City of Mountain View

HOUSING DEPARTMENT
RENT STABILIZATION DIVISION
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Frequently Asked Questions about the Community Stabilization and Fair Rent Act

Section A: What is the CSFRA?

1. What is the Community Stabilization and Fair Rent Act?

On November 8, 2016, the residents of the City of Mountain View voted to adopt Measure V, also known as the Community Stabilization and Fair Rent Act (CSFRA), in order to stabilize rents by regulating rent increases for certain rental units and requiring landlords to have just cause in order to terminate a tenancy. The CSFRA is effective as of December 23, 2016. For the complete text of the CSFRA, please download a PDF here: mountainview.gov/rentstabilization.

2. What types of rental properties are covered by the CSFRA?

Most multi-family rental properties in Mountain View are covered by the CSFRA. Fully Covered apartments that are built before 1995 are protected by rent increase limits and eviction protections. Partially Covered apartments, built between 1995 and 2017, only have eviction protections.

	Rent Increase Restrictions	Eviction Protections	Rent Roll Back
Fully Covered: Rental Units with 3 or more units built before February 1, 1995	✓	✓	✓
Partially Covered: Rental Units with 3 or more units built between February 1, 1995 & December 23, 2016	NA	✓	NA

3. What types of properties are exempt from the CSFRA?

The following units are fully exempt:

- Rental Units with First Certificate of Occupancy after December 23, 2016
- Single Family Homes (if on a parcel with no other residential units)
- Condominiums
- Companion Units
- Duplexes
- Units in hotels, motels, etc. rented out for less than 30 days

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- Units in hospital, medical care facility, dormitory, etc.
- Government or subsidized rental units

4. What are the key points of the CSFRA?

Below are some of the key points of the CSFRA. The Frequently Asked Questions in this document are categorized within these themes.

- Rent is specifically defined.
- Rent increases are limited.
- Evictions are restricted to 9 reasons (Just Causes).
- Tenant relocation assistance is required to be offered for some types of evictions.
- Properties must be livable, healthy and safe.
- Housing services must be maintained.
- Property owners are entitled to earn a fair rate of return on their investment.

Section B: Definition of Rent

1. What is considered Rent?

Rent is specifically defined by the law and includes the rent for the physical space of the apartment as well as housing services and utilities paid directly to the landlord or through a third-party billing service.

On December 18, 2023, the Rental Housing Committee (RHC) adopted regulations clarifying that utilities are part of rent for units fully covered by the CSFRA, meaning that the use of Ratio Utility Billing Systems (RUBS), which is used to distribute property-wide utility costs among tenants, must be transitioned out through a landlord petition process for existing tenancies (see below for more details).

- Utility charges paid directly by tenant to utility service provider (such as PG&E) or sub-metered utilities are not part of rent.

2. What is Base Rent?

Base rent is used to calculate allowed rent increases after the initial term of tenancy. "Initial rental rate" means only the amount of rent actually paid by the tenant for the initial term of the tenancy. For month-to-month rental agreements and leases greater than twelve (12) months, the initial term means twelve (12) months.

Base Rent needs to be set at the following levels:

- If a tenancy was in existence on or before October 19, 2015, the Base Rent is the amount of rent in effect on October 19, 2015;
- If a tenancy started after October 19, 2015, the Base Rent is the initial rent charged at the start of the tenancy.

Base Rent and the Rent Roll Back: As of December 23, 2016, if a rent increase was given between October 19, 2015 and December 23, 2016, the total rent amount must be rolled back to the amount charged on

October 19, 2015 or the initial rental rate if the tenancy started after October 19, 2015. Additionally, if a rent increase was given between December 23, 2016 and August 31, 2017, the rent must be rolled back to the amount charged on October 19, 2015 or the initial rental rate if the tenancy started after October 19, 2015.

Properties that received payments greater than the base rent are legally required to refund the amount overpaid by tenants and reset the rent to the lawful base rent. If this was not done, the property is out of compliance with the CSFRA and tenants may file unlawful rent petitions with the Rent Stabilization Division to reset the rent to the applicable base rent and potentially recuperate the overpayment.

3. What is the Base Rent if a tenant received move-in rent concessions?

Concessions are move-in specials, such as discounts or free months' rent, that are provided by landlords to attract tenants and ease the costs of moving. Concessions of the first month's free or discounted rent do not affect Base Rent; but concessions beyond the first month are included in the calculation of Base Rent and cause it to be reduced. Base Rent levels are used to calculate allowed rent increases after the initial term of tenancy.

As defined in the regulations, the calculation of Base Rent excludes: "First month's free or discounted Rent, where the 'first month' refers to the first full month following the start date of the Rental Agreement." For example, if the tenant moved in on September 15, then the "first month" would refer to the period from October 1 to October 31. This also means that concessions given during subsequent months within the initial term of the tenancy are not excluded from calculating the Base Rent.

4. What are some examples for recalculating Base Rent after receiving move-in rent concessions?

The following are some examples of calculation of Base Rent with different types of concessions:

Example 1: Monthly rent $1,000; 12 month lease; Concession Received: First month free.
The first month concession is excluded from the calculation
Tenant paid 11 months of $1,000 = $11,000
The Base Rent is calculated dividing $11,000 by 11 months = $1,000

Example 2: Monthly rent $1,000; 12 month lease; Concession Received: First 2 months free.
The first month concession is excluded from the calculation
Tenant paid 10 months of $1,000 = $10,000.
The Base Rent is calculated dividing $10,000 by 11 months = $909.09

Example 3: Monthly Rent $1,000; 18 month lease; Concession Received First 3 months free.
The first month concession is excluded from the calculation. The Base Rent is calculated over the initial 12 months.
In the first 12 months the tenant paid 9 months of $1,000 = $9,000.
The Base Rent is calculated dividing $9,000 by 11 months = $818.18

Example 4: Monthly Rent $1,000; 12 month lease; Concession Received: 1 month free in the third month of the lease.
Only the first month's concession is excluded from the calculation.

In this case no concession was given in the first month of the initial tenancy, so no concessions can be exempted.
The tenant paid 11 months of $1,000 = $11,000. The Base Rent is $11,000 divided by 12 = $916,66

Example 5: Monthly Rent $1,000: 12 month lease: Concession Received: 25% off the first 3 months.
Only the first month's concession is excluded from the calculation.
The tenant paid 3 months of $750 and 9 months of $1,000 = $11,250. The Base Rent is 1x$1,000, 2x$750, 9x$1,000=$11,500 divided by 12=$958.33

Example 6: Monthly Rent $1,000; 12 month lease; Concession Received 25% off first 12 months.
Only the first month's concession is excluded from the calculation.
The tenant paid 12 months of $750 = $9,000. The Base Rent is 1x$1,000, 11x$750= $9,250 divided by 12=$770.83

5. How can tenants be charged for utilities?

Utilities for fully covered units are subject to the rent increase limitations of the CSFRA. The use of Ratio Utility Billing Systems (RUBS), which is used to distribute property-wide utility costs among tenants, and similar utility billing systems must be transitioned out for tenancies started before March 1, 2024 through a landlord One-Time Utility Adjustment Petition process. The One-Time Utility Adjustment Petition process allows landlords to incorporate utilities currently charged separately from rent or through RUBS into a fixed amount included in a tenant's rent. All Landlords need to complete and file a petition to qualify for and apply the adjustment.

For New Tenancies starting March 1, 2024

- RUBS is not allowed.
- Total monthly rent must include utilities.
- Rental Agreement must state the total rent amount and specify the types of utilities and housing service fees included (e.g., rent includes the following: water, garbage, sewer, parking, pet fee).
- Utility charges paid directly by tenant to utility service provider (such as PG&E) or sub-metered utilities are exempt.

For Tenancies started before March 1, 2024

- RUBS may continue until a Utility Adjustment Petition is filed, approved, and incorporated into rent in accordance with CSFRA Regulations Chapter 13.
- Utility charges for vacant or newly rented units may not be allocated to existing rental units through RUBS or similar systems.
- Utility charges paid directly by tenant to utility service provider (such as PG&E) or sub-metered utilities are exempt.

Learn more about utilities and the Utilities Adjustment Petition process, as well as the accompanying CSFRA Regulations Chapter 13 by going to mountainview.gov/rentstabilization.

6. Since fees (including pet fees) and utilities are included in the Base Rent, are their limits to the amount they can be increased each year?

Per the CSFRA, Housing Services such as pet fees, parking, utility charges, are still considered covered by the calculation of the yearly rent increase that may be charged. Any new charge that a landlord imposes to a tenant, that was not charged at the start of the tenancy, would be considered an increase in rent and cannot exceed the Annual General Adjustment of rent for any given year.

7. When can rent payment processing fees be charged by landlords?

Rent payment processing fees may be allowed if in compliance with state and local law.

State law requires that all landlords allow tenants to pay rent and security deposits by at least one form of payment that is neither cash nor electronic funds transfer. Charging additional fees for one of those alternative methods of payment may be a violation of state law (California Civil Code Section 1947.3).

The CSFRA defines rent as the periodic payment and all nonmonetary consideration concerning the use and occupancy of a rental unit and attendant Housing Services. Housing Services include any benefit, privilege or facility connected with the use and occupancy of any rental unit. The requirement to pay a fee in order to use certain methods of rent payments would be a payment concerning the use and occupancy of the rental unit and a benefit connected with the use and occupancy of a rent unit. Therefore, the fees are considered rent.

- *For tenancies where the initial agreement did not require payment of these additional fees, but tenants are now required to pay fees:*

  Charging a fee that was not included in the base rent for the rental unit constitutes a rent increase. Rent increases are regulated by the CSFRA and may not, in total, exceed the amount of the Annual General Adjustment each year. Additionally, the CSFRA prohibits more than one rent increase in any 12-month period and requires that tenants receive proper notice of any such rent increase. The requirement that tenants pay a fee in order to pay their rent pursuant to a method of rent payment that a landlord is required to offer under state law would constitute a rent increase. Such a rent increase would be unlawful under the CSFRA if when added to any other rent increases given, the total increase exceeds the Annual General Adjustment or if the tenant received a rent increase in the last 12 months. State law must also be followed.

- *For tenancies where the initial agreement stated the inclusion of these fees in rent and tenants have been paying these additional fees since their move-in date:*

  If tenants were charged additional fees for rent payments since their move-in date, and these fees are stated in the original rental agreement and/or lease, state law must be followed.

Section C: Allowed Rent Increases

1. How much can rent be increased?

All rent increases during a tenancy are limited by law to a certain percent every year. Each year, the Rental Housing Committee (RHC) sets the maximum percent that rent can be raised, known as the Annual General

Adjustment (AGA). The AGA is set by using 100% of the rise in the Consumer Price Index of the Bay Area region from February to February of each year as set by the Department of Labor's Bureau of Statistics. Annual General Adjustment shall not be less than two percent (2%) or more than five percent (5%).

The Rental Housing Committee approved the following AGAs:

AGA 2026: 2.5% (for the period September 1, 2026 – August 31, 2027)
AGA 2025: 2.7% (for the period September 1, 2025 – August 31, 2026)
AGA 2024: 2.4% (for the period September 1, 2024 – August 31, 2025)
AGA 2023: 5.0% (for the period September 1, 2023 – August 31, 2024)
AGA 2022: 5.0% (for the period September 1, 2022 – August 31, 2023)
AGA 2021: 2.0% (for the period September 1, 2021 – August 31, 2022)
AGA 2020: 2.9% (for the period September 1, 2020 – August 31, 2021)
AGA 2019: 3.5% (for the period September 1, 2019 – August 31, 2020)
AGA 2018: 3.6% (for the period September 1, 2018 – August 31, 2019)
AGA 2017: 3.4% (for the period September 1, 2017 – August 31, 2018)

A landlord may apply the AGA to a tenancy when

- at least 12 months have passed since the last rent increase
- the annual Rental Housing Fees have been paid
- the property has been registered with the City
- the owner is otherwise in compliance with the provisions of the CSFRA (including not having outstanding code violations on the property)
- the tenant has been served with a written 30-day notice as required by state law

Aside from the AGA, a rent increase can also be requested by a landlord through filing an individual petition to request an upward adjustment of rent or by a joint tenant/landlord petition request for new or additional housing services or additional occupants.

2. How often can rent be raised?

Rent can be raised once (1) per twelve-month period, whether this is an Annual General Adjustment of rent, a previously Banked Rent Increase or a rent increase based on a decision by a hearing officer with regard to an individual petition.

3. What is "banking" of a rent increase?

Landlords may choose not to give an increase in any given year and instead bank the increase to give it in a later year, together with the AGA for that year, for a total increase of up to 10%. Banked increases have additional noticing requirements.

If a landlord decides to charge any of the previously banked rent increases and the total rent increase exceeds the Annual General Adjustment (AGA) for any given year, the landlord must include in its written rent increase notice, mandatory text as stipulated in Chapter 7 of the Regulations. A template form "Attachment to Annual General Adjustment and/or Banked Increase of Rent Notice" includes the mandatory

language and is available on the City's website mountainview.gov/rentstabilization. Landlords must file a copy of the banked rent increase with the City within 7 days of serving it on the tenant.

Qualifying tenants can file a Tenant Hardship Petition to request an exemption from banked increases (see Question 5 for more information).

4. What is a petition and how can it be filed?

The CSFRA allows landlords and tenants to request upward or downward adjustments of rent through a petition process. Landlords and tenants requesting an adjustment in rent do so by filing petitions with the City and entering into a formal process. This process includes filing of forms and documentation, pre-hearing meetings, pre-hearing settlement conferences (if requested), hearings overseen and adjudicated by a Hearing Officer and the issuing of a formal decision by the same Hearing Officer. There are several types of petitions:

<u>Landlord Initiated Petitions</u>

- Maintenance of Net Operating Income (MNOI) Petitions
- Specified Capital Improvement Petitions
- Exemption Status Petitions

<u>Tenant Initiated Petitions</u>

- Unlawful Rent Petitions
- Failure to Maintain Habitable Premise and/or Reduction in Housing Services Petitions
- Tenant Hardship Petitions
- New or Additional Housing Services Petitions
- Exemption Status Petitions

<u>Unlawful Rent Petitions related to Rent Concessions</u>

Households seeking an Unlawful Rent Petition related to rent concessions, if their move-in date occurred before September 1, 2022, can only receive a refund of overpaid rent within one (1) year before the date of their filed Petition. Otherwise, households may follow the applicable statutes of limitations under State law if their move-in date occurred on or after September 1, 2022. Former tenants can still have their Unlawful Rent Petitions related to rent concessions be considered by a Hearing Officer if it is filed within six (6) months of vacating the unit.

Forms for petitions are available at mountainview.gov/rentstabilization. Please contact the Rent Stabilization Division for assistance by emailing mvrent@mountainview.gov or calling 650-903-6136. Bilingual assistance is available (se habla español). Services are also provided during weekly office hours on Zoom at mountainview.gov/rspofficehours, Tuesdays 10 a.m. – 12 p.m.

5. When can a tenant file a Tenant Hardship Petition?

Tenants living in CSFRA-covered units have the right to petition for an undue hardship when a banked rent increase is charged, or when a landlord files a Petition for Upward Adjustment of Rent based on the conditions below. Tenant Hardship Petitions filed in response to Banked Rent Increase notices must be filed

with the Rental Housing Committee and served on the landlord within ten (10) calendar days of the effective date of the rent increase. If the Hardship Petition is received after the effective date of the rent increase, the first month of the requested rent increase remains due. Tenant Hardship Petitions filed in response to a Landlord Petition, such as a Capital Improvement or Maintenance of Net Operating Income (MNOI) Petition, must be filed at least ten (10) calendar days before the scheduled Hearing.

	Hardship Condition	Household Income Limit or Rent Burden Status*	Additional Criteria
a.	Inadequate Household Income	100% of AMI or Severe Rent Burden	n/a
b.	Families with Children	120% of AMI or Severe Rent Burden	Primary residence of one or more persons under the age of 18
c.	Senior Household	120% of AMI or Severe Rent Burden	Primary residence of person who is 62 or older
d.	Persons with Disabilities	120% of AMI or Severe Rent Burden	Primary residence of person who is disabled
e.	Persons who are Terminally Ill	120% of AMI or Severe Rent Burden	Primary residence of person who is certified as terminally ill
f.	Other		Other extenuating circumstances

* Tenant may qualify if total household income does not exceed the listed percentage of area median income adjusted for household size (AMI), or if household spends more than 50% of household income on rent (Severe Rent Burden).

State Annual Average Median Income (AMI) for Santa Clara County in 2026 (adjusted for family size)

Household Size	1	2	3	4	5	6	7	8
100% AMI	$143,850	$164,400	$184,950	$205,500	$221,950	$238,400	$254,800	$271,250
120% AMI	$172,600	$197,300	$221,950	$246,600	$266,350	$286,050	$305,800	$325,500

Tenants who are considering filing an undue hardship petition are advised to carefully review the applicable sections in the CSFRA and the Regulations before filing a petition.

All forms for filing a petition, as well as the CSFRA and the Regulations, are posted on mountainview.gov/rentstabilization.

6. Can the amount of a security deposit be increased during a tenancy?

The CSFRA generally does not permit a landlord to increase the amount of the security deposit during a tenancy (CSFRA Section 1706 (c)). The CSFRA does not require a landlord to pay interest on security deposits.

Additionally, state law limits the amount of security deposits (California Civil Code Section 1950.5).

- Until July 1, 2024, the limit is two times the monthly rent (or, for furnished units, three times the rent).
- After July 1, 2024, the limit is one month's rent. For landlords who own no more than two residential rental properties that collectively include no more than four total units for rent, the limit is two times

the monthly rent, but only if the landlord is a natural person or a limited liability company in which all members are natural persons.

Section D: Evictions

1. What is a "Just Cause" eviction?

A landlord is not permitted to terminate a tenancy at will, not even at the end of a fixed term lease. A termination notice can only be issued for the following nine specific reasons ("just causes"):

- Failure to pay rent
- Breach of lease
- Nuisance
- Criminal activities
- Failure to give access
- Temporary vacancy due to necessary/substantial Repairs
- Owner move-in
- Withdrawal units from market
- Demolition

2. Can a landlord evict a tenant at the end of a lease?

The CSFRA limits the reasons for eviction to 9 "just causes." Not having or signing a lease renewal is not one of the 9 reasons. This means that tenants do not have to sign a new lease at the end of a lease. If tenants do not sign a new lease, the lease terms from the prior lease remain in effect. The tenancy becomes month to month. The landlord may apply the new AGA if it has been 12 or more months since the last increase.

3. How do I know if a termination notice complies with CSFRA?

If you would like to know whether a termination notice complies with the CSFRA, please contact the Rent Stabilization Division at 650-903-6136 or mvrent@mountainview.gov. Weekly office hours are also available on Zoom at mountainview.gov/rspofficehours, Tuesdays 10 a.m. – 12 p.m. or consult an attorney for legal advice.

Section E: Tenant Relocation Assistance

1. What are the eligibility criteria for relocation assistance?

A landlord seeking to recover possession of a rental unit through certain just cause termination reasons as stated in the CSFRA:

- necessary repairs,
- owner move-in,
- withdrawal of the property from the rental market, or
- demolition

may be required to provide relocation assistance for eligible tenants (household income not exceeding 120% of median household income + $5,000). A landlord must notify tenants of their rights to request relocation assistance at the time of service of the termination notice. Please contact the Rent Stabilization Division at 650-903-6136 or mvrent@mountainview.gov or consult an attorney for legal advice.

2026 HCD Average Median Income Levels per Household Size + $5,000

Household Size	1	2	3	4	5	6	7	8
120% AMI + $5,000	$177,600	$202,300	$226,950	$251,600	$271,350	$291,050	$310,800	$330,500

2. What type of relocation assistance do income eligible tenants receive?

Each eligible residential household is entitled to the following relocation assistance:

- Full refund of the tenant's security deposit, except for funds that may be necessary to repair tenant's damage to units that will be reoccupied prior to demolition.
- Unlimited subscription to a rental agency
- Personalized one-on-one assistance to find replacement housing, based on household preferences, budget, location, and other requirements.
- Relocation amount equivalent of three months' rent, based on the median monthly rent for a similar-sized unit with the same number of bedrooms and bathrooms.
- Additional amount of $8,000 (adjusted annually based on CPI for the San Francisco Bay Area) per rental unit for special circumstances households, which are households with at least one of the following characteristics:
    - At least one household member is 62 years of age or older;
    - At least one household member qualifies as disabled; or
    - The household has at least one legally dependent child 19 years of age or under.

3. When do tenants have the "first right of return" option?

The "first right of return" option is available to tenants when a landlord terminates a tenancy for one of the following just cause reasons as stated in the CSFRA:

- necessary repairs,
- owner move-in,
- withdrawal of the property from the rental market, or
- demolition

and following termination, **the landlord returns that rental unit to market**, as indicated in the Tenant Relocation Assistance Ordinance (TRAO):

First Right of Return Regulations:

- If the rental unit withdrawn from the market is returned to the rental market within 2 years, the former tenant has a first right to renew the terminated tenancy at the same lawful rental rate at the time the landlord gave notice of termination plus any allowed general adjustments of rent. The tenant is also eligible for actual and punitive damages.

- If the rental unit withdrawn from the market is returned to market within 5 years, the former tenant has a first right to renew the terminated tenancy at the same lawful rental rate at the time the landlord gave notice of termination plus any allowed general adjustments of rent. The tenant is also eligible for punitive damages if the tenant is not notified, not to exceed 6 months' rent.
- If the rental unit withdrawn from the market is returned to market within 10 years, the former tenant has a first right to renew the terminated tenancy at market rate.

Visit the City's Tenant Relocation Assistance website at mountainview.gov/trao for additional information.

4. What are Tenant Buyout Protections?

Tenant Buyout Agreements, in which a voluntary agreement is made between a property owner and a tenant(s) to vacate a unit in exchange for money, are one means of potentially circumventing the CSFRA and/or Tenant Relocation Assistance Ordinance.

Landlords are required to provide tenants with a mandatory Tenant Buyout Disclosure Form (the approved text of this Tenant Buyout Disclosure Form can be accessed at mountainview.gov/rentstabilization under Forms & Notices) before they enter into negotiations with tenants. A landlord must file a copy of the Disclosure Form, signed and dated by landlord and tenants, as well as notice of execution of a Tenant Buyout Agreement with the Rent Stabilization Division. This can be done online at mvrent.mountainview.gov.

Chapter 8 of CSFRA Regulations further stipulates that Tenant Buyout Agreements must:

- Be in writing;
- State the amount of money;
- State any other consideration offered to tenants in exchange for vacating a rental unit;
- Identify the date when the consideration must be received by tenants;
- Contain the date when tenants must vacate in order to receive the consideration; and
- Include mandatory disclosure language.

Section F: Healthy and Safe Housing

1. Who is responsible for maintaining and repairing properties and units?

Generally, maintenance and repairs are a landlord's responsibility. A landlord must maintain apartments and common areas in a safe and habitable condition. Tenants are required to take care of their apartment, and they may be responsible for the costs of repairs if they (or their visitors) cause any damage beyond normal wear and tear. Below are some, but not all, of the responsibilities for landlords and tenants.

Landlord Responsibilities

- Water/hot water, heat, and electricity/gas are in good working order
- Plumbing facilities, including cold and hot water, are in good working order
- Roof, windows, walls and/or doors are waterproof and weather proof
- Building and property are clean and free from vermin and/or bug infestations

Tenant Responsibilities

- Keeping premises as clean/sanitary as the condition of the premises permits
- Using and operating gas, electrical and plumbing fixtures properly
- Disposing of garbage in a clean and sanitary manner
- Not destroying, damaging or defacing the premise

2. How can a tenant address maintenance and habitability concerns?

When there is a maintenance issue, tenants should let their landlord know immediately, preferably in writing or by text. State law requires that a landlord give tenants at least 24-hours' written notice to enter their apartment for necessary or agreed upon repairs unless there is an emergency. Additionally, tenants should give written notice to the landlord of the need for repair(s) and keep a copy of the notice. If the necessary repairs are not completed within a reasonable period, tenants may file a rent decrease petition with the City.

Tenants may also request a property inspection through the City's Multi-Family Housing Inspection program. The Multi-Family Housing Inspections Program ensures proper maintenance of multi-family housing (3 or more dwelling units in a building), including CSFRA covered units. Program inspectors inspect all multi-family properties on a routine basis and also provide non-routine inspections upon request by tenants or property owners/managers.

Section G: Fair Rate of Return for Landlords

1. How does a landlord maintain a fair rate of return?

CSFRA regulations allow landlords who own rent stabilized properties to request rent increases above the Annual General Adjustment (AGA) through a City-managed petition process if they are in compliance with the law. Increase petitions can affect the rents for all units on a property at the same time and are often based on unusually high expenses, including capital improvements. Although increases and decreases in rent are regulated, a landlord is entitled to maintain a fair return on their investment as required under law.

Landlords requesting an adjustment in rent do so by filing petitions with the City and entering into a formal process. This process includes filing of forms and documentation, pre-hearing meetings, pre-hearing settlement conferences (if requested), hearings overseen and adjudicated by a Hearing Officer and the issuing of a formal decision by the same Hearing Officer. The process also allows parties to the petition to file appeals with the Rental Housing Committee (RHC) should they dispute the outcome of the Hearing Officer's decision.

Landlords may file different types of petitions with the City to request upward adjustments of rent:

- Maintenance of Net Operating Income (MNOI) Petitions
- Specified Capital Improvement Petitions
- Landlords are also able to file petitions disputing the exemption status of a property.

2. What is vacancy decontrol?

Vacancy decontrol allows landlords to set rents for fully covered units at market rate upon vacancy; once a new tenancy starts, the rent is again subject to the CSFRA's rent stabilization protections, including the

Annual General Adjustment (AGA) of rent. Vacancy decontrol is required under state law (California Civil Code 1954.50).

Section H: Registration, Fees and Notices for Landlords

1. Is property registration mandatory for landlords?

Yes, the Rental Housing Committee adopted mandatory registration regulations for CSFRA covered units. Registration is due by January 31 of each year. Complete the registration form online at mvrent.mountainview.gov. Failure to complete property registration annually will result in a non-compliant property status and an inability to lawfully increase rent.

On the Rent Stabilization Portal, Owners/ Managers can:

- Register Rental Properties
- Pay annual Rental Housing Fee
- File for Rental Housing Fee Exemptions
- Manage Required Information
    - Owner/Manager Contact Information (within 30 days of change)
    - New Tenancy Information (within 30 days)
    - Tenant Turnover Information (within 30 days)
- Submit Required Notices
    - Termination Notices (within 3 days)
    - Termination Notice Follow-up Documentation (within 7 days)
    - Banked Rent Increase Notices (within 7 days of serving notice on the tenant)
    - Voluntary Tenant Buyout Information (within 15 days of execution)

2. What is the annual Rental Housing Fee?

The Rental Housing Committee is required to finance the reasonable and necessary expenses of implementing the CSFRA by charging a Rental Housing Fee. Landlords are required to pay the annual Rental Housing Fee for Fully and Partially Covered rental units by January 31 of each year:

- 2026: Rental Housing Fee: $143 per unit
- 2025 Rental Housing Fee: $130 per unit
- 2024 Rental Housing Fee: $120 per unit
- 2023 Rental Housing Fee: $108 per unit
- 2022 Rental Housing Fee: $96 per unit
- 2021 Rental Housing Fee: $102 per unit
- 2020 Rental Housing Fee: $ 85 per unit
- 2019 Rental Housing Fee: $101 per unit
- 2018 Rental Housing Fee: $124 per unit
- 2017 Rental Housing Fee: $155 per unit

Per the CSFRA, these fees cannot be passed through to tenants.

3. What happens if a property has not registered or paid the Rental Housing Fee?

Properties that have not registered or paid their Rental Housing Fee may result in:

- Late fees of $25 per unit per month for not completing the annual registration requirements.
- Late fees of 4% per month for not paying annual rental housing fees.
- Mailing non-compliance letters with a copy sent to affected tenants.
- Posting non-compliant properties to City website at mvrent.mountainview.gov.
- Landlords are not eligible to impose any rent increases while the fees remain unpaid or the registration is not complete.

4. What type of notices do landlords need to provide to tenants under CSFRA?

Landlords need to provide the following types of notices to tenants:

- **"Rent Stabilization Division Information Sheet":** At the start of a lease and with every notice of rent increase, landlords must provide a CSFRA Information Sheet to the tenant. The approved text of this CSFRA Information Sheet can be accessed at mountainview.gov/rentstabilization.

- **"Notice of Rent Increase":** Allowable rent increases pursuant to CSFRA shall become effective only after the landlord provides at least 30 days advance written Notice of Increase of Rent pursuant to state law.

- **"Notice of Previously Banked Rent Increase greater than the AGA":** If a requested rent increase contains more than the Annual General Adjustment, the Notice must identify the increase in monthly Rent Due, including the actual increase as well as a calculation of the dollar increase as a percentage of the rent due immediately prior to the imposition of the rent increase; and must include the following text in at least 12 point font:

  > "The rent increase requested with this notice exceeds the annual general adjustment authorized for the current year. Landlords may save ("bank") annual general adjustments that were not imposed in previous years and implement them with the current annual general adjustment in accordance with the Community Stabilization and Fair Rent Act section 1707 and implementing regulations.
  >
  > Rent may only be increased once every twelve months and rent increases cannot exceed ten percent (10%) of the rent actually charged in the previous year. Tenants have the right to petition the Rental Housing Committee (RHC) for relief if this rent increase will cause an undue hardship. The RHC defines a hardship based on either household income or if the household spends 50% or more of household income on rent, with specific definitions for households with children, seniors, or persons with disabilities or who are terminally ill.
  >
  > If you believe the rent increase requested with this notice is incorrect, excessive or causes an undue hardship, you can (a) contact your landlord to discuss the increase, and/or (b) file a petition with the RHC. For more information about petitions or the hardship process, contact the Mountain View Rental Housing Helpline at (650) 903-6136 or mvrent@mountainview.gov."

Copy of this Notice needs to be filed with the Rental Housing Committee within 7 days of serving this notice on tenant at mvrent.mountainview.gov.

- **"Notice to Cease".** A written notice that gives a tenant the opportunity to cure an alleged violation or problem concerning a Breach of Lease, a Nuisance, a Criminal Activity or Failure to Give Access, before serving a termination notice. This notice needs to provide the telephone number for the Rental Housing Committee: 650-903-6125. Copy of this Notice to Cease needs to be filed with the Rental Housing Committee within 3 days of serving this notice on tenant at mvrent.mountainview.gov.

- **"Termination Notice".** A written notice in accordance with state law detailing the specific reason for termination. This notice must include that the mobile home is covered under the CSFRA and provide the telephone number for the Rental Housing Committee: 650-903-6125. Copy of this Termination Notice needs to be filed with the Rental Housing Committee within 3 days of serving this notice on tenant at mvrent.mountainview.gov.

- **"Unlawful Detainer".** Copy of a summons, complaint of unlawful detainer or a judgment for an unlawful detainer against a tenant must be submitted with the Rental Housing Committee within 7 days of serving the notice to the tenant at www. mvrent.mountainview.gov.

- **"Vacate Notice".** Written notice must be submitted to the Rental Housing Committee if a tenant vacates the rental unit either as a result of the termination notice or a subsequent action for unlawful detainer no later than 7 days after the tenant vacates the unit at mvrent.mountainview.gov.

- **"Tenant Buyout Disclosure Form".** A written notice that informs tenants of their rights under the CSFRA regarding offers to vacate a rental unit in exchange for compensation by the landlord. This notice needs to provide the contact information of the Rent Stabilization Division at 650-903-6136 and mvrent@mountainview.gov. The approved text of this Tenant Buyout Disclosure Form can be accessed at mountainview.gov/rentstabilization. Copy of this Form needs to be filed with the Rental Housing Committee within 7 days of serving this notice on tenant at mvrent.mountainview.gov.

5. What should a new owner of a rent stabilized property know?

Before purchasing a multi-family property in Mountain View, future owners should determine whether the property is covered by the CSFRA and other applicable state and local laws, including the TRAO. If the property is covered by the CSFA the future owner should determine if all rental housing fees are current and whether the property is properly registered with the Rent Stabilization Division. They may also want to learn the current rent levels and review the tenant records regarding the property. Once new owners have purchased the property, they should contact the City to:

- Prior to purchase: Determine whether the annual Rental Housing Fees have been paid and if the property is otherwise in full compliance with the CSFRA (including not having outstanding code violations on the property)
- File an online "Change of Ownership" form
- Check on allowed rent increases for the property
- Get informed on the Just Cause eviction protections

6. What does it mean when a property is out of compliance?

Some of the requirements imposed by the CSFRA and the Regulations are considered substantial. Failure to comply with one or more of these requirements, means a landlord has not substantially complied with the CSFRA and, therefore, cannot raise rents and/or file a petition for upward adjustment of rent.

To be in substantial compliance means:

- Landlord has to roll back rent to either the rent charged on October 19, 2015, or the amount charged on the move-in date, if the tenancy commenced after October 19, 2015.
- Landlord has increased the rent in accordance with requirements of the CSFRA. If the landlord has ever charged more than the Rent allowed under the CSFRA, the landlord has refunded the unlawful Rent to the affected tenants.
- Landlord has paid all applicable annual rental housing fees.
- Landlord has registered the property with the Rent Stabilization Division.
- Landlord has maintained the property in substantial compliance with all State and local health and safety laws and with any RHC orders or regulations, and there are no outstanding citations or notices of violation for the property.

Section I: Additional Questions

1. What is the Rental Housing Committee?

The CSFRA establishes a Rental Housing Committee, which consists of 5 Committee members and 1 alternate member, who are Mountain View residents, appointed by the City Council.

2. What does a tenant need to do to add a family member or roommate to their unit?

If a tenant in a Covered Rental Unit would like to house additional eligible family members (child, parent, grandchild, grandparent, brother, or sister of tenant or tenant's spouse or domestic partner, or spouse or domestic partner of tenant), please consider the following:

- Housing an additional family member cannot exceed maximum occupancy under state law
- The tenant must send a mandatory notice to inform the landlord, with copy to City, that includes:
    - Date of the notice and date when the family member will move in the unit
    - Full name of the family member
    - Qualifying Family Relationship with tenant or tenant's spouse/domestic partner
    - Notice should be provided 15 days prior to the proposed move-in date
- The landlord may request reasonable documentation of the eligible family relationship
- The landlord may not charge additional rent or security deposit

If a tenant in a Covered Rental Unit would like to replace a leaving roommate:

- The tenant must send a mandatory notice to inform the landlord, with copy to City, that includes:
    - Date of the notice, and date when the roommate will move in
    - Full name of the replacement roommate
    - How much rent the roommate will pay and to whom (e.g. to landlord, tenant, etc.)
    - Notice should be provided 15 days prior to the proposed move-in date

- The landlord may perform typical tenant screening and charge a fee
- The landlord may not charge additional rent or security deposit

If a tenant in a Covered Rental Unit would like to house any other additional occupant/roommate:

- The lease terms and/or landlord control whether this is allowed
- The original tenant cannot charge rent in excess of lawful rent
- The landlord and additional occupant each must disclose rent terms upon request

The landlord can ONLY renegotiate rent with additional tenants, when ALL original tenants have moved out. The noticing requirements for rent increases need to be taken into account.

Section J: Contact us

1. How can I learn more about the CSFRA?

Phone:	650-903-6136
Email:	mvrent@mountainview.gov
Online:	mountainview.gov/rentstabilization
Virtual Office Hours:	Tuesdays 10 a.m. – 12 p.m. Zoom mountainview.gov/rspofficehours
Housing Help Center:	1st and 3rd Thursdays every month Landlords: 1 – 3 p.m. Tenants: 6 – 8 p.m. 298 Escuela Ave. and Virtual on Zoom mountainview.gov/housinghelpclinics

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