



City of East Palo Alto
Rent Stabilization Program
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NOTICE OF 2022-23 ANNUAL GENERAL ADJUSTMENT IN RENT

On April 13, 2022, the Rent Stabilization Board (the “Board”) authorized an Annual General Adjustment (“AGA”) in rents in East Palo Alto of **4.2%** for Program Year 2022-23.¹ Beginning July 1, 2022, the Maximum Allowable Rent, hereinafter “MAR”, may be adjusted upwards by 4.2% for regulated rental units that are in compliance with the Rent Stabilization and Just Cause for Eviction Ordinance of 2010 (the “Ordinance,”) codified under Chapter 14.04 of the East Palo Alto Municipal Code. Pursuant to this notice, landlords may increase a tenant’s rent, which includes all fees for regulated housing services, by no more than 4.2% above the current MAR, assuming a tenant’s current rent level is at the MAR, and the landlord also complies with other provisions of the Ordinance. A copy of the Board staff report, and video are available on the City’s website at http://eastpalalto.iqm2.com/Citizens/Detail_Meeting.aspx?ID=1861.

The Ordinance requires the Board to annually calculate the percentage increase, or AGA, that eligible landlords of rent-controlled units may raise rents after giving a required 30-day written notice to a tenant. Only landlords, who are in compliance with the Ordinance, may increase rents between July 1 and June 30 of each program year by the amount of the AGA.

If a tenant’s rent was not increased in the program year for which an AGA is authorized, prior authorized AGAs may be used in future years to raise rent (never more than 10%) unless the property has not been in compliance with the Ordinance.

The following are the AGAs authorized by the Board for each program year since the Ordinance went into effect in August 2010:

July 1, 2022 – June 30, 2023 AGA rent increase of **4.2% allowed**
July 1, 2021 – June 30, 2022 AGA rent increase of **1.3% allowed**
July 1, 2020 – June 30, 2021 AGA rent increase of **2.3% allowed**
July 1, 2019 – June 30, 2020 AGA rent increase of **2.8% allowed**
July 1, 2018 – June 30, 2019 AGA rent increase of **2.9% allowed**
July 1, 2017 – June 30, 2018 AGA rent increase of **2.7% allowed**
July 1, 2016 – June 30, 2017 AGA rent increase of **2.4% allowed**
July 1, 2015 – June 30, 2016 AGA rent increase of **2.0% allowed**
July 1, 2014 – June 30, 2015 AGA rent increase of **2.0% allowed**
July 1, 2013 – June 30, 2014 AGA rent increase of **2.0% allowed**
July 1, 2012 – June 30, 2013 AGA rent increase of **2.4% allowed**
July 1, 2011 – June 30, 2012 AGA rent increase of **1.4% allowed**
August 2010 – June 30, 2011 AGA rent increase of **0% (no increase allowed)**

If rent was increased by more than the percent cited above in any of these program years, then this rent increase was in violation of the Ordinance, unless the rent increase is to the permissible rent level or MAR and

¹ This authorized AGA equals 80% of ~~the 3.5% increase in~~ the Consumer Price Index (CPI) for All Urban Consumers in the Bay Area from February 2021~~19~~ to February 2022~~20~~ as determined by the U.S. Bureau of Labor Statistics, as required by Section 14.04.100.C of the East Palo Alto Municipal Code.

the landlord has been in substantive compliance with the Ordinance. Tenants may petition for a rent reduction and for a refund for any rent they paid over the MAR. Tenants can also file petitions for approval to withhold rent for a landlord's failure to properly register their unit and their tenancy with the Board, or for a rent adjustment and rebate for reductions in housing services and maintenance and for violations of the implied warranty of habitability that their landlord fails to correct within a reasonable timeframe.

A landlord's right to increase rents based on Annual General Adjustments is subject to the following qualifying conditions:

- **One rent increase per year:** No more than one rent increase per twelve-month period may be imposed on an existing tenant in a regulated rental unit. No increase in rent is permitted for new tenants in the first twelve months of occupancy of a regulated unit.
- **10% limit on allowable rent increases:** The overall rent increase in any twelve-month period cannot exceed 10%.
- **Conditions under which no rent increase is allowed:** A landlord is eligible to increase rents by the AGAs only if the landlord:
 1. Properly registers all units and report any new tenancies in the same property with the Rent Board for Initial Registration and annual Program Fee Statement; and
 2. Substantially complies with the Ordinance or any orders or regulations issued or promulgated under the Ordinance, including not charging more than MAR; and
 3. Ensures the rental unit complies with the implied warranty of habitability; and completes all repairs ordered by the City.

Updated Form Required for 30-Day Notices of Rent Increase: Prior to imposing a rent increase, the landlord must notify each affected tenant in the manner prescribed by State law (at least 30 days' advance written notice of a rent increase). Beginning with rent increases effective July 1, 2014, landlords are required to use the enclosed updated Rent Increase Notice Form to give notice to tenants that their rent is to be increased, and to submit a copy of this notice to the Board within 10 business days. See Section 1100 of the Regulations.

Notice Required for New Tenants: Section 6 of the Ordinance states that at the commencement of any tenancy, the owner of any regulated unit must provide the tenant with a written notice of the Ordinance on a form prescribed by the City. Enclosed please find a copy of the Program's Notice of Ordinance at Commencement of Tenancy in English and Spanish.

Both the Board's form for 30-Day Notice of Rent Increase, including fillable PDF versions, and the **Notice of Ordinance** are available, along with other forms at the Rent Program website on the page for Landlord Requirements and Forms at: <http://www.cityofepa.org/rentprogram>.

If you have questions or need assistance, you may:

- 1) Email us with questions or tell us about a problem: rentprogram@cityofepa.org
- 2) Call the Rent Program: (650) 853-3114