



HOW TO FILE A RENT DECREASE PETITION



CITY OF RICHMOND RENT PROGRAM
September 26, 2020

Presented By:
Palomar Sanchez
Staff Attorney/Public Information Unit Supervisor

COMMUNITY UPDATE

The Director of Emergency Services issued an Order (Resolution 20-20), effective March 17, 2020, during the period of local emergency in response to COVID-19. Further, on July 14, 2020, the City Manager, in her role as Director of Emergency Services, passed a Fourth Supplemental Order (Resolution 74-20), which states that no Landlord may terminate a residential or commercial tenancy for:

- (1) Nonpayment of rent* OR
- (2) Any “no-fault” just cause for eviction, such as Owner Move-In, Withdrawal from the Rental Market, Substantial Repairs, or Temporary Tenancy.

*The Tenant must notify the Landlord in writing of their inability to pay rent due to financial hardship related to COVID-19 and is responsible for paying any unpaid rent within 12 months after the Order is lifted. For more information visit www.richmondrent.org.

COMMUNITY UPDATE (CONT'D)

- The Order has been extended until September 30, 2020.
- The Order also prohibits any residential rent increases for any rent-controlled property.
- Exceptions to the rent increase prohibition include properties such as single family homes, condominiums, new construction (built after February 1995) and any other property whose rent cannot be regulated pursuant to state or federal law.
- Landlords may not charge late fees or require documentation to prove financial hardship.
- For the most up to date information, please see our website at www.richmondrent.org

TOPICS COVERED

Purpose

**Overview of the
Richmond Rent
Ordinance**

**Properties Covered
under the Rent
Ordinance**

**Petitions due to
Excess Rent**

**Petitions due to a
Reductions in Space,
Services, and
Habitability**

**Petitions due to
Landlord's Failure to
Pay Relocation
Payments**

**Learn How to File a
Petition**

**Overview of the
Petition Process**

PURPOSE OF THE RENT ORDINANCE

The purpose of the Richmond Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance, also known as the Rent Ordinance, is to promote **neighborhood and community stability, healthy housing, and affordability for renters** in the City of Richmond by controlling excessive rent increases and arbitrary evictions to the greatest extent allowable under California law, while ensuring Landlords a fair return.

The Richmond Rent Ordinance (RMC 11.100)

Rent Control

Rents are regulated. The Maximum Allowable Rent is calculated by taking the **Base Rent + Annual General Adjustments (cost-of-living increase) + any allowable Individual Rent Adjustment** that is ordered by a Hearing Examiner.

Annual General Adjustment (AGA):
100% of the Consumer Price Index in the Bay Area (inflation rate)

Petition Process:
A mechanism to increase or decrease the MAR based on reasons permitted by the Rent Ordinance

Base Rent: the rent in effect as of **July 21, 2015**, or the first rent charged for Tenants that moved in after that date

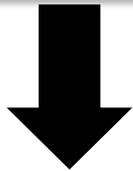
Just Cause for Eviction Protections

a Landlord needs to have one of the eight "**Just Causes**" to terminate tenancy

- 1) Failure to Pay Rent
- 2) Breach of Lease
- 3) Nuisance
- 4) Failure to Give Access
- 5) Temporarily Vacate in Order to Undertake Substantial Repairs
- 6) Owner-Move-in/Owner Relative Move-In
- 7) Withdrawal from the Rental Market (Ellis Act)
- 8) Temporary Tenancy

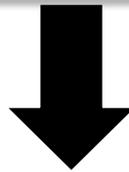
WHICH PROPERTIES ARE COVERED BY THE RENT ORDINANCE?

Fully Covered
("Controlled Rental
Units"): Rent Control
and Just Cause for
Eviction Protections



- ✓ Multi-Unit Properties built on or before February 1, 1995

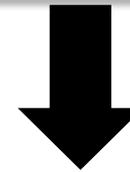
Partially Covered:
Only Just Cause for
Eviction Protections
(Not Rent-Controlled)



- ✓ Subsidized Units, including Section 8 Tenancies
- ✓ Properties with one dwelling unit on one parcel
- ✓ Condominiums
- ✓ "New Construction" constructed after February 1, 1995*

*Costa Hawkins requires units be permitted with a certificate of occupancy (i.e., permits are final and unit is fit for residential habitation).

Fully Exempt: No
Rent Control and no
Just Cause for
Eviction Protections



- ✓ Landlord and Tenant share kitchen and/ or bath
- ✓ Single family homes where a permitted ADU was added and the main house is owner-occupied.
- ✓ Retirement Homes

WHO CAN FILE A RENT ADJUSTMENT PETITION?

- Any Tenant in occupancy of a Fully Covered Unit (Rent Control and Just Cause for Eviction Protections apply) may file a Rent Adjustment Petition.
- Tenants may file the petition themselves or have a representative file it for them.
- Tenants in different units may file based on a shared or similar issue but each unit must file their own petition.
- Tenancies not under rent control may not file a Rent Adjustment Petition. These are usually properties that are only under Just Cause for Eviction Protections, such as single family homes (one dwelling unit on the property), condominiums, or rentals subsidized by the government, such as Section 8 or Tax Credit units.

Not sure if you qualify? Contact the Rent Program at 510-234-RENT [7368] to speak with a Housing Counselor.

PETITIONS DUE TO EXCESS RENT

PETITIONS FOR EXCESS RENT DUE TO OVERCHARGES

- Petitions for Excessive Rent may be filed due to failure on behalf of the Landlord (or Master Tenant) to roll back the Rent to the Base Rent or for charging Rent above the Maximum Allowable Rent (MAR).
- The MAR is calculated by taking the Base Rent and adding applicable Annual General Adjustments (AGAs). If applicable, the MAR will also include any approved upward or downward rent adjustments granted through the petition process.
- The starting Base Rent for rent controlled units is the rent paid on July 21, 2015, or the rent amount paid on the first month if the tenancy started after July 21, 2015.
- Excess Rent petitions may also be filed by Subtenants who are overcharged by a Master Tenant based on the proportion of space and services shared.

PETITIONS FOR EXCESS RENT DUE TO OVERCHARGES: SECURITY DEPOSITS

- Failure to return a security deposit is considered a Rent overcharge because a security deposit is considered Rent.
- A Tenant may file a Rent Adjustment Petition for Excess Rent if the Tenant believes they paid too much in rent in excess of the MAR, including the Landlord's refusal to return the security deposit.

Important Petition Tips:

Have record of receipts of paid rent from when your tenancy started. The Rent Adjustment Petition requires copies of your lease, rental agreement, notices of rent increases, cancelled checks, rent receipts, building inspections reports, or other evidence to support your claim for overcharges.



Tenant Attachment A
Excess Rent Due to Overcharges or Failure to Refund Security

Reason for Petition

Excessive Rent Complaint Due to Overcharges

Failure to Refund Security Deposit

(Check each that applies):

The starting Base Rent for rent controlled units is the rent paid on July 21, 2015, or the rent amount paid on the first month if the tenancy started after July 21, 2015.

Failure to return a security deposit is considered a rent overcharge because a security deposit is considered rent.

Richmond Property Address

Address _____ **Unit #** _____ **Zip Code** _____

Unit Information

Date you first rented the Unit: _____ / _____ / _____
Month Day Year

Monthly Rent at the time you first rented the unit: \$ _____

Did you pay a Security Deposit and/or Last Month's Rent? Yes or No

If so, how much? \$ _____

Change in Rent

(If the rent has changed since you moved in, describe the increase history by using this chart).

Each Increase	Date of Increase	Amount of Increase	New Rent Paid
1.		\$	\$
2.		\$	\$
3.		\$	\$
4.		\$	\$
5.		\$	\$

Yearly Rent Increase

Did you receive Notice of a Rent Increase? Yes or No

If yes, and you think your Landlord cannot raise your rent because of housing or Rent Program violations, check a box for each fiscal year (generally July 1 to June 30) you believe the landlord is not allowed to have a Yearly Rent Increase.

2016 2017 2018 2019 2020

Explain why you think the Yearly Rent Increase is too high or otherwise not justified:

Tenant Attachment A Example: Excess Rent Due to Overcharges or Failure to Refund Security Deposit Available on our webpage:

<https://www.ci.richmond.ca.us/DocumentCenter/View/47079/Tenant-Attachment-A>

NOTE: Tenants also must submit the general Tenant Petition Packet (in addition to Attachment A)

**PETITIONS DUE TO A REDUCTION IN
SPACE, SERVICES, AND HABITABILITY**

EXCESS RENT BASED ON OVERPAYMENT DUE TO CONDITIONS OF THE RENTAL UNIT

You may file Attachment B Tenant petition if your Landlord has:

1. Taken away some of your living space or the benefits of your rental agreement (Housing Services).

- The amount of the rent decrease will depend on the amount of space or housing services taken away and how long ago it was taken. The Hearing Examiner will take into consideration past decreases as well as the replacement cost of the space or service in question.

2. Provided inadequate housing services or ignored that the rental unit needs substantial repair.

- Substantial deterioration means a noticeable decline in the physical quality of the Rental Unit resulting from a failure to perform reasonable or timely maintenance. The Landlord has failed to make reasonable repairs, which is noticeable, and the housing services no longer allow the tenants to live in a clean, safe and sanitary rental unit. The amount of the rent decrease shall be based on a determination of the inability of the tenants to enjoy the rental unit due to its poor condition.

Conditions Continued on Next Slide...

EXCESS RENT BASED ON OVERPAYMENT DUE TO CONDITIONS OF THE RENTAL UNIT (CONTINUED)

3. Code violations and poor living conditions.

- Where the condition of the rental unit threatens the health or safety of the people living there, the rent may be reduced in an amount that reflects the reduced value of the rental unit due to the unsafe or unhealthy conditions.
- The defective conditions of the rental unit rise to the level of a violation of the guarantee of a clean, safe, and sanitary place to live. The Rent shall be decreased **no less than 10%** for certain defects and **no less than 20%** for more significant defects until the problem with the rental unit are corrected.
- The rent decrease that is approved will be doubled if the Landlord fails to correct the issues at the rental unit and if proof of repair is not submitted to the Rent Program within thirty-five (35) calendar days of mailing of the Hearing Examiner's decision unless the Landlord establishes that the violation cannot be corrected within that time due to circumstances beyond the Landlord's control.
- No rent shall be charged for a period in which the landlord is found to be in violation of California Civil Code Section 1924.4 for pursuing an eviction when there are code violations that have not been repaired.
- If the rental unit needs repairs for conditions that affect health and safety, the Landlord has broken their obligation to the Tenant(s). Temporary relocation may be appropriate.

Grounds for Filing Petition
(Check each that applies)

- Landlord (or Master Tenant) Has Taken Away Some of Your Living Space or the Benefits of Your Rental Agreement
- Landlord (or Master Tenant) Has Provided Inadequate Housing Services
- Landlord (or Master Tenant) Has Ignored that the Rental Unit Needs Substantial Repair
- Landlord Has Code Violations and Poor Living Conditions

Unit Information

Date you first rented this Rental Unit: _____

Monthly rent at that time you first paid rent: _____

List all the rooms in the unit and any other spaces (e.g., patio, garage) that are part of the rental:

Rental Housing Inspection

Have you previously requested a Housing Inspection? Yes No

If so, please list the date of the Housing Inspection (mm/dd/yy): _____

Please describe the outcome of the Housing Inspection, if known (What did the Landlord do?): _____

If you have not requested a Housing Inspection and would like to request one, please contact the Residential Rental Inspection Program.

Contact Information:

Residential Rental Inspection Program
450 Civic Center Plaza, 2nd Floor Richmond, CA 94804
(510) 690-8260 Or via email at cityofrichmond@outsourcetinc.com

Condition of the Rental Unit

	List Each Condition (eg. defective plumbing)	Date Condition Started	Date Landlord Notified	Date Repairs Completed
1.				
2.				
3.				
4.				
5.				
6.				

Tenant Attachment B Example:

Excess Rent Due to a Reduction in Space, Services, and Habitability Available on our webpage:

<http://www.ci.richmond.ca.us/DocumentCenter/View/47080/Tenant-Attachment-B>

NOTE: Tenants also must submit the general Tenant Petition Packet (in addition to Attachment B)

**PETITION DUE TO LANDLORD'S
FAILURE TO PAY RELOCATION
PAYMENTS**

TENANT PETITION: FAILURE TO PAY RELOCATION PAYMENTS

The City of Richmond requires Landlords of Rental Units in the City of Richmond to pay relocation payments to mitigate the challenges faced by tenants who are ordered to vacate a rental unit through no fault of the tenant. These payments, although required by the Rent Ordinance, are governed by the City of Richmond's Relocation Ordinance (RMC 11.102)

“Permanent Relocation Payments” means the per unit payment required to be paid by any landlord, on a pro rata share to an eligible tenant(s), who takes action to terminate tenancy based on an Owner Move-In, Withdrawal from the Rental Market, or Due to a Government Agency's Order for the Tenant to Vacate the Rental Unit or due to other conditions.

“Temporary Relocation Payments” means the payment required to be paid to the Tenant by any Landlord (i) who takes action to terminate a tenancy in order to undertake substantial repairs or (ii) when the Tenant has temporarily vacated a Rental Unit in compliance with a governmental agency's order to vacate or due to Health or Safety Condition, and for which no notice to terminate tenancy was served. If the necessary repairs have not been completed after 60 days or more when the Tenant vacated the Rental Unit voluntarily, the tenant may be entitled to a rent differential payment and possibly, after 120 days, a “Permanent Relocation Payment” as well.

TENANT PETITION: FAILURE TO PAY RELOCATION PAYMENTS

Filing the Petition

To obtain a determination that a Relocation Payment is owed, the Tenant must mail or bring the following items to the Richmond Rent Program:

1. A completed petition signed by one or more Tenant or subtenant;
2. A copy of any supporting documentation; and
3. A proof of service stating that the opposing party (the Landlord or Landlord's Representative) was served a copy of the petition and any supporting documentation either by first-class mail or in person. Failure to serve a copy of the petition on the opposing party (ies) may delay resolution of the petition.

Temporary Relocation Payments, in addition to possible Rent Differential Payments, are determined by the Tenant's willingness to temporarily vacate, the continued payment of Rent and the number of days after the Landlord's notice that the repairs take. Not every Tenant is entitled to Relocation Payments.

LEARN HOW TO FILE A PETITION

STEPS TO FILING A PETITION WITH THE RENT PROGRAM

Overview

Under the Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance, rents are adjusted through an Annual General Adjustment (cost-of-living increase) and through individual rent adjustments (increases or decreases in rent) through a petition process.

Tenants living in a rent-controlled unit may file a downward rent adjustment (rent reduction) petition pursuant to Rent Board rent adjustment regulations. A Rent Board Hearing Examiner may order a rent reduction and/or a retro-active rent refund in cases where a Tenant has experienced a decrease in space, services, habitability (living conditions) or a decrease in the number of Tenants allowed in the rental unit.

STEPS TO FILING A PETITION WITH THE RENT PROGRAM

- Step 1:** Contact a Rent Program Services Analyst to discuss your case and learn about your rights under the Rent Ordinance and Rent Regulations. Tenants should consult with a Rent Program Services Analyst at (510) 234-RENT [7368] prior to filing a petition to ensure correct filing and to understand how the rent adjustment petition process works. Rent Program Services Analysts are available Monday -Friday , 9:00 AM – 12:00 PM and 1:00 PM- 4:00PM.
- Step 2:** Complete the form called, **Tenant Petitions: Multiple Grounds**. This petition must be completed and filed to be deemed complete. The form can be downloaded at <http://www.ci.richmond.ca.us/3631/Petition-Forms>. On the website, this form is titled, “Tenant Petition Packet.”
- Step 3:** Complete the appropriate attachment(s). Tenants can petition for multiple grounds at the same time (For example: excessive rent, substantial deterioration of the unit and temporary relocation payments).
- Attachment A:** Excess Rent or Failure to Properly Refund Security Deposit
 - Attachment B:** Decrease in Space/Services or Substantial Deterioration of the Rental Unit
 - Attachment C:** Reduction in Number of Tenants Allowed

STEPS TO FILING A PETITION WITH THE RENT PROGRAM (CONTINUED)

Step 4: Include your documentation or evidence to support the rent reduction claim. When filing a petition, Tenants should submit complaint letters, e-mails, texts, photos, videos, inspection reports, and any other documentation to support the grounds for the rent reduction. Remember that the Hearing Examiner's rent adjustment decision is based on a preponderance of the evidence.

Step 5: Complete and submit a "Proof of Service" to the Rent Program and all parties. An important part of the petition process is the requirement that a Tenant must complete and submit a "Proof of Service" along with the completed petition packet (forms, attachments and documentation). When submitting a Proof of Service, the tenant is declaring under penalty of perjury that they will serve a copy of the petition that was submitted to the Rent Program to the other party (the Landlord).

Step 6: File an original copy by using the following methods:

By Mail: City of Richmond Rent Program, ATTN: Hearings Unit
440 Civic Center Plaza, Suite 200, Richmond, CA 94804

By Email: Attn: Hearings Unit at rent@ci.richmond.ca.us

OVERVIEW OF THE PETITION PROCESS

AFTER A PETITION IS FILED WITH THE RENT PROGRAM

Upon receipt of the petition, Rent Program staff members will review the allegations in the petition to determine if the petition is complete.

- A petition may be deemed incomplete or unacceptable within five (5) days of it being filed. If the petition is not promptly corrected, the file may be closed.
- Once accepted as complete, the Landlord will be sent a “Notice of Right to Object” to the petition which will be due within **twenty-one calendar (21) days of the mailing of the notice.**
- A Settlement Conference and Hearing Notice that will include the time, date and place of hearing, and information about the hearing process, will be mailed to all parties no later than **ten (10) days** before the scheduled hearing date.
- Continuances of a hearing date must be requested in writing no less than 48 hours prior to the hearing.
- After a decision is made, it can be appealed by the Tenant or Landlord within **30 days (or 35 days if mailed)** of the decision and no less than 14 days prior to the next Rent Board Action meeting.

THE DAY OF THE HEARING

Part 1: Expectations & Preparations

- Before the Hearing starts, each party must introduce themselves for the record. The Hearing Examiner may not discuss the case unless all parties are present. The Settlement Conference and Hearing can only proceed if all parties are participating unless there is a complete failure to appear by the Responding party, in which case the Hearing can still go forward. A failure to appear by the Petitioning party will generally result in a Dismissal of the Petition.

Part 2: Settlement

- Each petition and the corresponding objections present openings for possible settlement motivation.

Part 3: Evidence

- The parties may have submitted evidence with their Petition or Objections. Any other documentation (such as invoices, photographs, text messages) to be reviewed during the Hearing in the form of Exhibits (a document designated to support or contest a specific claim) must be provided electronically to the Rent Program and all parties no less than two (2) business days before the Hearing.

THE DAY OF THE HEARING

Part 4: Cross-Examination

- The Hearing Examiner will ask questions to the parties present about their pre-filed testimony or evidence to better understand the parties' position in the case or to ask questions to challenge their credibility or accuracy.

Part 5: Rebuttal

- To the Hearing Examiner's discretion, each party may have an opportunity to contradict evidence presented by the other party. You may present evidence (texts, photos, documents etc.) in rebuttal to disprove or rebut new evidence presented by the other side

Part 6: Closing Arguments

- The Hearing Examiner will close the hearing and/or decide to keep the case open for further analysis to later make a decision. A written decision will be sent to all parties after the Hearing pursuant to Richmond Rent Board Regulation 837. The decision is likely to be sent between a few weeks and a few months after the Hearing.

AFTER A PETITION IS COMPLETED: FILING AN APPEAL

- Any party may Appeal the Decision of the Richmond Rent Program Hearing Examiner. Such Appeal must be filed no later than thirty-five (35) calendar days after the date of mailing of the Hearing Examiner's Decision. On appeal, the Board shall affirm, reverse or modify the decision of the hearing examiner.
- The filing of a timely Appeal will stay (put on hold) only that portion of the Decision that permits payment, refund, offsetting or adding rent. Richmond Rent Board Regulations Section 842 (B).
- If you are filing a late Appeal, you must state the reason in writing and include it with your Appeal so that the Rent Board can determine if there is good cause for the untimely filing. The filing of an untimely Appeal does not stay any portion of the Hearing Examiner's Decision.
- If the appeal is timely filed, the Rent Program will provide information required to appear or listen in on the Rent Board Meeting where the appeal will be heard.
- Any party who wishes to appeal the Rent Board's decision, may seek judicial review by filing a Writ of Administrative Mandamus with the Superior Court within the jurisdiction.

THANK YOU!

Richmond Rent Program

510-234-RENT (7368)

rent@ci.richmond.ca.us

Or

Visit us at:

www.richmondrent.org

Q&A SESSION

**If you have a question,
please type it in the Q&A
section in Zoom.**