



City of East Palo Alto
Rent Stabilization Program
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**Notice of Allowed Exemptions and Documentation Required
for Claims of Exemption to the Rent Stabilization Registration and Fee Requirements**

The following categories of rental housing units are partially or fully exempt from certain sections of the City's Rent Stabilization and Just Cause for Eviction Ordinance ("RSO") pursuant to Section 5 of the RSO, and are exempt from fee payment requirements once a valid Claim of Exemption form with adequate documentation has been filed with the Rent Stabilization Program.

PARTIALLY EXEMPT RENTAL UNITS

A. The following rental units are exempt only from RSO Sections 8, 9, 10, 12, 13, 14 and 18.A and 18.B:

1. **Single-Family Dwellings.** Single-family dwellings in parcels with only one dwelling unit. Other units exempted from rent control pursuant to the Costa-Hawkins Housing Act such condominiums.
2. **Units Newly Constructed After January 1, 1988 which Received a Certificate of Occupancy on or after January 1, 1988.** Dwelling unit must be entirely newly constructed or created from space that was formerly entirely non-residential. This exemption does not apply to newly constructed dwelling units that replaced covered units withdrawn from the rental market in accordance with the Ellis Act if the withdrawal notice was filed after March 9, 2010. Submit the following applicable documentation to verify an exemption claim:
 - Certificate of Occupancy issued by the City of East Palo Alto Building Department; and
 - Filed notice of withdrawal of units from the rental market in accordance with the Ellis Act.
3. **Units in Owner-Occupied Two & Three-Unit Properties.** One of the units must be currently occupied, for a continuous period of one year or more, as the principal residence of the owner or the owner's parent, child or sibling. Submit the following documentation to verify an exemption claim:
 - Owner statement that for a continuous period of one year or more, the property has been the principal place of residence of the owner, or owner's parent, child or sibling.
 - Evidence that there are three or fewer housing units on the property, including any contiguous parcels or lots; and
 - Evidence of at least a 50% ownership interest in the property by the owner submitting the claim (e.g. grant deed).
4. **Non-Profit Housing Projects with Rent Covenants.** A unit in a residential property owned by a 501(c)(3) tax-exempt organization or operating subject to low-income tax credit regulations and subject to a regulatory agreement with a government agency. Submit the following documentation to verify an exemption claim:
 - The regulatory agreement with a governmental agency that controls the unit's rent levels; and
 - A rental agreement documenting that the property is not rented by a tenant who occupied the unit prior to the properties' sale to the nonprofit agency or to the execution of a regulatory agreement.

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B. The following units are exempt only from RSO Sec. 9, 10, 12, 13, 14, 18.A and 18.B, but not Section 8, so annual Registration Statements and Certification are required:

1. **Units with Voucher Assistance:** Rental units leased to tenants assisted under the Section 8 program or a similar federally funded rent subsidy program. Submit the following documentation to verify an exemption claim:
 - Evidence that the unit is under Section 8 contract with a Housing Authority; and
 - Evidence of the initial date of occupancy of the current tenant.

FULLY EXEMPT RENTAL UNITS

The following dwelling units are fully exempt from the RSO:

1. **Transient Occupancy.** Accommodations in motels, hotels, inns, tourist houses, rooming houses and boarding houses if such accommodations are not occupied by the same tenant for 30 or more continuous days. Submit the following documentation to verify an exemption claim:
 - A business license identifying the property as a hotel, motel, inn, tourist home, rooming house or boarding house; or
 - Records issued pursuant to City Municipal Code Ch. 3.68 (Transient Occupancy Tax); and
 - A list of occupancies on the property within the past twelve months which exceeded thirty (30) days, even in cases in which the occupancy within the same unit did not exceed thirty days; and
 - A list of agreements within the past year providing for tenancies in excess of thirty (30) days.
2. **Care Facilities.** Housing accommodations in any hospital, skilled nursing, health or care facility, convalescent home, or nonprofit home for the aged. Submit the following documentation to verify an exemption claim:
 - Documentation that the rental units are used for residential housing purposes as part of the social service program.
3. **Resident-Owned Non-Profit Housing.** Dwelling units in a nonprofit cooperative that is owned, occupied and controlled by a majority of the residents. Submit the following documentation to verify an exemption claim:
 - A copy of the Articles of Incorporation; and
 - Evidence of the ongoing operation of the cooperative.
4. **Units Exempted by State and Federal Law.** Claimant must cite the applicable State or federal law and provide proof that units are exempted by specific provisions in the law.
5. **Units (Rooms) Within a Dwelling Unit Shared with the Landlord.** The unit is the principal residence of a landlord and landlord shares the bathroom or kitchen facilities with the tenant. Submit the following documentation to verify an exemption claim:
 - Evidence of owner occupancy of the unit shared with a tenant.

REGISTRATION REQUIRED UPON TERMINATION OF EXEMPTION

No annual exemption claim is required for already exempt units. **Within 60 days of a change in use terminating a rental unit's exempt status**, the landlord is required to complete and file with the Rent Stabilization Board an **Initial Registration Statement**. (Where a prior Initial Registration Statement had been filed for that unit, the landlord shall file a new Initial Registration Statement with *updated* information that reflects the conditions of renting the unit that have changed since the last Initial Registration Statement was filed.) (RSO § 8.J)