as provided by Chapter 6 of these Regulations.
- B. To the extent a Landlord has not increased Rent up to the Maximum Lawful Rent level, the Landlord shall have the ability to apply deferred Annual General Adjustment rent increases; however, if the proposed rent increase for the Tenant household exceeds the current year Annual General Adjustment plus five percent (5.0%) of the rental amount charged to the Tenant household at any time during the 12 months prior to the effective date of the proposed increase, either in and of itself or when combined with any other

rent increases for the 12 months prior to the effective date of the increase, the proposed rent increase shall be void.

- C. In the event that a current year's Annual General Adjustment exceeds five percent (5.0%), a Landlord may not apply any deferred Annual General Adjustment increases until the next Annual General Adjustment increase less than five percent (5.0%) is effective.
- D. "Banking" of Annual General Adjustment Increases shall be calculated based on compound addition. For example, an increase of three percent (3.0%) plus three point four percent (3.4%) is equal to a combined increase of six point five six percent (6.56%), not six point four percent (6.4%).
- E. Nothing in this Regulation shall preclude a Landlord from petitioning for a Rent Increase in excess of the Annual General Adjustment.
- F. This Regulation shall become effective September 1, 2018.

[Formerly Regulation 17-09; adopted December 20, 2017; Amended November 14, 2018]

603. Notices of Rent Increase

A. Controlled Rental Units.

Landlords of Controlled Rental Units, as defined in the Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance (Chapter 11.100, Richmond Municipal Code, Section 11.100.030 (d), except those Rental Units that are "exempt" pursuant to Rent Board regulation, or are described in 603(B) of this Regulation, shall file with the Board within ten (10) business days *after* the Landlord has served a Tenant with a notice of a rent increase, a copy of such notice with a proof of service, including time and date of service, using, absent extraordinary circumstances, the appropriate online form on the Rent Program website. If a Landlord does not file with the Board the notice and proof of service as provided in this Section, the rent increase shall be deemed null and void.

B. Rental Units Exempt from the Rent Control Provisions of the Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance.

Landlords of Rental Units (a) which a government unit, agency, or authority owns, operates or manages, (b) in which governmentally subsidized Tenants reside if applicable federal or state law or administrative regulation specifically exempts such Units from rent control, (c) exempt from rent control pursuant to the Costa-Hawkins Rental Housing Act (California Civil Code, section 1954.52) or (d) that are permitted, small second housing units built in compliance with the Small, Second Unit Ordinance of the City of Richmond (Section 15.04.810, RMC) [Section 11.100.030 (d) (3)(4) and (5)] are **not** required to file with the Board a copy of a notice of rent increase.

*[Formerly Regulation 17-10; adopted September 20, 2017]
[Amended September 19, 2018]*

604. (RESERVED)

605. Annual General Adjustment Order for 2017

The percentage increase in the CPI from 2016-2017 is 3.4%, and thus the following Annual General Adjustment applies:

- A. The 2017 Annual General Adjustment is not to exceed 3.4%.
- B. The cumulative increase in the Maximum Allowable Rent as defined in Section 11.100.030(g), RMC, for tenancies in effect prior to September 1, 2015, is 6.56%.
- C. A Landlord may increase Rent by the 2017 Annual General Adjustment for tenancies in effect prior to September 1, 2016, only if the Landlord is in compliance with Regulation 601.

*[Formally Regulation 17-05; Adopted June 21, 2017]
[Amended June 19, 2019]*

606. Annual General Adjustment Order for 2018

The percentage increase in the CPI from 2017-2018, is 3.6% and thus the following Annual General Adjustment shall apply:

- A. The 2018 Annual General Adjustment is not to exceed 3.6%.
- B. The Annual General Adjustment granted by this Regulation shall become effective on September 1, 2018, provided that the landlord is otherwise entitled to the adjustment pursuant to the provisions of the Richmond Fair Rent, Just Cause For Eviction and Homeowner Protection Ordinance, and any other applicable Regulation.
- C. Where the landlord is entitled to the adjustment pursuant to the provisions of the Richmond Fair Rent, Just Cause For Eviction and Homeowner Protection Ordinance, and any other applicable Regulation, the Annual General Adjustment granted by this Regulation does not automatically provide for a rent increase. A Landlord may increase Rent by the 2018 Annual General Adjustment for tenancies in effect prior to September 1, 2017, only if the Landlord is in compliance with Regulation 601.

[Formerly Regulation 17-11; adopted June 20, 2018]

607. Annual General Adjustment Order for 2019

The percentage increase in the CPI from 2018-2019, is 3.5% and thus the following Annual General Adjustment shall apply:

- A. The 2019 Annual General Adjustment is not to exceed 3.5%.
- B. The Annual General Adjustment granted by this Regulation shall become effective on September 1, 2019, provided that the Landlord is otherwise entitled to the adjustment pursuant to the provisions of the Richmond Fair Rent, Just Cause For Eviction and Homeowner Protection Ordinance, and any other applicable Regulation.
- C. Where the Landlord is entitled to the adjustment pursuant to the provisions of the Richmond Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance, and any other applicable Regulation, the Annual General Adjustment granted by this Regulation does not automatically provide for a rent increase. A Landlord may increase Rent by the 2019 Annual General Adjustment for tenancies in effect prior to September 1, 2018, only if the Landlord is in compliance with Regulation 601.

[Adopted June 19, 2019]

608. Annual General Adjustment Order for 2020

The percentage increase in the CPI from 2019-2020, is 2.9%. Subject to any existing Citywide or Statewide rent increase moratorium, the following Annual General Adjustment shall apply:

- A. The 2020 Annual General Adjustment is not to exceed 2.9%.
- B. The Annual General Adjustment granted by this Regulation shall become effective on September 1, 2020, provided that the Landlord is in full compliance with all applicable provisions of the provisions of the Richmond Fair Rent, Just Cause For Eviction and Homeowner Protection Ordinance, outstanding Rent Board and/or Hearing Examiner Orders, and any other applicable Regulation.
- C. Where the Landlord is entitled to the adjustment pursuant to the provisions of the Richmond Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance, and any other applicable Regulation, the Annual General Adjustment granted by this Regulation does not automatically provide for a rent increase. A Landlord may increase Rent by the 2020 Annual General Adjustment for tenancies in effect prior to September 1, 2019, only if the Landlord is in compliance with Regulation 601, and has complied with any existing Rent Board and/or Hearing Examiner Order.

[Adopted June 17, 2020]